



**SHUN TAK HOLDINGS LIMITED**  
(Incorporated in Hong Kong with limited liability)  
(Stock code: 242)  
website: <http://www.shuntakgroup.com>

**For immediate Release**

**Interim Result Announcement for the Six Months Ended 30 June 2011**  
**Unlocking Long Term Values from a Strong Foundation**

<b>Financial Highlights (For the six-month period ended 30 June 2011)</b>			
	<b>1H2011</b>	<b>1H2010(restated)</b>	<b>Difference</b>
	<b>(HK\$'000)</b>	<b>(HK\$'000)</b>	<b>(%)</b>
Turnover	<b>1,159,968</b>	<b>1,586,071</b>	↓27%
Operating Profit	<b>201,900</b>	<b>282,928</b>	↓29%
Profit attributable to shareholders	<b>222,186</b>	<b>271,952</b>	↓18%
Earnings per share (HK cents):	<b>10.2</b>	<b>13.4</b>	↓24%

(August 29, 2011- Hong Kong) Shun Tak Holdings Limited ("Shun Tak" or "the Group"; stock code: 242) posted a turnover of approximately HK\$1,160 million and profit attributable to shareholders of approximately HK\$222 million over the first six months of 2011, a 27% and 18% year-on-year decline respectively. Basic earnings per share are HK 10.2 cents. The Board of Directors recommended no interim dividend (2010: nil). The interim results reflect a lapse in earnings accrual; on the contrary, top line performance and business fundamentals exhibited promising progress over the period and are expected to further improve in the second half of year.

Managing Director Ms. Pansy Ho remarked, "The Group is looking forward to an exciting later half of year with multiple milestone projects bearing fruition. Chatham Gate and Nova City Phase 4 are slated for launch amidst a market with limited first-hand property supply, and we are confident in the unique strengths of our developments and their return potentials. Profit accrued from the sales of The Residences and Apartments at Mandarin Oriental, Macau and Taipa Hills Memorial Garden are to be reflected in our year-end financials." She added, "Both our transportation and hospitality divisions are expected to benefit from the thriving tourism sector across Hong Kong and Macau. Apart from increased passenger volume on our ferries, the fare increment approved by Macau SAR Government in July and subsequent acquisition of First Ferry Macau will contribute to higher income and lower operation costs. Our hotel and destination portfolio registered higher visitor numbers, average room rate and occupancy, with the upward trend expected to continue into the months ahead."

## **Property**

Over the first half of 2011, the Group's property division registered an operating profit of HK\$43 million (1H 2010: HK\$150 million) as well as share of profits from jointly controlled entities of HK\$148 million. The latter is primarily from the One Central project, amounting to HK\$147 million (1H 2010: HK\$113 million).

One Central is one of the most prominent architectures in Macau's skyline created by the Group and Hongkong Land Holdings Limited. As of 30 June 2011, 99% of its 7 luxurious residential towers were sold, of which 99% have been handed over to purchasers. One Central Shopping Mall generated promising leasing revenue for the Group, and the 213-room Mandarin Oriental, Macau performed commendably over its first year of operation. The Residences and Apartments at Mandarin Oriental, Macau sitting immediately above the hotel that features 92 units with transferable strata titles, were 89% sold as of 30 June 2011.

Nova City Phases 1 to 3 were successfully marketed and completely sold. Phase 4 comprises 3 upmarket residential towers, offering 680,000 square feet in total gross floor area, and is slated for public launch in the 4th quarter of 2011 with completion expected in 2014. Phase 5, comprising over 2.3 million square feet of residential units in 8 towers, sits above a large-scale lifestyle shopping centre that provides all-rounded conveniences to the community. The concerned land contract with lease modification was gazette in September 2010.

Taipa Hills Memorial Garden is a columbarium project in which the Group holds a 79% interest. The first 8,500-niches have been pre-launched in April 2011, coinciding with the opening of a showroom located in Hung Hom. As of June 30 2011, 22.6% of pre-launched niches were sold, reflecting solid interests in columbarium with clear legal title and reliable management. Occupation permit for the first phase was issued in July 2011. The first phase is scheduled to be opened in the 4th quarter of 2011.

In Hong Kong, Chatham Gate, a preeminent development in Central Kowloon offering approximately 370,000 square feet of residential and retail space, is set for launch in the 4th quarter of 2011. It boasts unobstructed harbour view as well as an exceptionally convenient location at the junction of major transportation networks. The Group holds a 51% interest in the project.

## **Transportation**

Macau's tourism expanded remarkably over the first half of 2011 which led to a favourable 9% recovery in passenger volume for TurboJET as compared with the same period last year. Nonetheless, high-standing fuel price continued to impose significant pressure on its operation, inducing an

operating loss of HK\$59 million. The Macau SAR Government approved a fare increment to take effect on 1 July 2011, granting a 10%-13% increase for Economy class tickets and 24% increase in higher classes. As a result, the division expects to see improvements in its bottom line over the second half of the year.

With the introduction of Premier Jetfoil, TurboJET successfully established its brand differentiation by offering deluxe sea travel products and services. Following a consolidation of class types and scheduled upgrades in the fleet, TurboJET expanded its luxury features, including the addition of a Grand Premier Waiting Lounge and increased sailing frequency of vessels equipped with Grand Premier class.

In August 2011, Shun Tak-China Travel Shipping Investments Limited entered into a Sales & Purchase Agreement with New World First Holdings Limited to acquire 7 catamarans and operation concessions granted by the Macau SAR Government. Consideration of the transaction was HK\$350 million (subject to adjustment). Upon completion of the acquisition, the Group will be able to strengthen its operation capacity and capitalize upon opportunities as Macau transforms into a truly global destination, as well as expand its network to capture increased travel demand resulting from economic integration across the Pearl River Delta region.

On land, Shun Tak & CITS Coach (Macao) Limited, which operates coach rental services within Macau locally as well as cross-border PRC routes, has a fleet of 130 vehicles in service. HK\$43 million in revenue was recorded over the first half of 2011, generating high profit return for the transportation division.

## **Hospitality**

Macau experienced another period of spectacular economic growth over the first 6 months of 2011, with a relaxation in the Individual Visit Scheme for non-Guangdong residents underpinning tourism expansion. Capitalizing upon the opportunity, hospitality division registered an operating profit of HK\$15 million in the period, representing a 210% year-on-year improvement.

Mandarin Oriental, Macau at One Central made its debut in June 2010. Over its first year of operation, it maintained an average occupancy rate of 59%. The Group holds a 51% interest in the joint venture.

Another of the Group's investment, the Westin Resort, Macau, attained satisfactory improvements in terms of occupancy and room rate, while the adjacent Macau Golf & Country Club reported an increase in earnings of approximately 14%.

In Hong Kong, the 658-room SkyCity Marriott Hotel reported outstanding performance bolstered by strong tour group and airline crew business. Occupancy has been maintained at approximately 80% while room rates improved by 34% compared with same period last year.

Macau Tower Convention & Entertainment Centre registered promising visitor numbers amounting to 309 thousand over the period. Banquet and MICE revenue increased by 8% year-on-year, while other sectors also achieved 18% growth.

In China, the Group manages the new iconic Canton Tower in Guangzhou. It has been receiving a daily average of 6,000 visitors over the first half of 2011. Following the launch of observation and MICE facilities, various dining outlets, 2 revolving restaurants, a bubble tram ride on 112th floor, the "Hair-raiser" free drop and a 4D cinema are scheduled to commence business before the end of year.

## **Investment**

The investment division recorded a loss of HK\$6 million (1H2010: loss of HK\$1 million) over the period, with the decline mainly due to the lack of dividend income from Sociedade de Turismo e Diversões de Macau, S.A. ("STDM"). STDM declared not to distribute dividends for their 2010 fiscal year.

Building upon a solid foundation of strategic portfolio, the Group is diligently working to optimize shareholders' return with a number of back-to-back project launches scheduled for 2011. Significant strides are expected in the months ahead, unlocking exceptional values from its investments. With the Group's financial strength, it is favorably positioned to capitalize upon expansion opportunities to complement its pillar operations, paving way for a new era of economic growth across the two SAR regions.

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