



英皇集團（國際）有限公司  
Emperor International Holdings Limited



英皇娛樂酒店有限公司  
Emperor Entertainment Hotel Limited

# 2010/11 Interim Results Announcement

## 25 November 2010



# Content

---



英皇集團（國際）有限公司  
Emperor International Holdings Limited

**Financial Review**

P,3

**Business Overview**

P,7

**Investment Properties For Rental**

P,12

**Property Development For Sale**

P,24

**Self-run Hotels**

P,32



英皇娛樂酒店有限公司  
Emperor Entertainment Hotel Limited

**Financial Review**

P,38

# Emperor International Holdings Financial Review



英皇集團（國際）有限公司  
Emperor International Holdings Limited

# Financial Highlights

	FY2008/09 HK\$'000	FY2009/10 HK\$'000	1H2010/11 HK\$'000
Revenue	348,170	1,449,773	833,870
Gross Profit	303,536	964,579	617,457
Revaluation (Loss) / Gain on Properties	(1,758,229)	2,485,828	1,126,204
Profit / (Loss) Attributable to Owners of the Company	(1,536,985)	2,798,005	997,244
Earnings / (Loss) Per Share (Basic)	(HK\$0.87)	HK\$1.44	HK\$0.34
Earnings / (Loss) Per Share (Diluted)	(HK\$0.87)	HK\$1.16	HK\$0.34
Imputed interest on Convertible Bond for the Effect of Dilutive Potential Ordinary Shares	N/A	59,529	*N/A

Emperor International proposed an interim dividend as HK\$0.048 per share.

\*All convertible bonds had been converted into shares on 10 March 2010.



英皇集團（國際）有限公司  
Emperor International Holdings Limited

# Revenue Breakdown

	FY2008/09 HK\$'000	FY2009/10 HK\$'000	% of Revenue	1H2009/10 HK\$'000	1H2010/11 HK\$'000	% of Revenue
Properties Investment	292,505	339,168	23.4%	158,333	188,948	22.7%
Properties Development	-	423,094	29.2%	380,115	930	0.1%
Self-run Hotels and Related Operations	52,674	687,061	47.4%	99,548	643,992	77.2%
Others	2,991	-	N/A	579	-	-
<b>Total</b>	<b>348,170</b>	<b>1,449,773</b>	<b>100%</b>	<b>638,575</b>	<b>833,870</b>	<b>100%</b>

- Attributable to the consolidation of the contribution from casino hotel in Macau, it became the main revenue growth driver
- The compelling growth of rental income contributed by the high-quality investment property portfolio secured stable rental income



# Key Financial Indicators

	FY2008/09 HK\$'000	FY2009/10 HK\$'000	1H2010/11 HK\$'000
Net Asset Value	4,792,264	8,998,583	10,001,370
Net Asset Value Per Share	HK\$2.70	HK\$3.03	HK\$3.37
Bank Balance & Cash	322,761	892,256	1,084,032
Total Assets	10,640,067	19,281,613	21,986,278
Bank Loans (Secured)	3,021,115	5,230,686	5,299,552
Gearing Ratio (External borrowings/total asset)	46.3%	37.5%	35.7%

- Strong bank balance and cash position with healthy gearing ratio



# Business Overview

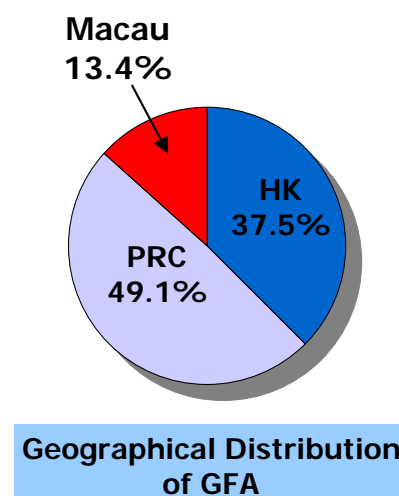


英皇集團（國際）有限公司  
Emperor International Holdings Limited

# Property Strategy

## Long-term Strategy: To be Key Property Player in Greater China

Main Category	Existing Status	Book Value (HK\$'000)	Market Value (HK\$'000)	Total GFA (sq.ft.)
Investment Properties For Rental	- Ready For Lease	12,595,000	12,595,000	1,121,000
	- Under Development	3,330,000	3,330,000	2,472,000
	<b>Sub-total</b>	<b>15,925,000</b>	<b>15,925,000</b>	<b>3,593,000</b>
Property Development For Sale	- Under Development	1,718,000	2,006,000	372,000
	- Ready For Sale/Pre-Sale	911,000	1,752,000	215,000
	<b>Sub-total</b>	<b>2,629,000</b>	<b>3,758,000</b>	<b>587,000</b>
Self-run Properties	- Hotels	1,482,000	1,845,000	659,000
	- Others (Includes Office Premises & Staff Quarters)	235,000	620,000	61,000
	<b>Sub-total</b>	<b>1,717,000</b>	<b>2,465,000</b>	<b>720,000</b>
	<b>Total</b>	<b>20,271,000</b>	<b>22,148,000</b>	<b>4,900,000</b>





# Competitive Edge

---

## *Investment Properties For Rental*

- Enjoy substantial rental income for the shops located at premier shopping area as a result of the increasing purchasing power of Mainland China visitors
- Secure stable source of income
- Enjoy long-term increment on the intrinsic value of the investment properties



# Competitive Edge

---

## *Property Development For Sale*

- Enjoy high return of investment from the property redevelopment properties
- Create a solid source of income from the sale of proceeds
- Enjoy rapid growth of demand of luxury residential properties



# Competitive Edge

---

## *Self-run Hotels*

- Act as a solid cash cow from running a casino hotel in Macau
- Enjoy long-term increment on the intrinsic value of the hotels located at the prime location



# Investment Property For Rental

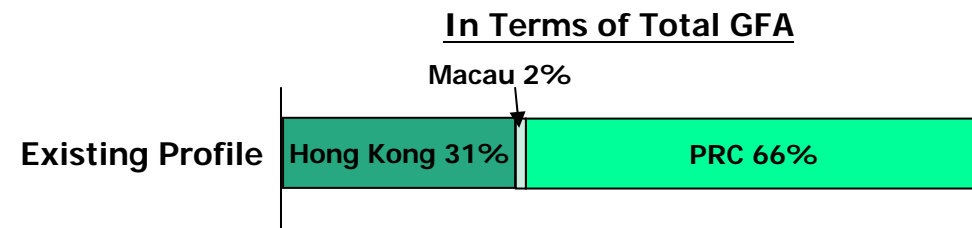


英皇集團（國際）有限公司  
Emperor International Holdings Limited

# Investment Property - Highlights

Existing Status	Book Value (HK\$'000)	Market Value (HK\$'000)	Total GFA (sq.ft.)	Annual Rental (HK\$ million)	Occupancy (%)	Yield Rate (%)
Ready For Lease	12,595,000	12,595,000	1,121,000	380-390	98.5	3.7
Under Development	3,330,000	3,330,000	2,472,000	Estimated: 250-320	N/A	N/A
<b>Total</b>	<b>15,925,000</b>	<b>15,925,000</b>	<b>3,593,000</b>	<b>630-710</b>	<b>N/A</b>	<b>N/A</b>

Geographical Location	Book Value (HK\$'000)	Market Value (HK\$'000)	Total GFA (sq.ft.)
Hong Kong	12,643,000	12,643,000	1,153,000
Macau	1,024,000	1,024,000	81,000
PRC	2,258,000	2,258,000	2,359,000
<b>Total</b>	<b>15,925,000</b>	<b>15,925,000</b>	<b>3,593,000</b>



# Investment Property – Ready For Lease

Ready For Lease – By Geographical Location	Total GFA (sq.ft.)	Market Value (HK\$'000)	Kind
<b><u>Hong Kong</u></b>			
No. 8, 20(G/F), 22, 24, 50-56, Russell Street, Causeway Bay (The acquisition of No. 22 & 24 are not yet completed @30 Sep 2010)	62,000	4,171,000	Retail/Commercial
No. 4, 6, 8, Canton Road, Tsim Sha Tsui	4,000	1,486,000	Retail
Leased-out Units, Emperor Group Centre, 288 Hennessy Rd, Wanchai	173,000	1,290,000	Retail/Office
Fitfort Shopping Arcade, 560 King's Road, North Point	123,000	1,200,000	Retail
Emperor Plaza, No. 55, Chung On Street, Tsuen Wan	214,000	1,055,000	Retail/Office
Emperor International Sq, 7 Wang Tai Rd, Kowloon Bay	312,000	643,000	Service Centre/Office
Others	119,000	2,196,000	Commercial
<b><u>Macau</u></b>			
Commercial Units, Grand Emperor Hotel	51,000	464,000	Retail/Commercial
<b><u>PRC</u></b>			
Shops and Carparks, Emperor Lakeside Metropolis, Hubin Bei Road, Xiamen	63,000	90,000	Retail
<b>Total</b>	<b>1,121,000</b>	<b>12,595,000</b>	<b>N/A</b>



# Investment Property – Under Development

Under Development – By Geographical Location	Total GFA (sq.ft.)	Market Value (HK\$'000)	Kind	Target Completion
<b><u>Hong Kong</u></b>				
The Pulse, Repulse Bay	146,000	602,000	Beach-front Leisure/Retail	2011
<b><u>Macau</u></b>				
71-75 Avenida de Infante D & 514-520, 526-528, 532-540 Avenida de Praia, Grande, Macau	30,000	560,000	Retail	2012
<b><u>PRC</u></b>				
Chang'an Avenue East, Beijing	997,000	940,000	Retail/ Office	2014
Emperor Star City, Huang Pu District, Shanghai	1,299,000	1,228,000	Retail/ Commercial	2014
<b>Total</b>	<b>2,472,000</b>	<b>3,330,000</b>	<b>N/A</b>	<b>N/A</b>



# Grade-A Retail Shops

## Russell Street, Causeway Bay



Enjoy substantial rental income due to the rapid growth for the shops located at premier shopping street as a result of the increasing purchasing power of Mainland China visitors



- Russell Street is recently ranked as the world's Top 2 most expensive shopping street, followed by Fifth Avenue, New York, USA (Source: Colliers International)



英皇集團（國際）有限公司  
Emperor International Holdings Limited



# Grade-A Retail Shops

## No. 4, 6, & 8, Canton Road, Tsim Sha Tsui



Enjoy substantial rental income due to the rapid growth for the shops located at premier shopping street as a result of the increasing purchasing power of Mainland China visitors



英皇集團（國際）有限公司  
Emperor International Holdings Limited

# Prime Office/Retail Property

## Emperor Group Centre, Wanchai

Entire Building



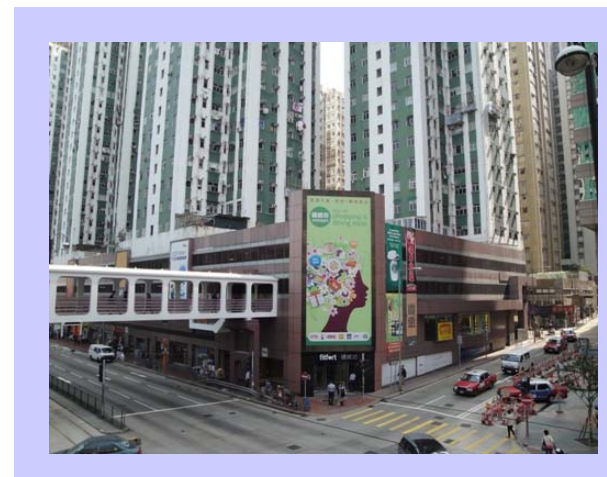
Main Entrance



Giant LED Screen



## Fitfort Shopping Arcade, North Point



英皇集團（國際）有限公司  
Emperor International Holdings Limited



# Office/Retail Complex

## Emperor Plaza, Tsuen Wan



## Emperor International Square, Kowloon Bay



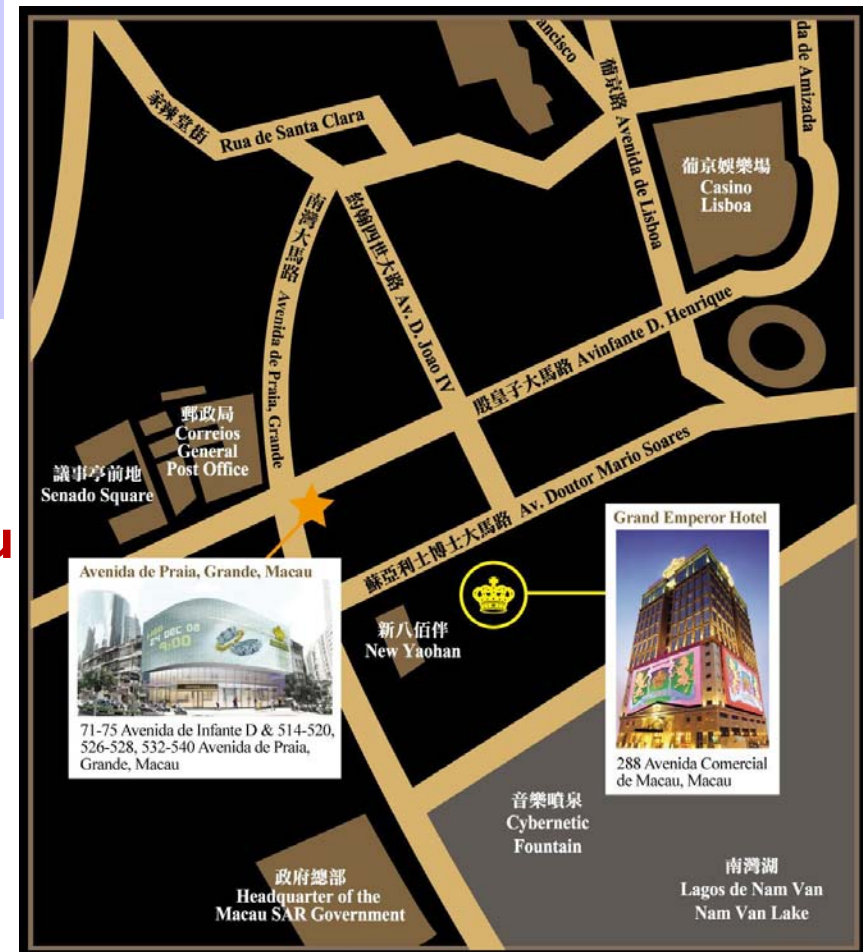
英皇集團（國際）有限公司  
Emperor International Holdings Limited

# Retail Complex

## Retail Shops, Grand Emperor Hotel, Macau



## Avenida de Praia, Grande, Macau



英皇集團（國際）有限公司  
Emperor International Holdings Limited

# Recreation Complex

**The Pulse, Repulse Bay, Hong Kong – Target to be set as multifunction beachfront recreation complex**

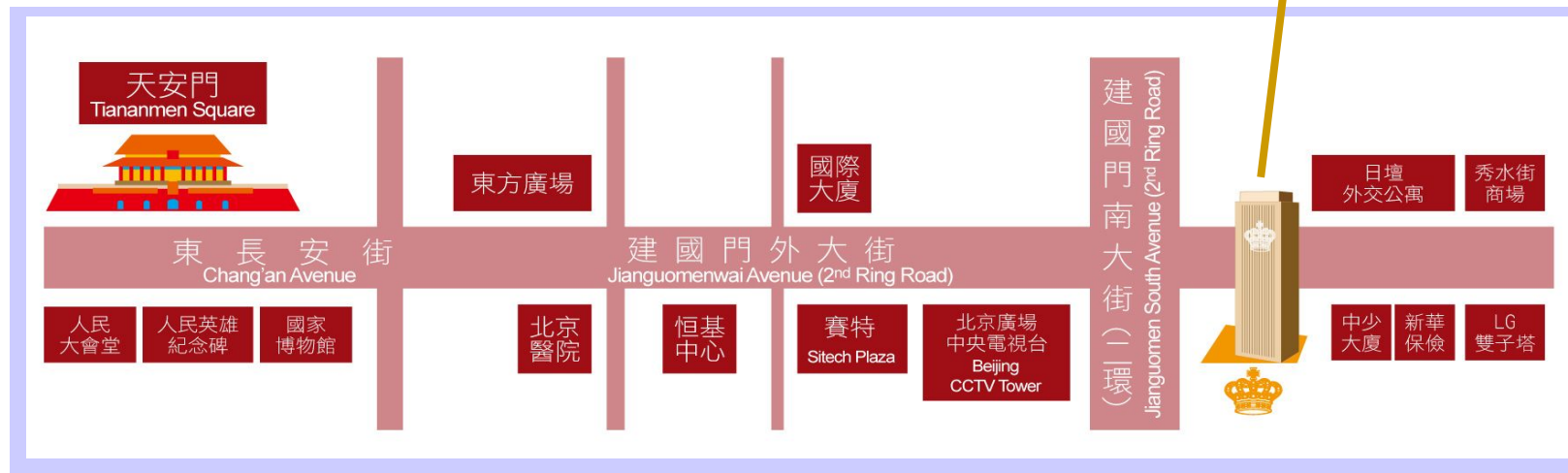




# Office/Retail Complex

**Chang'an Avenue Project, Beijing - Comprehensive commercial complex comprising shopping mall and grade-A office tower**

*Designer: Rocco Yim of Rocco Design*



**英皇集團（國際）有限公司**  
**Emperor International Holdings Limited**

# Office/Retail Complex

## Emperor Star City, Shanghai



*Designer: Aedas*



英皇集團（國際）有限公司  
Emperor International Holdings Limited

# Property Development For Sale



英皇集團（國際）有限公司  
Emperor International Holdings Limited



# Property Development For Sale - Highlights

Existing Status	Book Value (HK\$'000)	Market Value (HK\$'000)	Total GFA (sq.ft.)	Site Area (sq.ft.)
Under Development	1,718,000	2,006,000	372,000	98,000
Ready For Pre-sale/Sale	911,000	1,752,000	215,000	66,000
<b>Total</b>	<b>2,629,000</b>	<b>3,758,000</b>	<b>587,000</b>	<b>164,000</b>

Geographical Location	Book Value (HK\$'000)	Market Value (HK\$'000)	Total GFA (sq.ft.)	Site Area (sq.ft.)
Hong Kong	2,620,000	3,749,000	581,000	119,000
PRC	9,000	9,000	6,000	45,000
<b>Total</b>	<b>2,629,000</b>	<b>3,758,000</b>	<b>587,000</b>	<b>164,000</b>



# Property Development For Sale – Under Development

Under Development - All in Hong Kong	Total GFA (sq.ft.)	Site Area (sq.ft.)	Book Value (HK\$'000)	Market Value (HK\$'000)	Target Completion
396-402, Prince Edward Road West, Kowloon	30,000	3,000	131,000	147,000	2011
18-36, Shing On Street, Sai Wan Ho	83,000	7,000	288,000	327,000	2013
Cheung Ka Industrial Building, 179-180 Connaught Road West & 345-345A Des Voeux Road, West, Sai Wan (Emperor's interest: 92.63%)	184,000	18,000	1,148,000	1,360,000	2014
Phase I, DD210, Saikung	26,000	66,000	34,000	55,000	2014
No. 54-60, Portland Street (Except 1/F, No. 60)	49,000	4,000	117,000	117,000	2014
<b>Total</b>	<b>372,000</b>	<b>98,000</b>	<b>1,718,000</b>	<b>2,006,000</b>	<b>N/A</b>

*Remarks: All of the above projects have commenced the superstructure work.*



# Property Development – Ready For Pre-sale/Sale

Ready For Pre-sale - All in Hong Kong	Number of Units Sold	Number of Units Unsold	Total GFA (sq.ft.)	Site Area (sq.ft.)	Book Value (HK\$'000)	Market Value (HK\$'000)	Realised Unit Price (HK\$/sq ft)	Current Unit Price (HK\$/sq ft)
Harbour One, 458 Des Voeux Road, West, Sai Wan	57 (55%)	46 (45%)	140,000	14,000	566,000	1,248,000	14,000	16,000
The Java, 96-106 Java Road, North Point	67 (89%)	8 (11%)	69,000	7,000	336,000	495,000	13,000	14,000
<b>Total</b>	<b>N/A</b>	<b>N/A</b>	<b>209,000</b>	<b>21,000</b>	<b>902,000</b>	<b>1,743,000</b>	<b>N/A</b>	<b>N/A</b>

*Remarks: The construction of the above projects will be completed in 2012.  
Its sales proceeds of the properties will be booked in the financial year of 2012/13.*

Ready For Sale - In PRC	Number of Units Sold	Number of Units Unsold	Total GFA of unsold units (sq.ft.)	Total Site Area (sq.ft.)	Book Value (HK\$'000)	Market Value (HK\$'000)
Emperor Lakeside Metropolis, Hubin Bei Road, Xiamen (Phase II)	281	3	6,000	45,000	9,000	9,000
<b>Total</b>	<b>N/A</b>	<b>N/A</b>	<b>6,000</b>	<b>45,000</b>	<b>9,000</b>	<b>9,000</b>



# Residential Development

Prince Edward Road, West, Kowloon



Shing On Street, Sai Wan Ho



英皇集團（國際）有限公司  
Emperor International Holdings Limited

# Project Development

## Cheung Ka Industrial Building, Sai Wan



## Luxury Low-rise Residential Project, DD210, Saikung



*Planned to develop 13 detached seaview houses  
(phase 1)*



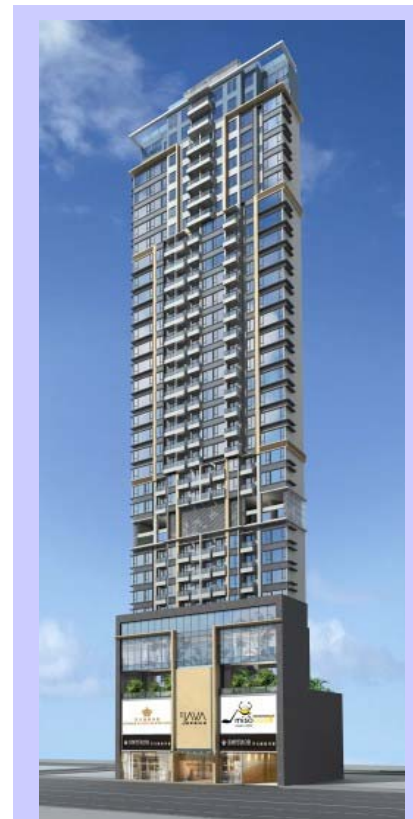
英皇集團（國際）有限公司  
Emperor International Holdings Limited

# Residential Development

## Harbour One, Sai Wan - Seaview Luxury Residential Development



## The Java, North Point – Multi-storey Composite Retail/Residential Development



英皇集團（國際）有限公司  
Emperor International Holdings Limited

# Residential Development

**Emperor Lakeside Metropolis, Xiamen, PRC -  
High-end residential block with  
shopping podium**





# Self-run Hotels



英皇集團（國際）有限公司  
Emperor International Holdings Limited



# Self-run Hotel – Highlight

By Geographical Location	Total GFA (sq.ft.)	No. of Floors	No. of Rooms	Book Value (HK\$'000)	Market Value (HK\$'000)
<b><u>Hong Kong</u></b>					
Emperor (Happy Valley) Hotel, Happy Valley, excluding Karaoke	84,000	23	150	313,000	359,000
<b><u>Macau</u></b>					
Grand Emperor Hotel	575,000	22	291	1,169,000	1,486,000
<b>Total</b>	<b>659,000</b>	<b>N/A</b>	<b>N/A</b>	<b>1,482,000*</b>	<b>1,845,000*</b>

\*The book value of the hotels are under-valued to the marketplace

The detailed performance of Grand Emperor Hotel will be shown on the next section



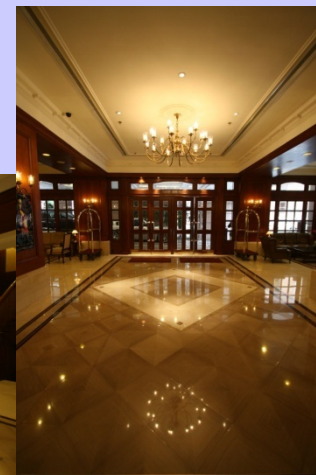
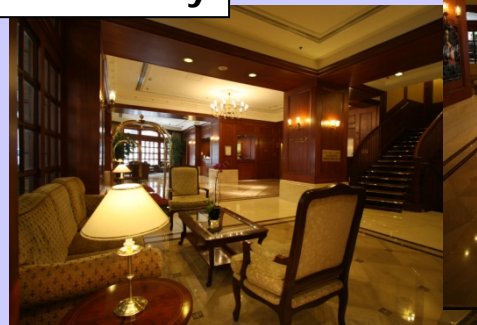
# 3-Star Hotel in Hong Kong

## Emperor (Happy Valley) Hotel

Entire Building



Main Lobby



Guest Room



# Casino Hotel in Macau

## Grand Emperor Hotel

Entire Building



Main Lobby



Main Entrance



President Suite



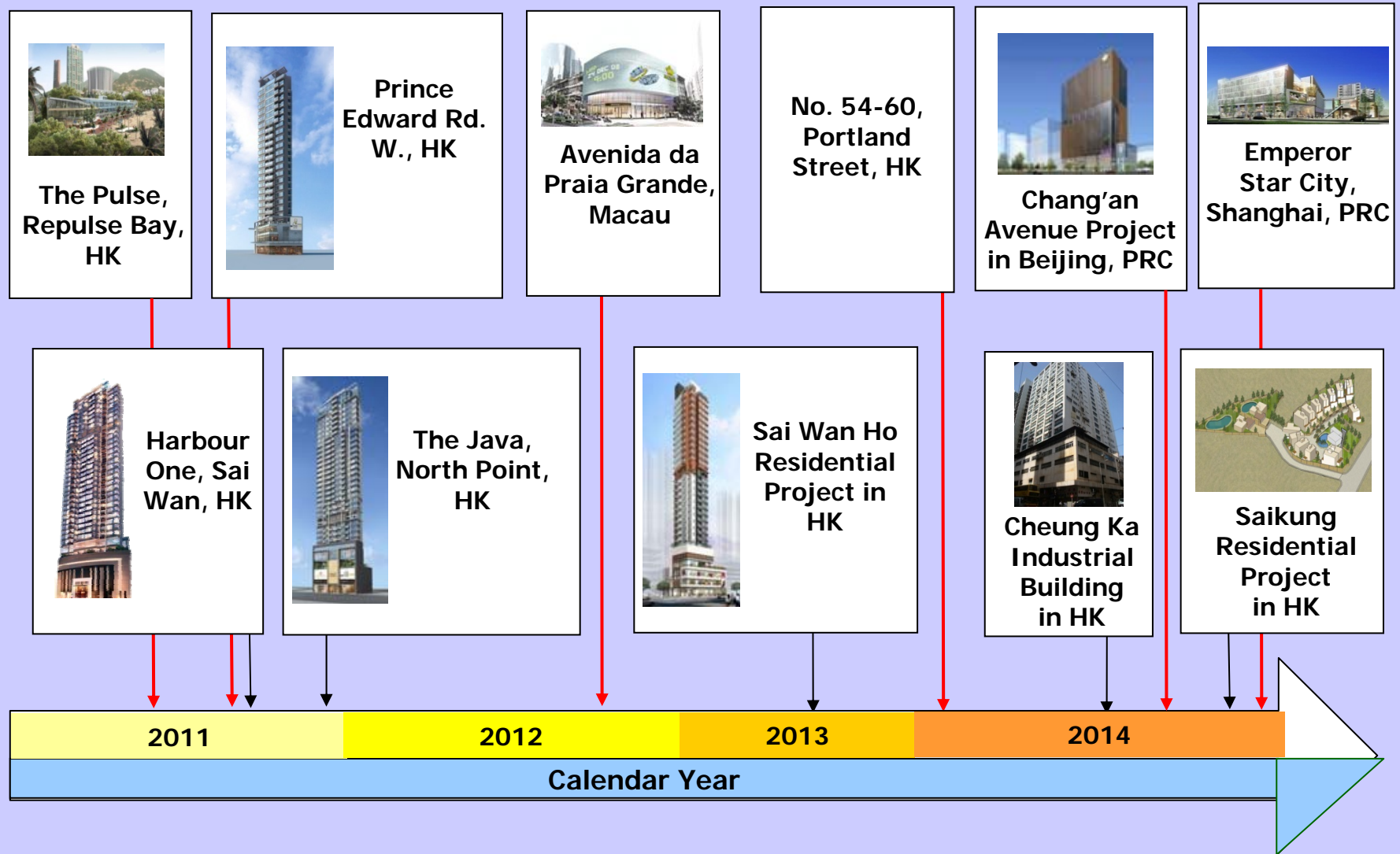
Guest Room







# Target Completion Time



# Emperor Entertainment Hotel Financial Review



英皇娛樂酒店有限公司  
Emperor Entertainment Hotel Limited

# Financial Highlights

	FY2008/09 HK\$'000	FY2009/10 HK\$'000	1H2009/10 HK\$'000	1H2010/11 HK\$'000	1H VS 1H Change
Revenue	791,456	990,204	417,684	618,143	+ 48.0%
Gross Profit	555,479	685,897	299,323	432,104	+ 44.4%
Property Revaluation (Loss) / Gain	(139,300)	569,118	(2,800)	63,207	N/A
EBITDA					
Before Minority Interest	251,637	391,382	149,560	244,110	+ 63.2%
After Minority Interest	125,958	261,730	83,439	173,165	+ 107.5%
Profit Attributable to Owners of the Company	28,852	587,278	51,275	170,020	+ 231.6%
Earnings Per Share (Basic/Diluted)	HK\$0.03	HK\$0.5	HK\$0.05	HK\$0.13	+ 160%

Emperor Entertainment Hotel proposed an interim dividend as HK\$0.04 per share.



# Key Financial Indicators

	FY2008/09 HK\$'000	FY2009/10 HK\$'000	1H2010/11 HK\$'000
Non-Current Assets	2,334,892	2,917,588	2,965,784
Current Assets	860,871	883,076	1,081,759
Current Liabilities	(617,916)	(507,093)	(572,282)
Non-current Liabilities	(400,572)	(378,113)	(397,507)
Total Net Assets	2,177,275	2,915,458	3,077,754
Gearing Ratio	16.6%	7.4%	6.6%





# Self-run Hotel – Key Performance Indicators

Grand Emperor Hotel in Macau	FY2008/09 HK\$	FY2009/10 HK\$	1H2009/10 HK\$	1H2010/11 HK\$	1H VS 1H Change
Total Revenue	791.5 m	990.2 m	417.7 m	618.1 m	+ 48.0%
Gaming Revenue	602.6 m	834.7 m	339.1 m	544.7 m	+ 60.6%
Hotel Revenue	188.9 m	155.5 m	78.6 m	73.4 m	- 6.6%
EBITDA Margin (before MI)	32%	40%	36%	39%	+ 3 % pts
Gross Win in Gaming Concourse	709.1 m	917.5 m	431.5 m	557.9m	+ 29.3%
Average Win Per Table Per Day in Gaming Concourse	HK\$35,000	HK\$43,000	HK\$41,000	HK\$51,000	+ 24.4%
Gross Win in VIP Halls	595.5 m	653.8 m	296.3 m	373.4m	+ 26.0%
Average Win Per Table Per Day in VIP Halls	HK\$163,000	HK\$166,000	HK\$162,000	HK\$146,000	- 9.9%
Occupancy	78%	81%	75%	88%	+ 13 % pts
Average Room Rate Per Day	HK\$830	HK\$805	HK\$760	HK\$820	+ 7.9%

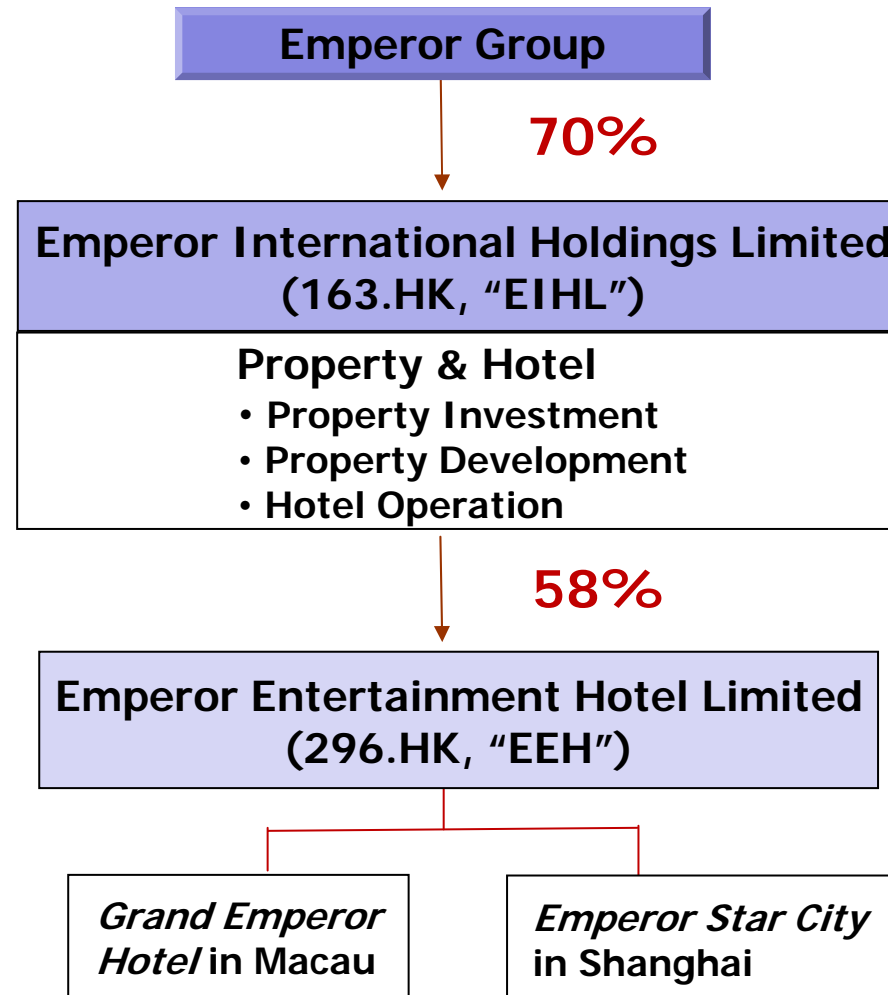
It's forecasted that the payback period will end in 2011 which is in 5 years time.



# Appendix



# Current Group Structure



# Share Option

## Emperor International Holdings

Date of Grant	Exercise Period	Exercise Price HK\$/share	Number of share options outstanding at 31 Mar 2010
11 Aug 2005	11 Aug 2005 – 10 Aug 2015	1.88	20,000,000
28 Jan 2008	28 Jan 2008 – 27 Jan 2013	2.91	17,500,000
		<b>Total</b>	<b>37,500,000</b>

## Emperor Entertainment Hotel

Date of Grant	Exercise Period	Exercise Price HK\$/share	Number of share options outstanding at 31 Mar 2010
11 Aug 2005	11 Aug 2005 – 10 Aug 2015	2.2	10,000,000



# Disclaimer

---

This material is for information purposes only. This presentation may contain forward-looking statements and estimates based on current assumptions and forecasts made by Emperor International Holdings Limited and Emperor Entertainment Hotel Limited management.

Various known and unknown risks, uncertainties and other factors could lead to substantial differences between the actual future results, financial situation, development or performance of the company and the estimates given here. The company accepts no obligation to continue to report or update these forward-looking statements or adjust them to future events or development.

This material may not be reproduced, distributed or transmitted to any other person or incorporated in any way into another document or other material without the prior written consent of Emperor International Holdings Limited and Emperor Entertainment Hotel Limited.

*For more information, please go to [www.emp163.com](http://www.emp163.com) & [www.emp296.com](http://www.emp296.com)*

