

Miscellaneous

* 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 *	Shufen Loh @ Catherine Shufen Loh
Designation *	Company Secretary
Date & Time of Broadcast	09-Jun-2009 18:23:04
Announcement No.	00065



>> Announcement Details

The details of the announcement start here ...

Announcement Title * South Beach Consortium Pte. Ltd. - Refinancing of the existing facilities for the acquisition of the Land Parcel for the South Beach Project

Description
Please refer to the attached announcement on the subject matter.
The Company has also attached the Press Release entitled "New Funds Injection for South Beach" issued by South Beach Consortium Pte. Ltd. on 9 June 2009 on the same subject matter.

Attachments

 [CDL_ann090609.pdf](#)
 [Press_release_9Jun09.pdf](#)
Total size = **65K**
(2048K size limit recommended)

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CITY DEVELOPMENTS LIMITED
(Co. Reg. No. 196300316Z)

South Beach Consortium Pte. Ltd.

- Refinancing of the existing facilities for the acquisition of the Land Parcel for the South Beach Project

On 4 December 2007, City Developments Limited (the “**Company**” or “**CDL**”) issued a press release together with its two international partners, Dubai World and El-Ad Group, in connection with the successful tender by the consortium led by CDL (the “**Consortium**”) for the multi-billion dollar South Beach Project.

The South Beach Project is held by South Beach Consortium Pte. Ltd. (“**SBC**”), a joint venture in which CDL, through its wholly-owned subsidiary Scottsdale Properties Pte. Ltd. (“**SPPL**”), Elad Group Singapore Pte Ltd, a subsidiary of El-Ad Group, Ltd., and Istithmar Beach Road FZE, a subsidiary of Dubai World, have one third share each.

The Company had previously mentioned on 11 May 2009 in its unaudited results announcement for the 1st Quarter ending 31 March 2009 that the Consortium were in negotiations with the banks to re-finance the existing bridge loan facility (the “**Existing Bridge Facility**”) extended to SBC in 2007 for the acquisition of the South Beach land parcel.

Notwithstanding the challenging credit environment as a result of the global financial crisis, the Group and SBC have nevertheless successfully reached agreement with a consortium of banks for the grant to SBC of a secured term loan facility of up to S\$800 million (the “**Facility**”) for a term of two years, to re-finance part of the Existing Bridge Facility extended to SBC.

Apart from the Facility, SBC will also be issuing 5-year secured notes (the “**Notes**”) convertible into shares in SBC to raise S\$400 million, the proceeds of which will also be used to re-finance the Existing Bridge Facility. The Notes will be subscribed by four investors comprising a wholly-owned subsidiary of CDL for a principal amount of up to S\$195 million, and three other unrelated parties for an aggregate principal amount of up to S\$205 million. These other Notes investors include entities associated with the Nan Fung group of companies of Hong Kong (“Nan Fung”).

Nan Fung is one of Hong Kong’s most established property developers, with a development portfolio comprising over 140 projects and 60 million square feet of gross floor area, including residential, commercial as well as office and industrial developments. Starting as a textile firm in the early 1950s, Nan Fung has grown in the last fifty years to become one of the largest non-listed enterprises in Hong Kong with a broad portfolio of diverse business interests in shipping, property development, construction, property financing, asset management, and direct and indirect investments in real estate projects in Hong Kong, Mainland China and various overseas markets including Japan, Korea, UK and Europe.

The Consortium has until 2016 to complete the development of the South Beach Project, and is currently taking the opportunity to review and refine its plans for the development so as to maximize the immense potential of this sizeable prime site, making it even more efficient, whilst in the meanwhile noting that construction cost is expected to come down further.

By order of the Board

Shufen Loh @ Catherine Shufen Loh
Company Secretary

Date: 9 June 2009

SOUTH BEACH CONSORTIUM PTE LTD

PRESS RELEASE

9 June 2009

NEW FUNDS INJECTION FOR SOUTH BEACH

- **Financing secured despite ongoing tight credit environment**
 - **Strong commitment of consortium partners**
 - **Landmark project attracts new investors**

South Beach Consortium Pte. Ltd., the joint venture consortium comprising Scottsdale Properties Pte. Ltd., a subsidiary of City Developments Limited (CDL), Istithmar Beach Road Fze, a subsidiary of Dubai World, and Elad Group Singapore Pte. Ltd., a subsidiary of El-Ad Group, Ltd. (the “South Beach Consortium”) established in 2007 to develop South Beach, Singapore’s landmark commercial and lifestyle development, has secured fresh funds via a combination of a S\$800 million bank loan and S\$400 million in secured convertible notes. The Consortium has successfully negotiated to secure these funds amidst the ongoing challenging credit environment in the global financial markets, which will be used to refinance the S\$1.2 billion bridging loan facility maturing in June 2009.

The two-year S\$800 million secured term loan financing is provided by a syndicate comprising major local and international financial institutions: DBS Bank Ltd., United Overseas Bank Limited, Overseas-Chinese Banking Corporation Limited, The Hongkong and Shanghai Banking Corporation Limited and Sumitomo Mitsui Banking Corporation (Singapore Branch). The S\$400 million secured convertible notes will be subscribed by four investors, S\$195 million by a wholly-owned subsidiary of CDL and the remaining S\$205 million to be subscribed by three other notes investors being entities associated with the Nan Fung group of companies, one of the region’s leading property developers and largest privately held conglomerates in Hong Kong, with an extensive portfolio of residential, retail and commercial properties in Hong Kong, China, Japan, Korea, UK and Europe. The collective international group is uniquely positioned to leverage their respective real estate experience, knowledge and expertise to make South Beach a world class mixed-use project.

CDL will take a leading role in the development of the South Beach project, which is on track to be completed by 2016.

Mr Kwek Leng Beng, Executive Chairman of CDL, said, “The ability to secure financing for South Beach is testament to the iconic design of this mixed development, and the confidence of our bankers in the development’s potential. We are pleased to welcome our new investors and

look forward to leveraging on their extensive experience in property investment and development in North Asia.

The South Beach project is a partnership of investors from the United States, Middle East and Asia, each bringing its own expertise to the table, making South Beach a truly international development. Moreover, these partners and investors have extensive networks and can bring in business connections which will further value-add to the project, making South Beach even more desirable. The development will elevate Singapore's position as a global city to live, work and play when it is completed."

Ms Vivien Wai Wai Chen, Chairman and Managing Director of the Nan Fung Group, said, "We have been looking for good investment opportunities to grow in the current challenging economic environment. The South Beach project presents a unique opportunity to work with renowned international investors who are leaders in their respective areas and provides a prominent platform for us to enter the Singapore market. We look forward to sharing our perspectives in the project."

Continuing to see value in their investment, El-Ad Group, a leading international developer and owner of high end residential properties headquartered in New York, and Dubai World, with an extensive global portfolio of diverse real estate investments, have reiterated their commitment to the project.

His Excellency Sultan Ahmed Bin Sulayem, Chairman of Dubai World, said, "Singapore continues to be strategically important as an investment destination. The successful refinancing is clear recognition that this exciting project has considerable potential."

Said Mr Miki Naftali, President and CEO of El-Ad Group, "We are very pleased with the addition of a new Asian partner and its contribution to what will certainly be a world class development in Singapore. The South Beach consortium is a partnership of international excellence that brings together complementary strengths to maximise the project's potential."

Designed by internationally renowned architectural firm London-based Foster + Partners, South Beach will be a dynamic integrated development comprising two tower blocks and four conserved buildings. It will house premium office space, luxury hotels, city residences and retail space.

Added Mr Kwek, "Our consortium won the tender for South Beach based on its innovative design. Keeping the spirit of the design, we will be working with Foster + Partners to improve the overall aspects of the development, so as to enhance its value for all stakeholders. Meanwhile, construction cost is expected to come down further, which will be to our advantage. South Beach will be an iconic development that will add distinction to Singapore's skyline."

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About CDL

A property pioneer since 1963, City Developments Limited (CDL) is a leading listed international property and hotel conglomerate in Singapore, involved in real estate development and investment, hotel ownership and management, as well as the provision of hospitality solutions. CDL has more than 40 years of experience and a global presence in over 20 countries spanning Asia, Europe, North America and Australasia. CDL is one of Singapore's biggest landlords commanding over 4 million square feet of lettable office, retail, industrial and residential space island-wide. The CDL Group also has real estate investments in Moscow, Thailand, Japan, South Korea and China.

About Dubai World

Dubai World is a holding company that manages and supervises the portfolio of businesses and projects for Dubai Government and works towards making Dubai the leading hub for the commerce and trading industry. Its business strategy is driven by a combination of acquisition and investment in diverse fields and is designed to deliver real, measurable results to Dubai World's business units and investment partners. Its corporate philosophy is based on strong fundamentals, best ethical practices, integrity, a healthy relationship between the management and workers and continuous interaction with stakeholders and partners.

About EI-Ad Group

Based in New York, the EI-Ad Group is a leading international developer and owner of prime real estate including an impressive collection of luxury residential properties valued at more than US\$7 billion. EI-Ad owns additional quality residential and commercial properties in Europe, Asia and North America and is the largest private real estate company in Canada.

About Nan Fung Group

Nan Fung Group is one of the leading property developers and largest privately held conglomerates in Hong Kong, with an extensive portfolio of residential, commercial and retail properties in Hong Kong, China, Japan and Korea. The Group has diversified businesses which includes property development and management, shipping, finance and asset management.