

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



SHANGRI-LA ASIA LIMITED

香格里拉(亞洲)有限公司

(Incorporated in Bermuda with limited liability)

website: [www.ir.shangri-la.com](http://www.ir.shangri-la.com)

(Stock code: 00069)

### OVERSEAS REGULATORY ANNOUNCEMENT

Shangri-La Hotels (Malaysia) Berhad (“SHMB”) is a company listed on Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”) and a 52.78% owned subsidiary of Shangri-La Asia Limited (“**Company**”). SHMB released to Bursa Malaysia an announcement (“**Announcement**”) today. The following is a reproduction of the Announcement as required by the Note to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

*As at the date hereof, the directors of the Company are:*

Executive directors

*Mr KUOK Khoon Chen (Chairman)*

*Mr LUI Man Shing*

*Mr Madhu Rama Chandra RAO*

*Mr Gregory Allan DOGAN*

Independent non-executive directors

*Mr Alexander Reid HAMILTON*

*Mr Timothy David DATTELS*

*Professor LI Kwok Cheung Arthur*

Non-executive directors

*Mr HO Kian Guan*

*Ms KUOK Hui Kwong*

*Mr HO Kian Hock (alternate to Mr HO Kian Guan)*

Hong Kong, 25 August 2015

Quarterly rpt on consolidated results for the financial period ended 30 Jun 2015

SHANGRI-LA HOTELS (MALAYSIA) BERHAD

Financial Year End 31 Dec 2015  
 Quarter 2 Qtr  
 Quarterly report for the financial period ended 30 Jun 2015  
 The figures have not been audited

Attachments
2nd Qtr 30 June 2015 Results.pdf 497.0 kB

Default Currency	Other Currency

Currency: Malaysian Ringgit (MYR)

**SUMMARY OF KEY FINANCIAL INFORMATION**  
30 Jun 2015

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30 Jun 2015	30 Jun 2014	30 Jun 2015	30 Jun 2014
	\$\$'000	\$\$'000	\$\$'000	\$\$'000
1 Revenue	109,543	120,662	230,202	257,667
2 Profit/(loss) before tax	22,911	25,405	58,159	65,668
3 Profit/(loss) for the period	17,062	19,439	43,827	49,639
4 Profit/(loss) attributable to ordinary equity holders of the parent	15,811	17,511	41,380	45,450
5 Basic earnings/(loss) per share (Subunit)	3.59	3.98	9.40	10.33
6 Proposed/Declared dividend per share (Subunit)	3.00	3.00	3.00	3.00
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7 Net assets per share attributable to ordinary equity holders of the parent (\$\$)	2.1745		2.1704	

**Remarks :**

The Board has declared an interim single tier dividend of 3 sen or 3% per ordinary share in respect of the financial year ending 31 December 2015 (2014 interim single tier dividend : 3 sen or 3% per ordinary share). The interim dividend is payable on Tuesday, 17 November 2015.

The interim dividend will amount to RM13.200 million and will be reflected in the financial statements for the quarter ending 30 September 2015.

Definition of Subunit.

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

**Announcement Info**

Company Name	SHANGRI-LA HOTELS (MALAYSIA) BERHAD
Stock Name	SHANG
Date Announced	25 Aug 2015
Category	Financial Results
Reference Number	FRA-25082015-00068

**SHANGRI-LA HOTELS (MALAYSIA) BERHAD**  
**(10889-U)**  
**(Incorporated in Malaysia)**

**ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS**  
**FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2015**

The Board of Directors of Shangri-La Hotels (Malaysia) Berhad wishes to announce the following :-

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT**

	3 months ended		6 months ended	
	30.6.2015	30.6.2014	30.6.2015	30.6.2014
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	<b>109,543</b>	<b>120,662</b>	<b>230,202</b>	<b>257,667</b>
Operating profit	21,969	25,193	54,103	63,779
Interest expense	(423)	(513)	(802)	(991)
Interest income	397	843	736	1,485
Share of results of associated companies	968	(118)	4,122	1,395
<b>Profit before tax</b>	<b>22,911</b>	<b>25,405</b>	<b>58,159</b>	<b>65,668</b>
Tax expense	(5,849)	(5,966)	(14,332)	(16,029)
<b>Profit for the period</b>	<b>17,062</b>	<b>19,439</b>	<b>43,827</b>	<b>49,639</b>
<u>Attributable to:</u>				
Shareholders of the Company	15,811	17,511	41,380	45,450
Non-controlling interests	1,251	1,928	2,447	4,189
	<b>17,062</b>	<b>19,439</b>	<b>43,827</b>	<b>49,639</b>
Basic Earnings per Ordinary Share (sen)	3.59	3.98	9.40	10.33
Diluted Earnings per Ordinary Share (sen)	NA	NA	NA	NA

*(The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2014)*

NA - not applicable

2

SHANGRI-LA HOTELS (MALAYSIA) BERHAD  
(10889-U)  
(Incorporated in Malaysia)

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months ended		6 months ended	
	30.6.2015	30.6.2014	30.6.2015	30.6.2014
	RM'000	RM'000	RM'000	RM'000
Profit for the period	17,062	19,439	43,827	49,639
Other comprehensive income/(expense) for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>17,062</b>	<b>19,439</b>	<b>43,827</b>	<b>49,639</b>
<u>Attributable to:</u>				
Shareholders of the Company	15,811	17,511	41,380	45,450
Non-controlling interests	1,251	1,928	2,447	4,189
	<b>17,062</b>	<b>19,439</b>	<b>43,827</b>	<b>49,639</b>

*(The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2014)*

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30.6.2015 RM'000	As at 31.12.2014 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	754,501	757,829
Investment properties	285,817	285,630
Interest in associates	151,483	128,484
Property development expenditure	12,286	12,286
Deferred tax assets	-	-
	<u>1,204,087</u>	<u>1,184,229</u>
<b>Current assets</b>		
Inventories	7,766	8,527
Trade and other receivables, prepayments and deposits	31,584	26,563
Tax recoverable	6,718	3,062
Cash and cash equivalents	25,215	56,595
	<u>71,283</u>	<u>94,747</u>
<b>Total assets</b>	<u>1,275,370</u>	<u>1,278,976</u>
<b>EQUITY</b>		
<b>Capital and reserves</b>		
Share capital	440,000	440,000
Reserves	516,759	514,979
<b>Total equity attributable to shareholders of the Company</b>	<u>956,759</u>	<u>954,979</u>
Non-controlling interests	102,611	100,164
<b>Total equity</b>	<u>1,059,370</u>	<u>1,055,143</u>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Retirement benefits	20,396	19,676
Deferred tax liabilities	24,831	21,932
	<u>45,227</u>	<u>41,608</u>
<b>Current liabilities</b>		
Trade and other payables and accruals	71,335	96,125
Short-term borrowings	99,017	85,806
Current tax liabilities	421	294
Dividend payable	-	-
	<u>170,773</u>	<u>182,225</u>
<b>Total liabilities</b>	<u>216,000</u>	<u>223,833</u>
<b>Total equity and liabilities</b>	<u>1,275,370</u>	<u>1,278,976</u>
Net Assets per Ordinary Share (RM) Attributable to Shareholders of the Company	2.17	2.17

*(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2014)*

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2015

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
For the 6 months ended 30 June 2015

<i>All figures in RM'000</i>	<u>Attributable to Shareholders of the Company</u>			Total equity attributable to shareholders of the Company	Non-controlling interests	Total equity
	Share capital	Share premium	Retained earnings			
	← Non-distributable →		←Distributable →			
<b>Balance at 1 January 2014</b>	440,000	104,501	410,338	954,839	94,712	1,049,551
Net profit for the period	-	-	45,450	45,450	4,189	49,639
Other comprehensive income/(expense) for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	45,450	45,450	4,189	49,639
Dividends						
- Final and special dividends for the financial year ended 31.12.2013 paid on 30.6.2014	-	-	(66,000)	(66,000)	-	(66,000)
<b>Balance at 30 June 2014</b>	440,000	104,501	389,788	934,289	98,901	1,033,190
<b>Balance at 1 January 2015</b>	440,000	104,501	410,478	954,979	100,164	1,055,143
Net profit for the period	-	-	41,380	41,380	2,447	43,827
Other comprehensive income/(expense) for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	41,380	41,380	2,447	43,827
Dividends						
- Final dividend for the financial year ended 31.12.2014 paid on 30.6.2015	-	-	(39,600)	(39,600)	-	(39,600)
<b>Balance at 30 June 2015</b>	440,000	104,501	412,258	956,759	102,611	1,059,370

*(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2014)*

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2015

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
For the 6 months ended 30 June 2015

	30.6.2015 RM'000	30.6.2014 RM'000
<b>Profit before tax</b>	58,159	65,668
<b>Adjustments for non-cash flow:-</b>		
Non-cash items	19,643	29,672
Non-operating items	66	(494)
<b>Operating profit before changes in working capital</b>	<u>77,868</u>	<u>94,846</u>
<b>Changes in working capital</b>		
Net change in current assets	(4,260)	513
Net change in current liabilities	(22,203)	(13,862)
<b>Cash generated from operations</b>	<u>51,405</u>	<u>81,497</u>
Income taxes paid	(14,962)	(13,358)
Retirement benefits paid	(369)	(165)
<b>Net cash inflow from operating activities</b>	<u>36,074</u>	<u>67,974</u>
<b>Investing activities</b>		
Interest income received	736	1,485
Purchase of property, plant and equipment	(27,225)	(34,653)
Additions to investment properties	(187)	(1,080)
<b>Net cash outflow from investing activities</b>	<u>(26,676)</u>	<u>(34,248)</u>
<b>Financing activities</b>		
Dividends paid to shareholders of the Company	(39,600)	(66,000)
Dividend paid to non-controlling shareholder of a subsidiary	(1,000)	(1,000)
Drawdown of bank borrowings	21,881	6,398
Repayment of bank borrowings	(15,384)	-
Interest expense paid	(802)	(991)
Advances to associates	(21,413)	(5,435)
Repayment of loans by associates	15,540	-
<b>Net cash outflow from financing activities</b>	<u>(40,778)</u>	<u>(67,028)</u>
<b>Net decrease in cash &amp; cash equivalents</b>	<u>(31,380)</u>	<u>(33,302)</u>
Cash & cash equivalents at beginning of the year	56,595	93,719
<b>Cash &amp; cash equivalents at end of financial period</b>	<u>25,215</u>	<u>60,417</u>
Cash and cash equivalents at end of financial period	25,215	60,417
Bank overdraft at end of financial period	-	-
<b>Cash &amp; cash equivalents in the statement of financial position</b>	<u>25,215</u>	<u>60,417</u>

*(The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2014)*

**ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2015**

**NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (“MFRS 134”)**

**A1 Accounting Policies**

The condensed consolidated interim financial statements of the Group for the current reporting period have been prepared in accordance with MFRS 134 - Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”), and should be read in conjunction with the Group’s financial statements for the year ended 31 December 2014. These condensed consolidated interim financial statements also comply with IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”).

Except as described below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements of the Group for the year ended 31 December 2014.

The Group has adopted the following amendments to Malaysian Financial Reporting Standards (“MFRS”) that are relevant and effective for annual periods beginning on or after 1 January 2015.

Amendments to MFRS 3	Business Combinations
Amendments to MFRS 8	Operating Segments
Amendments to MFRS 13	Fair Value Measurement
Amendments to MFRS 116	Property, Plant and Equipment
Amendments to MFRS 119	Employee Benefits
Amendments to MFRS 124	Related Party Disclosures
Amendments to MFRS 140	Investment Property

The adoption of these amendments did not have any significant impact on the financial statements or position of the Group.

**A1.1 MFRS and Amendments Issued But Not Yet Effective**

The Group has not adopted the following new MFRS and amendments to MFRS, that have been issued which are relevant to the Group but not yet effective:-

		Effective for annual periods beginning on or after
Amendments to MFRS 7	Financial Instruments: Disclosures	1 January 2016
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 10, MFRS12 and MFRS 128	Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 101	Presentation of Financial Statements	1 January 2016
Amendments to MFRS 116	Property, Plant and Equipment	1 January 2016
Amendments to MFRS 119	Employee Benefits	1 January 2016
Amendments to MFRS 127	Separate Financial Statements	1 January 2016
Amendments to MFRS 134	Interim Financial Reporting	1 January 2016
MFRS 15	Revenue from Contracts with Customers	1 January 2017
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018

The adoption of these new MFRS and amendments to MFRS are not expected to have any significant impact on the financial statements of the Group.



**ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2015**

**NOTES PURSUANT TO MFRS 134**

**A2 Seasonal or Cyclical Factors**

The business operations of the Group have not been materially affected by seasonal or cyclical factors during the financial period ended 30 June 2015.

**A3 Unusual Items affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the financial period ended 30 June 2015.

**A4 Material Changes in Estimates**

There were no changes in estimates of amounts reported in prior interim periods or changes in estimates of amounts reported in prior financial years, which have a material effect on the financial statements for the second quarter ended 30 June 2015.

**A5 Debt and Equity Securities**

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the financial period ended 30 June 2015.

**A6 Dividends Paid**

A final single tier dividend of 9% or 9 sen per share for the financial year ended 31 December 2014 amounting to RM39.600 million was paid on 30 June 2015. An interim single tier dividend of 3% or 3 sen per share amounting to RM13.200 million for the year ended 31 December 2014 was paid on 14 November 2014.

**A7 Segmental Reporting**

The segmental analysis of the Group's results and assets are set out below.

<b>For the period ended 30 June 2015</b> <i>(All figures in RM'000)</i>	Hotels & Resorts	Investment Properties	Others	Inter-segment Elimination	Consolidated Total
<b><u>Segment Revenue</u></b>					
Revenue from external customers	216,371	12,400	1,431	-	230,202
Inter-segment revenue	-	1,037	1,286	(2,323)	-
Total revenue	216,371	13,437	2,717	(2,323)	230,202
<b><u>Segment Results</u></b>					
Operating profit	48,307	7,936	(619)	(1,521)	54,103
Interest expense	(1,144)	-	(802)	1,144	(802)
Interest income	1,693	175	12	(1,144)	736
Share of results of associated companies	4,122	-	-	-	4,122
Profit before tax	52,978	8,111	(1,409)	(1,521)	58,159
<b><u>As at 30 June 2015</u></b> <i>(All figures in RM'000)</i>					
Segment assets	1,016,096	309,208	12,802	(214,219)	1,123,887
Interest in associates	151,483	-	-	-	151,483
Total assets	1,167,579	309,208	12,802	(214,219)	1,275,370

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2015

**NOTES PURSUANT TO MFRS 134**

**A8 Material Events Subsequent to the End of the Current Financial Period**

In the opinion of the Directors, there was no item or event of a material or unusual nature which has occurred between 30 June 2015 and the date of this report that would materially affect the results of the Group for the financial period ended 30 June 2015.

**A9 Changes in the Composition of the Group**

There were no changes in the composition of the Group during the financial period ended 30 June 2015.

**A10 Changes in Contingent Liabilities or Contingent Assets**

There have been no changes in the contingent liabilities or assets of the Group since the last annual balance sheet date as at 31 December 2014 to the date of this report.

**A11 Capital Commitments**

Capital commitments for property, plant and equipment and investment properties not provided for as at 30 June 2015 are as follows:-

	RM'000
Authorised and contracted for	29,299
Authorised but not contracted for	72,782
	102,081

**A12 Related Party Transactions**

6 months ended 30.6.2015

RM'000

**Transactions with subsidiaries of the ultimate holding company**

Payment of management, marketing and reservation fees to Shangri-La International Hotel Management Ltd and Shangri-La International Hotel Management Pte Ltd, wholly-owned subsidiaries of Shangri-La Asia Limited 7,090

**Transactions with corporations in which Mdm Kuok Oon Kwong, Director of the Company, has direct or indirect financial interests**

Office rental income received from Kuok Brothers Sdn Bhd, PPB Group Berhad, PPB Oil Palms Berhad, PGEO Marketing Sdn Bhd, Chemquest Sdn Bhd and Southern Marina Development Sdn Bhd 1,346

**Transactions with associates of the Group**

Additional loans advanced by Madarac Corporation, the Group's wholly-owned subsidiary incorporated in the British Virgin Islands to its associated companies in Myanmar, net of loan repayments 5,873

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2015

NOTES REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF APPENDIX 9B

**B1 Review of Group Results 1st Half 2015 vs 1st Half 2014**

During the six months to 30 June 2015, Group revenue decreased by 11% to RM230.202 million from RM257.667 million for the same period in 2014.

The Group's profit before tax for the six months was RM58.159 million, also a decrease of 11%, compared with RM65.668 million in the first half of last year. Net profit attributable to shareholders for the period was RM41.380 million, 9% below that of RM45.450 million reported in 2014.

The first half results reflected a significant decline in the operating performances across all of the Group's hotel businesses as occupancies and room rates were impacted by poor market conditions.

Revenue for Shangri-La Hotel Kuala Lumpur declined by 10% in the first six months of 2015 to RM86.859 million, due to a drop in business levels both in rooms and in food and beverage operations. The hotel's pre-tax profit fell from RM26.343 million in the first half 2014 to RM20.542 million. Occupancy at the hotel was 65%, compared to 78% in 2014.

The performance of Rasa Ria Resort was affected by a sharp fall in visitor arrivals from its key markets, with occupancy decreasing to 62% from 74% in the first six months of 2014. Overall revenue at the resort for the first half 2015 dropped by 12% to RM51.283 million, and pre-tax profit declined to RM9.486 million from RM14.607 million in the same period last year.

At Rasa Sayang Resort, revenue was down by 4% from the half year 2014 to RM34.305 million, mainly as a result of lower food and beverage sales. For the first six months of 2015, the resort made a reduced pre-tax profit of RM6.341 million, compared to RM7.644 million in 2014. The resort's occupancy was slightly weaker at 58% versus 59% the previous year.

Golden Sands Resort posted a shortfall in revenue of 20% to RM23.655 million for the first half 2015, with pre-tax profit reducing to RM5.259 million from RM8.912 million in the comparable period last year. Owing to lacklustre leisure demand, occupancy at the resort fell to 62% from 79% in 2014.

For Hotel Jen Penang, weak business from the corporate sector resulted in a lower occupancy of 69% as against 83% in the first half 2014, leading to an 18% fall in revenue to RM17.574 million. The hotel's pre-tax profit declined from RM5.219 million in the first six months of last year to RM2.683 million.

The Group's investment properties in Kuala Lumpur had combined rental revenue of RM13.437 million, up 4% on the first half 2014, while their combined pre-tax profit increased from RM7.655 million in the prior period to RM8.111 million. Growth was supported by higher contributions from UBN Tower.

In the half year ended 30 June 2015, the Group's share of profits from Traders Yangon Company Ltd and Shangri-La Yangon Company Ltd (SYCL) rose to RM4.122 million from RM1.395 million for the corresponding half year in 2014. This was primarily driven by an improvement in the operating results of Shangri-La Serviced Apartments in Myanmar held by SYCL.

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2015

NOTES REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF APPENDIX 9B

**B2 Comparison of Group Results 2nd Quarter 2015 vs 1st Quarter 2015**

The Group's revenue for the second quarter ended 30 June 2015 was RM109.543 million, 9% lower compared with RM120.659 million in the first quarter ended 31 March 2015. As a result, Group pre-tax profit for the second quarter 2015 decreased to RM22.911 million from RM35.248 million in the first quarter 2015.

These declines were mainly attributable to the lower revenue and profit contributions from Shangri-La Hotel Kuala Lumpur and Rasa Sayang Resort, coupled with a reduction in the share of profits from associated companies in Myanmar.

During the second quarter, Shangri-La Hotel Kuala Lumpur experienced weaker business levels for rooms and food and beverage operations. This led to an overall decrease of 11% in revenue to RM40.904 million, with pre-tax profit falling by 21% over the first quarter 2015 to RM9.081 million. At Rasa Sayang Resort, revenue dropped by 23% in the second quarter 2015 to RM14.935 million in line with a fall in occupancy to 54% from 61% for the first quarter 2015, amid softer market conditions.

Likewise, Golden Sands Resort also saw occupancy dip to 60% from 64%, which contributed to a 17% decline in revenue when compared to the first three months of 2015. In addition, revenue for Hotel Jen Penang was 4% lower than the first quarter 2015, largely because of reductions in food and beverage sales. Rasa Ria Resort, on the other hand achieved a higher revenue of RM26.150 million versus the first quarter 2015, with the benefit of a stronger performance in food and beverage.

For the three-month period to 30 June 2015, the combined rental revenue from the Group's investment properties of RM6.723 million was comparable to that in the first quarter 2015.

**B3 Prospects for 2015**

The Group's hotels and resorts are facing an increasingly challenging trading environment, with slowing demand trends in both the business and leisure travel markets. This will continue to weigh on their performances over the remainder of 2015. However, all operations across the Group are driving efforts at reducing costs and improving efficiencies in all key areas.

For the investment properties, occupancy levels of UBN Tower are expected to remain largely stable as the overall prime office rental market in Kuala Lumpur should hold steady through 2015. The performance of UBN Apartments will be subdued in a continued weak market.

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2015

**NOTES REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF APPENDIX 9B**

**B4 Variance on Profit Forecast/Profit Guarantee**

Not applicable.

**B5 Taxation**

The tax charge of the Group for the financial period under review is as follows:-

	3 months ended		6 months ended	
	30.6.2015 RM'000	30.6.2014 RM'000	30.6.2015 RM'000	30.6.2014 RM'000
Current taxation				
- Company and subsidiaries	4,895	3,582	11,443	12,462
Deferred taxation	956	3,002	2,899	4,185
(Over)/under provision in respect of prior years				
- Company and subsidiaries	(2)	(618)	(10)	(618)
	5,849	5,966	14,332	16,029

For the first six months ended 30 June 2015, the effective tax rate on profit before tax was 24.6%, slightly lower than the statutory tax rate of 25% mainly because of the availability of a tax credit in a Group subsidiary.

**B6 Status of Corporate Proposals**

There were no corporate proposals and unutilised proceeds raised from any corporate proposals as at the date of this report.

**B7 Group Borrowings and Debt Securities**

Group borrowings as at 30 June 2015 were as follows:-

	Short Term RM'000	Long Term RM'000	Total RM'000
Secured	-	-	-
Unsecured	99,017*	-	99,017
	99,017*	-	99,017

\* Amounts drawdown comprised HKD42.8 million and USD2.723 million from two offshore banks in Labuan, and USD18.0 million from a local bank.

There were no debt securities in the financial period ended 30 June 2015.

**B8 Financial Instruments**

**Derivatives**

There were no outstanding derivative financial instruments as at 30 June 2015.

**Gains/losses arising from fair value changes of financial liabilities**

There were no gains/losses arising from fair value changes of financial liabilities for the financial period ended 30 June 2015.

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2015

**NOTES REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF APPENDIX 9B**

**B9 Changes in Material Litigation**

There was no material litigation pending as at the date of this report.

**B10 Dividend**

The Board has declared an interim single tier dividend of 3 sen or 3% per ordinary share in respect of the financial year ending 31 December 2015 (2014 interim single tier dividend : 3 sen or 3% per ordinary share). The interim dividend is payable on Tuesday, 17 November 2015.

NOTICE IS HEREBY GIVEN that the interim dividend will be paid to shareholders whose names appear in the Record of Depositors on Monday, 26 October 2015.

A Depositor shall qualify for entitlement to the dividend only in respect of:-

- (i) Shares transferred into the Depositor's securities account before 4.00 p.m. on Monday, 26 October 2015 in respect of transfers.
- (ii) Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

**B11 Earnings per Share**

The basic earnings per ordinary share for the six (6) months ended 30 June 2015 have been calculated as follows:-

	3 months ended		6 months ended	
	30.6.2015	30.6.2014	30.6.2015	30.6.2014
Profit attributable to shareholders of the Company (RM'000)	15,811	17,511	41,380	45,450
No. of ordinary shares in issue ('000)	440,000	440,000	440,000	440,000
Basic Earnings Per Share (sen)	3.59	3.98	9.40	10.33

**Diluted Earnings per Share**

Not applicable.

**B12 Realised and Unrealised Profits/Losses**

	As at 30.6.2015 RM'000	As at 31.12.2014 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	478,043	479,799
- Unrealised	110,804	107,414
	588,847	587,213
Total share of accumulated losses in associated companies		
- Realised	(42,240)	(46,362)
- Unrealised	1,542	1,542
	548,149	542,393
Add : Consolidation adjustments	(135,891)	(131,915)
Total Group retained profits	412,258	410,478

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS  
FOR THE SECOND QUARTER AND HALF YEAR ENDED 30 JUNE 2015

**NOTES REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF APPENDIX 9B**

**B13 Notes to the Statements of Comprehensive Income**

	3 months ended		6 months ended	
	30.6.2015 RM'000	30.6.2014 RM'000	30.6.2015 RM'000	30.6.2014 RM'000
<b>Net profit for the period is arrived at after charging:-</b>				
Interest expense	(423)	(513)	(802)	(991)
Depreciation	(14,686)	(13,497)	(29,311)	(27,069)
Foreign exchange loss	(926)	(3,280)	(6,714)	(3,866)
Allowance for doubtful debts - trade receivables	(24)	-	(59)	-
<b>and after crediting:-</b>				
Interest income	397	843	736	1,485
Foreign exchange gain	2,554	1,940	13,004	2,300
Write back of allowance for doubtful debts - trade receivables	-	34	-	99

Other than the above which have been included in the statement of comprehensive income, there were no impairment of assets, gain or loss on disposal of quoted or unquoted investments or properties and exceptional items for the financial period ended 30 June 2015.

**B14 Audit Report of the Group's Preceding Annual Financial Statements**

There was no qualification in the audit report of the Group's financial statements for the year ended 31 December 2014.

**By Order of the Board**  
**Datin Rozina Mohd Amin**  
Company Secretary

**Kuala Lumpur**  
**25 August 2015**