

ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2010

The Board of Directors of Shangri-La Hotels (Malaysia) Berhad wishes to announce the following :-

AUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

	3 months ended		12 months ended	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
	RM'000	RM'000	RM'000	RM'000
Revenue	111,359	105,273	422,002	367,371
Operating profit before exceptional item	20,534	14,190	95,626	56,748
Exceptional item	-	-	-	-
Operating profit after exceptional item	20,534	14,190	95,626	56,748
Interest expense	(1,181)	(1,312)	(5,057)	(5,005)
Interest income	94	51	262	190
Share of results of an associated company	234	104	451	(428)
Profit before tax	19,681	13,033	91,282	51,505
Tax expense	(3,785)	(1,238)	(11,785)	(7,278)
Profit for the period/year	15,896	11,795	79,497	44,227
<u>Attributable to:</u>				
Shareholders of the Company	14,037	9,407	69,959	35,353
Minority interests	1,859	2,388	9,538	8,874
	15,896	11,795	79,497	44,227
Basic Earnings per Ordinary Share (sen)	3.19	2.14	15.90	8.03
Diluted Earnings per Ordinary Share (sen)	NA	NA	NA	NA

(The audited Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009)

NA - not applicable

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AUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months ended		12 months ended	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
	RM'000	RM'000	RM'000	RM'000
Profit for the period/year	15,896	11,795	79,497	44,227
Other comprehensive income/(expense) for the period/year	-	-	-	-
Total comprehensive income for the period/year	15,896	11,795	79,497	44,227
<u>Attributable to:</u>				
Shareholders of the Company	14,037	9,407	69,959	35,353
Minority interests	1,859	2,388	9,538	8,874
	15,896	11,795	79,497	44,227

(The audited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009)

**ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
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AUDITED CONDENSED CONSOLIDATED BALANCE SHEET

	As at 31.12.2010 RM'000	As at 31.12.2009 # RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	745,351	778,187
Investment properties	266,846	266,600
Interest in associates	10,291	8,888
Property development expenditure	12,240	12,215
	<u>1,034,728</u>	<u>1,065,890</u>
Current assets		
Inventories	8,754	9,230
Trade and other receivables, prepayments and deposits	24,796	29,420
Tax recoverable	3,246	11,194
Cash and cash equivalents	17,200	19,376
	<u>53,996</u>	<u>69,220</u>
Total assets	<u>1,088,724</u>	<u>1,135,110</u>
EQUITY		
Capital and reserves		
Share capital	440,000	440,000
Reserves	351,834	308,275
Total equity attributable to shareholders of the Company	<u>791,834</u>	<u>748,275</u>
Minority interests	78,610	69,632
Total equity	<u>870,444</u>	<u>817,907</u>
LIABILITIES		
Non-current liabilities		
Long-term borrowings	46,258	87,686
Retirement benefits	12,878	12,334
Deferred tax liabilities	16,845	14,474
	<u>75,981</u>	<u>114,494</u>
Current liabilities		
Trade and other payables and accruals	81,414	101,663
Short-term borrowings	59,952	100,660
Current tax liabilities	933	386
	<u>142,299</u>	<u>202,709</u>
Total liabilities	<u>218,280</u>	<u>317,203</u>
Total equity and liabilities	<u>1,088,724</u>	<u>1,135,110</u>
Net Assets per Ordinary Share (RM)	1.80	1.70
Attributable to Shareholders of the Company		

The comparative balance sheet at 31.12.2009 has been restated to take into account the retrospective reclassification of the Group's leasehold lands from prepaid lease payments to property, plant and equipment in accordance with the amendments to FRS 117 *Leases*, adopted by the Group with effect from 1.1.2010. Please refer to Note A1 for details.

(The audited Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009)

**ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
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AUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2010

<i>All figures in RM'000</i>	<u>Attributable to Shareholders of the Company</u>			Total equity attributable to shareholders of the Company	Minority interests	Total equity
	Share capital	Share premium	Retained earnings			
	← Non-distributable →		← Distributable →			
Balance at 1 January 2009	440,000	104,501	194,821	739,322	61,318	800,640
Net profit for the year	-	-	35,353	35,353	8,874	44,227
Other comprehensive income/(expense) for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	35,353	35,353	8,874	44,227
Dividends paid						
- Final dividend for the financial year ended 31.12.2008 paid on 30.6.2009	-	-	(16,500)	(16,500)	-	(16,500)
- Interim dividend for the financial year ended 31.12.2009 paid on 24.11.2009	-	-	(9,900)	(9,900)	-	(9,900)
Dividend paid to minority shareholder of a subsidiary	-	-	-	-	(560)	(560)
Balance at 31 December 2009	440,000	104,501	203,774	748,275	69,632	817,907
Balance at 1 January 2010	440,000	104,501	203,774	748,275	69,632	817,907
Net profit for the year	-	-	69,959	69,959	9,538	79,497
Other comprehensive income/(expense) for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	69,959	69,959	9,538	79,497
Dividends paid						
- Final dividend for the financial year ended 31.12.2009 paid on 29.6.2010	-	-	(16,500)	(16,500)	-	(16,500)
- Interim dividend for the financial year ended 31.12.2010 paid on 26.11.2010	-	-	(9,900)	(9,900)	-	(9,900)
Dividend paid to minority shareholder of a subsidiary	-	-	-	-	(560)	(560)
Balance at 31 December 2010	440,000	104,501	247,333	791,834	78,610	870,444

(The audited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009)

**ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
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AUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 December 2010

	31.12.2010 RM'000	31.12.2009 RM'000
Profit before tax	91,282	51,505
Adjustments for non-cash flow:-		
Non-cash items	53,482	54,631
Non-operating items	4,795	4,815
Operating profit before changes in working capital	149,559	110,951
Changes in working capital		
Net change in current assets	4,872	4,108
Net change in current liabilities	(19,427)	29,214
Cash generated from operations	135,004	144,273
Income taxes paid	(919)	(5,313)
Retirement benefits paid	(844)	(937)
Net cash inflow from operating activities	133,241	138,023
Investing activities		
Interest income received	262	190
Purchase of property, plant and equipment	(22,235)	(121,774)
Expenditure on property development	(25)	(28)
Net cash outflow from investing activities	(21,998)	(121,612)
Financing activities		
Dividends paid to shareholders of the Company	(26,400)	(26,400)
Dividends paid to minority shareholder of a subsidiary	(560)	(560)
(Repayment)/Drawdown of loans	(80,208)	11,537
Interest expense paid	(5,057)	(5,373)
Drawdown/(Repayment) of loans to an associate	(952)	1,060
Net cash outflow from financing activities	(113,177)	(19,736)
Net decrease in cash & cash equivalents	(1,934)	(3,325)
Cash & cash equivalents at beginning of the year	19,134	22,459
Cash & cash equivalents at end of financial year	17,200	19,134
Cash and cash equivalents at end of financial year	17,200	19,134
Bank overdraft at end of financial year	-	242
Cash & cash equivalents in the consolidated balance sheet	17,200	19,376

(The audited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2009)

SHANGRI-LA HOTELS (MALAYSIA) BERHAD
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NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134 ("FRS 134")

A1 Accounting Policies

The financial statements of the Group for the current reporting period have been prepared in accordance with FRS 134 - Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Malaysia"), and should be read in conjunction with the Group's financial statements for the year ended 31 December 2009.

Except as described below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements of the Group for the year ended 31 December 2009.

With effect from 1 January 2010, the Group adopted the following new or revised financial reporting standards ("FRS"), amendments and interpretations to existing standards that are relevant to its operations and effective for annual periods beginning on or after 1 January 2010.

FRS 7 including its consequential amendments	Financial Instruments: Disclosures
FRS 8 including its consequential amendments	Operating Segments
FRS 101 (revised)	Presentation of Financial Statements
FRS 123 (revised) including its consequential amendments	Borrowing Costs
FRS 139 including its consequential amendments	Financial Instruments: Recognition and Measurement
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards
Amendments to FRS 107	Statement of Cash Flows
Amendments to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to FRS 110	Events after the Reporting Period
Amendments to FRS 116	Property, Plant and Equipment
Amendments to FRS 117	Leases
Amendments to FRS 118	Revenue
Amendments to FRS 119	Employee Benefits
Amendments to FRS 127	Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendments to FRS 128	Investments in Associates
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 134	Interim Financial Reporting
Amendments to FRS 136	Impairment of Assets
Amendments to FRS 140	Investment Property
IC Interpretation 10	Interim Financial Reporting and Impairment

The adoption of the above new or revised FRS, amendments and interpretations to existing standards did not result in any substantial change to the Group's accounting policies nor any significant impact on the Group's financial statements. The principle effects of these changes are set out below.

FRS 8 – Operating Segments

FRS 8 supersedes FRS 114, *Segment Reporting* and requires disclosure of financial and descriptive information about an entity's reportable operating segments on the basis of internal reports that are regularly provided to the chief operating decision maker for the purposes of assessing segment performances and allocation of resources.

The Group has determined that its reportable operating segments are the same as the business segments previously identified under FRS 114, and that they are consistent as that used for internal reporting purposes and provided to the Group's chief operating decision maker.

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NOTES PURSUANT TO FRS 134

A1 Accounting Policies (cont'd)

FRS 101 – Presentation of Financial Statements

The revised FRS 101 separates owner and non-owner changes in equity. The statement of changes in equity shall include only the details of transactions with owners, with all non-owner changes in equity presented separately.

In addition, the standard introduces the statement of comprehensive income, which presents income and expense items recognised in the profit and loss, together with all other items of recognised income and expenses (*that is* “non-owner changes in equity”). An entity can either choose to present one statement of consolidated comprehensive income or two statements, namely the consolidated income statement and statement of comprehensive income. The Group has chosen to present two statements.

This change in presentation of financial statements has no effect on reported profit or loss, total income and expense or net assets of the Group for any period presented.

Amendments to FRS 117 – Leases

The Group has applied the amended FRS 117 retrospectively, which requires leasehold lands classified as finance leases and operating leases to be accounted for under property, plant and equipment (“PP&E”) and prepaid lease payments respectively.

In line with the requirements of the amended FRS 117, the Group has determined that its leasehold lands are finance leases and have therefore, reclassified its leasehold lands with a carrying amount of RM19.206 million at 31 December 2009 from prepaid lease payments to PP&E. Consequently, the Group’s PP&E as at 31 December 2009 has been restated from RM758.981 million to RM778.187 million, an increase of RM19.206 million.

FRS 139 – Financial Instruments: Recognition and Measurement

The new FRS 139 deals with the recognition and measurement of financial instruments covering both financial assets and liabilities. This change in accounting policy has been adopted prospectively on 1 January 2010. There has been no impact on the Group’s financial statements on initial adoption of FRS 139.

Following the adoption of FRS 139, the Group’s financial assets (namely shareholders’ loans to associated companies and trade and other receivables) and financial liabilities (namely bank borrowings and trade and other payables) are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method. Prior to 1 January 2010, the Group’s financial assets were stated at cost less allowance for doubtful debts, whilst financial liabilities were stated at cost.

Other Revised FRS and Amendments to Existing Standards Not Yet Adopted by the Group

The following revised FRS and amendments to existing standards issued by MASB, which are relevant to the Group’s operations, have not yet been adopted by the Group. These revised FRS and amendments are effective for annual periods beginning on or after 1 March 2010 or later periods:-

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations
FRS 124	Related Party Disclosures
FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures and Additional Exemptions for First-time Adopters
Amendments to FRS 3	Business Combinations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 101	Presentation of Financial Statements
Amendments to FRS 121	The Effects of Changes in Foreign Exchange Rates

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NOTES PURSUANT TO FRS 134

A1 Accounting Policies (cont'd)

Other Revised FRS and Amendments to Existing Standards Not Yet Effective (cont'd)

Amendments to FRS 128	Investments in Associates
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 134	Interim Financial Reporting
Amendments to FRS 139	Financial Instruments: Recognition & Measurement

The adoption of the above revised FRS and amendments to existing standards are not expected to have any material impact on the Group's financial statements.

A2 Seasonal or Cyclical Factors

The business operations of the Group have not been materially affected by seasonal or cyclical factors during the financial year ended 31 December 2010.

A3 Unusual Items affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the financial year ended 31 December 2010.

A4 Material Changes in Estimates

There were no changes in estimates of amounts reported in prior interim periods or changes in estimates of amounts reported in prior financial years, which have a material effect on the financial statements for the fourth quarter ended 31 December 2010.

A5 Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the financial year ended 31 December 2010.

A6 Dividends paid

A final dividend of 5% or 5 sen per share less tax at 25% for the financial year ended 31 December 2009 amounting to RM16.500 million was paid on 29 June 2010. An interim dividend of 3% or 3 sen per share less tax at 25% amounting to RM9.900 million for the year ended 31 December 2010 was paid on 26 November 2010.

A7 Segmental Reporting

The segmental analysis of the Group's results and assets are set out below.

For the year ended 31 December 2010 <i>(All figures in RM'000)</i>	Hotels & Resorts	Investment Properties	Others	Inter-segment Elimination	Consolidated Total
<u>Segment Revenue</u>					
Revenue from external customers	398,421	21,716	1,865	-	422,002
Inter-segment revenue	24,260	1,901	3,304	(29,465)	-
Total revenue	422,681	23,617	5,169	(29,465)	422,002
<u>Segment Results</u>					
Operating profit	96,975	14,368	(6,097)	(9,620)	95,626
Interest expense	(5,884)	-	(136)	963	(5,057)
Interest income	931	214	80	(963)	262
Share of results of an associated company	451	-	-	-	451
Profit before tax	92,473	14,582	(6,153)	(9,620)	91,282

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NOTES PURSUANT TO FRS 134

A7 Segmental Reporting (cont'd)

As at 31 December 2010 (All figures in RM'000)	Hotels & Resorts	Investment Properties	Others	Inter-segment Elimination	Consolidated Total
Segment assets	933,996	254,879	14,234	(124,676)	1,078,433
Interest in associates	10,291	-	-	-	10,291
Total assets	944,287	254,879	14,234	(124,676)	1,088,724

A8 Material Events Subsequent to the End of the Current Financial Period

In the opinion of the Directors, there was no item or event of a material or unusual nature which has occurred between 31 December 2010 and the date of this report that would materially affect the results of the Group for the financial year ended 31 December 2010.

A9 Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial year ended 31 December 2010.

A10 Changes in Contingent Liabilities or Contingent Assets

There have been no changes in the contingent liabilities or assets of the Group since the last annual balance sheet date as at 31 December 2009 to the date of this report.

A11 Capital Commitments

Capital commitments for property, plant and equipment and investment properties not provided for as at 31 December 2010 are as follows:-

	RM'000
Authorised and contracted for	6,676
Authorised but not contracted for	69,408
	<u>76,084</u>

A12 Related Party Transactions

Year ended 31.12.2010

RM'000

Transactions with subsidiaries of the ultimate holding company

Payment of management, marketing and reservation fees to Shangri-La International Hotel Management Ltd and Shangri-La International Hotel Management Pte Ltd, wholly-owned subsidiaries of Shangri-La Asia Limited 12,748

Transactions with a corporation in which Mdm Kuok Oon Kwong, a Director of the Company, has indirect financial interests

- Payment of insurance premium to Jerneh Insurance Berhad 2,444
- Payment of project management fees to PPB Hartabina Sdn Bhd 213

Transaction with an associate of the Group

Additional loans granted by Madarac Corporation, the Group's wholly-owned subsidiary incorporated in the British Virgin Islands to its associated company in Myanmar 952

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NOTES REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF
APPENDIX 9B

B1 Review of Group Results Full Year 2010 vs Full Year 2009

For the twelve months ended 31 December 2010, Group revenue increased by 15% to RM422.002 million from RM367.371 million in the year ended 31 December 2009.

Consequently, Group profit before tax for the year rose by 77% to RM91.282 million from RM51.505 million in 2009. The Group's profit after tax attributable to shareholders for the full year 2010 was RM69.959 million, an increase of 98% compared with RM35.353 million in the previous year.

Overall, the financial results of the Group for 2010 largely benefited from a strong improvement in the operating performances of Shangri-La Hotel Kuala Lumpur and Golden Sands Resort, following the completion of major renovations to their guestrooms and facilities in late 2009.

Revenue from Shangri-La Hotel Kuala Lumpur grew by 26% in the year to RM145.209 million, reflecting stronger business levels in both rooms and food and beverage operations. The hotel's occupancy improved to 59% from 38% in the previous year. For 2010, the hotel made a pre-tax profit of RM18.769 million compared with RM2.245 million in 2009.

Golden Sands Resort posted a revenue increase of 67% to RM48.334 million, buoyed by a healthy growth in occupancy and average room rates. Room occupancy at the resort rose from 41% in 2009 to 65%, while its average room rate increased by 8% over 2009. The resort closed the year with a pre-tax profit of RM10.477 million versus a loss of RM5.476 million for 2009.

In Sabah, Rasa Ria Resort delivered a good result, recording a growth of 7% in revenue to RM100.600 million, with pre-tax profit up 9% to RM34.421 million against RM31.704 million in 2009. The resort raised its occupancy to 74%, along with an average room rate increase of 7% on last year.

The performance of Traders Hotel Penang also improved over 2009, supported by increased business from the corporate market. The hotel saw its revenue grow by 6% to RM32.299 million, with pre-tax profit rising to RM4.265 million from RM3.407 million in 2009. The hotel's occupancy for 2010 was 72%, up from 66% in the prior year.

At Rasa Sayang Resort, a drop in leisure arrivals from its key long haul markets led to a reduced occupancy level of 60% against 63% in 2009, with revenue down by 4% to RM67.713 million from RM70.621 million last year. Despite lower revenue, the resort was able to achieve a higher operating profit of RM15.874 million as compared to RM15.132 million for 2009, due to a write-back of prior years' cost provisions for property assessments no longer required.

The investment properties of the Group achieved a total combined rental revenue of RM23.617 million, 4% lower than RM24.552 million recorded in 2009, and their combined pre-tax profit decreased to RM14.582 million from RM15.272 million the previous year.

In the twelve months to 31 December 2010, the Group's share of results from Traders Hotel Yangon, its 23.53% associate hotel in Myanmar was a profit of RM0.451 million compared with a loss of RM0.428 million for 2009.

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NOTES REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF
APPENDIX 9B

B2 Comparison of Group Results 4th Quarter 2010 vs 3rd Quarter 2010

Group revenue for the fourth quarter ended 31 December 2010 reduced to RM111.359 million from RM111.946 million in the third quarter ended 30 September 2010. The Group's pre-tax profit in the fourth quarter was RM19.681 million, a decrease of 32% over the third quarter of 2010.

These reductions were mostly due to the lower operating results of Rasa Ria Resort and Golden Sands Resort, mitigated in part by higher revenue and profit contributions from Shangri-La Hotel Kuala Lumpur and Traders Hotel Penang.

At Rasa Ria Resort, occupancy during the fourth quarter fell to 70% against 83% in the three months to 30 September 2010, contributing to an overall 19% drop in revenue from RM29.509 million to RM23.830 million. For Golden Sands Resort, occupancy declined from 77% to 70%, with revenue down by 8% to RM13.197 million. Revenue from Rasa Sayang Resort also showed a decline in line with a lower occupancy level of 59% as compared to 64% for the third quarter 2010.

On the other hand, Shangri-La Hotel Kuala Lumpur recorded a revenue improvement of 13% over the 2010 third quarter to RM40.416 million, lifted mainly by good growth in food and beverage sales. At the same time, Traders Hotel Penang enjoyed a higher occupancy of 84% versus 72% for the third quarter 2010, with revenue up by 22% to RM9.693 million.

In the last three months of 2010, the combined rental revenue from the Group's investment properties in Kuala Lumpur decreased by 5% to RM5.654 million compared with RM5.971 million in the third quarter ended 30 September 2010.

B3 Prospects for 2011

The outlook for the Group's hotel business and the industry as a whole in 2011 appears encouraging.

With the continuing steady rebound in business and leisure travel, the Group's hotels and resorts should experience better occupancy levels, although they continue to see a sluggish pace of recovery from their key long haul travel markets in Europe, notably the UK due to ongoing economic weakness in much of that region. Nevertheless, the Group's hotels and resorts are strongly placed to benefit from any improvements in market conditions.

To stay ahead of competition, Rasa Ria Resort in Sabah will be embarking on a renovation programme for its guestrooms in the Garden Wing during 2011. Inevitably, this major renovation work will have a negative impact on the business levels and revenue of the resort in 2011 owing to a reduction in the number of rooms available for sale.

Whilst demand trends in the property rental market in Kuala Lumpur are expected to remain broadly stable through 2011, occupancy and rental rates of the Group's investment properties are likely to come under increasing competitive pressures given the prevailing large oversupply.

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NOTES REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF APPENDIX 9B

B4 Variance on Profit Forecast / Profit Guarantee

Not applicable.

B5 Taxation

The tax charge of the Group for the financial year under review is as follows:-

	3 months ended		12 months ended	
	31.12.2010 RM'000	31.12.2009 RM'000	31.12.2010 RM'000	31.12.2009 RM'000
Current taxation				
- Company and subsidiaries	2,032	815	11,000	4,366
Deferred taxation	4,752	1,515	5,418	4,106
Over provision in respect of prior years				
- Company and subsidiaries	(2,999)	(1,092)	(4,633)	(1,194))
	3,785	1,238	11,785	7,278

The effective tax rate for the year ended 31 December 2010 was 13% compared with the statutory tax rate of 25%, primarily reflecting the availability of Investment Tax Allowance ("ITA") incentive in a subsidiary of the Group.

B6 Sale of Unquoted Investments and/or Properties

There were no sales of unquoted investments and/or properties during the financial year ended 31 December 2010.

B7 Quoted Securities

- (a) There were no purchases or disposals of quoted securities during the financial year ended 31 December 2010.
- (b) There were no investments in quoted securities as at 31 December 2010.

B8 Status of Corporate Proposals

There were no corporate proposals and unutilised proceeds raised from any corporate proposals as at the date of this report.

B9 Group Borrowings and Debt Securities

The Group borrowings as at 31 December 2010 comprise the following:-

	Short Term RM'000	Long Term RM'000	Total RM'000
Secured	-	-	-
Unsecured	59,952*	46,258	106,210
	59,952*	46,258	106,210

* Amounts drawdown include HKD38.849 million from an offshore bank in Labuan.

There were no debt securities in the financial year ended 31 December 2010.

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FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2010

NOTES REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF APPENDIX 9B

B10 Financial Instruments

Derivatives

There were no outstanding derivative financial instruments as at 31 December 2010.

Gains/losses arising from fair value changes of financial liabilities

There were no gains/losses arising from fair value changes of financial liabilities for the financial year ended 31 December 2010.

B11 Changes in Material Litigation

There was no material litigation pending as at the date of this report.

B12 Dividend

The Directors are recommending a final dividend of 6% or 6 sen per share less tax of 25% (2009: final dividend of 5% or 5 sen per share less tax of 25%) in respect of the financial year ended 31 December 2010 for approval by shareholders at the forthcoming Annual General Meeting of the Company to be held on Friday, 20 May 2011.

This proposed final dividend, together with the interim dividend of 3% or 3 sen per share less tax of 25% paid on 26 November 2010, will give a total dividend of 9% or 9 sen less tax, for the financial year ended 31 December 2010 (2009: 8% or 8 sen less tax). The proposed final dividend, if approved at the Annual General Meeting will be paid on Thursday, 30 June 2011.

NOTICE IS HEREBY GIVEN that the final dividend will be payable to shareholders whose names appear on the Record of Depositors on Thursday, 2 June 2011.

A Depositor shall qualify for entitlement to the dividend only in respect of:-

- (i) Shares transferred into the Depositor's securities account before 4.00 p.m. on Thursday, 2 June 2011 in respect of transfers.
- (ii) Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.

B13 Earnings per Share

The basic earnings per ordinary share for the financial year ended 31 December 2010 has been calculated as follows:-

	3 months ended		12 months ended	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Profit attributable to shareholders of the Company (RM'000)	14,037	9,407	69,959	35,353
No. of ordinary shares in issue ('000)	440,000	440,000	440,000	440,000
Basic Earnings Per Share (sen)	3.19	2.14	15.90	8.03

Diluted Earnings per Share

Not applicable.

SHANGRI-LA HOTELS (MALAYSIA) BERHAD
(10889-U)
(Incorporated in Malaysia)

ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2010

NOTES REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF APPENDIX 9B

B14 Realised and Unrealised Profits/Losses

	As at 31.12.2010 RM'000	As at 30.09.2010 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	178,455	187,653
- Unrealised	58,702	60,361
	237,157	248,014
Total share of accumulated losses in an associated company		
- Realised	(54,067)	(54,301)
- Unrealised	-	-
	183,090	193,713
Add : Consolidated adjustments	64,243	39,583
Total Group retained profits	247,333	233,296

B15 Audit Report of the Group's preceding annual Financial Statements

There was no qualification in the audit report of the Group's financial statements for the year ended 31 December 2009.

Kuala Lumpur
25 February 2011

By Order of the Board
Datin Rozina Mohd Amin
Company Secretary