


Miscellaneous	
* Asterisks denote mandatory information	
Name of Announcer *	CITY DEVELOPMENTS LIMITED
Company Registration No.	196300316Z
Announcement submitted on behalf of	CITY DEVELOPMENTS LIMITED
Announcement is submitted with respect to *	CITY DEVELOPMENTS LIMITED
Announcement is submitted by *	Enid Ling Peek Fong
Designation *	Company Secretary
Date & Time of Broadcast	30-Jan-2007 18:20:51
Announcement No.	00127

>> Announcement Details
The details of the announcement start here ...

Announcement Title *	Settlement Agreement Relating to the Proposed Disposal of Properties to Suntec REIT
Description	Please find attached the announcement relating to the subject matter.
Attachments:	 CDLAnn_300107.pdf Total size = 16K (2048K size limit recommended)

CITY DEVELOPMENTS LIMITED (Co. Reg. No. 196300316Z)

SETTLEMENT AGREEMENT RELATING TO THE PROPOSED DISPOSAL OF PROPERTIES TO SUNTEC REIT

The Directors of City Developments Limited (the "Company") refer to their announcements dated:

1. 30 June 2005 relating to, *inter alia*, the 11 conditional sale and purchase agreements ("the Agreements") entered into between the Company and certain of its subsidiaries, as vendors, (collectively, the "Vendors") and HSBC Institutional Trust Services (Singapore) Limited ("HSBCIT"), in its capacity as trustee of Suntec Real Estate Investment Trust ("Suntec REIT") as purchaser; and
2. 12 October 2005 relating to the purported termination of the Agreements by HSBCIT as trustee of Suntec REIT.

On 30 January 2007, HSBCIT, as trustee of Suntec REIT, ARA Trust Management (Suntec) Limited ("ARA") and the Company and its subsidiaries (collectively, the "Parties"), entered into a Settlement Agreement pursuant to which, without prejudice to any of the Parties' previous legal positions, upon the (i) refund to HSBCIT of the various deposits paid by HSBCIT under the Agreements, the total of which amount to S\$5,000,000, and (ii) payment to the Company of all the interest earned on each deposit, the following agreements will be terminated and be of no further effect:

1. the Agreements;
2. the Strategic Advisor Agreement dated 30 June 2005 between the Company and ARA; and
3. the Property Management Agreement dated 30 June 2005 between City Project & Property Management Pte. Ltd. (now known as CDL Management Services Pte. Ltd.), HSBCIT (as trustee of Suntec REIT) and ARA.

The aforementioned payments are expected to be made to HSBCIT and the Company no later than 1 February 2007. The terms of the said Settlement Agreement constitute full and final settlement of this matter, without admission of any liability whatsoever by any of the Parties.

By Order of the Board

Shufen Loh @ Catherine Shufen Loh
Enid Ling Peek Fong
Company Secretaries

Dated 30 January 2007