



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

**SALE OF INTEREST IN JOINT VENTURE COMPANY – HPL-HINES DEVELOPMENT PTE LTD**

The Board of Directors of Hotel Properties Limited ("HPL" or "the Company") would like to announce the divestment ("Sale") by its wholly-owned subsidiary, HPL Properties (North Asia) Pte Ltd ("HPLPNA"), of its 85% stake in HPL-Hines Development Pte Ltd ("HPL-Hines"), consisting of 16,150,085 ordinary shares in HPL-Hines (the "Sale Shares"), to Lead Wealthy Investments Ltd. HPL-Hines has a 72.76% stake in 21<sup>st</sup> Century Real Estate Company Limited ("21<sup>st</sup> Century"), which in turn owns a mixed use property development located in Lujiazui, Pudong, Shanghai. The balance of the 15% shareholding in HPL-Hines is held by Hines 21<sup>st</sup> Century Partners LLC.

Following the Sale, HPL-Hines shall cease to be a joint venture company of HPL.

The consideration for the Sale has been agreed between the parties on a "willing buyer, willing seller" basis. The purchase consideration is approximately RMB765,000,000 (or approximately S\$148,500,000 based on current exchange rate of S\$1.00: RMB 5.15) and subject to adjustments on working capital based on the latest audited financial statements of 21<sup>st</sup> Century on the closing date of the sale.

The purchase consideration will be paid by the purchaser in the following manner:

- (i) an initial deposit of RMB 204,000,000 payable within 2 days of the execution of the sale and purchase agreement;
- (ii) a further sum of approximately RMB 306,000,000 subject to the adjustments on working capital mentioned above payable on Closing; and
- (iii) the remaining amount of approximately RMB255,000,000 payable on January 17, 2011.

Based on the estimated purchase consideration stated above, the HPL Group will record a profit of approximately S\$ 73,000,000 from the Sale. Accordingly, the Sale will result in an increase in earnings per share of the HPL Group by approximately 14.6 cents and increase the Net Tangible Assets per share by approximately \$0.148 based on the latest audited consolidation accounts of the HPL Group for the year ended 31 December 2009.

The Board of Directors of the Company is of the view that the Sale will allow the HPL Group to realise a gain on disposal and to rebalance its geographical mix of assets in the portfolio of the HPL Group.

None of the Directors or controlling shareholders or substantial shareholders of the Company has an interest, direct or indirect, in the above Sale or the proposed transactions contemplated therein.

By Order of the Board

Lo Swee Oi  
Company Secretary

16 November 2010