

ASIA STANDARD HOTEL GROUP LIMITED

Asia Standard Hotel Announces 2004/05 Annual Results

Tourist influx drives business back to profits

Financial Highlights

| | 2005 HK\$' mil | 2004 HK\$' mil | YOY Change (%) |
|---|---------------------------|-------------------|----------------------|
| Turnover | 569 | 426 | +34 |
| Profit/(loss) attributable to shareholders | 85 | (12) | n/a |
| Basic earnings/(loss) per share | 1.68 HK cents | (0.24) HK cents | n/a |

(19th July 2005, Hong Kong) – Asia Standard Hotel Group Limited (“Asia Standard Hotel” or the “Company”, together with its subsidiaries, the “Group”; stock code: 0292) is pleased to announce its annual results for the year ended 31st March 2005. The Group recorded a turnover of HK\$569 million, representing a substantial growth of 34% from last year’s HK\$426 million. The Group returned to profits of HK\$85 million, up from a loss of HK\$12 million last year. Basic earnings per share increased to 1.68 HK cents from last year’s loss of 0.24 HK cents. The directors of the Company resolved not to declare a final dividend.

“Our hotels, travel agency and restaurants all benefited from the strong revival in Hong Kong’s tourism industry. Hotel room rates and occupancy grew significantly, which has resulted in a turnaround,” said Mr. Poon Jing, Chairman of Asia Standard Hotel.

During the period under review, the Group’s Empire Hotel Hong Kong and Empire Hotel Kowloon saw encouraging increases of over 30% in room rates. Occupancy rates of these two hotels increased by 16% and 25% respectively. Having secured corporate clients such as airline crews, the Group’s Empire Landmark hotel in Vancouver, Canada also recorded increases of 12% and 7% respectively in room rate occupancy.

The Group conducted an ongoing refurbishing project of its Hong Kong hotel to upgrade rooms and facilities in a bid to provide customers with value-added services.

The Group believes the outlook of the hospitality industry is optimistic. New tourist attractions such as Hong Kong Disneyland, Tung Chung cable car and the mushrooming Macau casinos will certainly sustain the inflow of visitors. Other international conferences and sports events in the pipeline will also help boost tourism.

The Group also plans to expand into hotel management. It has obtained the management rights for two hotels under development in Shanghai.

"Asia Standard Hotel is committed to providing affordable and quality hotel and catering services to customers. We will seize growth opportunities in a prosperous market to create value for our shareholders," Mr. Poon concluded.

- End -

About Asia Standard Hotel Group Limited

Asia Standard Hotel Group Ltd owns and operates deluxe hotel under the "Empire branding". Asia Standard Hotel Group owns two hotels in Hong Kong and one hotel in Vancouver Canada, which are conveniently located in shopping districts and close to business convention centers. In addition to hotel operation, the Group also operates travel agency and franchised restaurants business both in Hong Kong and the PRC.