News Release

24 February 2011

CDL RECORDS HIGHEST PRE-TAX PROFIT SURPASSING $1 BILLION AND PATMI OF $749 MILLION WITH NO PROPERTY FAIR VALUE GAINS

Total proposed dividends of 18 cents per ordinary share

City Developments Limited (CDL) today announced its unaudited financial results for the year ended 31 December 2010.

Financial Highlights

- Set record results since its inception in 1963, the Group continued its sterling performance, as compared to corresponding periods in 2009:

- Profit before tax:	Q4 2010 -	$320.1 million	(+ 26.9%)
	FY 2010 -	$1.03 billion	(+ 24.1%)
- PATMI*:	Q4 2010 -	$249.2 million	(+ 41.1%)
	FY 2010 -	$749.0 million	(+ 26.2%)

- Basic earnings per share increased in Q4 2010 to 26.7 cents (+42.8%) and to 80.9 cents (+26.8%) for FY 2010.

- The Group's balance sheets continue to be healthy with net gearing ratio at 29%. Had the Group adopted a revaluation policy, the net gearing would be further driven down to 20%.

- Improved interest cover at 20.7 times in 2010 against 14.5 times in 2009.

- The Board recommends the payment of a special ordinary dividend of 10.0 cents per share in addition to the ordinary dividend of 8.0 cents per share. Dividend payout of 22%.

Operations Review and Prospects

Residential

- In the year under review, the Group, along with joint venture associates, sold a total of 1,560 units valued at $2.115 billion, an increase from 2009, when a total 1,508 units valued at $1.868 billion was sold.

- The Group has planned six to seven property launches for 2011.

Commercial

- At the pre-tax level, profit contribution from rental properties surpassed other business segments to be the lead contributor in 2010 as the Group unlocked the value of several of its non-core and secondary assets which contributed significantly to the performance of the rental segment. The Group sold or contracted to sell 8 non-core commercial/industrial assets worth an estimated $967 million of which the Group's share is approximately $800 million.

- The office market has turned around unexpectedly, following the strong GDP growth and is poised for further growth. Anecdotal evidence show that there was positive occupier demand as more companies either retained or expanded into new space. The island-wide office occupancy rate improved in Q4 2010 to 87.9% against 87.0% in Q3 2010. The Group's office portfolio continued to fare well with occupancy rate of 94.0% as at end 2010.

**PATMI – Profit After Tax and Minority Interest*

- CDL Hospitality Trust (CDLHT) showed a 33% growth in revenue and a REVPAR increase of 28% year-on-year. It acquired 5 prime freehold hotels in February 2010 which boosts the revenue by $15 million in FY 2010.

- South Beach – Contract for the construction of the diaphragm wall and piling was awarded in 2010 and actual site work will commence in March 2011. Evaluation of the main construction contract is in progress and expected to be finalised by mid 2011.

Hotels

- General economic recovery and a dynamic combination of local rate and occupancy strategies played a key role in the Group's hotel subsidiary, Millennium & Copthorne Hotels plc (M&C)'s improved performance.

- M&C's net profit after tax and minority interests jumped 37.2% to £96.2 million (2009: £70.1 million). At constant rates of exchange, average RevPAR for the year was £61.06, up 10.7% over 2009.

- Launch of M&C's Studio M, a new mid-range urban-inspired designer hotel with a twist that meets the needs of the modern traveller. The hotel was EBIDTA-positive within the first three months of operation.

- Improvements are evident across most geographical locations that M&C hotels operate in. Singapore has been transformed into an exciting and vibrant destination with the opening of the two Integrated Resorts. They have increased the city's attraction, particularly amongst regional travellers. With the number of tourist arrivals in Singapore expected to continue to grow in 2011, the Group anticipates that its Singapore hotels, with its broad range of accommodation offerings, will be well poised to benefit from the increase in leisure and business travellers.

Overseas Expansion

- CDL China Limited, the Group's wholly-owned subsidiary incorporated in August 2010, acquired its first development site in Chongqing, China for RMB 232 million. The site will be developed into possibly Chongqing's most prestigious development with about 150 ultra luxurious low-rise villas, duplexes and townhouses.

Commenting, Mr Kwek Leng Beng, CDL Executive Chairman said:
"Although the recovery of the global economy remains largely uneven, growth in the advanced economies is expected to continue and hover at a moderate pace in 2011. Nonetheless, the global business climate has improved and will be supported by strong growth in the Asian region."

"The Government's proactive approach has ensured that Singapore remains highly sought-after as an ideal place for investments, and fluctuations in property transaction volumes are likely to be temporary and are inevitable."

"The Group remains optimistic that the positive sentiments riding on a dynamic GDP growth of between 4.0% and 6.0% this year will bolster sentiment and increase confidence across all business segments."

"The Group is expected to remain profitable over the next 12 months."

Please refer to CDL's full unaudited financial results announcement for the year ended 31 December 2010 for a detailed review of the Group's performance and prospects.

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