

Press Release

Great Eagle Holdings Announces First Half Results for 2007

- Profit attributable to shareholders HK\$614 million (2006: HK\$102 million) representing earnings per share of HK\$1.02 (2006: HK\$0.17)
- Underlying core earnings HK\$423 million (2006: HK\$220 million) representing underlying core earnings per share of HK\$0.70 (2006: HK\$0.37)
- Interim dividend HK15 cents per share

HONG KONG, 18th September 2007. Great Eagle Holdings Limited (SEHK: 041) today announces its results for the six months ended 30th June 2007. Group turnover was HK\$1,913 million (2006 HK\$1,845 million). Profit attributable to shareholders was HK\$614 million (2006 HK\$102 million). Earnings per share were HK\$1.02 (2006 HK\$0.17). After netting out items associated with asset revaluation changes, the underlying core earnings for the first six months of 2007 increased to \$423 million, up 92% as compared to the prior year period.

The Board declares an interim dividend of HK15 cents per share (2006: HK5 cents per share, plus special interim dividend of HK\$5 per share).

Dr. K.S. Lo, Chairman and Managing Director of Great Eagle Holdings Limited, was pleased with the 2007 half-year results. “Generally favourable economic conditions have supported a continued growth in the Group’s core earnings. Our hotels properties, in particular those located in Hong Kong, further increased their contribution due to continued strength in their respective business travel markets. The tight Hong Kong office leasing market in the first half of 2007 has led to generally higher occupancy and rent rates at Great Eagle Centre and Langham Place Office Tower. It has also enabled Champion REIT, in which we hold a 48.3% interest, to report higher earnings for the first half. The significant saving in interest expenses in line with a much reduced level of borrowings was also an important factor behind the earnings growth.”

Dr. Lo adds, “Our hotels overall should continue to perform well in the second half of 2007 as the travel markets in Asia appears to remain strong. We are also expecting increasing contributions from our investment in Champion REIT, the income of which will benefit from significant increases in rent rates that have been achieved on rollover and rent review of leases at Citibank Plaza. The Langham Place Mall has enjoyed sustained high levels of foot traffic as well as growth in sales of its retail tenants in the first half. Occupancy and achieved rent rates have been trending upwards as a result. The Mall is in the final stages of its tenant-mix upgrade initiative and should resume its income growth in the coming year ”

On the Group’s investment strategies, Dr. Lo comments, “We will continue to examine investment opportunities with a focus on Mainland China in a prudent and disciplined manner. We have made significant progress in building Langham as a luxury brand of hotels in the international market place. The recent signing of a number of hotel management contracts has established bridgeheads for our entry to the China market. We consider this to be a longer term investment and are expecting to see the benefits over time.”

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 principal holdings include a 48.3% interest in Champion Real Estate Investment Trust, which owns 1.56 million square feet of Grade-A commercial office space in the Central business district of Hong Kong. It also owns 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 4,700 rooms.

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