

**【For immediate release】**



**ASIA STANDARD HOTEL GROUP LIMITED**

**2007/08 Interim Results**

**Net profit surged 1.5 times to HK\$42 million  
Room portfolio will increase 30% in coming year**

**Financial Highlights**

For the six months ended 30th September	<b>2007</b> HK\$ mil	2006 HK\$ mil	<b>Change</b>
<b>Revenue</b>	<b>322</b>	311	<b>+4%</b>
<b>Operating profit</b>	<b>66</b>	45	<b>+47%</b>
<b>Profit attributable to shareholders</b>	<b>42</b>	17	<b>+147%</b>
<b>Dividends per share (HK cent)</b>	<b>0.26</b>	0.26	<b>Unchanged</b>

(21st December 2007, Hong Kong) – Asia Standard Hotel Group Limited (“Asia Standard Hotel” or the “Company”, together with its subsidiaries, the “Group”; stock code: 0292) today announces its interim results for the six months ended 30th September 2007.

During the period under review, the Group recorded a turnover of HK\$322 million, representing an increase of 3.5 % as compared to the corresponding period of the previous year. The profit attributable to shareholders has surged 147% to HK\$42 million. The Board of Directors has declared an interim dividend of HK 0.26 cent per share for the six months ended 30th September 2007.

Commenting on the excellent performance of the Group, Mr. Poon Jing, Chairman of Asia Standard Hotel said, “Tourism in Hong Kong has experienced robust growth in the past nine months. The total and overnight visitor arrivals increased 9.6% and 6.9% respectively comparing to the same period last year. The Group has performed well within buoyant hospitality markets in Hong Kong. We can see significant potential in our new hotel ‘Empire Causeway Bay’, it will adopt a fashionable and user friendly boutique design, and is anticipated to commence operation in the second half of 2008.”

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During the period under review, Empire Hong Kong's average room rate increased by 3.5% with an 84% occupancy. Total revenue has increased to HK\$52 million, generating gross operating profit of HK\$32 million. The increase in gross operating profit is mainly due to adjustment of business mix to higher yield commercial and corporate segment as a result of the renovation completed last year.

Empire Hotel Kowloon maintained a very high occupancy rate of 93% with an increase in average room rate of 3.5%, leading to increased revenue at HK\$50 million. An expansion plan for adding 21 rooms to the existing property is on the way, which will further increase its capacity by 7%, from 315 rooms to 336 rooms.

As boosted by strong Canadian dollar, total revenue and gross operating profit for the Empire Landmark Hotel, Vancouver increased by 8.5% and 7% respectively, with its occupancy rate improved 3% to reach 83%.

Looking ahead, with the 21 new rooms at Empire Kowloon and the addition of 280 rooms in Empire Causeway Bay in late 2008, the Group's room portfolio will increase 30% from the current 1,035 rooms to 1,336 rooms. This will give the Group a more appealing positioning and stronger brand awareness in the market.

To conclude, Mr. Poon said, "With the continuous economic growth in Mainland China, increasing tourist attractions in Hong Kong, and timely asset enhancement initiatives carried out by our hotels, we are confident in long term prospects of the Group. Besides, the future prospects of our Vancouver hotel looks optimistic because of the expected growth in Canada's tourism driven by the 2010 Winter Olympics. We will strive to achieve satisfactory results in the second half of the year and create the best return for our shareholders."

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An announcement containing details of 2007/08 Interim 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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