



Millennium & Copthorne Hotels plc - Highlights of Results for the Year Ended 31 December 1999

March 15, 2000

The Group's pre tax profit increased by 43% to £86.1 million. Turnover for the Group including acquisitions jumped 55% to £343.1 million (1998: £221.9 million). Operating Profit increased 32% to £98.5 million (1998: £74.9 million) producing a Profit before Tax of £86.1 million up 43% (1998: £60.4 million).

Earnings per share were 29.8p, an increase of 8% on a restated 1998 figure. The directors are recommending a final dividend of 7.5p per share (1998: 6.9p) giving a total dividend of 11.3p per share (1998: 10.2p). Shareholders' funds at the close of the year were £1,320.0 million (1998: £633.8 million) with a gearing of 50% (1998: 43%).

The Group was transformed into a global hotel owner/operator following the acquisitions of the Asian and Australasian hotel interests of CDL Hotels International for £556 million in June 1999; the Seoul Hilton from Daewoo Corporation for US\$228 million in November 1999 and the US hotel interests of Regal Hotels International for US\$640 million in December 1999. The Group also strengthened the management structure in each of its four main regions -- UK & Europe, USA, Australasia and Asia. Tony Potter, formerly at Friendly Hotels and Hilton, joined as Chief Operating Officer. Miguel Ko was appointed as Deputy Chairman and Chief Executive Officer of CDL Hotels International.

Commenting on the results, Mr Kwek Leng Beng, Chairman, said: "The acquisitions made by Millennium & Copthorne Hotels during 1999 set the Group on the path to becoming a truly global player in the consolidating hotel industry. The Group entered 1999 with 7,000 bedrooms in 24 hotels located in only four countries and was predominantly United Kingdom based. We entered the new millennium with 31,000 bedrooms in 117 hotels, located in 13 countries. This was a significant move for the Group following three years of concentrating on organic growth in the then existing portfolio."

John Wilson, Chief Executive said: "Over the next few years Millennium & Copthorne Hotels will achieve significant additional earnings from the acquisitions made during 1999. This will come primarily from the continuing economic recovery in Asia and Australasia together with the repositioning, refurbishing and introduction of our management style and control into the under performing assets acquired in the USA Regal Group. To this can be added the benefit to be gained from enhanced brand recognition and global sales and marketing activities. This year has begun strongly and I am confident that the Group has all the ingredients to achieve further significant growth."