


**Acquisitions and Disposals :: Changes in Company's Interest :: ANNOUNCEMENT OF THE ACQUISITION OF INTERESTS**

\* 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	12-Jan-2012 19:43:27
Announcement No.	00114

**>> Announcement Details**

The details of the announcement start here ...

Announcement Title *	ANNOUNCEMENT OF THE ACQUISITION OF INTERESTS
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Description	<p>Please refer to the attached Announcement in relation to the acquisition of interests in the following companies:</p> <ul style="list-style-type: none"> <li>(i) Thailand Shareholder Investments Limited</li> <li>(ii) Dolruetai Co., Ltd.</li> <li>(iii) Phuket Square Company Limited,</li> </ul> <p>which have interests in (a) Jungceylon Shopping Mall and Millennium Resort Patong Phuket, and (b) Millennium Mall, Bangkok.</p>
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**Attachments**
[12012012\\_Annc\\_Acq\\_Phuket\\_Square.pdf](#)

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**ANNOUNCEMENT OF THE ACQUISITION OF INTERESTS IN THE FOLLOWING COMPANIES:**

**(I) THAILAND SHAREHOLDER INVESTMENTS LIMITED**

**(II) DOLRUETAI CO., LTD.**

**(III) PHUKET SQUARE COMPANY LIMITED,**

**WHICH HAVE INTERESTS IN (A) JUNGCEYLON SHOPPING MALL AND MILLENNIUM RESORT PATONG PHUKET, AND (B) MILLENNIUM MALL, BANGKOK**

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The Board of Directors of City Developments Limited (the “**Company**” or “**CDL**”) wishes to announce that pursuant to a sale and purchase agreement (“**S&P Agreement**”) entered into between Vinemont Investments Pte. Ltd. (“**Vinemont**”), an indirect wholly-owned subsidiary of the Company, and Real Estate Capital Asia Partners, L.P. (“**RECAP**”), Vinemont has acquired from RECAP the entire issued share capital of Thailand Shareholder Investments Limited (“**TSIL**”), a company incorporated in the Republic of Mauritius, for a cash consideration of USD147.1 million. Under the S&P Agreement, a shareholder loan previously extended by RECAP to TSIL shall also be assigned to Vinemont for USD10.5 million. Both the share acquisition and the assignment of the shareholder loan shall be collectively referred to hereinafter as the “**Transaction**”. The aggregate consideration for the Transaction is USD157.6 million (“**Aggregate Consideration**”) (or approximately S\$203.5 million based on the exchange rate of USD1 to S\$1.291).

**Background Information**

TSIL is the legal and beneficial owner of 2,450,000 preference shares in Dolruetai Co., Ltd. (“**Dolruetai**”), a company incorporated in Thailand, representing 49% of the issued shares of Dolruetai, which in turn is the legal and beneficial owner of 5,699,995 ordinary shares in Phuket Square Company Limited (“**Phuket Square**”), a company incorporated in Thailand, representing approximately 95% of the issued shares of Phuket Square.

Phuket Square is the legal and beneficial owner of the following properties (the “**Properties**”) - a retail and hotel development located in the commercial area of Patong, Phuket Island, Thailand known as Jungceylon Shopping Mall and Millennium Resort Patong Phuket with a total floor area of approximately 203,000 square metres, and the other, a retail development at Sukhumvit, Bangkok, Thailand with a total floor area of approximately 6,700 square metres that is currently under construction known as the Millennium Mall.

The Jungceylon Shopping Mall, a 4-storey retail development, with an estimated net lettable area of 63,000 square metres, is the largest shopping complex on Phuket Island and has amongst its anchor tenants Robinsons Department Store, Big C hypermarket and the 5-screen SFX Cinema City. It is within walking distance to Patong Beach and in the vicinity of other 4-star/5-star hotels located in the Patong Beach area. The retail development had attracted a total of approximately 7.5 million visitors in 2011, an increase of 21% compared to 2010.

The Millennium Resort Patong Phuket, the hotel development, comprises a total of 418 rooms contained within two wings – the Beachside Hotel Tower and the Lakeside Hotel Tower. Apart from its well-designed guestroom accommodation, the hotel also provides complete facilities including signature restaurants and bars, dining outlets, and banquet and meeting facilities to support both corporate travellers and holidaymakers. The hotel is currently operated and managed by a subsidiary under the Group’s hotel arm, Millennium & Copthorne Hotels plc.

Upon its completion within the first half of 2012, Millennium Mall is expected to have an estimated net lettable area of about 3,000 square metres. The retail development is located next to the Millennium Residence @ Sukhumvit, a 604-unit luxury residential development and is close to the shopping belt and international brand hotels in the Sukhumvit area.

The Transaction presents a good opportunity for the Group to own a stable income-producing asset in a strong and established tourist destination, with potential for further asset appreciation in the mid-to-long term in the wake of increasing growth in tourist arrivals to Phuket Island.

### **Aggregate Consideration**

The Aggregate Consideration was arrived at after taking into account the net asset value attributable to the shares of TSIL (based on its consolidated financial statements), the outstanding principal amount of the shareholder loan of approximately USD10.5 million, various adjustments items as mutually agreed between the buyer and the seller, and an assigned value of USD222 million for the Properties. Valuation conducted by Colliers International on the Properties had set the open market value of the Properties at Baht 7,020,600,000 (or approximately USD225.8 million). The Aggregate Consideration will be satisfied through the internal resources of the Company.

None of the Directors or the controlling shareholders of the Company has any interest, direct or indirect in the Transaction.

By Order of the Board

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

Date: 12 January 2012