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Miscellaneous

* Asterisks denote mandatory information

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Announcement is submitted with respect to *	CITY DEVELOPMENTS LIMITED
Announcement is submitted by *	Enid Ling Peek Fong
Designation *	Company Secretary
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>> Announcement Details

The details of the announcement start here ...

Announcement Title *	Announcement by Subsidiary Company, Millennium & Copthorne Hotels plc on Interim Management Report for Results of Half Year and Second Quarter Ended 30 June 2013
Description	Please see the attached announcement released by Millennium & Copthorne Hotels plc on 31 July 2013.
Attachments	31072013_MC_Q22013Results.pdf Total size = **182K** (2048K size limit recommended)

Close Window

For Immediate Release **31 July 2013**

MILLENNIUM & COPTHORNE HOTELS PLC
INTERIM MANAGEMENT REPORT
Half year and second quarter results to 30 June 2013

Highlights for the first half 2013:

	First Half 2013	First Half 2012	Change	
RevPAR	**£67.27**	£64.62	£2.65	4.1%
Revenue	**£369.1m**	£373.9m	(£4.8m)	(1.3%)
Operating profit[1]	**£45.4m**	£59.8m[1]	(£14.4m)	(24.1%)
Profit before tax	**£55.5m**	£79.0m	(£23.5m)	(29.7%)
Basic earnings per share	**14.2p**	18.3p	(4.1p)	(22.4%)
Dividend	**2.08p**	2.08p	-	-

Highlights for the second quarter 2013:

	Second Quarter 2013	Second Quarter 2012	Change	
RevPAR	**£74.29**	£70.06	£4.23	6.0%
Revenue	**£199.9m**	£198.4m	£1.5m	0.8%
Operating profit[1]	**£34.7m**	£39.1m[1]	(£4.4m)	(11.3%)
Profit before tax	**£38.6m**	£53.1m	(£14.5m)	(27.3%)
Basic earnings per share	**10.2p**	12.5p	(2.3p)	(18.4%)

- Revenue is down £4.8m in the first half of 2013 year-on-year. This is due to a combination of factors affecting performance in the first two quarters of this year:
  - Trends in Asia remain subdued, because of economic uncertainty, greater hotel capacity and increasing costs, particularly in Singapore, where an increased supply of competitor hotel rooms has impacted trading;
  - Local factors affecting Rest of Asia destinations, including loss of customers in Manila and Seoul;
  - The Group's refurbishment programme, which has seen a net 181,000 room nights removed from the inventory during the six-month period;
  - US is benefiting from improvements at ONE UN and Minneapolis. However refurbishment programme will reduce regional capacity and revenue in the short-term; and
  - European trading is steady.
- RevPAR is up by 4.1% to £67.27 in the first half of 2013 due to increases in both occupancy to 70.5% (2012: 69.8%) and average room rate to £95.45 (2012: £92.54).
- Profit before tax has fallen by 29.7% to £55.5m (2012: £79.0m) in the first half of 2013, reflecting lower operating profit and the absence of £9.1m share of profit from First Sponsor recognised in the first half of 2012 relating to the Chengdu Cityspring project.
- Interim dividend declared at 2.08p per share.
- Revenue in the second quarter of 2013 has increased by 0.8% year-on-year to £199.9m (2012: £198.4m). Despite better trading performance in London and New York regions, the Group still faces challenging trading conditions in Singapore and Seoul.
- Profit before tax in the second quarter of 2013 has declined by £14.5m year-on-year.

[1] *The Directors have reassessed the presentation of the income statement in light of the Group's continuing evolution and best reporting practice and have made a number of disclosure and categorisation amendments to the income statement, together with relevant comparatives. The Directors consider that these adjustments better reflect the commercial dynamics of the Group and facilitate comparison with peers. The amendments have no impact on revenue, profit before tax or profit for the period.*

Commenting today Mr Kwek Leng Beng, Chairman said:

"Overall, trading is in line with management's expectations although we remain cautious on the outlook for hospitality markets. London faces a tough comparative third quarter mainly because of its success during last year's Olympics, whilst our Singapore hotels are competing with an increasing supply of rooms offered by competitors, as well as higher labour costs. These challenging short-term trading conditions will not deflect us from pursuing our strategic objective to improve the competitive position of our hotels."

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Alan Scott, Company Secretary
Peter Krijgsman, Financial Communications (Media)

BUSINESS REVIEW

Financial Performance

For the first six-month period of 2013, total revenue decreased by 1.3% year-on-year to £369.1m (2012: £373.9m). Operating profit was down by 24.1% to £45.4m (2012: £59.8m).

Both revenues and profits were adversely affected by challenging conditions in some of our key markets, in particular the continuing slowdown in Singapore corporate business and the lower number of Japanese visitors in Seoul arising from the geo-political tensions between Japan and South Korea over Dokdo Island. In Singapore, the hospitality sector also faces increasing cost pressure as a result of government policies restricting the use of foreign labour.

In the second quarter, revenue increased by 0.8% to £199.9m (2012: £198.4m). The weaker UK Pound boosted reported currency revenues by £5.5m, but also increased costs in reported currency terms. Operating profit for the quarter fell by 11.3% to £34.7m (2012: £39.1m), and by 13.0% on a constant currency basis.

Revenues and profits were further impacted by the Group's refurbishment programme, which saw a net 181,000 room nights removed from the inventory during the six-month period.

Operating Performance

Group RevPAR increased by 4.1% to £67.27 (2012: £64.62) for the first six months of the year. Average room rate increased by 3.1% to £95.45 (2012: £92.54) and occupancy increased by 0.7 percentage points to 70.5% (2012: 69.8%). RevPAR improved in New York, up 8.6% to £125.63 (2012: £115.66), and London, up 3.4% to £99.03 (2012: £95.76), but declined in Singapore, where RevPAR fell by 5.2% to £97.54 (2012: £102.92).

RevPAR performance in the Rest of Asia region was mixed, but adversely affected on aggregate by the fall in Japanese visitor numbers to Seoul and a slower hospitality market in Beijing. Across the region, RevPAR fell by 3.8% to £62.08 (2012: £64.56) for the six-month period.

Regional US and Australasia properties saw a second consecutive quarter of improvement in RevPAR in the second quarter of the year. For the six month period, Regional US delivered a 9.5% increase in RevPAR to £40.95 (2012: £37.39), whilst Australasia RevPAR rose by 14.5% to £39.90 (2012: £34.84).

In the Rest of Europe, RevPAR increased by 0.5% to £47.03 (2012: £46.79), largely attributed to the uplift in RevPAR from Millennium Hotel Paris Opera and Copthorne Aberdeen.

Financial Position

The Group's financial position remained strong with net cash at 30 June 2013 of £43.9m (31 December 2012: £52.2m). At the end of the first half of last year, gearing was 0.5%. At 30 June 2013 the Group had cash reserves of £397.9m and £259.5m undrawn committed bank facilities. Most of the facilities are unsecured with unencumbered assets representing 87.5% of our fixed assets and investment properties.

Asset Management

Refurbishment programme

The £240m programme of investment in the Group's existing hotels, which is in addition to underlying run rate capital expenditure, is making progress with several initiatives under way and a number of others in the planning stage. Timing of investment remains dependent on planning and other consents. Since the programme commenced in 2011 £77.8m of the £240m had been spent up to 30 June 2013.

£31.6m was spent under the programme in the first half of 2013, of which £19.6m was spent in the second quarter. Most of this was accounted for by works undertaken at Millennium Minneapolis and Grand Hyatt Taipei. A further £30.4m is anticipated to be spent in the second half of 2013, with c.£100m estimated to be spent in 2014.

During the second quarter, the Group completed renovation of the west wing of the Grand Hyatt Taipei, which re-opened in June 2013. The next phase will be renovation of the 392-room east wing earmarked to commence in August 2013. Completion of this is scheduled for the middle of 2014. As previously disclosed, total capital expenditure of approximately £60m is anticipated for the room renovations of Grand Hyatt Taipei, of which the Group had spent £24.4m at 30 June 2013. Further investment is planned for the lobby and food and beverage outlets.

In the US, Millennium Minneapolis reopened in May 2013 after the successful completion of its £15m refurbishment. Since re-opening trading has been in line with management expectations, with positive comments from customers. The Group is planning a number of refurbishment projects, both back-of-house and client-facing, at other regional US hotels, including Millennium St Louis, Millennium Scottsdale Resort and Villas, Millennium Hotel Durham and Millennium Hotel Cincinnati. The Group considers such investment essential for the regional hotel portfolio to participate in any sustained upturn in US hospitality markets.

We remain in discussions with Grosvenor Estates regarding the refurbishment programme for Millennium Hotel London Mayfair. In addition, we are considering design concepts for the refurbishment of Millennium Hotel London Knightsbridge. The timing and cost of both these developments remain dependent on the outcome of negotiations and obtaining necessary planning consents.

New hotel development

Construction of the Group's new hotel in Tokyo's Ginza district continues to proceed according to plan. Design proposals for the façade have been approved and demolition work is expected to complete in August 2013 for construction to commence as scheduled.

The Group is currently developing detailed plans, in relation to the land purchased adjacent to the Seoul Hilton hotel. The Group is looking to build hospitality facilities on the site which will complement the hotel, following further studies with architects and other external consultants.

Development properties

Of the 150 apartments for sale at our Glyndebourne development, buyers have signed sales and purchase agreements for 144 units up to 30 June 2013, with sales value of S$522.5m (£271.9m). Sales proceeds collected total S$275.5m (£141.6m) representing approximately 53% of the sales value. Revenue and development costs will appear in the income statement on completion which is expected to be no later than 2014. We are making every effort to achieve this earlier.

First Sponsor Capital Limited ("FSCL")

FSCL is making good progress. The inauguration of the 196-room M Hotel Chengdu, part of the Cityspring project, was announced on 2 July 2013 and the hotel is scheduled to soft-open in the third quarter of this year. It will be managed by the Millennium & Copthorne Group.

Development of FSCL's latest project, Millennium Waterfront in Chengdu is proceeding satisfactorily. Of the 7 blocks comprising 1,155 residential units launched since 24 November 2012, 970 units have been sold either under option agreements or sale and purchase agreements, with approximately 67.2% of the sales proceeds collected. FSCL launched a further 55 commercial units for sale on 29 June 2013, of which 11 units have been sold either under option agreements or sale and purchase agreements. Further development and sales launches will be phased according to demand. FSCL plans to commence construction of a Millennium-branded hotel with convention facilities at Millennium Waterfront in the second half of 2013 which will be financed by cash flows from residential sales.

FSCL was not affected directly by the April 2013 earthquake in Sichuan.

Dividend

In line with the Group's usual policy, the Board has declared an interim dividend of 2.08p per share. The interim dividend will be paid on 4 October 2013 to shareholders on the register at the close of business on 16 August 2013. The ex-dividend date of the Company's shares is 14 August 2013.

Outlook

Trading in the first half of 2013 was challenging, especially in the first quarter. Whilst the Group is mindful that the world economic and political environment remains uncertain, particularly in Asia, the Group has adopted appropriate trading strategies for the current market conditions. The Group's strong financial position also enables us to take these conditions in our stride whilst continuing to invest in the fabric of the business.

Group RevPAR was up 1.6% in the first three weeks of trading in the current quarter on a reported currency basis, compared to the same period last year, with London up 2.5%, New York up 15.6% and Singapore down 12.6%. Rest of Asia was down 8.9%.

PERFORMANCE REVIEW

For comparability, the following regional review is based on calculations in constant currency whereby 30 June 2012 average room rate and RevPAR have been translated at average exchange rates for the period ended 30 June 2013. Full details are given in Appendices 1 and 2 of this report.

EUROPE

Regional Performance – Europe	H1 2013	H1 2012 Constant Currency	Change
Hotel Revenue	**£83.8m**	£83.9m	(0.1%)
Occupancy	**74.5%**	73.5%	1.0%*
Average Room Rate	**£97.06**	£96.37	0.7%
RevPAR	**£72.32**	£70.85	2.1%

Regional Performance – London	H1 2013	H1 2012 Constant Currency	Change
Hotel Revenue	**£50.4m**	£49.9m	1.0%
Occupancy	**81.1%**	77.8%	3.3%*
Average Room Rate	**£122.19**	£123.04	(0.7%)
RevPAR	**£99.03**	£95.76	3.4%

Regional Performance - Rest of Europe (including Middle East)	H1 2013	H1 2012 Constant Currency	Change
Hotel Revenue	**£33.4m**	£34.0m	(1.8%)
Occupancy	**68.3%**	69.4%	(1.1%)*
Average Room Rate	**£68.83**	£68.08	1.1%
RevPAR	**£47.03**	£47.27	(0.5%)

* % points

Europe saw an overall increase in RevPAR of 2.1% for the six-month period. Following a difficult start to the year, performance in the second quarter was more encouraging with RevPAR growth of 6.6% across the region, driven mainly by an increase in occupancy of 4.4 percentage points.

RevPAR in London grew by 3.4% to £99.03 (2012: £95.76). Occupancy increased by 3.3 percentage points to 81.1% (2012: 77.8%) whilst average room rate was £122.19 – down 0.7% on 2012. Performance improved in the second quarter with RevPAR in London up 9.0% to £118.32 (2012: £108.57).

RevPAR at the Group's regional UK hotels was marginally down on the prior period.

ASIA

Regional Performance – Asia	H1 2013	H1 2012 Constant Currency	Change
Hotel Revenue	**£151.0m**	£164.6m	(8.3%)
Occupancy	**76.1%**	78.6%	(2.5%)*
Average Room Rate	**£100.65**	£104.44	(3.6%)
RevPAR	**£76.63**	£82.14	(6.7%)

Regional Performance – Singapore	H1 2013	H1 2012 Constant Currency	Change
Hotel Revenue	**£74.1m**	£78.3m	(5.4%)
Occupancy	**86.8%**	88.3%	(1.5%)*
Average Room Rate	**£112.33**	£121.10	(7.2%)
RevPAR	**£97.54**	£106.96	(8.8%)

Regional Performance - Rest of Asia	H1 2013	H1 2012 Constant Currency	Change
Hotel Revenue	**£76.9m**	£86.3m	(10.9%)
Occupancy	**68.7%**	72.5%	(3.8%)*
Average Room Rate	**£90.37**	£91.61	(1.4%)
RevPAR	**£62.08**	£66.43	(6.5%)

* % points

Asia hotel revenue fell by 8.3% to £151.0m (2012: £164.6m). Guestroom inventory was considerably reduced during the six-month period as a result of the planned partial closure for refurbishment of Grand Hyatt Taipei. This had a negative revenue impact of approximately £5m over the six-month period.

Millennium Seoul Hilton remains affected by the reduction in Japanese visitor numbers earlier this year as a result of political tensions, with occupancy down in the first six months by approximately 20% compared to 2012.

The slowdown in the Singaporean economy and an increase in hotel capacity on the island continue to impact the hospitality sector, with lower occupancy and room rates both contributing to a reduction in RevPAR of 8.8% over the six-month period. The corporate market remains soft.

RevPAR for the Rest of Asia decreased by 6.5% to £62.08 (2012: £66.43), mainly as a result of Millennium Seoul Hilton and slower hospitality markets impacting Grand Millennium Beijing. Grand Millennium Kuala Lumpur performed well.

UNITED STATES

Regional Performance – USA	**H1 2013**	**H1 2012 Constant Currency**	**Change**
Hotel Revenue	**£101.3m**	£102.8m	(1.5%)
Occupancy	**63.2%**	61.9%	1.3%*
Average Room Rate	**£100.67**	£93.95	7.2%
RevPAR	**£63.65**	£58.15	9.5%

Regional Performance – New York	**H1 2013**	**H1 2012 Constant Currency**	**Change**
Hotel Revenue	**£48.2m**	£46.3m	4.1%
Occupancy	**80.5%**	79.1%	1.4%*
Average Room Rate	**£156.05**	£149.84	4.1%
RevPAR	**£125.63**	£118.45	6.1%

Regional Performance - Regional US	**H1 2013**	**H1 2012 Constant Currency**	**Change**
Hotel Revenue	**£53.1m**	£56.5m	(6.0%)
Occupancy	**56.9%**	56.2%	0.7%*
Average Room Rate	**£71.97**	£68.08	5.7%
RevPAR	**£40.95**	£38.30	6.9%

* % points

In the 6 months to 30 June 2013, US regional RevPAR increased by 9.5% to £63.65 (2012: £58.15). However revenue was down by £1.5m due to the temporary closure of 135,000 room nights during the period. This was mainly a result of refurbishments at Millennium Hotel Minneapolis, which was fully closed for most of the period before re-opening in May 2013. 616 of the 780 rooms available at Millennium Hotel St Louis were also closed over the period.

New York RevPAR increased by 6.1% in the first six months. This was principally due to ONE UN, where room rate increased significantly following renovation of the hotel's west tower last year. New York RevPAR growth accelerated to 10.6% in the second quarter.

Regional US performance continues to show signs of recovery with solid RevPAR growth at Millennium Knickerbocker Hotel Chicago and Millennium Biltmore Hotel Los Angeles. Regional RevPAR performance is impacted by guest room closures at St Louis, where closed guestrooms have been removed from the hotel and regional RevPAR calculation.

AUSTRALASIA

Regional Performance – Australasia	**H1 2013**	**H1 2012 Constant Currency**	**Change**
Hotel Revenue	**£22.0m**	£23.6m	(6.8%)
Occupancy	**69.0%**	63.3%	5.7%*
Average Room Rate	**£57.80**	£57.49	0.5%
RevPAR	**£39.90**	£36.40	9.6%

* % points

The strong performance during the first quarter by the Group's Australasian hotels continued over the second three months of the year. RevPAR grew by 9.6% for the 6 months to 30 June 2013, mainly as a result of increased occupancy.

Total revenue fell marginally due to the inclusion of Kingsgate Hotel Parnell Auckland (closed in August 2012), and increased insurance receipts relating to the Christchurch earthquake in the 2012 comparatives. On a like-for-like basis revenues increased by 5.1%.

Demolition of the Copthorne Hotel in Victoria Square, Christchurch, damaged in the Christchurch earthquake of 2012, has begun. The Group is in discussion with local authorities as to the future of the site, freehold of which is owned by the Group, but no conclusion has been reached.

Condensed consolidated income statement
for the half year ended 30 June 2013

	Notes	**Second Quarter 2013 £m**	Restated[1] Second Quarter 2012 £m	**First Half 2013 £m**	Restated[1] First Half 2012 £m	Restated[1] Full Year 2012 £m
Revenue	3	**199.9**	198.4	**369.1**	373.9	768.3
Cost of sales		**(79.9)**	(76.1)	**(154.1)**	(149.1)	(305.7)
Gross Profit		**120.0**	122.3	**215.0**	224.8	462.6
Administrative expenses		**(85.1)**	(83.4)	**(169.6)**	(165.1)	(334.4)
Other operating income	4	**-**	0.3	**0.3**	0.3	12.9
Other operating expense	4	**(0.2)**	(0.1)	**(0.3)**	(0.2)	(1.4)
Operating profit		**34.7**	39.1	**45.4**	59.8	139.7
Share of profit of joint ventures and associates	4	**5.0**	15.2	**12.4**	22.1	37.2
Finance income		**1.7**	1.8	**3.6**	3.5	6.6
Finance expense		**(2.8)**	(3.0)	**(5.9)**	(6.4)	(12.2)
Net finance expense		**(1.1)**	(1.2)	**(2.3)**	(2.9)	(5.6)
Profit before tax	3	**38.6**	53.1	**55.5**	79.0	171.3
Income tax expense	5	**(3.7)**	(9.6)	**(5.1)**	(15.0)	(24.6)
Profit for the period		**34.9**	43.5	**50.4**	64.0	146.7
Attributable to:						
Equity holders of the parent		**33.1**	40.2	**46.1**	58.4	135.0
Non-controlling interests		**1.8**	3.3	**4.3**	5.6	11.7
		34.9	43.5	**50.4**	64.0	146.7
Basic earnings per share (pence)	6	**10.2p**	12.5p	**14.2p**	18.3p	42.0p
Diluted earnings per share (pence)	6	**10.1p**	12.5p	**14.1p**	18.2p	41.8p

The financial results above derive from continuing activities.

[1] *The Directors have reassessed the presentation of the income statement in light of the Group's continuing evolution and best reporting practice and have made a number of disclosure and categorisation amendments to the income statement, together with relevant comparatives. The Directors consider that these adjustments better reflect the commercial dynamics of the Group and facilitate comparison with peers. The amendments have no impact on revenue, profit before tax or profit for the period.*

Condensed consolidated statement of comprehensive income
for the half year ended 30 June 2013

	First Half 2013 £m	First Half 2012 £m	Full Year 2012 £m
Profit for the period	**50.4**	64.0	146.7
Other comprehensive income/(expense):			
Items that are not reclassified subsequently to income statement:			
Defined benefit plan actuarial losses	-	(2.3)	(3.7)
Income tax on items that are not reclassified to income statement	-	0.5	0.6
	-	(1.8)	(3.1)
Items that may be reclassified subsequently to income statement:			
Foreign currency translation differences - foreign operations	**29.6**	20.5	(5.5)
Foreign currency translation differences - equity accounted investees	**14.3**	(0.8)	0.8
Net (loss)/gain on hedge of net investments in foreign operations	**(4.1)**	(2.6)	3.0
Share of joint ventures and associates other reserve movements	-	0.1	0.1
Effective portion of changes in fair value of cash flow hedges	**-**	(0.3)	0.3
	39.8	16.9	(1.3)
Other comprehensive income/(expense) for the period, net of tax	**39.8**	15.1	(4.4)
Total comprehensive income for the period	**90.2**	79.1	142.3
Total comprehensive income attributable to:			
Equity holders of the parent	**83.6**	72.0	132.4
Non-controlling interests	**6.6**	7.1	9.9
Total comprehensive income for the period	**90.2**	79.1	142.3

Condensed consolidated statement of financial position as at 30 June 2013

	Note	**As at 30 June 2013 £m**	As at 30 June 2012 £m	As at 31 December 2012 £m
Non-current assets				
Property, plant and equipment		**2,131.0**	2,058.5	2,051.7
Lease premium prepayment		**46.6**	46.0	44.4
Investment properties		**165.6**	175.4	169.1
Investments in joint ventures and associates		**421.8**	436.7	439.9
Loans due from associate		**30.7**	41.5	29.1
Other financial assets		**8.4**	7.9	7.9
		2,804.1	2,766.0	2,742.1
Current assets				
Inventories		**3.5**	3.9	3.8
Development properties		**189.2**	160.5	172.6
Lease premium prepayment		**1.4**	1.4	1.4
Trade and other receivables		**81.0**	78.9	67.6
Loans due from associate		**19.5**	-	18.5
Other current financial assets		**0.8**	-	-
Cash and cash equivalents	7	**397.9**	422.3	396.7
		693.3	667.0	660.6
Total assets		**3,497.4**	3,433.0	3,402.7
Non-current liabilities				
Loans due to associate		**(20.2)**	(14.7)	(16.4)
Interest-bearing loans, bonds and borrowings		**(212.9)**	(261.9)	(152.6)
Employee benefits		**(17.8)**	(20.1)	(17.2)
Provisions		**(7.8)**	(7.8)	(7.5)
Other non-current liabilities		**(267.5)**	(223.9)	(238.0)
Deferred tax liabilities		**(236.9)**	(236.5)	(228.1)
		(763.1)	(764.9)	(659.8)
Current liabilities				
Interest-bearing loans, bonds and borrowings		**(141.1)**	(171.0)	(191.9)
Trade and other payables		**(158.5)**	(158.8)	(154.6)
Other current financial liabilities		**-**	(1.3)	(2.4)
Provisions		**(6.5)**	(7.5)	(6.3)
Income taxes payable		**(13.9)**	(22.0)	(24.9)
		(320.0)	(360.6)	(380.1)
Total liabilities		**(1,083.1)**	(1,125.5)	(1,039.9)
Net assets		**2,414.3**	2,307.5	2,362.8
Equity				
Issued share capital		**97.4**	97.3	97.4
Share premium		**843.2**	842.6	843.0
Translation reserve		**300.1**	278.1	262.6
Cash flow hedge reserve		**(0.2)**	(0.8)	(0.2)
Treasury share reserve		**(2.2)**	(2.2)	(2.2)
Retained earnings		**985.4**	907.0	975.4
Total equity attributable to equity holders of the parent		**2,223.7**	2,122.0	2,176.0
Non-controlling interests		**190.6**	185.5	186.8
Total equity		**2,414.3**	2,307.5	2,362.8

Condensed consolidated statement of cash flows
for the half year ended 30 June 2013

	First Half 2013 £m	First Half 2012 £m	Full Year 2012 £m
Cash flows from operating activities			
Profit for the period	**50.4**	64.0	146.7
Adjustments for:			
Depreciation and amortisation	**18.5**	17.3	34.6
Share of profit of joint ventures and associates	**(12.4)**	(22.1)	(37.2)
Other operating income/expense	**-**	(0.1)	(11.5)
Equity settled share-based transactions	**1.2**	0.9	2.0
Finance income	**(3.6)**	(3.5)	(6.6)
Finance expense	**5.9**	6.4	12.2
Income tax expense	**5.1**	15.0	24.6
Operating profit before changes in working capital and provisions	**65.1**	77.9	164.8
(Increase)/decrease in inventories, trade and other receivables	**(13.1)**	(9.2)	2.8
Increase in development properties	**(16.9)**	(11.2)	(21.2)
Increase in trade and other payables	**26.9**	46.9	54.6
Increase/(decrease) in provisions and employee benefits	**0.6**	0.3	(5.0)
Cash generated from operations	**62.6**	104.7	196.0
Interest paid	**(3.1)**	(3.9)	(9.2)
Interest received	**2.8**	2.5	5.2
Income tax paid	**(18.4)**	(19.3)	(32.7)
Net cash generated from operating activities	**43.9**	84.0	159.3
Cash flows from investing activities			
Dividends received from joint venture and associate	**46.3**	13.8	23.7
Decrease in loans due from associate	**-**	27.8	19.5
Increase in investment in associate	**(2.6)**	(2.5)	(4.9)
Proceeds from sale of shares in associate	**1.4**	1.5	2.8
Net proceeds from sale of property, plant and equipment	**-**	-	18.7
Acquisition of property, plant and equipment, lease premium prepayment and investment properties	**(55.7)**	(18.0)	(55.8)
Net cash generated from/(used in) investing activities	**(10.6)**	22.6	4.0
Cash flows from financing activities			
Proceeds from issue of share capital	**0.2**	0.3	0.5
Repayment of borrowings	**(64.7)**	(52.2)	(66.8)
Drawdown of borrowings	**66.4**	28.4	28.3
Payment of transaction costs related to loans and borrowings	**(0.3)**	(0.3)	(0.9)
Payment on termination of financial instruments	**(2.1)**	-	-
Dividends paid to non-controlling interests	**(2.8)**	(2.7)	(4.2)
Increase in loan due to associate	**2.6**	3.0	5.0
Dividends paid to equity holders of the parent	**(37.3)**	(17.7)	(24.5)
Net cash used in financing activities	**(38.0)**	(41.2)	(62.6)
Net (decrease)/increase in cash and cash equivalents	**(4.7)**	65.4	100.7
Cash and cash equivalents at beginning of the period	**379.0**	275.3	275.3
Effect of exchange rate fluctuations on cash held	**7.4**	3.4	3.0
Cash and cash equivalents at end of the period	**381.7**	344.1	379.0
Reconciliation of cash and cash equivalents			
Cash and cash equivalents shown in the consolidated statement of financial position	**397.9**	422.3	396.7
Bank overdrafts included in borrowings	**(16.2)**	(78.2)	(17.7)
Cash and cash equivalents for consolidated statement of cash flows	**381.7**	344.1	379.0

Condensed consolidated statement of changes in equity for the half year ended 30 June 2013

	Share capital £m	Share premium £m	Translation reserve £m	Cash flow hedge reserve £m	Treasury share reserve £m	Retained earnings £m	Total excluding non-controlling interests £m	Non-controlling interests £m	Total equity £m
Balance as at 1 January 2012	95.3	844.3	262.5	(0.5)	(2.2)	867.1	2,066.5	181.1	2,247.6
Profit	-	-	-	-	-	58.4	58.4	5.6	64.0
Total other comprehensive income	-	-	15.6	(0.3)	-	(1.7)	13.6	1.5	15.1
Total comprehensive income for the period	-	-	15.6	(0.3)	-	56.7	72.0	7.1	79.1
Transactions with owners, recorded directly in equity									
Contributions by and distribution to owners									
Dividends - equity holders	-	-	-	-	-	(45.7)	(45.7)	-	(45.7)
Issue of shares in lieu of dividends	1.7	(1.7)	-	-	-	28.0	28.0	-	28.0
Dividends - non controlling interests	-	-	-	-	-	-	-	(2.7)	(2.7)
Share-based payment transactions (net of tax)	-	-	-	-	-	0.9	0.9	-	0.9
Share options exercised	0.3	-	-	-	-	-	0.3	-	0.3
Total contributions by and distributions to owners	2.0	(1.7)	-	-	-	(16.8)	(16.5)	(2.7)	(19.2)
Total transactions with owners	2.0	(1.7)	-	-	-	(16.8)	(16.5)	(2.7)	(19.2)
Balance as at 30 June 2012	97.3	842.6	278.1	(0.8)	(2.2)	907.0	2,122.0	185.5	2,307.5
Profit	-	-	-	-	-	76.6	76.6	6.1	82.7
Total other comprehensive income	-	-	(15.5)	0.6	-	(1.3)	(16.2)	(3.3)	(19.5)
Total comprehensive income for the period	-	-	(15.5)	0.6	-	75.3	60.4	2.8	63.2
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Dividends - equity holders	-	-	-	-	-	(6.8)	(6.8)	-	(6.8)
Dividends - non-controlling interests	-	-	-	-	-	-	-	(1.5)	(1.5)
Share-based payment transactions (net of tax)	-	-	-	-	-	0.2	0.2	-	0.2
Share options exercised	0.1	0.4	-	-	-	(0.3)	0.2	-	0.2
Total contributions by and distributions to owners	0.1	0.4	-	-	-	(6.9)	(6.4)	(1.5)	(7.9)
Total transactions with owners	0.1	0.4	-	-	-	(6.9)	(6.4)	(1.5)	(7.9)
Balance as at 31 December 2012	97.4	843.0	262.6	(0.2)	(2.2)	975.4	2,176.0	186.8	2,362.8
Balance as at 1 January 2013	**97.4**	**843.0**	**262.6**	**(0.2)**	**(2.2)**	**975.4**	**2,176.0**	**186.8**	**2,362.8**
Profit	**-**	**-**	**-**	**-**	**-**	**46.1**	**46.1**	**4.3**	**50.4**
Total other comprehensive income	**-**	**-**	**37.5**	**-**	**-**	**-**	**37.5**	**2.3**	**39.8**
Total comprehensive income for the period	**-**	**-**	**37.5**	**-**	**-**	**46.1**	**83.6**	**6.6**	**90.2**
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Dividends - equity holders	**-**	**-**	**-**	**-**	**-**	**(37.3)**	**(37.3)**	**-**	**(37.3)**
Dividends - non-controlling interests	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(2.8)**	**(2.8)**
Share-based payment transactions (net of tax)	**-**	**-**	**-**	**-**	**-**	**1.2**	**1.2**	**-**	**1.2**
Share options exercised	**-**	**0.2**	**-**	**-**	**-**	**-**	**0.2**	**-**	**0.2**
Total contributions by and distributions to owners	**-**	**0.2**	**-**	**-**	**-**	**(36.1)**	**(35.9)**	**(2.8)**	**(38.7)**
Total transactions with owners	**-**	**0.2**	**-**	**-**	**-**	**(36.1)**	**(35.9)**	**(2.8)**	**(38.7)**
Balance as at 30 June 2013	**97.4**	**843.2**	**300.1**	**(0.2)**	**(2.2)**	**985.4**	**2,223.7**	**190.6**	**2,414.3**

Notes to the condensed consolidated financial statements

1. General information

Basis of preparation

The consolidated financial statements in this interim management report for Millennium & Copthorne Hotels plc ("the Company") as at and for the half year ended 30 June 2013 comprise the Company and its subsidiaries (together referred to as "the Group") and the Group's interests in joint ventures and associates.

These primary statements and selected notes comprise the unaudited interim consolidated financial results of the Group for the half years ended 30 June 2013 and 2012, together with the audited results for the year ended 31 December 2012. This half year interim management statement does not comprise statutory accounts within the meaning of Section 435 of the Companies Act 2006 but represents extracts from them. These extracts do not provide as full an understanding of the financial performance and position, or financial and investing activities, of the Company as the complete Annual Report. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2012.

The comparative figures for the financial year ended 31 December 2012 are not the Company's statutory accounts for that financial year. Those accounts have been reported on by the Company's auditor and delivered to the registrar of companies. The report of the auditor was (i) unqualified; (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report; and (iii) did not contain a statement under section 498(2) or (3) of the Companies Act 2006. The consolidated financial statements of the Group for the financial year ended 31 December 2012 are available from the Company's website http://www.millenniumhotels.com/corporate/investors/financial-results.html

This set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU. The annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. As required by the Disclosure and Transparency Rules of the Financial Services Authority, the financial statements have been prepared applying the accounting policies and presentation that were applied in the preparation of the Company's published consolidated financial statements for the year ended 31 December 2012.

The financial statements were prepared on a going concern basis, supported by the Directors' assessment of the Group's current and forecast financial position, and forecast for the foreseeable future; and are presented in the Company's functional currency of sterling, rounded to the nearest hundred thousand.

In preparing these interim financial statements, management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2012.

The Directors have reassessed the presentation of the income statement in light of the group's continuing evolution and best reporting practice and have made a number of disclosure and categorisation amendments to the income statement, together with relevant comparatives. The Directors consider that these adjustments better reflect the commercial dynamics of the Group and facilitate comparison with peers. The amendments have no impact on revenue, profit before tax or profit for the year.

There are no IFRS accounting standards and interpretations, which have been endorsed by the EU, but not yet effective as at 30 June 2013.

Except as described hereinafter, the accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended 31 December 2012:

IAS 1 – Financial Statement Presentation

IAS 19 Revised – Employee Benefits

IFRS 13 – Fair Value Measurements

The adoption of these accounting standards has not had a significant impact on the consolidated financial statements of the Group.

The financial statements were approved by the Board of Directors on 30 July 2013.

Non-GAAP information

Net cash/debt and gearing percentage
An analysis of net cash/debt and calculated gearing percentage is provided in note 7 'Non-GAAP measures'.

Notes to the condensed consolidated financial statements

2. Foreign currency translation

The Company publishes its Group financial statements in sterling. However, the majority of the Company's subsidiaries, joint ventures and associates report their revenue, costs, assets and liabilities in currencies other than sterling. The Company translates the revenue, costs, assets and liabilities of those subsidiaries, joint ventures and associates into sterling, and this translation of other currencies into sterling could materially affect the amount of these items in the Group's financial statements, even if their values have not changed in their original currencies. The following table sets out the sterling exchange rates of the other principal currencies of the Group.

Currency (=£)	As at 30 June **2013**	As at 30 June 2012	As at 31 December 2012	Average for 6 month January-June **2013**	Average for 6 month January-June 2012	Average for 3 month April-June **2013**	Average for 3 month April-June 2012	Average for the year 2012
US dollar	**1.533**	1.554	1.614	**1.545**	1.582	**1.537**	1.579	1.589
Singapore dollar	**1.945**	1.987	1.973	**1.922**	1.997	**1.925**	1.997	1.985
New Taiwan dollar	**46.014**	46.534	46.865	**45.866**	46.336	**45.833**	46.437	46.713
New Zealand dollar	**1.958**	1.962	1.966	**1.875**	1.959	**1.880**	1.984	1.960
Malaysian ringgit	**4.876**	4.965	4.945	**4.772**	4.894	**4.752**	4.932	4.913
Korean won	**1,763.37**	1,795.39	1,729.19	**1,706.75**	1,802.44	**1,723.10**	1,815.09	1,785.34
Chinese renminbi	**9.428**	9.873	10.066	**9.566**	9.882	**9.466**	9.934	9.961
Euro	**1.176**	1.249	1.218	**1.179**	1.212	**1.178**	1.233	1.229
Japanese yen	**150.425**	123.447	138.262	**145.591**	125.603	**150.108**	125.585	126.452

3. Operating segment information

Disclosure of segmental information is principally presented in respect of the Group's geographical segments.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items principally comprise: interest-bearing loans, borrowings, cash and cash equivalents, net finance expense, taxation balances and corporate expenses.

Geographical segments
The hotel and property operations are managed on a worldwide basis and operate in seven principal geographical areas as follows:

- New York
- Regional US
- London
- Rest of Europe (including the Middle East)
- Singapore
- Rest of Asia
- Australasia

The segments reported reflect the operating segment information included in the internal reports that the Chief Operating Decision Maker ("CODM"), which is the Board, regularly reviews.

The reportable segments are aligned with the structure of the Group's internal organisation which is based according to geographical region. Discrete financial information is reported to and is reviewed by the CODM on a geographical basis. Operating segments have Chief Operating Officers ("COOs") or equivalent who are directly accountable for the functioning of their segments and who maintain regular contact with the Chief Executive Officer and Chairman of the CODM to discuss the operational and financial performance. The CODM makes decisions about allocation of resources to the regions managed by the COOs.

Notes to the condensed consolidated financial statements

3. Operating segment information (continued)

	Second Quarter 2013								
	New York £m	**Regional US £m**	**London £m**	**Rest of Europe £m**	**Singapore £m**	**Rest of Asia £m**	**Australasia £m**	**Central Costs £m**	**Total Group £m**
Revenue									
Hotel	**29.4**	**31.0**	**29.8**	**18.3**	**36.1**	**39.8**	**8.6**	**-**	**193.0**
Property operations	**-**	**0.4**	**-**	**-**	**0.7**	**-**	**5.8**	**-**	**6.9**
Total revenue	**29.4**	**31.4**	**29.8**	**18.3**	**36.8**	**39.8**	**14.4**	**-**	**199.9**
Hotel gross operating profit	**8.9**	**6.8**	**17.2**	**5.1**	**18.4**	**15.0**	**2.6**	**-**	**74.0**
Hotel fixed charges [1]	**(5.1)**	**(4.4)**	**(3.8)**	**(3.1)**	**(10.8)**	**(6.2)**	**(1.1)**	**-**	**(34.5)**
Hotel operating profit	**3.8**	**2.4**	**13.4**	**2.0**	**7.6**	**8.8**	**1.5**	**-**	**39.5**
Property operating profit/(loss)	**-**	**(0.2)**	**-**	**-**	**0.4**	**-**	**2.7**	**-**	**2.9**
Central costs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(7.5)**	**(7.5)**
Other operating expense [2]	**-**	**-**	**-**	**-**	**-**	**(0.2)**	**-**	**-**	**(0.2)**
Operating profit/(loss)	**3.8**	**2.2**	**13.4**	**2.0**	**8.0**	**8.6**	**4.2**	**(7.5)**	**34.7**
Share of joint ventures and associates profit	**-**	**-**	**-**	**-**	**2.6**	**1.4**	**1.0**	**-**	**5.0**
Add: Depreciation and amortisation	**1.7**	**1.8**	**1.2**	**0.9**	**-**	**2.9**	**0.5**	**0.2**	**9.2**
EBITDA [3]	**5.5**	**4.0**	**14.6**	**2.9**	**10.6**	**12.9**	**5.7**	**(7.3)**	**48.9**
Less: Depreciation and amortisation									**(9.2)**
Net finance expense									**(1.1)**
Profit before tax									**38.6**

	Second Quarter 2012 (Restated) [4]								
	New York £m	Regional US £m	London £m	Rest of Europe £m	Singapore £m	Rest of Asia £m	Australasia £m	Central Costs £m	Total Group £m
Revenue									
Hotel	26.1	32.2	28.2	18.0	36.7	43.4	8.7	-	193.3
Property operations	-	0.4	-	-	0.6	-	4.1	-	5.1
Total revenue	26.1	32.6	28.2	18.0	37.3	43.4	12.8	-	198.4
Hotel gross operating profit	7.3	7.9	16.4	4.8	19.8	18.6	3.1	-	77.9
Hotel fixed charges [1]	(4.5)	(4.7)	(3.7)	(2.9)	(11.3)	(5.8)	(1.7)	-	(34.6)
Hotel operating profit	2.8	3.2	12.7	1.9	8.5	12.8	1.4	-	43.3
Property operating profit/(loss)	-	(0.2)	-	-	0.4	-	1.7	-	1.9
Central costs	-	-	-	-	-	-	-	(6.3)	(6.3)
Other operating income [2]	-	-	-	-	0.3	-	-	-	0.3
Other operating expense [2]	-	-	-	-	-	(0.1)	-	-	(0.1)
Operating profit/(loss)	2.8	3.0	12.7	1.9	9.2	12.7	3.1	(6.3)	39.1
Share of joint ventures and associates profit	-	-	-	-	3.1	10.9	1.2	-	15.2
Add: Depreciation and amortisation	1.1	1.7	1.2	1.0	-	2.7	0.5	0.4	8.6
EBITDA [3]	3.9	4.7	13.9	2.9	12.3	26.3	4.8	(5.9)	62.9
Less: Depreciation and amortisation									(8.6)
Net finance expense									(1.2)
Profit before tax									53.1

Notes to the condensed consolidated financial statements

3. Operating segment information (continued)

	First Half 2013								
	New York £m	**Regional US £m**	**London £m**	**Rest of Europe £m**	**Singapore £m**	**Rest of Asia £m**	**Australasia £m**	**Central Costs £m**	**Total Group £m**
Revenue									
Hotel	**48.2**	**53.1**	**50.4**	**33.4**	**74.1**	**76.9**	**22.0**	**-**	**358.1**
Property operations	**-**	**0.9**	**-**	**-**	**1.2**	**-**	**8.9**	**-**	**11.0**
Total revenue	**48.2**	**54.0**	**50.4**	**33.4**	**75.3**	**76.9**	**30.9**	**-**	**369.1**
Hotel gross operating profit	**8.6**	**6.9**	**26.9**	**7.7**	**38.0**	**27.7**	**9.3**	**-**	**125.1**
Hotel fixed charges [1]	**(9.8)**	**(8.6)**	**(7.6)**	**(6.0)**	**(22.5)**	**(12.4)**	**(2.4)**	**-**	**(69.3)**
Hotel operating profit/(loss)	**(1.2)**	**(1.7)**	**19.3**	**1.7**	**15.5**	**15.3**	**6.9**	**-**	**55.8**
Property operating profit/(loss)	**-**	**(0.4)**	**-**	**-**	**0.5**	**-**	**4.1**	**-**	**4.2**
Central costs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(14.6)**	**(14.6)**
Other operating income [2]	**-**	**-**	**-**	**-**	**0.3**	**-**	**-**	**-**	**0.3**
Other operating expense [2]	**-**	**-**	**-**	**-**	**-**	**(0.3)**	**-**	**-**	**(0.3)**
Operating profit/(loss)	**(1.2)**	**(2.1)**	**19.3**	**1.7**	**16.3**	**15.0**	**11.0**	**(14.6)**	**45.4**
Share of joint ventures and associates profit	**-**	**-**	**-**	**-**	**6.0**	**3.9**	**2.5**	**-**	**12.4**
Add: Depreciation and amortisation	**3.3**	**3.4**	**2.3**	**1.8**	**0.1**	**6.1**	**1.0**	**0.5**	**18.5**
EBITDA [3]	**2.1**	**1.3**	**21.6**	**3.5**	**22.4**	**25.0**	**14.5**	**(14.1)**	**76.3**
Less: Depreciation and amortisation									**(18.5)**
Net finance expense									**(2.3)**
Profit before tax									**55.5**

	First Half 2012 (Restated) [4]								
	New York £m	Regional US £m	London £m	Rest of Europe £m	Singapore £m	Rest of Asia £m	Australasia £m	Central Costs £m	Total Group £m
Revenue									
Hotel	45.3	55.1	49.9	33.7	75.3	83.8	22.6	-	365.7
Property operations	-	0.8	-	-	1.2	-	6.2	-	8.2
Total revenue	45.3	55.9	49.9	33.7	76.5	83.8	28.8	-	373.9
Hotel gross operating profit	8.5	9.3	27.2	7.9	41.1	34.4	10.5	-	138.9
Hotel fixed charges [1]	(8.8)	(9.5)	(7.3)	(5.6)	(23.9)	(11.6)	(3.8)	-	(70.5)
Hotel operating profit/(loss)	(0.3)	(0.2)	19.9	2.3	17.2	22.8	6.7	-	68.4
Property operating profit/(loss)	-	(0.3)	-	-	0.5	-	2.5	-	2.7
Central costs	-	-	-	-	-	-	-	(11.4)	(11.4)
Other operating income [2]	-	-	-	-	0.3	-	-	-	0.3
Other operating expense [2]	-	-	-	-	-	(0.2)	-	-	(0.2)
Operating profit/(loss)	(0.3)	(0.5)	19.9	2.3	18.0	22.6	9.2	(11.4)	59.8
Share of joint ventures and associates profit	-	-	-	-	6.3	13.2	2.6	-	22.1
Add: Depreciation and amortisation	2.3	3.4	2.4	1.9	0.1	5.5	1.0	0.7	17.3
EBITDA [3]	2.0	2.9	22.3	4.2	24.4	41.3	12.8	(10.7)	99.2
Less: Depreciation and amortisation									(17.3)
Net finance expense									(2.9)
Profit before tax									79.0

Notes to the condensed consolidated financial statements

3. Operating segment information (continued)

	Full Year 2012 (Restated) [4]								
	New York £m	Regional US £m	London £m	Rest of Europe £m	Singapore £m	Rest of Asia £m	Australasia £m	Central Costs £m	Total Group £m
Revenue									
Hotel	99.5	115.3	108.4	70.3	152.3	159.2	44.4	-	749.4
Property operations	-	1.6	-	-	2.2	0.1	15.0	-	18.9
Total revenue	99.5	116.9	108.4	70.3	154.5	159.3	59.4	-	768.3
Hotel gross operating profit	24.3	22.0	61.8	17.2	81.6	61.2	20.5	-	288.6
Hotel fixed charges [1]	(18.5)	(18.9)	(14.9)	(12.3)	(48.1)	(23.9)	(6.3)	-	(142.9)
Hotel operating profit	5.8	3.1	46.9	4.9	33.5	37.3	14.2	-	145.7
Property operating profit/(loss)	-	(1.0)	-	-	1.3	-	5.9	-	6.2
Central costs	-	-	-	-	-	-	-	(23.7)	(23.7)
Other operating income [2]					2.4	-	10.5	-	12.9
Other operating expense [2]	-	-	-	-	-	(1.4)	-	-	(1.4)
Operating profit/(loss)	5.8	2.1	46.9	4.9	37.2	35.9	30.6	(23.7)	139.7
Share of joint ventures and associates profit	-	-	-	-	15.8	16.8	4.6	-	37.2
Add: Depreciation and amortisation	5.0	6.5	4.7	3.6	0.2	11.3	2.1	1.2	34.6
EBITDA [3]	10.8	8.6	51.6	8.5	53.2	64.0	37.3	(22.5)	211.5
Less: Depreciation and amortisation									(34.6)
Net finance expense									(5.6)
Profit before tax									171.3

[1] Hotel fixed charges include depreciation, amortisation of lease premium prepayments, property rent, taxes and insurance, operating lease rentals and management fees.

[2] See note 4 for details of other operating income and expense.

[3] EBITDA is earnings before interest, tax and, depreciation and amortisation.

[4] The Directors have reassessed the presentation of the income statement in light of the Group's continuing evolution and best reporting practice and have made a number of disclosure and categorisation amendments to the income statement, together with relevant comparatives. The Directors consider that these adjustments better reflect the commercial dynamics of the Group and facilitate comparison with peers. The amendments have no impact on revenue, profit before tax or profit for the period.

Notes to the condensed consolidated financial statements

3. Operating segment information (continued)

Segmental assets and liabilities

As at 30 June 2013	**New York £m**	**Regional US £m**	**London £m**	**Rest of Europe £m**	**Singapore £m**	**Rest of Asia £m**	**Australasia £m**	**Total Group £m**
Hotel operating assets	**367.9**	**300.0**	**437.8**	**190.2**	**152.4**	**672.2**	**148.9**	**2,269.4**
Hotel operating liabilities	**(13.0)**	**(37.0)**	**(23.9)**	**(25.8)**	**(143.3)**	**(52.2)**	**(7.8)**	**(303.0)**
Investment in and loans due from joint ventures and associates	**-**	**-**	**-**	**-**	**172.9**	**86.3**	**59.9**	**319.1**
Loans due to associate	**-**	**-**	**-**	**-**	**-**	**(20.2)**	**-**	**(20.2)**
Total hotel operating net assets	**354.9**	**263.0**	**413.9**	**164.4**	**182.0**	**686.1**	**201.0**	**2,265.3**
Property operating assets	**-**	**29.7**	**-**	**-**	**190.9**	**66.2**	**71.3**	**358.1**
Property operating liabilities	**-**	**(0.2)**	**-**	**-**	**(153.2)**	**(0.6)**	**(1.1)**	**(155.1)**
Investment in and loans due from joint ventures and associates	**-**	**-**	**-**	**-**	**50.2**	**102.7**	**-**	**152.9**
Total property operating net assets	**-**	**29.5**	**-**	**-**	**87.9**	**168.3**	**70.2**	**355.9**
Deferred tax liabilities								**(236.9)**
Income taxes payable								**(13.9)**
Net cash								**43.9**
Net assets								**2,414.3**

As at 30 June 2012	New York £m	Regional US £m	London £m	Rest of Europe £m	Singapore £m	Rest of Asia £m	Australasia £m	Total Group £m
Hotel operating assets	348.3	284.0	439.1	188.1	149.4	626.0	159.4	2,194.3
Hotel operating liabilities	(11.3)	(49.6)	(28.7)	(25.8)	(142.1)	(40.4)	(11.4)	(309.3)
Investment in and loans due from joint ventures and associates	-	-	-	-	179.9	96.3	62.9	339.1
Loans due to associate	-	-	-	-	-	(14.7)	-	(14.7)
Total hotel operating net assets	337.0	234.4	410.4	162.3	187.2	667.2	210.9	2,209.4
Property operating assets	-	29.3	-	-	155.1	79.5	74.3	338.2
Property operating liabilities	-	(0.2)	-	-	(108.0)	(0.9)	(1.0)	(110.1)
Investment in and loans due from joint ventures and associates	-	-	-	-	41.5	97.6	-	139.1
Total property operating net assets	-	29.1	-	-	88.6	176.2	73.3	367.2
Deferred tax liabilities								(236.5)
Income taxes payable								(22.0)
Net debt								(10.6)
Net assets								2,307.5

As at 31 December 2012	New York £m	Regional US £m	London £m	Rest of Europe £m	Singapore £m	Rest of Asia £m	Australasia £m	Total Group £m
Hotel operating assets	352.3	270.8	436.3	186.5	148.5	629.4	149.2	2,173.0
Hotel operating liabilities	(12.8)	(46.1)	(21.6)	(22.0)	(142.6)	(42.7)	(12.4)	(300.2)
Investment in and loans due from joint ventures and associates	-	-	-	-	184.6	97.5	62.6	344.7
Loans due to associate	-	-	-	-	-	(16.4)	-	(16.4)
Total hotel operating net assets	339.5	224.7	414.7	164.5	190.5	667.8	199.4	2,201.1
Property operating assets	-	28.2	-	-	171.1	74.1	72.1	345.5
Property operating liabilities	-	(0.3)	-	-	(123.6)	(0.7)	(1.2)	(125.8)
Investment in and loans due from joint ventures and associates	-	-	-	-	47.7	95.1	-	142.8
Total property operating net assets	-	27.9	-	-	95.2	168.5	70.9	362.5
Deferred tax liabilities								(228.1)
Income taxes payable								(24.9)
Net cash								52.2
Net assets								2,362.8

Notes to the condensed consolidated financial statements

4. Other operating income/expense and share of profit of joint ventures and associates

	Notes	**Second Quarter 2013 £m**	Restated Second Quarter 2012 £m	**First Half 2013 £m**	Restated First Half 2012 £m	Restated Full Year 2012 £m
Other operating income/(expense)						
Revaluation gain of investment properties	**(a)**	**-**	-	**-**	-	1.8
Impairment	**(b)**	**(0.2)**	(0.1)	**(0.3)**	(0.2)	(1.4)
Gain arising on disposal of properties	**(c)**	**-**	-	**-**	-	10.5
Gain on disposal of stapled securities in CDLHT	**(d)**	**-**	0.3	**0.3**	0.3	0.6
		(0.2)	0.2	**-**	0.1	11.5
Included in share of profit of joint ventures and associates						
Revaluation gain of investment properties	**(e)**	**-**	-	-	-	1.4
Profit on disposal of business assets	**(f)**	**-**	-	-	0.6	0.7
		-	-	-	0.6	2.1

(a) Revaluation of investment properties
At the end of 2012, the Group's investment properties were subject to external professional valuation on an open-market existing use basis. Based on these valuations, together with such considerations as the Directors consider appropriate, the Tanglin Shopping Centre recorded uplift in value of £1.8m.

(b) Impairment
For the second quarter ended 30 June 2013, a £0.2m (2012: £0.1m) and for the first half ended 30 June 2013 a £0.3m (2012: £0.2m) impairment charge was made on additional interest on shareholders loan to the Group's 50% investment in Bangkok. For the financial year ended 31 December 2012, the impairment charge on the above-mentioned interest on shareholders loan was £1.4m.

(c) Gain arising on disposal of properties
During the financial year ended 31 December 2012, a settlement was reached with the insurers in relation to Copthorne Hotel Christchurch Central which is one of the hotels affected by the New Zealand earthquake. A gain of £10.5m which was the difference between the compensation received and the carrying value of the freehold building was recognised by the Group.

(d) Gain on disposal of stapled securities in CDLHT
For the six months ended 30 June 2013, the Group disposed of 1,303,000 stapled securities in CDLHT for S$2.6m or £1.4m which net of the carrying value of the stapled securities and the dilution impact totalling S$2.0m or £1.1m resulted in a net gain of S$0.6m or £0.3m.

For the six months ended 30 June 2012, the Group disposed of 1,571,000 stapled securities in CDLHT for S$3.0m or £1.5m which net of the carrying value of the stapled securities and the dilution impact totalling S$2.4m or £1.2m resulted in a net gain of S$0.6m or £0.3m.

For the financial year ended 31 December 2012, the Group disposed of 2,849,000 stapled securities in CDLHT for S$5.6m or £2.8m which net of the carrying value of the stapled securities and the dilution impact totalling S$4.4m or £2.2m resulted in a net gain of S$1.2m or £0.6m.

(e) Revaluation gain of investment properties
For the financial year ended 31 December 2012, the Group's share of CDLHT's net revaluation surplus of investment properties was £2.4m. In addition, certain properties of FSCL were subject to annual valuation and as a result of this exercise, an impairment loss of £1.0m was recorded.

(f) Profit on disposal of business assets
For the financial year ended 31 December 2012, FSCL recorded a profit on disposal of assets from its confectionery manufacturing operations in Chengdu to a third party. The Group's share of the profit was £0.7m.

Notes to the condensed consolidated financial statements

5. Income tax expense

The Group recorded a tax expense of £5.1m for the first half 2013 (first half 2012: £15.0m) excluding the tax relating to joint ventures and associates. This comprises a UK tax charge of £1.8m (first half 2012: £1.5m) and an overseas tax charge of £3.3m (first half 2012: £13.5m).

Income tax expense for the period is the expected income tax payable on the taxable income for the period, calculated at the estimated average underlying annual effective income tax rate applied to the pre-tax income for the period, and further adjusted to take into account the impact of over-provision adjustments for prior years.

A charge of £1.8m for the first half 2013 (first half 2012: £6.6m) relating to joint ventures and associates is included in the reported profit before tax.

6. Earnings per share

Earnings per share are calculated using the following information:

	Second Quarter 2013	Second Quarter 2012	**First Half 2013**	First Half 2012	Full Year 2012
(a) Basic					
Profit for the period attributable to holders of the parent (£m)	**33.1**	40.2	**46.1**	58.4	135.0
Weighted average number of shares in issue (m)	**324.2**	320.9	**324.2**	319.1	321.6
Basic earnings per share (pence)	**10.2p**	12.5p	**14.2p**	18.3p	42.0p
(b) Diluted					
Profit for the period attributable to holders of the parent (£m)	**33.1**	40.2	**46.1**	58.4	135.0
Weighted average number of shares in issue (m)	**324.2**	320.9	**324.2**	319.1	321.6
Potentially dilutive share options under the Group's share option schemes (m)	**2.1**	1.1	**2.1**	1.0	1.4
Weighted average number of shares in issue (diluted) (m)	**326.3**	322.0	**326.3**	320.1	323.0
Diluted earnings per share (pence)	**10.1p**	12.5p	**14.1p**	18.2p	41.8p

7. Non-GAAP measures

Net cash/debt

In presenting and discussing the Group's indebtedness and liquidity position, net cash/debt is calculated. Net cash/debt is not defined under IFRS. The Group believes that it is both useful and necessary to communicate net cash/debt to investors and other interested parties, for the following reasons:

- net cash/debt allows the Company and external parties to evaluate the Group's overall indebtedness and liquidity position;
- net cash/debt facilitates comparability of indebtedness and liquidity with other companies, although the Group's measure of net cash/debt may not be directly comparable to similarly titled measures used by other companies; and
- it is used in discussions with the investment analyst community.

Notes to the condensed consolidated financial statements

7. Non-GAAP measures (continued)

Analysis of net cash/debt and calculated gearing percentage is provided below. Gearing is defined as net debt as a percentage of total equity attributable to equity holders of the parent.

	As at 30 June 2013 £m	As at 30 June 2012 £m	As at 31 December 2012 £m
Net cash/(debt)			
Cash and cash equivalents (as per the consolidated statement of cash flows)	**381.7**	344.1	379.0
Bank overdrafts (included as part of borrowings)	**16.2**	78.2	17.7
Cash and cash equivalents (as per the consolidated statement of financial position)	**397.9**	422.3	396.7
Interest-bearing loans, bonds and borrowings			
– Non-current	**(212.9)**	(261.9)	(152.6)
– Current	**(141.1)**	(171.0)	(191.9)
Net cash/(debt)	**43.9**	(10.6)	52.2

A summary reconciliation of movements in net cash/debt is shown below:

Reconciliation of net cash flow to movement in net cash/debt	**As at 30 June 2013 £m**	As at 30 June 2012 £m	As at 31 December 2012 £m
Net cash/(debt) at beginning of period	**52.2**	(100.2)	(100.2)
(Decrease)/increase in cash and cash equivalents (as per the consolidated statement of cash flows)	**(4.7)**	65.4	100.7
Net (increase)/decrease in loans	**(1.7)**	23.8	39.4
Translation adjustments	**(1.9)**	0.4	12.3
Movements in net cash/(debt)	**(8.3)**	89.6	152.4
Net cash/(debt) at end of period	**43.9**	(10.6)	52.2
Gearing (%)	**-**	0.5%	-

8. Dividends

	Second Quarter 2013 £m	Second Quarter 2012 £m	**First Half 2013 £m**	First Half 2012 £m	Full Year 2012 £m
Final ordinary dividend paid	**37.3**	33.0	**37.3**	33.0	33.0
Final special dividend paid	**-**	12.7	**-**	12.7	12.7
Interim ordinary dividend paid	**-**	-	**-**	-	6.8
	37.3	45.7	**37.3**	45.7	52.5
	pence	pence	**pence**	pence	pence
Final ordinary dividend paid (per share)	**11.51**	10.42	**11.51**	10.42	10.42
Final special dividend paid (per share)	**-**	4.00	**-**	4.00	4.00
Interim ordinary dividend paid (per share)	**-**	-	**-**	-	2.08
	11.51	14.42	**11.51**	14.42	16.50

Dividends paid in the first half of 2013 totalled £37.3m (first half 2012: £45.7m).

Subsequent to 30 June 2013, the Directors declared an interim ordinary dividend of 2.08p per share (2012: 2.08p) which has not been provided for.

Notes to the condensed consolidated financial statements

9. Significant related parties' transactions

Identity of related parties

Transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below. All transactions with related parties were entered into in the normal course of business and at arm's length.

The Group has a related party relationship with its joint ventures, associates and with its Directors and executive officers.

Transactions with ultimate holding company and other related companies

The Group has a related party relationship with certain subsidiaries of Hong Leong Investment Holdings Pte. Ltd. ("Hong Leong"), which is the ultimate holding and controlling company of Millennium & Copthorne Hotels plc and holds 57% (2012: 55%) of the Company's shares via City Developments Limited ("CDL"), the intermediate holding company of the Group.

During the half year ended 30 June 2013, the Group had the following significant transactions with those subsidiaries.

Fees paid/payable by the Group to Hong Leong Management Services Pte. Ltd ("HLMS"), a subsidiary of Hong Leong amounted to £0.2m (2012: £0.4m). At 30 June 2013, £nil (2012: £0.3m) of fees payable were outstanding.

The Group deposited certain surplus cash with Hong Leong Finance Limited, a subsidiary of Hong Leong, on normal commercial terms. Interest income of £0.06m (2012: £0.04m) was received during the period. As at 30 June 2013, £29.8m (2012: £13.4m) of cash was deposited with Hong Leong Finance Limited.

Transactions with associates and joint ventures

In July 2006 the Group completed the sale of long leasehold interest in three of its Singapore hotels to CDLHT, an associate and comprising a hotel real estate investment trust ("REIT") and a business trust. These hotels were the Orchard Hotel (including the connected shopping centre), and M Hotel which were both sold on 75-year leases and Copthorne King's Hotel for the remaining 61 years of a 99-year lease. CDLHT also acquired the Grand Copthorne Waterfront Hotel, a Group managed hotel from CDL under a 75 year lease. All four hotels excluding the shopping centre were leased back to the Group for an initial term of 20 years, each renewable at the Group's option for an additional term of 20 years.

In May 2011 the Group completed the sale of the remaining term of a 99-year long leasehold interest (commencing February 2007) in the Studio M Hotel Singapore to CDLHT. The hotel was leased back for an initial term of 20 years, renewable at the Group's option for three consecutive terms totalling 50 years.

Under the terms of the master lease agreements for the four hotels acquired in 2006, and for the Studio M Hotel in May 2011, the Group is obliged to pay CDLHT an annual rental for the duration of the term (initial and extended term) of each lease agreement comprising the following:

- A fixed rent and a service charge for each hotel; and
- A variable rent computed based on the sum of 20% (30% for Studio M) of each hotel's revenue and 20% of each hotel's gross operating profit for the prevailing financial year, less the sum of the fixed rent and the service charge. Should the calculation of the variable rent yield a negative figure, the variable rent is deemed to be zero.

The rents paid/payable under the leases referred to above for the relevant period are as follows:

	First Half 2013 £m	First Half 2012 £m
Copthorne King's Hotel	**2.1**	2.5
Orchard Hotel	**6.8**	7.1
M Hotel	**4.0**	4.2
Grand Copthorne Waterfront Hotel	**6.0**	6.1
Studio M Hotel	**2.5**	2.7
	21.4	22.6

In addition to the lease of the five hotels mentioned above, the Group also leased a conference centre from CDLHT at a fixed rent of £0.2m (2012: £0.2m). This lease was for five years from July 2006 and has been renewed for a further 5 years.

A subsidiary of the Group, M&C REIT Management Limited acts as REIT Manager and Business Trust Manager with their fees having a performance-based element. The REIT Manager is entitled to receive a base fee of 0.25% per annum of the value of the H-REIT deposited property as well as additional performance fee of 5% per annum of H-REIT's net property income in the relevant financial year. 80% of the H-REIT Manager's fees are paid in stapled securities. In addition acquisition fees are payable, 100% in stapled securities and/or cash at a rate of 1.0% of the value of new properties deposited with H-REIT. For the relevant period Manager's fees paid in stapled securities totalled £2.6m (2012: £2.5m), acquisition fees paid in stapled units £0.5m (2012: nil), the balance payable in cash was £0.6m (2012: £0.6m). At 30 June 2013, £0.6m (2012: £0.2m) was outstanding. Interest receivable of £0.07m (2012: £0.06m) accrued in the period on the rent deposit paid to the REIT.

9. Significant related parties' transactions (continued)

Transactions with key management personnel

The beneficial interest of the Directors in the ordinary shares of the Company was 0.078% (2012: 0.088%).

In addition to their salaries, the Group also provides non-cash benefits to Directors and executive officers which include a wide range of retirement benefit arrangements which are established in accordance with local conditions and practices within countries concerned.

Executive officers also participate in the Group's share option programme, Long-Term Incentive Plan and the Group's Sharesave schemes.

The key management personnel compensation is as follows:

	First Half 2013 £m	First Half 2012 £m
Short-term employee benefits	**1.9**	1.3
Other long-term benefits	**0.1**	0.1
Share-based payment	**1.2**	0.9
	3.2	2.3
Directors	**0.6**	0.6
Executives	**2.6**	1.7
	3.2	2.3

10. Risks and uncertainties

The interim management report has been prepared on the basis set out in note 1. The risks and uncertainties facing the Group are consistent with those outlined in the Annual Report and Accounts for the year ended 31 December 2012.

11. Financial commitments, contingencies and subsequent events

Except as stated below, there have been no material changes to commitments, contingencies and subsequent events as disclosed in the annual report and accounts for the year ended 31 December 2012:

Capital commitments
Contracts placed for future capital expenditure for property, plant, equipment and investment properties not provided in the financial statements amount to £38.4m at 30 June 2013 (31 December 2012: £59.1m).

Subsequent events
There are no events subsequent to the balance sheet date which require adjustments to or disclosure within these consolidated financial statements.

Responsibility statement of the Directors in respect of the interim management report

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU; and

- the interim management report includes a fair review of the information required by:
  a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
  b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

By order of the board

Wong Hong Ren
Chief Executive Officer

30 July 2013

Independent review report to Millennium & Copthorne Hotels plc

Introduction

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30th June 2013 which comprises the condensed consolidated interim income statement, condensed consolidated interim statement of comprehensive income, condensed consolidated statement of financial position, condensed consolidated statement of changes in shareholders' equity, condensed consolidated interim statement of cash flows and the related explanatory notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with the terms of our engagement to assist the Company in meeting the requirements of the Disclosure and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA"). Our review has been undertaken so that we might state to the Company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our review work, for this report, or for the conclusions we have reached.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA. As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with IFRSs as adopted by the EU. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the EU.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Auditing Practices Board for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2013 is not prepared, in all material respects, in accordance with IAS 34 as adopted by the EU and the DTR of the UK FCA.

Stephen Masters (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc,

Chartered Accountants
15 Canada Square
London
E14 5GL

30 July 2013

APPENDIX 1: KEY OPERATING STATISTICS
for the half year ended 30 June 2013

Owned or leased hotels*	**First Half 2013 Reported currency**	First Half 2012 Constant currency	First Half 2012 Reported currency	Full Year 2012 Reported currency
Occupancy (%)				
New York	**80.5**		79.1	80.5
Regional US	**56.9**		56.2	57.9
Total US	**63.2**		61.9	63.5
London	**81.1**		77.8	80.8
Rest of Europe	**68.3**		69.4	71.4
Total Europe	**74.5**		73.5	76.0
Singapore	**86.8**		88.3	88.1
Rest of Asia	**68.7**		72.5	71.4
Total Asia	**76.1**		78.6	78.1
Australasia	**69.0**		63.3	63.6
Total Group	**70.5**		69.8	70.8
Average Room Rate (£)				
New York	**156.05**	149.84	146.31	160.89
Regional US	**71.97**	68.08	66.48	68.22
Total US	**100.67**	93.95	91.74	97.34
London	**122.19**	123.04	123.04	131.15
Rest of Europe	**68.83**	68.08	67.38	67.39
Total Europe	**97.06**	96.37	96.03	100.35
Singapore	**112.33**	121.10	116.53	114.75
Rest of Asia	**90.37**	91.61	89.02	87.59
Total Asia	**100.65**	104.44	101.00	99.83
Australasia	**57.80**	57.49	55.03	55.29
Total Group	**95.45**	94.74	92.54	95.08
RevPAR (£)				
New York	**125.63**	118.45	115.66	129.58
Regional US	**40.95**	38.30	37.39	39.49
Total US	**63.65**	58.15	56.78	61.81
London	**99.03**	95.76	95.76	105.91
Rest of Europe	**47.03**	47.27	46.79	48.13
Total Europe	**72.32**	70.85	70.60	76.23
Singapore	**97.54**	106.96	102.92	101.14
Rest of Asia	**62.08**	66.43	64.56	62.57
Total Asia	**76.63**	82.14	79.43	77.97
Australasia	**39.90**	36.40	34.84	35.18
Total Group	**67.27**	66.16	64.62	67.32
Gross Operating Profit Margin (%)				
New York	**17.8**		18.8	24.4
Regional US	**13.0**		16.9	19.1
Total US	**15.3**		17.7	21.6
London	**53.4**		54.5	57.0
Rest of Europe	**23.1**		23.4	24.5
Total Europe	**41.3**		42.0	44.2
Singapore	**51.3**		54.6	53.6
Rest of Asia	**36.0**		41.1	38.4
Total Asia	**43.5**		47.5	45.8
Australasia	**42.3**		46.5	46.2
Total Group	**34.9**		38.0	38.5

For comparability, the 30 June 2012 Average Room Rate and RevPAR have been translated at average exchange rates for the period ended 30 June 2013.

** excluding managed, franchised and investment hotels.*

APPENDIX 2: KEY OPERATING STATISTICS
for the quarter year ended 30 June 2013

Owned or leased hotels*	**Second Quarter 2013 Reported currency**	Second Quarter 2012 Constant currency	Second Quarter 2012 Reported currency
Occupancy (%)			
New York	**89.1**		82.5
Regional US	**63.8**		63.7
Total US	**70.7**		68.3
London	**88.7**		78.8
Rest of Europe	**74.2**		75.0
Total Europe	**81.2**		76.8
Singapore	**87.3**		88.5
Rest of Asia	**67.9**		74.1
Total Asia	**75.7**		79.7
Australasia	**58.9**		53.9
Total Group	**73.6**		72.3
Average Room Rate (£)			
New York	**170.06**	166.09	161.77
Regional US	**77.12**	72.75	70.87
Total US	**108.91**	100.66	98.05
London	**133.38**	137.84	137.84
Rest of Europe	**70.09**	68.09	67.02
Total Europe	**103.71**	102.86	102.33
Singapore	**112.30**	121.24	116.88
Rest of Asia	**94.09**	95.17	92.06
Total Asia	**102.54**	106.39	102.74
Australasia	**53.17**	52.60	49.49
Total Group	**100.95**	99.44	96.95
RevPAR (£)			
New York	**151.49**	136.97	133.41
Regional US	**49.21**	46.33	45.13
Total US	**76.96**	68.78	67.00
London	**118.32**	108.57	108.57
Rest of Europe	**51.98**	51.06	50.26
Total Europe	**84.25**	79.02	78.61
Singapore	**97.99**	107.28	103.42
Rest of Asia	**63.88**	70.52	68.21
Total Asia	**77.60**	84.76	81.85
Australasia	**31.32**	28.34	26.66
Total Group	**74.29**	71.86	70.06
Gross Operating Profit Margin (%)			
New York	**30.3**		28.0
Regional US	**21.9**		24.5
Total US	**26.0**		26.1
London	**57.7**		58.2
Rest of Europe	**27.9**		26.7
Total Europe	**46.4**		45.9
Singapore	**51.0**		54.0
Rest of Asia	**37.7**		42.9
Total Asia	**44.0**		47.9
Australasia	**30.2**		35.6
Total Group	**38.3**		40.3

For comparability, the 30 June 2012 Average Room Rate and RevPAR have been translated at average exchange rates for the period ended 30 June 2013.

** excluding managed, franchised and investment hotels.*

APPENDIX 3: HOTEL ROOM COUNT AND PIPELINE
as at 30 June 2013

Hotel and room count	Hotels			Rooms		
	30 June 2013	31 December 2012	Change	**30 June 2013**	31 December 2012	Change
Analysed by region:						
New York	**3**	3	-	**1,758**	1,758	-
Regional US	**16**	16	-	**4,938**	5,554	(616)
London	**7**	7	-	**2,493**	2,493	-
Rest of Europe	**16**	16	-	**2,695**	2,695	-
Middle East	**15**	14	1	**4,283**	4,211	72
Singapore	**6**	6	-	**2,716**	2,716	-
Rest of Asia	**18**	17	1	**7,422**	6,861	561
Australasia	**31**	31	-	**4,651**	4,651	-
Total	**112**	110	2	**30,956**	30,939	17
Analysed by ownership type:						
Owned or leased	**63**	63	-	**18,918**	19,229	(311)
Managed	**26**	25	1	**6,792**	6,543	249
Franchised	**11**	11	-	**1,564**	1,564	-
Investment	**12**	11	1	**3,682**	3,603	79
Total	**112**	110	2	**30,956**	30,939	17
Analysed by brand:						
Grand Millennium	**5**	5	-	**2,488**	2,488	-
Millennium	**42**	42	-	**13,934**	14,373	(439)
Copthorne	**33**	32	1	**6,649**	6,577	72
Kingsgate	**13**	13	-	**1,326**	1,326	-
Other M&C	**5**	5	-	**1,885**	1,885	-
Third Party	**14**	13	1	**4,674**	4,290	384
Total	**112**	110	2	**30,956**	30,939	17

Pipeline	Hotels			Rooms		
	30 June 2013	31 December 2012	Change	**30 June 2013**	31 December 2012	Change
Analysed by region:						
Middle East	**17**	18	(1)	**4,517**	4,772	(255)
Rest of Asia	**4**	3	1	**1,178**	668	510
Total	**21**	21	-	**5,695**	5,440	255
Analysed by ownership type:						
Franchised	**-**	1	(1)	**-**	195	(195)
Owned or leased	**1**	1	-	**322**	322	-
Managed	**20**	19	1	**5,373**	4,923	450
Total	**21**	21	-	**5,695**	5,440	255
Analysed by brand:						
Grand Millennium	**1**	1	-	**250**	250	-
Millennium	**12**	11	1	**3,290**	2,780	510
Copthorne	**7**	8	(1)	**1,960**	2,215	(255)
Other M&C	**1**	1	-	**195**	195	-
Total	**21**	21	-	**5,695**	5,440	255

The Group's worldwide pipeline comprises 21 hotels offering 5,695 rooms, which are mainly management contracts.