

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 2014

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	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	RM'000	RM'000	RM'000	RM'000
Revenue	125,050	131,743	513,679	511,225
Operating profit before exceptional item	21,385	37,765	120,473	129,716
Exceptional item	-	29,744	-	29,744
Operating profit	21,385	67,509	120,473	159,460
Interest expense	(547)	(434)	(2,092)	(1,416)
Interest income	477	584	2,438	1,312
Share of results of associated companies	(3,639)	7,030	(1,322)	8,825
Profit before tax	17,676	74,689	119,497	168,181
Tax expense	(8,490)	(3,692)	(33,705)	(28,373)
Profit for the period/year	9,186	70,997	85,792	139,808
<u>Attributable to:</u>				
Shareholders of the Company	9,952	67,763	79,340	130,367
Non-controlling interests	(766)	3,234	6,452	9,441
	9,186	70,997	85,792	139,808
Basic Earnings per Ordinary Share (sen)	2.26	15.40	18.03	29.63
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 2013)

NA - not applicable

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**ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
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AUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	3 months ended		12 months ended	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	RM'000	RM'000	RM'000	RM'000
Profit for the period/year	9,186	70,997	85,792	139,808
<u>Other comprehensive income/(expense)</u>				
<i>Items that will not be reclassified to profit or loss:</i>				
Remeasurement of the defined retirement benefit liability, net of tax	-	(503)	-	(503)
Total comprehensive income for the period/year	9,186	70,494	85,792	139,305
<u>Attributable to:</u>				
Shareholders of the Company	9,952	67,303	79,340	129,907
Non-controlling interests	(766)	3,191	6,452	9,398
	9,186	70,494	85,792	139,305

(The audited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013)

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ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
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AUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31.12.2014 RM'000	As at 31.12.2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	757,829	707,788
Investment properties	285,630	280,860
Interest in associates	128,484	152,154
Property development expenditure	12,286	12,286
Deferred tax assets	-	-
	<u>1,184,229</u>	<u>1,153,088</u>
Current assets		
Inventories	8,527	8,440
Trade and other receivables, prepayments and deposits	26,563	27,533
Tax recoverable	3,062	434
Cash and cash equivalents	56,595	93,719
	<u>94,747</u>	<u>130,126</u>
Total assets	<u>1,278,976</u>	<u>1,283,214</u>
EQUITY		
Capital and reserves		
Share capital	440,000	440,000
Reserves	514,979	514,839
Total equity attributable to shareholders of the Company	<u>954,979</u>	<u>954,839</u>
Non-controlling interests	100,164	94,712
Total equity	<u>1,055,143</u>	<u>1,049,551</u>
LIABILITIES		
Non-current liabilities		
Retirement benefits	19,676	17,864
Deferred tax liabilities	21,932	16,423
	<u>41,608</u>	<u>34,287</u>
Current liabilities		
Trade and other payables and accruals	96,125	86,077
Short-term borrowings	85,806	111,482
Current tax liabilities	294	1,817
Dividend payable	-	-
	<u>182,225</u>	<u>199,376</u>
Total liabilities	<u>223,833</u>	<u>233,663</u>
Total equity and liabilities	<u>1,278,976</u>	<u>1,283,214</u>
Net Assets per Ordinary Share (RM) Attributable to Shareholders of the Company	2.17	2.17

(The audited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013)

ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2014

AUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2014

<i>All figures in RM'000</i>	Attributable to Shareholders of the Company			Total equity attributable to shareholders of the Company	Non-controlling interests	Total equity
	Share capital	Share premium	Retained earnings			
	← Non-distributable →		← Distributable →			
Balance at 1 January 2013	440,000	104,501	324,431	868,932	86,314	955,246
Net profit for the year	-	-	130,367	130,367	9,441	139,808
Remeasurement of the defined retirement benefit liability, net of tax	-	-	(460)	(460)	(43)	(503)
Total comprehensive income for the year	-	-	129,907	129,907	9,398	139,305
Dividends paid						
- Final dividend for the financial year ended 31.12.2012 paid on 28.6.2013	-	-	(30,800)	(30,800)	-	(30,800)
- Interim dividend for the financial year ended 31.12.2013 paid on 21.11.2013	-	-	(13,200)	(13,200)	-	(13,200)
Dividend paid to non-controlling interests of a subsidiary	-	-	-	-	(1,000)	(1,000)
Balance at 31 December 2013	440,000	104,501	410,338	954,839	94,712	1,049,551
Balance at 1 January 2014	440,000	104,501	410,338	954,839	94,712	1,049,551
Net profit for the year	-	-	79,340	79,340	6,452	85,792
Other comprehensive income/(expense) for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	79,340	79,340	6,452	85,792
Dividends						
- Final and special dividends for the financial year ended 31.12.2013 paid on 30.6.2014	-	-	(66,000)	(66,000)	-	(66,000)
- Interim dividend for the financial year ended 31.12.2014 paid on 14.11.2014	-	-	(13,200)	(13,200)	-	(13,200)
Dividend payable to non-controlling interests of a subsidiary	-	-	-	-	(1,000)	(1,000)
Balance at 31 December 2014	440,000	104,501	410,478	954,979	100,164	1,055,143

(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 2013)

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AUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 December 2014

	31.12.2014	31.12.2013
	RM'000	RM'000
Profit before tax	119,497	168,181
Adjustments for non-cash flow:-		
Non-cash items	52,104	9,826
Non-operating items	(346)	104
Operating profit before changes in working capital	171,255	178,111
Changes in working capital		
Net change in current assets	984	2,160
Net change in current liabilities	10,048	3,035
Cash generated from operations	182,287	183,306
Income taxes paid	(32,347)	(25,807)
Retirement benefits paid	(262)	(619)
Net cash inflow from operating activities	149,678	156,880
Investing activities		
Interest income received	2,438	1,312
Purchase of property, plant and equipment	(106,205)	(32,903)
Additions to investment properties	(2,729)	(6,763)
Net cash outflow from investing activities	(106,496)	(38,354)
Financing activities		
Dividends paid to shareholders of the Company	(79,200)	(44,000)
Dividend paid to non-controlling shareholder of a subsidiary	(1,000)	(1,000)
Net (repayment)/drawdown of loans	(31,741)	46,067
Interest expense paid	(2,092)	(1,416)
Net repayment from/(advances to) associates	33,727	(52,063)
Net cash outflow from financing activities	(80,306)	(52,412)
Net (decrease)/increase in cash & cash equivalents	(37,124)	66,114
Cash & cash equivalents at beginning of the year	93,719	27,605
Cash & cash equivalents at end of financial year	56,595	93,719
Cash and cash equivalents at end of financial year	56,595	93,719
Bank overdraft at end of financial year	-	-
Cash & cash equivalents in the statement of financial position	56,595	93,719

(The audited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2013)

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**ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
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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 2013. 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 2013.

The Group adopted the following amendments to Malaysian Financial Reporting Standards (“MFRS”) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2014.

Amendments to MFRS 10	Consolidated Financial Statements: Investment Entities
Amendments to MFRS 12	Disclosure of Interests in Other Entities: Investment Entities
Amendments to MFRS 127	Separate Financial Statements: Investment Entities
Amendments to MFRS 132	Offsetting Financial Assets and Financial Liabilities
Amendments to MFRS 136	Recoverable Amount Disclosures for Non-Financial Assets

The adoption of the above amended MFRS did not result in any substantial change to the Group’s accounting policies nor any significant impact on the financial statements of the Group.

A1.1 MFRS and Amendments Issued But Not Yet Effective

The Group has not adopted the following new MFRS and amendments to MFRS, that have been issued which are relevant to the Group but not yet effective:-

	Effective for annual periods beginning on or after	
Amendments to MFRS 3	Business Combinations	1 July 2014
Amendments to MFRS 8	Operating Segments	1 July 2014
Amendments to MFRS 13	Fair Value Measurement	1 July 2014
Amendments to MFRS 116	Property, Plant and Equipment	1 July 2014
Amendments to MFRS 119	Employee Benefits	1 July 2014
Amendments to MFRS 124	Related Party Disclosures	1 July 2014
Amendments to MFRS 140	Investment Property	1 July 2014
Amendments to MFRS 7	Financial Instruments: Disclosures	1 January 2016
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
Amendments to MFRS 10, MFRS12 and MFRS 128	Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to MFRS 101	Presentation of Financial Statements	1 January 2016
Amendments to MFRS 116	Property, Plant and Equipment	1 January 2016
Amendments to MFRS 119	Employee Benefits	1 January 2016
Amendments to MFRS 127	Separate Financial Statements	1 January 2016
Amendments to MFRS 134	Interim Financial Reporting	1 January 2016

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NOTES PURSUANT TO MFRS 134

A1.1 MFRS and Amendments Issued But Not Yet Effective (cont'd)

Effective for annual
periods beginning
on or after

MFRS 15	Revenue from Contracts with Customers	1 January 2017
MFRS 9	Financial Instruments (IFRS 9 issued by IASB in July 2014)	1 January 2018

The adoption of these new MFRS and amendments to MFRS are not expected to have any significant 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 year ended 31 December 2014.

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 2014.

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 2014.

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 2014.

A6 Dividends Paid

A final single tier dividend of 10% or 10 sen per share and a special single tier dividend of 5% or 5 sen per share for the financial year ended 31 December 2013 amounting to RM66.000 million was paid on 30 June 2014. An interim single tier dividend of 3% or 3 sen per share amounting to RM13.200 million for the year ended 31 December 2014 was paid on 14 November 2014.

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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 year ended 31 December 2014 <i>(All figures in RM'000)</i>	Hotels & Resorts	Investment Properties	Others	Inter-segment Elimination	Consolidated Total
Segment Revenue					
Revenue from external customers	487,458	23,775	2,446	-	513,679
Inter-segment revenue	36,800	1,993	3,098	(41,891)	-
Total revenue	524,258	25,768	5,544	(41,891)	513,679
Segment Results					
Operating profit	144,015	16,634	(334)	(39,842)	120,473
Interest expense	(2,885)	-	(1,986)	2,779	(2,092)
Interest income	4,850	358	9	(2,779)	2,438
Share of results of associated companies	(1,322)	-	-	-	(1,322)
Profit before tax	144,658	16,992	(2,311)	(39,842)	119,497

As at 31 December 2014 <i>(All figures in RM'000)</i>	Hotels & Resorts	Investment Properties	Others	Inter-segment Elimination	Consolidated Total
Segment assets	1,064,240	308,528	12,834	(235,110)	1,150,492
Interest in associates	128,484	-	-	-	128,484
Total assets	1,192,724	308,528	12,834	(235,110)	1,278,976

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 2014 and the date of this report that would materially affect the results of the Group for the financial year ended 31 December 2014.

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 2014.

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 2013 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 2014 are as follows:-

	RM'000
Authorised and contracted for	7,583
Authorised but not contracted for	120,044
	127,627

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NOTES PURSUANT TO MFRS 134

A12	Related Party Transactions	12 months ended 31.12.2014 RM'000
	<u>Transactions with subsidiaries of the ultimate holding company</u>	
	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	15,789
	<u>Transactions with corporations in which Mdm Kuok Oon Kwong, a Director of the Company, has direct or indirect financial interests</u>	
	- Office rental income received from Kuok Brothers Sdn Bhd, PPB Group Berhad, PPB Oil Palms Berhad, PGEO Marketing Sdn Bhd, Chemquest Sdn Bhd and Southern Marina Development Sdn Bhd	2,403
	- Payment of project management fees to PPB Hartabina Sdn Bhd	297
	<u>Transactions with associates of the Group</u>	
	Additional loans advanced by Madarac Corporation, the Group's wholly-owned subsidiary incorporated in the British Virgin Islands to its associated companies in Myanmar, net of loan repayments	33,727

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FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2014

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

B1 Review of Group Results Full Year 2014 vs Full Year 2013

In the year ended 31 December 2014, Group revenue rose marginally to RM513.679 million from RM511.225 million in 2013, as higher revenues mainly from Rasa Ria Resort and Golden Sands Resort were largely offset by a fall in revenue at Rasa Sayang Resort due to renovations to its Garden Wing guestrooms for most of 2014.

Group pre-tax profit for the full year 2014 was RM119.497 million, 29% below that of RM168.181 million recorded in 2013. Correspondingly, Group net profit attributable to shareholders for 2014 fell by 39% to RM79.340 million from RM130.367 million in 2013.

The reduced financial performance for 2014 was primarily due to the absence of a RM29.744 million writeback in 2013 of an impairment provision related to the Group's investments in Myanmar, as well as the share of associates' losses arising from a net fair value loss on the revaluation of the Shangri-La Residences held by Shangri-La Yangon Company Ltd, the Group's 22.22% associate.

Excluding the impact of changes in fair value of investment properties and other non-operating and non-recurring items, the Group's net profit for 2014 was RM87.127 million, a decrease of 8% compared to RM94.397 million the previous year. This was mainly attributable to the substantially lower contribution from Rasa Sayang Resort.

Business levels at Rasa Sayang Resort were held back by the renovation programme of all its guestrooms in the Garden Wing from April 2014 through to the middle of December 2014, when it was completed. As a result, occupancy at the resort during the year dropped from 67% in 2013 to 53%, which led to a 10% decline in revenue to RM69.707 million. The resort's pre-tax profit for 2014 was down by 37% from RM19.129 million in the previous to RM12.061 million.

Revenue from Shangri-La Hotel Kuala Lumpur for 2014 of RM192.224 million was comparable to that of 2013, with higher food and beverage sales offset by a drop in room revenue reflecting a lower occupancy of 77% against 81% last year. However, the hotel posted a 7% improvement in pre-tax profit to RM46.234 million from RM43.222 million in 2013 because of a reduction in operating expenses.

At Rasa Ria Resort, revenue increased by 3% in the year to RM117.033 million, underpinned by a healthy uplift in the average room rate and improved food and beverage sales. Despite this, the resort's pre-tax profit for 2014 decreased by 12% from RM28.132 million in 2013 to RM24.896 million. The 2014 result included a charge of RM5.300 million for the cost of providing a public road to fulfil the requirements of the local district council for access to nearby beach areas. Without this one-off charge, the resort's pre-tax profit for 2014 was RM30.196 million, an increase of 7% over 2013. Occupancy of the resort for 2014 was 70%.

Golden Sands Resort delivered a 7% growth in revenue to RM60.415 million, supported by a rise in leisure demand from its key markets. Occupancy of the resort for 2014 was 76%, up from 72% in 2013. The resort closed the year with a pre-tax profit of RM17.394 million, 8% better than RM16.070 million in 2013.

On 4 November 2014, Traders Hotel Penang was rebranded to Hotel Jen Penang, as part of a major rebranding initiative by Shangri-La International Hotel Management to rebrand its Traders Hotels under the new Hotel Jen brand name. Improved corporate business during 2014 enabled Hotel Jen Penang to raise its occupancy to 83% from 80% in 2013. Revenue for the hotel overall grew by 4% to RM43.148 million, with pre-tax profit up by 11% from RM7.813 million in 2013 to RM8.697 million.

The combined rental revenue from the Group's investment properties in Kuala Lumpur for 2014 rose by 3% to RM25.768 million, driven by a stronger contribution from UBN Tower mostly as a result of higher average rental rates. Excluding fair value changes, their combined net profit for 2014 increased to RM11.773 million from RM11.458 million in the prior year.

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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 2014 vs Full Year 2013 (cont'd)

For 2014, the Group's share of associate results from Traders Yangon Company Ltd (TYCL) and Shangri-La Yangon Company Ltd was a loss of RM1.322 million versus a profit of RM8.825 million in 2013, due to a net fair value loss from the revaluation of the Shangri-La Residences in 2014, as compared to a net revaluation gain in 2013. Traders Hotel Yangon, the Group's 23.5% associate hotel held by TYCL was rebranded to Sule Shangri-La Yangon on 28 April 2014.

B2 Comparison of Group Results 4th Quarter 2014 vs 3rd Quarter 2014

Group revenue for the fourth quarter ended 31 December 2014 decreased by 5% to RM125.050 million from RM130.962 million in the third quarter ended 30 September 2014. The Group's pre-tax profit for the fourth quarter 2014 recorded a 51% decline to RM17.676 million, compared with RM36.153 million in the third quarter of 2014.

These reductions largely reflected a significant fall in revenue and profit contributions from Rasa Ria Resort, coupled with the Group's share of losses from associates attributed to a net fair value loss from the year-end revaluation of the Shangri-La Residences in Myanmar.

During the fourth quarter, Rasa Ria Resort experienced a marked slowdown in leisure arrivals with occupancy down to 55% from 78% in the third quarter 2014, which contributed to a 33% decline in revenue to RM23.663 million. Consequently, the resort made a pre-tax loss of RM2.758 million, which included a RM5.300 million charge taken up for the cost to construct a public road to provide access to nearby beach areas.

For Shangri-La Hotel Kuala Lumpur, overall revenue was 5% up on the third quarter 2014 to RM48.775 million, lifted mainly by a good increase in the average room rate. At Rasa Sayang Resort, revenue also grew over the third quarter 2014 to RM18.341 million as more renovated guestrooms in the Garden Wing were brought back into operation enabling the resort to improve occupancy from 46% to 50%.

The operating results of Golden Sands Resort and Hotel Jen Penang were weaker against the third quarter 2014, principally due to lower occupancies. For the fourth quarter 2014, occupancy of Golden Sands Resort declined from 76% to 72%, whilst occupancy at Hotel Jen Penang slipped to 82% from 85% in the third quarter 2014.

In the three-month period to 31 December 2014, the Group's investment properties in Kuala Lumpur produced a small increase in combined rental revenue to RM6.450 million from RM6.390 million for the third quarter 2014.

B3 Prospects for 2015

Looking forward to 2015, the outlook for the operating environment for the Group's hotel businesses may be more challenging in an uncertain marketplace, and with further keen competition.

In 2015, the operating results of Rasa Ria Resort will reflect a first time contribution from its new 83-room Ocean Wing extension, which is scheduled to complete in April 2015.

The overall occupancy levels and rental rates of UBN Tower are expected to remain relatively stable as the prime office rental market in Kuala Lumpur should hold steady through 2015. The performance of UBN Apartments will remain subdued due to continued weakness in demand.

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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	
	31.12.2014 RM'000	31.12.2013 RM'000	31.12.2014 RM'000	31.12.2013 RM'000
Current taxation				
- Company and subsidiaries	12,066	8,212	30,173	25,463
Deferred taxation	(4,683)	(2,373)	3,364	5,554
(Over)/under provision in respect of prior years				
- Company and subsidiaries	1,107	(2,147)	168	(2,644)
	8,490	3,692	33,705	28,373

The Group's effective tax rate for the year ended 31 December 2014 was 28%. This is higher compared to the statutory tax rate of 25% due mainly to the net losses incurred by certain subsidiaries of the Group, which cannot be offset against the taxable profits of other subsidiaries, as well as an under provision of taxation in respect of prior years and certain non-deductible expenses in a subsidiary.

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 December 2014 were as follows:-

	Short Term RM'000	Long Term RM'000	Total RM'000
Secured	-	-	-
Unsecured	85,806*	-	85,806
	85,806*	-	85,806

* Amounts drawdown comprised HKD42.8 million and USD4.023 million from two offshore banks in Labuan, and USD15.0 million from a local bank.

There were no debt securities in the financial year ended 31 December 2014.

B8 Financial Instruments

Derivatives

There were no outstanding derivative financial instruments as at 31 December 2014.

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 2014.

ANNOUNCEMENT OF AUDITED CONSOLIDATED RESULTS
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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

The Directors are recommending a final single tier dividend of 9 sen per share for the financial year ended 31 December 2014 (2013: final single tier dividend of 10 sen per share) for approval by shareholders at the forthcoming Annual General Meeting of the Company to be held on Tuesday, 19 May 2015.

The proposed final single tier dividend of 9 sen per share, together with the interim single tier dividend of 3 sen per share paid on 14 November 2014, will give a total dividend of 12 sen per share for the financial year ended 31 December 2014 (2013: a total dividend of 18 sen per share, comprising an interim single tier of 3 sen per share, a final single tier of 10 sen per share and a special single tier of 5 sen per share). The proposed final single tier dividend of 9 sen per share, if approved at the Annual General Meeting will be paid on Tuesday, 30 June 2015.

NOTICE IS HEREBY GIVEN that the final single tier dividend of 9 sen per share for the financial year ended 31 December 2014 will be payable to shareholders whose names appear on the Record of Depositors on Friday, 5 June 2015.

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 Friday, 5 June 2015 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.

B11 Earnings per Share

The basic earnings per ordinary share for the financial year ended 31 December 2014 have been calculated as follows:-

	3 months ended		12 months ended	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
Profit attributable to shareholders of the Company (RM'000)	9,952	67,763	79,340	130,367
No. of ordinary shares in issue ('000)	440,000	440,000	440,000	440,000
Basic Earnings Per Share (sen)	2.26	15.40	18.03	29.63

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 2014**

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

B12 Realised and Unrealised Profits/Losses

	As at 31.12.2014 RM'000	As at 31.12.2013 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	479,799	471,689
- Unrealised	107,414	98,930
	587,213	570,619
Total share of accumulated losses in associated companies		
- Realised	(46,362)	(50,790)
- Unrealised	1,542	7,292
	542,393	527,121
Add : Consolidation adjustments	(131,915)	(116,783)
Total Group retained profits	410,478	410,338

B13 Notes to the Statements of Comprehensive Income

	3 months ended		12 months ended	
	31.12.2014 RM'000	31.12.2013 RM'000	31.12.2014 RM'000	31.12.2013 RM'000
Net profit for the period is arrived at after charging:-				
Interest expense	(547)	(434)	(2,092)	(1,416)
Depreciation	(13,349)	(13,769)	(54,105)	(54,942)
Foreign exchange loss	(5,262)	(704)	(6,098)	(5,361)
Allowance for doubtful debts - trade receivables	(34)	-	-	-
and after crediting:-				
Exceptional Item – Impairment reversal on the Group's investments in Myanmar	-	29,744	-	29,744
Interest income	477	584	2,438	1,312
Foreign exchange gain	10,817	1,661	11,802	11,276
Write back of allowance for doubtful debts - trade receivables	-	123	101	84

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 year ended 31 December 2014.

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 2013.

By Order of the Board
Datin Rozina Mohd Amin
Company Secretary

Kuala Lumpur
23 February 2015