

For immediate release

10 February 2014

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

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 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 £166.7m 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 commenced in the second half of 2012 and completed in November 2013.

Upon completion of the sale, the hotel will continue to be managed, as at present, by an affiliate of Accor SA under a management agreement which has an initial term that ends on 31 December 2038 and may be extended by the manager for up to three successive 10-year periods.

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.

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.”

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