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THE HONGKONG AND SHANGHAI HOTELS, LIMITED
香港上海大酒店有限公司
(Incorporated in Hong Kong with limited liability)
(Stock Code: 00045)

Unaudited Operating Statistics – First Quarter of 2018

The appended unaudited operating statistics and press release contain the first quarter operating information of The Hongkong and Shanghai Hotels, Limited (the “Company”). This announcement is made pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong). The same information is dispatched to shareholders and members of the press at the Annual General Meeting of the Company held on 9 May 2018.

Shareholders and potential investors of the Company are reminded that the operating information has not been reviewed or audited by the Company’s independent auditor. Shareholders and potential investors of the Company should therefore exercise caution when dealing in the securities of the Company.

For and on behalf of the Board
The Hongkong and Shanghai Hotels, Limited
Christobelle Liao
Company Secretary

Hong Kong, 9 May 2018

As at the date of this announcement, the Board of Directors of the Company comprises the following Directors:

Non-Executive Chairman
The Hon. Sir Michael Kadoorie

Non-Executive Deputy Chairman
Andrew Clifford Winawer Brandler

Executive Directors
Managing Director and Chief Executive Officer
Clement King Man Kwok

Chief Operating Officer
Peter Camille Borer

Chief Financial Officer
Matthew James Lawson

Non-Executive Directors
William Elkin Mocatta
John Andrew Harry Leigh
Nicholas Timothy James Colfer
James Lindsay Lewis
Philip Lawrence Kadoorie

Independent Non-Executive Directors
Dr the Hon. Sir David Kwok Po Li
Patrick Blackwell Paul
Pierre Roger Boppe
Dr William Kwok Lun Fung
Dr Rosanna Yick Ming Wong
Dr Kim Lesley Winsler
Ada Koon Hang Tse



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Unaudited Operating Statistics – First Quarter of 2018

The unaudited quarterly operating statistics of The Hongkong and Shanghai Hotels, Limited (the “Company”) for 2018 and 2017 are as follows:

THE PENINSULA HOTELS

Occupancy Rate (%)	Number of Rooms (as at 31 Mar 2018)	2018				2017			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Hong Kong	300	80				76	70	71	84
Other Asia	1,615	70				68	67	66	70
USA and Europe	969	63				63	72	77	70

Average Room Rate (HK\$)	2018				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Hong Kong	5,883				4,859	4,499	4,437	5,568
Other Asia	2,699				2,454	2,808	2,426	2,933
USA and Europe	5,600				5,390	5,968	6,085	5,924

RevPAR (HK\$)	2018				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Hong Kong	4,717				3,684	3,132	3,150	4,664
Other Asia	1,901				1,673	1,889	1,596	2,040
USA and Europe	3,511				3,418	4,271	4,659	4,158

LEASING

Occupancy Rate (%)	2018				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Residential	95				92	95	93	96
Shopping Arcades	88				90	89	89	89
Office	94				98	95	92	93

Average Monthly Yield per available square foot (HK\$)	2018				2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Residential	46				45	46	45	47
Shopping Arcades	172				173	173	174	175
Office	59				57	56	53	54

Note for All Operations:

1. All amounts are expressed in HK\$

Notes for The Peninsula Hotels:

2. Number of rooms is the total number of guestrooms in a hotel, whether available for sale or not. Rooms available for sale is the total room inventory less rooms unavailable for an extended period of time and / or permanent house use rooms
3. Occupancy Rate is the number of rooms sold / rooms available for sale
4. Average Room Rate is the total rooms revenue / number of rooms sold
5. RevPAR is the total rooms revenue / rooms available for sale
6. Occupancy rates, average room rates and RevPAR are weighted averages for the hotels in each grouping
7. The Peninsula Hotels are located in:

Hong Kong:	Hong Kong
Other Asia:	Shanghai, Beijing, Tokyo, Bangkok and Manila
USA and Europe:	New York, Chicago, Beverly Hills and Paris

Notes for Leasing:

8. Occupancy Rate is the area leased / area available for lease
9. Average Monthly Yield per available square foot is the total rental income / area available for lease
10. Occupancy rates and average monthly yield per available square foot are weighted averages based on the area available in each grouping
11. The Group's most significant shopping arcades are located in The Peninsula Hotels in Hong Kong, Shanghai, Beijing, New York, as well as The Repulse Bay Complex and The Peak Tower
12. The operating statistics do not include information for operations whose results are not material in the Group context: The Landmark, Vietnam; The Peninsula Residences, Shanghai; and 21 avenue Kléber, Paris



THE HONGKONG AND SHANGHAI HOTELS, LIMITED
香港上海大酒店有限公司

To: All Finance/Business/Real Estate/Travel Editors

FOR IMMEDIATE RELEASE

9 MAY, 2018

FIRST QUARTER 2018 UNAUDITED OPERATING STATISTICS

Hong Kong, 9 May 2018 At its Annual General Meeting held today, The Hongkong and Shanghai Hotels, Limited (HSH) disclosed its unaudited first quarter operating statistics for 2018.

Commenting on the year-to-date results, HSH Managing Director and Chief Executive Officer Mr Clement K.M. Kwok said, “We have experienced a strong start to our business in 2018. The first quarter results exceeded our expectations and reflect our efforts to drive revenue and cut costs, as well as the improved business environment in many of the markets where we operate, especially in Hong Kong.

The Peninsula Hotels

The Peninsula Hong Kong reported a 4pp increase in occupancy and a 28% increase in RevPAR as compared with the same period last year, reflecting the improving tourism environment in Hong Kong.

We were pleased to report a 14% increase in RevPAR for the rest of Asia, driven by a strong performance from The Peninsula Bangkok and return to full inventory of The Peninsula Beijing. The complete transformation of The Peninsula Beijing was completed in 2017, offering a spectacular new all-suite hotel product and transformed public areas. The RevPAR for our hotels in USA and Europe increased by 3% with a good performance from The Peninsula New York and from our recently renovated Peninsula hotel in Chicago.

Commercial Properties

Residential Leasing: Occupancy at The Repulse Bay Complex was strong, and although rents in the luxury sector in Hong Kong remain under pressure, the outlook for the rest of the year remains stable.

Shopping Arcades: The shopping arcades in The Peninsula Hotels, The Peak Tower and The Repulse Bay continue to be popular with premium brands for retail space. The Shopping Arcades yield reduced slightly year-on-year. We are working with our retail tenants to develop new promotional strategies to help drive traffic to our arcades.

Offices: Yield from the Group’s office leasing increased by 4% year-on-year, contributed by performance in both The Peninsula Office Tower and St. John’s Building, located in Hong Kong. One office and one retail tenant have moved into 21 avenue Kléber which underwent a complete renovation in 2017.

Outlook and Developments

We have experienced a strong start to our business in 2018 and we are cautiously optimistic for the Hong Kong tourism market for the rest of the year, although the Hong Kong market in terms of high-end residential lettings and retail rental income remains uncertain.

We believe that the smaller, exclusive and high-end nature of the retail outlets at The Peninsula Hong Kong, as well as our luxury residential product at The Repulse Bay Complex, especially our recently fully renovated and enlarged apartments at the de Ricou tower, have been key to maintaining demand for those properties.

In the US, the economic outlook is positive and The Peninsula Chicago is now the RevPAR leader in that city after its renovation which was completed in 2016. The Peninsula New York is experiencing strong demand.

We are pleased to have made good progress with our partners in the ongoing development of our three projects in London, Istanbul and Yangon. We held groundbreaking ceremonies for The Peninsula London and The Peninsula Yangon in 2017, and construction is well underway at The Peninsula Istanbul. Construction is starting on the site of The Peninsula London and we expect to open by 2021.

We remain confident that our long-term growth is underpinned by a strong balance sheet comprising valuable high quality assets coupled with a low level of gearing.”

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About The Hongkong and Shanghai Hotels, Limited (HSH)

Incorporated in 1866 and listed on the Hong Kong Stock Exchange (00045), The Hongkong and Shanghai Hotels, Limited is the holding company of a Group which is engaged in the ownership, development, and management of prestigious hotels and commercial and residential properties in key locations in Asia, the United States and Europe, as well as the provision of tourism and leisure, club management and other services. The Peninsula Hotels portfolio comprises The Peninsula Hong Kong, The Peninsula Shanghai, The Peninsula Beijing, The Peninsula Tokyo, The Peninsula Bangkok, The Peninsula Manila, The Peninsula New York, The Peninsula Chicago, The Peninsula Beverly Hills, and The Peninsula Paris. Projects under development include The Peninsula London, The Peninsula Yangon and The Peninsula Istanbul. The property portfolio of the Group includes The Repulse Bay Complex, The Peak Tower and St. John’s Building in Hong Kong; The Landmark in Ho Chi Minh City, Vietnam; and 21 avenue Kléber in Paris, France. The clubs and services portfolio of the Group includes The Peak Tram in Hong Kong; Thai Country Club in Bangkok, Thailand; Quail Lodge & Golf Club in Carmel, California; Peninsula Clubs and Consultancy Services, Peninsula Merchandising, and Tai Pan Laundry in Hong Kong.

For further information on this release, please contact:
The Hongkong and Shanghai Hotels, Limited

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