

NEWS RELEASE

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E&O: Seri Tanjung Pinang Phase II Public Dialogue, a major milestone for project

Kuala Lumpur, 26 August 2013 – The completion of a public dialogue on the detailed environmental impact assessment (DEIA) study for Eastern & Oriental Berhad's (E&O) Seri Tanjung Pinang Phase II project last Saturday marks another major milestone for the lifestyle property Group's flagship project in Penang with an estimated gross development value (GDV) of RM25 billion.

Held at the Straits Quay Convention Centre in Penang, the public dialogue was attended by close to 600 people while questions on the project were fielded by a 30-member panel comprising technical consultants and E&O management led by the company's Managing Director, Dato' Terry Tham Ka Hon.

"Phase I of Seri Tanjung Pinang is almost complete and we are now ready to continue the development journey by starting Phase II. The public dialogue on the DEIA is a crucial part of the process for Phase II and we are glad to have received a lot of constructive feedback for this project going forward," said Dato' Tham.

The public comments covered the terms of reference of the DEIA study – sea reclamation, dredging and the development of the reclaimed area – as well as the proposed illustrative masterplan for the first stage (Stage A) of Phase II.

"Next, our DEIA consultants will be incorporating the feedback and suggestions from the public into the report, aiming to produce a final version for submission to the Department of Environment for consideration," he added.

Dato' Tham's comments on the public dialogue coincided with E&O's release of financial results for the first quarter ended 30 June 2013.

The Main Board-listed lifestyle property developer recorded adjusted revenue of RM110.2 million and profit after tax of RM27.8 million for the quarter ended 30 June 2013.

The Group's property segment contributed close to 74% (RM81.8 million) of total adjusted revenue. This main business driver for the company also recorded operating profit of RM45.3 million for the financial quarter ended 30 June 2013 as compared to RM38.0 million for the previous corresponding quarter, representing an increase of 19%.

The hospitality and lifestyle arm of E&O meanwhile contributed 24% of total adjusted revenue amounting to RM26.5 million. This is equivalent to a 31% increase in revenue as compared to the corresponding quarter of the previous year, which is largely attributable to the Group's two newly-opened establishments, the E&O Residences serviced apartments in Kuala Lumpur in December 2012 and the Victory Annexe, the new wing of the heritage E&O Hotel, in Penang in May 2013.

These financial results are aligned with E&O's mid-term 3-year business plan, which is targeted at delivering a cumulative profit after tax of RM450-500 million for the duration of the plan.

Aside from Seri Tanjung Pinang Phase II, E&O's future plans include upcoming launches worth RM1.5 billion by the end of 2013. These property launches will span locations across the Kuala Lumpur city centre, Iskandar Malaysia, Penang and London. Specifically, these properties include the RM400 million The Mews joint-venture serviced residence development with Mitsui Fudosan Residential Co. Ltd. Based on the special previews for The Mews in Hong Kong and Singapore, response has been positive with a steady flow of registrations coming in from these markets.

Over in Johor's Iskandar region, E&O and its partners Khazanah Nasional Berhad and Temasek Holdings will roll out their maiden launch of terraced homes at the 210-acre Avira resort wellness development.

Other launches that are expected before the end of the year are the final tower of the seafronting one-of-a-kind resort condominiums, Andaman in Seri Tanjung Pinang, Penang as well as the conversion and refurbishment Princes House project in London's Westminster Borough.

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The E&O Group

Eastern & Oriental Berhad (collectively referred to as 'The E&O Group' or 'E&O' is listed on the Main-Board of Bursa Malaysia. Its reputation as a premier luxury lifestyle property developer with a proven track record for delivering innovative concepts and high standards of quality, is built across a series of exclusive addresses in Kuala Lumpur (KL) and Penang Island.

The Group's past signature projects include the high-end **Dua Residency** Condominium in the KL city centre and **Idamansara** and **Seventy Damansara** exclusive landed homes in upscale Damansara Heights. E&O's newest completed development in the heart of KL, **St Mary Residences**, is styled after Manhattan's iconic loft apartments and represents the latest in urbane and elegant city living. On Penang Island, E&O's masterplanned seafront development **Seri Tanjung Pinang** is one of the most sought-after residential addresses on the island, especially with its latest launch, the **Quayside and Andaman seafront resort condominiums**. The neighbouring **Straits Quay** festive retail marina brings to life the holistic concept of living by-the-sea for residents of Seri Tanjung Pinang.

In Johor, E&O has embarked on a new joint-venture project with the wholly-owned subsidiaries of Khazanah Nasional Berhad and Temasek Holdings (Private) Limited to develop the 210-acre **Avira** wellness-themed development in Medini, Iskandar Malaysia.

E&O's core of property development is supported by a cachet of complementary lifestyle elements. In the hotel space, E&O is known for its iconic heritage hotels such as the **Eastern & Oriental Hotel** in George Town, Penang and the **Lone Pine Hotel**, the first beach front hotel on Penang's famed Batu Ferringhi tourist strip. **E&O Residences Kuala Lumpur** in the city's Golden Triangle represents E&O's extension of its hospitality expertise into the management of serviced residences. E&O's business in the lifestyle F&B space is represented via its 100% ownership of **The Delicious Group**, comprising 10 restaurants in Kuala Lumpur, Penang and Singapore. These elements as well as the **Performing Arts Centre of Penang** and **Straits Quay Convention Centre** reinforce E&O's position as a true lifestyle property development Group.

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