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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)

**ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2009**

INTERIM RESULTS

The board of directors (the “Board” or “Directors”) of Emperor Entertainment Hotel Limited (the “Company”) announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 September 2009 (the “Period”) together with the comparative figures for the corresponding period in 2008 as set out below.

FINANCIAL HIGHLIGHTS

	Six months ended 30 September	
	2009	2008
	(Unaudited)	(Unaudited)
	HK\$’000	HK\$’000
Revenue	417,684	432,267
EBITDA:		
Before non-controlling interests	149,560	134,483
After non-controlling interests	83,439	74,883
Loss on fair value change in investment properties attributable to:		
Owners of the Company	550	22,966
Non-controlling interests	2,250	53,165
	2,800	76,131
Profit for the period attributable to owners of the Company	51,275	17,372
Earnings per share – basic and diluted	HK\$0.05	HK\$0.02

* For identification purposes only

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 September 2009

	<i>Notes</i>	Six months ended 30 September	
		2009 (Unaudited) <i>HK\$'000</i>	2008 (Unaudited) <i>HK\$'000</i>
Revenue	2	417,684	432,267
Cost of sales		(14,785)	(18,320)
Cost of hotel and gaming operations		(103,576)	(104,414)
Gross profit		299,323	309,533
Other income		4,048	6,067
Loss on fair value change in investment properties		(2,800)	(76,131)
Impairment loss on property, plant and equipment		–	(9,889)
Selling and marketing expenses		(48,237)	(30,850)
Commission expenses in gaming operations		(89,494)	(106,661)
Administrative expenses		(60,329)	(81,811)
Finance costs		(10,774)	(12,739)
Profit (loss) before taxation	4	91,737	(2,481)
Taxation	5	(13,060)	(5,477)
Profit (loss) for the period	3	78,677	(7,958)
Other comprehensive income:			
Exchange difference arising on translation of foreign operations		424	9,254
Other comprehensive income for the period		424	9,254
Total comprehensive income for the period		79,101	1,296
Profit (loss) for the period attributable to:			
Owners of the Company		51,275	17,372
Non-controlling interests		27,402	(25,330)
		78,677	(7,958)
Total comprehensive income attributable to:			
Owners of the Company		51,699	26,626
Non-controlling interests		27,402	(25,330)
		79,101	1,296
Earnings per share	6		
– Basic		HK\$0.05	HK\$0.02
– Diluted		HK\$0.05	HK\$0.02

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2009

		As at 30 September 2009 (Unaudited) <i>HK\$'000</i>		31 March 2009 (Audited) <i>HK\$'000</i>
	<i>Notes</i>			
Non-current assets				
Investment properties		423,600		426,400
Property, plant and equipment		947,716		967,540
Prepaid lease payments		292,707		296,534
Property under development		573,219		570,962
Prepayment for acquisition of property, plant and equipment		808		518
Goodwill		129,261		72,938
		2,367,311		2,334,892
Current assets				
Inventories, at cost		5,248		4,881
Trade and other receivables	7	300,583		320,568
Prepaid lease payments		7,744		7,742
Pledged bank deposit		300		300
Bank balances and cash		482,266		527,380
		796,141		860,871
Current liabilities				
Trade and other payables	8	366,966		351,401
Amounts due to related companies		–		2,800
Amounts due to minority shareholders of a subsidiary		63,801		153,531
Taxation payable		75,442		65,580
Secured bank borrowings – amounts due within one year		–		44,604
		506,209		617,916
Net current assets		289,932		242,955
Total assets less current liabilities		2,657,243		2,577,847

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Continued)

As at 30 September 2009

	As at	
	30 September	31 March
	2009	2009
	(Unaudited)	(Audited)
	HK\$'000	HK\$'000
Non-current liabilities		
Amounts due to minority shareholders of a subsidiary	209,337	203,871
Secured bank borrowings – amounts due after one year	–	126,954
Deferred taxation	72,945	69,747
	282,282	400,572
	2,374,961	2,177,275
Capital and reserves		
Share capital	129	101
Reserves	1,967,395	1,716,745
Equity attributable to owners of the Company	1,967,524	1,716,846
Non-controlling interests	407,437	460,429
	2,374,961	2,177,275

Notes:

1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared in accordance with the Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

The unaudited condensed 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, as appropriate.

In the Period, the Group had adopted certain new Hong Kong Financial Reporting Standards (“HKFRSs”), amendments and interpretations (collectively the “New HKFRSs”), issued by the HKICPA that are effective for accounting periods beginning on or after 1 April 2009. The adoption of the New HKFRSs had no material effect on how the results and financial position for the current or prior periods have been prepared and presented. Except as described below, the same accounting policies, presentation and methods of computation have been followed in these unaudited condensed consolidated financial statements as were applied in the preparation of the Group’s annual financial statements for the year ended 31 March 2009.

HKFRS 8 – Operating Segments

HKFRS 8 is a disclosure standard that has resulted in a redesignation of the Group’s reportable segments (note 3), but has had no impact on the reported results or financial position of the Group.

HKAS 1 (Revised) – Presentation of Financial Statements

HKAS 1 (Revised) has introduced a number of terminology changes (including revised titles for the condensed consolidated financial statements) and has resulted in a number of changes in presentation and disclosure. However, HKAS 1 (Revised) has had no impact on the reported results or financial position of the Group.

2. REVENUE

An analysis of the Group’s revenue is as follows:

	Six months ended 30 September	
	2009	2008
	(Unaudited)	(Unaudited)
	HK\$’000	HK\$’000
Hotel and gaming operations		
Service income from gaming operation in VIP rooms	118,309	145,536
Service income from gaming operation in mass market halls	189,924	140,560
Service income from gaming operation in slot machine hall	16,421	19,394
Hotel room income	29,659	36,818
Marketing and promotion income	14,462	23,679
Food and beverage sales	29,366	34,462
Rental income from investment properties	17,738	18,882
Others	1,805	12,936
	<u>417,684</u>	<u>432,267</u>

Notes: (Continued)

3. SEGMENT INFORMATION

The Group has adopted HKFRS 8 – Operating Segments with effect from 1 April 2009. HKFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance. In contrast, the predecessor Standard (HKAS 14 – Segment Reporting) required an entity to identify two sets of segments (business and geographical), using a risks and rewards approach, with the entity’s “system of internal financial reporting to key management personnel” serving only as the starting point for the identification of such segments. Nevertheless, the Group’s reportable segments identified under HKFRS 8 are consistent with the primary reportable format – business segments as determined under HKAS 14.

The following is an analysis of the Group’s revenue and results by operating segments for the periods under review:

	Hotel and gaming operations (Unaudited) HK\$'000	Property development (Unaudited) HK\$'000	Consolidated (Unaudited) HK\$'000
For the six months ended 30 September 2009			
REVENUE	417,684	–	417,684
RESULTS			
Segment results	106,196	(1,438)	104,758
Imputed interest expense on amounts due to minority shareholders of a subsidiary	(8,708)	–	(8,708)
Other finance cost			(2,066)
Unallocated corporate income			333
Unallocated corporate expenses			(2,580)
Profit before taxation			91,737
Taxation			(13,060)
Profit for the period			78,677

Notes: (Continued)

3. SEGMENT INFORMATION (Continued)

	Hotel and gaming operations (Unaudited) <i>HK\$'000</i>	Property development (Unaudited) <i>HK\$'000</i>	Consolidated (Unaudited) <i>HK\$'000</i>
For the six months ended 30 September 2008			
REVENUE	432,267	–	432,267
RESULTS			
Segment results	13,133	(90)	13,043
Imputed interest expense on amounts due to minority shareholders of a subsidiary	(4,318)	–	(4,318)
Other finance cost			(8,421)
Unallocated corporate income			1,946
Unallocated corporate expenses			(4,731)
Loss before taxation			(2,481)
Taxation			(5,477)
Loss for the period			(7,958)

4. PROFIT (LOSS) BEFORE TAXATION

	Six months ended 30 September	
	2009	2008
	(Unaudited)	(Unaudited)
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit (loss) before taxation has been arrived at after charging:		
Impairment loss on trade receivables	–	18,721
Depreciation of property, plant and equipment	41,359	36,918
Operating lease rental in respect of rented premises	2,319	2,324
Release of prepaid lease payments	3,223	3,232
and after crediting:		
Interest income from bank deposits	333	1,946

Notes: (Continued)

5. TAXATION

Six months ended	
30 September	
2009	2008
(Unaudited)	(Unaudited)
<i>HK\$'000</i>	<i>HK\$'000</i>

The charge comprises:

Macau Complimentary Income Tax	9,862	10,300
Deferred taxation	3,198	(4,823)
	<u>13,060</u>	<u>5,477</u>

The Macau Complimentary Income Tax is calculated at the applicable rate of 12% of the estimated assessable profits for both periods.

No provision for Hong Kong Profits Tax and PRC Enterprise Income Tax have been made as there were no estimated assessable profits for both periods.

6. EARNINGS PER SHARE

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

Six months ended	
30 September	
2009	2008
(Unaudited)	(Unaudited)
<i>HK\$'000</i>	<i>HK\$'000</i>

Earnings:

Earnings for the purpose of basic and diluted earnings per share	<u>51,275</u>	<u>17,372</u>
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Six months ended	
30 September	
2009	2008
(Unaudited)	(Unaudited)

Number of shares:

Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	<u>1,061,953,477</u>	<u>1,011,223,126</u>
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No effect of dilutive potential shares in respect of the share options is resulted as the exercise price of the Company's share options was higher than the average market price of the Company's shares.

Notes: (Continued)

7. TRADE AND OTHER RECEIVABLES

The Group normally allows credit periods of up to 60 days to its trade customers, except for certain worthy customers with long term relationship and stable repayment pattern or the Group expecting to obtain collateral over the balance, where the terms are extended to a longer period. At the balance sheet date, the maximum credit period was extended to around 710 days (31 March 2009: 480 days) for certain customers. An aged analysis of the Group's trade receivables (net of allowances) at the balance sheet date is set out below:

	As at	
	30 September 2009 (Unaudited) HK\$'000	31 March 2009 (Audited) HK\$'000
0 – 30 days	92,381	94,999
31 – 60 days	22,716	39,218
61 – 90 days	3,000	1,464
91 – 180 days	2	11,370
Over 180 days	22,563	48,240
	<hr/>	<hr/>
	140,662	195,291
Chips on hand	144,130	109,423
Other receivables	15,791	15,854
	<hr/>	<hr/>
	300,583	320,568

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

8. TRADE AND OTHER PAYABLES

An aged analysis of the Group's trade payables at the balance sheet date is set out below:

	As at	
	30 September 2009 (Unaudited) HK\$'000	31 March 2009 (Audited) HK\$'000
0 – 30 days	22,602	22,386
31 – 60 days	268	211
61 – 90 days	125	81
91 – 180 days	209	83
Over 180 days	356	179
	<hr/>	<hr/>
	23,560	22,940
Short-term advances	15,000	15,000
Construction payables and accruals	186,625	186,917
Other payables and accruals	141,781	126,544
	<hr/>	<hr/>
	366,966	351,401

Notes: (Continued)

9. DIVIDEND

A dividend of HK\$0.018 per share with an aggregate amount of approximately HK\$23,266,000 was paid to the shareholders of the Company during the Period as the final dividend of 2008/2009. A dividend of HK\$0.04 per share with an aggregate amount of approximately HK\$40,449,000 was paid to the shareholders of the Company during the corresponding period in 2008 as the final dividend of 2007/2008.

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

The Macau tourism market had been recovering since early 2009 from the global credit crunch and downturn. However, the plunge of the global economy in late 2008 had resulted in financial market uncertainty, which had put pressure on the growth of gaming industry. Meanwhile, tourist visits to Macau was adversely affected by visa restrictions for Mainland visitors. The tightening visa policy has led to a drop in both visitor arrival and number of Mainland visitors going to Macau. During the Period, the total number of visitors to Macau amounted to 10.4 million, 7.7% lower than the same period a year ago. Mainland visitors dropped 10.6% to 5.2 million from 5.8 million previously. Average length of stay in Macau by visitors remained relatively short at about 1.5 nights. These all had an adverse impact on the general entertainment and hospitality market.

Despite the challenging market environment, the Group remained to be a resilient player that responded actively and efficiently to competition. The Group – which provides entertainment and hospitality services in Grand Emperor Hotel in Macau (the “Hotel”) – had expanded its capacity and market share in the mass market. More gaming tables at gaming concourse had been offered to better serve the mass market, as competition in the VIP gaming segment continued to be intense and momentum remained weak with uncertainty of the global economic market.

The Group is positive towards the Macau market with China’s robust economic growth in the long term. It had raised its holding in the Hotel project from 50% to 60% in August 2009. On the other hand, Emperor International Holdings Limited (“Emperor International”) had increased its stake in the Group to approximately 56% as a token of optimism towards the Group’s operations.

The Group had also paid off all bank borrowings during the Period. The Group had improved its financial position and minimised its exposure to interest rate risk.

The Group marked a loss of HK\$2.8 million (2008: HK\$76.1 million) from the fair value change of its investment properties, namely the leasing area of the Hotel, in line with the yet-to-recover property market in Macau. The property market had been volatile and subject to cyclical movements from time to time.

The Group’s earnings before interest, tax, depreciation and amortisation (EBITDA) and before non-controlling interests amounted to approximately HK\$149.6 million, compared with HK\$134.5 million in the previous corresponding period.

Profit attributable to owners of the Company after the aforesaid fair value adjustment was approximately HK\$51.3 million (2008: HK\$17.4 million). Earnings per share was HK\$0.05, compared with HK\$0.02 in 2008.

Business Review

The Group's projects and developments are discussed as follows:

Hotel and Gaming Operations

The Group's flagship project, the Hotel had been providing solid contributions following the commencement of its operations in January 2006. The Hotel, located at the heart of Macau's city centre, has 136,660 square feet of gaming space spreading over seven floors offering slot as well as table games in gaming concourse and VIP rooms.

During the Period, the Group recorded revenue of HK\$417.7 million from its operations in Macau.

Gaming Revenue

The Group's casino operation is run by licence holder Sociedade de Jogos de Macau, S.A. Despite intensified competition arising from opening of new casinos, capacity expansion of existing casinos and the drop of Mainland visitors following the tightening of visa policy of The People's Republic of China (the "PRC"), the gaming operation had delivered a stable contribution during the Period.

Gaming revenue for the Period amounted to HK\$339.1 million, accounting for approximately 81.2% of the Hotel's total revenue.

Gaming Concourse

It contributed a gross win of approximately HK\$431.5 million. The Hotel had increased the number of table in the gaming concourse to 60 tables from 52 a year ago. The additional tables were converted from previously leased-out VIP rooms, and demonstrated the Group's strength and flexibility to cope with changes in market condition. Revenue amounted to HK\$189.9 million for the Period. The Hotel, which had established its brand name since opening, had attracted repeated customers and brought in new customers with its comprehensive entertainment and dining facilities, appealing to the tastes of its visitors. Average win for the Period was approximately HK\$41,000 per table per day.

Slot Machines

During the Period, this sector recorded a gross win of approximately HK\$39.3 million. There were a total of 330 slot seats in the Hotel as at 30 September 2009. The slot machines returned an average win of approximately HK\$690 per seat per day. Revenue was HK\$16.4 million.

VIP Rooms

The Group self-manages two VIP rooms with 10 tables in total. The VIP rooms had rolling of approximately HK\$9.5 billion. Win percentage (calculated before discounts and commissions) was 3.1%. Revenue was approximately HK\$132.8 million and the average win per table per day was approximately HK\$162,000. The management saw uncertainty and fierce competition in the market and took proactive controls in revising and granting credit, in order to maintain a healthy and prudent financial position and sustain long-term operation, especially in terms of controlling bad-debt level and commission payout.

Non-gaming Revenue

During the Period, the Hotel recorded approximately HK\$78.6 million non-gaming revenue, amounting to approximately 18.8% of the Hotel's total revenue. It comprised mainly contributions from hotel rooms, food and beverage, as well as rental income from sauna, night club, leased-out VIP room and retail space on the ground floor of the Hotel.

The Hotel reported a steady performance amid market competition. It had established its name among the Hong Kong and Mainland tourists with its value for money and quality service. It had also actively expanded into overseas markets such as Japan and partnered with a number of major tour operators during the Period.

The Hotel's 291 guest rooms received an average daily rate of approximately HK\$760 and occupancy of 62%. Room revenue was approximately HK\$31.2 million. The Hotel had launched festive promotions and packages that were well received by guests. Revenue from food and beverage was approximately HK\$29.4 million. Rental revenue from sauna, night club, leased-out VIP room and retail space was approximately HK\$18.0 million.

Property Development

Located in Yu Yuan, Shanghai, the property will be developed into a shopping arcade and hotel/service apartment complex on a 22,870 square-metre prime site. The main body of the complex will be a multi-storey shopping arcade, and the entire project is expected to have a floor area of more than 110,000 square metres. A new Shanghai M10 subway route will be adjacent to the subject site.

The Group had completed the foundation and basement excavation work for the development. The Group is awaiting the outcome of the litigation in relation to the cancellation of a joint venture concerning the development of the project. In the meantime, the Group is reviewing the design and planning to award the contracts for construction above ground. The management is positive over the retail property market in Shanghai in the long term.

The project, being located in an established tourist area of Shanghai, is expected to generate stable rental revenue for the Group and enhance the Group's balance sheet when it is transformed into an investment property upon completion.

Outlook

Despite sign of recovery in the global economy and financial markets, the year ahead remains challenging and uncertain. The Group is positive towards the future growth of Macau's economy and in particular its tourist industry. The continuous growth in China's economy is expected to benefit the Macau economy in the long term and provides a promising outlook and business environment for the Group.

The Group positions itself, with the operation of the Hotel, as a full-scale entertainment vehicle and hopes to enjoy continuing contributions from gaming and ancillary businesses. The Group hopes to further secure and increase the contribution from its mass market operation. The management will also closely monitor the market development and seek to improve operating margins and enhance efficiency. It looks forward to further utilisation of the Group's execution strength and rich assets in the entertainment industry.

Acquisition of Additional Interest in a Subsidiary

On 7 July 2009, Great Assets Holdings Limited, an indirect wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with Worthly Strong Investment Limited ("Worthly Strong"), an indirect wholly-owned subsidiary of Emperor International, for acquisition of additional 10% interest in Luck United Holdings Limited ("Luck United") and the entire shareholder's loan due from Luck United to Worthly Strong (the "Acquisition"). The Acquisition was completed on 28 August 2009 and its aggregate consideration amounted to approximately HK\$199.5 million, out of which HK\$196.9 million was satisfied by the allotment and issue of 281,322,857 shares of the Company at an issue price of HK\$0.70 per share, as agreed between the parties to the Acquisition, and the balance of approximately HK\$2.6 million was settled by way of cash payment. According to the market price of the shares of the Company at the date of completion of HK\$0.79 per share, the 281,322,857 shares allotted to Worthly Strong were valued at approximately HK\$222.2 million and therefore the Group recorded goodwill of approximately HK\$56.3 million as a result of the Acquisition. Luck United is an investment holding company with its subsidiaries holding the entire interest in the Hotel.

Immediately after the Acquisition, the Group holds 60% interest in Luck United while Emperor International becomes an indirect holding company of the Company.

Capital Structure

On 28 August 2009, the Company allotted and issued 281,322,857 shares of the Company to Worthly Strong for the Acquisition. As a result, the share capital and share premium of the Company increased by approximately HK\$28,000 and HK\$222.2 million respectively.

Liquidity and Financial Resources

During the Period, the Group mainly funded its operations and capital expenditure through its internally generated cash flow from operations and repaid the entire bank borrowings. As at 30 September 2009, advances from minority shareholders of a subsidiary of the Company were approximately HK\$273.1 million, which were denominated in Hong Kong dollars, unsecured, interest-free and repayable only when the subsidiary has surplus fund.

The Group's current assets and current liabilities as at the end of the Period were approximately HK\$796.1 million and HK\$506.2 million respectively. The gearing ratio of the Group (expressed as a percentage of total borrowings over total assets) decreased from 16.6% in the preceding financial year to 8.6%, which was mainly due to repayment of bank borrowings and advances from related companies and the minority shareholders of a subsidiary of the Company during the Period.

Save as disclosed above and trade and other payables and accrued charges, the Group had no other external borrowings. Bank balances and cash on hand of the Group as at 30 September 2009 totaled approximately HK\$482.3 million, which were mainly denominated in Hong Kong dollars and Macau Pataca. With the borrowings and bank balances and cash on hand denominated in Hong Kong dollars and Macau Pataca, the Group experienced no significant exposure to foreign exchange rate fluctuation during the Period.

With its sufficient bank balances and cash on hand as well as its existing loan facility, the Directors considered to have sufficient working capital for the operations and the future development of the Group.

Pledge of Assets

As at the end of the Period, assets with carrying values of approximately HK\$1.3 billion were pledged to a bank as security for banking facilities granted to the Group. However, the banking facilities were not utilised as at the end of the Period.

Commitments and Contingencies

As at 30 September 2009, the Group had capital commitments of approximately HK\$418.5 million, comprising HK\$417.4 million for property development project in Shanghai, the PRC, and HK\$1.1 million for property, plant and equipment in the Hotel.

In October 2006, the Group commenced legal proceedings against the joint venture partner ("JV Partner") in Shanghai, the PRC, for termination of the joint venture agreement ("JV Agreement") in respect of the development of the Group's property in Shanghai as a result of the JV Partner's failure to settle the outstanding payment and construction costs in accordance with the terms of the JV Agreement. The Group also claimed against the JV Partner for forfeiture of the JV Partner's contribution to the project and further contribution by the JV Partner of outstanding payment and construction costs totaling approximately RMB83.6 million (equivalent to approximately HK\$94.9 million). The JV Partner contested the proceedings and counterclaimed against the Group for RMB100 million (equivalent to approximately HK\$113.5 million) as damages for breach of the JV Agreement. The PRC lawyers representing the Group were of the view that it is probable for the Group to terminate the JV Agreement, and the JV Partner's counterclaim would not be supported by the court, therefore no provision was made by the Group. The legal case was still in the progress as at the end of the Period.

In January 2007, the Group was sued jointly with its contractor for approximately for MOP3.5 million (equivalent to approximately HK\$3.4 million) for injuries suffered by a third party in an accident happened in 2005 in the premises of the Hotel when the Hotel was under renovation. The ultimate outcome of the case is not determinable at this stage. No provision was made by the Group as the Group is of the view that the contractor and its insurer should be responsible for paying any damages awarded to the plaintiff.

Employees and Share Option Scheme

As at 30 September 2009, the Group's number of employee was 947 as compared to 932 as at the end of the preceding financial year. Total staff costs including directors' remuneration for the Period were approximately HK\$63.1 million (2008: HK\$76.8 million). All employees are under remuneration policy of receiving fixed monthly salary with discretionary bonus. 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 2 September 2002. During the Period, the Company did not grant any option under the share option scheme and the outstanding share options as at the end of the Period was 10,000,000 share options which were granted to certain Directors in previous years.

INTERIM DIVIDEND

The Board of the Company declared the payment of an interim dividend of HK\$0.025 per share ("Dividend") for the financial year ending 31 March 2010 (2008/2009: Nil). Dividend warrants are expected to be sent to shareholders on or around 6 January 2010 (Wednesday) to shareholders whose names appear on the register of members of the Company on 15 December 2009 (Tuesday).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 16 December 2009 (Wednesday) to 18 December 2009 (Friday), both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the interim dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar, Tricor Secretaries Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 15 December 2009 (Tuesday).

REVIEW OF INTERIM RESULTS

These condensed consolidated financial statements of the Group have not been audited nor reviewed by the Company's auditor, Deloitte Touche Tohmatsu, but 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 Period with all the provisions of the 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 Period.

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

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

PUBLICATION OF THE UNAUDITED INTERIM RESULTS AND INTERIM REPORT

The interim 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 interim 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, 1 December 2009

As at the date hereof, the Board of the Company comprised:

Non-executive Director: Ms. Luk Siu Man, Semon (*Chairperson*)

Executive Directors: Mr. Wong Chi Fai
Ms. Fan Man Seung, Vanessa
Ms. Mok Fung Lin, Ivy

Independent Non-executive Directors: Ms. Chan Sim Ling, Irene
Ms. Chan Wiling, Yvonne
Ms. Wan Choi Ha