

【For immediate release】



ASIA STANDARD HOTEL GROUP LIMITED

Asia Standard Hotel Group Announces 2007/08 Annual Results

Room portfolio will increase by 30% in 1Q 2009

Financial Highlights

For the year ended 31 st March	2008 HK\$ mil	2007 HK\$ mil	Change
Revenue	665	619	+7%
Gross operating profit	200	162	+23%
Profit attributable to shareholders	96	28	+243%
Basic earnings per share	HK 0.76 cent	HK 0.30 cent	+153%
Revalued net assets	3,599	3,347	+8%
Gearing-net debt to revalued net asset value	25%	22%	+3 pts

(10th July 2008, Hong Kong) – Asia Standard Hotel Group Limited (“Asia Standard Hotel” or the “Company”; stock code: 0292) today announces its annual results for the year ended 31st March 2008.

During the period under review, the Company’s revenue was HK\$664,848,000, representing an increase of 7% as compared to the previous year. Profit attributable to shareholder increased by 243% to HK\$96,270,000, such increase was in part due to fair value changes of financial liabilities at the balance sheet date. The Board of Directors has declared a final dividend of 0.07 HK cent per share in scrip for the year ended 31st March 2008. Together with an interim dividend of 0.26 HK cent per share, total dividend for the year is 0.33 HK cent. (2007: 0.52 HK cent per share)

Commenting on the performance of the Group, Mr. Poon Jing, Chairman of Asia Standard Hotel, said, “In 2007, visitor arrivals to Hong Kong has recorded a robust growth of 11.6% from 2006. Within the buoyant hospitality market in Hong Kong, the Group performed well with prudent growth in overall room rate and occupancy rate. For our new hotel to be launched in first quarter of 2009, it has applied advanced and intelligent concepts with green touch, and the designer spa facilities are completely complementary to hotel guests. We believe this hotel will be exciting and appreciated by travelers from every corner of the world.”

During the period under review, Empire Hong Kong’s average room rate increased by 6% and occupancy rate was 84%. Total revenue amounted to HK\$114 million whilst its gross operating profit increased by 6% to HK\$73 million. The improved yield was primarily due to its strategic focus on higher yield commercial and corporate segment. With a number of refurbishment projects planned for in the coming year, the hotel would be in a promising position to earn market share further in the higher yield business segment.

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Empire Kowloon's average room rate grew by 5% while maintaining a very healthy occupancy rate of 94%, leading to increased revenue at HK\$108 million. Gross operating profit amounted to HK\$69 million. The expansion project for adding 28 rooms with spa facilities has commenced, and the target opening time is around end of 2008. These initiatives will further increase the hotel's number of rooms by 9% to 343 rooms.

Boosted by strong Canadian dollar, Empire Landmark's total revenue increased by 9% to HK\$101 million. Gross operating profit also reached HK\$38 million, up 10%. The hotel's average rate remained the same for the year but occupancy improved by 3 percentage points to 69%. An extensive renovation and upgrading work has been planned to carry out progressively in the next 2 years to enhance its quality and facilities to be competitive among its peers.

The new 280 rooms hotel in Causeway Bay is expected to be in operation in first quarter of 2009. By then, the Group's room portfolio will be increased by 30% from the current 1,036 rooms to 1,344 rooms.

Looking ahead, with the extensive upgrading projects at Empire Hong Kong and Empire Landmark, the 28-rooms expansion project at Empire Kowloon, as well as the launch of the new hotel in Causeway Bay, the Group's portfolio will be significantly enhanced and expanded. This will give the Group a more appealing positioning and stronger brand awareness in the market.

To conclude, Mr. Poon said, "With timely asset enhancement initiatives carried out by our hotels and the continuous economic growth in Mainland China, the Group is confident in the medium to long term prospects of the Group. Besides, we are positive towards the prospects of our Vancouver hotel because of the expected growth in Canada's tourism driven by the 2010 Winter Olympics. We will seize opportunities to enlarge our market share and create the best returns for shareholders."

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An announcement containing details of 2007/08 Annual Results is available for viewing on the Group's website: <http://www.asiastandardhotel.com/>

About Asia Standard Hotel Group Limited

Asia Standard Hotel Group Ltd owns and operates hotels under the "Empire branding". Asia Standard Hotel Group owns three 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.

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