

For Immediate Release

23 December 2013

Recognition of Revenues and Costs arising from the Glyndebourne Development

Millennium & Copthorne Hotels plc (“M&C”) is pleased to announce that Singapore’s Building and Construction Authority has on 23 December 2013 granted a temporary occupation permit (“TOP”) to the Glyndebourne residential development, a project developed by a subsidiary of M&C. Glyndebourne, which was constructed on the site of the former Copthorne Orchid Hotel in Singapore, includes 150 condominium apartments, of which 147 have been sold.

As previously reported, under international accounting standards the granting of the TOP enables M&C to recognise revenues and costs arising from the development. The revenue and cost recognition will result in a significant one-time increase in M&C’s revenues and operating profits for the fourth quarter of 2013 and for the full 2013 financial reporting year. Revenues from the Glyndebourne apartment sales totalled approximately S\$537m (£274m) and M&C’s pre-tax profits for the year are estimated to increase by £130m to £140m as a result of the transaction. The tax rate applicable to the transaction is likely to be lower than the Group’s underlying effective tax rate. Revenue and profit for the 3 remaining apartments will be recognised when sold.

M&C Chairman Kwek Leng Beng said, “In line with our asset management strategy, the Copthorne Orchid Hotel was re-developed because, as one of the Group’s older hotels in Singapore, it required significant capital expenditure that we did not consider likely to generate sufficient returns over the medium term. This was mainly because the hotel’s surrounding location had become increasingly residential over the years since the hotel was constructed. Converting the site to residential use was an attractive alternative, which has delivered excellent value for our shareholders.”

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