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Acquisitions and Disposals :: Changes in Company's Interest :: INVESTMENT IN ACQUISITION AND DEVELOPMENT OF SITE IN THE GINZA DISTRICT, TOKYO, JAPAN

* Asterisks denote mandatory information

Name of Announcer *	CITY DEVELOPMENTS LIMITED
Company Registration No.	196300316Z
Announcement submitted on behalf of	CITY DEVELOPMENTS LIMITED
Announcement is submitted with respect to *	CITY DEVELOPMENTS LIMITED
Announcement is submitted by *	Enid Ling Peek Fong
Designation *	Company Secretary
Date & Time of Broadcast	30-Sep-2011 17:28:43
Announcement No.	00121

>> Announcement Details

The details of the announcement start here ...

Announcement Title *	INVESTMENT IN ACQUISITION AND DEVELOPMENT OF SITE IN THE GINZA DISTRICT, TOKYO, JAPAN
Description	Please refer to the attached Announcement in relation to the above subject matter.

Attachments
 [30092011_Ginza_Tokyo.pdf](#)

Total size = **44K**
(2048K size limit recommended)

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INVESTMENT IN ACQUISITION AND DEVELOPMENT OF SITE IN THE GINZA DISTRICT, TOKYO, JAPAN TOGETHER WITH MILLENNIUM & COPTHORNE HOTELS PLC

The Board of Directors of City Developments Limited (the “**Company**” or “**CDL**”) refers to an announcement released by its subsidiary, Millennium & Copthorne Hotels plc (“**M&C**”) on 8 July 2011 in connection with M&C’s proposed acquisition and development of a site (containing land and a building) (the “**Property**”) located at Ginza 5-chome, Chuo-ward, Tokyo, Japan. Further details of the Property, the purchase price, the seller and the proposed hotel development project on the Property may be found in M&C’s announcement of 8 July 2011.

M&C has since announced on 30 September 2011 that the acquisition of the Property was completed on 30 September 2011. A copy of M&C’s latest announcement is attached herewith.

In line with M&C’s stated intention of inviting other investors to participate in this investment, the Company was invited by M&C to participate in the investment taking into account CDL’s well-established real estate development experience and knowledge of the Japanese market as well as to leverage upon the long-standing relationships of CDL and its parent company with Mitsui Fudosan Co., Ltd.

CDL’s investment in the Property (apart from that held separately by the M&C group) is held through its wholly-owned subsidiary, Citydev Venture Holdings Limited, which has invested in 60.1% of the paid-up share capital of CDL Hotels Japan Pte. Ltd., the latter in turn has 49.9% interest (held through preferred equity capital) in Hong Leong Ginza TMK, the special purpose vehicle set up in Japan to hold the Property. CDL’s effective interest in the Property (excluding the interest held through the M&C group) is 29.99%, whilst M&C’s effective interest in the Property is 70.01%.

The aggregate investment of CDL in this transaction through its investment in the shares of CDL Hotels Japan Pte. Ltd. of JPY 1,115,720,000 (approximately S\$19.2 million based on S\$1 = JPY 58.2 as at 27 September 2011) was satisfied in cash through the internal resources of the Company. The investment is not expected to have any material impact on the net tangible assets or earnings of the CDL Group for the financial year ending 31 December 2011.

The following Directors of CDL, namely Messrs Kwek Leng Beng and Kwek Leng Peck are also directors of M&C. Save as disclosed herein, none of the Directors or the controlling shareholders of the Company has any interest, direct or indirect, in the aforesaid transaction.

By Order of the Board

Shufen Loh @ Catherine Shufen Loh
Enid Ling Peek Fong
Company Secretaries

Date: 30 September 2011

For Immediate Release

30 September 2011

MILLENNIUM & COPTHORNE HOTELS PLC (M&C)

Acquisition of site in Ginza District, Tokyo, Japan

On 8 July 2011, M&C announced that one of its subsidiaries had entered into a conditional purchase and sale agreement (the "PSA") with Cosmos Initia Co., Ltd to acquire a site (containing land and a building) in the Ginza district in Tokyo (the "Property").

M&C is pleased to announce that the transaction was completed on 30 September 2011.

In line with M&C's stated intention of inviting other investors to participate in this investment, its holding company, City Developments Limited ("CDL") was invited to participate to better manage M&C's project risks, taking into account CDL's well-established real estate development experience and knowledge of the Japanese market as well as to leverage upon the long-standing relationships of CDL and CDL's parent company with Mitsui Fudosan Co., Ltd ("MFC"). M&C's effective interest in the project is 70.01% and CDL's is 29.99% (excluding the interest held through the M&C group).

M&C's plans regarding the Property remain as previously announced. As previously disclosed, MFC will project manage the demolition of the existing building and the development of the new building at the site. Concurrent with the completion of the PSA, an agreement has been entered into with MFC setting out the indicative principal terms by which MFC will be granted a fixed-term master lease of the hotel premises in the new development which will be built on the land following the demolition of the existing building thereon. The hotel development is scheduled to be completed by no later than the fourth quarter of 2014.

M&C's current preliminary estimate of the total investment cost for the proposed acquisition and development of the Property is approximately ¥14.56 billion (approximately £121 million)¹. On this basis, this project presents an opportunity for the M&C group to gain a foothold in prime real estate in Ginza, Tokyo at the projected cost of approximately ¥45 million (approximately £375,000)¹ per room key for hotel on a completed basis.

M&C Chairman, Kwek Leng Beng said, "We are indeed extremely pleased that we have managed to secure the ownership of a property in the prime district of Ginza in Tokyo at an acceptable price in a competitive bid situation. The timing for this acquisition could not have been better for the M&C group."

Enquiries:

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Adrian Bushnell, Company Secretary
BengLan Low, SVP Finance

¹ Based on £1 =Yen 120 as at 27 September 2011