

For immediate Release



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

**Shun Tak posting remarkable 2009 annual results
registering 2,735% growth**

With property performance underpinning the record-breaking financials

	Financial Highlights		
	2009 (HK\$'000)	2008 (HK\$'000)	Difference (%)
Turnover	3,229,250	4,350,848	↓26 %
Profit attributable to owners of the Company	1,192,707	195,653	↑510%
(excluding revaluation effect and net gain from the disposal of the former Mandarin Oriental Hotel, Macau)			
Profit attributable to owners of the Company	2,873,928	101,360	↑2,735%
Earnings per share (HK cents):			
- Basic	134.4 cents	4.4 cents	↑2,955%
- Diluted	132.0 cents	4.3 cents	↑2,970%

(April 21, 2010 – Hong Kong) Shun Tak Holdings Limited (“Shun Tak” or “The Group”; stock code: 242) announced today its annual results for year 2009. The Group registered HK\$2,874 million in profit attributable to owners of the company, achieving a significant year-on-year increase of 2,735% (2008: HK\$101 million). Even after excluding the revaluation effects of HK\$1,001 million and a net gain of HK\$680 million from the disposal of the former Mandarin Oriental Hotel in Macau, profit attributable to owners of the Company for the year still stands at HK\$1,193 million, an increase of approximately 510% compared with last year which amounted to HK\$196 million. The unprecedented results are led by property performances, underpinned by the booking of profits from the sales of One Central Residences and Nova City Phase 3. In spite of post-recessionary challenges experienced in the first half of 2009, the Group managed to implement effective cost disciplines and improved its position in the later months. Together with a balanced portfolio of businesses, the Group managed to navigate a steady course, attesting to the solidity and resilience of its operations.

The Board of Directors recommended a final dividend of HK 18.7 cents per share (2008: HK 1.3 cents). With an interim dividend of HK 3.8 cents per share (2008: nil) paid out earlier, total dividends for the year shall amount to HK 22.5 cents per share (2008: HK 1.3 cents).

"I am most pleased to release the phenomenal results for 2009 driven by a remarkable growth in real estate sales. With the property market outpacing other sectors in recovery, our Group recorded outstanding handover rate on all its pre-sold properties. Assets disposed during 2009 achieved satisfactory prices and overwhelming responses," commented Ms. Pansy Ho, Managing Director of the Group.

Property

The Group's property division recorded an operating profit of HK\$352 million (2008: HK\$370 million) and share of profits from a jointly controlled entity of HK\$1,904 million (2008: HK\$1 million) for the year. This is primarily the result of profit contribution from the sales recognition of One Central Residences and Nova City Phase 3.

During One Central Residences' public presale which commenced in December 2006, 98% of available units have been sold, and all individual purchasers have completed handover as of January 2010. An en bloc transaction of Tower 4 was cancelled in June 2009 with the units re-launched in December 2009. Over 95% of units were sold as of today, achieving a higher average selling price relative to the original terms. One Central shopping mall, a luxury flagship retail facility, opened for business in December 2009. The remaining parts of the development, including 92 serviced apartments units and the new 213-room Mandarin Oriental Hotel, are scheduled for completion in mid-2010.

As of 31 December 2009, over 90% of Nova City Phase 3 units have been sold and handed over. Phase 4, comprising three residential towers and over 680,000 square feet of gross floor area, is slated for completion in the 4th quarter of 2013. Phase 5, encompassing over 2.3 million square feet of residential space and a neighborhood shopping mall of approximately 650,000 square feet, is scheduled to complete by the end of 2014.

Transportation

Challenged by a multitude of exogenous factors including the global recession, visa restrictions on Mainland travelers, stiff competition, and compounded by a widespread outbreak of Swine Flu pandemic, the transportation industry operated under immense pressure during the first half of 2009. Under this climate, management effected responsive cost-saving measures, including sailing reduction and lay-up of spare capacity. Moreover,

with oil prices receding from record high levels, performance of the division improved in the second half of year to attain a marginal profit of HK\$28 million as compared with a loss of HK\$150 million in 2008.

Over the year, the division carried out a route rationalization exercise so that resources can be channeled to areas with high growth potentials. Two new routes, both operating out of the newly completed SkyPier servicing Nansha and Taipa Macau respectively, were introduced in 2009.

While tourism performance of the region has yet to recover to pre-crisis level, TurboJET is actively gearing up to engage corporate travelers, MICE groups and affluent visitors with a new level of luxury under the brand "Premier Jetfoil". Two vessels have undergone interior overhaul and were launched in March 2009 and February 2010 respectively with popular response.

Hospitality

Regional tourism industry has been hit with a challenging year from the recessionary downcycle, exacerbated by the threats of an outbreak of Swine Flu. In spite of the adverse operating environment, the division implemented proactive promotional initiatives and cost-saving measures to stay ahead of the market. As a result, the hospitality division reported a final operating loss of HK\$37 million at year end, improving from interim operating loss which registered at HK\$34 million.

In June 2009, the Group concluded the disposal of its 50% equity interest in the Mandarin Oriental Hotel in Macau (currently re-branded as the Grand Lapa Hotel) to Sociedade de Turismo e Diversões de Macau, S.A. ("STDM"), with the right to gain from future appreciation in the asset value if it is to be redeveloped or resold to a third party. As a result, the Group recorded an exceptional profit of HK\$680 million. Consideration received for the disposal was partly set off by the consideration paid for an off-market repurchase of the Company's ordinary shares from STDM and its subsidiary. Sale of the hotel is part of the overall development blueprint of the Group's hospitality portfolio in order to streamline product offerings and create brand differentiation. The new Mandarin Oriental at One Central is expected to be opened in the second half of 2010.

The SkyCity Marriott Hotel, a 658-room facility, was formally opened in January 2009. Launched at the trough of the economic recession, it was running a significant deficit over the first six months into operation. However, with a series of cost-cutting measures and targeted

sales programs, it started to register operating profits since the fourth quarter of 2009. The Group remains confident that the hotel will generate profitable returns in the future as the Chek Lap Kok area evolves into a transportation hub for the Pearl River Delta region.

In December 2009, the Group was awarded a management contract for the Guangzhou New TV Tower based on its demonstrated track record in the successful management of the Macau Tower. Rising approximately 600m high, it is to become the tallest freestanding TV tower in the world upon opening in June 2010, offering world class MICE facilities and a variety of dining, entertainment and retail attractions.

Investment

Profit of the investment division amounted to HK\$22 million (2008: HK\$114 million) in 2009.

In October 2009, the Group issued 5-year 3.3% guaranteed convertible bonds and successfully raised HK\$1,550 million under favorable market responses for general capital purpose and to finance new investment opportunities.

With the sustained recovery prevailing into 2010, the Group is positive about its outlook for year 2010. Riding on the established momentum, the Group will commence presales of various projects at opportunistic moments, including 92 units of One Central serviced apartments, a columbarium project in Taipa comprising approximately 50,000 niches, and approximately 370,000 square feet of residential and retail space as part of the Chatham Garden Redevelopment Project. In terms of passenger ferry business, TurboJET will continue to seek cooperative windows with PRC operators and explore new destination ports. Significant improvement in performance from the hospitality division is also expected, as adverse factors impeding the operating environment ameliorate.

Ms. Pansy Ho further remarked, "The 2008 financial crisis has tested the resilience of many major global corporations. With our balanced business portfolio, prudent management and successive expansion benchmarks, our Group has emerged from the challenges with an even stronger strategic foothold. I am proud of how we have overcome many hurdles, and will continue to fortify the fundamentals that have served the company well," she added, "looking ahead, we are well-positioned to capitalize upon various projects ready for launch, and with our strong cash flow position, we are set to capture any promising opportunities that may arise in the future."

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