



(HKSE: 2266)

## PRESS RELEASE

[For Immediate Release]

### **Kosmopolito Hotels International Announced 190%-Increase in Full-Year Net Profit and Proposed Final Dividend of HK 10 Cents per Share**

**20 June 2012-** The Board of Directors of Kosmopolito Hotels International (KHI) today announced the audited consolidated results of the company and its subsidiaries ("the Group") for the financial year ended 31 March 2012.

#### Financial Highlights:

- Revenue for the year was HK\$1,096.1 million, up 26.4% from last year, mainly driven by 38.3% year-on-year increase in the room revenue in Hong Kong.
- Net profit of HK\$605.1 million was recorded for the Group for the year, representing an increase of 190.3% from last year.
- Adjusted EBITDA reached HK\$509.4 million for the year, representing 40.5% year-on-year increase driven by 23.9% growth in the revenue per available room ("RevPAR") and 11.5% growth in the number of available room nights and compounded by 4.7% point increase in adjusted EBITDA margin.
- One-off gain of HK\$380.3 million was recorded on the disposal of Central Park Hotel, located at Hollywood Road, Hong Kong, during the year.
- Hotel revaluation surplus as of 31 March 2012 of HK\$7,749.9 million, increased from HK\$5,978.8 million, predominantly attributable to the appreciation of the Hong Kong assets.
- Adjusting for revaluation surplus, net assets attributable to shareholders per share increased by 25.8% to HK\$5.58 as at 31 March 2012.
- The Board proposes a final dividend of HK 10 cents per share, together with the interim dividend of HK 2 cents per share, bringing the total dividend payout for the year to HK 12 cents per share. This represents 39.7% of total distributable profit, which compares with 38.5% last year

Despite the slowing growth of the global economy especially in Europe and the US, the Group recorded encouraging financial performance for the financial year ended 31 March 2012 across all regions, amongst which Hong Kong remained the key driver. The Group's

**Kosmopolito Hotels International**

麗悅酒店集團

6/F., Unicorn Trade Centre, 127-131 Des Voeux Road, Central, Hong Kong • 香港中環德輔道中127-131號有餘貿易中心6樓  
T: +852 2921 9822 • F: +852 2921 9866 • E: enquiry@kosmopolito.com

[www.kosmohotels.com](http://www.kosmohotels.com)

gross profit for the year grew by 37.8% to HK\$650.7 million and gross margin jumped to 59.4%, primarily driven by the strong revenue growth in Hong Kong and moderate improvement in operating margins. Recorded by the hotels in Hong Kong, the gross margin grew from 63% to 67%, representing a 4-pp increase; the occupancy rate increased from 91.5% to 96%, representing a 4.5-pp increase.

In addition to recording strong operational performance for the existing hotels, the Group has also completed several significant transactions, namely the acquisition of Shepherd's Bush Pavilion, London in September 2011, the acquisition of the industrial building "Big Orange" in Hong Kong in April 2012, and the disposal of Central Park Hotel located at Hollywood Road, Hong Kong in November 2011. Shepherd's Bush Pavilion will be converted into the Dorsett Regency London with 322 rooms; and "Big Orange" will be converted into the Silka Tsuen Wan with 420 rooms.

The global economic conditions are expected to become more challenging in the coming year in view of the European economic crisis and the expected slowdown of economic growth in China. \*According to the latest Pacific Asia Travel Association's (PATA) forecasts, it is projected that there will be additional 8.7 million arrivals from Europe to Pacific Asia by 2013, increasing from 34.5 million in 2009 to over 43 million arrivals. Overall, arrivals growth in the Asia Pacific region is expected to be close to double that of the world average. For KHI, over 60% of the Group's customers are from Asia. Therefore KHI is in a relatively good position to capture this continually growing Asia travel market. The Group will continue with its "Chinese Wallet Strategy" driving further growth. The Group believes that with the investment it has made in the past several years, it has laid a strong foundation for growth and will continue its growth strategy through development, acquisition and obtaining management contracts.

Ms. Winnie Chiu, President and Executive Director of KHI, said: "Construction is actively underway for Grand Dorsett Chengdu, Dorsett Regency Singapore and Dorsett Regency Tsuen Wan. Together with the newly acquired Silka Tsuen Wan and Dorsett Regency London, the Group is scheduled to grow its total room number to over 7,000 in the upcoming years. The expansion of its portfolio of operating hotels is expected to generate significantly larger cash flow stream for the Group."

Source: *ITB World Travel Trends Report 2011/2012\**

### **Kosmopolito Hotels International**

#### **麗悅酒店集團**

6/F., Unicorn Trade Centre, 127-131 Des Voeux Road, Central, Hong Kong • 香港中環德輔道中127-131號有餘貿易中心6樓  
T: +852 2921 9822 • F: +852 2921 9866 • E: [enquiry@kosmopolito.com](mailto:enquiry@kosmopolito.com)



(HKSE: 2266)

# # #

## About Kosmopolito Hotels International (KHI)

Kosmopolito Hotels International Limited (KHI) is an Asia-based hotel group with hotels located in major cities throughout the region.

Listed on the Hong Kong Stock Exchange, KHI (HKSE: 2266) currently operates 16 hotels including in Hong Kong, Shanghai, Wuhan, Kuala Lumpur, Labuan and Johor Bahru. An additional eight new hotels are being built around the region including in Singapore, Hong Kong, Zhongshan and Chengdu, as well as in London, KHI's first hotel property in the United Kingdom.

KHI owns and manages four key hotel brands — upscale Grand Dorsett, Boutique Series by Kosmopolito, midscale business hotel Dorsett Regency and value Silka Hotels.

For more information on KHI, visit: [www.kosmohotels.com](http://www.kosmohotels.com).

## Contact Information

Ms. Carman Choy  
PR & Communication Executive  
Kosmopolito Hotels International Limited  
Address: 6/F., Unicorn Trade Centre  
127-131 Des Voeux Road  
Central, Hong Kong  
Tel: +852 2921 9810  
Fax: +852 2921 9866  
Email: [carman.choy@kosmopolito.com](mailto:carman.choy@kosmopolito.com)

## Kosmopolito Hotels International

麗悅酒店集團

6/F., Unicorn Trade Centre, 127-131 Des Voeux Road, Central, Hong Kong • 香港中環德輔道中127-131號有餘貿易中心6樓  
T: +852 2921 9822 • F: +852 2921 9866 • E: [enquiry@kosmopolito.com](mailto:enquiry@kosmopolito.com)

[www.kosmohotels.com](http://www.kosmohotels.com)