



For Immediate Release

DORSETT HOSPITALITY INTERNATIONAL LIMITED (SHARE CODE: 2266)

ANNOUNCES ANNUAL RESULTS

25 June 2014 - The Board of Directors of Dorsett Hospitality International Limited today announced the audited consolidated results of the Company and its subsidiaries (“the Group”) for the financial year ended 31 March 2014.

HIGHLIGHTS OF THE FINAL RESULTS

- Revenue reached HK\$1,785.9 million, up 54.9% year on year. The growth was driven by the combination of sales of apartments in Singapore and 10.2% increase on the revenue generated by the hotel operations in line with the increase room count.
- Profit for the year declined 41.8% to HK\$376.6 million mainly due to the higher base in the corresponding period of last year as a result of the gains of HK\$458.4 million recognized from the disposal of a subsidiary of the Company, the decline was partially offset by the inclusion of HK\$109.0 million and HK\$130.9 million net profit in the current financial year in relation to the sales of apartments in Singapore and revaluation gains on investment properties respectively.
- Recurring operating profit from hotel operations increased by 0.7% to HK\$502.6 million.
- Revaluation surplus on hotel properties increased by 15.8% to HK\$10,954.3 million. Adjusting for hotel revaluation surplus, net assets attributable to shareholders per share increased to HK\$7.20 as at 31 March 2014, representing 8.7% increase as compared to last year.
- The Board recommends a final dividend of HK5 cents per share, together with the interim dividend of HK2 cents per share, bringing the total dividend payout for the Year to HK7 cents per share.

DORSETT HOSPITALITY INTERNATIONAL SERVICES LIMITED

T / 電郵: +852 2921 9822 F / 傳真: +852 2921 9866 E / 電郵: ENQUIRY@DORSETTINTERNATIONAL.COM

6 / F, UNICORN TRADE CENTRE, 127-131 DES VOEUX ROAD CENTRAL, CENTRAL, HONG KONG / 香港中環德輔道中127-131號有餘貿易中心6樓

WWW.DORSETTINTERNATIONAL.COM



EVENTS AFTER THE REPORTING PERIOD

In the month of April 2014, the Group opened its first management hotel in Malaysia, Silka Cheras, a 319 rooms hotel located within the Klang Valley of Kuala Lumpur. In the month of June 2014, the Group opened 2 more new hotels, the 317 rooms Dorsett Shepherds Bush, London and 297 rooms Lushan Resort, both are self owned.

OUTLOOK

Miss Winnie Chiu, President and Executive Director of Dorsett Hospitality International Limited, said, "Going forward, the growth of Chinese outbound travelers is likely to continue even though the growth rate in the near term might be affected by the slower economic growth in the PRC and the impact from the regulation on zero fare tour groups. On the back of the increase sophistication of Chinese travelers, the management believes that the regulation on zero fare tour groups will only have limited adverse impact on the growth of outbound travelers from PRC as slower growth in tour group from PRC will be gradually replaced by the stronger Free Independent Travelers over time"

"The profile and traveling behavior of the Chinese travelers have been changing and will continue to evolve. In this respect, the Group has been and will continue to adjust its marketing and distribution strategy, including the gradual introduction of free WIFI in all our hotel properties and investing in our Brand.Com to cater for the increasing volume of online booking from the guests" she said.

"In line with the increasing spending power and higher frequency of travelling, other than the traditional destinations of Hong Kong and Macau, the Chinese travelers are beginning to travel to further destinations including North Asia, South East Asia and with the relaxation of visa application in recent times, we are now witnessing significant growth of Chinese travelers to Europe. In this respect, the Group's "Chinese Wallet" strategy, our network of hotels currently in operation and the hotels under development are well positioned to capitalize on this booming trend," she further commented.

There are currently 11 hotels under various stages of planning and development, 4 under management contracts and 7 own properties, the Group's total room inventories will exceed 8,500 rooms in the upcoming years upon completion of these development projects. The additional room inventories will further drive growth in recurring revenue and recurring operating profit as well as increasing the Group's recurring cash flow. Nevertheless, it is expected that the Group's average

DORSETT HOSPITALITY INTERNATIONAL SERVICES LIMITED

T / 電郵: +852 2921 9822 F / 傳真: +852 2921 9866 E / 電郵: ENQUIRY@DORSETTINTERNATIONAL.COM

6 / F, UNICORN TRADE CENTRE, 127-131 DES VOEUX ROAD CENTRAL, CENTRAL, HONG KONG / 香港中環德輔道中127-131號有餘貿易中心6樓

WWW.DORSETTINTERNATIONAL.COM



revenue per available room or RevPAR and the recurring operating margins may be adversely impacted in the short-term as these new hotels would take time to ramp up and stabilize in term of operations.

The Group will continue to seek new opportunity to increase its room inventories. With its existing pipeline, the Group has laid a strong foundation to benefit from the growth in the tourism industry.

Contact Information

Dorsett Hospitality International Limited

Address: 6/F., Unicorn Trade Centre, 127–131 Des Voeux Road, Central, Hong Kong.

Tel: +852 2921 9810 Fax: +852 2921 9866

For more information, please visit www.dorsett.com

DORSETT HOSPITALITY INTERNATIONAL SERVICES LIMITED

T / 電郵: +852 2921 9822 F / 傳真: +852 2921 9866 E / 電郵: ENQUIRY@DORSETTINTERNATIONAL.COM

6 / F, UNICORN TRADE CENTRE, 127-131 DES VOEUX ROAD CENTRAL, CENTRAL, HONG KONG / 香港中環德輔道中127-131號有餘貿易中心6樓

WWW.DORSETTINTERNATIONAL.COM