

## Press Release

### **Great Eagle Holdings (0041.HK) Announces Full Year Results For 2015**

- Profit from core business after tax dropped by 7.2% year-on-year to HK\$1,780 million
- Profit from core business after tax per share was HK\$ 2.68 ( 2014: HK\$ 2.93)
- Final dividend per share HK\$ 0.47 (2014: HK\$ 0.47)
- Special dividend per share HK\$ 2.00 (2014: - )
- Full year dividend per share HK\$ 2.74 (2014 HK\$ 0.74 ).

**HONG KONG, 1<sup>st</sup> March 2016.** Great Eagle Holdings Limited (SEHK: 41) today announces its results for the year ended 31<sup>st</sup> December 2015. Revenue based on core business was HK\$5,623 million (2014 HK\$5,594 million). Core profit was HK\$1,780 million (2014 HK\$1,919 million). The Board declares a final dividend of HK47 cents per share and given the Group's healthy financial position, the Group also declares a special final dividend of HK\$ 2.00, taking the full year dividend per share to HK\$ 2.74 (2014 : HK\$ 0.74 ).

Dr. K.S. Lo, Chairman and Managing Director of Great Eagle Holdings Limited, comments on the group's 2015 results, "During 2015, the Group made progresses with its cautious strategy in selectively expanding its asset base. In addition to the projects that the Group had entered into, as the asset manager of the U.S. Real Estate Fund (U.S. Fund), we had acquired an office building of 336,355 sq. ft. in Seattle's central business district and a property in Malibu, Los Angeles in September 2015. Total acquisition costs for these two investments of US\$186.5 million were paid by the U.S. Fund.

As for the Group's core profit in 2015, core profit attributable to equity holders declined by 7.2% to HK\$1,780.1 million in 2015 (2014: HK\$1,919.2 million), which was impacted by non-operational factors including lower interest income, whilst the drop in the Group's core operating income, which reflected the performance of the Group's core business, was much more moderate and fell by only 1.7% to HK\$2,268.0 million in 2015 (2014: HK\$2,306.6 million). A key factor contributing to the decline in core profit was lower interest income recorded in 2015, which fell by 48.7% to HK\$149.4 million (2014: HK\$291.3 million). Interest expense rose 5.1% to HK\$174.8 million in 2015 (2014: HK\$166.3 million), as additional interest expense was incurred upon consolidation of the debt of The Langham, Xintiandi hotel. All-in-all, core profit after tax attributable to equity holders dropped by 7.2% to HK\$1,780.1 million in 2015 (2014: HK\$1,919.2 million). "

Dr. Lo speaks on the outlook for the Group's business, "The market turmoil of 2015 extended into 2016, and financial markets around the world had endured one of their worst years to start with. These volatile movements reflected the heightened risks in further slowdown of the global economy, as there are signs of a slowdown of global trade, which were reflected in the sluggishness of commodities prices and devaluation of the currencies for those export dependent countries. We have to stay exceptionally vigilant on the impact in the slowdown of the global economy and be ready to respond and mitigate the negative impact of the slowdown on our businesses. Nonetheless, for the time being, some of our major profit contributing businesses such as income from Champion REIT seem largely stable."

**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 2015, the Group's principal holdings include a 62.7% interest in Champion Real Estate Investment Trust, and a 60.7% interest in Langham Hospitality Investments (LHI). The Group's extensive international hotel portfolio currently comprises twenty luxury properties with over 8,000 rooms.

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