FAR EAST CONSORTIUM INTERNATIONAL LIMITED
遠東發展有限公司*

(Incorporated in the Cayman Islands with limited liability)

Website: http://www.fecil.com.hk

(Stock Code: 35)

ANNOUNCEMENT OF RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

RESULTS

The board of directors (the "Board") of Far East Consortium International Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the financial year ended 31 March 2015 ("FY2015") as follows:

FINANCIAL HIGHLIGHTS

- Revenue increased by 25.7% to approximately HK$5.1 billion and gross profit increased by 25.3% to approximately HK$1.9 billion. Gross profit margin was maintained at a similar level at 38.1% as compared with previous financial year.
- Net profit attributable to shareholder amounted to approximately HK$957 million, an increase of 4.6% over the previous financial year. Adjusting for a one-time gain of approximately HK$259 million from a compulsory acquisition of a property in Singapore in the previous financial year, net profit for the FY2015 increased by 46.1%. Earnings per share amounted to HK$0.51.
- Cumulative presales value of properties under development amounted to approximately HK$6.5 billion[(i)] as at 31 March 2015.
- Net assets attributable to shareholders was HK$4.78 per share as at 31 March 2015. Adjusting for hotel revaluation surplus, net assets attributable to shareholders was HK$9.02 per share[(ii)].
- Net gearing ratio was at 29.8%[(ii)(iii)] and total cash and investment securities balances as at 31 March 2015 was at approximately HK$3.5 billion.
- Final dividend of HK$0.13 per share was recommended for FY2015 (2014: HK$0.12 per share). The full year dividend was HK$0.16 per share (2014: HK$0.15 per share), representing a dividend payout ratio of 31.4%.

* *For identification purposes only*

Notes:

(i) Comprises approximately HK$4.8 billion contracted presales and approximately HK$1.7 billon registered presales of The Towers at Elizabeth Quay, Perth, Australia. A registered presale is an expression of interest for an apartment where a booking fee has been paid to reserve an apartment. No sale and purchase agreement has been entered into and there is no assurance that this expression of interest will lead to the eventual entering of a sale and purchase agreement for the reserved apartment.

(ii) Revaluation surplus on hotel assets of approximately HK$10,976 million was based on independent valuation carried out as at 31 March 2015 and was not recognized in the Company's consolidated financial statements, but was adjusted for calculation of net asset value per share and net gearing ratio.

The Group is carrying out a valuation of the Group's real estate assets and the updated valuation will be included in a circular for the privatization proposal for Dorsett Hospitality International Limited ("Dorsett").

(iii) Net gearing ratio is calculated by dividing total bank loans and bonds less bank and cash balances, and investment securities by the carrying amount of total equity and revaluation surplus on hotel assets.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 MARCH 2015

	NOTES	2015 HK$'000	2014 HK$'000
Revenue		**5,109,780**	4,066,494
Cost of sales and services		**(2,884,377)**	(2,298,312)
Depreciation and amortisation of hotel and car park assets		**(278,985)**	(215,210)
Gross profit		**1,946,418**	1,552,972
Other income		**38,794**	41,176
Gain on disposal of a subsidiary		**–**	66,652
Other gains and losses	*4*	**289,549**	484,767
Administrative expenses			
– Hotel operations and management		**(402,857)**	(317,335)
– Others		**(239,140)**	(221,092)
Pre-opening expenses			
– Hotel operations and management		**(14,080)**	(13,596)
Selling and marketing expenses		**(92,661)**	(69,714)
Share of results of associates		**16,746**	6,360
Share of results of joint ventures		**9,627**	(2,904)
Finance costs	*5*	**(224,042)**	(281,400)
Profit before tax		**1,328,354**	1,245,886
Income tax expense	*6*	**(330,406)**	(219,851)
Profit for the year	*7*	**997,948**	1,026,035
Attributable to:			
Shareholders of the Company		**956,539**	914,057
Non-controlling interests		**41,409**	111,978
		997,948	1,026,035
Earnings per share			
Basic *(HK cents)*	*8*	**51**	51
Diluted *(HK cents)*		**51**	51

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2015

	2015	2014
	HK$'000	*HK$'000*
Profit for the year	**997,948**	1,026,035
Other comprehensive (expense) income for the year		
Items that may be subsequently reclassified to profit or loss:		
Exchange differences arising on translation of foreign operations	**(446,089)**	(162,406)
Revaluation increase on available-for-sale investments	**7**	694
Fair value adjustment on cross currency swap contracts designated as cash flow hedge	**(117,029)**	51,550
Reclassification to profit or loss on disposal of available-for-sale investments	**235**	2,768
Reclassification of hedging reserve to profit or loss	**–**	(27,329)
Other comprehensive expense for the year	**(562,876)**	(134,723)
Total comprehensive income for the year	**435,072**	891,312
Total comprehensive income attributable to:		
Shareholders of the Company	**481,724**	782,291
Non-controlling interests	**(46,652)**	109,021
	435,072	891,312

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 MARCH 2015

	NOTES	2015 HK$'000	2014 HK$'000
Non-current Assets			
Investment properties		**3,154,315**	2,677,607
Property, plant and equipment		**7,491,993**	7,406,966
Prepaid lease payments		**541,476**	579,274
Goodwill		**68,400**	68,400
Interests in associates		**326,510**	316,184
Interests in joint ventures		**40,708**	43,956
Investment securities		**692**	11,477
Derivative financial instruments designated as hedging instruments		**–**	35,122
Deposits for acquisition of property, plant and equipment		**130,385**	391,826
Amounts due from associates		**70,734**	70,774
Amounts due from joint ventures		**27,248**	27,295
Amount due from an investee company		**119,995**	119,995
Other receivables		**25,319**	17
Pledged deposits		**2,564**	2,831
Deferred tax assets		**30,537**	33,644
		12,030,876	11,785,368
Current Assets			
Properties for sale			
Completed properties		**200,730**	56,734
Properties for/under development		**5,251,611**	5,598,333
Other inventories		**8,936**	9,896
Prepaid lease payments		**15,519**	15,947
Debtors, deposits and prepayments	*10*	**809,999**	653,594
Other receivables		**121,985**	685,751
Tax recoverable		**14,461**	21,312
Investment securities		**1,150,244**	1,011,640
Derivative financial instruments		**2,058**	2,238
Pledged deposits		**272,982**	173,989
Restricted bank deposits		**51,158**	62,568
Deposit in a financial institution		**11,303**	78,591
Bank balances and cash		**2,273,734**	1,829,330
		10,184,720	10,199,923

	NOTES	2015 HK$'000	2014 HK$'000
Current Liabilities			
Creditors and accruals	*11*	**737,344**	1,137,842
Customers' deposits received		**575,482**	515,027
Obligations under finance leases		**4,038**	3,159
Amounts due to related companies		**45,785**	45,785
Amounts due to associates		**10,009**	11,358
Amounts due to non-controlling shareholders of subsidiaries		**28,286**	29,422
Convertible bonds		**–**	32,978
Bonds		**1,250,000**	–
Derivative financial instruments		**31,542**	1,841
Tax payable		**333,053**	208,502
Secured bank borrowings		**3,087,051**	4,252,487
		6,102,590	6,238,401
Net Current Assets		**4,082,130**	3,961,522
Total Assets less Current Liabilities		**16,113,006**	15,746,890
Non-current Liabilities			
Secured bank borrowings		**4,467,939**	3,270,918
Obligations under finance leases		**4,622**	4,001
Bonds		**1,005,274**	2,252,691
Derivative financial instruments		**58,939**	–
Deferred tax liabilities		**315,303**	268,450
		5,852,077	5,796,060
Net Assets		**10,260,929**	9,950,830
Capital and Reserves			
Share capital		**191,374**	184,951
Share premium		**2,982,364**	2,802,276
Reserves		**5,969,912**	5,762,676
Equity attributable to shareholders of the Company		**9,143,650**	8,749,903
Non-controlling interests		**1,117,279**	1,200,927
Total Equity		**10,260,929**	9,950,830

NOTES

FOR THE YEAR ENDED 31 MARCH 2015

1. GENERAL

The Company was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Company and its subsidiaries are together referred to as the Group.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

The Group has applied for the first time in the current year the following amendments to HKFRSs and a new Interpretation issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"):

Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting
HK(IFRIC) – Int 21	Levies

The application of the amendments to HKFRSs and the new Interpretation in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or the disclosures set out in these consolidated financial statements.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 9	Financial Instruments[1]
HKFRS 15	Revenue from Contracts with Customers[2]
Amendments to HKAS 1	Disclosure Initiative[4]
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation[4]
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants[4]
Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions[3]
Amendments to HKAS 27	Equity Method in Separate Financial Statements[4]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception[4]
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations[4]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2010 - 2012 Cycle[5]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011 - 2013 Cycle[3]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012 - 2014 Cycle[4]

1 Effective for annual periods beginning on or after 1 January 2018
2 Effective for annual periods beginning on or after 1 January 2017
3 Effective for annual periods beginning on or after 1 July 2014
4 Effective for annual periods beginning on or after 1 January 2016
5 Effective for annual periods beginning on or after 1 July 2014, with limited exceptions

3. SEGMENT INFORMATION

The Group determines its operating segments based on internal reporting about components that are regularly reviewed by the chief operating decision maker. Information reported to the Group's chief operating decision makers, who are the executive directors of the Company, for the purposes of resource allocation and assessment of performance is mainly focused on the property development, property investment, hotel operations and management, and car park operations in each of the geographical locations as stated below, securities and financial product investments and other operations, which mainly include provision of engineering services and second mortgage loans.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segment. Segment profit (loss) represents the pre-tax earned (incurred) by each segment without allocation of central administrative costs, directors' salaries and certain finance costs.

	Segment revenue		Segment profit (loss)	
	2015	2014	**2015**	2014
	HK$'000	HK$'000	***HK$'000***	*HK$'000*
Property development				
– Australia	**1,243,825**	958,509	**261,025**	268,444
– Hong Kong ("HK")	**1,073,583**	14,573	**465,545**	46,112
– Malaysia	**–**	86	**(3,967)**	(2,813)
– Other regions in People's Republic of China excluding HK ("PRC")	**644,707**	615,660	**481,884**	351,558
– United Kingdom ("UK")	**–**	–	**1,885**	(365)
	2,962,115	1,588,828	**1,206,372**	662,936
Property investment				
– HK	**36,747**	33,548	**92,147**	56,531
– PRC	**14,014**	13,662	**(26,490)**	(27,716)
– Singapore	**5,355**	12,031	**(13,068)**	256,119
	56,116	59,241	**52,589**	284,934
Operations of Dorsett Hospitality International Limited ("Dorsett") and its subsidiaries, including hotel operations and management, property development and investments and securities and financial product investments				
– HK	**815,603**	733,388	**146,248**	174,638
– Malaysia	**264,399**	310,003	**46,485**	58,890
– PRC	**196,968**	169,959	**(37,210)**	(69,913)
– Singapore *(note)*	**102,606**	572,500	**31,256**	262,647
– UK	**74,451**	–	**(20,295)**	(11,571)
	1,454,027	1,785,850	**166,484**	414,691
Car park operations				
– Australia	**600,349**	595,752	**51,149**	57,697
– Malaysia	**15,774**	16,776	**6,241**	6,772
	616,123	612,528	**57,390**	64,469
Securities and financial product investments	**21,075**	19,937	**(20,618)**	17,914
Other operations	**324**	110	**5,733**	(5,822)
Segment revenue/segment profit	**5,109,780**	4,066,494	**1,467,950**	1,439,122
Unallocated corporate expenses			**(80,035)**	(79,097)
Finance costs			**(59,561)**	(114,139)
Profit before tax			**1,328,354**	1,245,886
Income tax expense			**(330,406)**	(219,851)
Profit for the year			**997,948**	1,026,035

None of the segments derived any revenue from transactions with other segments.

No revenue from any single customer contributed over 10% of the total revenue of the Group.

Note: The segment revenue and segment profit (loss) of this segment for the year ended 31 March 2014 include the sales of properties in Singapore amounting to HK$498,392,000 and HK$131,506,000, respectively.

Segment assets

The following is an analysis of the Group's assets by reportable segment as at the end of the reporting period. Segment assets represent assets held by each segment without allocation of corporate assets which are mainly bank balances and cash and deposits in a financial institution.

	2015	2014
	HK$'000	*HK$'000*
Property development		
– Australia	**1,845,047**	2,197,602
– HK	**1,405,863**	1,632,401
– Malaysia	**394,732**	383,806
– PRC	**2,626,878**	2,261,219
– UK	**300,056**	223,138
	6,572,576	6,698,166
Property investment		
– HK	**2,751,823**	2,149,237
– PRC	**4,578**	4,657
– Singapore	**86,638**	507,150
	2,843,039	2,661,044
Operations of Dorsett and its subsidiaries, including hotel operations and management, property development and investments and securities and financial product investments		
– HK	**4,868,673**	5,082,139
– Malaysia	**968,052**	1,071,002
– PRC	**2,223,323**	2,286,087
– Singapore	**827,573**	880,293
– UK	**942,576**	934,554
	9,830,197	10,254,075
Car park operations		
– Australia	**559,266**	683,177
– Malaysia	**143,847**	149,807
	703,113	832,984
Securities and financial product investments	**468,957**	507,243
Other operations	**179,811**	315,136
Segment assets	**20,597,693**	21,268,648
Unallocated corporate assets	**1,617,903**	716,643
Total assets	**22,215,596**	21,985,291

4. OTHER GAINS AND LOSSES

	2015	2014
	HK$'000	*HK$'000*
Change in fair value of investment properties	**271,841**	29,994
Loss on disposal of available-for-sale investments	**(235)**	(2,768)
Change in fair value of investments held for trading	**(10,401)**	(35,733)
Gain arising on transfer of completed properties for sale to investment properties	**88,023**	204,258
Change in fair value of derivative financial instruments	**(7,903)**	16,619
Gain on reclassification of hedging reserve to profit or loss upon recognition of the hedged item to profit or loss	**–**	27,329
Gain on compensation from relevant government authority of Singapore	**–**	258,960
Gain on partial repurchase of bonds	**–**	2,067
Net foreign exchange loss	**(51,094)**	(12,418)
Allowance for bad and doubtful debts	**(634)**	(3,067)
Loss on disposal of property, plant and equipment	**(48)**	(474)
	289,549	484,767

5. FINANCE COSTS

	2015	2014
	HK$'000	*HK$'000*
Interest on:		
Bank borrowings		
– wholly repayable within five years	**254,610**	274,681
– not wholly repayable within five years	**19,632**	29,290
Other loans wholly repayable within five years	**1,017**	2,897
Convertible bonds	**1,128**	2,252
Finance leases	**9**	15
Interest on bonds	**136,618**	136,978
Less: net interest income from cross currency swap contracts	**(24,030)**	(26,303)
Amortisation of front-end fee	**5,257**	17,881
Others	**3,576**	2,431
Total interest costs	**397,817**	440,122
Less: amounts capitalised to properties under development:		
– investment properties	**(14,672)**	(4,054)
– properties for owners' occupation	**(28,531)**	(31,354)
– properties for sale	**(127,240)**	(123,314)
– construction-in-progress	**(3,332)**	–
	224,042	281,400

6. INCOME TAX EXPENSE

	2015	2014
	HK$'000	*HK$'000*
The income tax expense comprises:		
Current tax:		
Hong Kong Profits Tax	**74,241**	35,445
PRC Enterprise Income Tax ("PRC EIT")	**95,585**	81,993
PRC Land Appreciation Tax ("PRC LAT")	**33,262**	31,912
Australia Income Tax	**69,002**	37,409
Malaysia Income Tax	**6,050**	5,786
Singapore Income Tax	**95**	24,889
	278,235	217,434
(Over) underprovision in prior years:		
Hong Kong Profits Tax	**(235)**	3,273
Australia Income Tax	**(297)**	(17,516)
Malaysia Income Tax	**165**	122
Singapore Income Tax	**(1,825)**	(521)
	(2,192)	(14,642)
Deferred taxation	**54,363**	17,059
	330,406	219,851

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the year of each individual company comprising the Group less tax losses brought forward where applicable.

PRC EIT is calculated in accordance with the EIT Law and Implementation Regulations of the EIT Law at the rate of 25%.

PRC LAT is levied at the deemed levying rates in accordance with the relevant PRC Tax laws and regulations.

The domestic statutory tax rate of Australia, Malaysia and Singapore is 30%, 25% and 17% of the estimated assessable profit for the year.

7. PROFIT FOR THE YEAR

	2015	2014
	HK$'000	*HK$'000*
Profit for the year has been arrived at after charging:		
Cost of properties sold recognised as an expense	**1,866,590**	1,332,282
Auditor's remuneration	**11,942**	11,400
Depreciation		
– Operations of Dorsett and its subsidiaries	**249,685**	187,003
– Car park operations	**20,106**	19,878
– Others	**13,662**	14,164
	283,453	221,045
Amortisation of prepaid lease payments	**10,760**	10,632
Less: amount capitalised to properties under development for owners' occupation	**–**	(564)
	10,760	10,068
Amortisation of investment in a joint venture (included in share of results of joint ventures)	**2,904**	2,904
Allowance for bad and doubtful debts	**634**	3,067
Staff costs		
– Directors' emolument	**24,430**	18,918
– Other staff	**588,539**	549,370
– Share-based payment expense	**2,410**	3,791
	615,379	572,079
Share of taxation of associates (included in share of results of associates)	**1,473**	1,196
and after crediting:		
Rental income, net of outgoings of HK$23,407,000 (2014: HK$49,524,000)	**109,372**	72,037
Dividend income from:		
– Investment held for trading	**4,787**	12,086
– Available-for-sale investments	**87**	144
	4,874	12,230
Bank interest income	**6,100**	5,875

8. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the shareholders of the Company is based on the consolidated profit for the year attributable to the shareholders of the Company of HK$956,539,000 (2014: HK$914,057,000) and the number of shares calculated as follows:

	2015	2014
	'000	*'000*
Weighted average number of ordinary shares for the purpose of basic earnings per share	**1,874,579**	1,800,908
Effect of dilutive potential ordinary shares – Company's share options	**4,841**	4,776
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**1,879,420**	1,805,684

The computations of diluted earnings per share for both years did not assume the conversion of the Company's outstanding convertible bonds since their exercise would result in an increase in earnings per share. In addition, the computations for both years did not assume the exercise of its indirect subsidiary Dorsett's share options as the exercise prices of those options are higher than the average market prices of the Dorsett's shares for both years.

9. DIVIDENDS

	2015	2014
	HK$'000	*HK$'000*
Dividends recognised as distribution during the year:		
2015 interim dividend of HK3 cents per share (2014: 2014 interim dividend of HK3 cents per share)	**57,018**	55,133
2014 final dividend of HK12 cents per share (2014: 2013 final dividend of HK11 cents per share)	**222,716**	195,009
	279,734	250,142

A final dividend for the year ended 31 March 2015 of HK13 cents (2014: HK12 cents) per share has been proposed by the Directors of the Company and is subject to approval by the shareholders in the forthcoming annual general meeting.

Shareholders have an option to elect cash in lieu of new shares of the Company for the dividend proposed and paid during the year.

10. DEBTORS, DEPOSITS AND PREPAYMENTS

Included in debtors, deposits and prepayments are trade debtors of HK$154,654,000 (2014: HK$162,886,000).

Trade debtors aged over 60 days are past due but are not impaired.

Trade debtors mainly represent receivable from renting of properties, use of hotel facilities and sales of properties. Rentals are payable on presentation of demand notes. Hotel room revenue is normally settled by cash or credit card. The Group allows an average credit period of 14 to 60 days to its corporate customers and travel agents.

Proceeds from sales of properties are settled according to the payment terms of the sale and purchase agreements. Included in trade debtors is an amount of S$12,040,000 (equivalent to HK$67,906,000) (2014: S$12,040,000 (equivalent to HK$74,169,000)) which represents the portion of the proceeds that have been settled by the buyers and are being held in escrow account. The funds were remitted to the Group upon the issuance of relevant certificate by the government authorities in Singapore, which is expected to be taken place within one year after the end of the reporting period.

In determining the recoverability of trade debtors, the Group considers the subsequent settlement and any change in the credit quality of the debtors from the date credit was initially granted up to the end of each of the reporting period. There is no concentration of credit risk due to the large and unrelated customer base. The management believes that there is no further credit provision required in excess of the allowance already made.

The following is an aged analysis of trade debtors based on the invoice date which approximated the respective revenue recognition date, at the end of the reporting period:

	2015	2014
	HK$'000	*HK$'000*
0–60 days	**76,427**	77,229
61–90 days	**4,388**	3,776
Over 90 days	**73,839**	81,881
	154,654	162,886

11. CREDITORS AND ACCRUALS

Included in creditors and accruals are trade creditors of HK$276,603,000 (2014: HK$182,930,000). The following is an aged analysis of the trade creditors:

	2015	2014
	HK$'000	*HK$'000*
0–60 days	**198,730**	146,821
61–90 days	**1,590**	1,832
Over 90 days	**76,283**	34,277
	276,603	182,930

FINAL DIVIDEND

The Board has recommended the payment of a final dividend for the year ended 31 March 2015 of HK13 cents (2014: HK12 cents) per ordinary share (the "Proposed Final Dividend"). The Proposed Final Dividend will be paid to the shareholders of the Company (the "Shareholders") in the form of a scrip dividend with Shareholders being given an option to elect to receive cash in lieu of all or part of their scrip dividend entitlements (the "Scrip Dividend Scheme").

The Scrip Dividend Scheme will be subject to (i) Shareholders' approval of the Proposed Final Dividend at the Company's forthcoming annual general meeting to be held on 27 August 2015 (the "2015 AGM"); and (ii) the Stock Exchange granting listing of and permission to deal in the new shares to be allotted thereunder. Further announcement will be made by the Company on details of the Proposed Final Dividend and the Scrip Dividend Scheme, and the period of closure of the Company's Register of Members for determining the entitlement to the Proposed Final Dividend.

CLOSURE OF REGISTER OF MEMBERS

As set out above, the 2015 AGM is scheduled to be held on Thursday, 27 August 2015. For determining the entitlement to attend and vote at the 2015 AGM, the Register of Members of the Company will be closed from Tuesday, 25 August 2015 to Thursday, 27 August 2015, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the 2015 AGM, unregistered holders of shares of the Company should ensure that all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Monday, 24 August 2015.

FINANCIAL REVIEW

1. Annual results

	For the year ended 31 March		
	2015	2014	Change
	HK$ million	*HK$ million*	
Revenue			
Sales of properties[(i)]	**2,962**	2,087	41.9%
Hotel operations and management	**1,454**	1,287	13.0%
Car park operations and facilities management	**616**	613	0.5%
Leasing and others	**78**	79	(1.3%)
Total Revenue	**5,110**	4,066	25.7%
Gross Profit			
Sales of properties[(i)]	**1,086**	729	49.0%
Hotel operations and management	**691**	652	6.0%
Car park operations and facilities management	**124**	129	(3.9%)
Leasing and others	**45**	43	4.7%
Total Gross Profit	**1,946**	1,553	25.3%
Gross Profit Margin			
Sales of properties[(i)]	**36.7%**	34.9%	
Hotel operations and management	**47.5%**	50.7%	
Car park operations and facilities management	**20.1%**	21.0%	
Leasing and others	**57.7%**	54.4%	
Total Gross Profit Margin	**38.1%**	38.2%	

	For the year ended 31 March		
	2015	2014	Change
	HK$ million	*HK$ million*	
Net profit attributable to shareholders	**957**	914	
One-time gain adjusted[(ii)]	**–**	(259)	
Adjusted net profit	**957**	655	46.1%
Interim dividend	**HK3 cents**	HK3 cents	
Final dividend	**HK13 cents**	HK12 cents	
Total dividend	**HK16 cents**	HK15 cents	6.7%

Notes:

(i) Sales of properties for the financial year ended 31 March 2014 ("FY2014") was adjusted to include sales of Dorsett Residences Singapore amounting to approximately HK$498 million and gross profit of approximately HK$147 million which were part of Dorsett's revenue and gross profit in FY2014.

(ii) One-time gain of approximately HK$259 million relating to a compulsory acquisition of a property in Singapore in the previous financial year which was not repeated in FY2015.

The Company's consolidated revenue for FY2015 was approximately HK$5.1 billion, an increase of 25.7% as compared with FY2014.

Revenue from sales of properties amounted to approximately HK$2,962 million in FY2015, an increase of 41.9% as compared with FY2014. View Pavilion in Shanghai, Sevilla Crest and Star Ruby in Hong Kong and Upper West Side, Hudson (Stage 2) in Melbourne contributed primarily to the sales of properties in FY2015.

In FY2015, revenue from hotel operations and management amounted to approximately HK$1,454 million, an increase of 13.0% compared to FY2014. The increase was mainly from increased room inventory and commencement of operations of 2 new owned hotels. Revenue from car park operations and facilities management amounted to approximately HK$616 million in FY2015, an increase of 0.5% as compared to FY2014, mainly due to increase in the Group's car park management portfolio, which was offset by the depreciation of the Australian dollar against the Hong Kong dollar. Revenue from leasing of properties and others was largely unchanged, compared with FY2014, amounting to approximately HK$78 million.

Gross profit for FY2015 was approximately HK$1,946 million, an increase of 25.3% as compared with FY2014. Gross profit from sales of properties amounted to approximately HK$1,086 million in FY2015, representing an increase of 49.0% from FY2014. The gross profit margin from sales of properties increased to 36.7% in FY2015 compared to 34.9% in FY2014. The increase in gross profit margin was mainly due to the high profit margin in View Pavilion, Shanghai. Gross profit from hotel operations and management amounted to approximately HK$691 million in FY2015, representing an increase of 6.0% as compared to FY2014. The gross profit margin from hotel operations and management decreased from 50.7% in FY2014 to 47.5% in FY2015. The increase in hotel gross profit was mainly due to the contribution from additional rooms inventory of newly completed hotels within the Group. The decrease in hotel gross profit margin was mainly due to reduction in revenue per available room ("RevPar") in Hong Kong hotel operation which is a major market for Dorsett. Assuming constant exchange rate, gross profit contribution from car park operations and facilities management increased by 12.4% for FY2015, However in Hong Kong dollar term, the gross profit contribution decreased due to the weaker Australian dollar exchange rate against the Hong Kong dollar. Gross profit from leasing and others increased by approximately HK$2 million and the segment recorded 57.7% in gross profit margin in FY2015.

Net profit attributable to shareholders of the Company for FY2015 amounted to approximately HK$957 million. In FY2014, there was a one-time gain of approximately HK$259 million from the Singapore Government's compulsory acquisition of Pearl's Centre, which was not repeated in FY2015. Adjusting for this one-off item, the net profit attributable to shareholders of the Company increased by 46.1% for FY2015.

Final dividend for FY2015 was HK13 cents. Total dividend for FY2015 was HK16 cents, increased by HK1 cents compared with last financial year (FY2014: HK15 cents).

2. Liquidity, financial resources and net gearing

The following table sets out the Group's bank and cash balances, investment securities (which were considered as cash equivalent items due to its easily-monetizable nature), bank loans and borrowings and equity as at 31 March 2015.

	As at	
	31.3.2015	31.3.2014
	HK$ million	*HK$ million*
Bank loans and bonds		
Due within 1 year	**3,821**	2,846
Due 1 – 2 years	**530**	2,716
Due 2 – 5 years	**5,167**	3,917
Due more than 5 years	**301**	337
Total bank loans and bonds	**9,819**	9,816
Investment securities	**1,151**	1,023
Bank and cash balances	**2,336**	1,970
Liquidity position	**3,487**	2,993
Net debts (i)	**6,332**	6,823
Carrying amount of the total equity	**10,261**	9,951
Add: hotel revaluation surplus	**10,976**	10,954
Total equity adjusting for hotel revaluation surplus	**21,237**	20,905
Net gearing ratio (net debts to total equity)	**29.8%**	32.6%

Note:

(i) Net debts represent total bank loans and bonds less bank and cash balances, and investment securities.

To better manage the Group's liquidity position, the Group allocated a portion of its cash position in marketable fixed income securities. Investment securities shown on the consolidated statement of financial position represents primarily fixed income securities and investments in fixed income funds. Adjusting for the unrecognized hotel revaluation surplus of approximately HK$10,976 million as at 31 March 2015, the Group's total consolidated equity as at 31 March 2015 was approximately HK$21,237 million. The net gearing ratio of the Group was 29.8% for FY2015.

The borrowings in the Company's consolidated statement of financial position include an amount of approximately HK$521 million (as at 31 March 2014: HK$1,463 million) reflected as current liabilities as such sum is not repayable within one year. This sum is shown as current liabilities as the banks and/or financial institutions have discretionary rights to demand immediate repayment. There has been no demands for immediate repayment from any bank and/or financial institution.

As at 31 March 2015, the undrawn banking facilities was approximately HK$3.5 billion, of which approximately HK$2.2 billion were for construction and/or development purposes while the remaining balance of approximately HK$1.3 billion was for the Group's general corporate use. The banking facilities together with the sales proceeds from the Group's upcoming property development projects places the Company in a good financial position to fund not only its existing business and operations but also further expansion of its business.

To increase the financing flexibility for the Group, the Group intends to establish a Medium Term Note ("MTN") programme in the near future. Further details will be issued upon the establishment of the MTN programme.

3. Net asset value per share

	As at	
	31.3.2015	31.3.2014
	HK$ million	*HK$ million*
Equity attributable to shareholders of the Company	**9,144**	8,750
Add: Hotel revaluation surplus (adjusted for minority shareholders' interests)	**8,119**	8,114
Total net asset value	**17,263**	16,864
No. of shares issued ("million")	**1,914**	1,850
Adjusted net asset value per share	**HK$9.02**	HK$9.12

Adjusting for revaluation surplus on hotel assets of approximately HK$10,976 million as at 31 March 2015 (HK$10,954 million as at 31 March 2014) and minority shareholders' interests, net asset value per share for the Company as at 31 March 2015 was approximately HK$9.02.

4. Capital expenditure

The Group's capital expenditure consists primarily of expenditure for acquisition and development of hotel properties, plant and equipment.

For FY2015, the Group's capital expenditure amounted to approximately HK$300 million (2014: HK$1,103 million), a decrease of approximately HK$803 million, or 72.8%. These capital expenditure were funded by bank borrowings and internal resources. The capital expenditure was mainly attributable to the acquisition of office premises for the use of Cosmopolitan Hotel team and the construction and renovation works for Dorsett Regency Kuala Lumpur, Dorsett Tsuen Wan, Cosmopolitan Hotel, Hong Kong and Dorsett City, London. As the Group continues with the construction of existing development projects and seek new acquisition opportunities, the Group plans to incur approximately HK$447 million in capital expenditure over the next financial year, such capital expenditure to be funded by a combination of external borrowings and internal resources.

5. Capital commitments

	As at	
	31.3.2015	31.3.2014
	HK$'000	*HK$'000*
Capital expenditure contracted but not provided in the consolidated financial statements in respect of:		
Acquisition, development and refurbishment of hotel properties	**259,477**	153,281
Others	**83,761**	107,679
	343,238	260,960
Capital expenditure authorised but not contracted for in respect of:		
Development and refurbishment of hotel properties	**210,346**	22,750
Others	**11,069**	16,474
	221,415	39,224
	564,653	300,184

6. Post balance sheet event

On 27 May 2015, a joint announcement was made by the Company and Dorsett (the "Joint Announcement") for the possible privatization of Dorsett by way of a scheme of arrangement under section 86 of the Companies Law (the "Proposal"). For details of the Proposal and the definitions of the capitalized terms hereunder, please refer to the Joint Announcement dated 27 May 2015.

Terms of the Proposal

Under the Proposal, Dorsett Scheme Shareholders will receive HK$0.72 cash and 0.28125 share of the Company in exchange for the cancellation of each Scheme Share, totaling the equivalent of HK$1.80 (based on the closing price of HK$3.84 of the share of the Company on 20 May 2015, being the Last Trading Day), representing a premium of approximately 32.4% over the closing price of HK$1.36 of Dorsett Share on the Last Trading Day. Subject to the fulfillment of a number of conditions, Dorsett will be delisted if the Proposal proceeds to completion. On the assumption that all outstanding Dorsett Options are exercised in full, the amount of cash required by the Company to implement the Proposal would be approximately HK$404 million and the number of FEC Consideration Shares which may be issued pursuant to the Scheme would be approximately 157.8 million shares.

FEC Consideration Shares and the Share Capital of the Company

If no Dorsett Options are exercised, 153,772,593 FEC Consideration Shares will be issued pursuant to the Scheme, representing approximately 7.44% of the enlarged share capital of the Company upon completion of the Proposal. The amount of cash required to implement the Proposal would be approximately HK$394 million. The Group intends to finance the cash required for implementing the Proposal from internal financial resources.

Reasons for and Expected Benefits of the Proposal

The directors of the Company are of the view that the Proposal is and will be beneficial to the Group as a whole and in the interests of shareholders of both the Company and Dorsett.

For Dorsett

In the past two years, the share price of Dorsett has traded at a level below the listing price, with a relatively low level of liquidity. Dorsett has not raised any external equity funding since its listing and the directors of the Company are of the view that the share price does not reflect the true value and fundamental strength of Dorsett. The successful implementation of the Proposal would provide the Independent Dorsett Shareholders an opportunity to dispose their shares in Dorsett at a consideration that represents a considerable premium to the historical market price of Dorsett Shares. Through the share exchange mechanism under the Proposal, the Independent Dorsett Shareholders will be able to retain an equity exposure in the hospitality business and benefit from the broader real estate business of the Company.

For the Company

The Company is the controlling shareholder of Dorsett owning 73.97% of Dorsett Shares. The directors of the Company are of the view that the Proposal should enhance value for its shareholders through the elimination of the holding Company discount and simplification of shareholding structure if the Proposal is implemented. The Group combined as a whole would be in a better and stronger position to exploit business opportunities as existing non-compete restrictions will fall away. There will also be cost savings through the rationalization of overlapped corporate functions. In addition, the Company would be able to utilise the combined liquidity resources of the enlarged Group more effectively for the benefit of shareholders of the Company. Successful implementation of the Proposal would also broaden the shareholder base of the Company and is expected to increase trading liquidity of the Company's shares.

Withdrawal of listing of Dorsett Shares

In accordance with Rule 6.15 of the Listing Rules, Dorsett will apply to the Stock Exchange for the withdrawal of the listing of Dorsett Shares on the Stock Exchange immediately following the date the Scheme becoming effective. A detailed timetable for the implementation of the Proposal will be included in the Scheme Document.

BUSINESS REVIEW

1. Property division

The Group's property business includes property development and investment.

Property investment comprises investments in retail and office buildings located in Shanghai, Hong Kong, Singapore and Melbourne. For FY2015, the Company had a valuation gain of approximately HK$272 million from its investment properties. As at 31 March 2015, valuation of investment properties reached approximately HK$3.2 billion (31 March 2014: HK$2.7 billion). The increase in value of investment properties was mainly attributable to the completion of retail properties at Star Ruby, Hong Kong, Hudson at Upper West Side (Stage 2) in Melbourne, Australia, the shopping centre in Wuhan (held by Dorsett) and the Group's car park in Shanghai, Mainland China.

The Group has a diversified portfolio in residential property development in Australia, Shanghai, Guangzhou, Hong Kong, London and Kuala Lumpur. To carry out property development in the different markets, the Group has strong local teams in each of these markets. The regionalization approach allows the Group to take advantage of the different property cycles in the different markets. This strategy has resulted in a relatively low land cost base for the Group's development projects. The Group's property developments are largely focused on mass residential market in accordance with the Company's strategy to grow with the increasing affluence of the middle class.

Total cumulative presales value of residential properties under development amounted to approximately HK$6.5 billion as at 31 March 2015, of which contracted presales value was approximately HK$4.8 billion and registered presales value (see note below) was approximately HK$1.7 billion. All developments under presale are expected to be completed and delivered within 4 years. As revenue will only be recognized when the sales of the property developments are completed, proceeds from the presales were not reflected in the consolidated income statement. The Group expects a significant cash flow when the projects are completed.

The following shows a breakdown of the total presales value of residential properties under development as at 31 March 2015.

Developments	**Location**	***HK$ million***	**Expected financial year of completion**
Midtown at Upper West Side (Stage 3)	Melbourne	688	FY2016
Manhattan at Upper West Side (Stage 4)	Melbourne	1,738	FY2017
The FIFTH	Melbourne	1,029	FY2018
View Pavilion	Shanghai	149	FY2016
King's Manor	Shanghai	176	FY2017
Eivissa Crest	Hong Kong	586	FY2016
Dorsett Bukit Bintang	Kuala Lumpur	397	FY2017
Cumulative contracted presales value		4,763	
The Towers at Elizabeth Quay	Perth	1,733[i]	FY2019
Total presales value		6,496	

Note:

(i) The amount represents registered presales. A registered presale is an expression of interest for an apartment where a booking fee has been paid to reserve an apartment. No sale and purchase agreement has been entered into and there is no assurance that this expression of interest will lead to the eventual entering of a sale and purchase agreement for the reserved apartment.

In FY2015, the Group launched presale of 4 residential development projects, namely (i) Eivissa Crest in Hong Kong, (ii) The FIFTH in Melbourne, Australia, (iii) Dorsett Bukit Bintang in Kuala Lumpur, Malaysia, and (iv) King's Manor, California Garden in Shanghai, Mainland China. A soft launch of The Towers at Elizabeth Quay in Perth, Australia, yielded tremendous interest of presales registration. In the first quarter of 2015, the total saleable floor area from these 5 developments was approximately 1.6 million square feet ("sq. ft.") and total gross development value of these 5 projects is expected to be more than HK$8.3 billion.

In FY2015, the Group acquired 3 additional residential development sites, namely (i) Tai Wai site in Hong Kong, (ii) Hai Tan Street site, Sham Shui Po, Hong Kong (an urban renewal project with the Urban Renewal Authority), and (iii) Manilla Street site located adjacent to the Marsh Wall site in Canary Wharf, London. These sites further enhance the Group's property development pipeline and the regional replenishment focus. As at 31 March 2015, the Group had 20 active residential property development projects with total saleable floor area of approximately 5.8 million sq. ft. under various stages of development across its geographical markets. Details of the pipeline are shown below.

Developments	**Saleable Floor Area**[i] *Sq. ft.*	**Expected Gross Development Value**[ii] *HK$ million*	**Status/ Expected launch**	**Expected financial year of completion**
Melbourne				
– Midtown at Upper West Side (Stage 3)	167,000	688	Launched	FY2016
– Manhattan at Upper West Side (Stage 4)	388,000	1,738	Launched	FY2017
– The FIFTH	284,000	1,223	Launched	FY2018
– West Side Place				
– Phase 1	524,000	3,027	FY2016	Planning
– Phase 2	500,000	3,162	Planning	Planning
– Phase 3	400,000	2,530	Planning	Planning
– Phase 4	576,000	3,642	Planning	Planning
Perth – The Towers at Elizabeth Quay	320,000	2,762	Launched	FY2019
London – Alpha Square	387,000	4,434	FY2017/8	Planning
Guangzhou – Royal Riverside	688,000	2,150	FY2016	FY2017
Shanghai				
– View Pavilion (remaining)	110,000	371	Launched	FY2016
– King’s Manor	712,000	2,652	Launched	FY2017
– The Royal Crest II	259,000	938	FY2016	FY2018
Hong Kong				
– Tan Kwai Tsuen	48,000	800	FY2016	FY2016
– Eivissa Crest	36,000	757	Launched	FY2016
– Tai Wai	33,000	407	FY2017/8	FY2019
– Sha Tau Kok	99,000	795	FY2017	FY2018
– Wong Tai Sin	67,000	1,073	FY2016	FY2019
– Sham Shui Po	28,000	497	FY2017/8	FY2019
Kuala Lumpur				
– Dorsett Bukit Bintang	215,000	953	Launched	FY2017
Total	5,841,000	34,599		

Notes:

(i) The figures represent approximate saleable residential floor areas which may vary subject to finalization of development plans.

(ii) The amounts shown represent expected gross development value which may change subject to market conditions.

In addition to the development pipeline of approximately 5.8 million sq. ft. in saleable floor areas, the Group has a land bank of approximately 5 million sq. ft. of floor areas. These land bank comprised inter alia of residential land in Shanghai and Guangzhou, and a joint venture project in Fong Lok Wai, Yuen Long, Hong Kong. With a total property development pipeline of approximately 11 million sq. ft. the Group's development is poised for continued growth in the coming years.

Australia

Upper West Side project is a high rise residential development located in the central business district of Melbourne. This development has been phased into 4 stages. Both Stage 1 and 2 consisting of more than 1,200 apartments were completed and delivered with Stage 2 (Hudson) completed in FY 2015. Stage 3 ("Midtown at Upper West Side") and Stage 4 ("Manhattan at Upper West Side") were launched for presale in the last 2 years and construction are now underway. As at 31 March 2015, contracted presales values of Stage 3 and Stage 4 were approximately HK$688 million and HK$1,738 million respectively. Both Stage 3 and 4 were 100% presold. Stage 3 is expected to be completed in the financial year ending 31 March 2016 and Stage 4 in the financial year ending 31 March 2017.

The FIFTH located adjacent to the Upper West Side development in Melbourne and provides 402 high rise apartments which is expected to be completed in the financial year ending 31 March 2018. As at 31 March 2015, contracted presales value of The FIFTH reached approximately HK$1,029 million, representing 84% of its total expected gross development value.

Located next to the Upper West Side development, 250 Spencer Street ("West Side Place") is a mixed-use residential development which is expected to provide approximately 2,500 residential apartments divided into 4 towers which will include an approximately 240 rooms 5-star Ritz-Carlton hotel, upmarket retail shopping outlets and facilities. Launch of the presale of the first residential tower (consisting of approximately 600 apartments) is expected in the second half of the financial year ending 31 March 2016. Estimated gross development value of the first residential tower will be approximately HK$3.0 billion.

The Upper West Side, The FIFTH and The West Side Place will collectively provide approximately 6,000 apartments in central Melbourne and will be the biggest mixed-use developments with residential focus in Melbourne's central business district.

In June 2014, the Group was the successful bidder of a prestigious residential and hotel project in Elizabeth Quay, Perth. The mixed-use development comprising a residential units of approximately 320,000 sq. ft. in saleable floor area, a 5-star Ritz Carlton hotel with more than 200 rooms, approximately 20,000 sq. ft. commercial or retail area as well as other ancillary facilities is part of the Western Australia Government's initiative to promote and rejuvenate the waterfront areas in Perth. Soft launched in the beginning of 2015, the registered presales value for the project reached approximately HK$1.7 billion as at 31 March 2015. This development is expected to be completed in the financial year ending 31 March 2019.

In line with the Group's strategic plan to expand its development pipeline and increase its recurring income base, the Group signed a consortium bid agreement with Chow Tai Fook Enterprises Limited ("CTF") and Echo Entertainment Group Limited ("Echo") to jointly bid for the development of an entertainment precinct and integrated resort at the Queen's Wharf, Brisbane, Australia. The 9.4 hectare integrated resort will comprise residential towers, 4 world class hotels, high end food and commercial outlets and a casino in Brisbane's prime waterfront district.

Under the terms of collaboration, the Group and CTF will each have 25% interest in the integrated resort (excluding residential towers) and Echo will have 50% interest and will be appointed as the casino operator, if the consortium's bid is successful. The residential development will be undertaken by the Group and CTF on 50:50 basis if the bid is successful. The result of the tender is expected shortly.

Mainland China

The Group has been developing California Garden, a premier township in Shanghai over a number of years. The project, comprising a diversified portfolio of the Group's established brand of town houses, high and low rise apartments, provides a steady flow of revenue for the Group.

View Pavilion consists of 306 high rise apartments. Approximately 200 apartments were completed in FY2015 and the remaining is expected to be completed in the financial year ending 31 March 2016. Presales value as at 31 March 2015 was approximately HK$149 million.

Currently, 2 phases of the residential development project (namely King's Manor and The Royal Crest II) are under construction. Both developments will produce approximately 800 residential apartments and town houses with total saleable floor area of approximately 1 million sq. ft..

King's Manor consists of 479 apartments and 90 town houses. This development was launched for presale in March 2015. Presales value as at 31 March 2015 was approximately HK$176 million, amounting to 7% of the total presales value of the development. Completion of this phase is expected in the financial year ending 31 March 2017.

The Royal Crest II consists of 180 apartments and 42 town houses. It is expected to launch for presale in the second half of FY2016. The Royal Crest II is expected to be completed in the financial year ending 31 March 2018.

In Guangzhou, Royal Riverside, a 5 residential towers development producing approximately 600 high rise apartments of total saleable floor area of approximately 688,000 sq. ft. will be launched for presale in the second half of the financial year ending 31 March 2016. The development is expected to be completed in the financial year ending 31 March 2017.

Hong Kong

The Group has been actively building up its development pipeline in Hong Kong. The Group continues to increase its land bank through acquisition of redevelopment sites, by participating in government tender and bidding for projects with Urban Renewal Authority ("URA").

Following the acquisition of a residential redevelopment site in Wong Tai Sin and a residential development site in Sha Tau Kok through government tender in the last financial year, the Group further acquired a residential development site at Tai Wai and won a development project in Sham Shui Po with URA.

The Tai Wai site comprises a residential component of approximately 33,000 sq. ft. in saleable floor area and a commercial component of approximately 5,800 sq. ft. in gross floor area. It is expected that approximately 118 apartments consisting mainly 1-bedroom and 2-bedroom apartments will be built. Completion of the project is expected in the financial year ending 31 March 2019.

The Sham Shui Po residential site will comprises approximately 72 apartments (mainly 1-bedroom apartment) with approximately 28,000 sq. ft. in saleable floor area. Completion is expected in the financial year ending 31 March 2019.

The Sha Tau Kok site will comprise approximately 263 apartments of approximately 99,000 sq. ft. in saleable floor area. Presales launch is expected in FY2017 and completion is expected in the financial year ending 31 March 2018.

During FY2015, the residential developments namely Star Ruby and Sevilla Crest were completed. Revenue from these two projects were approximately HK$613 million and HK$441 million respectively.

Eivissa Crest on Hill Road, Hong Kong is a project currently being presold, consisting of 106 residential apartments with approximately 36,000 sq. ft. in saleable floor area. The presales value reached approximately HK$586 million as at 31 March 2015, representing 77% of the total expected gross development value. Completion is expected to take place in the financial year ending 31 March 2016.

In the coming financial year ending 31 March 2016, the Group plans to to launch presale of 2 projects, namely the Wong Tai Sin residential development and the Tan Kwai Tsuen development. The Wong Tai Sin residential development is a redevelopment project which is located at 68–86 Wan Fung Street, Wong Tai Sin with 234 apartments and completion is expected in the financial year ending 31 March 2019. The Tan Kwai Tsuen development is a residential development with 24 town houses located in Tan Kwai Tsuen Road, Hung Shui Kiu, Yuen Long with completion in the financial year ending 31 March 2016.

The joint venture project in Fung Lok Wai, Yuen Long is a residential development where planning approval has been obtained. This residential development consists total floor area of approximately 1.6 million sq. ft.. The Group has 25.33% interest in the development.

Malaysia

Dorsett Bukit Bintang is a residential development adjacent to Dorsett Regency Kuala Lumpur. This development consists of 252 high rise apartments of approximately 215,000 sq. ft. in saleable floor area. As at 31 March 2015, presales value reached approximately HK$397 million, representing 42% of the total expected gross development value. Completion is expected to take place in the financial year ending 31 March 2017.

London, United Kingdom

A residential development site in Marsh Wall, Canary Wharf was acquired in January 2014 at the price of GBP16.7 million. In June 2014, the Group acquired another site at Manilla Street adjacent to the Marsh Wall site at the price of GBP6.5 million. The Group intends to combine the 2 sites and, subject to planning approval, will develop a mixed-use development consisting of residences of approximately 387,000 sq. ft. in saleable floor area, a hotel of approximately 300 rooms with some retail outlets.

2. Hotel operations and management – Dorsett Hospitality International Limited

The Group owns 73.97% of Dorsett Hospitality International Limited. The key indicators of Dorsett's owned hotel operations for FY2015 are as follows:

	For the year ended 31 March	
	2015	2014
Hong Kong		
Occupancy rate	**92.7%**	93.9%
Average room rate *(HK$)*	**856**	942
RevPAR *(HK$)*	**794**	885
Malaysia		
Occupancy rate	**64.7%**	68.8%
Average room rate *(HK$)*	**491**	519
RevPAR *(HK$)*	**318**	357
Mainland China		
Occupancy rate	**47.4%**	54.3%
Average room rate *(HK$)*	**545**	573
RevPAR *(HK$)*	**258**	311
Singapore		
Occupancy rate	**77.3%**	67.2%
Average room rate *(HK$)*	**1,188**	1,275
RevPAR *(HK$)*	**918**	857
United Kingdom		
Occupancy rate	**61.1%**	–
Average room rate *(HK$)*	**1,185**	–
RevPAR *(HK$)*	**724**	–
Group Total		
Occupancy rate	**73.6%**	76.7%
Average room rate *(HK$)*	**762**	786
RevPAR *(HK$)*	**561**	603

In FY2015, the Group's hotel operations increased its total revenue by approximately 13.0% to HK$1,454 million compared with FY2014, mainly attributed by increased room inventory and commencement of operations of newly completed hotels. In FY2015, 2 hotels owned by Dorsett commenced operations, namely Lushan Resort, Mainland China and Dorsett Shepherds Bush, London. The Silka Hotel, Cheras, Malaysia came under the management of Dorsett.

RevPAR for the Group came in at HK$561, a decrease of 7.0%, mainly due to the downturn of tourism in Hong Kong.

The Group opened its first hotel in London, Dorsett Shepherds Bush in the first quarter of FY2015. Dorsett Shepherds Bush is a 317 rooms hotel located in the heart of West London.

Lushan Resort, located within the vicinity of the famous Lushan National Park in Jiujiang, which is a 297 rooms hotel opened in June 2014.

As at 31 March 2015, Dorsett operated 20 owned hotels (9 in Hong Kong, 5 in Malaysia, 4 in Mainland China, 1 in Singapore and 1 in London) with approximately 6,000 rooms and had 5 owned hotels in the development pipeline (1 in Hong Kong, 2 in Mainland China, 2 in United Kingdom). When all the pipeline hotels become operational, Dorsett would operate 25 owned hotels with more than 7,000 rooms. Dorsett continues to expand its hotel portfolio and its network coverage.

3. Car park operations and facilities management

The Group's car park and facilities management business includes car park operations and property management services.

The car park business extends to both third party owned car parks and self-owned car parks. The car park operations achieved steady growth in FY2015. The Group acquired 2 car parks with 487 car parking bays in New Zealand in FY2015. As at 31 March 2015, the Group's carpark portfolio comprised 335 car parks with approximately 65,300 car parking bays. Of these, 23 were self-owned car parks (19 in Australia, 2 in New Zealand and 2 in Kuala Lumpur) comprising approximately 6,200 car parking bays. The remaining car park portfolio consists of approximately 59,100 car parking bays in Australia and New Zealand, which are under management contracts entered into with third party car park owners. Third party owners include local governments, shopping malls, retailers, universities, airports, hotels, hospitals, government departments and commercial and office buildings.

This division expanded its operation to include property management services in Australia (mainly in Brisbane, Melbourne and Adelaide) and Johor Bahru, Malaysia. It is expected that the car park operations and facilities management business will grow steadily. As at 31 March 2015, the Group had 35 contracts in relation to facility management services.

PROSPECTS

Looking ahead, the property market in Australia is expected to remain buoyant due to the current low interest rate environment and expected further interest rate cuts in the coming months, which is likely to drive demand for real estates domestically and internationally. In Mainland China, the Central Government has pushed forward reform of its economy into a sustainable "new normal" model, with stepped up efforts on growth stabilization and economic restructuring. Measures include scaling up investments in infrastructure, stabilization of real estate market, increasing domestic consumption, enhancement of urban planning and construction standards and formation and implementation of city cluster planning. By adhering to sector-based guiding instruction and implementing policies according to domestic conditions, the Government looks to cater for domestic needs of home purchase and upgrade and aiding the stable and healthy development of real estate market. In Hong Kong, until the United States begins to enter into an upward interest rate cycle, Hong Kong's low interest rate environment and strong domestic underlying demand should continue to support the residential market. In the United Kingdom, it is expected that the overall macro-economic environment will continue to be positive with the residential market remaining attractive to local and foreign buyers.

Although market conditions is expected to remain difficult in the short term, the Group expects that its hotel operations will weather the current challenging market conditions in Hong Kong. Cautiously optimistic, the Group believes that in the longer term future, the expansion of Hong Kong Disneyland Theme Park and the completion of significant infrastructure projects, such as the Hong Kong-Zhuhai-Macau Bridge and the inclusion of Hong Kong in the high-speed railway network in Mainland China, will be factors which will boost tourism in Hong Kong. The Group will also continue to grow its hotel portfolio in Asia and the United Kingdom and actively pursue suitable opportunities in new markets.

The Group's car park operations and facilities management business is expected to continue to generate steady recurring income. The Group will actively explore opportunities to grow its car operations park and facilities management business.

In the medium term, the Group's development pipeline of approximately HK$35 billion of gross development value will provide the Group with a stable revenue stream. The Company will maintain its regionalization strategy and continue to diversify its earnings stream to achieve sustainable growth. If successful in the bidding process, the Queen's Wharf Project in Brisbane will transform the Group with additional recurring income source from the gaming industry. Leveraging on its solid project portfolio, the Company is well-positioned to continue to create long term value for its shareholders through regular dividend distributions and enhancement in net asset value of the Group.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2015, the Group had approximately 3,400 employees. The Group provides its employees with comprehensive benefits including medical benefits, internal and external trainings and career development opportunities.

CORPORATE GOVERNANCE

Throughout the year ended 31 March 2015, the Company has complied with the code provisions (the "Code Provisions") set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange, except for the deviation from Code Provisions A.2.1 described below.

Pursuant to Code Provision A.2.1 of the CG Code, the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. Currently Tan Sri Dato' David CHIU assumes the roles of both the Chairman and Chief Executive Officer of the Company. The Board believes that this structure provides the Group with strong and consistent leadership and allows for more effective and efficient business planning and decisions as well as execution of long term business strategies. As such, it is beneficial to the business prospects of the Group.

AUDIT COMMITTEE

The Audit Committee, comprising all of the Company's three independent non-executive directors, namely Mr. Kwok Wai CHAN, Mr. Peter Man Kong WONG and Mr. Kwong Siu LAM, has reviewed the audited consolidated results of the Group for the financial year ended 31 March 2015.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position as at 31 March 2015, the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year then ended as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagement issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the financial year ended 31 March 2015, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

PUBLICATION OF THE RESULTS AND ANNUAL REPORT

This results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.fecil.com.hk. The Annual Report of the Company for the financial year ended 31 March 2015 and the notice of 2015 AGM will be despatched to the Shareholders and will also be available for viewing at each of the websites of the Stock Exchange and the Company in due course.

By order of the Board of
Far East Consortium International Limited
Boswell Wai Hung CHEUNG
Chief Financial Officer and Company Secretary

Hong Kong, 24 June 2015

As at the date of this announcement, the Board comprises five executive directors, namely Tan Sri Dato' David CHIU, Mr. Cheong Thard HOONG, Mr. Chi Hing CHAN, Mr. Dennis CHIU and Mr. Craig Grenfell WILLIAMS and three independent non-executive directors, namely Mr. Kwok Wai CHAN, Mr. Peter Man Kong WONG and Mr. Kwong Siu LAM.