

For immediate release

26 May 2009

MILLENNIUM & COPTHORNE HOTELS PLC

Subsidiary Update

The following announcement was released earlier today by the Company's subsidiary, CDL Investments New Zealand Limited, which is listed on the New Zealand Stock Exchange. The Company has an effective 45.8% interest in CDL Investments New Zealand Limited.

The outlook for M&C as a whole remains unchanged from the statement in the Company's interim management report released on 6 May 2009.

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CDL Investments New Zealand Limited

“Outlook for 2009 Uncertain says CDL Investments New Zealand Limited”

NZSX-listed property development company CDL Investments New Zealand Limited (NZX: CDI) today held its annual meeting of shareholders in Auckland and stated that it expected challenging times ahead.

“We expect to make a loss for the first half of this year and the outlook for 2009 is uncertain, said CDI's Managing Director Mr BK Chiu. Our results will depend on how many sales we are able to achieve in the next few months”, he said.

CDI also announced the resignation of its Executive Director John Lindsay after more than 15 years with the Company. The Board had accepted Mr Lindsay's resignation and wished him well for the future.

Mr Lindsay's resignation from the Board of CDI took effect from 25 May 2009. He will remain as a Director of CDL Land New Zealand Limited and leave the Company at an agreed date later this year.

- Ends -

Issued by CDL Investments New Zealand Limited

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