



THE HONGKONG AND SHANGHAI HOTELS, LIMITED
香港上海大酒店有限公司

To: All Finance/Business/Real Estate/Travel Editors

FOR IMMEDIATE RELEASE

10 MAY, 2019

FIRST QUARTER 2019 UNAUDITED OPERATING STATISTICS

Hong Kong, 10 May 2019 At its Annual General Meeting held today, The Hongkong and Shanghai Hotels, Limited (HSH) disclosed its unaudited first quarter operating statistics for 2019.

Commenting on the year-to-date results, HSH Managing Director and Chief Executive Officer Mr Clement K.M. Kwok said, “We have experienced a soft first quarter in terms of operating results for our hotels, reflecting the seasonal nature of the hotel industry. In Hong Kong, average rates increased slightly although RevPAR and occupancy decreased. Our commercial properties division, which includes the Peak Complex and The Repulse Bay, provided a stable income with high occupancy levels and improved yield for residential.

The Peninsula Hotels

The Peninsula Hong Kong achieved a 2% increase in average room rates compared with the same period last year, although there was a 10pp decrease in occupancy. We were pleased to report average room rates for our hotels in USA and Europe increased by 3% with improved results achieved by The Peninsula Paris and The Peninsula Chicago. Occupancy increased by 2pp in our other hotels in Asia.

Commercial Properties

Residential Leasing: Occupancy at The Repulse Bay Complex was robust, increasing 2pp compared with the same period last year. Although rents in the luxury sector in Hong Kong remain under pressure, the outlook for the rest of the year remains stable.

Shopping Arcades: The shopping arcades in The Peninsula Hotels, The Peak Tower and The Repulse Bay continue to attract premium brands, although yield declined by 3% due to a softer luxury retail market in Hong Kong.

Offices: Yield from the Group’s office leasing increased by 7% year-on-year, and occupancy was 100% due to a strong performance from The Peninsula Office Tower and St. John’s Building, located in Hong Kong.

Outlook and Developments

We believe the hotel industry is cyclical and despite the softer quarterly results, we are cautiously optimistic for the Hong Kong tourism market for the rest of the year. The Hong Kong market in terms of high-end residential lettings is stable although retail rental income remains uncertain.

The planned upgrade project for the Peak Tram is now under way and the Tram is undergoing a temporary period of suspension for around three months, which will affect our results during the second quarter.

Construction of The Peninsula London is progressing well. The topping out ceremony for the building will be held in June 2019 and the completion date is currently scheduled for 2021. Progress continues on the construction of The Peninsula Istanbul and The Peninsula Yangon, which are also expected to open in 2021.”

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About The Hongkong and Shanghai Hotels, Limited (HSH)

Incorporated in 1866 and listed on the Hong Kong Stock Exchange (00045), The Hongkong and Shanghai Hotels, Limited is the holding company of a Group which is engaged in the ownership, development, and management of prestigious hotels and commercial and residential properties in key locations in Asia, the United States and Europe, as well as the provision of tourism and leisure, club management and other services. The Peninsula Hotels portfolio comprises The Peninsula Hong Kong, The Peninsula Shanghai, The Peninsula Beijing, The Peninsula Tokyo, The Peninsula Bangkok, The Peninsula Manila, The Peninsula New York, The Peninsula Chicago, The Peninsula Beverly Hills, and The Peninsula Paris. Projects under development include The Peninsula London, The Peninsula Yangon and The Peninsula Istanbul. The property portfolio of the Group includes The Repulse Bay Complex, The Peak Tower and St. John’s Building in Hong Kong; The Landmark in Ho Chi Minh City, Vietnam; and 21 avenue Kléber in Paris, France. The clubs and services portfolio of the Group includes The Peak Tram in Hong Kong; Thai Country Club in Bangkok, Thailand; Quail Lodge & Golf Club in Carmel, California; Peninsula Clubs and Consultancy Services, Peninsula Merchandising, and Tai Pan Laundry in Hong Kong.

For further information on this release, please contact:
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