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**COMPLETION OF DISCLOSEABLE TRANSACTION
FORMATION OF A JOINT VENTURE COMPANY
FOR THE ACQUISITION, CONTROL AND MANAGEMENT OF CERTAIN OF THE
GROUP'S HOTELS**

Exclusive Financial Adviser to the Company

J.P.Morgan

Reference is made to the announcement of the Company dated 30 April 2015 (the **Transaction Announcement**) in relation to the entry by the Company and certain of its subsidiaries into the Transaction Agreements with HIP Company Limited. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Transaction Announcement.

The board of the Directors (the **Board**) is pleased to announce that all conditions precedent under the Transaction Agreements have been fulfilled (or waived in accordance with the Transaction Agreements) and Closing has occurred on 15 June 2015. As a result, with effect from Closing, the entire ownership of Grand Hyatt Hong Kong, Renaissance Harbour View and Hyatt Regency TST has been injected into JVC and each of Beames (a subsidiary of the Company), and HIP (directly or indirectly) hold 50% of the issued share capital of JVC. At Closing, Beames, its subsidiary Star Lagoon, HIP and JVC also entered into the Shareholders' Agreement to govern the relationship of the shareholders in JVC.

After Closing, the Hotels cease to be subsidiaries of the Company and the financial results of the Hotels will be accounted as joint ventures of the Group using equity method of accounting.

Reference is made to the Transaction Announcement of the Company dated 30 April 2015 in relation to the entry by the Company and certain of its subsidiaries into the Transaction Agreements with HIP Company Limited. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Transaction Announcement.

The Board is pleased to announce that all conditions precedent under the Transaction Agreements have been fulfilled (or waived in accordance with the Transaction Agreements) and Closing has occurred on 15 June 2015. In particular, the pre-Closing reorganisation as provided for under the Transaction Agreements has been completed and Finco (a subsidiary of JVC) entered into the JVC Debt Facility. As a

result, with effect from Closing, the entire ownership of Grand Hyatt Hong Kong, Renaissance Harbour View and Hyatt Regency TST has been injected into JVC and each of Beames and HIP (directly or indirectly) hold 50% of the issued share capital of JVC.

At Closing, Beames, Star Lagoon, HIP and JVC also entered into the Shareholders' Agreement to govern the relationship of the shareholders in JVC, and Newly Development (a subsidiary of the Company) and Finco entered into an administrative service agreement for the provision of certain administrative services by Newly Development to Finco.

After Closing, the Hotels cease to be subsidiaries of the Company and the financial results of the Hotels will be accounted as joint ventures of the Group using equity method of accounting.

By order of the Board
Wong Man-Hoi
Company Secretary

Hong Kong, 15 June 2015

As at the date of this announcement, (a) the executive Directors are Dr. Cheng Kar-Shun, Henry, Dr. Cheng Chi-Kong, Adrian, Mr. Chen Guanzhan, Ms. Ki Man-Fung, Leonie, Mr. Cheng Chi-Heng, Ms. Cheng Chi-Man, Sonia and Mr. Au Tak-Cheong; (b) the non-executive Directors are Mr. Doo Wai-Hoi, William and Mr. Cheng Kar-Shing, Peter; and (c) the independent non-executive Directors are Mr. Yeung Ping-Leung, Howard, Mr. Cha Mou-Sing, Payson (alternate director to Mr. Cha Mou-Sing, Payson: Mr. Cha Mou-Zing, Victor), Mr. Ho Hau-Hay, Hamilton, Mr. Lee Luen-Wai, John and Mr. Liang Cheung-Biu, Thomas.