

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

ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2013

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

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

	3 months ended		3 months ended	
	31.3.2013	31.3.2012	31.3.2013	31.3.2012
	RM'000	RM'000	RM'000	RM'000
Revenue	127,504	109,127	127,504	109,127
Operating profit before exceptional item	34,002	24,874	34,002	24,874
Exceptional item	-	-	-	-
Operating profit after exceptional item	34,002	24,874	34,002	24,874
Interest expense	(311)	(573)	(311)	(573)
Interest income	123	72	123	72
Share of results of an associated company	887	710	887	710
Profit before tax	34,701	25,083	34,701	25,083
Tax expense	(8,905)	(6,208)	(8,905)	(6,208)
Profit for the period	25,796	18,875	25,796	18,875
<u>Attributable to:</u>				
Shareholders of the Company	23,829	18,406	23,829	18,406
Minority interests	1,967	469	1,967	469
	25,796	18,875	25,796	18,875
Basic Earnings per Ordinary Share (sen)	5.42	4.18	5.42	4.18
Diluted Earnings per Ordinary Share (sen)	NA	NA	NA	NA

(The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2012)

NA - not applicable

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months ended		3 months ended	
	31.3.2013	31.3.2012	31.3.2013	31.3.2012
	RM'000	RM'000	RM'000	RM'000
Profit for the period	25,796	18,875	25,796	18,875
Other comprehensive income/(expense) for the period	-	-	-	-
Total comprehensive income for the period	25,796	18,875	25,796	18,875
<u>Attributable to:</u>				
Shareholders of the Company	23,829	18,406	23,829	18,406
Minority interests	1,967	469	1,967	469
	25,796	18,875	25,796	18,875

(The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2012)

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

	As at 31.3.2013 RM'000	As at 31.12.2012 RM'000 (Restated)	As at 1.1.2012 RM'000 (Restated)
ASSETS			
Non-current assets			
Property, plant and equipment	725,983	730,885	731,059
Investment properties	269,280	269,280	266,899
Interest in associates	51,613	50,726	16,723
Property development expenditure	12,286	12,286	12,286
Deferred tax assets	1,207	2,127	5,580
	<u>1,060,369</u>	<u>1,065,304</u>	<u>1,032,547</u>
Current assets			
Inventories	8,708	8,911	8,809
Trade and other receivables, prepayments and deposits	31,248	29,138	23,938
Tax recoverable	673	1,061	1,765
Cash and cash equivalents	30,246	27,605	21,655
	<u>70,875</u>	<u>66,715</u>	<u>56,167</u>
Total assets	<u>1,131,244</u>	<u>1,132,019</u>	<u>1,088,714</u>
EQUITY			
Capital and reserves			
Share capital	440,000	440,000	440,000
Reserves	452,761	428,932	393,721
Total equity attributable to shareholders of the Company	<u>892,761</u>	<u>868,932</u>	<u>833,721</u>
Minority interests	88,281	86,314	82,817
Total equity	<u>981,042</u>	<u>955,246</u>	<u>916,538</u>
LIABILITIES			
Non-current liabilities			
Long-term borrowings	-	-	5,306
Retirement benefits	15,316	15,058	14,663
Deferred tax liabilities	17,375	15,540	11,675
	<u>32,691</u>	<u>30,598</u>	<u>31,644</u>
Current liabilities			
Trade and other payables and accruals	60,777	83,042	75,887
Short-term borrowings	53,592	60,054	63,892
Current tax liabilities	3,142	3,079	753
	<u>117,511</u>	<u>146,175</u>	<u>140,532</u>
Total liabilities	<u>150,202</u>	<u>176,773</u>	<u>172,176</u>
Total equity and liabilities	<u>1,131,244</u>	<u>1,132,019</u>	<u>1,088,714</u>
Net Assets per Ordinary Share (RM) Attributable to Shareholders of the Company	2.03	1.97	1.89

The Group's balance sheets at 31 December 2012 and 1 January 2012 have been restated to take into account the retrospective application of the revised MFRS 119 - Employee Benefits, which came into effect on 1 January 2013. A detailed explanation is provided in note A1.1.

(The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2012)

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ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2013UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the three months ended 31 March 2013

All figures in RM'000	Attributable to Shareholders of the Company			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 2012, as previously reported	440,000	104,501	290,126	834,627	82,855	917,482
Effect of adopting revised MFRS 119 - Employee Benefits	-	-	(906)	(906)	(38)	(944)
Balance at 1 January 2012, as restated	440,000	104,501	289,220	833,721	82,817	916,538
Net profit for the period	-	-	18,406	18,406	469	18,875
Other comprehensive income/(expense) for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	18,406	18,406	469	18,875
Balance at 31 March 2012, as restated	440,000	104,501	307,626	852,127	83,286	935,413
Balance at 1 January 2013, as previously reported	440,000	104,501	324,455	868,956	86,563	955,519
Effect of adopting revised MFRS 119 - Employee Benefits	-	-	(24)	(24)	(249)	(273)
Balance at 1 January 2013, as restated	440,000	104,501	324,431	868,932	86,314	955,246
Net profit for the period	-	-	23,829	23,829	1,967	25,796
Other comprehensive income/(expense) for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	23,829	23,829	1,967	25,796
Balance at 31 March 2013	440,000	104,501	348,260	892,761	88,281	981,042

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2012)

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ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
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UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For the 3 months ended 31 March 2013

	31.3.2013 RM'000	31.3.2012 RM'000
Profit before tax	34,701	25,083
Adjustments for non-cash flow:-		
Non-cash items	14,060	11,844
Non-operating items	188	501
Operating profit before changes in working capital	<u>48,949</u>	<u>37,428</u>
Changes in working capital		
Net change in current assets	(1,907)	(3,716)
Net change in current liabilities	(22,265)	(17,910)
Cash generated from operations	<u>24,777</u>	<u>15,802</u>
Income taxes paid	(5,699)	(4,331)
Retirement benefits paid	(153)	(183)
Net cash inflow from operating activities	<u>18,925</u>	<u>11,288</u>
Investing activities		
Interest income received	123	72
Purchase of property, plant and equipment	(9,049)	(13,294)
Net cash outflow from investing activities	<u>(8,926)</u>	<u>(13,222)</u>
Financing activities		
Dividends paid to shareholders of the Company	-	-
Dividend paid to minority shareholder of a subsidiary	-	-
Repayment of loans	(7,047)	(5,688)
Interest expense paid	(311)	(573)
Net cash outflow from financing activities	<u>(7,358)</u>	<u>(6,261)</u>
Net increase/(decrease) in cash & cash equivalents	<u>2,641</u>	<u>(8,195)</u>
Cash & cash equivalents at beginning of the year	27,605	21,655
Cash & cash equivalents at end of financial period	<u>30,246</u>	<u>13,460</u>
Cash and cash equivalents at end of financial period	30,246	13,690
Bank overdraft at end of financial period	-	(230)
Cash & cash equivalents in the consolidated balance sheet	<u>30,246</u>	<u>13,460</u>

(The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2012)

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ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2013

NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (“MFRS 134”)

A1 Accounting Policies

The condensed consolidated interim financial statements of the Group for the current reporting period have been prepared in accordance with MFRS 134 - Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Malaysia”), and should be read in conjunction with the Group’s financial statements for the year ended 31 December 2012. These condensed consolidated interim financial statements also comply with IAS 34 - Interim Financial Reporting issued by the International Accounting Standards Board (“IASB”).

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 2012.

The Group adopted the following new or revised Malaysian Financial Reporting Standards (“MFRS”) and amendments to MFRS that are relevant and effective for annual periods beginning on or after 1 July 2012 or 1 January 2013.

MFRS 10	Consolidated Financial Statements
MFRS 12	Disclosure of Interests in Other Entities
MFRS 13	Fair Value Measurement
MFRS 119	Employee Benefits (IAS 19 as amended by IASB in June 2011)
MFRS 127	Separate Financial Statements (IAS 27 as amended by IASB in May 2011)
MFRS 128	Investments in Associates and Joint Ventures (IAS 28 as amended by IASB in May 2011)
Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards
Amendments to MFRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 10	Consolidated Financial Statements: Transition Guidance
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Transition Guidance
Amendments to MFRS 101	Presentation of Items of Other Comprehensive Income
Amendments to MFRS 101	Presentation of Financial Statements
Amendments to MFRS 116	Property, Plant and Equipment
Amendments to MFRS 132	Financial Instruments: Presentation
Amendments to MFRS 134	Interim Financial Reporting

The adoption of the above new or revised MFRS and amendments to MFRS did not result in any substantial change to the Group’s accounting policies nor any impact on the financial statements of the Group, except for the following:-

A1.1 Revised MFRS 119 – Employee Benefits

With effect from 1 January 2013, the Group adopted the revised MFRS 119 – Employee Benefits. The revised standard requires actuarial gains and losses to be recognised immediately in other comprehensive income and past service costs immediately in the income statement.

The Group has previously recognised actuarial gains and losses as income and expense in the income statement when the net cumulative unrecognised actuarial gains or losses exceed ten percent of the present value of the defined benefit obligation. Unvested past service costs were recognised as an expense in the income statement on a straight line basis over the average vesting period until the benefits become vested.

This change in accounting policy has been applied retrospectively in accordance with the requirements of the standard. Accordingly, the 2012 comparatives have been restated.

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NOTES PURSUANT TO MFRS 134

A1.1 Revised MFRS 119 – Employee Benefits (cont'd)

The financial effects of the Group financial statements arising from the adoption of the revised MFRS 119 are summarised below.

Consolidated Balance Sheet as at 1 January 2012

	As Previously Reported RM'000	Effect of Adopting Revised MFRS 119 RM'000	As Restated RM'000
Non-current assets			
Deferred tax assets	5,587	(7)	5,580
Total equity attributable to shareholders of the Company			
Share capital	440,000	-	440,000
Share premium	104,501	-	104,501
Retained earnings	290,126	(906)	289,220
	834,627	(906)	833,721
Minority interests	82,855	(38)	82,817
Non-current liabilities			
Retirement benefits	13,404	1,259	14,663
Deferred tax liabilities	11,997	(322)	11,675

Consolidated Balance Sheet as at 31 December 2012

	As Previously Reported RM'000	Effect of Adopting Revised MFRS 119 RM'000	As Restated RM'000
Non-current assets			
Deferred tax assets	2,142	(15)	2,127
Total equity attributable to shareholders of the Company			
Share capital	440,000	-	440,000
Share premium	104,501	-	104,501
Retained earnings	324,455	(24)	324,431
	868,956	(24)	868,932
Minority interests	86,563	(249)	86,314
Non-current liabilities			
Retirement benefits	14,694	364	15,058
Deferred tax liabilities	15,646	(106)	15,540

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NOTES PURSUANT TO MFRS 134

A1.1 Revised MFRS 119 – Employee Benefits (cont'd)

Consolidated Income Statement for the Year Ended 31 December 2012

	As Previously Reported RM'000	Effect of Adopting Revised MFRS 119 RM'000	As Restated RM'000
Operating profit before/after exceptional item	102,680	80	102,760
Profit before tax	102,390	80	102,470
Tax expense	(30,353)	(20)	(30,373)
Profit for the year	72,037	60	72,097
<u>Attributable to:</u>			
Shareholders of the Company	67,329	60	67,389
Minority interests	4,708	-	4,708
	72,037	60	72,097
Basic Earnings Per Ordinary Share (sen)	15.30	0.02	15.32

Consolidated Statement of Comprehensive Income for the Year Ended 31 December 2012

	As Previously Reported RM'000	Effect of Adopting Revised MFRS 119 RM'000	As Restated RM'000
Profit for the year	72,037	60	72,097
<u>Other comprehensive income for the year</u>			
<u>Items that will not be reclassified subsequently to income statement</u>	-	815	815
Actuarial gains on defined benefit plans	-	(204)	(204)
Deferred tax on actuarial gains	-	611	611
Total comprehensive income for the year	72,037	671	72,708
<u>Attributable to:</u>			
Shareholders of the Company	67,329	882	68,211
Minority interests	4,708	(211)	4,497
	72,037	671	72,708

Consolidated Cash Flow Statement for the Year Ended 31 December 2012

	As Previously Reported RM'000	Effect of Adopting Revised MFRS 119 RM'000	As Restated RM'000
Profit before tax	102,390	80	102,470
Adjustments for non-cash flow:-			
Non-cash items	54,601	(80)	54,521

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NOTES PURSUANT TO MFRS 134

A1.2 MFRS and Amendments Issued But Not Yet Effective

The Group has not adopted the following new MFRS and amendments to MFRS issued by the Malaysian Accounting Standards Board (“MASB”), which are relevant to the Group’s operations:-

		Effective for annual periods beginning on or after
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in November 2009 and October 2010)	1 January 2015
Amendments to MFRS 7 and MFRS 9	Disclosures – Mandatory Effective Date of MFRS 9 and Transition Disclosures	1 January 2015
Amendments to MFRS 10	Consolidated Financial Statements: Investment Entities	1 January 2014
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Investment Entities	1 January 2014
Amendments to MFRS 127	Separate Financial Statements: Investment Entities	1 January 2014
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014

The adoption of the above MFRS and amendments to MFRS are not expected to have a material impact on the financial statements of the Group.

A2 Seasonal or Cyclical Factors

The business operations of the Group have not been materially affected by seasonal or cyclical factors during the financial period ended 31 March 2013.

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 period ended 31 March 2013.

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 first quarter ended 31 March 2013.

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 period ended 31 March 2013.

A6 Dividends Paid

There was no dividend paid during the financial period ended 31 March 2013.

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**ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
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NOTES PURSUANT TO MFRS 134

A7 Segmental Reporting

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

For the quarter ended 31 March 2013 (All figures in RM'000)	Hotels & Resorts	Investment Properties	Others	Inter-segment Elimination	Consolidated Total
Segment Revenue					
Revenue from external customers	121,269	5,669	566	-	127,504
Inter-segment revenue	-	505	961	(1,466)	-
Total revenue	121,269	6,174	1,527	(1,466)	127,504
Segment Results					
Operating profit	31,522	3,694	(1,384)	170	34,002
Interest expense	(452)	-	(189)	330	(311)
Interest income	342	93	18	(330)	123
Share of results of an associated company	887	-	-	-	887
Profit before tax	32,299	3,787	(1,555)	170	34,701

As at 31 March 2013 (All figures in RM'000)	Hotels & Resorts	Investment Properties	Others	Inter-segment Elimination	Consolidated Total
Segment assets	938,866	262,249	16,007	(137,491)	1,079,631
Interest in associates	51,613	-	-	-	51,613
Total assets	990,479	262,249	16,007	(137,491)	1,131,244

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 March 2013 and the date of this report that would materially affect the results of the Group for the financial period ended 31 March 2013.

A9 Changes in the Composition of the Group

There were no changes in the composition of the Group during the financial period ended 31 March 2013.

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 2012 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 March 2013 are as follows:-

	RM'000
Authorised and contracted for	76,539
Authorised but not contracted for	78,839
	155,378

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NOTES PURSUANT TO MFRS 134

A12	Related Party Transactions	3 months ended 31.3.2013 RM'000
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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	3,992
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Transactions with corporations in which Mdm Kuok Oon Kwong, a Director of the Company, has direct or indirect financial interests

- Office rental income received from Kuok Brothers Sdn Bhd, PPB Group Berhad, PPB Oil Palms Berhad, PGEO Marketing Sdn Bhd and Chemquest Sdn Bhd	569
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NOTES REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA – PART A OF APPENDIX 9B

B1 Review of Group Results 1st Quarter 2013 vs 1st Quarter 2012

For the first three months to 31 March 2013, Group revenue rose by 17% to RM127.504 million from RM109.127 million in the corresponding period ended 31 March 2012.

Group profit before tax in the first quarter 2013 was RM34.701 million, 38% above that of RM25.083 million in 2012. In tandem, Group profit attributable to shareholders increased by 29% to RM23.829 million compared with RM18.406 million the previous year.

The Group's financial performance in the first quarter benefited largely from a strong improvement in the operating results of Rasa Ria Resort. Coupled with this, there were also better performances from all the other hotels of the Group, as well as from the investment properties in Kuala Lumpur.

In the quarter, Rasa Ria Resort achieved a higher occupancy of 77% compared with 45% in the first three months of 2012 when its Garden Wing guestrooms were under renovation. This enabled the resort to generate an increase in revenue by 75% to RM27.252 million, with pre-tax profit rising to RM7.291 million from RM0.472 million the previous year.

For Shangri-La Hotel Kuala Lumpur, revenue for the period of RM47.772 million was up by 6% on the first quarter 2012, helped by a healthy growth in both rooms and food and beverage business. The hotel made a pre-tax profit of RM12.333 million, 9% more than RM11.359 million in the first quarter last year. Occupancy of the hotel increased to 83% from 72% in 2012.

Rasa Sayang Resort also had a good quarter, delivering revenue growth of 4% over the first three months of 2012 to RM20.791 million, with pre-tax profit up 14% from RM5.601 million to RM6.381 million. The resort's occupancy was 72% versus 64% in 2012.

On the back of higher corporate demand, Traders Hotel Penang raised its occupancy to 78% from 75% in the first quarter 2012. Revenue from the hotel's operations rose by 11% to RM9.752 million, while pre-tax profit improved by 44% to RM2.124 million from RM1.475 million in the prior year.

Elsewhere, Golden Sands Resort grew revenue by 11% to RM14.423 million in line with an increased occupancy of 77% compared to 64% in the first quarter 2012. The resort recorded a pre-tax profit of RM4.483 million for the first quarter 2013, a rise of 26% from RM3.560 million in the same period of 2012.

The Group's investment properties had combined rental revenue of RM6.174 million, 15% higher than RM5.387 million in the 2012 first quarter, with an increase in combined pre-tax profit of 22% to RM3.787 million compared with RM3.105 million last year. Growth was underpinned by a stronger contribution from UBN Tower.

For the quarter to 31 March 2013, the Group's share of profit from Traders Hotel Yangon, its 23.53% associate hotel in Myanmar increased to RM0.887 million from RM0.710 million in the comparable prior year period.

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

B2 Comparison of Group Results 1st Quarter 2013 vs 4th Quarter 2012

Group revenue in the first quarter ended 31 March 2013 was RM127.504 million, up 4% compared with RM122.783 million for the fourth quarter ended 31 December 2012. The Group's pre-tax profit in the first quarter 2013 rose by 69% to RM34.701 million from RM20.565 million in the fourth quarter 2012, primarily driven by stronger profit contributions from Rasa Ria Resort and Shangri-La Hotel Kuala Lumpur.

For the first quarter, Rasa Ria Resort saw occupancy grow to 77% from 57% in the three-month period to 31 December 2012, leading to a 24% increase in revenue to RM27.252 million. The resort's pre-tax profit consequently improved strongly from RM0.767 million in the fourth quarter 2012 to RM7.291 million. Revenue from Shangri-La Hotel Kuala Lumpur during the quarter reached RM47.772 million, with pre-tax profit increasing by 74% over the fourth quarter 2012 to RM12.333 million.

Additionally, Rasa Sayang Resort had a higher occupancy of 72%, contributing to a growth of 6% in revenue against the 2012 fourth quarter with pre-tax profit up 46% to RM6.381 million.

Both Traders Hotel Penang and Golden Sands Resort posted weaker operating results when compared to the fourth quarter 2012, largely reflecting lower occupancy levels. Occupancy for Traders Hotel Penang dropped from 90% to 78%, whilst occupancy at Golden Sands Resort eased to 77% from 78%.

The combined rental revenue from the Group's investment properties showed a 2% decline as compared to the fourth quarter 2012, but their combined pre-tax profit was up 6% to RM3.787 million because of lower operating expenses.

B3 Prospects for 2013

Overall, the prospects for the Group's hotel business appear to be broadly positive. The Group's hotels and resorts should see some further growth in occupancy levels during the second quarter of 2013 in line with the continuing encouraging trends in both the business and leisure travel markets.

In particular, the operating results of Rasa Ria Resort are expected to continue to benefit from its newly renovated Garden Wing guestrooms that were completed in May 2012.

For the Group's investment properties, UBN Tower should be able to make further steady progress as trading conditions in the prime office rental market in Kuala Lumpur are likely to hold up well through the second quarter of 2013. The outlook for UBN Apartments remains challenging due to weak market conditions.

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**ANNOUNCEMENT OF UNAUDITED CONSOLIDATED RESULTS
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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 period under review is as follows:-

	3 months ended		3 months ended	
	31.3.2013 RM'000	31.3.2012 RM'000	31.3.2013 RM'000	31.3.2012 RM'000
Current taxation				
- Company and subsidiaries	6,150	4,488	6,150	4,488
Deferred taxation	2,755	1,748	2,755	1,748
Over provision in respect of prior years				
- Company and subsidiaries	-	(28)	-	(28)
	8,905	6,208	8,905	6,208

For the first quarter ended 31 March 2013, the effective tax rate of the Group was 26%. This rate was higher compared to the statutory tax rate of 25% mainly because the net losses incurred by certain subsidiaries during the period cannot be offset against the taxable profits of other Group subsidiaries.

B6 Status of Corporate Proposals

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

B7 Group Borrowings and Debt Securities

Group borrowings as at 31 March 2013 comprise the following:-

	Short Term RM'000	Long Term RM'000	Total RM'000
Secured	-	-	-
Unsecured	53,592*	-	53,592
	53,592*	-	53,592

* Amounts drawdown include HKD50.600 million from an offshore bank in Labuan and USD10.806 million from a local bank.

There were no debt securities in the financial period ended 31 March 2013.

B8 Financial Instruments

Derivatives

There were no outstanding derivative financial instruments as at 31 March 2013.

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 period ended 31 March 2013.

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

B9 Changes in Material Litigation

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

B10 Dividend

No interim dividend has been declared for the financial period ended 31 March 2013.

B11 Earnings per Share

The basic earnings per ordinary share for the three (3) months ended 31 March 2013 has been calculated as follows:-

	3 months ended		3 months ended	
	31.3.2013	31.3.2012	31.3.2013	31.3.2012
Profit attributable to shareholders of the Company (RM'000)	23,829	18,406	23,829	18,406
No. of ordinary shares in issue ('000)	440,000	440,000	440,000	440,000
Basic Earnings Per Share (sen)	5.42	4.18	5.42	4.18

Diluted Earnings per Share

Not applicable.

B12 Realised and Unrealised Profits/Losses

	As at 31.3.2013 RM'000	As at 31.12.2012 RM'000 (Restated)
Total retained profits of the Company and its subsidiaries		
- Realised	293,893	267,313
- Unrealised	59,589	61,430
	353,482	328,743
Total share of accumulated losses in an associated company		
- Realised	(51,436)	(52,323)
- Unrealised	-	-
	302,046	276,420
Add : Consolidation adjustments	46,214	48,011
Total Group retained profits	348,260	324,431

Certain comparative figures as at 31.12.2012 have been restated to take into account the retrospective application of the revised MFRS 119 – Employee Benefits, which came into effect on 1 January 2013. A detailed explanation is provided in Note A1.1.

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B13 Notes to the Statement of Comprehensive Income

	3 months ended		3 months ended	
	31.3.2013 RM'000	31.3.2012 RM'000	31.3.2013 RM'000	31.3.2012 RM'000
Net profit for the period is arrived at after charging:-				
Interest expense	(311)	(573)	(311)	(573)
Depreciation	(13,672)	(12,511)	(13,672)	(12,511)
Foreign exchange loss	-	(2,627)	-	(2,627)
Allowance for doubtful debts				
- loans to associates	(1,500)	-	(1,500)	-
and after crediting:-				
Interest income	123	72	123	72
Foreign exchange gain	915	-	915	-
Write back of allowance for doubtful debts				
- loans to associates	-	3,290	-	3,290
- trade receivables	25	34	25	34

Other than the above which have been included in the statement of comprehensive income, there were no impairment of assets, gain or loss on disposal of quoted or unquoted investments or properties and exceptional items for the financial period ended 31 March 2013.

B14 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 2012.

By Order of the Board
Datin Rozina Mohd Amin
Company Secretary

Kuala Lumpur
20 May 2013