

**【For immediate release】**



**ASIA STANDARD HOTEL GROUP LIMITED**

**Asia Standard Hotel Announces  
2006/07 Interim Results**

**Financial Highlights**

<i>For the six months ended 30th September</i>	<b>2006 HK\$' mil</b>	2005 HK\$' mil	<b>YOY Change</b>
Revenue	311	290	<b>+7%</b>
Gross operating profit	<b>87</b>	62	<b>+40%</b>
Profit/(loss) attributable to shareholders	<b>17</b>	(25)	<b>N/A</b>
Basic earnings/(loss) per share (HK cent)	<b>0.19</b>	(0.46)	<b>N/A</b>
Interim Dividend (HK cent)	<b>0.26</b>	-	<b>N/A</b>

(17 December, 2006, Hong Kong) – Asia Standard Hotel Group Limited (“Asia Standard Hotel” or the “Company”, together with its subsidiaries, the “Group”; stock code: 0292) announces its unaudited interim results for the six months ended 30<sup>th</sup> September 2006.

The group has recorded satisfactory performance in the six-months period under review with revenue increased by 7% at HK\$311 million while the gross operating profit has increased significantly by 40% at HK\$87 million as compared to \$62 million in 2005. The earnings per share has increased to HK0.19 cent compared to a loss of HK0.46 cent in the year 2005. The directors of the Company declared an interim dividend of HK0.26 cent per share. The Board of Directors has also resolved that shareholders will be given the option to elect to receive an allotment and issue of shares of the Company credited as fully paid in lieu of cash in respect of part or all of the proposed dividend (“Scrip Dividend Scheme”).

During the period under review, the Group’s Empire Hotel Hong Kong has satisfactory performance and both average rate and room occupancy has increased by 18% and 12% respectively compared to the same period last year. As a result, revenue from the Empire Hotel, Hong Kong has increased to HK\$ 52.3 million, with a year-on-year increment of 31%. Gross operating profit has also increased HK\$9.8 million to HK\$30.7 million by 47%.

Empire Hotel Kowloon with both average rate and room occupancy increased by 14% and 5% respectively. The growth is a result from an improved room rate from a high yield corporate and leisure groups as well as the individual travelers from PRC whom normally choose to stay in Tsim Sha Tsui, the prime area in Hong Kong for shopping and business.

Occupancy rate and average rate for the Empire Landmark Hotel, Vancouver is in an increasing trend with increase of 6% and 2% respectively, resulting in an increase in revenue and operating profit by 19% and 27% respectively. For the travel agency business and the catering business, revenue of HK\$137.5 million and HK\$11.5 million was recorded respectively.

The Group has a strengthened financial position during the period under review as the Group has issued 3,154 million new shares in May. The proceeds of HK\$ 282 million raised were used to repayment of bank loan, along with the pre-payment from internal funds resulted in a decrease of net borrowings from HK\$ 837 million by HK\$ 335 million to HK\$ 502 million.

Looking ahead, the Group expects a booming market for the tourism industry in Hong Kong. The Group has completed the room renovation program made in the Empire Hotel Hong Kong with a strong potential in the program. The Group will also capture the upcoming opportunities with our firm financial and organization base to grow further and create value. The Group will continue to seek more chances to search for partners for management contracts in the PRC.

Commenting on the encouraging results, Mr. Poon Jing, Chairman of Asia Standard Hotel said "The board is very optimistic on the tourism industry as well as the performance of our hotels, the Group will continue looking into beneficial opportunities to bring the best returns for our shareholders."

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#### 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.

*For more information, please contact:*

**iPR Ogilvy LTD**

Karen Tse/ Vivian Fung/ Natalie Tam

Tel: 2136 6950/ 2136 8059/ 2136 6182

Fax: 2136 6606

Email: karen.tse@iprogilvy.com/ vivian.fung@iprogilvy.com/  
natalie.tam@iprogilvy.com