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英皇娛樂酒店有限公司*
Emperor Entertainment Hotel Limited
(Incorporated in Bermuda with limited liability)
 (Stock Code: 296)

**ANNUAL RESULTS ANNOUNCEMENT
 FOR THE YEAR ENDED 31ST MARCH, 2012**

FINANCIAL HIGHLIGHTS

	2012	2011
	<i>HK\$'000</i>	<i>HK\$'000</i>
For the year ended 31st March		
Revenue	<u>1,783,074</u>	<u>1,312,104</u>
EBITDA:		
Before non-controlling interests	803,516	505,416
After non-controlling interests	<u>533,925</u>	<u>352,800</u>
Gain on fair value change in investment properties	<u>114,600</u>	<u>122,220</u>
Profit for the year attributable to owners of the Company	<u>465,469</u>	<u>331,506</u>
Earnings per share		
Basic and diluted	<u>HK\$0.36</u>	<u>HK\$0.26</u>

* For identification purposes only

The board of directors (the “Board” or “Directors”) of Emperor Entertainment Hotel Limited (the “Company”) is pleased to announce the audited consolidated financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31st March, 2012 (the “Year”) together with the comparative figures for the corresponding year in 2011 as set out below.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st March, 2012

	<i>Notes</i>	2012 <i>HK\$'000</i>	2011 <i>HK\$'000</i>
Continuing operations			
Revenue	3	1,783,074	1,312,104
Cost of sales		(32,663)	(31,647)
Cost of hotel and gaming operations		(375,264)	(349,600)
		<hr/>	<hr/>
Gross profit		1,375,147	930,857
Other income		16,172	8,088
Gain on fair value change in investment properties		114,600	46,200
Selling and marketing expenses		(491,659)	(368,134)
Administrative expenses		(178,599)	(153,073)
Finance costs		(12,691)	(13,800)
		<hr/>	<hr/>
Profit before taxation	4	822,970	450,138
Taxation	5	(79,726)	(53,507)
		<hr/>	<hr/>
Profit for the year from continuing operations		743,244	396,631
Discontinued operation			
Profit for the year from discontinued operation		–	52,356
		<hr/>	<hr/>
Profit for the year		743,244	448,987
Other comprehensive (expense) income:			
Exchange differences arising on translation of foreign operations		(3)	11,757
		<hr/>	<hr/>
Total comprehensive income for the year		<u>743,241</u>	<u>460,744</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME *(Continued)*
For the year ended 31st March, 2012

	<i>Note</i>	2012 HK\$'000	2011 HK\$'000
Profit for the year attributable to owners of the Company			
– from continuing operations		465,469	279,150
– from discontinued operation		–	52,356
		465,469	331,506
Profit for the year from continuing operations attributable to non-controlling interests		277,775	117,481
		743,244	448,987
Total comprehensive income attributable to:			
Owners of the Company		465,466	343,263
Non-controlling interests		277,775	117,481
		743,241	460,744
Earnings per share	7		
– from continuing and discontinued operations			
Basic and diluted		HK\$0.36	HK\$0.26
– from continuing operations			
Basic and diluted		HK\$0.36	HK\$0.22

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31st March, 2012

	<i>Notes</i>	2012 <i>HK\$'000</i>	2011 <i>HK\$'000</i>
Non-current assets			
Investment properties		391,000	276,400
Property, plant and equipment		1,167,907	1,164,503
Prepaid lease payments		232,587	239,033
Deposits paid for acquisition of property, plant and equipment		14,848	565
Goodwill		110,960	110,960
		<hr/> 1,917,302	<hr/> 1,791,461
Current assets			
Inventories, at cost		12,345	7,314
Trade and other receivables	8	316,669	318,528
Prepaid lease payments		6,446	6,446
Pledged bank deposit		300	300
Short-term bank deposits		501,923	–
Bank balances and cash		898,666	856,163
		<hr/> 1,736,349	<hr/> 1,188,751
Current liabilities			
Trade and other payables	9	158,397	168,573
Amounts due to fellow subsidiaries		3,649	3,486
Amounts due to non-controlling interests of a subsidiary		230,221	183,947
Taxation payable		202,315	140,443
		<hr/> 594,582	<hr/> 496,449
Net current assets		<hr/> 1,141,767	<hr/> 692,302
Total assets less current liabilities		<hr/> 3,059,069	<hr/> 2,483,763

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)**At 31st March, 2012*

	2012 <i>HK\$'000</i>	2011 <i>HK\$'000</i>
Non-current liabilities		
Amounts due to non-controlling interests of a subsidiary	–	72,983
Deferred taxation	102,263	84,409
	<hr/> 102,263	<hr/> 157,392
	<hr/> 2,956,806 <hr/>	<hr/> 2,326,371 <hr/>
Capital and reserves		
Share capital	129	129
Reserves	2,106,451	1,761,191
	<hr/> 2,106,580	<hr/> 1,761,320
Equity attributable to owners of the Company	2,106,580	1,761,320
Non-controlling interests	850,226	565,051
	<hr/> 2,956,806 <hr/>	<hr/> 2,326,371 <hr/>

Notes:

1. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which were adjusted to fair value at initial recognition and investment properties which are measured at fair values.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). In addition, the consolidated financial statements included applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and by the Hong Kong Companies Ordinance.

Except as described in note 2, the accounting policies adopted for preparation of the consolidated financial statements are consistent with those followed in the preparation of the Company’s consolidated financial statements for the year ended 31st March, 2011.

2. APPLICATION OF NEW AND REVISED HKFRSs

In the Year, the Group has applied the following new and revised HKFRSs issued by the HKICPA.

Amendments to HKFRSs	Improvements to HKFRSs issued in 2010
HKAS 24 (as revised in 2009)	Related party disclosures
Amendments to HK (IFRIC) – Int 14	Prepayments of a minimum funding requirement
HK (IFRIC) – Int 19	Extinguishing financial liabilities with equity instruments

In prior year, the Group has early adopted the Amendments to HKAS 12 “Income taxes”, in respect of the recognition of deferred tax on investment properties carried at fair value under HKAS 40 “Investment property”.

The application of the new and revised HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Notes: (Continued)

2. APPLICATION OF NEW AND REVISED HKFRSs (Continued)

New and revised HKFRSs in issue but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRSs	Annual improvements to HKFRSs 2009-2011 cycle ²
Amendments to HKFRS 7	Disclosures – Transfers of financial assets ¹
Amendments to HKFRS 7	Disclosures – Offsetting financial assets and financial liabilities ²
HKFRS 9	Financial instruments ³
Amendments to HKFRS 9 and HKFRS 7	Mandatory effective date of HKFRS 9 and transition disclosures ³
HKFRS 10	Consolidated financial statements ²
HKFRS 11	Joint arrangements ²
HKFRS 12	Disclosure of interests in other entities ²
HKFRS 13	Fair value measurement ²
Amendments to HKAS 1	Presentation of items of other comprehensive income ⁴
HKAS 19 (as revised in 2011)	Employee benefits ²
HKAS 27 (as revised in 2011)	Separate financial statements ²
HKAS 28 (as revised in 2011)	Investments in associates and joint ventures ²
Amendments to HKAS 32	Offsetting financial assets and financial liabilities ⁵
HK (IFRIC) – Int 20	Stripping costs in the production phase of a surface mine ²

¹ Effective for annual periods beginning on or after 1st July, 2011.

² Effective for annual periods beginning on or after 1st January, 2013.

³ Effective for annual periods beginning on or after 1st January, 2015.

⁴ Effective for annual periods beginning on or after 1st July, 2012.

⁵ Effective for annual periods beginning on or after 1st January, 2014.

New and revised standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

HKFRS 10 replaces the parts of HKAS 27 “Consolidated and separate financial statements” that deal with consolidated financial statements and HK (SIC) – Int 12 “Consolidation – Special purpose entities”. HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor’s returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

Notes: (Continued)

2. APPLICATION OF NEW AND REVISED HKFRSs (Continued)

New and revised standards on consolidation, joint arrangements, associates and disclosures (Continued)

These five standards are effective for annual periods beginning on or after 1st January, 2013. Earlier application is permitted provided that all of these five standards are applied early at the same time.

The Directors anticipate that these five standards will be adopted in the Group's consolidated financial statements for the annual period beginning 1st April, 2013 and that the application of these five standards is not expected to have material impact on the results and the financial position of the Group. The application of HKFRS 12 will result in more extensive disclosures relating to non-controlling interests of the Company's subsidiaries in the consolidated financial statements.

HKFRS 13 "Fair value measurement"

HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of HKFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in HKFRS 13 are more extensive than those in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under HKFRS 7 "Financial instruments: Disclosures" will be extended by HKFRS 13 to cover all assets and liabilities within its scope.

HKFRS 13 is effective for annual periods beginning on or after 1st January, 2013, with earlier application permitted.

The Directors anticipate that HKFRS 13 will be adopted in the Group's consolidated financial statements for the annual period beginning 1st April, 2013 and that the application of the new standard will have no significant impact on the amounts reported in the consolidated financial statements but may result in more extensive disclosures in the consolidated financial statements.

Amendments to HKAS 1 "Presentation of items of other comprehensive income"

The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to all allocated on the same basis.

The Directors anticipate that the amendments to HKAS 1 will be adopted in the Group's consolidated financial statements for annual period beginning on 1st April, 2013. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in the future accounting periods.

Other than as described above, the Directors anticipate that the application of the other new or revised HKFRSs will have no material impact on the results and financial position of the Group.

Notes: (Continued)

3. SEGMENT INFORMATION

The executive directors of the Company (the “Executive Directors”) have been identified as the chief operating decision maker (“CODM”). The Executive Directors review the Group’s internal reporting in order to assess performance and allocate resources.

For gaming operation, the Executive Directors regularly analyse gaming revenue in terms of service income from VIP rooms, mass market halls and slot machine hall. No operating results nor discrete financial information is presented to the Executive Directors in relation to the above analyses. The Executive Directors review the revenues and operating results of gaming operation as a whole. The Executive Directors have identified the operating and reportable segments under HKFRS 8 as gaming operation and hotel operation.

The segment information reported externally was analysed on the basis of their types of services supplied by the Group’s operating divisions which is consistent with the internal information that are regularly reviewed by the CODM for the purposes of resource allocation and assessment of performance. This is also the basis of organisation in the Group, whereby the management has chosen to organise the Group around differences in services. The principal activities of the operating and reportable segments are as follows:

- | | | |
|------------------|---|---|
| Gaming operation | – | Mass market halls, slot machine hall and VIP room operations and provision of gaming-related marketing and public relation services in the casino of the Grand Emperor Hotel in Macau |
| Hotel operation | – | Hotel operation in the Grand Emperor Hotel in Macau including property investment income from investment properties in the Grand Emperor Hotel |

The property development operating segment was discontinued during the year ended 31st March, 2011 upon distribution of Expert Pearl Investments Limited and its subsidiaries (collectively referred to as “Expert Pearl Group”) by way of distribution in specie.

The Executive Directors assess the performance of individual operating and reportable segments based on a measure of adjusted earnings before interest, tax, depreciation and amortisation, central administration costs and gain on fair value change in investment properties (the “Adjusted EBITDA”).

Inter-segment revenue is charged at prevailing market rate.

Information regarding the above segments is reported below.

Notes: (Continued)

3. SEGMENT INFORMATION (Continued)

Segment revenues and results

For the year ended 31st March, 2012

	Continuing operations			Elimination HK\$'000	Consolidated HK\$'000
	Gaming operation HK\$'000	Hotel operation HK\$'000	Total HK\$'000		
SEGMENT REVENUE					
External revenue	1,627,329	155,745	1,783,074	–	1,783,074
Inter-segment revenue	–	4,534	4,534	(4,534)	–
Total	<u>1,627,329</u>	<u>160,279</u>	<u>1,787,608</u>	<u>(4,534)</u>	<u>1,783,074</u>
Segment result based on the Adjusted EBITDA	<u>776,038</u>	<u>84,494</u>	<u>860,532</u>		860,532
Bank interest income					11,963
Depreciation of property, plant and equipment					(87,972)
Release of prepaid lease payments					(6,446)
Gain on fair value change in investment properties					114,600
Imputed interest expense on amounts due to non- controlling interests of a subsidiary					(12,691)
Unallocated corporate expenses					(57,016)
Profit before taxation from continuing operations					<u>822,970</u>

Notes: (Continued)

3. SEGMENT INFORMATION (Continued)

Segment revenues and results (Continued)

For the year ended 31st March, 2011

	Continuing operations		Total HK\$'000	Discontinued operation	Total HK\$'000	Elimination HK\$'000	Consolidated HK\$'000
	Gaming operation HK\$'000	Hotel operation HK\$'000		Property development HK\$'000			
SEGMENT REVENUE							
External revenue	1,165,757	146,347	1,312,104	-	1,312,104	-	1,312,104
Inter-segment revenue	-	4,621	4,621	-	4,621	(4,621)	-
Total	<u>1,165,757</u>	<u>150,968</u>	<u>1,316,725</u>	<u>-</u>	<u>1,316,725</u>	<u>(4,621)</u>	<u>1,312,104</u>
Segment result based on the Adjusted EBITDA	<u>496,836</u>	<u>67,494</u>	<u>564,330</u>	<u>(4,686)</u>	<u>559,644</u>		559,644
Bank interest income							3,016
Depreciation of property, plant and equipment							(88,907)
Release of prepaid lease payments							(6,446)
Gain on fair value change in investment properties							122,220
Imputed interest expense on amounts due to non-controlling interests of a subsidiary							(13,800)
Unallocated corporate expenses							(54,228)
Profit before taxation from discontinued operation							<u>(71,361)</u>
Profit before taxation from continuing operations							<u>450,138</u>

No analysis of the Group's assets and liabilities by operating and reportable segments is disclosed as it is not regularly provided to the Executive Directors for review.

Other than the segment information disclosed in above, there was no other information reviewed by the CODM for the years ended 31st March, 2012 and 31st March, 2011.

Geographical information

The Group's revenue was derived principally in Macau.

The non-current assets are all located in Macau.

Information about major customers

During the Year, revenue derived from the customer which contributed over 10% of the Group's revenue amounted to HK\$1,629,747,000 (2011: HK\$1,179,455,000). The revenue related to the gaming operation and hotel operation.

Notes: (Continued)

4. PROFIT BEFORE TAXATION

	Continuing operations		Discontinued operation		Consolidated	
	2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000
Profit before taxation has been arrived at after charging:						
Auditor's remuneration	2,946	3,217	-	20	2,946	3,237
Commission expenses in gaming operation (included in selling and marketing expenses)	452,804	333,757	-	-	452,804	333,757
Cost of inventories recognised as an expense	32,663	31,647	-	-	32,663	31,647
Depreciation of property, plant and equipment	87,972	88,752	-	155	87,972	88,907
Loss on disposal of property, plant and equipment	-	448	-	-	-	448
Release of prepaid lease payments	6,446	6,446	-	-	6,446	6,446
Staff costs, including directors' remuneration and retirement benefit scheme contributions	316,811	276,589	-	929	316,811	277,518
and after crediting:						
Bank interest income	11,963	2,834	-	182	11,963	3,016
Exchange gain	3,440	3,487	-	733	3,440	4,220

5. TAXATION

	Continuing operations		Discontinued operation		Consolidated	
	2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000
Current tax:						
Macau Complimentary Income Tax	80,002	43,757	-	-	80,002	43,757
Reversal of tax provision in prior years:						
Macau Complimentary Income Tax	(18,130)	-	-	-	(18,130)	-
	61,872	43,757	-	-	61,872	43,757
Deferred tax:						
Current year	17,854	9,750	-	19,005	17,854	28,755
	79,726	53,507	-	19,005	79,726	72,512

Notes: (Continued)

5. TAXATION (Continued)

The Macau Complimentary Income Tax (“CT”) is calculated at the applicable rate of 12% of the estimated assessable profits for both years.

Pursuant to the CT law, the CT assessment on the estimated assessable profit in a year of assessment will lapse after five years from that year of assessment. At the end of the reporting period, the Directors reassessed the adequacy of the CT provision and determined to reverse part of the Group’s relevant CT provision of HK\$18,130,000 for the 2006 year of assessment (2011: HK\$Nil) accordingly.

No provision for Hong Kong Profits Tax has been made as there were no estimated assessable profits for both years. No provision for PRC Enterprise Income Tax had been made in the prior year as there was no estimated assessable profit for that year.

6. DIVIDENDS

	2012	2011
	HK\$'000	HK\$'000
Dividends recognised as distribution during the year:		
Final paid in respect of 2011: HK\$0.05 per share (2011: HK\$0.048 per share in respect of 2010)	64,627	62,042
Interim paid in respect of 2012: HK\$0.043 per share (2011: HK\$0.04 per share in respect of 2011)	55,579	51,702
	120,206	113,744

A special dividend by way of distribution in specie of Expert Pearl Group to the shareholders of the Company was distributed during the year ended 31st March, 2011, amounting to HK\$865,262,000.

The Board proposed the payment of a final dividend of HK\$0.06 per share amounting to HK\$77,553,000 in total (2011: HK\$0.05 per share) for the year ended 31st March, 2012 which is subject to approval by the shareholders of the Company in the forthcoming annual general meeting.

Notes: (Continued)

7. EARNINGS PER SHARE

From continuing and discontinued operations

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	2012 <i>HK\$'000</i>	2011 <i>HK\$'000</i>
Earnings		
Earnings (profit for the year attributable to the owners of the Company) for the purpose of basic and diluted earnings per share	<u>465,469</u>	<u>331,506</u>
	2012	2011
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	<u>1,292,545,983</u>	<u>1,292,545,983</u>

From continuing operations

The calculation of the basic and diluted earnings per share from the continuing operations attributable to the owners of the Company is based on the following data:

	2012 <i>HK\$'000</i>	2011 <i>HK\$'000</i>
Earnings		
Profit for the year attributable to the owners of the Company	465,469	331,506
Profit for the year from the discontinued operation attributable to the owners of the Company	<u>—</u>	<u>(52,356)</u>
Earnings for the purpose of basic and diluted earnings per share from the continuing operations	<u>465,469</u>	<u>279,150</u>

The denominators used are the same as those detailed above for both basic and diluted earnings per share.

From discontinued operation

For the year ended 31st March, 2011, basic and diluted earnings per share for the discontinued operation was HK\$0.04 per share, based on the profit for that year from the discontinued operation of HK\$52,356,000 and the denominator detailed above for both basic and diluted earnings per share.

The computation of diluted earnings per share does not assume the exercise of the Company's outstanding share options as the exercise price of those options was higher than the average market price for shares for the years ended 31st March, 2012 and 31st March, 2011 respectively.

Notes: (Continued)

8. TRADE AND OTHER RECEIVABLES

	2012 <i>HK\$'000</i>	2011 <i>HK\$'000</i>
Trade receivables	277,672	260,596
Less: Allowance for bad and doubtful debts	<u>(62,769)</u>	<u>(62,769)</u>
	214,903	197,827
Chips on hand	89,315	111,945
Other receivables and prepayments	<u>12,451</u>	<u>8,756</u>
	<u>316,669</u>	<u>318,528</u>

The Group normally allows credit periods of up to 60 days to its trade customers, except for certain credit worthy customers with long term relationship and stable repayment pattern, where the terms are extended to a longer period. An aged analysis of the Group's trade receivables (net of allowances) based on the date of credit granted at the end of the reporting period is set out below:

	2012 <i>HK\$'000</i>	2011 <i>HK\$'000</i>
0-30 days	153,020	145,224
31-60 days	15,640	6,585
61-90 days	–	11,720
91-180 days	3,600	4,870
Over 180 days	<u>42,643</u>	<u>29,428</u>
	<u>214,903</u>	<u>197,827</u>

Chips on hand represent chips issued by a gaming concessionaire in Macau which can be exchanged into their cash amounts.

9. TRADE AND OTHER PAYABLES

	2012 <i>HK\$'000</i>	2011 <i>HK\$'000</i>
Trade payables	13,940	18,000
Construction payables and accruals	10,397	31,154
Other payables and accruals	119,060	104,419
Short-term advance	<u>15,000</u>	<u>15,000</u>
	<u>158,397</u>	<u>168,573</u>

An aged analysis of the Group's trade payables at the end of the reporting period is set out below:

	2012 <i>HK\$'000</i>	2011 <i>HK\$'000</i>
0-30 days	7,009	13,646
31-60 days	6,606	3,803
61-90 days	198	445
91-180 days	92	21
Over 180 days	<u>35</u>	<u>85</u>
	<u>13,940</u>	<u>18,000</u>

MANAGEMENT DISCUSSION AND ANALYSIS

The Group principally engages in provision of entertainment and hospitality services in Macau.

Market Review

Supported by the continuous economic growth in China, both the number of visitors and their spending power in Macau have been significantly increasing. The total number of visitors to Macau amounted to 28.5 million for the Year, 12.8% more than last year. According to the Macau Statistics and Census Service Monthly Bulletin of Statistics, approximately 89.2% of visitors to Macau during the Year were from Hong Kong, mainland China and Taiwan. One of the forces behind such growth is the Renminbi appreciation. Such appreciation increases the purchasing power of mainland visitors and therefore attracts more mainland visitors to go to Macau, which in turn further bolsters the entertainment expenditure in Macau. In addition, the increasing aggregate national wealth in mainland China leads to a large and growing middle-upper class who has more disposable income to support such expenditure.

Financial Review

Overall Review

The Group continued to be well positioned to take advantage of the growth in the premium mass market and achieved excellent performance during the Year. Leveraging on the Grand Emperor Hotel's good reputation, prime location in the gaming hub of the Macau Peninsula and quality services, the Group's total revenue from the gaming and hotel operations segment surged by 35.9% to HK\$1,783.1 million (2011: HK\$1,312.1 million) during the Year. Riding on the continuous efforts of maximising utilisation and operating efficiency, the Group's earnings before interest, tax, depreciation and amortisation ("EBITDA") and after non-controlling interests amounted to HK\$533.9 million (2011: HK\$352.8 million), representing a significant surge of 51.3%. Profit for the Year attributable to owners of the Company up by 40.4% to HK\$465.5 million (2011: HK\$331.5 million). Basic earnings per share was HK\$0.36 (2011: HK\$0.26). The Group proposed a final dividend of HK\$0.06 (2011: HK\$0.05) per share. Together with the interim dividend of HK\$0.043 (2011: HK\$0.04) per share, the total dividend per share for the Year was HK\$0.103 (2011: HK\$0.09).

Liquidity And Financial Resources

During the Year, there was no change in the capital structure of the Group. The Group continued to maintain a strong cash position. The Group mainly funded its operations and capital expenditure through its internally generated cash flow from operations. As at 31st March, 2012, advances from non-controlling interests of a subsidiary of the Company were HK\$230.2 million, which was denominated in Hong Kong dollars, unsecured, interest-free and repayable only when the subsidiary has surplus fund. The Group had no bank borrowings with low gearing ratio, optimising its financial position and minimising its exposure to interest rate risk.

The Group's current assets and current liabilities as at 31st March, 2012 were HK\$1,736.3 million and HK\$594.6 million respectively. The gearing ratio of the Group (expressed as a percentage of total borrowings over total assets) as at 31st March, 2012 was further decreased to 6.3% (2011: 8.6%).

Save as disclosed above and trade and other payables and accrued charges, the Group had no other external borrowings. During the Year, the Group was able to maintain its strong and healthy financial position. Aggregate of bank balances and cash on hand and short-term bank deposits of the Group as at 31st March, 2012 amounted to HK\$1,400.6 million, which were mainly denominated in Hong Kong dollars and Macau Pataca. With the borrowings, bank balances and cash on hand and short-term bank deposits denominated in Hong Kong dollars and Macau Pataca, the Group did not experience any significant exposure to foreign exchange rate fluctuation during the Year.

Pledge of Assets

As at 31st March, 2012, assets with carrying values of HK\$1.5 billion were pledged to a bank as security for unutilised banking facilities available to the Group. In addition, the Group pledged a bank deposit of HK\$0.3 million to a bank as security for use of ferry ticket equipment granted by a third party to the Group.

Business Review

The Group's flagship project, Grand Emperor Hotel in Macau (the "Hotel"), has over 130,000 square feet of gaming space spreading over six floors offering slot machines as well as gaming tables in gaming concourse and VIP room.

Riding on the increasing number of mainland visitors and the rise of the middle class with high disposable income, the Macau gaming market experienced another year of strong growth. During the Year, the Group continued to ramp up the mix of premium mass market and VIP business, resulting in record-high performance in both rolling chip volume and average win per table per day.

Gaming Revenue

The Group's casino operation is run by licence holder Sociedade de Jogos de Macau, S.A.. The gaming revenue for the Year increased by 39.6% to HK\$1,627.3 million (2011: HK\$1,165.8 million), accounting for 91.3% of the Group's total revenue.

Gaming Concourse

Premium mass market displayed substantial growth during the Year with a gross win contribution of HK\$2,120.5 million (2011: HK\$1,271.8 million). Segmental revenue increased by 65.6% to HK\$1,178.3 million (2011: HK\$711.5 million), accounting for 66.1% of the Group's total revenue. The number of tables in the gaming concourse was 67 (2011: 63 tables). Average win for the Year was approximately HK\$93,000 (2011: HK\$55,000) per table per day.

VIP Room

The Group self-managed a VIP room with a total of 10 tables (2011: 14 tables) with the rolling amount of HK\$24.1 billion (2011: HK\$25.1 billion). Segmental revenue was HK\$397.1 million (2011: HK\$409.5 million), accounting for 22.3% of the Group's total revenue. Average win for the Year was approximately HK\$139,000 (2011: HK\$141,000) per table per day.

Slot Machines

This segment recorded a gross win of HK\$116.6 million (2011: HK\$101.9 million) with the capacity of 293 slot seats (2011: 310 slot seats). Segmental revenue increased by 15.8% to HK\$51.9 million (2011: HK\$44.8 million), accounting for 2.9% of the Group's total revenue. Average win for the Year was approximately HK\$1,050 (2011: HK\$860) per seat per day.

Hotel Revenue

During the Year, this segment has recorded a revenue of HK\$155.8 million (2011: HK\$146.3 million), accounting for 8.7% of the Group's total revenue. The Hotel has a capacity of 307 guest rooms. During the Year, the Hotel reported an average daily rate of HK\$1,087 (2011: HK\$860) with a high occupancy rate of 89% (2011: 88%). Room revenue amounted to HK\$49.1 million (2011: HK\$53.7 million). Revenue from food and beverage was HK\$80.2 million (2011: HK\$68.8 million), while rental revenue from sauna, night club and retail space was HK\$26.5 million (2011: HK\$23.8 million).

Outlook

The development of major infrastructure projects in Macau and mainland China, such as the expansion of the immigration gates in Macau and Zhuhai, and the construction of the High Speed Railway Network on the mainland, will improve accessibility to Macau and boost the number of visitors. The strong momentum behind Macau is likely to be sustained over the coming years by a series of other new projects in the pipeline, including the development projects in Hengqin, the Hong Kong-Zhuhai-Macau Bridge (due to be opened in 2016), and the Light Rail Transit connecting Macau, Taipa and Cotai (due to be opened in 2015-2016). Such improvement of infrastructure will definitely continue to enhance the attractiveness of Macau as a leisure and tourism destination.

The Group believes that the future business environment of Macau in the coming years remains optimistic. Leveraging the prestigious reputation of “Emperor” among Chinese communities and unrivalled expertise in Macau gaming, the Group is ready to capitalise on the huge market potential in Macau. The Group will strengthen its marketing efforts, provide quality services, implement effective management strategies and enhance its operating efficiencies to further enhance earnings growth in the future.

Employees and Remuneration Policy

As at 31st March, 2012, the Group’s number of employee was 1,094 (2011: 974). Total staff costs including directors’ remuneration and the other staff costs for the Year were HK\$316.8 million (2011: HK\$277.5 million). Employees’ remuneration was determined in accordance with individual’s responsibility, performance and experience. Staff benefits include contribution to retirement benefit scheme, medical insurance and other fringe benefits.

To provide incentives or rewards to the staff, the Company adopted a share option scheme on 2nd September, 2002. During the Year, the Company did not grant any option under the share option scheme and the outstanding share options as at the end of the Year was 10,000,000 share options which were granted to certain directors of the Company in August 2005.

FINAL DIVIDEND

The Board recommended the payment of a final dividend of HK\$0.06 per share (“Final Dividend”) for the year ended 31st March, 2012, amounting to approximately HK\$77,553,000. The Final Dividend, if being approved at the forthcoming annual general meeting of the Company (“AGM”), will be paid on 7th September, 2012 (Friday) to shareholders whose names appear on the register of members of the Group on 16th August, 2012 (Thursday).

CLOSURE OF REGISTER OF MEMBERS

For ascertaining shareholders' right to attend and vote at AGM

Latest time to lodge transfers	4:30 p.m. on 6th August, 2012 (Monday)
Book close date	7th August, 2012 (Tuesday)
Record date	7th August 2012 (Tuesday)
AGM	8th August, 2012 (Wednesday)

For ascertaining shareholders' entitlement to the proposed Final Dividend

Latest time to lodge transfers	4:30 p.m. on 14th August, 2012 (Tuesday)
Book close dates	15th to 16th August, 2012 (Wednesday – Thursday)
Record date	16th August, 2012 (Thursday)
Final Dividend payment date	7th September, 2012 (Friday)

In order to qualify for the right to attend and vote at the AGM and for the proposed Final Dividend, all relevant share certificates and properly completed transfer forms must be lodged with the Company's Hong Kong Branch Share Registrar, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration before the above latest time to lodge transfers.

REVIEW OF ANNUAL RESULTS

The annual results for the Year have been reviewed by the audit committee of the Company, which comprises three Independent Non-executive Directors of the Company.

CORPORATE GOVERNANCE

Code on Corporate Governance Practices

The Company has complied throughout the Year with all the provisions of the then Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules.

Model Code for Securities Transactions

The Company had adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 of the Listing Rules as the rules governing dealings by the Directors in the listed securities of the Company. Having made specific enquiry to the Directors, all of them confirmed that they have complied with the required standard of dealings as set out in the Model Code throughout the Year.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

PUBLICATION OF THE ANNUAL RESULTS AND ANNUAL REPORT

The annual results announcement is published on the website of the Stock Exchange (<http://www.hkex.com.hk>) and the Company's website (<http://www.emp296.com>). The annual report will be dispatched to the shareholders of the Company and will be available on the websites of the Stock Exchange and the Company in due course.

By order of the Board
Emperor Entertainment Hotel Limited
Luk Siu Man, Semon
Chairperson

Hong Kong, 19th June, 2012

As at the date hereof, the Board comprises:

<i>Non-executive Director:</i>	Ms. Luk Siu Man, Semon
<i>Executive Directors:</i>	Mr. Wong Chi Fai Ms. Fan Man Seung, Vanessa
<i>Independent Non-executive Directors:</i>	Ms. Chan Sim Ling, Irene Ms. Chan Wiling, Yvonne Ms. Wan Choi Ha