



MILLENNIUM & COPTHORNE  
HOTELS plc

## **Millennium & Copthorne Hotels plc to acquire the Novotel New York Times Square located in New York City, New York**

**10 February 2014** - Millennium & Copthorne Hotels plc (“M&C”) is pleased to announce that it has agreed to acquire the Novotel New York Times Square, a 34-storey building situated at 226 W. 52nd Street in New York City, in the heart of the Manhattan theatre district. The building contains the hotel, limited office and retail space and a penthouse apartment.

M&C New York (Times Square), LLC (the “Company”), a wholly-owned indirect subsidiary of M&C, has today entered into a conditional purchase and sale agreement with 226 West Fifty-Second Street, LLC, a partnership led by a fund affiliated with Apollo Global Management, LLC (NYSE: APO) and Chartres Lodging Group, for the acquisition by the Company (or its assignee) of the freehold interest in the building. The purchase price is US \$273.6m (approximately £167.0m at today’s exchange rate), to be paid in cash, subject to standard purchase price adjustments. Completion of the acquisition is expected to occur during the second quarter of 2014.

The hotel is a four-star property with 480 guest rooms and was built in 1981. The most recent audited results for the hotel show a pre-tax profit of \$2.1m for the 327-day period ending 31 December 2012. Profit during this period reflects non-repeating cost items and the earnings impact of a significant refurbishment that were carried out on all guest rooms, public spaces and service areas. The extensive renovations commenced in the second half of 2012 and were completed in November 2013.

Upon completion of the sale, the hotel will continue to be managed as a Novotel brand, as at present, by an affiliate of Accor SA under a management agreement.

The remainder of the building is subject to two primary long-term leases, one for the first four floors of office and retail space and a separate lease for the top-floor penthouse space. The seller’s interest as landlord under those leases will be assumed by the Company as part of the transaction.

The Novotel acquisition solidifies the company’s commitment to the U.S. market. The hotel will be M&C’s fourth hotel in Manhattan, the others being One UN New York, Millennium Broadway Hotel New York and Millenium Hilton New York.

With an operating management infrastructure already in place, M&C does not see any extra cost in asset managing its latest New York hotel acquisition.

M&C Chairman Kwek Leng Beng said, “I am delighted that we have secured this transaction. Times Square is one of the world’s top tourist destinations and this beautifully refurbished property will undoubtedly increase our share of the international travel market in New York, one of our three key gateway cities. The property is an important strategic investment for Millennium & Copthorne Hotels and will complement our existing midtown and downtown Manhattan hotels without adding significantly to central management costs.”



M&C is an astute owner and asset manager and a professional hotel operator. Brands managed for M&C (including its parent, affiliates and sister companies) include the Millennium Hilton in NYC; Millennium Hilton in Seoul and in Bangkok; Grand Hyatt in Taipei; Nikko and JW Marriott in Hong Kong; Novotel Clarke Quay in Singapore; Jumeriah Dhevanafushi and Angsana Velaru in Maldives and Novotel, Ibis and Mercure in Perth and Brisbane. The Group believes in maintaining a healthy balance in hotels it manages itself and allows other hotel companies to manage on its behalf.

**Enquiries:**

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