



HOTEL PROPERTIES LIMITED
Co. Reg No : 198000348Z

ANNOUNCEMENT

S\$1,996,000,000 SYNDICATED TRANSFERABLE SECURED FINANCING FACILITIES FOR THE FARRER COURT RESIDENTIAL PROJECT

Hotel Properties Limited ("HPL") wishes to announce the following in connection with the acquisition of the site at Farrer Court (the "Property") and the construction and development of a prestigious and iconic 36-storey residential condominium designed by renowned Pritzker Architecture Prize winner, Zaha Hadid:

- In June 2007, Morganite Pte. Ltd. (the "Borrower"), a joint venture vehicle between HPL, CapitaLand Residential Limited, Morgan Stanley Real Estate Special Situations Fund III, L.P. and Wachovia Development Corporation (collectively, the "Sponsors") with respective interests of 22.5%, 35%, 22.5% and 20% in the Borrower, agreed to acquire the Property for a cash consideration of S\$1,338,800,000 through a collective sale (the "Acquisition"). The Acquisition was completed on 10 March 2008.
- The Borrower has entered into a facility agreement (the "Facility Agreement") with, inter alia, the Mandated Lead Arrangers and Bookrunners (as defined below) who have agreed to grant secured term loan, revolving credit and bank guarantee facilities (the "Facilities") of up to an aggregate amount of S\$1,996,000,000 to the Borrower, upon the terms and subject to the conditions of the Facility Agreement.
- The mandated lead arrangers and bookrunners are DBS Bank Ltd., UOB Asia Limited, Standard Chartered Bank, Oversea-Chinese Banking Corporation Limited and The Royal Bank of Scotland plc (collectively, the "Mandated Lead Arrangers and Bookrunners").
- In conjunction with the Facility Agreement and the Facilities, United Overseas Bank Limited will act as facility agent and security agent.
- The Facilities will be secured by, inter alia, a mortgage over the Property and a debenture over the assets of the Borrower. In addition, the Sponsors will also provide certain project and facility undertakings in respect of the Facilities.
- The proceeds of the Facilities will be used to, inter alia, refinance the acquisition costs of the Property, as well as to finance the construction and development of the Property, partially.

The above transactions are not expected to have any material effect on the earnings per share and net tangible asset value per share of the HPL Group based on the audited consolidated accounts of the HPL Group for the year ended 31 December 2007.

None of the Directors or the controlling shareholder of HPL have any interest, direct or indirect, in the above transactions.

By order of the Board

Chuang Sheue Ling / Lo Swee Oi
Joint Company Secretaries
Dated: 11 April 2008