



**HOTEL PROPERTIES LIMITED**  
Co. Reg No : 198000348Z

**INVESTMENT IN AN INDIRECT ASSOCIATED COMPANY**

The Board of Directors of Hotel Properties Limited (“HPL” or “the Company”) wishes to announce that HPL’s wholly-owned subsidiary, HPL Orchard Place Pte Ltd (“HPLOP”), has entered into a conditional sale and purchase agreement to acquire 25% of the total issued share capital, comprising 250,000 ordinary shares, of Ankerite Pte Ltd (“Ankerite”) at a cash consideration of S\$250,000 “Consideration”).

Ankerite, which is currently wholly-owned by CRL Realty Pte Ltd, a wholly owned subsidiary of CapitalLand Limited, had on 5 February 2007, entered into a sale and purchase agreement to acquire Gillman Heights (“Property”) located at Alexandra Road, Singapore.

HPLOP will extend proportional Shareholder’s Loan to Ankerite based on the net tangible asset of Ankerite at Completion, which comprises primarily the 5% deposit paid for the Property valued at S\$548 million and stamp duty amounting to S\$16.4 million paid for the acquisition of the Property. The amount of the Consideration and Shareholders’ Loans was arrived at based on a willing buyer willing seller basis. HPL’s interest in Ankerite through HPLOP will be funded by internal resources and /or bank borrowings.

The transaction is not expected to have material effect on the earnings per share and net tangible asset value per share of the HPL Group for the year ending 31 December 2007.

No Directors, or controlling shareholders or substantial shareholder of the Company has an interest, direct or indirect, in the above transaction.

By Order of the Board  
Lo Swee Oi  
Company Secretary  
15 May 2007