

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



THE HONGKONG AND SHANGHAI HOTELS, LIMITED
香港上海大酒店有限公司
(Incorporated in Hong Kong with limited liability)
(Stock Code: 00045)

Unaudited Operating Statistics – First Quarter of 2017

The appended unaudited operating statistics and press release contain the first quarter operating information of The Hongkong and Shanghai Hotels, Limited (the “Company”). This announcement is made pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong). The same information is dispatched to shareholders and members of the press at the Annual General Meeting of the Company held on 8 May 2017.

Shareholders and potential investors of the Company are reminded that the operating information has not been reviewed or audited by the Company’s independent auditor. Shareholders and potential investors of the Company should therefore exercise caution when dealing in the securities of the Company.

For and on behalf of the Board
The Hongkong and Shanghai Hotels, Limited
Christobelle Liao
Company Secretary

Hong Kong, 8 May 2017

As at the publication of this announcement, the Board of Directors of the Company comprises the following Directors:

Non-Executive Chairman
The Hon. Sir Michael Kadoorie

Non-Executive Deputy Chairman
Andrew Clifford Winawer Brandler

Executive Directors
Managing Director and Chief Executive Officer
Clement King Man Kwok

Chief Operating Officer
Peter Camille Borer

Chief Financial Officer
Matthew James Lawson

Non-Executive Directors
Ronald James McAulay
William Elkin Mocatta
John Andrew Harry Leigh
Nicholas Timothy James Colfer

Independent Non-Executive Directors
Dr the Hon. Sir David Kwok Po Li
Patrick Blackwell Paul
Pierre Roger Boppe
Dr William Kwok Lun Fung
Dr Rosanna Yick Ming Wong
Dr Kim Lesley Winser



THE HONGKONG AND SHANGHAI HOTELS, LIMITED
香港上海大酒店有限公司
(Incorporated in Hong Kong with limited liability)
 (Stock Code: 00045)

Unaudited Operating Statistics – First Quarter of 2017

The unaudited quarterly operating statistics of The Hongkong and Shanghai Hotels, Limited (the “Company”) for the first quarter of 2017 are as follows:

THE PENINSULA HOTELS

Occupancy Rate (%)	Number of rooms	Q1 2017	Q1 2016	Change (pp)
Hong Kong	300	76	71	5
Other Asia	1,618	68	67	1
USA and Europe	969	63	57	6

Average Room Rate (HK\$)	Number of rooms	Q1 2017	Q1 2016	Change (%)
Hong Kong	300	4,859	5,017	(3)
Other Asia	1,618	2,454	2,444	1
USA and Europe	969	5,390	5,142	5

RevPAR (HK\$)	Number of rooms	Q1 2017	Q1 2016	Change (%)
Hong Kong	300	3,684	3,568	3
Other Asia	1,618	1,673	1,631	3
USA and Europe	969	3,418	2,933	17

LEASING

Occupancy Rate (%)	Q1 2017	Q1 2016	Change (pp)
Residential	92	94	(2)
Shopping Arcades	90	93	(3)
Office	98	100	(2)

Average Monthly Yield per available square foot (HK\$)	Q1 2017	Q1 2016	Change (%)
Residential	45	46	(2)
Shopping Arcades	173	188	(8)
Office	57	56	2

The unaudited quarterly operating statistics of the Company for 2017 and 2016 are as follows:

THE PENINSULA HOTELS

Occupancy Rate (%)	Number of Rooms	2017				2016			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Hong Kong	300	76				71	65	70	81
Other Asia	1,618	68				67	65	66	72
USA and Europe	969	63				57	72	80	75

Average Room Rate (HK\$)	2017				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Hong Kong	4,859				5,017	4,548	4,589	5,148
Other Asia	2,454				2,444	2,741	2,470	2,735
USA and Europe	5,390				5,142	5,735	5,838	5,669

RevPAR (HK\$)	2017				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Hong Kong	3,684				3,568	2,976	3,195	4,147
Other Asia	1,673				1,631	1,790	1,636	1,957
USA and Europe	3,418				2,933	4,136	4,658	4,243

LEASING

Occupancy Rate (%)	2017				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Residential	92				94	95	88	89
Shopping Arcades	90				93	96	91	92
Office	98				100	100	100	100

Average Monthly Yield per available square foot (HK\$)	2017				2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Residential	45				46	47	43	43
Shopping Arcades	173				188	183	187	180
Office	57				56	56	57	57

Notes for All Operations:

1. pp = percentage points
2. () = the change is a decrease compared with last year
3. All amounts are expressed in HK\$

Notes for The Peninsula Hotels:

4. Number of rooms is the total number of guestrooms in a hotel, whether available for sale or not. Rooms available, or saleable inventory, is the total room inventory less rooms unavailable for an extended period of time and / or permanent house use rooms.
5. Occupancy Rate is the number of rooms sold / rooms available for sale.
6. Average Room Rate is the total rooms revenue / number of rooms sold.
7. RevPAR is the total rooms revenue / rooms available for sale.
8. Occupancy rates, average room rates and RevPAR are weighted averages for the hotels in each grouping.
9. The Peninsula Hotels are located in:

Hong Kong:	Hong Kong
Other Asia:	Shanghai, Beijing, Tokyo, Bangkok and Manila
USA and Europe:	New York, Chicago, Beverly Hills and Paris

Notes for Leasing:

10. Occupancy Rate is the occupied area leased / area available for lease.
11. Average Monthly Yield per available square foot is the total rental income / area available for lease.
12. Occupancy rates are weighted averages based on the area available in each grouping.
13. The Group's most significant shopping arcades are located in The Peninsula Hotels in Hong Kong, Shanghai, Beijing, New York, as well as The Repulse Bay Complex and The Peak Tower.
14. The operating statistics do not include information for operations whose results are not material in the Group context: The Landmark, Vietnam; The Peninsula Residences, Shanghai; and 21 avenue Kléber, Paris. The operating statistics also do not include information for 1-5 Grosvenor Place, London because of the planned redevelopment.

Shareholders and potential investors of the Company are reminded that the above operating information has not been reviewed or audited by the Company's independent auditor. Shareholders and potential investors of the Company should therefore exercise caution when dealing in the securities of the Company.



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

8 MAY, 2017

FIRST QUARTER 2017 UNAUDITED OPERATING STATISTICS

Hong Kong, 8 May 2017 At its Annual General Meeting held today, The Hongkong and Shanghai Hotels, Limited (HSH) disclosed its unaudited first quarter operating statistics for 2017.

Commenting on the year-to-date results, HSH Managing Director and Chief Executive Officer Mr Clement K.M. Kwok said, “The first quarter results were generally in line with our expectations and reflected the seasonal nature of the hotel industry. We have experienced a satisfactory start to our business in 2017 and are pleased to report an improved business environment in Hong Kong. Our first quarter results continued to be impacted by the renovations at The Peninsula Beijing, which will be completed by mid-2017, and we will work hard to drive revenue and contain costs across our operations for the remainder of the year.

The Peninsula Hotels

The Peninsula Hong Kong reported an increase in occupancy of 5pp and a 3% increase in RevPAR as compared with the same period last year, reflecting the improving tourism environment in Hong Kong.

We were pleased to report a 17% increase in RevPAR for the USA and Europe, driven by a strong performance from our newly renovated Peninsula hotel in Chicago. The rest of Asia was stable although results were impacted by the renovation project at The Peninsula Beijing which will be completed this year, offering a spectacular new all-suite hotel product and transformed public areas.

Commercial Properties

Residential Leasing: Occupancy at The Repulse Bay Complex remained stable although rents in the luxury sector in Hong Kong are under some pressure and the outlook for the rest of the year remains uncertain.

Shopping Arcades: The shopping arcades in The Peninsula Hotels, The Peak Tower and The Repulse Bay continue to be popular with premium brands for retail space. The Peak Tower and The Repulse Bay are almost fully occupied. The Shopping Arcades yield reduced by 8% year-on-year. We are working with our retail tenants to develop new promotional strategies to help drive traffic to our arcades.

Offices: Yield from the Group’s office leasing increased by 2% year-on-year, due to the increased occupancy and average rental rates in The Peninsula Office Tower and St. John’s Building, located in Hong Kong.

Outlook and Developments

We have experienced a satisfactory start to our business in 2017. For the first half, our operating results will remain adversely affected by the continuing renovation to The Peninsula Beijing, which will result in a significantly improved product with the largest rooms in Beijing and our signature Peninsula in-room technology in 11 languages.

We are cautiously optimistic for the Hong Kong tourism market in 2017, although the Hong Kong market in terms of high-end residential lettings and retail rental income remains uncertain. Our business has been stable, mainly due to the steady returns of our property leasing business, with our residential apartments and commercial arcades holding up well.

We believe that the smaller, exclusive and high-end nature of the retail outlets at The Peninsula Hong Kong, as well as our luxury residential product at The Repulse Bay Complex, especially our recently fully renovated and enlarged apartments at the de Ricou tower, have been key to maintaining demand for those properties.

In the US, the economic outlook is positive and The Peninsula Chicago is now the RevPAR leader in that city after its renovation which was completed in 2016. The Peninsula Beverly Hills is experiencing strong demand.

We are pleased to have made good progress with our partners in the ongoing development of our three projects in London, Istanbul and Yangon. The Peninsula Yangon groundbreaking ceremony was held in February 2017, construction is well underway at The Peninsula Istanbul, and demolition has started on the site of The Peninsula London.

We remain confident that our long-term growth is underpinned by a strong balance sheet comprising valuable high quality assets coupled with a low level of gearing.”

* * * * *

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; 1-5 Grosvenor Place in London, UK, 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:
The Hongkong and Shanghai Hotels, Limited

Lynne Mulholland Director, Corporate Affairs Tel: (852) 2840 7152 / 6718 8219 Email: lynnemulholland@peninsula.com	Lilian Lau Manager, Corporate Affairs Tel: (852) 2840 7743 / 9611 0502 Email: lilianlau@peninsula.com
--	---

Websites: www.hshgroup.com www.peninsula.com

End-