

Chairman's Statement



Listed on the Hong Kong Stock Exchange in 1972, Far East Consortium is a company with a long history. No matter successful or not, we should always learn from the past and plan for the future. In order to achieve business success, we must have a long term vision and a strategy to execute. Over the past few decades, the Company had kept pace with the passage of time, and now we have developed businesses in Mainland China, Hong Kong, Malaysia, Singapore and Australia.

In 2009, the global economy was still in the aftershock of financial crisis, the economic environment for the first half of the year was still dampened. Notwithstanding the challenges of the global economy, we have demonstrated the sturdy virtue of Chinese and safely got through the global financial crisis. As the market recovered, we had expanded our core business areas to strengthen our competitiveness.

2009 is a significant year for our country as it marks the 60th anniversary of The People's Republic of China (PRC). The 60th anniversary of the PRC was one of the most glorious celebrations in Chinese history. I am delighted

to see China's rising to power among the leading countries in the world and emerging as one of the strongest economies just after the turn of the century. And now, China plays a prominent role in the global economic development. We should all take pride in our Chinese heritage.

I am glad to see that our Company has so many young and talented staff. Thanks to the dedicated staff of the Company, our hotels once again won a number of encouraging awards during the year, for example: Lan Kwai Fong Hotel@ Kau U Fong was awarded the "Asia's Leading Boutique Hotel" of the World Travel Awards 2009, and was nominated for the "World's Leading Boutique Hotel" of the World Travel Awards 2009; Cosmopolitan Hotel was selected as one of the designated hotels for Hong Kong 2009 East Asian Games and was recommended by "Michelin Guide Hong Kong and Macau 2009 & 2010" as one of the most comfortable hotels in Hong Kong.

2010 will be an exciting year with the opening of Shanghai EXPO, the tourism and hotel industries will benefit the most,

and will bring new opportunities to the Group. Yue Shanghai Hotel, situated in the heart of Pudong, was opened in early 2010. This project has set a cornerstone for the Group's business in Shanghai. Far East Consortium will continue to grow with Mainland China's development.

Lastly, I would like to take this opportunity to express my appreciation to Tan Sri Dato' David Chiu, the Deputy Chairman and Chief Executive Officer, for his great contribution to the Company over last year, and I would like to express my sincere gratitude to the Shareholders, Directors and all staffs of the Company. Despite various challenges in the coming year, we will continue to count on your commitment and dedication for attaining the success of the Company in the future.

Deacon Te Ken Chiu
Chairman