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NEWS RELEASE

CapitaLand launches voluntary conditional cash offer with a view to delist CapitaMalls Asia

Offer price of S$2.22 per share represents 27.0% premium over one-month VWAP

Singapore, 14 April 2014 – Sound Investment Holdings Pte. Ltd., a wholly-owned subsidiary of CapitaLand Limited (CapitaLand), has launched a voluntary conditional cash offer (Offer) of approximately S$3.06 billion for CapitaMalls Asia Limited (CMA) with a view to delist CMA.

The Offer is for the remaining ordinary shares of CMA that CapitaLand does not already own and is conditional on receiving acceptances such that CapitaLand holds more than 90.0% of CMA. CapitaLand currently holds approximately 65.3% of CMA.

The Offer price is S$2.22 in cash for each CMA share. It represents a premium of 27.0% to the one-month volume-weighted average price (VWAP), and a premium of 20.7% to the net asset value per share of CMA and its subsidiaries (CMA Group) as at 31 December 2013. The Offer price will be reduced for any CMA dividend or distribution on or after the announcement date, including the currently proposed CMA final dividend of S$0.0175 per share for FY2013.

The Offer will be funded through a combination of internal cash resources and borrowings of CapitaLand and its subsidiaries (CapitaLand Group), excluding those of CMA Group.

Rationale for Offer

The intention of the Offer is to delist CMA and fully integrate it into the CapitaLand Group.

The Offer allows CapitaLand to achieve the following key objectives:

Fully integrating CMA significantly enhances CapitaLand's competitive strengths in integrated developments

The 'One CapitaLand' strategy seeks to harness the key strengths of its various business units to create differentiated real estate projects and enhance overall project returns. The development of integrated projects is core to CapitaLand Group's business strategy, as evidenced by its many highly successful integrated projects such as its Raffles City projects in Singapore and China. The individual components of an integrated development complement one another to increase the overall attractiveness of the project. For example, the pre-sales of residential units help fund development costs and improve project cash flows whilst mall connectivity enhances the appeal to commercial tenants and serviced residence customers. Malls in integrated developments are likely to enjoy higher foot traffic and a captive catchment from integrated offices and serviced residences. CapitaLand's integrated developments are typically situated within close proximity to a major transportation hub, providing incremental foot traffic.

Delisting CMA enables greater alignment between CapitaLand and CMA's business strategies by focusing resources on highest overall project returns. This strategy is expected to confer benefits including improving sourcing of opportunities, streamlining of operations and greater resource accessibility and mobility across strategic business units. CapitaLand will continue to grow its shopping mall business.

Simplify CapitaLand Group's organisational structure

The Offer reinforces CapitaLand's strategy to streamline the CapitaLand Group's organisational structure as the delisting of CMA removes one "listed developer" layer. CapitaLand Group will benefit from a clearer structure – with a single listed developer integrated across all asset classes, and five key listed real estate investment trusts (REITs)[1] for capital recycling. This provides investors with a clear investment proposition as the CapitaLand Group will have a good balance between recurring income from REITs and investment properties, and development income from its development activities. Reduced organisational complexity would also provide sharper focus for CapitaLand Group's operations and enhance competitiveness.

Increase CapitaLand's financial flexibility and scale

By delisting CMA, CapitaLand will have more flexibility to access and allocate capital across all of its strategic business units, enabling the CapitaLand Group to direct its resources across asset classes in a manner that best enhances shareholder returns. This is a significant competitive advantage for CapitaLand, given the large capital outlays required for integrated developments.

Increasing CapitaLand's ownership of CMA also expands CapitaLand Group's scale. Its total assets[2] increase by 13.4% on the basis of its effective share in its subsidiaries' assets as at 31 December 2013 on a pro forma basis. Furthermore, Singapore and China will continue to remain as CapitaLand Group's core markets, constituting more than 80% of its effective share of total assets[2] on a pro forma basis.

The combination of increased financial flexibility and scale allows CapitaLand Group to better pursue business opportunities in its core markets.

Unlock shareholder value and achieve synergies

The transaction is expected to be immediately accretive for CapitaLand shareholders[3]. Based on the Offer terms, a full privatisation of CMA would raise the earnings per share of

[1] i.e. CapitaCommercial Trust, CapitaMall Trust, CapitaRetail China Trust, CapitaMalls Malaysia Trust and Ascott Residence Trust.

[2] Excluding treasury cash.

[3] This statement, together with the immediately following statement relating to return on equity, should not be interpreted to mean that the future earnings per share for CapitaLand shareholders will necessarily be greater than those for FY2013.

CapitaLand Group for FY2013 by approximately 21.5% and improve the return on equity of CapitaLand Group as at 31 December 2013 from 5.4% to approximately 6.7% on a pro forma basis.

As a listed entity, CMA has to incur listing, compliance and other related costs. If delisted, these costs would be saved and additional cost efficiencies would result from greater flexibility of mobilising services and resources among CapitaLand Group's other unlisted strategic business units. Post-integration, CMA will have the flexibility to leverage on the capital base of CapitaLand Group to optimise its funding costs and capitalise on growth opportunities.

Mr Ng Kee Choe, Chairman of CapitaLand Group, said: "The delisting and full integration of CMA will significantly enhance CapitaLand's position to harness its competitive strengths across business units and enable it to deepen and strengthen its leading position in integrated developments. CapitaLand continues to be committed to its vision to be a pre-eminent real estate company in Asia."

Mr Lim Ming Yan, President & Group CEO of CapitaLand Limited, said: "The proposed delisting of CMA is in line with our 'One CapitaLand' strategy. Post transaction, there will be six[4] listed entities in the CapitaLand Group, compared to eight in January 2013. More importantly, development activities will be undertaken by CapitaLand, while most of our stabilised assets will be held in the listed REITs. This will significantly simplify CapitaLand Group's structure and enhance our ability to undertake and optimise integrated developments. CapitaLand will be in a better position to capitalise on the growing trend towards integrated developments in our core markets of Singapore and China."

He added: "The transaction unlocks shareholder value for CapitaLand shareholders as it is expected to be immediately accretive[5]. There will also be revenue and costs synergies achieved through the delisting of CMA, which comes from reduced listing costs and flexibility to mobilise services and resources within the CapitaLand Group."

Credit Suisse and Morgan Stanley are the joint financial advisers to CapitaLand.

About CapitaLand Limited

CapitaLand is one of Asia's largest real estate companies. Headquartered and listed in Singapore, the company's businesses in real estate and real estate fund management are focused on its core markets of Singapore and China.

The company's diversified real estate portfolio primarily includes homes, offices, shopping malls, serviced residences and integrated and mixed-use developments. The company also has one of the largest real estate fund management businesses with assets located in Asia. CapitaLand leverages its significant asset base, real estate domain knowledge, produce design and development capabilities, active capital management strategies and extensive market network to develop real estate products and services in its markets.

[4] After taking into account of the divestment of Australand Limited.

[5] This statement, together with the immediately following statement relating to return on equity, should not be interpreted to mean that the future earnings per share for CapitaLand shareholders will necessarily be greater than those for the year ended 31 December 2013.

The listed entities of the CapitaLand Group include CapitaMalls Asia, Ascott Residence Trust, CapitaCommercial Trust, CapitaMall Trust, CapitaMalls Malaysia Trust and CapitaRetail China Trust.

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This news release should be read in conjunction with the full text of the offer announcement dated [14] April 2014 released by Credit Suisse (Singapore) Limited and Morgan Stanley Asia (Singapore) Pte. Shareholders and holders of options in CMA are advised to read all the documents relating to the offer that are filed with the SGX-ST when they become available because they will contain important information. Copies of documents may be obtained, when available, from the SGX-ST website (www.sgx.com).

Each of the directors of Sound Investment Holdings Pte. Ltd. (Offeror) and CapitaLand (including any who may have delegated detailed supervision of this news release) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this news release are fair and accurate and that no material facts have been omitted from this news release, and they jointly and severally accept responsibility accordingly. Where any information has been extracted or reproduced from published or publicly available sources, the sole responsibility of the directors of the Offeror and CapitaLand has been to ensure through reasonable enquiries that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this news release.

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All statements other than statements of historical facts included in this news release are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "aim", "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" or "might". These statements reflect the Offeror and CapitaLand's current expectations, beliefs, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements. None of the Offeror, CapitaLand nor any of the joint financial advisers guarantees any future performance or event or undertakes any obligation to update publicly or revise any forward-looking statements.