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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	05-Aug-2009 18:47:38
Announcement No.	00138


>> Announcement Details

The details of the announcement start here ...

Announcement Title * Announcement by Subsidiary Company, Millennium & Copthorne Hotels New Zealand Limited on Half Year Results Ended 30 June 2009

Description Please see attached the above announcement released by Millennium & Copthorne Hotels New Zealand Limited on 5 August 2009.

Attachments

 [MCHNZ050809.pdf](#)
 Total size = **1021K**
 (2048K size limit recommended)

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MILLENNIUM & COPTHORNE HOTELS NEW ZEALAND LIMITED

Results for announcement to the market

Reporting Period	6 months to 30 June 2009
Previous Reporting Period	6 months to 30 June 2008

	Amount (000s)	Percentage change
Revenue from ordinary activities	NZ\$ 53,103	Down (19.0%)
Profit (loss) from ordinary activities after tax attributable to security holders	NZ\$ 5,376	Down (59.5%)
Net profit (loss) attributable to security holders	NZ\$ 5,376	Down (59.5%)

Interim/Final Dividend	Amount per security	Imputed amount per security
Not Applicable	Not Applicable	Not Applicable

Record Date	Not Applicable
Dividend Payment Date	Not Applicable

Comments:	Please refer to the attached Chairman's Review.
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Consolidated Interim Income Statement

FOR THE SIX MONTHS ENDED 30 JUNE 2009		Unaudited	Unaudited
		6 months	6 months
DOLLARS IN THOUSANDS	NOTE	to 30/6/09	to 30/6/08
Revenue		53,103	65,530
Cost of Sales		(22,542)	(26,844)
Gross Profit		30,561	38,686
Administrative Expenses		(13,904)	(17,055)
Other Operating Expenses		(9,433)	(11,165)
Operating Profit Before Finance Income		7,224	10,466
Finance Income		1,367	11,393
Finance Costs		(1,209)	(2,387)
Net Finance Income		158	9,006
Share of Profit of Associate		657	1,288
Profit Before Income Tax		8,039	20,760
Income Tax Expense		(1,977)	(3,437)
Profit for the Period		6,062	17,323
Profit for the Period Attributable to:			
Equity Holders of the Parent		5,376	13,286
Minority Interests		686	4,037
Profit for the Period		6,062	17,323
Earnings Per Share (Cents)			
- Basic Earnings per Share	3	1.54c	3.80c
- Diluted Earnings per Share	3	1.54c	3.80c

Consolidated Statement of Comprehensive Income

FOR THE SIX MONTHS ENDED 30 JUNE 2009	Unaudited	Unaudited
	6 months	6 months
DOLLARS IN THOUSANDS	to 30/6/09	to 30/6/08
Profit for the Period	6,062	17,323
Other Comprehensive Income		
Foreign Exchange Translation Movements	(6,401)	3,415
Total Comprehensive Income for the Period	<u>(339)</u>	<u>20,738</u>
Total Comprehensive Income for the Period Attributable to:		
Equity Holders of the Parent	(2,421)	14,946
Minority Interests	2,082	5,792
Total Comprehensive Income for the Period	<u>(339)</u>	<u>20,738</u>
 DETAILS OF SPECIFIC RECEIPTS/OUTLAYS, REVENUES/EXPENSES :		
Amortisation of Intangibles	(38)	(51)
Audit Fees	(146)	(166)
Depreciation	(3,845)	(4,045)
Interest Income	1,355	4,388
Net Foreign Exchange Gain	12	7,004
Interest Expense	(1,209)	(2,387)
Leasing and Rental Expenses	(3,512)	(5,691)
Net Gain on Disposal of Property, Plant and Equipment	6	41

Consolidated Interim Statement of Financial Position

AS AT 30 JUNE 2009	Unaudited	Audited	Unaudited
	as at	as at	as at
DOLLARS IN THOUSANDS	30/06/09	31/12/08	30/06/08
SHAREHOLDERS' EQUITY			
Issued Capital	430,330	430,330	430,330
Reserves	(2,454)	4,261	(28,036)
Treasury Stock	(85)	(85)	(85)
Minority Interests	97,230	95,327	95,023
Total Equity	525,021	529,833	497,232
Represented by:			
NON CURRENT ASSETS			
Property, Plant and Equipment	332,084	334,846	327,934
Development Properties	144,685	140,108	139,097
Intangible Assets	3,854	3,775	4,635
Investment in Associate	85,993	95,444	69,322
Total Non Current Assets	566,616	574,173	540,988
CURRENT ASSETS			
Cash and Cash Equivalents	27,483	28,033	32,466
Trade and Other Receivables	18,945	24,119	25,853
Inventories	1,500	1,743	1,752
Income Tax Receivable	1,285	1,445	1,160
Development Properties	2,040	2,383	4,378
Total Current Assets	51,253	57,723	65,609
Total Assets	617,869	631,896	606,597
NON CURRENT LIABILITIES			
Interest-bearing Loans and Borrowings	50,269	62,352	68,228
Provisions	822	850	517
Deferred Tax Liabilities	19,870	19,780	19,004
Total Non Current Liabilities	70,961	82,982	87,749
CURRENT LIABILITIES			
Interest-bearing Loans and Borrowings	6,700	-	-
Trade and Other Payables	11,940	15,874	18,204
Related Parties	225	226	198
Provisions	3,022	2,981	3,214
Total Current Liabilities	21,887	19,081	21,616
Total Liabilities	92,848	102,063	109,365
Net Assets	525,021	529,833	497,232

The attached notes on pages xx to xx form part of, and are to be read in conjunction with, these Financial Statements.

Consolidated Interim Statement of Cash Flows

FOR THE SIX MONTHS ENDED 30 JUNE 2009	Unaudited	Unaudited
	6 months	6 months
DOLLARS IN THOUSANDS	to 30/6/09	to 30/6/08
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash was provided from:		
Receipts from Customers	58,509	73,209
Interest Received	1,342	4,373
	<u>59,851</u>	<u>77,582</u>
Cash was applied to:		
Payments to Suppliers and Employees	(46,675)	(57,066)
Interest Paid	(1,371)	(2,280)
Income Tax Paid	(2,416)	(4,208)
	<u>(50,462)</u>	<u>(63,554)</u>
Net Cash Inflow from Operating Activities	9,389	14,028
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash was provided from:		
Sale of Property, Plant and Equipment	189	9
	<u>189</u>	<u>9</u>
Cash was applied to:		
Purchase of Property, Plant and Equipment	(1,326)	(37,256)
Purchase of Investment in Associate	-	(27,361)
	<u>(1,326)</u>	<u>(64,617)</u>
Net Cash Outflow From Investing Activities	(1,137)	(64,608)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash was provided from:		
Drawdown of Borrowings	-	16,000
	<u>-</u>	<u>16,000</u>
Cash was applied to:		
Repayment of Borrowings	(5,383)	(1,767)
Repayment of Shares to Minority Shareholders	-	(23,742)
Dividends Paid to Shareholders of Millennium & Copthorne Hotels New Zealand Ltd	(4,191)	(8,731)
Dividends Paid to Minority Shareholders	(179)	(2,255)
	<u>(9,753)</u>	<u>(36,495)</u>
Net Cash Outflow from Financing Activities	(9,753)	(20,495)
Net Decrease in Cash Held	(1,501)	(71,075)
Add Opening Cash and Cash Equivalents	28,033	102,971
Exchange Rate Adjustment	951	570
Closing Cash and Cash Equivalents	<u>27,483</u>	<u>32,466</u>

The attached notes on pages xx to xx form part of, and are to be read in conjunction with, these Financial Statements.

Consolidated Interim Statement of Cash Flows

FOR THE SIX MONTHS ENDED 30 JUNE 2009	Unaudited	Unaudited
	6 months	6 months
DOLLARS IN THOUSANDS	to 30/6/09	to 30/6/08
RECONCILIATION OF NET PROFIT FOR THE PERIOD		
TO CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit after Taxation	6,062	17,323
Adjusted for non cash items:		
Amortisation of Intangibles	38	51
Depreciation	3,845	4,045
Income Tax Expense	1,977	3,437
Net Gain on Disposal of Property, Plant and Equipment	(6)	(41)
Share of Profit of Associate	(657)	(1,288)
Adjustments for movements in working capital:		
Decrease in Receivables	5,381	659
Decrease in Inventories	243	193
Increase in Development Properties	(1,215)	(5,326)
Increase / (Decrease) in Payables	(2,539)	1,706
Increase / (Decrease) in Related Parties	47	(243)
Cash generated from Operations	13,176	20,516
Interest Paid	(1,371)	(2,280)
Income Tax Paid	(2,416)	(4,208)
Cash Inflows from Operating Activities	9,389	14,028

The attached notes on pages xx to xx form part of, and are to be read in conjunction with, these Financial Statements.

Consolidated Interim Statement of Changes in Equity

FOR THE SIX MONTHS ENDED 30 JUNE 2009	Attributable to Equity Holders of the Parent					Total	Minority Interests	Total Equity
	Share Capital	Revaluation Reserves	Exchange Reserves	Accumulated Losses	Treasury Stock			
DOLLARS IN THOUSANDS								
Balance at 1 January 2008	430,330	91,232	(83)	(125,340)	(85)	396,054	114,207	510,261
Movement in Exchange Translation Reserve	-	-	1,660	-	-	1,660	1,755	3,415
Income and Expense recognised directly in Equity	-	-	1,660	-	-	1,660	1,755	3,415
Profit for the Period	-	-	-	13,286	-	13,286	4,037	17,323
Total Comprehensive Income for the Period	-	-	1,660	13,286	-	14,946	5,792	20,738
Dividends paid to:								
Equity holders of the Parent	-	-	-	(8,731)	-	(8,731)	-	(8,731)
Minority Interests	-	-	-	-	-	-	(2,255)	(2,255)
Movement in Minority Interest	-	-	-	(60)	-	(60)	(22,721)	(22,781)
Supplementary Dividends	-	-	-	(2,070)	-	(2,070)	-	(2,070)
Foreign Investment Tax Credits	-	-	-	2,070	-	2,070	-	2,070
Balance at 30 June 2008	430,330	91,232	1,577	(120,845)	(85)	402,209	95,023	497,232
Balance at 1 January 2009	430,330	95,056	25,405	(116,200)	(85)	434,506	95,327	529,833
Movement in Exchange Translation Reserve	-	-	(7,797)	-	-	(7,797)	1,396	(6,401)
Income and Expense recognised directly in Equity	-	-	(7,797)	-	-	(7,797)	1,396	(6,401)
Profit for the Period	-	-	-	5,376	-	5,376	686	6,062
Total Comprehensive Income for the Period	-	-	(7,797)	5,376	-	(2,421)	2,082	(339)
Dividends paid to:								
Equity holders of the Parent	-	-	-	(4,191)	-	(4,191)	-	(4,191)
Minority Interests	-	-	-	-	-	-	(179)	(179)
Movement in Minority Interest	-	-	-	(103)	-	(103)	-	(103)
Supplementary Dividends	-	-	-	(651)	-	(651)	-	(651)
Foreign Investment Tax Credits	-	-	-	651	-	651	-	651
Balance at 30 June 2009	430,330	95,056	17,608	(115,118)	(85)	427,791	97,230	525,021

Millennium & Copthorne Hotels New Zealand Limited and Subsidiaries
Notes to the Consolidated Interim Financial Statements
for the six months ended 30 June 2009 (unaudited)

1. Significant accounting policies

Millennium & Copthorne Hotels New Zealand Limited is a company domiciled in New Zealand, registered under the Companies Act 1993 and listed on the New Zealand Stock Exchange. Millennium & Copthorne Hotels New Zealand Limited (the "Company") is an issuer in terms of the Financial Reporting Act 1993. The consolidated interim financial statements of the Company for the six months ended 30 June 2009 comprise the Company and its subsidiaries (together referred to as the "Group").

The consolidated interim financial statements were authorised for issuance on 5 August 2009.

(a) Statement of compliance

The consolidated interim financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP). They comply with NZ IAS 34 *Interim Financial Reporting*. The consolidated interim financial statements do not include all of the information required for full annual financial statements.

The accounting policies applied by the Group in these consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 31 December 2008.

2. Segment reporting

Segment information is presented in the consolidated interim financial statements in respect of the Group's business and geographical segments. Business segments are the primary basis of segment reporting. The Segment reporting format reflects the Group's management and internal reporting structure.

Inter-segment pricing is determined on an arm's length basis. Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Business segments

The Group consisted of the following main business segments:

- Hotel operations, comprising income from the ownership and management of hotels.
- Property operations, comprising the development and sale of land and development properties and rental income.

Geographical segments

The Group consisted of the following main geographic segments:

- New Zealand
- Australia
- Asia

Millennium & Copthorne Hotels New Zealand Limited and Subsidiaries
Notes to the Consolidated Interim Financial Statements
for the six months ended 30 June 2009 (unaudited)

2. Segment reporting - continued

(a) Business Segments

<i>Dollars in thousands</i>	<u>Hotel</u>		<u>Property</u>		<u>Group</u>	
	Unaudited 6 months to 30/06/09	Unaudited 6 months to 30/06/08	Unaudited 6 months to 30/06/09	Unaudited 6 months to 30/06/08	Unaudited 6 months to 30/06/09	Unaudited 6 months to 30/06/08
Segment Revenue	51,429	61,943	3,041	14,980	54,470	76,923
Segment Profit before Income Tax	6,514	7,694	868	11,778	7,382	19,472
Share of Profit of Associate	-	-	657	1,288	657	1,288
Income Tax Expense					(1,977)	(3,437)
Profit for the Period					6,062	17,323
Segment Assets	352,996	357,194	178,880	180,081	531,876	537,275
Investment in Associate	-	-	85,993	69,322	85,993	69,322
Total Assets	352,996	357,194	264,873	249,403	617,869	606,597

(b) Geographic Segments

<i>Dollars in thousands</i>	<u>New Zealand</u>		<u>Australia</u>		<u>Asia</u>		<u>Group</u>	
	Unaudited 6 months to 30/06/09	Unaudited 6 months to 30/06/08	Unaudited 6 months to 30/06/09	Unaudited 6 months to 30/06/08	Unaudited 6 months to 30/06/09	Unaudited 6 months to 30/06/08	Unaudited 6 months to 30/06/09	Unaudited 6 months to 30/06/08
Segment Revenue	52,343	67,120	2,127	9,803	-	-	54,470	76,923
Segment Profit before Income Tax	6,619	10,950	763	8,522	-	-	7,382	19,472
Share of Profit of Associate	-	-	-	-	657	1,288	657	1,288
Income Tax Expense							(1,977)	(3,437)
Profit for the Period							6,062	17,323
Segment Assets	444,467	447,998	87,409	89,277	-	-	531,876	537,275
Investment in Associate	2	-	-	-	85,991	69,322	85,993	69,322
Total Assets	444,469	447,998	87,409	89,277	85,991	69,322	617,869	606,597

Millennium & Copthorne Hotels New Zealand Limited and Subsidiaries
Notes to the Consolidated Interim Financial Statements
for the six months ended 30 June 2009 (unaudited)

3. Earnings per share

The basic earnings per share of 1.54 cents (30 June 2008: earnings per share of 3.80 cents) are based on the profit attributable to ordinary shareholders of \$5.38m (30 June 2008: profit of \$13.29m) and weighted average number of ordinary shares outstanding during the period ended 30 June 2009 of 349,268,439 (30 June 2008: 349,268,439). The calculation of diluted earnings per share of 1.54 cents (30 June 2008: earnings per share of 3.80 cents) is the same as basic earnings per share.

4. Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the six month period ended 30 June 2009 (30 June 2008: Nil) that would require disclosure.

5. Changes in contingent liabilities and contingent assets since last annual balance sheet date

There were no such changes in contingent liabilities and contingent assets that would require disclosure for the six month period ended 30 June 2009 (30 June 2008: Nil).

6. Related party transactions

Millennium & Copthorne Hotels New Zealand Limited is a 70.22% owned subsidiary of CDL Hotels Holdings New Zealand Limited which is a wholly owned subsidiary of Millennium & Copthorne Hotels plc in the United Kingdom. The ultimate parent company is Hong Leong Investment Holdings Pte Ltd in Singapore.

During the six month period ending 30 June 2009, costs amounting to \$125,000 (30 June 2008: \$125,000) have been recorded in the Income Statement in respect of:

- Reimbursement of expenses incurred by Millennium & Copthorne Hotels plc on behalf of the New Zealand subsidiary; and
- Fees payable to Millennium & Copthorne Hotels plc for the provision of management and marketing support.

As at balance date \$125,000 was outstanding and payable to Millennium & Copthorne Hotels plc (2008: \$125,000).

7. Associate companies

	Principal Activity	% Holding by MCHNZ Investments Limited 30 June 2009	% Holding by MCHNZ Investments Limited 30 June 2008
First Sponsor Capital Ltd	Investment Holding	34.21%	34.21%
		% Holding by CDL Land New Zealand Limited 30 June 2009	% Holding by CDL Land New Zealand Limited 30 June 2008
Prestons Road Ltd	Service Provider	33.33%	33.33%

First Sponsor Capital Ltd has a 31 December balance date and Prestons Road Ltd has a 31 March balance date.

8. Capital commitments

As at 30 June 2009, the Group entered into contracts to purchase property, plant and equipment with a value of \$293,000 (2008: \$185,000).

CHAIRMAN'S REVIEW

Financial Performance:

The Directors of Millennium & Copthorne Hotels New Zealand Limited ("MCK") announced an unaudited operating profit after tax and minorities of \$5.38 million for the six month period ending 30 June 2009 (2008: \$13.29 million). Operating profit before tax and minorities was \$8.04 million (2008: \$20.76 million).

Shareholders' funds excluding minority interests as at 30 June 2009 totaled \$427.79 million (2008: \$402.21 million) with total assets at \$617.87 million (2008: \$606.60 million). Net asset backing (excluding minority interests) per share as at 30 June 2009 was 122.4 cents per share (2008: 115.0cps).

Group results for the six months ending 30 June 2009 (NZ IFRS):

Group revenue and other income for the period under review was \$54.47 million (2008: \$76.92 million which included a one-off foreign exchange gain of \$7.00 million). Revenue continued to be affected due to the lack of sales from the Company's majority owned subsidiary CDL Investments New Zealand Limited.

Gross operating profit decreased to \$30.56 million (2008: \$38.69 million).

New Zealand Hotel Operations:

Total revenue for the New Zealand hotel operations (17 owned or leased and operated hotels excluding 13 franchised properties) for the period under review was \$51.43 million. (2008: \$61.94 million). Hotel occupancy for the period was 63.0 % across the Group.

In the six months to 30 June 2009, the Group as a whole has been looking at various ways to maintain its market share and profitability while reducing costs. With the severe declines in international visitors, initiatives are focused into the domestic leisure and Australian markets. No major refurbishment projects were undertaken in the last six months.

CDL Investments New Zealand Limited ('CDLI'):

CDLI announced an unaudited operating loss after tax for the six months ended 30 June 2009 of \$31,000 (2008: \$1.48 million profit) which reflected the ongoing challenging trading conditions. CDLI expects some sales activity in the second half of 2009 and is not forecasting a full-year loss.

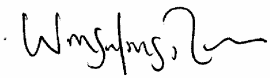
Offshore investments – Australia and China:

In Australia, occupancy at the Zenith Residences exceeds 90% with the majority of the unsold units on short-term leases. Marketing of the units for sale with the short-term leases in place has been undertaken although interest is slow.

In China, the i-Vale Group is proceeding with two key projects which it anticipates will be substantially completed and available for sale in the latter part of 2009. It has, however, slowed the pace of other developments in response to market conditions and is only targeting projects that are likely to generate sales.

Outlook:

As in 2008, the Board is conscious that market and trading conditions remain challenging and will remain so in the near term.

A handwritten signature in black ink, appearing to read 'Wong Hong Ren', with a stylized flourish at the end.

**Wong Hong Ren
Chairman
5 August 2009**

PROPERTY MARKET AND TOURISM DOWNTURN AFFECT MILLENNIUM & COPTHORNE HOTELS NEW ZEALAND'S PROFITABILITY

New Zealand's largest hotel owner / operator, Millennium & Copthorne Hotels New Zealand Limited ("MCK"), today announced its (unaudited) results for the six months to 30 June 2009.

- Average hotel occupancy across the Group 63.0%
- Group Revenue and other income \$54.47 million (2008: \$76.92m)
- Operating profit before tax and minorities \$8.04 million (2008: \$20.76m)
- Operating profit after tax and minorities \$5.38 million (2008: \$13.29m)

MCK's Managing Director Mr. B K Chiu said that the result was affected by the continuing weakness in majority-owned listed subsidiary CDL Investments New Zealand Limited.

"CDL Investments' results directly affect our profitability and the continued difficult market conditions that CDLI has to endure", he said.

Speaking about the New Zealand hotel operations and the outlook for 2009, Mr. Chiu said that the focus had turned to domestic and Australian business

"For the foreseeable future, any growth will come from the markets closest to us and not from the UK, Europe, the USA and Asia. But trading conditions remain challenging and will remain so for the near term. In spite of this, we expect to remain profitable", he said.

ENDS

Issued by Millennium & Copthorne Hotels New Zealand Ltd

Any inquiries please contact:
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