21 October 2005

Claim against Willis of New York, Inc ('Willis')

Millennium & Copthorne Hotels plc ('M&C') announces that it and its wholly-owned subsidiary, CDL Hotels USA, Inc, filed a legal action against Willis on 19 October 2005. Willis was engaged as M&C group's insurance advisor, broker and claims representative for the M&C group 2001 US property insurance coverage and claims. The action seeks damages in excess of US$45 million on various grounds relating to damages and business interruption losses at the Millennium Hilton Hotel in New York and business interruption losses at its other US hotel properties resulting from the terrorist attack on the World Trade Center on 11 September 2001.

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