

## Press Release

### **Great Eagle Holdings (0041.HK) Announces Full Year Results For 2014**

- Profit from core business after tax rose 14.2% year-on-year to HK\$1,919 million
- Profit from core business after tax per share was HK\$ 2.93 ( 2013: HK\$ 2.63)
- Full year dividend per share HK74cents (2013: HK66 cents excluding special dividends)

**HONG KONG, 5<sup>th</sup> March 2015.** Great Eagle Holdings Limited (SEHK: 41) today announces its results for the year ended 31<sup>st</sup> December 2014. Revenue based on core business was HK\$5,594 million (2013 HK\$5,419 million). Core profit was HK\$1,919 million (2013 HK\$1,680 million). The Board declares a final dividend of HK 47 cents per share, taking the full year dividend per share to HK 74 cents (2013 HK 66 cents excluding special dividends).

Dr. K.S. Lo, Chairman and Managing Director of Great Eagle Holdings Limited, comments on the group's 2014 results, "2014 marked another fruitful year for the Group, as we closed on several acquisitions and expanded our management fee income business. In addition to continue expanding our hotel penetration to gateway cities with the acquisition of a hotel in Washington, D.C., we had increased our hotel investments in Shanghai and solidified our presence in one of the world's increasingly important cities. Furthermore, we have re-entered Hong Kong's residential development market at a relatively low land cost and made progress with investment in the U.S. Fund. As the asset manager of the U.S. Fund, we had acquired a site in San Francisco for residential development that was funded by capital contributed by our joint venture partner.

As for the financial year ended 31 December 2014, revenue based on core business of the Group reached HK\$5,594 million, and was 3.2% higher than that last year (2013: HK\$5,419 million). The increase was due to the full year contribution in distribution income for our equity stake in Langham Hospitality Investments (LHI), as well as higher rental income from our investment property portfolio. Operating income from core business rose by 2.5% year-on-year to HK\$2,307 million in 2014 (2013: HK\$2,249 million). While the increase in operating income was small, a sharp increase in interest income and realized gains on securities investment were attributable to lifting core profit in 2014. All-in-all, profit attributable to equity holders rose 14.2% year-on-year to HK\$1,919 million in 2014 (2013: HK\$1,680 million)."

Dr. Lo speaks on the outlook for the Group's business, "For the three Hong Kong hotels owned by LHI, they are still experiencing the lingering effects of the "Occupy Central" activities last year. However, with the effect dissipating, RevPAR in 2015 should recover since there will be less supply of new hotels in 2015. In terms of the outlook for the overseas hotels, the hotel in Washington D.C. will be closed for renovation, while The Langham Chicago should achieve profit in 2015 after it almost broke even in 2014 having just been opened in 2013. The reopened Sydney hotel is expected to achieve profit after its temporary closure for renovation work last year. In China, there will be a full year EBTIDA contribution from The Langham, Xintiandi, Shanghai after we have acquired full interest in the hotel in December 2014. For Champion REIT, its distribution is likely to be lower in 2015. While sustained income growth is expected at Langham Place, it will nonetheless be insufficient to compensate for the lower income at Citibank Plaza."

**Company Background.** 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 Asia, Australasia, North America and Europe. As at 31<sup>st</sup>, December 2014, the Group's principal holdings include a 61.7% interest in Champion Real Estate Investment Trust, and a 58.2% interest in Langham Hospitality Investments (LHI). The Group's extensive international hotel portfolio currently comprises twenty-two luxury properties with over 8,500 rooms.

- End -

For enquiries, please contact Ms. Carmen Tang, Investment Services Director of Great Eagle at (852) 2827 3770.