

2004 Annual Results

08 Mar 2005

Profit attributable to shareholders HK\$312 million

Earnings per share HK\$0.53

Recommended final dividend of HK13 cents per share

HONG KONG, 8th March 2005. Great Eagle Holdings Limited (SEHK: 041) today announces its results for the year ended 31st December 2004. Group turnover was HK\$2,734.7 million (2003: HK\$2430.2 million). Profit attributable to shareholders was HK\$312.2 million (2003: HK\$332.9 million). Earnings per share was HK\$0.53 (2003: HK\$0.57).

The Board is recommending a final dividend of HK 13 cents per share (2003: HK 10 cents per share). Full year dividend for 2004 would be HK 16.5 cents, an increase of 26.9% on the HK 13 cents for 2003.

Dr. K.S. Lo, deputy chairman and managing director of Great Eagle Holdings Limited, comments on the 2004 results, "Our 2004 results is a reflection of the keen competition in the Hong Kong office leasing market during the year. However, looking forward we expect the Hong Kong office market to move solidly upward in 2005. On the back of a strong economy, take-up volume for 2004 was one of the highest in recent years. Towards the end of the year, the market has clearly turned in favour of the landlords. As market vacancy continued to drop and rent rates continued to climb in early 2005, we should be able to benefit fully from these favourable market conditions. The overall performance of our hotels division showed an improvement over the previous year, with much higher contributions from the hotels in Hong Kong and Toronto. Our other hotels in London, Boston, Melbourne and Auckland have been re-branded as Langham Hotels and their business has been temporarily affected. However, some of the hotels will be undergoing elaborate refurbishing and upgrading to establish Langham's premium market position and standards."

On the newly completed Langham Place, a joint venture with the Urban Renewal Authority, Dr. Lo comments, "We were very excited to see Langham Place open for business. It has now become a landmark in the bustling shopping district of Mongkok and will bring about a fundamental upgrading of the neighbourhood. The initial market response has been highly favourable. The Langham Place Mall is almost fully leased. The 5-star Langham Place Hotel has also firmly established itself as a favourite hotel for business and leisure travellers on the Kowloon side. Occupancy and room rates achieved have also been at the higher end of our expectations. Significant progress has also been made in leasing the 772,000 sq. ft. Grade-A office tower. Up to now, over 80% of the 330,000 sq. ft. of space released has been let or are under offer. We expect Langham Place to make significant contributions to the Group's performance in 2005."

The Great Eagle Group is one of Hong Kong's leading property and hotel companies. Headquartered in Hong Kong, the Group develops, invests in and manages high quality office, retail, residential and hotel properties in Hong Kong, North America and Europe. Its core commercial properties comprise 1.6 million square feet of Grade-A office space in the prime commercial districts of Hong Kong and a 1.8 million square feet office, retail and hotel complex in the prime shopping district of Mongkok, Kowloon. The Group's extensive international hotel portfolio currently comprises eight luxury properties with over 4,600 rooms.

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