

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 *	Enid Ling Peek Fong
Designation *	Company Secretary
Date & Time of Broadcast	15-Apr-2010 18:43:21
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>> Announcement Details

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Announcement Title * Statements issued by Millennium & Copthorne Hotels New Zealand Limited and Millennium & Copthorne Hotels plc concerning update on the interest in the Chinese Joint Venture

Description Further to the Company's announcement on 12 April 2010 in connection with the statements issued by Millennium & Copthorne Hotels plc ("M&C plc") and the latter's NZSX-listed 70% subsidiary, Millennium & Copthorne Hotels New Zealand Limited ("MCHNZ"), both M&C plc and MCHNZ have respectively issued the attached updates today.

Based on the unaudited management accounts of the FSCL Group as at 28 February 2010, CDL's aggregate exposure to the Hainan Hotel Owning Company and the Dongguan Owning Company (which had previously been announced on 12 April 2010), and to Kangxie and Carribean, which are the subjects of MCHNZ's announcement today, amounts to approximately US\$11.8 million or S\$16.5 million (based on the US\$1:S\$1.4 exchange rate as at 31 March 2010).

As stated in the Company's announcement on 12 April 2010, CDL does not expect the financial impact arising from these events to be material against the Group's profit and loss and balance sheet.

In addition, CDL's effective interest in the remaining assets of the i-vale Entities located in Guangdong Province is approximately US\$9.6 million or S\$13.4 million.

The Company notes that Idea Valley Investment Holdings Ltd is urgently seeking to void all unauthorised sales made by Cheung and is also taking measures to safeguard the remaining Guangdong assets of the i-vale Entities.

By Order of the Board

Shufen Loh @ Catherine Shufen Loh
Enid Ling Peek Fong
Company Secretaries
15 April 2010

Attachments

-  [MCHZX_Statement150410.pdf](#)
-  [MC_Statement150410.pdf](#)

Total size = **67K**
(2048K size limit recommended)

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Millennium & Copthorne Hotels New Zealand Limited (NZX:MCK) issues the following update with regard to its interest in its Chinese Joint Venture:

Further to its release on 12 April 2010, MCK advises that on 13 April 2010 IVIHL learned that Cheung, again without any authority from the board of IVGL or the relevant i-vale Entity, procured the following disposals:-

- an IVGL subsidiary's 85% interest in the i-vale Entity ("**Kangxie**") which owns two parcels of development land in Guangdong province, China; and
- IVGL's 70% interest in the i-vale Entity which carries on a landscaping business and owns a plantation nursery in connection with such business ("**Carribbean**").

MCK's exposure to Kangxie and Carribbean is US\$ 2.5 million (NZ\$ 3.4 million at current exchange rates). Its aggregate exposure to these properties as well as the Hainan Hotel Owning Company and the Dongguan Owning Company is approximately US\$18.8 million (NZ\$ 26.1 million).

IVIHL is urgently seeking to void all unauthorised sales made by Cheung. It is also taking measures to safeguard the remaining assets of the i-vale Entities located in Guangdong Province from further unauthorised transactions by Cheung. However, further unauthorised disposals by Cheung cannot be ruled out. MCK's effective interest in the remaining Guangdong assets is NZ\$ 21.3 million (US\$15.3 million).

As stated previously, the FSCL Group's operations in Sichuan Province remain under FSCL's control.

IVIHL has confirmed that on 14 April 2010, IVGL issued a public notice in a major newspaper in China giving notice that the relevant Chinese authorities had registered the new seal for IVGL and the change in IVGL's legal representative to an appointee of FSCL. On that date, one of the i-vale Entities also issued a public notice in a major newspaper in China notifying that the company seal of such i-vale Entity in the possession and control of Cheung is void.

Steps have been taken to issue new seals and file the change of legal representatives for the remaining i-vale Entities.

Millennium & Copthorne Hotels plc (“M&C”)**Update concerning Chinese Joint Venture**

The following announcement was released earlier today by M&C’s subsidiary, Millennium & Copthorne Hotels New Zealand Limited (“MCHNZ”), which is listed on the New Zealand Stock Exchange. M&C has a 70.2% interest in MCHNZ. M&C’s effective interest in First Sponsor Capital Limited (“FSCL”) is 39.8%.

Based on the unaudited management accounts of the FSCL Group as at 28 February 2010, M&C’s exposure to the Hainan Hotel Owning Company and the Dongguan Owning Company, as previously announced on 12 April 2010, together with today’s announcement relating to Kangxie and Carribean, amounts to approximately US\$22 million or £14.7 million in aggregate. M&C’s effective interest in the remaining assets of the i-vale Entities located in Guangdong Province is approximately US\$17.9 million or £12.0 million.

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- IVGL’s 70% interest in the i-vale Entity which carries on a landscaping business and owns a plantation nursery in connection with such business (“**Carribean**”).

MCK’s exposure to Kangxie and Carribean is US\$ 2.5 million (NZ\$ 3.4 million at current exchange rates). Its aggregate exposure to these properties as well as the Hainan Hotel Owning Company and the Dongguan Owning Company is approximately US\$18.8 million (NZ\$ 26.1 million).

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Steps have been taken to issue new seals and file the change of legal representatives for the remaining i-vale Entities.