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MIRAMAR HOTEL AND INVESTMENT COMPANY, LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 71)

2009 RESULTS ANNOUNCEMENT

CHAIRMAN'S STATEMENT

Due to the change of financial year end date, this reporting period only covered nine months result of the Group. For the nine months ended 31 December 2009 (the "Reporting Period"), the Group's turnover amounted to approximately HK$1,303,000,000 (for the twelve months ended 31 March 2009: HK$1,616,000,000). Profit attributable to shareholders amounted to approximately HK$243,000,000 (for the twelve months ended 31 March 2009: HK$164,000,000). Excluding the net increase in the fair value of our investment properties, profit after tax from our core businesses for the nine months period was approximately HK$152,000,000 (for the twelve months ended 31 March 2009: HK$276,000,000).

During the first six months of the Reporting Period, The Mira Hong Kong ("The Mira") under the Group was still under renovation which led to a decline in its occupancy rate and operating profit. The renovation was substantially completed and a grand opening ceremony was held on 17 September 2009. Following its opening, the hotel's state-of-the-art facilities, stylish decoration/furnishings and modern and professional management and operation have offered its guests a totally refreshing experience resulting surge in occupancy rate and increase of over 40% in room rate as compared to the pre-renovation period.

The property rental business of the Group performed steadily and registered a turnover of approximately HK$364,000,000 during the Reporting Period. As the market and the economy recovered and the retail industry and office building market stabilized, the Group made a timely move and seized the opportunity to expedite the pace of adding value to the Group's property assets, including refurbishing the Miramar Shopping Centre, Miramar Tower and Miramar Shopping Centre – Hotel Tower while selecting tenants that match the theme of the shopping centres, so as to further optimize the tenant mix and quality.

Despite the weak performance of the tourism market as adversely affected by the global economic turmoil and the outbreak of the Human Swine Flu Pandemic in 2009, the Group's travel business bucked the trend with encouraging profit result especially in the group travel segment during the Reporting Period. Total turnover amounted to approximately HK$605,000,000 during the Reporting Period, representing an increase of approximately 20% as compared to the same period last year. The operating profit even rose approximately two times.

Corporate Governance and Social Responsibility

The Group continues to strengthen its corporate governance as well as to underline its commitment to the well-being of Hong Kong and our team members through corporate social responsibility initiatives.

During the Reporting Period, the Group continued to ensure compliance with the requirements as set forth in the COSO (Committee of Sponsoring Organisations) Standards of Internal Control. Internal Audits were regularly carried out to ensure the Group's operations were in conformity with the COSO standards. The Group also launched several risk management initiatives, including the formulation of a Business Continuity Plan, which if successfully implemented, would place the Group on safe ground against unforeseen events.

Our community initiatives included a series of blood donations, and visits by team members to homes for the elderly. In recognition of our community engagement, the Hong Kong Council of Social Service awarded the Group the Caring Company Logo for the third consecutive year. To ensure the occupational health and safety of our team members, a committee was formed earlier in the year to meet on a regular basis. We implemented a series of preventive measures against the Human Swine Flu Pandemic and launched a Workshop on Good Living Ways.

Prospects

As the global economy stabilises and the overall market sentiment and business confidence continue to recover, the global hotel and travel industry is also resuming its upward trend. With the number of business travellers increasing again and the appetite for high-end leisure activities growing significantly, the Group's hotel business improved remarkably and it is expected that The Mira will deliver substantial returns for the Group in the coming year. Besides staying ahead in the intense competition, the Group's travel business recorded a profit growth that ranked among the first of its peers. However, the Group regards this as the starting point and will continue to seize the opportunity to improve the quality of its products and services so as to accelerate the growth of its turnover and deliver higher investment returns.

With three shopping centres offering a gross floor area of approximately 1,300,000 square feet completed in Tsim Sha Tsui in 2009 and 2010, the retail property leasing market will witness intense competition in the coming year, but at the same time, Tsim Sha Tsui will become more attractive as a hot spot for shopping. The Group has commenced the renovation of the Miramar Tower's common area in later this year, with the completion expected to be early of 2011. Following the confirmation of tunnel extension to the shopping centre adjoining The Mira by the MTR Corporation which will be benefiting both the Miramar Shopping Centre and Miramar Tower, rental income is expected to increase further. Although most of the Group's renovation plans are still ongoing, the Group will also focus on business expansion in the future, including opening new travel routes to build its reputation and capture market share, expanding the Group's food and beverage business in China and developing travel and hotel service business through acquisitions, joint ventures or management contracts so as to increase investment returns. Barring any unforeseeable factors, the Group will be able to achieve a satisfactory performance in the coming year.

Acknowledgements

I would like to take this opportunity to express my gratitude to my fellow directors for their guidance, and to thank all our team members for their dedication and hard work.

LEE SHAU KEE
Chairman

MANAGING DIRECTOR'S MESSAGE

At the early stage of the Reporting Period, all parts of our business were negatively affected by the global financial turmoil, but strong performance was witnessed in our travel business. As the markets gradually improved under the impact of government stimulus measures around the world, consumer confidence returned and the Group's hotel and related businesses began to show encouraging signs of recovery.

Hotel and hotel management business

The Group owns or part-owns a number of hotels and serviced apartments in Hong Kong and mainland China as well as carrying out hotel management operations for both self-owned and independently owned properties. The Group is the sole owner of The Mira and of Miramar Apartments in Shanghai, a block of serviced apartments, both of which properties it also manages. The Group also partially owns two hotels in Shekou, and provides contract management services for both these and for another three independently owned hotels in Shanghai and Hong Kong, along with an independently owned service apartment complex in Hong Kong. In total, the Group owns and/or provides management services for eight hotels and serviced apartment complexes.

The major part of the Group's revenue in this sector derives from The Mira, the Group's flagship hotel. During the Reporting Period, The Mira completed an extensive period of renovation to enhance the quality of services and facilities, and to uplift the values and associations of the Group's repositioned brand. The Mira's guest rooms offer many stylish and contemporary features and the very latest in-room technology. Further facilities for the international business and luxury traveller include The Mira Club with lounge and themed Club rooms and suites, as well as the recently completed MiraSpa with 18,000 square feet of fitness, beauty and wellness rooms. On 17 September 2009, a ceremony was held to celebrate the grand opening of the hotel, which was welcomed by guests and the media as a significant milestone in the development of the hotel industry in Hong Kong.

In terms of occupancy, the drop in the number of rooms sold due to the extensive hotel renovations combined with the financial crisis has caused a significant decrease in the number of guests, which is reflected in the operating results. The average occupancy rate for the Reporting Period decreased by approximately 15 percentage points while the average room rate was kept at a constant level as compared to the previous whole-year period. In addition, the hotel's renewed focus on the wedding banquet and catering business, as well as on the recovering MICE and corporate segments, began to show results. In the medium term, the Group expects to see a significant boost in revenue as a result of its investment.

The hotel sector also includes the revenue earned by the Group for providing hotel management services. During the Reporting Period, the marked improvement in the economies of both Hong Kong and mainland China, and the gradual rise in business travel throughout the region, were reflected in a general improvement in this sector of the Group's business in the last quarter of 2009.

Property rental business

The Group's property rental revenue derives mainly from two sources: rental income generated from Miramar Shopping Centre and Miramar Tower. During the Reporting Period, the Group's rental properties recorded satisfactory rental income and occupancy was maintained at about 87%.

Miramar Shopping Centre ("MSC")

The average occupancy rate of MSC for the Reporting Period decreased by approximately 9 percentage points compared to the previous whole-year period mainly due to tenants who were located in Basement 1 being moved out for refurbishment work, which commenced in September 2009. This refurbishment work will be completed and new tenants will move in during the first quarter of 2010. The average unit rate of MSC for the Reporting Period increased by approximately 8% as compared to that of the previous whole year.

The tenants of MSC are mostly upscale, trendy fashion outlets such as Agnes b, C K Jeans, D-mop, i.t., Muji, Uniqlo, Vivenne Westwood, etc. In addition to fashion outlets, there are a number of restaurants offering regional cuisines from countries such as China, Japan and Korea. Within the Tsim Sha Tsui district two new shopping centres opened in 2009 while a shopping centre will open next to The Mira in 2010. This increase in supply will create a more competitive environment for MSC, but at the same time it will make the Tsim Sha Tsui district more attractive for visitors, potentially increasing footfall at MSC.

Miramar Tower ("MT")

The average occupancy rate of MT for the Reporting Period dropped by approximately 4 percentage points while the average unit rate increased by approximately 8% when compared to the previous whole year period. To maintain competitiveness and to attract more international companies, office lobby refurbishment work, including all lift lobbies and common corridors, commenced in the fourth quarter of 2009 and is targeted to be completed in early of 2011.

Miramar Shopping Centre – Hotel Tower

The Group has decided to renovate the shopping centre within The Mira from basement 1 to 2/F of the hotel building in the middle of 2010. This work will probably take about a year. In line with the revitalisation of the brand, the Group is aiming at top tier brands and companies as the tenant mix for this area. Rental income is expected to increase significantly after the renovation.

Food and beverage business

The Group operates three Tsui Hang Village restaurants: one located in the MSC, Tsim Sha Tsui; one in the New World Tower, Central; and one situated in Club Marina Cove, Sai Kung. The Group also operates one Sichuan restaurant named Yunyan Szechuan Restaurant located in the MSC, and two IFC venues: Cuisine Cuisine and Lumiere (closed in the year 2009 and converted into a high-end French restaurant named "The French Window").

The first quarter of each year is usually considered to be the peak season of the food and beverage business. Due to the change of financial year end date, this Reporting Period represents only April to December 2009. Furthermore, the closure for renovation of Lumiere in the IFC also affected the patronage of the neighbouring Cuisine Cuisine, contributing to a weaker performance of the food and beverage business of the Group during the Reporting Period.

Due to the market challenges, which particularly affected consumer confidence, the food and beverage division recorded a loss for the Reporting Period. The global financial turmoil and Human Swine Flu Pandemic outbreak impacted the performance of most of the Group's restaurants, especially the high-end restaurants located in the IFC, with many companies cutting back on their corporate entertainment.

To respond to these challenges and build further opportunities in a demanding marketplace, the Group focused in the Reporting Period on revitalising its food and beverage sector. The Yunyan Szechuan Restaurant is scheduled to be renovated in early 2010, and Lumiere re-opened after a complete transformation in December 2009 as an upscale French-style dining venue named "The French Window".

As the recovery of the economy and hence of consumer expenditure gathers pace, the performance of the Group's food and beverage sector is expected to continue to improve.

Travel business

Despite the overall decline in market conditions, which only saw marked improvement in the third quarter of 2009, the Group's travel business recorded successful performance. This was largely due to a boost in travellers by our competitive differentiation strategy in long-haul tours, with an approximately 140% rise as compared to the previous whole-year period.

The development of regional and global travel packages, offering customers more up-market and far-flung destinations, continues to offer important synergies with the rest of our hospitality, tourism and leisure activities. Together with the revitalisation of the Group's brand, the development of our travel business has given customers a much wider range of travel options, and has also led to increasing margins on package tours and a significant stimulus to turnover.

The Group's travel arm continues to be the first and only accredited agent in Hong Kong of Richard Branson's Virgin Galactic enterprise, which offers the opportunity of space travel to wealthy individuals, further underlining the Group's status for innovative and up-market travel.

Business Outlook

Despite the short-term negative impact of the global economic turmoil, the Group retains a confident outlook and launched a number of Group initiatives and projects. We believe that the rebound in tourism, retail and consumer confidence will have a beneficial effect on the performance of our core businesses.

With the completion of The Mira and the readiness of all its new guest rooms for occupancy, our flagship hotel has already become well-known as one of the most upscale and contemporary hotels in Hong Kong. Building on this reputation and the revitalisation of our brand, the Group has launched a brand-new website for The Mira, designed to encourage direct online bookings for the hotel and further enabling us to compete strongly in the up-market travel sector. We have also launched a new-look corporate site for the Group as a whole, including the food and beverage sector, increasing the availability and transparency of information about our core businesses for investors, customers, stakeholders and the media alike.

The Group's confidence in the recovery of the food and beverage sector, which was gathering pace, is underlined by our investment in the revitalisation and enhancement of our brand. We are also actively looking for expansion opportunities for our food and beverage operations in mainland China, with a Chinese restaurant planned to be set up in Beijing in the year 2010.

With the easing of restrictions on non-Guangdong residents of Shenzhen visiting Hong Kong in tour groups, corporate and MICE travel are also showing strong signs of recovery. Also, according to figures from the Hong Kong Tourism Board, visitors to Hong Kong are expected to rise by over 5% in 2010, to 31 million, and to spend HK$174 billion, 7% more than last year's arrivals. To cater for the growth in the market, we have established representative offices for our hotel business in mainland China, the United States, Japan and Australia, strengthening the prospects of increased room sales for the hotel sector. At the same time, we continue with our plans for gradual expansion in mainland China, both for food and beverage and hotel management contracts. We believe that the expansion of hotel and related businesses, together with the stable income from the property rental session, will bring higher returns to shareholders.

LEE KA SHING
Managing Director

The Board of Directors of Miramar Hotel and Investment Company, Limited (the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively, the "Group") for the period from 1 April 2009 to 31 December 2009 together with the comparative figures of the year ended 31 March 2009 as follows:

CONSOLIDATED INCOME STATEMENT

	Note	For the nine months ended 31 December 2009 HK$'000	For the twelve months ended 31 March 2009 HK$'000
Turnover	4	**1,303,391**	1,616,285
Cost of inventories		**(73,156)**	(108,624)
Staff costs		**(224,861)**	(294,598)
Utilities, repairs and maintenance and rent		**(74,214)**	(92,135)
Tour and ticketing costs		**(543,363)**	(623,865)
Gross Profit		**387,797**	497,063
Other revenue		**28,446**	35,899
		416,243	532,962
Operating and other expenses		**(150,101)**	(153,934)
Operating profit before depreciation and amortisation		**266,142**	379,028
Depreciation and amortisation		**(44,063)**	(41,564)
Operating profit		**222,079**	337,464
Finance costs		**(9,853)**	(19,871)
Share of profits less losses of associates		**(55)**	13,106
Reversal of impairment of interest in associates		**–**	3,984
		212,171	334,683
Provision for properties held for resale		**(129)**	(2,637)
Loss on disposal/impairment loss of available-for-sale investments		**(205)**	(10,320)
Net increase/(decrease) in fair value of investment properties		**109,186**	(134,246)
Profit before taxation carried forward		**321,023**	187,480

	Note	**For the nine months ended 31 December 2009** ***HK$'000***	For the twelve months ended 31 March 2009 *HK$'000*
Profit before taxation brought forward		**321,023**	187,480
Taxation	*5*		
– Current		**(39,518)**	(51,320)
– Deferred		**(31,449)**	19,810
Profit for the period/year		**250,056**	155,970
Attributable to:			
Shareholders of the Company		**242,621**	163,829
Minority interests		**7,435**	(7,859)
		250,056	155,970
Dividends attributable to the period/year:	*6*		
Interim dividend		**75,040**	86,585
Final dividend		**57,723**	98,129
		132,763	184,714
Earnings per share – basic and diluted	*7*	**HK$0.42**	HK$0.28

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the nine months ended 31 December 2009 *HK$'000*	For the twelve months ended 31 March 2009 *HK$'000*
Profit for the period/year	**250,056**	155,970
Other comprehensive income for the period/year (after tax and reclassification adjustments):		
Exchange differences on translation of the financial statements of overseas subsidiaries	**13,597**	29,969
Changes in fair value of available-for-sale investments	**7,160**	(6,075)
Transferred to consolidated income statement on impairment of available-for-sale investments	**–**	10,320
Liquidation of associates	**–**	9,695
	20,757	43,909
Total comprehensive income for the period/year	**270,813**	199,879
Attributable to:		
Shareholders of the Company	**261,815**	193,499
Minority interests	**8,998**	6,380
Total comprehensive income for the period/year	**270,813**	199,879

CONSOLIDATED BALANCE SHEET

	Note	At 31 December 2009 HK$'000	At 31 March 2009 HK$'000
Non-current assets			
Fixed assets			
– Investment properties		**8,194,426**	8,075,559
– Other fixed assets		**728,488**	465,842
		8,922,914	8,541,401
Interest in associates		**7,495**	12,042
Available-for-sale investments		**16,716**	9,868
Deferred tax assets		**9,896**	14,455
		8,957,021	8,577,766
Current assets			
Properties under development for sale		**241,180**	242,253
Inventories		**132,996**	125,395
Trade and other receivables	*8*	**149,826**	119,529
Cash and bank balances		**427,714**	384,571
Tax recoverable		**2,930**	22,477
		954,646	894,225
Current liabilities			
Trade and other payables	*9*	**(440,124)**	(332,385)
Interest-bearing borrowings		**(299,919)**	(201,906)
Sales and rental deposits received		**(79,935)**	(104,518)
Tax payable		**(56,395)**	(30,058)
Dividend payable		**(75,040)**	–
		(951,413)	(668,867)
Net current assets		**3,233**	225,358
Total assets less current liabilities carried forward		**8,960,254**	8,803,124

	Note	At 31 December 2009 *HK$'000*	At 31 March 2009 *HK$'000*
Total assets less current liabilities brought forward		**8,960,254**	8,803,124
Non-current liabilities			
Interest-bearing borrowings		**(541,911)**	(515,315)
Deferred liabilities		**(95,327)**	(88,916)
Deferred tax liabilities		**(1,145,090)**	(1,117,050)
		(1,782,328)	(1,721,281)
NET ASSETS		**7,177,926**	7,081,843
CAPITAL AND RESERVES			
Share capital		**404,062**	404,062
Reserves		**6,688,004**	6,599,358
Total equity attributable to shareholders of the Company		**7,092,066**	7,003,420
Minority interests		**85,860**	78,423
TOTAL EQUITY		**7,177,926**	7,081,843

Notes:

1. CHANGE IN FINANCIAL YEAR END DATE

Pursuant to announcement dated on 17 August 2009, the Company changed its financial year end date from 31 March to 31 December. Accordingly, the financial period under review covers a period of nine months from 1 April 2009 to 31 December 2009. The comparative figures (which cover a period of twelve months from 1 April 2008 to 31 March 2009) for the consolidated financial statements are therefore not entirely comparable with those of the current period.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The accounting policies used in the preparation of the financial report are consistent with those used in the annual financial statements for the twelve months ended 31 March 2009, except the changes set out in note 3.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued one new HKFRS, a number of amendments to HKFRSs and new Interpretations that are first effective for the current accounting period of the Group and the Company. Of these, the following developments are relevant to the Group's financial statements:

– HKFRS 8, *Operating segments*
– HKAS 1 (revised 2007), *Presentation of financial statements*
– Amendments to HKFRS 7, *Financial instruments: Disclosures – improving disclosures about financial instruments*
– Improvements to HKFRSs (2008)
– Amendments to HKAS 27, *Consolidated and separate financial statements – cost of an investment in a subsidiary, jointly controlled entity or associate*
– HKAS 23 (revised 2007), *Borrowing costs*

The amendments to HKAS 23 had no material impact on the Group's financial statements as the amendments were consistent with policies already adopted by the Group. The impact of the remainder of these developments is as follows:

– HKFRS 8 requires segment disclosure to be based on the way that the Group's chief operating decision maker regards and manages the Group, with the amounts reported for each reportable segment being the measures reported to the Group's chief operating decision maker for the purposes of assessing segment performance and making decisions about operating matters. This contrasts with the presentation of segment information in prior years which was based on a disaggregation of the Group's financial statements into segments based on related products and services and on geographical areas. The adoption of HKFRS 8 has resulted in the presentation of segment information in a manner that is more consistent with internal reporting provided to the Group's most senior executive management. Corresponding amounts have been provided on a basis consistent with the revised segment information.

– As a result of the adoption of HKAS 1 (revised 2007), details of changes in equity during the period arising from transactions with equity shareholders in their capacity as such have been presented separately from all other income and expenses in a revised consolidated statement of changes in equity. All other items of income and expense are presented in the consolidated income statement, if they are recognised as part of profit or loss for the period, or otherwise in a new primary statement, the consolidated statement of comprehensive income. The new format for the consolidated statement of comprehensive income and the consolidated statement of changes in equity has been adopted in these financial statements and corresponding amounts have been restated to conform to the new presentation. This change in presentation has no effect on reported profit or loss, total income and expense or net assets for any period presented.

– As a result of the adoption of the amendments to HKFRS 7, the financial statements include expanded disclosures about the fair value measurement of the Group's financial instruments, categorising these fair value measurements into a three-level fair value hierarchy according to the extent to which they are based on observable market data. The Group has taken advantage of the transitional provisions set out in the amendments to HKFRS 7, under which comparative information for the newly required disclosures about the fair value measurements of financial instruments has not been provided.

– The "improvements to HKFRSs (2008)" comprise a number of minor amendments to a range of HKFRSs which the HKICPA has issued as an omnibus batch of amendments. Of these, the following amendment has resulted in changes to the Group's accounting policies:

  As a result of amendments to HKAS 28, *Investments in associates*, impairment losses recognised in respect of the associates carried under the equity method are no longer allocated to the goodwill inherent in that carrying value. As a result, when there has been a favourable change in the estimates used to determine the recoverable amount, the impairment loss will be reversed. Previously, the Group allocated impairment losses to goodwill and, in accordance with the accounting policy for goodwill, did not consider the loss to be reversible. In accordance with the transitional provisions in the amendment, this new policy will be applied prospectively to any impairment losses that arise in the current or future periods and previous periods have not been restated.

– The amendments to HKAS 27 have removed the requirement that dividends out of pre-acquisition profits should be recognised as a reduction in the carrying amount of the investment in the investee, rather than as income. As a result, as from 1 April 2009, all dividends receivable from subsidiaries and associates, whether out of pre- or post-acquisition profits, will be recognised in the Company's profit or loss and the carrying amount of the investment in the investee will not be reduced unless that carrying amount is assessed to be impaired as a result of the investee declaring the dividend. In such cases, in addition to recognising dividend income in profit or loss, the Company would recognise an impairment loss. In accordance with the transitional provisions in the amendment, this new policy will be applied prospectively to any dividends receivable in the current or future periods and previous periods have not been restated.

4. TURNOVER AND SEGMENT REPORTING

The Group manages its businesses by segments which are organised by business lines. On first-time adoption of HKFRS 8, *Operating segments* and in a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified the following five reportable segments. No operating segments have been aggregated to form the following reportable segments.

Property investment	:	The leasing of office and retail premises to generate rental income and to gain from the appreciation in properties' values in the long term
Property development and sales	:	The development, purchase and sale of commercial and residential properties
Hotel ownership and management	:	The operation of hotel and provision of hotel management services
Food and beverage operation	:	The operation of restaurants
Travel operation	:	The operation of travel agency services

The principal activities of the Group are property investment, property development and sales, hotel ownership and management, food and beverage operation and travel operation. Turnover represents rental income, income from sale of properties and properties under development, income from hotel, food and beverage and travel operations.

(a) Segment results and assets

Revenue and expense are allocated to the reportable segments with reference to sales generated by those segments and the expenses directly incurred by those segments. The measure used for reporting segment results is "adjusted EBITDA" i.e. "adjusted earnings before interest, taxes, depreciation and amortisation". To arrive at adjusted EBITDA, the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as share of profits less losses of associates, other non-operating items and other corporate expenses.

Segment assets include all tangible and current assets with the exception of interests in associates, available-for-sale investments, deferred tax assets and other corporate assets. The Group does not provide information on segment assets to its senior executive management but such information has been disclosed as required by HKFRS 8.

	For the nine months ended 31 December 2009					
	Property investment *HK$'000*	Property development and sales *HK$'000*	Hotel ownership and management *HK$'000*	Food and beverage operation *HK$'000*	Travel operation *HK$'000*	Total *HK$'000*
Revenue from external customers	364,062	–	210,344	124,130	604,855	1,303,391
Inter-segment revenue	–	–	1,532	3,233	–	4,765
Reportable segment revenue	364,062	–	211,876	127,363	604,855	1,308,156
Elimination of inter-segment revenue						(4,765)
Consolidated turnover						1,303,391
Reportable segment results (adjusted EBITDA)	310,073	(13,330)	28,717	(2,407)	15,746	338,799
Unallocated corporate expenses						(116,720)
						222,079
Finance costs						(9,853)
Share of profits less losses of associates						(55)
Provision for properties held for resale						(129)
Loss on disposal of available-for-sale investments						(205)
Net increase in fair value of investment properties	109,186	–	–	–	–	109,186
Consolidated profit before taxation						321,023

	At 31 December 2009					
	Property investment *HK$'000*	Property development and sales *HK$'000*	Hotel ownership and management *HK$'000*	Food and beverage operation *HK$'000*	Travel operation *HK$'000*	Total *HK$'000*
Reportable segments assets	8,136,206	396,178	939,684	50,590	283,336	9,805,994
Interest in associates						7,495
Unallocated corporate assets						98,178
Consolidated total assets						9,911,667

For the twelve months ended 31 March 2009

	Property investment *HK$'000*	Property development and sales *HK$'000*	Hotel ownership and management *HK$'000*	Food and beverage operation *HK$'000*	Travel operation *HK$'000*	Total *HK$'000*
Revenue from external customers	483,201	–	243,402	196,592	693,090	1,616,285
Inter-segment revenue	–	–	1,590	5,470	–	7,060
Reportable segment revenue	483,201	–	244,992	202,062	693,090	1,623,345
Elimination of inter-segment revenue						(7,060)
Consolidated turnover						1,616,285
Reportable segment results (adjusted EBITDA)	419,009	(6,013)	22,170	8,635	8,287	452,088
Unallocated corporate expenses						(114,624)
						337,464
Finance costs						(19,871)
Share of profits less losses of associates						13,106
Reversal of impairment of interest in associates						3,984
Provision for properties held for resale						(2,637)
Impairment loss of available-for-sale investments						(10,320)
Net decrease in fair value of investment properties	(134,246)	–	–	–	–	(134,246)
Consolidated profit before taxation						187,480

At 31 March 2009

	Property investment *HK$'000*	Property development and sales *HK$'000*	Hotel ownership and management *HK$'000*	Food and beverage operation *HK$'000*	Travel operation *HK$'000*	Total *HK$'000*
Reportable segments assets	8,009,420	412,680	668,213	33,249	248,883	9,372,445
Interest in associates						12,042
Unallocated corporate assets						87,504
Consolidated total assets						9,471,991

(b) Geographical information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group non-current assets other than financial instruments and deferred assets. The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of non-current assets is based on the physical location of the asset, in case of interest in associates, the location of operations.

	Revenue from external customers		**Non-current assets**	
	For the nine months ended 31 December 2009	For the twelve months ended 31 March 2009	**At 31 December 2009**	At 31 March 2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
The Hong Kong Special Administrative Region	**1,267,694**	1,565,331	**8,444,020**	8,079,348
The People's Republic of China	**35,697**	50,954	**486,389**	474,095
	1,303,391	1,616,285	**8,930,409**	8,553,443

5. TAXATION

Taxation in the consolidated income statement represents:

	For the nine months ended 31 December 2009 *HK$'000*	For the twelve months ended 31 March 2009 *HK$'000*
Current tax – Hong Kong Profits Tax		
Provision for the period/year	**39,324**	53,665
Under/(over)-provision in respect of prior years	**31**	(2,967)
	39,355	50,698
Current tax – Overseas		
Provision for the period/year	**1,177**	635
Over-provision in respect of prior years	**(1,014)**	(13)
	163	622
Deferred tax		
Change in fair value of investment properties	**18,089**	(21,740)
Origination and reversal of temporary differences	**13,360**	1,930
	31,449	(19,810)
	70,967	31,510

Provision for Hong Kong Profits Tax is calculated at 16.5% (twelve months ended 31 March 2009: 16.5%) of the estimated assessable profits for the period.

Overseas taxation is calculated at rates of tax applicable in countries in which the Group is assessed for tax.

Share of associates' taxation for the nine months ended 31 December 2009 of HK$105,000 (twelve months ended 31 March 2009: HK$344,000) is included in the share of profits less losses of associates.

6. DIVIDENDS

Dividends attributable to the period/year:

	For the nine months ended 31 December 2009	For the twelve months ended 31 March 2009
	HK$'000	*HK$'000*
Interim dividend declared and paid of 13 cents per share (twelve months ended 31 March 2009: 15 cents per share)	**75,040**	86,585
Final dividend proposed after the balance sheet date of 10 cents per share (twelve months ended 31 March 2009: 17 cents per share)	**57,723**	98,129
	132,763	184,714

The interim dividend of HK$75,040,000 for the six months ended 30 September 2009 was paid in January 2010.

The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

7. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the Group's profit attributable to shareholders of the Company of HK$242,621,000 (twelve months ended 31 March 2009: HK$163,829,000) and 577,231,252 shares (twelve months ended 31 March 2009: 577,231,252 shares) in issue during the period.

There were no potential dilutive ordinary shares in existence during the nine months ended 31 December 2009 and for the twelve months ended 31 March 2009 and hence the diluted earnings per share is the same as the basic earnings per share.

8. TRADE AND OTHER RECEIVABLES

Included in trade and other receivables are trade debtors (net of allowance for doubtful debts) with the following ageing analysis as at the balance sheet date:

	At 31 December 2009 *HK$'000*	At 31 March 2009 *HK$'000*
Current	**35,091**	19,852
Less than 1 month past due	**12,172**	9,214
1 – 2 months past due	**5,459**	5,735
Over 2 months past due	**8,198**	8,804
	25,829	23,753
Trade receivables	**60,920**	43,605
Other receivables	**88,906**	75,924
	149,826	119,529

All of the trade and other receivables are expected to be recovered within one year except for the amount of HK$12,202,000 (at 31 March 2009: HK$12,171,000) which is expected to be recoverable after more than one year.

The Group has a defined credit policy. The general credit terms allowed range from 7 to 60 days from the date of billing. Debtors with balances that are more than 60 days overdue are generally required to settle all outstanding balance before any further credit is granted.

9. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade creditors with the following ageing analysis as at the balance sheet date:

	At 31 December 2009 *HK$'000*	At 31 March 2009 *HK$'000*
Due within 3 months or on demand	**76,038**	55,800
Due after 3 months but within 6 months	**2,909**	1,161
Trade payables	**78,947**	56,961
Other payables	**209,139**	126,790
Amounts due to minority shareholders of subsidiaries	**152,038**	148,634
	440,124	332,385

All of the trade and other payables are expected to be settled within one year or are repayable on demand.

Amounts due to minority shareholders of subsidiaries are unsecured, interest-free and have no fixed terms of repayment, except for the amounts due to a minority shareholder of a subsidiary amounting to HK$56,317,000 (at 31 March 2009: HK$55,494,000), which is interest bearing at 7.56% (at 31 March 2009: 7.56%) per annum.

10. COMPARATIVE FIGURES

As a result of the application of HKAS 1 (revised 2007), *Presentation of financial statements*, and HKFRS 8, *Operating segments*, certain comparatives figures have been adjusted to conform to current period's presentation and to provide comparative amounts in respect of items disclosed for the first time during the period. Further details of these developments are disclosed in note 3.

DIVIDEND

The Board of Directors recommends the payment of a final dividend of 10 HK cents per share in respect of the nine months ended 31 December 2009 to shareholders listed on the Register of Members at the close of business on 22 June 2010. Subject to the approval to be obtained at the Annual General Meeting of the Company to be held on 22 June 2010, the dividend warrants for the proposed final dividend will be despatched by mail to shareholders on or about 7 July 2010.

CLOSURE OF THE REGISTER OF MEMBERS

The Register of Members of the Company will be closed from 15 June 2010 to 22 June 2010, both days inclusive. In order to qualify for the proposed final dividend for the year, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Registrar of the Company, Computershare Hong Kong Investor Services Limited, at 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on Monday, 14 June 2010.

ANNUAL GENERAL MEETING

The Annual General Meeting ("AGM") of the Company will be held at The Ballroom, 18/F, The Mira Hong Kong, 118-130 Nathan Road, Tsim Sha Tsui, Kowloon, Hong Kong on Tuesday, 22 June 2010 at 12:00 noon. The Notice of AGM will be published on the websites of both The Stock Exchange of Hong Kong Limited and the Company, and despatched to shareholders on or about 15 April 2010.

CORPORATE FINANCE

The Group maintains its conservative financial policy, with high liquidity and low gearing. Gearing, calculated by dividing consolidated total borrowings by consolidated total shareholders' equity, is only 12% as at 31 December 2009 (at 31 March 2009: 10%).

The Group has negligible foreign currency risk, given that the majority of the financing facilities obtained by the Group are denominated in Hong Kong dollars. Interests on bank loans and borrowings of the Group are chargeable mainly based on certain agreed interest margin over the Hong Kong Interbank Offered Rate, which is therefore of floating rate in nature.

The Group has adequate credit facilities available to fund its development programme for the foreseeable future. At 31 December 2009, total available facilities amounted to approximately HK$1.4 billion (at 31 March 2009: approximately HK$1.4 billion), and 60% of that (at 31 March 2009: 51%) were utilized. At 31 December 2009, consolidated net borrowings were approximately HK$0.47 billion (at 31 March 2009: HK$0.39 billion), of which none was secured borrowings (at 31 March 2009: none).

EMPLOYEES

As at 31 December 2009, the Group had a total about of 1,600 full-time employees, including 1,400 employed in Hong Kong, 200 employed in The People's Republic of China and the United States of America. The Group continues to maintain a remuneration system which aligns with the Company goals, objectives and performance. To this end, the Group considers different relevant factors including job responsibilities, duties and scopes, staff performance, Company's performance, and market practice. As such, our salary level and employment conditions are maintained to be competitive in the market and equitable across different divisions within the Group. In 2010, we will put more resource to reward and retain valuable employees by enhancing our fringe benefits. Performance-based incentive scheme is going on to stimulate staff performance. Furthermore, we will improve the annual leave and holiday entitlement so that our team members could better attain a work life balance. With various improvements, our overall remuneration package would be more competitive in the labour market.

TRAINING & DEVELOPMENT

In fostering the positive attitudes within the Group towards those changes in year 2009, Training & Development team was successfully seeding the learning culture in all levels thorough different training activities. Beginning with the "Training Needs Analysis", we developed and implemented the training plan with theme, "Develop the Potential".

Besides of the core programmes, i.e. Customer Service Enhancement (for enriching employees' service mindset and skills); Designated Trainer Programme (for upgrading service standard consistency) and Good Administrative Practice (for polishing communication and administration skills); we also developed a lot of tailor made training projects. Direct connection with operational team members reinforced our belief in the continuation of the theme.

In 2010, we will design, deliver and provide learning opportunities for different work tiers, which assist in achieving operational demands and drive for business results in return. We divided our work groups into 4 tiers, i.e. Executives; Strategic Leaders; Operational Leaders and Operational team members. Programmes will be implemented in a top-to-bottom approach including: (1) Cultural building programme for Executives (build a "wish working culture" and to be driven from executives level); (2) Strategic action programme for Strategic Leaders (provide opportunities for goals alignment and for enhancing techniques for execution); (3) Management Development Programme & Emerging Leadership Programme for Operational Leaders (equip the skills as leaders and bridge the gap between executives and operational levels); and (4) Total customer satisfaction programme for operational team members (mystery shoppers programme and designated trainers programme will be implemented for guiding team members for achieving customer satisfaction with assistance from designated trainers). Some recognition programme will be implemented together with the above training programmes, which high-flyers of the company will be identified and groomed for future career development.

CORPORATE GOVERNANCE

The Company has complied with the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") during the nine months ended 31 December 2009.

AUDIT COMMITTEE

The Audit Committee has reviewed the financial results of the Group for the nine months ended 31 December 2009 and discussed with internal audit executives and independent auditors matters on auditing, internal control and financial reports of the Group.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the nine months ended 31 December 2009, neither the Company nor its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "Model Code") as set out in Appendix 10 of the Listing Rules as the code for dealing in securities of the Company by the directors. Having made specific enquiries, the Company confirmed that all directors had complied with the required standards set out in the Model Code throughout the nine months ended 31 December 2009.

By Order of the Board
LEE SHAU KEE
Chairman

Hong Kong, 17 March 2010

As at the date of this announcement, (i) the executive directors of the Company are: Dr. Lee Shau Kee, Mr. Lee Ka Shing, Mr. Richard Tang Yat Sun, Mr. Colin Lam Ko Yin, Mr. Norman Ho Hau Chong and Mr. Eddie Lau Yum Chuen; (ii) the non-executive directors of the Company are: Dr. Patrick Fung Yuk Bun, Mr. Dominic Cheng Ka On, Mr. Tony Ng, Mr. Howard Yeung Ping Leung, Mr. Thomas Liang Cheung Biu and Mr. Alexander Au Siu Kee; (iii) the independent non-executive directors of the Company are: Dr. David Sin Wai Kin, Mr. Wu King Cheong and Mr. Timpson Chung Shui Ming.