

## RESULTS

### Revenue

Revenue for the Year amounted to HK\$2,671.0 million (year ended 31st December, 2009: HK\$2,151.3 million), an 24.2% increase over last year and comprised of gross rental income HK\$1,126.3 million (year ended 31st December, 2009: HK\$1,013.1 million); property sales HK\$1,658.7 million (year ended 31st December, 2009: HK\$1,217.7 million), loss in sales of held-for-trading investment on a net basis HK\$148.5 million (year ended 31st December, 2009: HK\$115.5 million) and others HK\$34.5 million (year ended 31st December, 2009: HK\$36.0 million). The increase was mainly due to recording of revenue of sales proceeds recognised from York Place, i-home and Phase I of Splendid City in Chengdu of HK\$1,538.9 million and other properties of HK\$119.8 million (year ended 31st December, 2009: York Place and i-home of HK\$1,126.0 million and other properties of HK\$91.7 million).

### Gross Profit

Gross profit for the Year amounted to HK\$1,351.0 million, an 45.1% increase as compared with last year, mainly due to an increase in profit of HK\$342.6 million from property development and trading.

### Rental

For property leasing, the rental revenue in retail section jumped by 17.9% to HK\$761.2 million. Rental revenue from non-retail section maintained stable at HK\$365.1 million during the Year. The Year recorded an increase of 11.2% in total rental revenue to HK\$1,126.3 million as compared with 2009 of HK\$1,013.1 million. Together with the attributable rental revenue generated from associates of HK\$146.4 million (year ended 31st December, 2009: HK\$82.3 million), the total attributable rental revenue to the Group after non-controlling interests reached approximately HK\$1,269.2 million (year ended 31st December, 2009: HK\$1,092.3 million), which achieved an 16.2% increase over last year.

Attributable net rental income for the Year showed HK\$1,149.5 million, an 15.8% increase over HK\$992.8 million in 2009.

## 業績

### 收入

本年度之收入為2,671,000,000港元(截至二零零九年十二月三十一日止年度：2,151,300,000港元)，較去年增加24.2%，以及包括總租金收入為1,126,300,000港元(截至二零零九年十二月三十一日止年度：1,013,100,000港元)，物業銷售1,658,700,000港元(截至二零零九年十二月三十一日止年度：1,217,700,000港元)，按淨額基準呈報出售之持作買賣投資虧損為148,500,000港元(截至二零零九年十二月三十一日止年度：115,500,000港元)及其他為34,500,000港元(截至二零零九年十二月三十一日止年度：36,000,000港元)。該增加主要來自出售York Place·i-home及成都華置·西錦城第一期所錄得之收入為1,538,900,000港元及其他物業收入119,800,000港元(截至二零零九年十二月三十一日止年度：York Place及i-home收入1,126,000,000港元及其他物業收入91,700,000港元)。

### 毛利

本年度的毛利為1,351,000,000港元，較去年增加45.1%，該增加主要來自物業發展及買賣溢利342,600,000港元。

### 租金

在物業租賃方面，零售部分之租金收入躍升17.9%至761,200,000港元，非零售部分之租金收入於本年度亦維持穩定至365,100,000港元。本年度錄得之租金總收入較去年增加11.2%，由二零零九年1,013,100,000港元上升至1,126,300,000港元。連同應佔聯營公司租金收入146,400,000港元(截至二零零九年十二月三十一日止年度：82,300,000港元)，本集團扣除非控股權益後應佔租金總收入達至約1,269,200,000港元(截至二零零九年十二月三十一日止年度：1,092,300,000港元)，較去年達至16.2%升幅。

本年度的應佔租金收入淨額為1,149,500,000港元，較二零零九年之992,800,000港元增加15.8%。

## RESULTS (Cont'd)

## Property Development and Trading

In relation to properties sales recognised as profit for the Group and its associates, an attributable profit of HK\$408.9 million (year ended 31st December, 2009: HK\$83.6 million) was recorded. The major components recorded in gross profit are sales of: MOD 595 in Mongkok resulting in loss of HK\$2.2 million (year ended 31st December, 2009: profit of HK\$17.0 million); i-home in Tai Kok Tsui generated profit of HK\$67.5 million (year ended 31st December, 2009: HK\$82.5 million); Phase I of Splendid City in Chengdu generated a profit of HK\$211.6 million (year ended 31st December, 2009: nil) and York Place in Wanchai generated a profit of HK\$71.9 million (year ended 31st December, 2009: loss of HK\$34.9 million). Profit represented sales revenue less cost. York Place was previously an investment property and was transferred to stock of properties in 2008 at its then market value. For the units sold and recognised in the Year, the cost included a valuation surplus of HK\$85.1 million (year ended 31st December, 2009: HK\$451.6 million). If the valuation surplus is excluded from the cost, a profit of HK\$157.0 million (year ended 31st December, 2009: HK\$416.7 million) would be resulted.

Certain units and parking spaces at Gemstar Tower in Hunghom (61.96% interest) and The Zenith in Wanchai (87.5% interest) sold during the Year had contributed an attributable profit to the Group of HK\$30.5 million (year ended 31st December, 2009: HK\$2.5 million) and HK\$12.9 million (year ended 31st December, 2009: HK\$2.3 million) respectively.

In respect of properties held by an associate, Indihome in Tsuen Wan (50% interest), Miami Crescent in Sheung Shui (50% interest) and Hing Wai Centre in Aberdeen (50% interest) continuously generated profit of HK\$1.3 million (year ended 31st December, 2009: HK\$1.6 million), HK\$4.4 million (year ended 31st December, 2009: HK\$4.0 million) and HK\$4.0 million (year ended 31st December, 2009: nil) respectively, the mentioned profits was reflected in the share of results of associates. For the sale of Parc Palais in Homantin (10% interest), a contribution of HK\$5.7 million (year ended 31st December, 2009: HK\$7.4 million) was recorded in investment income.

## 業績(續)

## 物業發展及買賣

有關物業銷售方面，本集團及其聯營公司錄得應佔溢利408,900,000港元(截至二零零九年十二月三十一日止年度：83,600,000港元)。列入毛利之主要部分包括銷售旺角 MOD 595虧損2,200,000港元(截至二零零九年十二月三十一日止年度：溢利17,000,000港元)、大角咀i-home 溢利67,500,000港元(截至二零零九年十二月三十一日止年度：82,500,000港元)、成都華置•西錦城第一期錄得溢利211,600,000港元(截至二零零九年十二月三十一日止年度：無)及灣仔York Place溢利71,900,000港元(截至二零零九年十二月三十一日止年度：虧損34,900,000港元)。溢利乃指銷售收入減去成本。York Place早前為投資物業，並於二零零八年按其當時市值轉撥至物業存貨。對於本年度已出售並確認之單位，其成本包括估值盈餘85,100,000港元(截至二零零九年十二月三十一日止年度：451,600,000港元)。倘成本撇除估值盈餘，將得出溢利157,000,000港元(截至二零零九年十二月三十一日止年度：416,700,000港元)。

紅磡駿昇中心(佔61.96%權益)及灣仔尚翹峰(佔87.5%權益)之若干單位及車位已於本年度出售，並為本集團分別帶來30,500,000港元(截至二零零九年十二月三十一日止年度：2,500,000港元)及12,900,000港元(截至二零零九年十二月三十一日止年度：2,300,000港元)之應佔溢利。

至於由一間聯營公司所持有之物業，荃灣樂悠居(佔50%權益)、上水邁爾豪園(佔50%權益)及香港仔興偉中心(佔50%權益)持續帶來分別1,300,000港元(截至二零零九年十二月三十一日止年度：1,600,000港元)、4,400,000港元(截至二零零九年十二月三十一日止年度：4,000,000港元)及4,000,000港元(截至二零零九年十二月三十一日止年度：無)之溢利，該等溢利均列入攤佔聯營公司業績。而何文田君頤峰(佔10%權益)之銷售入賬為5,700,000港元(截至二零零九年十二月三十一日止年度：7,400,000港元)，已列入投資收入內。

## RESULTS (Cont'd)

### Property Development and Trading (Cont'd)

During the Year, the forfeited deposits received for Splendid City in Chengdu recorded in other income were HK\$0.5 million (year ended 31st December, 2009: HK\$9.5 million and HK\$0.7 million being the forfeited deposits of York Place and i-home respectively).

At 31st December, 2010, deposit received from stock of properties contracted to be sold and revenue to be recognised in 2011 amounted to HK\$86.6 million. The presale recorded for Phase I of The Metropolis in Chengdu at 31st December, 2010 was 91 units of RMB114.7 million, equivalent to HK\$135.2 million, profit of which is expected to be recognised in late 2012 and HK\$83.3 million deposit was received with an the average selling price approximately RMB1.3 million per unit. The presale recorded for The Hermitage (25% interest) at 31st December, 2010 was 915 units of HK\$11,494.5 million, and the attributable interest on sales to the Group was HK\$2,873.6 million. Revenue and profit from sales of The Hermitage are expected to be recognised in first half 2011.

In summary, the Group together with associated companies and an investee company, executed properties sale agreements, including presale agreements, to third parties with an attributable amount contracted sales of HK\$4,791.5 million (year ended 31st December, 2009: HK\$1,332.0 million). Property sale and other property sale income in total recognised in the Year was HK\$409.4 million (year ended 31st December, 2009: HK\$99.6 million).

### Listed Securities

Under the low interest environment, the Group has closely managed the securities investments with a view to yield enhancement. In April 2010, the Group has subscribed US\$350 million Senior Notes due 2015 issued by Evergrande Real Estate Group Limited with interest rate at 13% per annum, an announcement in respect of the subscription had been made on 14th April, 2010.

During the Year, the total gain recognised on listed securities investments was HK\$674.8 million (year ended 31st December, 2009: HK\$508.6 million), comprised of gain on listed equity securities included in available-for-sale investments of HK\$138.1 million (year ended 31st December, 2009: HK\$3.7 million), listed held-for-trading investments and treasury products of HK\$536.7 million (year ended 31st December, 2009: HK\$500.9 million excluding gain on disposal of two credit-linked notes to a company wholly-owned by a director of the Company).

## 業績 (續)

### 物業發展及買賣 (續)

於本年度，其他收入包括成都華置•西錦城收取之沒收按金為500,000港元(截至二零零九年十二月三十一日止年度：York Place及i-home之沒收按金分別為9,500,000港元及700,000港元)。

於二零一零年十二月三十一日，從已訂約出售並將於二零一一年確認其收入之物業存貨所收取之按金為86,600,000港元。於二零一零年十二月三十一日，位於成都之華置•都匯華庭第一期已預售91個單位，共錄得人民幣114,700,000元(相當於135,200,000港元)收益，其溢利將於二零一二年年底確認。並已收取按金83,300,000港元，而每個單位之平均售價約為人民幣1,300,000元。於二零一零年十二月三十一日，帝峯•皇殿(佔25%權益)已預售915個單位，共錄得11,494,500,000港元收益，本集團應佔銷售收益為2,873,600,000港元，銷售帝峯•皇殿之收入及溢利將於二零一一年上半年確認。

總括而言，本集團連同多間聯營公司及一間接受投資公司與第三者已簽訂物業買賣協議(包括預售協議)之已訂出售金額為4,791,500,000港元(截至二零零九年十二月三十一日止年度：1,332,000,000港元)。於本年度，在物業銷售及其他物業銷售中已確認之收入總額為409,400,000港元(截至二零零九年十二月三十一日止年度：99,600,000港元)。

### 上市證券

在低息環境下，本集團已有密切管理證券投資以謀求增益。於二零一零年四月，本集團已認購由恆大地產集團有限公司發行本金額為350,000,000美元並於二零一五年到期之年息13厘優先票據，有關認購公布已於二零一零年四月十四日發表。

於本年度，上市證券投資已確認之收益總額為674,800,000港元(截至二零零九年十二月三十一日止年度：508,600,000港元)，包括歸類為待售投資的上市股本證券之收益138,100,000港元(截至二零零九年十二月三十一日止年度：股息收入3,700,000港元)、上市持作買賣投資及財資產品收益為536,700,000港元(截至二零零九年十二月三十一日止年度：500,900,000港元，不包括出售兩份信貸掛鈎票據予由本公司一位董事全資擁有之公司)。

## RESULTS (Cont'd)

### Listed Securities: Available-for-sale

The Group recorded realised gain on disposals of available-for-sale investments of HK\$106.7 million (year ended 31st December, 2009: nil) and dividend income of HK\$31.4 million (year ended 31st December, 2009: dividend income HK\$3.7 million) for the Year and was recognised as an investment income.

### Listed Securities: Held-for-trading and Treasury Products

The listed held-for-trading investments and treasury products generated a profit before or after finance income of HK\$478.1 million and HK\$536.7 million respectively for the Year (year ended 31st December, 2009: profit before/after finance costs of HK\$514.6 million/HK\$500.9 million).

Profit from the listed held-for-trading investments reflected in the consolidated statement of comprehensive income for the Year comprised of a gross loss of totaling HK\$148.5 million (year ended 31st December, 2009: HK\$115.5 million), an unrealised gain on fair value changes amounted to HK\$190.2 million (year ended 31st December, 2009: loss HK\$1.8 million), a realised loss on bonds of HK\$27.2 million (year ended 31st December, 2009: gain HK\$197.3 million), and realised gain on release of the fair value liability on the maturity of derivative financial instruments of HK\$3.2 million (year ended 31st December, 2009: HK\$24.4 million) and no transaction of credit-linked notes for year 2010 (year ended 31st December, 2009: realised gain HK\$48.1 million), other investment income HK\$3.6 million (year ended 31st December, 2009: nil) and dividend and interest income of HK\$456.8 million (year ended 31st December, 2009: HK\$362.1 million). Net gain on the relevant finance income for the Year of HK\$58.6 million (year ended 31st December, 2009: finance cost of HK\$13.7 million) including interest expense and exchange gain of HK\$5.5 million (year ended 31st December, 2009: HK\$2.8 million) and HK\$64.1 million (year ended 31st December, 2009: exchange loss of HK\$10.9 million) respectively.

### Listed Securities: Other Comprehensive Income from Available-for-sale Investments

The listed equity securities included in available-for-sale investments also bring an addition of fair value of HK\$67.0 million (year ended 31st December, 2009: HK\$41.4 million) was recognised in other comprehensive income as an equity transaction of securities investments reserve.

## 業績 (續)

### 上市證券：待售投資

本集團本年度錄得出售待售投資之已變現收益106,700,000港元(截至二零零九年十二月三十一日止年度：無)及股息收入31,400,000港元(截至二零零九年十二月三十一日止年度：3,700,000港元)已於投資收入中確認。

### 上市證券：持作買賣投資及財資產品

上市持作買賣投資及財資產品，為本年度分別帶來扣除財務收入前／後溢利478,100,000港元及536,700,000港元(截至二零零九年十二月三十一日止年度：扣除財務費用前／後溢利：514,600,000港元／500,900,000港元)。

於本年度，於綜合全面收益報表內反映之上市持作買賣投資之溢利中，包括毛虧損合共148,500,000港元(截至二零零九年十二月三十一日止年度：115,500,000港元)、公平值變動之未變現收益190,200,000港元(截至二零零九年十二月三十一日止年度：虧損1,800,000港元)、已變現債券虧損27,200,000港元(截至二零零九年十二月三十一日止年度：收益197,300,000港元)、因解除衍生金融工具已到期之已變現公平值負債收益3,200,000港元(截至二零零九年十二月三十一日止年度：24,400,000港元)及於二零一零年度沒有信貸掛鈎票據交易(截至二零零九年十二月三十一日止年度：已變現收益48,100,000港元)、其他投資收入3,600,000港元(截至二零零九年十二月三十一日止年度：無)及股息與利息收入456,800,000港元(截至二零零九年十二月三十一日止年度：362,100,000港元)。於本年度之相關財務收入淨收益為58,600,000港元(截至二零零九年十二月三十一日止年度：財務費用13,700,000港元)包括利息開支及匯兌收益分別為5,500,000港元(截至二零零九年十二月三十一日止年度：2,800,000港元)及64,100,000港元(截至二零零九年十二月三十一日止年度：匯兌虧損10,900,000港元)。

### 上市證券：由待售投資帶來之其他全面收益

待售投資的上市股本證券之公平值變動亦增加67,000,000港元(截至二零零九年十二月三十一日止年度：41,400,000港元)已於其他全面收益中確認及列為證券投資儲備之股本權益交易。

## RESULTS (Cont'd)

### Other Income and Expenses

Other income mainly comes from net building management fee, arrangement fee and management and maintenance service income increased to HK\$124.9 million, representing an increase of 128.9% as compared with last year.

During the Year, administrative expenses increased by 12.2% to HK\$229.8 million (year ended 31st December, 2009: HK\$204.9 million) and finance costs decreased by 35.1% to HK\$68.5 million (year ended 31st December, 2009: HK\$105.5 million). Included exchange gain of HK\$64.1 million on foreign currency loan hedged for foreign currency securities investment.

Other gains and losses recorded a net gain of HK\$19.9 million including gain on bargain purchase of a subsidiary of HK\$13.0 million, fair value loss on step acquisition of a subsidiary of HK\$7.3 million and gain on disposals of subsidiaries to connected person of HK\$13.5 million (year ended 31st December, 2009: HK\$84.4 million including HK\$35.1 million in respect of deemed disposal of a listed subsidiary through a placing exercise and HK\$53.1 million gain on disposals of subsidiaries to a connected person).

### Associates

The share of results of associates for the Year was a profit of HK\$56.6 million as compared to profit of HK\$144.8 million (restated) for last year, which was mainly due to the decrease in fair value on investment properties.

### Disposals of Subsidiaries and Assets to Related Parties

On 17th May, 2010, the Group entered into (a) various sale and purchase agreements with companies wholly-owned by a director of the Company, to dispose certain stock of properties and subsidiaries (the "Disposal") and to provide after-sale free leasing agency and management service in respect of the certain properties under the Disposal for a period of 3 years; and (b) property management agreements with companies wholly-owned by the same director of the Company, subject to completion of the Disposal, to provide property management services at an agreed fee to certain properties under the Disposal.

## 業績 (續)

### 其他收入及支出

其他收入主要來自樓宇管理費淨額、安排費用及管理及保養服務收入，較去年增加128.9%至124,900,000港元。

於本年度，行政開支較去年增加12.2%至229,800,000港元(截至二零零九年十二月三十一日止年度：204,900,000港元)及財務費用減少35.1%至68,500,000港元(截至二零零九年十二月三十一日止年度：105,500,000港元)。包括以外幣貸款用以對沖外幣計值之證券投資之匯兌收益64,100,000港元。

其他收益及虧損錄得淨額收益19,900,000港元，包括一間附屬公司之議價收購收益13,000,000港元、逐步收購一間附屬公司之公平值虧損7,300,000港元及出售多間附屬公司予關連人士之收益13,500,000港元(截至二零零九年十二月三十一日止年度：84,400,000港元，包括透過配售方式而視作出售一間上市附屬公司之收益35,100,000港元及出售多間附屬公司予關連人士之收益53,100,000港元)。

### 聯營公司

本年度攤佔聯營公司業績溢利56,600,000港元，而相比去年溢利為144,800,000港元(重列)，主要由於投資物業公平值減少。

### 出售附屬公司及資產予關連人士

於二零一零年五月十七日，本集團與(a)本公司一位董事全資擁有之多間公司訂立若干買賣協議，出售物業存貨及多間附屬公司(「出售事項」)、及就出售事項中之若干物業提供為期三年之免費售後租賃代理及管理服務及(b)由本公司同一位董事全資擁有之多間公司訂立物業管理協議，就出售完成後，為出售事項中之若干物業以協定收費形式提供物業管理服務。

## RESULTS (Cont'd)

### Disposals of Subsidiaries and Assets to Related Parties (Cont'd)

The properties under the Disposal mainly include (a) investment property comprises of various shops at Excelsior Plaza, Causeway Bay; (b) investment property comprises of a retail mall at Laforet, Excelsior Plaza, Causeway Bay; (c) stock of properties comprise of 2 shops at York Place, Wanchai; and (d) investment property comprises of a retail mall at Southorn Centre, Wanchai.

The stock of properties and investment properties under the Disposal were stated at historical cost and fair value respectively, and were valued at HK\$120 million and HK\$3,278 million respectively as at 17th May, 2010. After deducting a bank loan and other net liabilities (other than deferred tax liabilities) held by the subsidiaries under the Disposal, the provisional consideration of the Disposal was approximately HK\$2,587.4 million.

The Group received the provisional consideration in cash upon completion of the Disposal which took place in July and August 2010 respectively. Adjustment of the provisional consideration to final consideration was made in October and November 2010, with an aggregate final consideration of HK\$2,598.1 million. Upon completion, gain on disposals of subsidiaries and trading properties of HK\$13.5 million and HK\$34.0 million was recorded in other gains and losses and property development and trading respectively.

### Fair Value Loss on Investment Properties

Investment properties of the Group were revalued as at 31st December, 2010 by Messrs. B.I. Appraisals Limited an independent property valuers, a decrease in fair value of HK\$10,831.3 million was recorded as compared with the fair value as at 31st December, 2009 which was valued by Messrs. Norton Appraisals Limited (year ended 31st December, 2009: increase of HK\$8,564.3 million) as a result of changes in fair value of the properties mainly in Hong Kong and Mainland China. The decrease in fair value was unrealised valuation loss and the Group's cashflow will not be affected.

## 業績 (續)

### 出售附屬公司及資產予關連人士 (續)

出售事項之物業主要包括 (a) 位於銅鑼灣怡東商場之多間商舖之投資物業、(b) 位於銅鑼灣怡東商場一東角Laforet之零售商場之投資物業、(c) 位於灣仔York Place之兩間商舖之物業存貨及 (d) 位於灣仔修頓中心之零售商場之投資物業。

於二零一零年五月十七日，出售事項所持之物業存貨及投資物業，分別以歷史成本及公平值計算。扣除相關附屬公司之銀行貸款及其他淨負債後（不包括遞延稅項負債）之估值分別為120,000,000港元及3,278,000,000港元，出售事項之暫定代價約為2,587,400,000港元。

出售事項分別於二零一零年七月及八月完成，出售事項完成後本集團已收取暫定代價之現金。並已於二零一零年十月及十一月作出最終代價之調整，最終代價總額為2,598,100,000港元。交易完成後，出售多間附屬公司收益及物業買賣收益分別為13,500,000港元及34,000,000港元，已計入於其他收益及虧損及物業發展及買賣中。

### 投資物業之公平值虧損

獨立合資格專業估值師保柏國際評估有限公司已就於二零一零年十二月三十一日對本集團之投資物業進行物業估值，較二零零九年十二月三十一日由普敦國際評估有限公司之物業估值，錄得公平值減少10,831,300,000港元（截至二零零九年十二月三十一日止年度：增加8,564,300,000港元），乃因香港及中國大陸物業公平值變動所致。該公平值減少乃未變現估值虧損，故不會影響本集團之現金流量。

## LOSS, CORE PROFIT, DIVIDENDS, REPURCHASE AND CASH PAYMENT RATIO

## 虧損、核心溢利、股息、回購及現金支出比率

### Loss

Loss attributable to owners of the Company for the Year was HK\$8,858.2 million as compared to profit of HK\$10,023.4 million (restated) for last year. The loss for the Year was mainly due to the fair value loss on investment properties. Loss per share was HK\$4.60 (year ended 31st December, 2009: Earnings per share of HK\$5.02 (restated)).

### Core Profit

If the net loss on the major non-cash items of HK\$10,748.9 million (year ended 31st December, 2009: gain of HK\$8,606.1 million (restated)) are excluded, the Group will have a core profit attributable to owners of the Company for the Year of HK\$1,890.7 million (year ended 31st December, 2009: HK\$1,417.3 million) and a core earnings per share of HK98.2 cents (year ended 31st December, 2009: HK71.0 cents), an increase of 33.4% and 38.3% over 2009 respectively.

### Dividends

In June 2010, final dividend of HK1.0 cent (year ended 31st December, 2008: final dividend of HK1.0 cent and special dividend of HK99.0 cents) per share in total amount of HK\$19.5 million for the year ended 31st December, 2009 were paid in cash.

No interim dividend for the half year ended 30th June, 2010 (half year ended 30th June, 2009: HK2.0 cents per share was paid in cash).

In September 2010, a special dividend for connected transaction of HK40.0 cents (2009: HK63.0 cents) per share with a total amount of HK\$763.0 million was paid in cash.

Total dividends of HK\$782.5 million were paid in cash during the Year.

### 虧損

本年度本公司擁有人的應佔虧損為8,858,200,000港元，而相比去年溢利為10,023,400,000港元（重列）。本年度的虧損主要來自投資物業的公平值變動虧損。每股虧損為4.60港元（截至二零零九年十二月三十一日止年度：每股盈利為5.02港元（重列））。

### 核心溢利

如撇除主要非現金項目虧損淨額10,748,900,000港元（截至二零零九年十二月三十一日止年度：收益8,606,100,000港元（重列）），本集團於本年度錄得本公司擁有人的應佔核心溢利將為1,890,700,000港元（截至二零零九年十二月三十一日止年度：1,417,300,000港元），而每股核心盈利將為98.2港仙（截至二零零九年十二月三十一日止年度：71.0港仙），分別較二零零九年增加33.4%及38.3%。

### 股息

於二零一零年六月以現金派付截至二零零九年十二月三十一日止年度之末期股息每股1.0港仙（截至二零零八年十二月三十一日止年度：末期股息每股1.0港仙及特別股息每股99.0港仙），合共為19,500,000港元。

截至二零一零年六月三十日止半年並無中期股息（截至二零零九年六月三十日止半年：每股2.0港仙以現金派付）。

於二零一零年九月派付關連交易之特別股息每股40.0港仙（二零零九年：每股63.0港仙），合共763,000,000港元以現金派付。

本年度，以現金派付之股息總額為782,500,000港元。

## LOSS, CORE PROFIT, DIVIDENDS, REPURCHASE AND CASH PAYMENT RATIO (Cont'd)

### Repurchase

During the Year, the Company had utilised HK\$535.7 million (including transaction cost) (year ended 31st December, 2009: HK\$1,453.7 million) in repurchase of the Company's shares, such amount is equivalent to HK27.8 cents (year ended 31st December, 2009: HK72.9 cents) per share, calculated based on weighted average number of ordinary shares during the Year.

### Cash Payment Ratio

Based on (a) the core profit for the Year of HK\$1,890.7 million (year ended 31st December, 2009: HK\$1,417.3 million) or HK98.2 cents (year ended 31st December, 2009: HK71.0 cents) per share; (b) the amount utilised for share repurchase during the Year of HK\$535.7 million (including transaction cost) (year ended 31st December, 2009: HK\$1,453.7 million) or HK27.8 cents (year ended 31st December, 2009: HK72.9 cents) per share and (c) final dividend of HK1.0 cent (year ended 31st December, 2009: HK1.0 cent) per share proposed, no interim dividend (half year ended 30th June, 2009: HK2.0 cents per share) and special dividend of HK40.0 cents (year ended 31st December, 2009: HK63.0 cents) per share were paid for the Year, the ratio of such cash payment to the core profit is 70.1% (year ended 31st December, 2009: 195.6%).

## NET ASSET VALUE

As at 31st December, 2010, the Group's total net asset to owners of the Company amounted to approximately HK\$33,507.9 million (31st December, 2009: HK\$43,511.7 million (restated)), a decrease of HK\$10,003.8 million or 23.0% when compared with 31st December, 2009. With the total number of ordinary shares in issue of 1,907,619,079 as at 31st December, 2010 (31st December, 2009: 1,950,000,079 shares), the net asset value per share to owners of the Company was HK\$17.57, a decrease of 21.3% over 31st December, 2009 (HK\$22.31 per share (restated)). The movement in net asset value was mainly due to (a) loss attributable to owners of the Company for the Year of HK\$8,858.2 million; (b) reduction in equity for share repurchase of HK\$535.7 million, and (c) payment of final dividend and special dividend of HK\$19.5 million and HK\$763.0 million respectively.

## 虧損、核心溢利、股息、回購及現金支出比率(續)

### 回購

於本年度，本公司用作回購本公司股份之金額為535,700,000港元(包括交易成本)(截至二零零九年十二月三十一日止年度：1,453,700,000港元)，該款項相等於每股27.8港仙(截至二零零九年十二月三十一日止年度：每股72.9港仙)，乃以本年度普通股份之加權平均股數作基準計算。

### 現金支出比率

根據(a)本年度之核心溢利1,890,700,000港元(截至二零零九年十二月三十一日止年度：1,417,300,000港元)或每股98.2港仙(截至二零零九年十二月三十一日止年度：每股71.0港仙)、(b)本年度用作回購股份之金額為535,700,000港元(包括交易成本)(截至二零零九年十二月三十一日止年度：1,453,700,000港元)或每股27.8港仙(截至二零零九年十二月三十一日止年度：每股72.9港仙)及(c)本年度建議之末期股息每股1.0港仙(截至二零零九年十二月三十一日止年度：每股1.0港仙)，並沒有宣派中期股息(截至二零零九年六月三十日止半年：每股2.0港仙)及已派付之特別股息每股40.0港仙(截至二零零九年十二月三十一日止年度：每股63.0港仙)，該現金支出與核心溢利之比率為70.1%(截至二零零九年十二月三十一日止年度：195.6%)。

## 資產淨值

於二零一零年十二月三十一日，本公司擁有人的應佔本集團的總資產淨值約為33,507,900,000港元(二零零九年十二月三十一日：43,511,700,000港元(重列))，較二零零九年十二月三十一日減少10,003,800,000港元或23.0%。根據二零一零年十二月三十一日的已發行普通股總數1,907,619,079股(二零零九年十二月三十一日：1,950,000,079股)計算，本公司擁有人的每股資產淨值為17.57港元，較二零零九年十二月三十一日(每股22.31港元(重列))減少21.3%。資產淨值變動主要與(a)本年度本公司擁有人的應佔虧損8,858,200,000港元；(b)因回購股份而減少股份權益535,700,000港元，及(c)派付末期股息及特別股息分別為19,500,000港元及763,000,000港元有關。



## NET ASSET VALUE (Cont'd)

Addition in fair value on the listed equity securities investments categorised as available-for-sale investments of approximately HK\$67.0 million (year ended 31st December, 2009: addition of HK\$41.4 million) was recognised for the Year and accumulative gain of approximately HK\$108.4 million (year ended 31st December, 2009: nil) was transferred to the consolidated statement of comprehensive income upon disposal. The carrying amount of the Listed Equity Securities Investments Reserve as at 31st December, 2010 is nil (31st December, 2009: HK\$41.4 million).

Other than the existing projects and those disclosed in the annual results, the Group did not have material acquisition or disposal of assets and any future plans for material investment or capital assets.

## SECURITIES INVESTMENTS

As at 31st December, 2009, the carrying amount of the listed securities and treasury products was HK\$2,681.2 million. During the Year, the portfolio was increased by a net purchase of HK\$4,665.9 million and was increased by the release of the fair value liability on the expired derivative financial instruments of HK\$3.2 million. After adding the fair value gain of HK\$257.2 million for the Year, the listed securities investments portfolios of the Group reached HK\$7,607.5 million as at 31st December, 2010 representing 13.8% of total assets, which formed part of the Group's cash management activities.

The portfolio of HK\$7,607.5 million (31st December, 2009: HK\$2,681.2 million) comprised of (a) equity securities (investments held-for-trading) of HK\$2,422.1 million (31st December, 2009: HK\$643.9 million); (b) bonds (financial assets designated as at fair value through profit or loss) of HK\$5,185.4 million (31st December, 2009: HK\$728.2 million); (c) no equity securities (available-for-sale investments) (31st December, 2009: HK\$1,312.3 million); and (d) no derivative financial instrument (31st December, 2009: liabilities HK\$3.2 million).

### Notes held by Listed Subsidiaries

As at 31st December, 2010, the carrying amount of the floating rate and fixed rate notes amounted to HK\$262.7 million (31st December, 2009: HK\$254.9 million) representing 0.5% of the total assets of the Group at the year end. The increase mainly represented fair value gain during the Year.

## 資產淨值 (續)

於本年度已確認之上市股本證券投資歸屬為待售投資之公平值的增加為67,000,000港元(截至二零零九年十二月三十一日止年度：增加41,400,000港元)，及約108,400,000港元(截至二零零九年十二月三十一日止年度：無)之累計收益已因出售而轉撥至綜合全面收益報表。於二零一零年十二月三十一日，上市股本證券投資儲備賬面值為零港元(二零零九年十二月三十一日：41,400,000港元)。

除該等現有項目以及年報內所披露者外，本集團並無任何有關重大收購或出售資產或重大投資或資本資產之未來計劃。

## 證券投資

於二零零九年十二月三十一日，上市證券投資及財資產品賬面值為2,681,200,000港元。於本年度，該等組合已就購買淨額增加4,665,900,000港元及因已到期衍生金融工具之公平值負債3,200,000港元而增加。本年度公平值變動收益增加257,200,000港元後，本集團於二零一零年十二月三十一日的上市證券投資組合達至7,607,500,000港元，佔總資產13.8%，該等組合為本集團資金管理活動之一部分。

該組合7,607,500,000港元(二零零九年十二月三十一日：2,681,200,000港元)中包括(a)股本證券(持作買賣之投資)2,422,100,000港元(二零零九年十二月三十一日：643,900,000港元)、(b)債券(指定為通過損益以反映公平值之金融資產)5,185,400,000港元(二零零九年十二月三十一日：728,200,000港元)、(c)無股本證券(待售投資)(二零零九年十二月三十一日：1,312,300,000港元)及(d)無衍生金融工具(二零零九年十二月三十一日：負債3,200,000港元)。

### 上市附屬公司持有之票據

於二零一零年十二月三十一日，浮息票據及定息票據賬面值為262,700,000港元(二零零九年十二月三十一日：254,900,000港元)，佔本集團年結總資產0.5%。於本年度賬面值增加主要來自公平值變動的收益。

## RISK MANAGEMENT

The Group has established adequate risk management procedures that enable it to identify, measure, monitor and control various types of risk it faces. This is supplemented by active management involvement, effective internal controls and adequate internal audit in the best interests of the Group.

## EQUITY

The number of issued ordinary shares as at 31st December, 2010 and 31st December, 2009 were 1,907,619,079 and 1,950,000,079 respectively.

## DEBT AND GEARING

As at 31st December, 2010, the Group's bank and other borrowings amounted to HK\$18,710.5 million (31st December, 2009: HK\$13,215.0 million). Cash and deposit at bank amounted to HK\$10,689.3 million (31st December, 2009: HK\$5,200.7 million), pledged deposit amounted to HK\$187.1 million (31st December, 2009: HK\$1,116.7 million) and net borrowings amounted to HK\$7,834.1 million (31st December, 2009: HK\$6,897.6 million).

Total debt to equity ratio was 54.7% (31st December, 2009: 29.8% (restated)) and net debt to equity ratio was 22.9% (31st December, 2009: 15.6% (restated)), which are expressed as a percentage of total borrowings, and net borrowings respectively, over the total equity of HK\$34,210.9 million (31st December, 2009: HK\$44,312.3 million (restated)).

The increase of total debt to equity ratio and net debt to equity ratio were mainly due to the increase of borrowings together with a decrease in equity as a result of fair value loss on investment properties.

As at 31st December, 2010, the Group's bank and other borrowings were denominated in Hong Kong dollars (93.0%), United States dollars (2.3%), Renminbi (3.4%), Euro (1.2%) and Australian dollars (0.1%). Of the Group's bank and other borrowings of HK\$18,710.5 million, 19.9%, 34.5% and 45.6% were repayable within 1 year, 1 to 2 years and 2 to 5 years respectively. United States dollar, Euro and Australian dollar investment securities were hedged by United States dollar, Euro and Australian dollar borrowings respectively. The Group's bank and other borrowings carrying interest rates were calculated mainly with reference to HIBOR and inter-bank rate. No hedging for interest rate as subsisted at the end of the year.

## 風險管理

本集團設有一套完善的風險管理程序，以識別、衡量、監察及控制其面對的各種風險，同時輔以積極管理、有效的內部監控及足夠的內部審核，以保障本集團的最佳利益。

## 股本

於二零一零年十二月三十一日及二零零九年十二月三十一日的已發行普通股數目分別為1,907,619,079股及1,950,000,079股。

## 債務及資本與負債比率

於二零一零年十二月三十一日，本集團的銀行及其他借貸為18,710,500,000港元（二零零九年十二月三十一日：13,215,000,000港元）。現金及銀行結存為10,689,300,000港元（二零零九年十二月三十一日：5,200,700,000港元），抵押存款為187,100,000港元（二零零九年十二月三十一日：1,116,700,000港元），而借貸淨額為7,834,100,000港元（二零零九年十二月三十一日：6,897,600,000港元）。

總債務與股本權益比率為54.7%（二零零九年十二月三十一日：29.8%（重列）），而淨債務與股本權益比率為22.9%（二零零九年十二月三十一日：15.6%（重列）），乃將借貸總額及借貸淨額分別除以股本權益總額34,210,900,000港元（二零零九年十二月三十一日：44,312,300,000港元（重列））得出的百分比。

總債務與股本權益比率及淨債務與股本權益的比率之所以上升，主要由於借貸增加連同投資物業的公平值虧損導致股本權益下降。

於二零一零年十二月三十一日，本集團之銀行及其他借貸以港元（93.0%）、美元（2.3%）、人民幣（3.4%）、歐元（1.2%）及澳元（0.1%）計值。於本集團之銀行及其他借貸總額18,710,500,000港元中，19.9%、34.5%及45.6%須分別於一年內、一年至兩年及兩至五年後償還。美元、歐元及澳元計值之證券投資以美元、歐元及澳元借貸對沖。本集團之銀行及其他借貸主要參照香港銀行同業拆息及銀行同業拆息計算利息。於年結並無就利率作出對沖。

## PLEDGE OF ASSETS

As at 31st December, 2010, the Group had pledged the following assets:

- (a) The Group's investment properties, properties and other fixed assets, stock of properties and time deposits with their respective carrying amount of approximately HK\$23,787.4 million (31st December, 2009: HK\$37,844.3 million), HK\$488.4 million (31st December, 2009: HK\$377.2 million (restated)), HK\$2,219.8 million (31st December, 2009: HK\$1,242.8 million) and HK\$163.1 million (31st December, 2009: HK\$1,116.7 million) were pledged to the Group's bankers to secure general banking and loan facilities granted to the Group.
- (b) The Group's investments held-for-trading and bonds with carrying amount of approximately HK\$7,219.6 million and cash deposit of HK\$23.9 million (31st December, 2009: investment held-for-trading, available-for-sale investments and bonds HK\$731.7 million) were pledged to the Group's financial institutions to secure margin and securities facilities granted to the Group in respect of securities transactions and utilised by the Group as borrowings due within one year of approximately HK\$2,682.0 million (31st December, 2009: HK\$1,236.5 million).
- (c) Interests in certain subsidiaries of the Company have been pledged as part of the security to secure certain bank borrowings granted to the Group.
- (d) The Group has subordinated and assigned its advances to associates and advance to an investee company of approximately HK\$1,806.0 million (31st December, 2009: HK\$1,415.9 million) to financial institutions to secure banking general credit facilities granted to associates and an investee company.

## 資產抵押

於二零一零年十二月三十一日，本集團已抵押以下資產：

- (a) 本集團賬面值分別約為23,787,400,000港元（二零零九年十二月三十一日：37,844,300,000港元）、488,400,000港元（二零零九年十二月三十一日：377,200,000港元（重列））、2,219,800,000港元（二零零九年十二月三十一日：1,242,800,000港元）及163,100,000港元（二零零九年十二月三十一日：1,116,700,000港元）之投資物業、物業及其他固定資產、物業存貨及定期存款，已就本集團獲授之一般銀行及貸款融資，抵押予本集團之往來銀行。
- (b) 本集團賬面值約為7,219,600,000港元之持作買賣之投資及債券及現金存款23,900,000港元（二零零九年十二月三十一日：持作買賣之投資、待售投資及債券731,700,000港元），已就本集團有關證券交易獲授之保證金及證券融資，抵押予本集團之財務機構，而本集團已動用於一年內到期之借貸約2,682,000,000港元（二零零九年十二月三十一日：1,236,500,000港元）。
- (c) 本公司若干附屬公司之權益已質押為本集團獲授若干銀行借貸之部分抵押品。
- (d) 本集團已就多間聯營公司及一間接受投資公司獲授之銀行信貸將其墊付多間聯營公司及一間接受投資公司款項約1,806,000,000港元（二零零九年十二月三十一日：1,415,900,000港元）轉歸及授讓予財務機構。

## REPURCHASE GUARANTEE

Certain mortgagee banks have provided end-user financing to purchasers of Splendid City and the Group has provided repurchase guarantees to these mortgagee banks for securing the obligations of such purchasers for repayments. Such guarantees will be terminated upon the earlier of (i) issuance of the real estate ownership certificate which will generally be available within one year upon the completion of guarantee registration; or (ii) the satisfaction of mortgaged loan by the purchasers of properties.

Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with any accrued interest and penalty owed by the defaulted purchasers to the mortgagee banks.

The total outstanding amount of repurchase guarantee as at 31st December, 2010 was RMB7.8 million (equivalent to HK\$9.2 million) (31st December, 2009: RMB100.4 million (equivalent to HK\$114.1 million)) and disclosed in the contingent liabilities.

## FINANCIAL AND INTEREST INCOME/EXPENSES

Interest income was included in revenue and investment income. Other than imputed interest, interest income for the Year was HK\$475.5 million, representing an increase of 158.0% from that of 31st December, 2009 (HK\$184.3 million).

Finance costs included interest expenses on bank and other loans, imputed interest expenses, exchange difference on foreign currency loans, arrangement fee and facility and commitment fee expenses. Excluding imputed interest, interest expenses for the Year amounted to HK\$115.3 million, representing an 43.4% increase over the interest expenses of HK\$80.4 million recorded for last year. The increase in interest expenses was mainly due to increase in bank loan during the Year. Interest capitalised for the Year was HK\$43.1 million as compared to HK\$22.4 million for last year. The average interest rate over the year under review was 1.00% (2009: 0.83%), which was expressed as a percentage of total interest paid over the average total borrowings.

## 回購擔保

若干按揭銀行向華置·西錦城買家提供最終用戶融資，而本集團已向該等按揭銀行提供回購擔保，保證該等買家履行還款責任。該等擔保將於 (i) 發出房地產權證（一般於擔保登記完成後一年內可得）；或 (ii) 物業買家償還按揭貸款時（以較早者為準）終止。

根據擔保條款，倘該等買家拖欠按揭還款，本集團有責任向按揭銀行償還該等買家拖欠之未償還按揭本金，並連同任何應計利息及罰款。

於二零一零年十二月三十一日，回購擔保未償還總額為人民幣7,800,000元（相當於9,200,000港元）（二零零九年十二月三十一日：人民幣100,400,000元（相當於114,100,000港元）），於或然負債內披露。

## 財務及利息收入／支出

收入及投資收入包括利息收入。本年度之利息收入（不包括名義利息）為475,500,000港元，較二零零九年十二月三十一日（184,300,000港元）增加158.0%。

財務費用包括銀行及其他貸款之利息支出、名義利息支出、外幣貸款匯兌差額、安排費用與信貸及承擔費用支出。撇除名義利息，本年度之利息支出為115,300,000港元，較去年錄得之利息支出80,400,000港元增加43.4%。利息支出增加主要與本年度銀行貸款增加有關。本年度之資本化利息為43,100,000港元，而去年則為22,400,000港元。於回顧年內之平均利率為1.00%（二零零九年：0.83%），乃以總利息支付除以平均借貸總額得出。

## REMUNERATION POLICIES, SHARE OPTION SCHEME AND SHARE AWARD SCHEME

During the year under review, the Group employed a total of 331 staff (year ended 31st December, 2009: 320 staff) (excluding about a total of 334 staff (year ended 31st December, 2009: 316 staff) for estate management employed under the Group's estate management company, Perfect World Company Limited).

Employees were remunerated on the basis of their performance, experience and prevailing industry practice. Remuneration packages comprised salary and year-end discretionary bonus based on market conditions and individual performance. The Executive Director continued to review employees' contributions and to provide them with necessary incentives and flexibility for their better commitment and performance. No share option scheme was adopted for the Year.

The Company had adopted a share award scheme (the "Scheme") in 2009. The Scheme is to recognise and reward certain employees for their contributions to the Group and to give long-term incentives for retaining them for the continued operations and development of the Group. Details of the Scheme were set out in the Company's circular dated 23rd December, 2008. No share was granted under the Scheme during the Year.

## MAINLAND CHINA AND MACAU

Profit contribution from the Group's investment in the Mainland China (including gross profit, fair value changes on investment properties, share of results of associates and taxation) for the Year amounted to HK\$218.2 million (year ended 31st December, 2009: HK\$77.5 million). The Group's net investment as at 31st December, 2010 amounted to HK\$7,468.1 million (31st December, 2009: HK\$6,355.3 million) representing approximately 13.6% of the Group's total asset value and 21.8% of the Group's net asset value.

Further, the Group's net investment in Macau as at 31st December, 2010 amounted to HK\$1,748.2 million (31st December, 2009: HK\$1,696.8 million) representing approximately 3.2% of the Group's total asset value.

## 酬金政策、購股權計劃及股份獎勵計劃

於回顧年內，本集團共有僱員331人(截至二零零九年十二月三十一日止年度：320人)(不包括受僱於本集團之物業管理公司忠信物業管理有限公司之物業管理員工合共334人(截至二零零九年十二月三十一日止年度：316人))。

僱員薪金乃根據其表現、經驗及目前業內慣例釐定。酬金包括薪金以及按市況及個人表現釐定之年終花紅。執行董事持續檢討僱員之貢獻及向彼等提供所需之獎勵及彈性，使其更投入工作及有更佳表現。本年度並無採納購股權計劃。

本公司於二零零九年採納股份獎勵計劃(「計劃」)。該計劃乃為經甄選僱員而設之長期獎勵安排，旨在向為本集團作出貢獻之若干僱員給予肯定及回報，並作為吸引其留效本集團，繼續為本集團之營運及發展而努力之長期獎勵。有關計劃之詳情已刊載於本公司日期為二零零八年十二月二十三日之通函。本年度並無就該計劃授出任何股份。

## 中國大陸及澳門

本集團於中國大陸之投資為本年度帶來溢利(包括毛利、投資物業的公平值變動、攤佔聯營公司業績及稅項)於本年度為218,200,000港元(截至二零零九年十二月三十一日止年度：77,500,000港元)。而本集團之投資淨額於二零一零年十二月三十一日為7,468,100,000港元(二零零九年十二月三十一日：6,355,300,000港元)，分別佔本集團資產總值及本集團資產淨值約13.6%及21.8%。

此外，於二零一零年十二月三十一日本集團於澳門之投資淨額為1,748,200,000港元(二零零九年十二月三十一日：1,696,800,000港元)，佔本集團資產總值約3.2%。

## LISTED SUBSIDIARIES

At the end of the reporting period, the Group owned 61.96% interest in Chi Cheung Investment Company, Limited and 41.93% interest in G-Prop (Holdings) Limited.

## PROPERTY VALUATION

A property valuation has been carried out by Messrs. B.I. Appraisals Limited, an independent qualified professional valuers, in respect of the Group's investment properties as at 31st December, 2010 and that valuation was used in preparing 2010 year results. The Group's investment properties were valued at HK\$27,419.0 million (31st December, 2009: HK\$40,708.5 million), a 23.9% decrease over 2009 after adjusted for additions and disposals of investment properties during the Year. The decrease in fair value of approximately HK\$10,831.3 million was recognised in the consolidated statement of comprehensive income for the Year. The Group also shared an increase in fair value of investment properties of the associates of HK\$45.6 million (adjusted deferred tax credit of HK\$11.4 million) for the Year. Development properties and non-investment properties of the Group were stated at cost less impairment, if any, in the consolidated financial statements. Investment property under development at Chinese Estates Plaza, Chengdu was stated at cost of HK\$1,814.9 million and will be carried at fair value when its fair value first become reliably measurable or the date of its completion of the property.

## 上市附屬公司

於報告期末，本集團於至祥置業有限公司擁有61.96%權益及於金匡企業有限公司擁有41.93%權益。

## 物業估值

獨立合資格專業估值師保柏國際評估有限公司已就本集團於二零一零年十二月三十一日持有之投資物業進行物業估值，有關估值乃用於編製二零一零年全年業績。本集團投資物業之估值為27,419,000,000港元(二零零九年十二月三十一日：40,708,500,000港元)，經作出本年度投資物業之增加及出售之調整後較二零零九年減少23.9%。公平值減少約10,831,300,000港元已計入本年度之綜合全面收益報表。本集團亦攤佔本年度聯營公司投資物業之公平值之增加45,600,000港元(已調整遞延稅項撥回11,400,000港元)。本集團之發展物業及非投資物業乃於綜合財務報表中按成本扣除減值(如有)列賬。位於成都華置廣場之發展中投資物業為1,814,900,000港元乃按成本列賬，其公平值將於該物業能夠可靠地計量時或於其建造完工後按公平值列賬。