

【For immediate release】



ASIA STANDARD HOTEL GROUP LIMITED

2009/10 Annual Results

Financial Highlights

For the year ended 31 st March	2010 HK\$ mil	2009 HK\$ mil
Revenue	594	604
Contribution from hotel operations	150	150
Net investment gain/(loss)	400	(286)
Profit/(loss) attributable to shareholders	435	(230)
	As at 31st March 2010	As at 31 st March 2009
Revalued net asset value per share	3.44	2.50
Gearing ratio*	30%	42%

* *Net debt to revalued net asset value*

(29th June 2010, 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 2010.

During the period under review, the Company's revenue for the year ended 31st March 2010 amounted to HK\$594 million, decreased by 2% compared with the same period of last year. The Group's profit attributable to shareholders, increased to HK\$435 million as compared to a loss of HK\$230 million in the same period last year. The difference was mainly attributable to gain, both realised and unrealised, on investments in financial assets as opposed to a loss, mainly unrealised, in the same period last year. Basic earnings per share during the period was HK33.20 cents when compared with the basic loss per share of HK17.73 cents in 2009. The Board of Directors proposed to pay a final dividend of HK1 cent per share with a scrip option for the year ended 31st March 2010 (2009: Nil).

Commenting on the performance of the Group, Mr. Poon Jing, Chairman of Asia Standard Hotel, said, “During the period under review, the number of tourist arrivals increased by 2% compared to the same period in the prior reporting year, thanks to the subsiding global financial crisis and H1N1 influenza, as well as gradual economy recovery. Nonetheless, on the supply side, the number of hotel rooms under high tariff B category has seen a 17% increase during the period under review from the same period of last year. As a result of the rapidly growing supply, the average hotel occupancy rate across all categories of hotels in Hong Kong was lower than that of the previous year.”

- *Cont'd* -

During the period under review, Empire Hotel Hong Kong's average room rate decreased by 24% at an average occupancy rate of 83%. Total revenue amounted to HK\$90 million and its gross operating profit amounted to HK\$48 million. A number of refurbishment projects completed during the year include a new conference and banquet venue and a business lounge, which further enhances its competitiveness in the higher yield business segment. As a continued effort in facilities enhancement, the hotel lobby will undergo a renovation program from May 2010 and is expected to be completed in September 2010. The new design will further improve the operation efficiency of the lobby area and provide an uplift in the image of the hotel.

Empire Hotel Kowloon's average rate decreased by 24% at an average occupancy rate of 86%. Total revenue amounted to HK\$83 million and its gross operating profit amounted to HK\$44 million.

Empire Landmark's average rate decreased by 7% at an average occupancy rate of 61%. Total revenue amounted to HK\$84 million, and its gross operating profit amounted to HK\$37 million. During the year, a variety of upgrading works were carried out. This extensive asset enhancement program shall continue progressively in the next 2 years to improve the guest experience and to position the hotel as one of the best in its class.

Empire Hotel Causeway Bay has, since its official opening in mid-May 2009, achieved an occupancy rate of 86% between July 2009 and March 2010. Total revenue for the entire year amounted to HK\$47 million, and its gross operating profit amounted to HK\$21 million. In addition, this new hotel was also appointed as one of the Hong Kong 2009 East Asian Games Athletes' Hotels to provide accommodation for athletes of the Games in December 2009.

The Group's room portfolio increased by 280 from 1,063 rooms to 1,343 rooms with the addition of this new hotel.

Looking ahead, Mr. Poon said, "Looking into 2010, most market regions in the first quarter have been showing robust growth. In particular, arrivals from Mainland China, Taiwan and most short-haul markets have surpassed the levels in 2008 before the global financial crisis, while other markets are also steadily heading for full recovery. All these positive trends are evidence of the improving confidence and sentiments to travel among global consumers, as the economic conditions rebound. Hong Kong is well placed to benefit from the demand for outbound travel among the global and Mainland visitors, leveraging on the growth of Mainland China and various opportunities, such as the World Expo in Shanghai. We remain confident on the longer-term prospects as the global economy regains footing."

- End -

An announcement containing details of 2009/10 Annual Results is available for viewing on the Group's website: <http://www.asiastandardhotelgroup.com/>

About Asia Standard Hotel Group Limited

Asia Standard Hotel Group Ltd owns and operates hotels under the "Empire" brand. Asia Standard Hotel 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 restaurants business both in Hong Kong and the PRC.

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