

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

(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

Mr WONG Kai Man

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, 23 February 2015

Quarterly rpt on consolidated results for the financial period ended 31/12/2014

SHANGRI-LA HOTELS (MALAYSIA) BERHAD

Financial Year End 31/12/2014
 Quarter 4
 Quarterly report for the financial period ended 31/12/2014
 The figures have been audited
Attachments

[4th Qtr December 2014 Results.pdf](#)
 592 KB

- Default Currency
- Other Currency

Currency: **Malaysian Ringgit (MYR)****SUMMARY OF KEY FINANCIAL INFORMATION**

31/12/2014

| | INDIVIDUAL PERIOD | | CUMULATIVE PERIOD | |
|--|------------------------------|--|------------------------------------|--|
| | CURRENT YEAR QUARTER | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE | PRECEDING YEAR CORRESPONDING PERIOD |
| | 31/12/2014 \$\$'000 | 31/12/2013 \$\$'000 | 31/12/2014 \$\$'000 | 31/12/2013 \$\$'000 |
| 1Revenue | 125,050 | 131,743 | 513,679 | 511,225 |
| 2Profit/(loss) before tax | 17,676 | 74,689 | 119,497 | 168,181 |
| 3Profit/(loss) for the period | 9,186 | 70,997 | 85,792 | 139,808 |
| 4Profit/(loss) attributable to ordinary equity holders of the parent | 9,952 | 67,763 | 79,340 | 130,367 |
| 5Basic earnings/(loss) per share (Subunit) | 2.26 | 15.40 | 18.03 | 29.63 |
| 6Proposed/Declared dividend per share (Subunit) | 9.00 | 15.00 | 12.00 | 18.00 |
| 7Net assets per share attributable to ordinary equity holders of the parent (\$\$) | AS AT END OF CURRENT QUARTER | | AS AT PRECEDING FINANCIAL YEAR END | |
| | | 2.1704 | | 2.1701 |

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 23 Feb 2015
 Category Financial Results
 Reference No SH-150223-E61F5

1

SHANGRI-LA HOTELS (MALAYSIA) BERHAD

(10889-U)

(Incorporated in Malaysia)

**ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2014**

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

AUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

| | 3 months ended | | 12 months ended | |
|--|----------------|---------------|-----------------|----------------|
| | 31.12.2014 | 31.12.2013 | 31.12.2014 | 31.12.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 125,050 | 131,743 | 513,679 | 511,225 |
| Operating profit before exceptional item | 21,385 | 37,765 | 120,473 | 129,716 |
| Exceptional item | - | 29,744 | - | 29,744 |
| Operating profit | 21,385 | 67,509 | 120,473 | 159,460 |
| Interest expense | (547) | (434) | (2,092) | (1,416) |
| Interest income | 477 | 584 | 2,438 | 1,312 |
| Share of results of associated companies | (3,639) | 7,030 | (1,322) | 8,825 |
| Profit before tax | 17,676 | 74,689 | 119,497 | 168,181 |
| Tax expense | (8,490) | (3,692) | (33,705) | (28,373) |
| Profit for the period/year | 9,186 | 70,997 | 85,792 | 139,808 |
| <u>Attributable to:</u> | | | | |
| Shareholders of the Company | 9,952 | 67,763 | 79,340 | 130,367 |
| Non-controlling interests | (766) | 3,234 | 6,452 | 9,441 |
| | 9,186 | 70,997 | 85,792 | 139,808 |
| Basic Earnings per Ordinary Share | (sen) 2.26 | 15.40 | 18.03 | 29.63 |
| Diluted Earnings per Ordinary Share | (sen) NA | NA | NA | NA |

(The audited Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013)

NA - not applicable

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

ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2014

AUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| | 3 months ended | | 12 months ended | |
|---|----------------|---------------|-----------------|----------------|
| | 31.12.2014 | 31.12.2013 | 31.12.2014 | 31.12.2013 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Profit for the period/year | 9,186 | 70,997 | 85,792 | 139,808 |
| <u>Other comprehensive income/(expense)</u> | | | | |
| <i>Items that will not be reclassified to profit or loss:</i> | | | | |
| Remeasurement of the defined retirement benefit liability, net of tax | - | (503) | - | (503) |
| Total comprehensive income for the period/year | 9,186 | 70,494 | 85,792 | 139,305 |
| <u>Attributable to:</u> | | | | |
| Shareholders of the Company | 9,952 | 67,303 | 79,340 | 129,907 |
| Non-controlling interests | (766) | 3,191 | 6,452 | 9,398 |
| | 9,186 | 70,494 | 85,792 | 139,305 |

(The audited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013)

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

ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2014

AUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | As at 31.12.2014 RM'000 | As at 31.12.2013 RM'000 |
|---|-------------------------------|-------------------------------|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 757,829 | 707,788 |
| Investment properties | 285,630 | 280,860 |
| Interest in associates | 128,484 | 152,154 |
| Property development expenditure | 12,286 | 12,286 |
| Deferred tax assets | - | - |
| | <u>1,184,229</u> | <u>1,153,088</u> |
| Current assets | | |
| Inventories | 8,527 | 8,440 |
| Trade and other receivables, prepayments and deposits | 26,563 | 27,533 |
| Tax recoverable | 3,062 | 434 |
| Cash and cash equivalents | 56,595 | 93,719 |
| | <u>94,747</u> | <u>130,126</u> |
| Total assets | <u>1,278,976</u> | <u>1,283,214</u> |
| EQUITY | | |
| Capital and reserves | | |
| Share capital | 440,000 | 440,000 |
| Reserves | 514,979 | 514,839 |
| Total equity attributable to shareholders of the Company | <u>954,979</u> | <u>954,839</u> |
| Non-controlling interests | 100,164 | 94,712 |
| Total equity | <u>1,055,143</u> | <u>1,049,551</u> |
| LIABILITIES | | |
| Non-current liabilities | | |
| Retirement benefits | 19,676 | 17,864 |
| Deferred tax liabilities | 21,932 | 16,423 |
| | <u>41,608</u> | <u>34,287</u> |
| Current liabilities | | |
| Trade and other payables and accruals | 96,125 | 86,077 |
| Short-term borrowings | 85,806 | 111,482 |
| Current tax liabilities | 294 | 1,817 |
| Dividend payable | - | - |
| | <u>182,225</u> | <u>199,376</u> |
| Total liabilities | <u>223,833</u> | <u>233,663</u> |
| Total equity and liabilities | <u>1,278,976</u> | <u>1,283,214</u> |
| Net Assets per Ordinary Share (RM) Attributable to Shareholders of the Company | 2.17 | 2.17 |

(The audited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013)

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

ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2014

AUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2014

| <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 → | | | |
| Balance at 1 January 2013 | 440,000 | 104,501 | 324,431 | 868,932 | 86,314 | 955,246 |
| Net profit for the year | - | - | 130,367 | 130,367 | 9,441 | 139,808 |
| Remeasurement of the defined retirement benefit liability, net of tax | - | - | (460) | (460) | (43) | (503) |
| Total comprehensive income for the year | - | - | 129,907 | 129,907 | 9,398 | 139,305 |
| Dividends paid | | | | | | |
| - Final dividend for the financial year ended 31.12.2012 paid on 28.6.2013 | - | - | (30,800) | (30,800) | - | (30,800) |
| - Interim dividend for the financial year ended 31.12.2013 paid on 21.11.2013 | - | - | (13,200) | (13,200) | - | (13,200) |
| Dividend paid to non-controlling interests of a subsidiary | - | - | - | - | (1,000) | (1,000) |
| Balance at 31 December 2013 | 440,000 | 104,501 | 410,338 | 954,839 | 94,712 | 1,049,551 |
| Balance at 1 January 2014 | 440,000 | 104,501 | 410,338 | 954,839 | 94,712 | 1,049,551 |
| Net profit for the year | - | - | 79,340 | 79,340 | 6,452 | 85,792 |
| Other comprehensive income/(expense) for the year | - | - | - | - | - | - |
| Total comprehensive income for the year | - | - | 79,340 | 79,340 | 6,452 | 85,792 |
| Dividends | | | | | | |
| - Final and special dividends for the financial year ended 31.12.2013 paid on 30.6.2014 | - | - | (66,000) | (66,000) | - | (66,000) |
| - Interim dividend for the financial year ended 31.12.2014 paid on 14.11.2014 | - | - | (13,200) | (13,200) | - | (13,200) |
| Dividend payable to non-controlling interests of a subsidiary | - | - | - | - | (1,000) | (1,000) |
| Balance at 31 December 2014 | 440,000 | 104,501 | 410,478 | 954,979 | 100,164 | 1,055,143 |

(The audited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013)

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

**ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2014**

AUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 December 2014

| | 31.12.2014 | 31.12.2013 |
|---|------------------|-----------------|
| | RM'000 | RM'000 |
| Profit before tax | 119,497 | 168,181 |
| Adjustments for non-cash flow:- | | |
| Non-cash items | 52,104 | 9,826 |
| Non-operating items | (346) | 104 |
| Operating profit before changes in working capital | 171,255 | 178,111 |
| Changes in working capital | | |
| Net change in current assets | 984 | 2,160 |
| Net change in current liabilities | 10,048 | 3,035 |
| Cash generated from operations | 182,287 | 183,306 |
| Income taxes paid | (32,347) | (25,807) |
| Retirement benefits paid | (262) | (619) |
| Net cash inflow from operating activities | 149,678 | 156,880 |
| Investing activities | | |
| Interest income received | 2,438 | 1,312 |
| Purchase of property, plant and equipment | (106,205) | (32,903) |
| Additions to investment properties | (2,729) | (6,763) |
| Net cash outflow from investing activities | (106,496) | (38,354) |
| Financing activities | | |
| Dividends paid to shareholders of the Company | (79,200) | (44,000) |
| Dividend paid to non-controlling shareholder of a subsidiary | (1,000) | (1,000) |
| Net (repayment)/drawdown of loans | (31,741) | 46,067 |
| Interest expense paid | (2,092) | (1,416) |
| Net repayment from/(advances to) associates | 33,727 | (52,063) |
| Net cash outflow from financing activities | (80,306) | (52,412) |
| Net (decrease)/increase in cash & cash equivalents | (37,124) | 66,114 |
| Cash & cash equivalents at beginning of the year | 93,719 | 27,605 |
| Cash & cash equivalents at end of financial year | 56,595 | 93,719 |
| Cash and cash equivalents at end of financial year | 56,595 | 93,719 |
| Bank overdraft at end of financial year | - | - |
| Cash & cash equivalents in the statement of financial position | 56,595 | 93,719 |

(The audited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013)

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

ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2014

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 2013. 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 2013.

The Group adopted the following amendments to Malaysian Financial Reporting Standards (“MFRS”) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2014.

| | |
|------------------------|--|
| Amendments to MFRS 10 | Consolidated Financial Statements: Investment Entities |
| Amendments to MFRS 12 | Disclosure of Interests in Other Entities: Investment Entities |
| Amendments to MFRS 127 | Separate Financial Statements: Investment Entities |
| Amendments to MFRS 132 | Offsetting Financial Assets and Financial Liabilities |
| Amendments to MFRS 136 | Recoverable Amount Disclosures for Non-Financial Assets |

The adoption of the above amended MFRS did not result in any substantial change to the Group’s accounting policies nor any significant impact on the financial statements 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 3 | Business Combinations | 1 July 2014 |
| Amendments to MFRS 8 | Operating Segments | 1 July 2014 |
| Amendments to MFRS 13 | Fair Value Measurement | 1 July 2014 |
| Amendments to MFRS 116 | Property, Plant and Equipment | 1 July 2014 |
| Amendments to MFRS 119 | Employee Benefits | 1 July 2014 |
| Amendments to MFRS 124 | Related Party Disclosures | 1 July 2014 |
| Amendments to MFRS 140 | Investment Property | 1 July 2014 |
| 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 |

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

ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2014

NOTES PURSUANT TO MFRS 134

A1.1 MFRS and Amendments Issued But Not Yet Effective (cont'd)

Effective for annual
periods beginning
on or after

| | | |
|---------|--|----------------|
| 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.

A2 Seasonal or Cyclical Factors

The business operations of the Group have not been materially affected by seasonal or cyclical factors during the financial year ended 31 December 2014.

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 year ended 31 December 2014.

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 fourth quarter ended 31 December 2014.

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 year ended 31 December 2014.

A6 Dividends Paid

A final single tier dividend of 10% or 10 sen per share and a special single tier dividend of 5% or 5 sen per share for the financial year ended 31 December 2013 amounting to RM66.000 million was paid on 30 June 2014. 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.

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

**ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2014**

NOTES PURSUANT TO MFRS 134

A7 Segmental Reporting

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

| For the year ended 31 December 2014 <i>(All figures in RM'000)</i> | Hotels & Resorts | Investment Properties | Others | Inter-segment Elimination | Consolidated Total |
|--|---------------------|--------------------------|----------------|------------------------------|-----------------------|
| <u>Segment Revenue</u> | | | | | |
| Revenue from external customers | 487,458 | 23,775 | 2,446 | - | 513,679 |
| Inter-segment revenue | 36,800 | 1,993 | 3,098 | (41,891) | - |
| Total revenue | 524,258 | 25,768 | 5,544 | (41,891) | 513,679 |
| <u>Segment Results</u> | | | | | |
| Operating profit | 144,015 | 16,634 | (334) | (39,842) | 120,473 |
| Interest expense | (2,885) | - | (1,986) | 2,779 | (2,092) |
| Interest income | 4,850 | 358 | 9 | (2,779) | 2,438 |
| Share of results of associated companies | (1,322) | - | - | - | (1,322) |
| Profit before tax | 144,658 | 16,992 | (2,311) | (39,842) | 119,497 |
| <u>As at 31 December 2014</u> <i>(All figures in RM'000)</i> | | | | | |
| Segment assets | 1,064,240 | 308,528 | 12,834 | (235,110) | 1,150,492 |
| Interest in associates | 128,484 | - | - | - | 128,484 |
| Total assets | 1,192,724 | 308,528 | 12,834 | (235,110) | 1,278,976 |

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 31 December 2014 and the date of this report that would materially affect the results of the Group for the financial year ended 31 December 2014.

A9 Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial year ended 31 December 2014.

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 2013 to the date of this report.

A11 Capital Commitments

Capital commitments for property, plant and equipment and investment properties not provided for as at 31 December 2014 are as follows:-

| | |
|-----------------------------------|---------|
| | RM'000 |
| Authorised and contracted for | 7,583 |
| Authorised but not contracted for | 120,044 |
| | 127,627 |

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

ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2014

NOTES PURSUANT TO MFRS 134

A12 **Related Party Transactions** 12 months ended 31.12.2014
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 15,789

**Transactions with corporations in which Mdm Kuok Oon Kwong,
a 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 2,403

- Payment of project management fees to PPB Hartabina Sdn Bhd 297

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 33,727

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

ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2014

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

B1 Review of Group Results Full Year 2014 vs Full Year 2013

In the year ended 31 December 2014, Group revenue rose marginally to RM513.679 million from RM511.225 million in 2013, as higher revenues mainly from Rasa Ria Resort and Golden Sands Resort were largely offset by a fall in revenue at Rasa Sayang Resort due to renovations to its Garden Wing guestrooms for most of 2014.

Group pre-tax profit for the full year 2014 was RM119.497 million, 29% below that of RM168.181 million recorded in 2013. Correspondingly, Group net profit attributable to shareholders for 2014 fell by 39% to RM79.340 million from RM130.367 million in 2013.

The reduced financial performance for 2014 was primarily due to the absence of a RM29.744 million writeback in 2013 of an impairment provision related to the Group's investments in Myanmar, as well as the share of associates' losses arising from a net fair value loss on the revaluation of the Shangri-La Residences held by Shangri-La Yangon Company Ltd, the Group's 22.22% associate.

Excluding the impact of changes in fair value of investment properties and other non-operating and non-recurring items, the Group's net profit for 2014 was RM87.127 million, a decrease of 8% compared to RM94.397 million the previous year. This was mainly attributable to the substantially lower contribution from Rasa Sayang Resort.

Business levels at Rasa Sayang Resort were held back by the renovation programme of all its guestrooms in the Garden Wing from April 2014 through to the middle of December 2014, when it was completed. As a result, occupancy at the resort during the year dropped from 67% in 2013 to 53%, which led to a 10% decline in revenue to RM69.707 million. The resort's pre-tax profit for 2014 was down by 37% from RM19.129 million in the previous to RM12.061 million.

Revenue from Shangri-La Hotel Kuala Lumpur for 2014 of RM192.224 million was comparable to that of 2013, with higher food and beverage sales offset by a drop in room revenue reflecting a lower occupancy of 77% against 81% last year. However, the hotel posted a 7% improvement in pre-tax profit to RM46.234 million from RM43.222 million in 2013 because of a reduction in operating expenses.

At Rasa Ria Resort, revenue increased by 3% in the year to RM117.033 million, underpinned by a healthy uplift in the average room rate and improved food and beverage sales. Despite this, the resort's pre-tax profit for 2014 decreased by 12% from RM28.132 million in 2013 to RM24.896 million. The 2014 result included a charge of RM5.300 million for the cost of providing a public road to fulfil the requirements of the local district council for access to nearby beach areas. Without this one-off charge, the resort's pre-tax profit for 2014 was RM30.196 million, an increase of 7% over 2013. Occupancy of the resort for 2014 was 70%.

Golden Sands Resort delivered a 7% growth in revenue to RM60.415 million, supported by a rise in leisure demand from its key markets. Occupancy of the resort for 2014 was 76%, up from 72% in 2013. The resort closed the year with a pre-tax profit of RM17.394 million, 8% better than RM16.070 million in 2013.

On 4 November 2014, Traders Hotel Penang was rebranded to Hotel Jen Penang, as part of a major rebranding initiative by Shangri-La International Hotel Management to rebrand its Traders Hotels under the new Hotel Jen brand name. Improved corporate business during 2014 enabled Hotel Jen Penang to raise its occupancy to 83% from 80% in 2013. Revenue for the hotel overall grew by 4% to RM43.148 million, with pre-tax profit up by 11% from RM7.813 million in 2013 to RM8.697 million.

The combined rental revenue from the Group's investment properties in Kuala Lumpur for 2014 rose by 3% to RM25.768 million, driven by a stronger contribution from UBN Tower mostly as a result of higher average rental rates. Excluding fair value changes, their combined net profit for 2014 increased to RM11.773 million from RM11.458 million in the prior year.

ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2014

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

B1 Review of Group Results Full Year 2014 vs Full Year 2013 (cont'd)

For 2014, the Group's share of associate results from Traders Yangon Company Ltd (TYCL) and Shangri-La Yangon Company Ltd was a loss of RM1.322 million versus a profit of RM8.825 million in 2013, due to a net fair value loss from the revaluation of the Shangri-La Residences in 2014, as compared to a net revaluation gain in 2013. Traders Hotel Yangon, the Group's 23.5% associate hotel held by TYCL was rebranded to Sule Shangri-La Yangon on 28 April 2014.

B2 Comparison of Group Results 4th Quarter 2014 vs 3rd Quarter 2014

Group revenue for the fourth quarter ended 31 December 2014 decreased by 5% to RM125.050 million from RM130.962 million in the third quarter ended 30 September 2014. The Group's pre-tax profit for the fourth quarter 2014 recorded a 51% decline to RM17.676 million, compared with RM36.153 million in the third quarter of 2014.

These reductions largely reflected a significant fall in revenue and profit contributions from Rasa Ria Resort, coupled with the Group's share of losses from associates attributed to a net fair value loss from the year-end revaluation of the Shangri-La Residences in Myanmar.

During the fourth quarter, Rasa Ria Resort experienced a marked slowdown in leisure arrivals with occupancy down to 55% from 78% in the third quarter 2014, which contributed to a 33% decline in revenue to RM23.663 million. Consequently, the resort made a pre-tax loss of RM2.758 million, which included a RM5.300 million charge taken up for the cost to construct a public road to provide access to nearby beach areas.

For Shangri-La Hotel Kuala Lumpur, overall revenue was 5% up on the third quarter 2014 to RM48.775 million, lifted mainly by a good increase in the average room rate. At Rasa Sayang Resort, revenue also grew over the third quarter 2014 to RM18.341 million as more renovated guestrooms in the Garden Wing were brought back into operation enabling the resort to improve occupancy from 46% to 50%.

The operating results of Golden Sands Resort and Hotel Jen Penang were weaker against the third quarter 2014, principally due to lower occupancies. For the fourth quarter 2014, occupancy of Golden Sands Resort declined from 76% to 72%, whilst occupancy at Hotel Jen Penang slipped to 82% from 85% in the third quarter 2014.

In the three-month period to 31 December 2014, the Group's investment properties in Kuala Lumpur produced a small increase in combined rental revenue to RM6.450 million from RM6.390 million for the third quarter 2014

B3 Prospects for 2015

Looking forward to 2015, the outlook for the operating environment for the Group's hotel businesses may be more challenging in an uncertain marketplace, and with further keen competition.

In 2015, the operating results of Rasa Ria Resort will reflect a first time contribution from its new 83-room Ocean Wing extension, which is scheduled to complete in April 2015.

The overall occupancy levels and rental rates of UBN Tower are expected to remain relatively stable as the prime office rental market in Kuala Lumpur should hold steady through 2015. The performance of UBN Apartments will remain subdued due to continued weakness in demand.

ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2014

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 year under review is as follows:-

| | 3 months ended | | 12 months ended | |
|--|----------------------|----------------------|----------------------|----------------------|
| | 31.12.2014 RM'000 | 31.12.2013 RM'000 | 31.12.2014 RM'000 | 31.12.2013 RM'000 |
| Current taxation | | | | |
| - Company and subsidiaries | 12,066 | 8,212 | 30,173 | 25,463 |
| Deferred taxation | (4,683) | (2,373) | 3,364 | 5,554 |
| (Over)/under provision in respect of prior years | | | | |
| - Company and subsidiaries | 1,107 | (2,147) | 168 | (2,644) |
| | 8,490 | 3,692 | 33,705 | 28,373 |

The Group's effective tax rate for the year ended 31 December 2014 was 28%. This is higher compared to the statutory tax rate of 25% due mainly to the net losses incurred by certain subsidiaries of the Group, which cannot be offset against the taxable profits of other subsidiaries, as well as an under provision of taxation in respect of prior years and certain non-deductible expenses in a 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 31 December 2014 were as follows:-

| | Short Term RM'000 | Long Term RM'000 | Total RM'000 |
|-----------|----------------------|---------------------|-----------------|
| Secured | - | - | - |
| Unsecured | 85,806* | - | 85,806 |
| | 85,806* | - | 85,806 |

* Amounts drawdown comprised HKD42.8 million and USD4.023 million from two offshore banks in Labuan, and USD15.0 million from a local bank.

There were no debt securities in the financial year ended 31 December 2014.

B8 **Financial Instruments**

Derivatives

There were no outstanding derivative financial instruments as at 31 December 2014.

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 year ended 31 December 2014.

ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2014

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 Directors are recommending a final single tier dividend of 9 sen per share for the financial year ended 31 December 2014 (2013: final single tier dividend of 10 sen per share) for approval by shareholders at the forthcoming Annual General Meeting of the Company to be held on Tuesday, 19 May 2015.

The proposed final single tier dividend of 9 sen per share, together with the interim single tier dividend of 3 sen per share paid on 14 November 2014, will give a total dividend of 12 sen per share for the financial year ended 31 December 2014 (2013: a total dividend of 18 sen per share, comprising an interim single tier of 3 sen per share, a final single tier of 10 sen per share and a special single tier of 5 sen per share). The proposed final single tier dividend of 9 sen per share, if approved at the Annual General Meeting will be paid on Tuesday, 30 June 2015.

NOTICE IS HEREBY GIVEN that the final single tier dividend of 9 sen per share for the financial year ended 31 December 2014 will be payable to shareholders whose names appear on the Record of Depositors on Friday, 5 June 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 Friday, 5 June 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 financial year ended 31 December 2014 have been calculated as follows:-

| | 3 months ended | | 12 months ended | |
|---|----------------|------------|-----------------|------------|
| | 31.12.2014 | 31.12.2013 | 31.12.2014 | 31.12.2013 |
| Profit attributable to shareholders of the Company (RM'000) | 9,952 | 67,763 | 79,340 | 130,367 |
| No. of ordinary shares in issue ('000) | 440,000 | 440,000 | 440,000 | 440,000 |
| Basic Earnings Per Share (sen) | 2.26 | 15.40 | 18.03 | 29.63 |

Diluted Earnings per Share

Not applicable.

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

**ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2014**

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

B12 Realised and Unrealised Profits/Losses

| | As at 31.12.2014 RM'000 | As at 31.12.2013 RM'000 |
|--|-------------------------------|-------------------------------|
| Total retained profits of the Company and its subsidiaries | | |
| - Realised | 479,799 | 471,689 |
| - Unrealised | 107,414 | 98,930 |
| | 587,213 | 570,619 |
| Total share of accumulated losses in associated companies | | |
| - Realised | (46,362) | (50,790) |
| - Unrealised | 1,542 | 7,292 |
| | 542,393 | 527,121 |
| Add : Consolidation adjustments | (131,915) | (116,783) |
| Total Group retained profits | 410,478 | 410,338 |

B13 Notes to the Statements of Comprehensive Income

| | 3 months ended | | 12 months ended | |
|--|----------------------|----------------------|----------------------|----------------------|
| | 31.12.2014 RM'000 | 31.12.2013 RM'000 | 31.12.2014 RM'000 | 31.12.2013 RM'000 |
| Net profit for the period is arrived at after charging:- | | | | |
| Interest expense | (547) | (434) | (2,092) | (1,416) |
| Depreciation | (13,349) | (13,769) | (54,105) | (54,942) |
| Foreign exchange loss | (5,262) | (704) | (6,098) | (5,361) |
| Allowance for doubtful debts - trade receivables | (34) | - | - | - |
| and after crediting:- | | | | |
| Exceptional Item – Impairment reversal on the Group's investments in Myanmar | - | 29,744 | - | 29,744 |
| Interest income | 477 | 584 | 2,438 | 1,312 |
| Foreign exchange gain | 10,817 | 1,661 | 11,802 | 11,276 |
| Write back of allowance for doubtful debts - trade receivables | - | 123 | 101 | 84 |

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 year ended 31 December 2014.

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 2013.

By Order of the Board
Datin Rozina Mohd Amin
Company Secretary

Kuala Lumpur
23 February 2015