

**SHANGRI-LA ASIA LTD:
THIS IS A GIANT HOTEL COMPANY, BUT IT SEEMS
NOT TO GIVE A FIG FOR ITS MINORITY SHAREHOLDERS**

Shangri-La Asia Ltd ([]) (Code: 69, Main Board, The Stock Exchange of Hongkong Ltd) has never been a favourite investment vehicle with the majority of the investing public of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC).

And that is a pity because, without question, this is a gilt-edged company with, clearly, very competent Senior Management.

Senior Management might like to consider '*going back to school*' in order to learn, or to refresh, certain lessons on the subject of how to attract qualified investors, how to keep them interested in the Company, and how to keep them happy.

At the same time, Senior Management might, also, like to reflect as to the reasons that this Company has failed to become very popular in the eyes of the majority of the investing public of the HKSAR – and, perhaps, in a number of other parts of the world, also.

It is due, in large part if not completely, to the somewhat myopic Management personnel, in the opinion of **TARGET** ().

This is not to suggest that Senior Management is lacking in expertise, far from it, but prospective minority shareholders of the HKSAR, in the main, those who might, for one reason or another, pay any attention at all to this Company, know only too well that the return on an investment in the scrip of Shangri-La Asia, in terms of dividend payouts and in stock-price improvements over the course of a 12-month period, is, invariably, going to be tiny – if at all.

Case In Point:

For the Financial Year, ended December 31, 2012, Shangri-La Asia reported that, on a Turnover of about \$US2.06 billion (about \$HK16.07 billion), its Net Profit Attributable to Shareholders was about \$US358.90 million (about \$HK2.80 billion).

The results of the 2012-Year compared favourably with those of the previous Year when, on a Turnover of about \$US1.91 billion (about \$HK14.90 billion), the Net Profit Attributable to Shareholders came in at about \$252.98 million (about \$HK1.97 billion).

Therefore, the 2012-Year saw the Turnover rise by about 7.85 percent, Year-On-Year, while the Net Profit Attributable to Shareholders rose by about 41.87 percent, Year-On-Year.

The Final Dividend in respect of the 2012-Year is to be maintained at 10 cents (Hongkong) per share, exactly the same as the Final Dividend that was paid out in the 2011-Year.

Along with the Interim Dividend of 10 cents per share – exactly the same amount that was paid out in the 2011-Year – the total dividend for the 2012-Year is 20 cents per share.

This represents, in terms of the 2012 Net Profit Attributable to Shareholders, a Dividend Payout Ratio of about 22.44 percent (2011: 31.83 percent).

Further, in terms of the average share price of Shangri-La Asia, during the 2012-Year, which is \$HK14.46, according to this medium's calculations, the yield on an investment in the shares of this hotel-owning/hotel-operating company is about 1.38 percent.

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