

CHAIRMAN'S STATEMENT

The Group profit attributable to shareholders for the year ended 31st March 2004 amounted to HK\$101,070,000 compared to HK\$143,045,000 for the previous year.

Your Directors will recommend a final dividend of 15.0 cents per share at the Annual General Meeting to be held on 17th September 2004. Together with the interim dividend of 5.0 cents per share paid on 27th January 2004, the total dividend for the year will be 20.0 cents per share.

The first phase of the superstructure work of the Movie City Project is expected to be completed by August 2004. The Movie City is expected to come into operation in phases starting from the first quarter of 2005 after completion of internal fitting out works.

Regarding the Clearwater Bay Site development, submission of the revised Master Layout Plan has been delayed pending discussions with SCMP Group Limited, which owns the adjoining TV City properties, for a joint submission which will be mutually beneficial to both parties.

Contribution from our associated company, Television Broadcasts Limited, to Group profits was substantially less due to write off of exceptional items.

Finally, on behalf of the Board and the shareholders, I wish to thank all our staff for their loyalty and dedication to the Company.

Run Run Shaw
Executive Chairman

Hong Kong, 23rd June 2004