



CITY DEVELOPMENTS LIMITED

Millennium & Copthorne Hotels Completes Regal Acquisition

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The Hong Leong Group's London-listed Millennium & Copthorne Hotels plc (M&C) completed the acquisition of the US hotel interests of Regal Hotels International ("Regal") on Friday, 17 December 1999.

M&C has agreed with Regal to defer the acquisition of Regal's interest in the Regal Bostonian until such time as discussions with the co-owner have been completed. M&C will withhold US\$13.4 million (plus US\$16.9 million of attributable debt) from the total consideration of US\$640 million. However, M&C will now take over management of the hotel.

Thomas O'Leary has resigned as Chief Executive of Regal US to pursue other opportunities. An announcement regarding his replacement will be made at an appropriate time. Gordon Stevenson, who has joined the M&C Group, has been appointed Senior Vice President for Sales & Marketing with immediate effect for the Group's US interests, including the Regal Group of hotels. He will be relocated in the corporate office in Denver. Alan Bridle has today resigned from the M&C Board of Directors, and will be relocating to Denver as an executive director of US Regal Hotels.

John Wilson, Chief Executive of M&C, said today: "We are delighted to have completed the acquisition, which confirms our position as a truly global hotel owner operator. We expect to appoint a new CEO of Regal US shortly, and in the interim we are strengthening the management of the enlarged US operations with the appointment of Gordon Stevenson and with Alan Bridle's relocation to Denver."