

# Financial Operation Review

## 財務業務回顧

### RESULTS

#### Revenue

Revenue for the Year amounted to HK\$527.8 million (year ended 31st December, 2010: HK\$2,671.0 million), a 80.2% decrease over last year and comprised gross rental income HK\$1,513.8 million (year ended 31st December, 2010: HK\$1,126.3 million); property sales HK\$189.9 million (year ended 31st December, 2010: HK\$1,658.7 million), loss on sales of investments held-for-trading on a net basis HK\$1,227.6 million (year ended 31st December, 2010: HK\$148.5 million) and others HK\$51.7 million (year ended 31st December, 2010: HK\$34.5 million). The decrease in revenue was mainly due to the decrease in sales of development properties and increase in recognised loss on listed securities investments.

#### Gross Profit

Gross profit for the Year amounted to HK\$283.3 million (year ended 31st December, 2010: HK\$1,351.0 million), a 79.0% decrease as compared with last year, mainly due to an increase in loss of HK\$1,079.1 million from sale of listed securities investments and a decrease in profit of HK\$375.5 million in property sales, which were partially offset by an increase in profit of HK\$367.7 million from property leasing.

#### Property Leasing

For property leasing, follow the completion of renovation of Windsor House and the opening of The ONE in mid 2010 and the acquisition of River Court in London in January 2011, the rental revenue in retail section jumped by 23.8% to HK\$942.7 million and rental revenue in non-retail section jumped by 56.4% to HK\$571.1 million respectively during the Year. The total rental income in revenue for the Year recorded an increase of 34.4% to HK\$1,513.8 million as compared with 2010 of HK\$1,126.3 million. If the rental income from River Court is excluded, the total rental income still has splendid increase of 17.4% over 2010.

Together with the attributable rental revenue generated from associates of HK\$200.9 million (year ended 31st December, 2010: HK\$146.4 million), the total attributable rental revenue to the Group after non-controlling interests reached approximately HK\$1,710.9 million (year ended 31st December, 2010: HK\$1,269.2 million), which achieved an 34.8% increase over last year.

Attributable net rental income for the Year showed HK\$1,561.8 million, an 36.2% increase over HK\$1,146.6 million in 2010.

### 業績

#### 收入

本年度之收入為527,800,000港元(截至二零一零年十二月三十一日止年度:2,671,000,000港元)·較去年減少80.2%·當中包括租金收入總額1,513,800,000港元(截至二零一零年十二月三十一日止年度:1,126,300,000港元)·物業銷售189,900,000港元(截至二零一零年十二月三十一日止年度:1,658,700,000港元)·按淨額基準呈報出售持作買賣投資之虧損為1,227,600,000港元(截至二零一零年十二月三十一日止年度:148,500,000港元)及其他為51,700,000港元(截至二零一零年十二月三十一日止年度:34,500,000港元)。該收入減少主要來自發展物業銷售減少及上市證券投資之確認虧損增加。

#### 毛利

本年度的毛利為283,300,000港元(截至二零一零年十二月三十一日止年度:1,351,000,000港元)·較去年減少79.0%·該減少主要來自上市證券投資虧損增加1,079,100,000港元及物業銷售之溢利減少375,500,000港元·部分已被物業租賃增長之溢利367,700,000港元所抵銷。

#### 物業租賃

在物業租賃方面·隨著皇室大廈翻新完成及The ONE 於二零一零年年中開幕·加上於二零一一年一月購入位於倫敦之River Court·於本年度零售部分之租金收入及非零售部分之租金收入分別躍升23.8%至942,700,000港元及56.4%至571,100,000港元。本年度錄得之租金收入總額較去年增加34.4%·由二零一零年1,126,300,000港元上升至1,513,800,000港元。倘撇除River Court之租金收入·租金收入總額較二零一零年仍有17.4%之顯著升幅。

連同應佔聯營公司租金收入200,900,000港元(截至二零一零年十二月三十一日止年度:146,400,000港元)·本集團扣除非控股權益後應佔租金收入總額達至約1,710,900,000港元(截至二零一零年十二月三十一日止年度:1,269,200,000港元)·升幅較去年達至34.8%。

本年度的應佔租金收入淨額為1,561,800,000港元·較二零一零年之1,146,600,000港元增加36.2%。

## RESULTS (Cont'd)

### Property Development and Trading

Properties sales continuously made remarkable contribution to the recognised profit attributable to the Group for the Year. The overwhelming presale of Phase I of Splendid City in Chengdu had generated significant profit to the Group in 2010, while presale of Hermitage in West Kowloon (25% interest) continued to provide significant profit recognised for the Year. Following the presales of the properties, namely One WanChai in Wanchai (87.5% interest), The Coronation in West Kowloon (15% interest), Phase I of The Metropolis and Phase II of Splendid City in Chengdu as well as the presale of La Scala in Macau, the Group expects a continuous generation of sales revenue and recognition of attributable profit in the coming years of 2012 to 2014. Profit on presale of uncompleted properties will be recognised in the year in which the sales agreement completed.

During the Year, the attributable properties sales revenue and the relevant attributable profit from the Group and its associates recorded a satisfactory increase of 105.5% to HK\$3,419.6 million (year ended 31st December, 2010: HK\$1,664.1 million) and increase of 118.0% to HK\$891.6 million (year ended 31st December, 2010: HK\$408.9 million) respectively. The growth was mainly attributed to the recognition of sales of Hermitage.

The major components recorded in gross profit are sales of: MOD 595 in Mongkok generated a profit of HK\$4.2 million (year ended 31st December, 2010: loss of HK\$2.2 million); i-home in Tai Kok Tsui generated a profit of HK\$11.3 million (year ended 31st December, 2010: HK\$67.5 million); Phase I of Splendid City, after taking into account of an underprovision of construction costs of HK\$23.0 million, resulting in a loss of HK\$21.7 million (year ended 31st December, 2010: profit of HK\$211.6 million) and York Place in Wanchai generated a profit of HK\$38.5 million (year ended 31st December, 2010: HK\$71.9 million). Profit/loss 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\$34.7 million (year ended 31st December, 2010: HK\$85.1 million). If the valuation surplus is excluded from the cost, a profit of HK\$73.2 million (year ended 31st December, 2010: HK\$157.0 million) would be resulted.

Parking spaces at The Zenith in Wanchai (87.5% interest) sold during the Year had contributed an attributable profit to the Group of HK\$6.0 million (year ended 31st December, 2010: The Zenith and Gemstar Tower in Hunghom (61.96% interest) is HK\$12.9 million and HK\$30.5 million respectively).

## 業績(續)

### 物業發展及買賣

物業銷售為本集團於本年度應佔溢利持續有傑出的貢獻。成都華置·西錦城第一期之勢不可擋的預售為本集團於二零一零年帶來重大的溢利，而西九龍帝峯·皇殿（佔25%權益）的預售繼續為本年度帶來重大的溢利。隨著一系列的物業預售包括名為灣仔壹環（佔87.5%權益）、西九龍御金·國峯（佔15%權益）、成都華置·都匯華庭第一期及華置·西錦城第二期連同澳門御海·南灣之預售，預期將為本集團於未來數年二零一二年至二零一四年持續帶來銷售收入及確認應佔溢利。未完成物業之預售溢利將於銷售協議完成之年度內確認。

於本年度，本集團應佔物業銷售收入及其聯營公司的相關應佔溢利錄得滿意增幅分別為105.5%至3,419,600,000港元（截至二零一零年十二月三十一日止年度：1,664,100,000港元）及118.0%至891,600,000港元（截至二零一零年十二月三十一日止年度：408,900,000港元）。此增長主要來自帝峯·皇殿的確認銷售。

列入毛利之主要部分包括銷售：旺角MOD 595錄得溢利4,200,000港元（截至二零一零年十二月三十一日止年度：虧損2,200,000港元）、大角咀i-home錄得溢利11,300,000港元（截至二零一零年十二月三十一日止年度：67,500,000港元）、華置·西錦城第一期計入因建築成本撥備不足之23,000,000港元後而錄得虧損21,700,000港元（截至二零一零年十二月三十一日止年度：溢利211,600,000港元）及灣仔York Place錄得溢利38,500,000港元（截至二零一零年十二月三十一日止年度：71,900,000港元）。溢利／虧損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。對於本年度已售並確認之單位，其成本包括估值盈餘34,700,000港元（截至二零一零年十二月三十一日止年度：85,100,000港元）。倘成本撇除估值盈餘，將錄得溢利73,200,000港元（截至二零一零年十二月三十一日止年度：157,000,000港元）。

灣仔尚翹峰（佔87.5%權益）於本年度出售之車位，為本集團帶來6,000,000港元（截至二零一零年十二月三十一日止年度：尚翹峰（佔87.5%權益）12,900,000港元及紅磡駿昇中心（佔61.96%權益）30,500,000港元）之應佔溢利。

## RESULTS (Cont'd)

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

In respect of properties held by associates, The Hermitage in West Kowloon (25% interest), Hing Wai Centre in Aberdeen (50% interest), Kwong Kin Trade Centre in Tuen Mun (40% interest) and Villa Carlton in Cheung Sha Wan (50% interest) generated profit of HK\$834.6 million, HK\$1.6 million, HK\$0.4 million and HK\$0.2 million respectively (year ended 31st December, 2010: Hing Wai Centre of HK\$4.0 million, Indihome in Tsuen Wan (50% interest) of HK\$1.3 million, Miami Crescent in Sheung Shui (50% interest) HK\$4.4 million and Park Mansion in Ngau Tau Kok (35% interest) of HK\$0.4 million) was reflected in the share of results of associates. For the sale of Parc Palais in Homantin (10% interest), a contribution of HK\$16.5 million (year ended 31st December, 2010: HK\$5.7 million) was recorded in investment income.

During the Year, the forfeited deposits received for Splendid City HK\$0.1 million (year ended 31st December, 2010: HK\$0.5 million) and The Metropolis HK\$0.1 million (year ended 31st December, 2010: nil) were recorded in other income.

At 31st December, 2011, deposits received from stock of properties contracted to be sold and revenue to be recognised in 2012 amounted to HK\$375.5 million. Of which, HK\$352.5 million deposits were received from Phase I of The Metropolis and Phase II of Splendid City, with average selling price of approximately RMB1.3 million and RMB0.9 million per unit respectively. The presale recorded for Phase I of The Metropolis and Phase II of Splendid City were 178 units of RMB233.9 million (equivalent to HK\$287.7 million) and 143 units of RMB129.9 million (equivalent to HK\$159.8 million) respectively, profits of which are expected to be recognised in 2012. Besides, the presale recorded for One WanChai (87.5% interest) at 31st December, 2011 was 21 units of HK\$229.7 million, and the attributable interest of sales to the Group was HK\$200.9 million. Revenue and profit from sales of One WanChai are expected to be recognised in 2012.

In summary, the Group together with associates and an investee company, executed properties sale agreements, including presale agreements, to third parties with an attributable amount contracted sales of HK\$1,176.4 million (year ended 31st December, 2010: HK\$4,791.5 million) during the Year. Attributable property sale profit in total recognised in the Year was HK\$891.6 million (year ended 31st December, 2010: HK\$408.9 million).

## 業績 (續)

### 物業發展及買賣 (續)

至於由聯營公司所持有之物業，西九龍帝峯·皇殿 (佔25%權益)、香港仔興偉中心 (佔50%權益)、屯門廣建貿易中心 (佔40%權益) 及長沙灣爾登華庭 (佔50%權益) 分別帶來834,600,000港元、1,600,000港元、400,000港元及200,000港元 (截至二零一零年十二月三十一日止年度：興偉中心 (佔50%權益) 4,000,000港元、荃灣樂悠居 (佔50%權益) 1,300,000港元、上水邁爾豪園 (佔50%權益) 4,400,000港元及牛頭角百富閣 (佔35%權益) 400,000港元) 之溢利，該等溢利均被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16,500,000港元 (截至二零一零年十二月三十一日止年度：5,700,000港元)，已列入投資收入內。

於本年度，其他收入包括華置·西錦城收取之沒收按金為100,000港元 (截至二零一零年十二月三十一日止年度：500,000港元) 及華置·都匯華庭為100,000港元 (截至二零一零年十二月三十一日止年度：無)。

於二零一一年十二月三十一日，從已訂約出售並將於二零一二年確認其收入之物業存貨所收取之按金為375,500,000港元。當中包括華置·都匯華庭第一期及華置·西錦城第二期已收取之按金352,500,000港元，而每個單位之平均售價分別約為人民幣1,300,000元及人民幣900,000元。華置·都匯華庭第一期及華置·西錦城第二期分別已預售178個單位及143個單位，分別錄得人民幣233,900,000元 (相當於287,700,000港元) 及人民幣129,900,000元 (相當於159,800,000港元) 之收入，其溢利預期於二零一二年確認。除此之外，於二零一一年十二月三十一日，壹環 (佔87.5%權益) 已預售21個單位，共錄得229,700,000港元收入，本集團應佔銷售收入為200,900,000港元。銷售壹環之收入及溢利預期於二零一二年確認。

總括而言，於本年度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1,176,400,000港元 (截至二零一零年十二月三十一日止年度：4,791,500,000港元)。於本年度，已確認之應佔物業銷售溢利總額為891,600,000港元 (截至二零一零年十二月三十一日止年度：408,900,000港元)。

## RESULTS (Cont'd)

### Securities Investments

Under the low interest environment, the Group has closely managed the securities investments with a view to yield enhancement. In March and June 2011, the Group has subscribed RMB2 billion senior secured guaranteed bonds due 2014 and US\$150 million senior notes due 2015 issued by Kaisa Group Holdings Ltd. with interest rate at 8.5% per annum and 13.5% per annum respectively, announcements in respect of the subscriptions had been made on 20th January, 2011 and 23rd May, 2011 respectively.

In view of the uncertainty and volatility in the securities market, the Group disposed part of the listed equity securities during the Year with gross proceeds of HK\$4,956.7 million and recognised a realised loss of HK\$1,227.6 million (year ended 31st December, 2010: HK\$148.5 million) on listed investments held-for-trading, the loss of which was included in revenue. In addition, sale of bonds during the Year had resulted in a realised loss of HK\$21.0 million (year ended 31st December, 2010: realised loss on bonds of HK\$27.2 million and realised gain on release of fair value liability on the maturity of derivative financial instruments of HK\$3.2 million). The total realised loss for the Year was HK\$1,248.6 million (year ended 31st December, 2010: HK\$172.5 million).

Furthermore, the Group recorded an unrealised loss of HK\$1,368.3 million (year ended 31st December, 2010: gain of HK\$190.2 million) representing the changes on the fair value of listed securities and bonds, which had no effect to the cash flow of the Group.

During the Year, there is no disposal on listed equity securities included in available-for-sale investments (year ended 31st December, 2010: gain of HK\$106.7 million).

Summing up the above and adding the net income from dividend, interest income and other finance costs of HK\$646.0 million (year ended 31st December, 2010: HK\$550.4 million), the loss recognised on listed securities investments was HK\$1,970.9 million (year ended 31st December, 2010: gain of HK\$674.8 million).

## 業績 (續)

### 證券投資

在低息環境下，本集團已有密切管理證券投資以謀求增益。於二零一零年三月及六月，本集團已認購由佳兆業集團控股有限公司發行本金為人民幣2,000,000,000元及150,000,000美元分別於二零一四年及二零一五年到期之年息8.5厘及13.5厘之優先有抵押擔保債券及優先票據，有關認購之公布分別於二零一一年一月二十日及二零一一年五月二十三日發出。

鑑於證券市場的不明朗及波動，本集團於本年度出售部分上市股本證券，所得款項總額為4,956,700,000港元及確認上市持作買賣投資之已變現虧損為1,227,600,000港元（截至二零一零年十二月三十一日止年度：148,500,000港元），此虧損已包括在收入內。此外，於本年度出售債券錄得已變現虧損21,000,000港元（截至二零一零年十二月三十一日止年度：已變現債券虧損27,200,000港元及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）。於本年度，已變現之虧損總額為1,248,600,000港元（截至二零一零年十二月三十一日止年度：172,500,000港元）。

此外，本集團錄得未變現虧損為1,368,300,000港元（截至二零一零年十二月三十一日止年度：收益190,200,000港元），該虧損為代表上市證券及債券之公平值變動，對本集團現金流量並無影響。

於本年度，並無出售任何待售投資之上市股本證券（截至二零一零年十二月三十一日止年度：收益106,700,000港元）。

總括以上及加入股息、利息收入及其他財務費用之收入淨額為646,000,000港元（截至二零一零年十二月三十一日止年度：550,400,000港元），上市證券投資之確認虧損為1,970,900,000港元（截至二零一零年十二月三十一日止年度：收益674,800,000港元）。

## RESULTS (Cont'd)

### Securities Investments (Cont'd)

The respective income/expense from securities investments under different categories are further elaborated below.

#### Listed Available-for-sale Equity Investments

The Group had not disposed any listed available-for-sale equity investments for the Year. (A realised gain on disposal of listed available-for-sale equity investments of HK\$106.7 million and dividend income of HK\$31.4 million were recognised in the year ended 31st December, 2010 as an investment income).

#### Listed Investments Held-for-trading and Treasury Products

The listed investments held-for-trading and treasury products recorded a loss before or after finance costs of HK\$1,924.8 million (year ended 31st December, 2010: profit before finance income of HK\$478.1 million) and HK\$1,970.9 million (year ended 31st December, 2010: profit after finance income of HK\$536.7 million) respectively for the Year.

Loss from the listed investments held-for-trading reflected in the consolidated statement of comprehensive income for the Year comprised a gross loss of totaling HK\$1,227.6 million (year ended 31st December, 2010: HK\$148.5 million), an unrealised loss on fair value changes amounted to HK\$1,368.3 million (year ended 31st December, 2010: gain of HK\$190.2 million), a realised loss on bonds of HK\$21.0 million (year ended 31st December, 2010: HK\$27.2 million), no transaction of derivative financial instruments (year ended 31st December, 2010: realised gain on release of fair value liability on the maturity of derivative financial instruments of HK\$3.2 million) and dividend and interest income of HK\$692.1 million (year ended 31st December, 2010: other investment income of HK\$3.6 million and dividend and interest income of HK\$456.8 million). Net relevant finance cost for the Year of HK\$46.1 million (year ended 31st December, 2010: net finance income of HK\$58.6 million) including interest expense; exchange loss and other finance costs of HK\$26.2 million (year ended 31st December, 2010: HK\$5.5 million); HK\$7.9 million (year ended 31st December, 2010: exchange gain of HK\$64.1 million) and HK\$12.0 million (year ended 31st December, 2010: nil) respectively.

## 業績 (續)

### 證券投資 (續)

以下就來自不同類型的證券投資收入／開支進一步地詳述。

#### 上市股本待售投資

本集團於本年度並無出售任何上市股本待售投資 (截至二零一零年十二月三十一日止年度: 出售上市股本待售投資之已變現收益106,700,000港元及股息收入31,400,000港元已於投資收入中確認)。

#### 上市持作買賣投資及財資產品

上市持作買賣投資及財資產品於本年度錄得扣除財務費用前／後之虧損分別為1,924,800,000港元 (截至二零一零年十二月三十一日止年度: 財務收入前溢利478,100,000港元) 及1,970,900,000港元 (截至二零一零年十二月三十一日止年度: 財務收入後溢利536,700,000港元)。

於本年度, 反映於綜合全面收益報表內之上市持作買賣投資之虧損, 包括毛虧損合共1,227,600,000港元 (截至二零一零年十二月三十一日止年度: 148,500,000港元)、公平值變動之未變現虧損1,368,300,000港元 (截至二零一零年十二月三十一日止年度: 收益190,200,000港元)、已變現債券虧損21,000,000港元 (截至二零一零年十二月三十一日止年度: 27,200,000港元)、並沒有衍生金融工具交易 (截至二零一零年十二月三十一日止年度: 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) 及股息與利息收入692,100,000港元 (截至二零一零年十二月三十一日止年度: 其他投資收入3,600,000港元及股息與利息收入456,800,000港元)。於本年度, 相關財務費用淨額46,100,000港元 (截至二零一零年十二月三十一日止年度: 財務收入淨額58,600,000港元) 包括利息開支、匯兌虧損及其他財務費用分別為26,200,000港元 (截至二零一零年十二月三十一日止年度: 5,500,000港元)、7,900,000港元 (截至二零一零年十二月三十一日止年度: 匯兌收益64,100,000港元) 及12,000,000港元 (截至二零一零年十二月三十一日止年度: 無)。

## RESULTS (Cont'd)

### Securities Investments (Cont'd)

#### *Other Comprehensive Income from Listed Available-for-sale Equity Investments*

During the Year, no transaction of the listed equity securities included in available-for-sale investments (year ended 31st December, 2010: addition of fair value of HK\$67.0 million was recognised in other comprehensive income as an equity transaction of securities investments reserve).

#### *Unlisted Securities Investment*

The acquisition of unlisted equity investment in Grandday Group Limited ("Grandday") of HK\$3,889.0 million during the Year was carried at cost less impairment if any. There is no impairment made or dividend income received from Grandday during the Year.

### Other Income and Expenses

Other income mainly comes from net building management fee income, arrangement fee income and management and maintenance service income increased to HK\$257.5 million (year ended 31st December, 2010: HK\$124.9 million), representing an increase of 106.2% as compared with last year.

During the Year, administrative expenses increased by 18.9% to HK\$273.2 million (year ended 31st December, 2010: HK\$229.8 million) and finance costs increased by 382.8% to HK\$330.7 million (year ended 31st December, 2010: HK\$68.5 million), including exchange loss of HK\$7.9 million (year ended 31st December, 2010: gain of HK\$64.1 million) on foreign currency loan hedged for foreign currency securities investments.

Other gains and losses recorded a net gain of HK\$78.3 million including reversal of provision for construction cost of the Group's liability on contingency claims made in prior years of HK\$16.1 million and gain on disposal of a subsidiary to a connected person of HK\$66.8 million (year ended 31st December, 2010: 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).

## 業績 (續)

### 證券投資 (續)

#### *由上市股本待售投資帶來之其他全面收益*

於本年度，於待售投資中之上市股本證券並無交易（截至二零一零年十二月三十一日止年度：公平值增加67,000,000港元並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）。

#### *非上市證券投資*

於本年度，以3,889,000,000港元收購朝隆集團有限公司（「朝隆」）之非上市股本投資，按成本扣除減值（如有）列賬。於本年度，概無確認減值虧損或由朝隆收取股息收入。

### 其他收入及開支

其他收入主要來自樓宇管理費收入淨額、安排費收入及管理及保養服務收入，較去年增加 106.2% 至257,500,000港元（截至二零一零年十二月三十一日止年度：124,900,000港元）。

於本年度，行政開支增加18.9%至 273,200,000港元（截至二零一零年十二月三十一日止年度：229,800,000港元）及財務費用增加382.8%至330,700,000港元（截至二零一零年十二月三十一日止年度：68,500,000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虧損7,900,000港元（截至二零一零年十二月三十一日止年度：收益64,100,000港元）。

其他收益及虧損錄得收益淨額78,300,000港元包括撥回本集團就過往年度建築成本之或然索償負債所作之撥備16,100,000港元及出售一間附屬公司予關連人士之收益66,800,000港元（截至二零一零年十二月三十一日止年度：19,900,000港元，包括議價收購一間附屬公司之收益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）。

## RESULTS (Cont'd)

### Disposal of a Subsidiary to a Connected Person

On 7th November, 2011, the Group entered into an sale and purchase agreement with a company, which is wholly-owned by a director and a substantial shareholder of the Company, to dispose or procure the sale of the sale share and sale loan of a subsidiary ("Disposal") at a consideration of approximately HK\$497.2 million, resulting in a gain of HK\$66.8 million. There is a corresponding decrease in fair value of HK\$66.8 million recorded in fair value change of investment properties upon disposal during the Year. The principal asset of the subsidiary under the Disposal was an investment property located at No. 3 Deep Water Bay Road, Hong Kong which was acquired by the Group on 17th August, 2011.

### Associates

The share of results of associates for the Year was a profit of HK\$1,241.7 million as compared to HK\$56.6 million last year, which was mainly due to the recognition on sale of The Hermitage and the increase in fair value of investment properties.

### Fair Value Changes on Investment Properties

Investment properties of the Group in Hong Kong and Mainland China were revalued at 31st December, 2011, by B.I. Appraisals Limited ("B.I. Appraisals"). Whereas the investment property in the United Kingdom was revalued by Peak Vision Appraisals Limited ("Peak Vision Appraisals"). Both B.I. Appraisals and Peak Vision Appraisals are independent property valuers. An increase in fair value of HK\$2,959.6 million (year ended 31st December, 2010: decrease of HK\$10,831.3 million) was recorded during the Year mainly as a result of the upturn of the properties markets in Hong Kong and Mainland China. This unrealised fair value gain will not affect the cash flow of the Group.

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

### Profit

Profit attributable to owners of the Company for the Year was HK\$3,497.8 million as compared to loss of HK\$8,858.2 million for last year. The profit for the Year was mainly due to the fair value gains on investment properties and the increase in share of profits of associates after the loss on sale of listed securities investments. Earnings per share for the Year was HK\$1.83 (year ended 31st December, 2010: loss per share of HK\$4.60).

## 業績 (續)

### 出售一間附屬公司予關連人士

於二零一一年十一月七日，本集團與本公司一位董事兼主要股東全資擁有之一間公司訂立買賣協議，出售或促成出售一間附屬公司之銷售股份及銷售貸款（「該出售」），代價約為497,200,000港元，錄得66,800,000港元收益。此相關公平值減少66,800,000港元已於本年度為出售時記錄為投資物業公平值變動。該出售之附屬公司之主要資產為一個位於香港深水灣道3號之投資物業，此物業由本集團於二零一一年八月十七日購入。

### 聯營公司

本年度攤佔聯營公司業績溢利1,241,700,000港元，而相比去年為56,600,000港元，主要由於確認帝峯·皇殿銷售及投資物業公平值增加。

### 投資物業之公平值

保柏國際評估有限公司（「保柏國際評估」）已就於二零一一年十二月三十一日對本集團位於香港及中國大陸之投資物業進行物業估值。至於本集團位於英國之投資物業，由滙鋒評估有限公司（「滙鋒評估」）進行估值。保柏國際評估及滙鋒評估均為獨立物業估值師。本年度錄得公平值增加2,959,600,000港元（截至二零一零年十二月三十一日止年度：減少10,831,300,000港元），乃因香港及中國大陸物業市場好轉所致。此未變現公平值收益對本集團現金流量並無影響。

## 溢利、核心溢利、股息、回購及現金支出比率

### 溢利

本公司擁有人於本年度的應佔溢利為3,497,800,000港元，而相比去年虧損為8,858,200,000港元。本年度的溢利主要來自除去上市證券投資虧損後投資物業的公平值收益及攤佔聯營公司溢利增加。於本年度之每股盈利為1.83港元（截至二零一零年十二月三十一日止年度：每股虧損為4.60港元）。

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

### Core Profit

If the net gain on the major non-cash items of HK\$3,283.3 million (year ended 31st December, 2010: net loss of HK\$10,748.9 million) are excluded, the Group will have a core profit attributable to owners of the Company for the Year of HK\$214.5 million (year ended 31st December, 2010: HK\$1,890.7 million) and a core earnings per share of HK11.2 cents (year ended 31st December, 2010: HK98.2 cents), a decrease of 88.7% and 88.6% over 2010 respectively. The decrease in core profit for the Year was mainly due to the loss on sale of listed securities investments during the Year.

The major non-cash items were fair value gain on investment properties together with their respective deferred tax of HK\$3,283.3 million (year ended 31st December, 2010: loss of HK\$10,748.9 million).

### Dividends

Final dividend of HK1 cent (year ended 31st December, 2009: HK1 cent) per share in total amount of HK\$19.1 million for the year ended 31st December, 2010 was paid in cash in June 2011.

Interim dividend of HK1 cent (half year ended 30th June, 2010: nil) per share in total amount of HK\$19.1 million for the half year ended 30th June, 2011 was paid in cash in September 2011.

No special dividend was declared and paid during the Year (year ended 31st December, 2010: special dividend for connected transaction of HK40 cents per share).

Total dividends of HK\$38.2 million were paid in cash during the Year.

### Repurchase

During the Year, the Company had not repurchased any of the Company's share whereas the Company had utilised HK\$535.7 million (including transaction cost) equivalent to HK27.8 cents per share in repurchase of the Company's shares for the year ended 31st December, 2010.

## 溢利、核心溢利、股息、回購及 現金支出比率(續)

### 核心溢利

如撇除主要非現金項目收益淨額3,283,300,000港元(截至二零一零年十二月三十一日止年度:虧損淨額10,748,900,000港元),本集團於本年度將錄得本公司擁有人應佔核心溢利為214,500,000港元(截至二零一零年十二月三十一日止年度:1,890,700,000港元),而每股核心盈利為11.2港仙(截至二零一零年十二月三十一日止年度:98.2港仙),分別較二零一零年減少88.7%及88.6%。本年度內的核心溢利減少主要來自上市證券投資之銷售虧損。

主要非現金項目來自投資物業之公平值收益連同其相關之遞延稅項為3,283,300,000港元(截至二零一零年十二月三十一日止年度:虧損10,748,900,000港元)。

### 股息

於二零一一年六月以現金派付截至二零一零年十二月三十一日止年度之末期股息為每股1港仙(截至二零零九年十二月三十一日止年度:每股1港仙),合共為19,100,000港元。

於二零一一年九月以現金派付截至二零一一年六月三十日止半年之中期股息為每股1港仙(截至二零一零年六月三十日止半年:無),合共為19,100,000港元。

本年度內並沒有宣派特別股息(截至二零一零年十二月三十一日止年度:關連交易之特別股息每股40港仙)。

本年度,以現金派付之股息總額為38,200,000港元。

### 回購

本年度內,本公司沒有回購本公司之任何股份,然而於截至二零一零年十二月三十一日止年度,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),相等於每股27.8港仙。

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

### Cash Payment Ratio

Based on (a) the core profit for the Year of HK\$214.5 million (year ended 31st December, 2010: HK\$1,890.7 million) or HK11.2 cents (year ended 31st December, 2010: HK98.2 cents) per share; (b) no repurchase for the Year (year ended 31st December, 2010: amount utilised for share repurchase HK\$535.7 million (including transaction cost) or HK27.8 cents per share); and (c) final dividend of HK1 cent (year ended 31st December, 2010: HK1 cent) per share proposed and interim dividend of HK1 cent (half year ended 30th June, 2010: nil) per share and no special dividend (year ended 31st December, 2010: HK40 cents per share) was paid for the Year, the ratio of such cash payment to the core profit is 17.9% (year ended 31st December, 2010: 70.1%).

## NET ASSET VALUE

As at 31st December, 2011, the Group's total net asset to owners of the Company amounted to approximately HK\$35,651.3 million (31st December, 2010: HK\$33,507.9 million), an increase of HK\$2,143.4 million or 6.4% when compared with 31st December, 2010. With the total number of ordinary shares in issue of 1,907,619,079 as at 31st December, 2011 (31st December, 2010: 1,907,619,079 shares), the net asset value per share to owners of the Company was HK\$18.69, an increase of 6.4% over 31st December, 2010 (HK\$17.57 per share). The movement in net asset value was mainly due to (a) profit attributable to owners of the Company for the Year of HK\$3,497.8 million; (b) reduction in relation to the acquisition of 29.99% non-controlling interest in the Macau project of HK\$1,600.0 million; and (c) payment of final dividend and interim dividend both of HK\$19.1 million.

## 溢利、核心溢利、股息、回購及 現金支出比率 (續)

### 現金支出比率

根據(a)本年度之核心溢利214,500,000港元(截至二零一零年十二月三十一日止年度:1,890,700,000港元)或每股11.2港仙(截至二零一零年十二月三十一日止年度:每股98.2港仙)、(b)本年度沒有回購(截至二零一零年十二月三十一日止年度:用作回購股份之金額為535,700,000港元(包括交易成本)或每股27.8港仙);及(c)於本年度建議之末期股息每股1港仙(截至二零一零年十二月三十一日止年度:每股1港仙)及已派付之中期股息每股1港仙(截至二零一零年六月三十日止半年:無)以及並沒有特別股息(截至二零一零年十二月三十一日止年度:每股40港仙),該現金支出與核心溢利之比率為17.9%(截至二零一零年十二月三十一日止年度:70.1%)。

## 資產淨值

於二零一一年十二月三十一日,本公司擁有人的應佔本集團的資產淨值總額約為35,651,300,000港元(二零一零年十二月三十一日:33,507,900,000港元),較二零一零年十二月三十一日增加2,143,400,000港元或6.4%。根據二零一一年十二月三十一日的已發行普通股總數1,907,619,079股(二零一零年十二月三十一日:1,907,619,079股)計算,本公司擁有人的每股資產淨值為18.69港元,較二零一零年十二月三十一日(每股17.57港元)增加6.4%。資產淨值變動主要與(a)本公司擁有人於本年度的應佔溢利3,497,800,000港元;(b)收購澳門項目之29.99%非控股權益引致1,600,000,000港元之減少;及(c)派付末期股息及中期股息分別為19,100,000港元有關。

## NET ASSET VALUE (Cont'd)

There was no transaction on the listed equity securities investments categorised as available-for-sales investments for the Year. During the year ended 31st December, 2010, an addition in fair value of HK\$67.0 million on the listed equity securities investments categorised as available-for-sales investments and accumulative gain of approximately of HK\$108.4 million was transferred to the consolidated statement of comprehensive income upon disposal. The carrying amounts of the listed equity securities investments reserve as at 31st December, 2011 and 31st December, 2010 were nil.

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, 2010, the carrying amount of the listed securities investments and treasury products was HK\$7,607.5 million. During the Year, the portfolio was decreased by a net disposal of HK\$497.7 million. After deducting the fair value loss of HK\$1,368.3 million for the Year, the listed securities investments portfolios of the Group became HK\$5,741.5 million as at 31st December, 2011 representing 9.3% of total assets, which formed part of the Group's cash management activities.

The portfolio of HK\$5,741.5 million (31st December, 2010: HK\$7,607.5 million) comprised (a) equity securities (investments held-for-trading) of HK\$514.9 million (31st December, 2010: HK\$2,422.1 million) and (b) bonds (financial assets designated as at fair value through profit or loss) of HK\$5,226.6 million (31st December, 2010: HK\$5,185.4 million).

## 資產淨值 (續)

本集團於本年度並無分類為待售投資之上市股本證券交易。於截至二零一零年十二月三十一日止年度，已歸屬為待售投資之上市股本證券投資之公平值的增加為67,000,000港元及約108,400,000港元之累計收益已因出售而轉撥至綜合全面收益報表。於二零一一年十二月三十一日及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。

除該等現有項目以及全年業績內所披露者外，本集團並無任何有關重大收購或出售資產及於未來計劃重大投資或資本資產。

## 證券投資

於二零一零年十二月三十一日，上市證券投資及財資產品賬面值為7,607,500,000港元。於本年度，該等組合已就出售淨額減少497,700,000港元。扣除本年度公平值虧損1,368,300,000港元後，本集團於二零一一年十二月三十一日的上市證券投資組合達至5,741,500,000港元，佔資產總額9.3%，該等組合為本集團資金管理活動之一部分。

該組合5,741,500,000港元（二零一零年十二月三十一日：7,607,500,000港元）中包括(a)股本證券（待售投資）514,900,000港元（二零一零年十二月三十一日：2,422,100,000港元）及(b)債券（指定為通過損益以反映公平值之金融資產）5,226,600,000港元（二零一零年十二月三十一日：5,185,400,000港元）。

## SECURITIES INVESTMENTS (Cont'd)

### Unlisted Equity Securities

In June 2011, the Group acquired 49% of the entire issued share capital of Grandday, which indirectly held the land located at the southeast exterior of Yin Xing Ken District, Yinyang Town, Qidong City, Jiangsu Province, the People's Republic of China ("PRC"), at a consideration of US\$500 million (equivalent to HK\$3,889.0 million). As the Group has no significant influence over the board of directors of Grandday and its subsidiaries, the investment in Grandday is classified as an unlisted equity investment and included in available-for-sale investment.

### Notes held by Listed Subsidiaries

As at 31st December, 2011, the carrying amount of the floating rate and fixed rate notes amounted to HK\$184.6 million (31st December, 2010: HK\$262.7 million) representing 0.3% of the total assets of the Group at the end of the reporting period. The decrease mainly represented redemption upon maturity and disposal of certain floating rate and fixed rate notes during the Year.

## 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, 2011 and 31st December, 2010 were 1,907,619,079.

## DEBT AND GEARING

As at 31st December, 2011, the Group's bank and other borrowings amounted to HK\$22,690.7 million (31st December, 2010: HK\$18,710.5 million). Cash and deposit at bank amounted to HK\$4,268.5 million (31st December, 2010: HK\$10,689.3 million), pledged deposit amounted to HK\$1,705.0 million (31st December, 2010: HK\$187.1 million) and net borrowings amounted to HK\$16,717.2 million (31st December, 2010: HK\$7,834.1 million).

## 證券投資 (續)

### 非上市股本證券

於二零一一年六月，本集團以500,000,000美元（相當於3,889,000,000港元）之代價收購朝隆之49%全部已發行股本，該集團間接擁有一幅位於中華人民共和國（「中國」）江蘇省啟東市寅陽鎮寅興墾區外側東南部之土地。由於本集團於朝隆及其附屬公司董事會並無擁有重大影響力，所以於朝隆之投資被分類為非上市股本投資並已包括在待售投資內。

### 上市附屬公司持有之票據

於二零一一年十二月三十一日，浮息及定息票據賬面值為184,600,000港元（二零一零年十二月三十一日：262,700,000港元），佔本集團於報告期末資產總額0.3%。於本年度賬面值減少主要來自贖回已到期及出售部分之浮息及定息票據。

## 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

於二零一一年十二月三十一日及二零一零年十二月三十一日的已發行普通股數目為1,907,619,079股。

## 債務及資本與負債比率

於二零一一年十二月三十一日，本集團的銀行及其他借貸為22,690,700,000港元（二零一零年十二月三十一日：18,710,500,000港元）。現金及銀行結存為4,268,500,000港元（二零一零年十二月三十一日：10,689,300,000港元），抵押存款為1,705,000,000港元（二零一零年十二月三十一日：187,100,000港元），而借貸淨額為16,717,200,000港元（二零一零年十二月三十一日：7,834,100,000港元）。

## DEBT AND GEARING (Cont'd)

Total debt to equity ratio was 62.4% (31st December, 2010: 54.7%) and net debt to equity ratio was 46.0% (31st December, 2010: 22.9%), which are expressed as a percentage of total borrowings, and net borrowings, respectively, over the total equity of HK\$36,368.0 million (31st December, 2010: HK\$34,210.9 million).

However, if the listed securities investments and treasury products of HK\$5,741.5 million (31st December, 2010: HK\$7,607.5 million) are included, the net debt to equity ratio will be 30.2% (31st December, 2010: 0.7%).

The increase of total debt to equity ratio and net debt to equity ratio were mainly due to the increase of borrowings, mainly for acquisition of the companies holding an investment property in the United Kingdom together with a Pound Sterling bank loan; and cash utilised in acquisition of unlisted equity securities in Grandday and non-controlling interest in Macau project during the Year.

As at 31st December, 2011, the Group's bank and other borrowings were denominated in Hong Kong dollar (68.1%), United States dollar (14.5%), Pound Sterling (14.0%) and Renminbi (3.4%). Of the Group's bank and other borrowings of HK\$22,690.7 million, 44.1%, 38.6%, 16.5% and 0.8% were repayable within 1 year, 1 to 2 years, 2 to 5 years and over 5 years respectively. United States dollar investment securities were hedged by United States dollar borrowings. The Group's bank and other borrowings in Hong Kong dollars and United States dollars were carried at interest rates calculated mainly with reference to HIBOR/LIBOR; bank borrowings in Pound Sterling were carried at fixed rate after incorporating an interest rate swap; and bank borrowings in Renminbi were carried at interest rates calculated with reference to borrowing rates quoted by Peoples' Bank of China. As at 31st December, 2011, about 86.0% of the Group's borrowing were on floating rate basis and 14.0% were on fixed rate basis. Other than the bank borrowings in Pound Sterling, no hedging for interest rate is subsisted at the end of the reporting period.

## 債務及資本與負債比率(續)

債務總額與股本權益比率為62.4% (二零一零年十二月三十一日: 54.7%)，而淨債務與股本權益比率為46.0% (二零一零年十二月三十一日: 22.9%)，乃將借貸總額及借貸淨額分別除以股本權益總額36,368,000,000港元 (二零一零年十二月三十一日: 34,210,900,000港元) 得出的百分比。

然而，如上市證券投資及財資產品5,741,500,000港元 (二零一零年十二月三十一日: 7,607,500,000港元) 已計入內，淨債務與股本權益比率將會為30.2% (二零一零年十二月三十一日: 0.7%)。

債務總額與股本權益比率及淨債務與股本權益的比率之所以上升，主要由於本年度收購持有位於英國投資物業及以英鎊計值之銀行借貸之多間公司；及以現金收購朝隆之非上市股本證券及澳門項目之非控股權益而令債務增加。

於二零一一年十二月三十一日，本集團之銀行及其他借貸以港元(68.1%)、美元(14.5%)、英鎊(14.0%)及人民幣(3.4%)計值。於本集團之銀行及其他借貸為22,690,700,000港元中，44.1%、38.6%、16.5%及0.8%須分別於一年內、一年至兩年、兩年至五年及五年後償還。美元計值之證券投資以美元借貸對沖。本集團之港元及美元之銀行及其他借貸主要參照香港銀行同業拆息／倫敦銀行同業拆息計算利息，而英鎊銀行借貸合併利率掉期合約以定息計算；及人民幣銀行借貸則參照中國人民銀行之借貸利率計算。於二零一一年十二月三十一日，本集團之浮息及定息借貸分別為86.0%及14.0%。除了英鎊銀行貸款外，於報告期末並無就利率作出對沖。

## PLEDGE OF ASSETS

As at 31st December, 2011, 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\$32,981.7 million (31st December, 2010: HK\$23,787.4 million), HK\$485.1 million (31st December, 2010: HK\$488.4 million), HK\$2,626.3 million (31st December, 2010: HK\$2,219.8 million) and HK\$411.6 million (31st December, 2010: HK\$163.1 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\$5,741.3 million (31st December, 2010: HK\$7,219.6 million) and cash deposit of approximately HK\$1,293.4 million (31st December, 2010: HK\$23.9 million) were pledged to the Group's financial institutions to secure margin and securities facilities granted to the Group in respect of securities transactions, of which approximately HK\$3,300.7 million (31st December, 2010: HK\$2,682.0 million) was utilised at 31st December, 2011 as borrowings due within one year.
- (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\$1,920.0 million (31st December, 2010: HK\$1,806.0 million) to financial institutions to secure general banking credit facilities granted to the associates and an investee company.

## 資產抵押

於二零一一年十二月三十一日，本集團已抵押以下資產：

- (a) 本集團賬面值分別約為32,981,700,000港元(二零一零年十二月三十一日：23,787,400,000港元)、485,100,000港元(二零一零年十二月三十一日：488,400,000港元)、2,626,300,000港元(二零一零年十二月三十一日：2,219,800,000港元)及411,600,000港元(二零一零年十二月三十一日：163,100,000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5,741,300,000港元(二零一零年十二月三十一日：7,219,600,000港元)及1,293,400,000港元(二零一零年十二月三十一日：23,900,000港元)之持作買賣之投資及債券及現金存款，已就本集團有關證券交易獲授之保證金及證券融資，抵押予本集團之金融機構，而本集團已動用於一年內到期之借貸約3,300,700,000港元(二零一零年十二月三十一日：2,682,000,000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1,920,000,000港元(二零一零年十二月三十一日：1,806,000,000港元)轉歸及授讓予金融機構。

## REPURCHASE GUARANTEE

Certain mortgagee banks have provided end-user financing to purchasers of Splendid City and The Metropolis 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, 2011 was RMB76.7 million (equivalent to HK\$94.4 million) (31st December, 2010: RMB7.8 million (equivalent to HK\$9.2 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 income, interest income for the Year was HK\$779.8 million, representing an increase of 64.0% from that of 31st December, 2010 (HK\$475.5 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 expenses, interest expenses for the Year amounted to HK\$276.4 million, representing an 139.7% increase over the interest expenses of HK\$115.3 million recorded for last year. The increase in interest expenses was mainly due to the increase in bank loan and interest rate during the Year. Interest capitalised for the Year was HK\$64.9 million as compared to HK\$43.1 million for last year. The average interest rate over the year under review was 1.43% (year ended 31st December, 2010: 1.00%), 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·西錦城及華置·都匯華庭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。

於二零一一年十二月三十一日，回購擔保未償還總額為人民幣76,700,000元（相當於94,400,000港元）（二零一零年十二月三十一日：人民幣7,800,000元（相當於9,200,000港元）），於或然負債內披露。

## 財務及利息收入／開支

收入及投資收入包括利息收入。本年度之利息收入（不包括名義利息收入）為779,800,000港元，較二零一零年十二月三十一日（475,500,000港元）增加64.0%。

財務費用包括銀行及其他貸款之利息開支、名義利息開支、外幣貸款匯兌差額、安排費用與信貸及承擔費用開支。撇除名義利息開支，本年度之利息開支為276,400,000港元，較去年錄得之利息開支115,300,000港元增加139.7%。利息開支增加主要與本年度銀行貸款及利率增加有關。本年度之資本化利息為64,900,000港元，而去年則為43,100,000港元。於回顧年內之平均利率為1.43%（截至二零一零年十二月三十一日止年度：1.00%），乃以利息支付總額除以平均借貸總額得出。

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

As at 31st December, 2011, the Group employed a total of 347 staff (31st December, 2010: 331 staff) (excluding about a total of 344 staff (31st December, 2010: 334 staff) for estate management employed under the Group's estate management company in Hong Kong, Perfect World Company Limited, and about a total of 195 staff (31st December, 2010: 136 staff) in Chengdu, PRC employed under subsidiaries of the Company).

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 during the Year.

The Company had adopted a share award scheme ("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, MACAU AND UNITED KINGDOM

Profit contribution from the Group's investment in the Mainland China (mainly included in gross profit, fair value changes on investment properties, share of results of associates and taxation) for the Year amounted to HK\$206.9 million (year ended 31st December, 2010: HK\$218.2 million). The Group's net investment in the Mainland China as at 31st December, 2011 amounted to HK\$12,187.7 million (31st December, 2010: HK\$7,468.1 million) representing approximately 33.5% of the Group's total equity.

Besides, the Group's net investment in Macau as at 31st December, 2011 amounted to HK\$2,494.3 million (31st December, 2010: HK\$1,748.2 million) representing approximately 6.9% of the Group's total equity.

Further, the Group acquired in January 2011 an investment property in the United Kingdom with carrying value of GBP284.9 million as at 31st December, 2011 (equivalent to HK\$3,411.3 million), which contributed a profit of HK\$135.1 million to the Group for the Year. As at 31st December, 2011, the Group's net investment in the United Kingdom amounted to HK\$495.0 million representing approximately 1.4% of the Group's total equity.

## 酬金政策、購股權計劃及股份獎勵計劃

於二零一一年十二月三十一日，本集團共有僱員347人（二零一零年十二月三十一日：331人）（不包括受僱於本集團於香港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約344人（二零一零年十二月三十一日：334人）及受僱於本公司位於中國成都之多間附屬公司員工合共約195人（二零一零年十二月三十一日：136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、澳門及英國

本集團於中國大陸之投資為本年度帶來溢利（主要包括毛利、投資物業的公平值變動、攤佔聯營公司業績及稅項）為206,900,000港元（截至二零一零年十二月三十一日止年度：218,200,000港元）。而本集團於中國大陸之投資淨額於二零一一年十二月三十一日為12,187,700,000港元（二零一零年十二月三十一日：7,468,100,000港元），佔本集團股本權益總額約33.5%。

另外，於二零一一年十二月三十一日本集團於澳門之投資淨額為2,494,300,000港元（二零一零年十二月三十一日：1,748,200,000港元），佔本集團股本權益總額約6.9%。

再者，本集團於二零一一年一月買入一項位於英國賬面值為284,900,000英鎊（相當於3,411,300,000港元）之投資物業，該物業於本年度為本集團帶來135,100,000港元之溢利。於二零一一年十二月三十一日，本集團於英國之投資淨額為495,000,000港元，佔本集團股本權益總額約1.4%。

## LISTED SUBSIDIARIES

At the end of the reporting period, the Group owned two listed subsidiaries, comprising 61.96% interest in Chi Cheung Investment Company, Limited and, taking into consideration the control over its board of directors, 41.93% interest in G-Prop (Holdings) Limited.

## PROPERTY VALUATION

A property valuation has been carried out by B.I. Appraisals, independent qualified professional valuers, in respect of the Group's investment properties in Hong Kong and the Mainland China as at 31st December, 2011 and 31st December, 2010. For the investment property in the United Kingdom which was acquired by the Group during the Year, the valuation as at 31st December, 2011 was carried out by Peak Vision Appraisals, another independent qualified professional valuers. Their valuations were based on investment method and/or direct comparison method as the valuation methodologies and were used in preparing 2011 final results.

The Group's investment properties were valued at HK\$34,484.5 million (31st December, 2010: HK\$27,419.0 million), an 10.9% increase over 2010 after adjusted for the additions and disposals of investment properties during the Year. The increase in fair value of approximately HK\$2,959.6 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 associates of HK\$353.5 million (adjusted deferred tax expense of HK\$20.0 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\$2,450.6 million and will be carried at fair value, until the earlier of the date when its fair value first becomes reliably measurable or the date of the completion of the property.

The increase in fair value of HK\$2,959.6 million or 10.9% was mainly attributable to the Group's three major investment properties, namely Windsor House, Silvercord and The ONE, which after adjusted the additions during the Year, recorded an increase of HK\$964.8 million (or 13.1%), HK\$890.9 million (or 16.1%) and HK\$324.6 million (or 6.6%) respectively. The three properties have in aggregate shown an increase of HK\$2,180.3 million or 73.7% of the total increase. Such increase has reflected an upturn in the property markets of Hong Kong and Mainland China for the Year. Rental renewals of these three properties for the Year have shown a remarkable increase over the end of 2010.

## 上市附屬公司

於報告期末，本集團持有兩間上市附屬公司，包括至祥置業有限公司61.96%權益及考慮到擁有其董事會控制權之金匡企業有限公司41.93%權益。

## 物業估值

獨立合資格專業估值師保柏國際評估已就本集團於二零一一年十二月三十一日及二零一零年十二月三十一日位於香港及中國大陸之投資物業進行物業估值。至於本集團於本年度所購入位於英國之投資物業，由另一獨立合資格專業估值師滯鋒評估於二零一一年十二月三十一日進行估值。兩位評估持續採納投資法及／或直接比較法作為估值方法，並已用於編製二零一一年全年業績。

本集團投資物業之估值為34,484,500,000港元（二零一零年十二月三十一日：27,419,000,000港元），經作出本年度投資物業之增加及出售之調整後較二零一零年增加10.9%。公平值增加約2,959,600,000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增加353,500,000港元（已調整遞延稅項開支20,000,000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2,450,600,000港元乃按成本列賬，直至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（以較早者為準）為止。

公平值增加2,959,600,000港元或10.9%乃主要來自本集團三項主要投資物業：皇室大廈、新港中心及The ONE，經作出本年度之增加之調整後，所錄得的增加分別為964,800,000港元（或13.1%）、890,900,000港元（或16.1%）及324,600,000港元（或6.6%）。三項物業合共增加2,180,300,000港元或佔公平值增加之73.7%，該增長反映本年度香港及中國大陸物業市場好轉之趨勢。於本年度此三項物業之租賃續約情況比二零一零年年結時有顯著的增加。