

CHAIRMAN'S STATEMENT



The Group profit attributable to shareholders for the year ended 31st March 2005 amounted to HK\$182,300,000 compared to HK\$101,070,000 for the previous year. The increase was due to the substantial contribution from our associated company, Television Broadcasts Limited.

Your Directors will recommend a final dividend of HK 22.0 cents per share at the Annual General Meeting to be held on 7th September 2005. Together with the interim dividend of HK 5.0 cents per share paid on 26th January 2005, the total dividend for the year will be HK 27.0 cents per share, an increase of 35% over last year.

Internal fitting out works at the Movie City Project (Shaw Studios) are in progress since obtaining the Occupation Permit in March 2005, and soft launch of the studio facilities is expected to be in the first quarter of March 2006. Feedback from film producers and directors who have visited the facilities is encouraging.

The scope and character of the development of the Clearwater Bay Site will be determined after the Town Planning Board considers the Master Layout Plan submitted by us.

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, 22nd June 2005