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新聞資料 Media Information

PROPOSED SPIN-OFF AND SEPARATE LISTING OF NW HOTEL INVESTMENTS CREATING A NEW HOTEL INVESTMENT VEHICLE COMPRISING THREE LUXURY HOTELS IN HONG KONG

Introduction

(2 May 2013, Hong Kong) New World Development Company Limited ("NWD" or "the Company" or, together with its subsidiaries "the Group"; Stock Code: 17) today announces the proposed spin-off listing on the Hong Kong Stock Exchange of its interests in Grand Hyatt Hong Kong, Renaissance Harbour View Hotel, Hong Kong and Hyatt Regency Hong Kong, Tsim Sha Tsui ("Hyatt Regency TST").

NW Hotel Investments will be structured as a fixed single investment trust established to own and invest in internationally branded hotels in Asia, with an initial focus on Hong Kong. NW Hotel Investments aims to provide investors with distribution payments, as well as capital appreciation of the hotel portfolio over time through active asset management and the acquisition of new hotel properties.

Mr Adrian Cheng, NWD's Executive Director and Joint General Manager commented: *"The spin-off is an important step in creating a strategic hotel investment platform for our Group. It immediately unlocks value from these three luxury hotels and allows investors direct exposure to our hotel assets, whilst creating a new independent platform that provides more defined focus and efficient resource allocation in the Group."*

With more than 15 years of close partnership with Hyatt and Marriott, these three hotels have experienced strong growth and are well positioned to capture the anticipated expansion of the Hong Kong tourism industry. For example, Grand Hyatt Hong Kong, the most iconic asset in our hotel portfolio, has a proven track record of delivering solid results and achieved an average room rate of over HK\$3,300 for the fiscal year ended 30 June 2012.

This spin-off listing is just the beginning of NW Hotel Investments. In conjunction with Chow Tai Fook Enterprises Limited ("CTFE"), we expect to jointly own at least 50% of NW Hotel Investments upon listing. Together, we plan to position NW Hotel Investments as our flagship hotel investment vehicle and to develop it over time by offering it opportunities to acquire other high quality hotels in our portfolio, including our ultra luxury Rosewood brand and the neighbourhood lifestyle pentahotels brand. While the initial focus is the mature but growing Hong Kong market, we envisage that NW Hotel Investments will become a well-diversified hotel group with a growing portfolio of high quality assets, distinct brands, and an expanding footprint in Asia."

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Distribution policy, and guarantees during the Grand Hyatt Hong Kong refurbishment

It is currently intended that NW Hotel Investments Company Limited (“NWHICL”) will distribute 100% of the cash available for distribution for the period from the listing date to 30 June 2014 and the fiscal year ending 30 June 2015; and not less than 90% of the cash available for distribution thereafter.

Grand Hyatt Hong Kong recently commenced a major renovation of all its guest rooms and Grand Ballroom, which is expected to be completed in 2016. The hotel’s operations and financial performance may be affected during the period. To provide investors with certainty of the expected income and yield from their holdings, NWD and CTFE will provide a guaranteed minimum distribution for the fiscal year ending 30 June 2014 proportionately. Further, to provide investors with some assurance of the distributions in FY 2015 and FY 2016, NWD and CTFE will also provide top up payments to mitigate the potential business interruptions caused by the Grand Hyatt Hong Kong renovation.

Strong financial performance

NW Hotel Investments has a solid operational and financial track record. Set out below is a summary of its operating performance for the fiscal year ended 30 June 2012:

	Grand Hyatt Hong Kong	Renaissance Harbour View Hotel, Hong Kong	Hyatt Regency TST
Revenue (HK\$m)	1,071.0	689.8	395.0
Average room rate (HK\$)	3,345	2,152	2,001
Occupancy rate	74.5%	70.1% ^(a)	86.3%
House Profit (HK\$m) ^(b)	458.0	333.9	161.1
House Profit Margin	42.8%	48.4%	40.8%

(a) Renaissance Harbour View Hotel underwent an extensive room renovation programme during the fiscal year ended 30 June 2012.

(b) House Profit is derived by adding back to each hotel’s operating profit certain expenses and charges, such as hotel management fees, depreciation of hotel operating assets, property insurance, as well as rents and rates as these expenses and charges are not directly related to the hotels’ operations.

Ms Yvonne Lo, NW Hotel Investments’ Chief Executive Officer said: “Our portfolio of high-end Hong Kong hotels, anchored by the iconic Grand Hyatt Hong Kong, are strategically located in close proximity to the city’s vibrant business and tourism hubs, overlooking the Victoria Harbour. Grand Hyatt Hong Kong is regarded as one of Hyatt’s flagship hotels in Asia. During its 24 years of operation, it has hosted numerous heads of state, leading CEOs and celebrities.

“Our Hyatt Regency TST, which opened in October 2009, is one of the newest high end hotels in Hong Kong’s Kowloon district and is continually increasing its profile in the market; our Renaissance Harbour View Hotel is at the final stage of a major refurbishment of its guest rooms which has been well received by guests; and in 2013, we began an extensive renovation of Grand Hyatt Hong Kong. It is our belief that these investments will continue to support the trust’s asset value and, in turn, growth in our distributions.”

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This press release is also available at NWD’s website (www.nwd.com.hk).

Notes to editors

About the Hotels

Grand Hyatt Hong Kong, Renaissance Harbour View Hotel, Hong Kong and Hyatt Regency TST are all High Tariff A hotels under the classification set out by the Hong Kong Tourism Board, which is the highest category.

Grand Hyatt Hong Kong and Renaissance Harbour View Hotel, Hong Kong are located on top of the Hong Kong Convention and Exhibition Centre complex in Wan Chai on Hong Kong Island while Hyatt Regency TST is strategically located in Tsim Sha Tsui on the Kowloon peninsula, with direct access to the Tsim Sha Tsui and East Tsim Sha Tsui MTR stations. The Hotels are conveniently located near transportation links that provide easy access to business and leisure destinations in Hong Kong.

Grand Hyatt Hong Kong and Hyatt Regency TST are managed by Hyatt International – Asia Pacific, Limited (“**Hyatt**”), a wholly-owned subsidiary of Hyatt Hotels Corporation (“**HHC**”). HHC is a globally renowned hospitality company which manages, franchises, owns and develops Hyatt-branded hotels, resorts and residential and vacation ownership properties around the world.

Renaissance Harbour View Hotel, Hong Kong is managed by Luxury Hotels International of Hong Kong Limited (“**LHI**”), a wholly-owned subsidiary of Marriott International, Inc. (“**Marriott**”). Marriott is a worldwide operator, franchisor and licensor of hotels and timeshare properties under numerous brand names at different price and service points.

About New World Development Company Limited

New World Development Company Limited (“The Group”; Hong Kong stock code: 17) is a leading Hong Kong-based property developer. Established in 1970, the Group has been listed in Hong Kong since 1972 and is now a constituent stock of the benchmark Hang Seng Index. After more than four decades of development, as at 31 December 2012, the total asset value of the Group amounted to HK\$311.0 billion.

About Chow Tai Fook Enterprises Limited

Chow Tai Fook Enterprises Limited (“CTFE”) is a Hong Kong-based investment holding company and the controlling shareholder of the Company with an interest in approximately 42.44% of the issued share capital of the Company.

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