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天德地產有限公司

Tian Teck Land Limited

(Incorporated in Hong Kong under the Companies Ordinance)



凱聯國際酒店有限公司

Associated International Hotels Limited

(Incorporated in Hong Kong under the Companies Ordinance)

JOINT ANNOUNCEMENT — PROFIT WARNING

The directors of each of Tian Teck Land Limited and Associated International Hotels Limited wish to update their respective shareholders as regards the impact of the recent outbreak of SARS in Hong Kong on the Hotel owned by Associated International Hotels Limited.

This joint announcement is made by the directors of Tian Teck Land Limited (“**Tian Teck**”) and Associated International Hotels Limited (“**AIHL**”) respectively pursuant to paragraph 2 of the Listing Agreement. Tian Teck and its wholly-owned subsidiary hold 50.01% of the issued shares of AIHL.

The Hyatt Regency Hotel (the “**Hotel**”) owned by AIHL has been affected by the outbreak of Severe Acute Respiratory Syndrome (“**SARS**”) in Hong Kong. Occupancy at the Hotel has fallen substantially in that the percentage of average occupancy from 1 April 2003 to 20 May 2003 was single digit whilst for the corresponding period in 2002 was about 90. There has been a negative impact on the Hotel’s food and beverage business and rentals of the shops of the Hotel. The directors of each of Tian Teck and AIHL do not currently have a view as to how long the current weakness in hotel demand will continue, and therefore, it is not possible, at this stage, to quantify the potential impact on the results of Tian Teck or AIHL.

It is premature to comment on the outlook for the full financial year which started on 1 April 2003. AIHL is working with the management of the Hotel to ensure that measures are taken to mitigate wherever possible the impact of the present situation.

Each of Tian Teck and AIHL has a strong balance sheet and very low gearing and the directors of each of Tian Teck and AIHL are confident for the foreseeable future that adequate funds will be available to meet cash-flow requirements of the respective companies.

Shareholders of each of Tian Teck and AIHL and investors should exercise caution when dealing in the shares of the respective companies due to the uncertainties described.

By order of the Board
Tian Teck Land Limited
Sin Cho Chiu Charles
Company Secretary

By order of the Board
Associated International Hotels Limited
Sin Cho Chiu Charles
Company Secretary

Hong Kong, 22 May 2003