

## 經營環境

二零零一年北京市房地產發展迅猛，開發投資比上年增長50.1%，北京乃是全國房地產投資規模最大的城市，商品房市場總體呈現供銷兩旺勢頭，但住宅市場供大於求，銷售趨緩，二零零一年上半年受申辦奧運及加入世貿等積極因素影響，住宅銷售較為活躍，下半年出現回落。

二零零一年北京市物業租賃市場在申辦奧運和加入世貿等利好因素刺激下，總體呈上升趨勢。北京市甲級寫字樓的租金和出租率雖在下半年有所回落，但全年繼續保持了二零零零年以來的旺盛勢頭。亞運村的商務氛圍有所增強，寫字樓的平均租價穩中有升，出租率保持在較高水平。公寓市場在低迷多年後緩慢回升，租金雖有小幅下挫，但出租率攀升，總體經濟效益有所增長。

## Operating Environment

In 2001, Beijing demonstrated a buoyant development in its property market. Development and investment amount rose by 50.1% from the previous year. The investment amount of the property market in Beijing is the most sizeable in the People's Republic of China ("PRC"). The commodity housing market in Beijing was active as a whole with supply and demand both in the growth track. Nevertheless, the residential market was outstripped by over-supply resulting in slowing sales. In the light of the PRC's successful bid for the hosting of the 2008 Olympic Games and its accession into WTO, residential sales were active in the first half of 2001 but then slowed down in the second half of the year.

Stimulated by favourable factors including the hosting of Olympic Games 2008 and entry into the WTO, growth was shown in the overall Beijing's property lease market. Rental rates and occupancy rates of grade-A offices in Beijing dropped in the second half of the year but remained active for the whole year since 2000. The environment of the commercial property market in the Asian Games Village was revived. Average rental rates remained stable with modest growth while occupancy rates were maintained at relatively high levels. The apartment market made a gradual recovery after several years of downturn. Despite the slight decrease in rental rates, occupancy rates climbed resulting in higher economies of scale.

## 經營回顧

二零零一年，在宏觀經濟良好、行業競爭加劇的市場環境中，本集團堅持以市場為導向，以效益為目標，投資物業、發展物業、商業等集團支柱產業取得了較好的業績，比上年有較大幅度的增長。

- **投資物業**

### 公寓

針對北京物業市場的形勢和亞運村物業的特點，本集團採取積極靈活的營銷策略，實施市場細分，並適時對現有物業的硬件設施進行改造，穩定和擴大了市場佔有份額。

滙園國際公寓根據長住客戶的需求，對客房的戶型和裝修實施了分步改造，有效地穩定了長住客源。並通過建立「會員制酒店公寓」模式，散客網絡遠程預定電子商務模式等促銷手段，贏得了較為穩定的散客客戶群體，保持了房價的平穩，平均出租率比上年提高 7%。

## Operational Review

In 2001, the macroeconomic condition was favourable but, at the same time, competition of the industry intensified. The Group upheld market-led and efficiency-oriented strategies to achieve better results in its core businesses, namely, investment property, development property and commercial development.

- **Investment Properties**

### Apartments

Based on the development trend of the Beijing property market as well as the characteristics of the Asian Games Village, the Group adopted proactive and flexible sales strategy by market segmentation and improvement of the hardware equipments of its existing properties. These helped to maintain and expand the market share of the Group.

To cater to the needs of long-term tenants, Hui Yuan International Apartment effectively retained its long-term tenants by restructuring the accommodation and refurbishing the apartments in phases. Through the establishment of “service apartment membership” model together with sales promotion strategies such as an e-commerce platform enabling on-line bookings of short-term clients, it secured a stable group of short-term tenants. As a result, room rates remained constant while the average occupancy rate grew by 7% over the last year.

滙園公寓在穩定長住客戶的同時，抓住商務散客和會議散客市場，全年共接待20個大型會議代表，公寓全年出租率80%，比去年提高10%。A座改造成亞運村賓館後全年平均出租率超過80%，比改造前提升50%。

#### 寫字樓

滙欣大廈第一年投入使用，出租率從年初的零躍升到年末的93%，平均房價高於本市甲級寫字樓平均租價。

滙賓大廈抓住北京市寫字樓市場平穩發展的有利時機，提高續租價格，加大客源市場開發力度，全年平均出租率達95.6%，平均房價比上年提高4%。

國際會議中心二零零一年接待了世界兒科大會、國際印刷大會等國際國內會議227個，全年會議展場使用率達86%，寫字間出租率和租價也保持了較高水平。

Hui Yuan Apartment not only succeeded in maintaining its long-term tenants base, but also stepped up its effort to grasp the market for tenants of business stay and conference guests, accommodating guests of 20 large-scale conferences during the year. The apartment achieved an occupancy rate of 80% in 2001, representing a 10% growth when compared to the previous year. Upon its redevelopment into the Asian Games Village Hotel, Hui Yuan Apartment Block A attained an annual occupancy rate of over 80% during the year, representing a 50% growth before the redevelopment.

#### Offices

In its first year of operation, the occupancy rate of Hui Xin Office jumped from zero percent at the start of the year to 93% by the year end. The average room rate was higher than the average rental rates of the Grade-A offices in Beijing.

Taking advantage of the steady development of the office leasing market in Beijing, Hui Bin Office raised the rentals for tenancy renewals and paid more efforts in exploring new client sources. Its occupancy rate reached 95.6% with the average rental up 4% from the last year.

A total of 227 international and domestic conferences including the International Paediatrics Conference and the International Publishing Conference were held at Beijing International Convention Centre, recording a utilization rate of 86%. Occupancy rate and rentals of the office were also maintained at higher levels.

## 酒店及娛樂

五洲大酒店面對日趨激烈的市場競爭，特別是下半年「9.11」事件對旅遊業的衝擊，運用價格策略，通過精品餐飲、大型公關活動等措施留住客人，並將部分辦公用房改造成會議廳，補充酒店會議設施不足，酒店全年客房出租率達70%。

康樂宮經營已十餘年，內部設施陳舊，難以應對激烈競爭的娛樂市場，本集團決定對康樂宮實行停業改造。二零零一年是康樂宮經營的最後一年，該公司經營管理善始善終，妥善安置員工、認真清理資產，從經營期平穩過渡到改造期，於二零零一年九月正式停業。

- **發展物業**

二零零一年四月本集團新成立了北京北辰置地分公司（「北辰置地」），承擔起本公司發展物業項目的開發經營職能，北京北辰房地產開發股份有限公司（「房地產開發股份有限公司」）不再代理上市公司的地產開發項目，而以盤活存量資產、尋找新項目為重點。

## Hotel and Entertainment

In face of intensifying competition aggravated by the 911 incident which battered the tourism industry, Beijing Continental Grand Hotel made a number of initiatives to retain clients. These initiatives included pricing, provision of specialty food and beverage and large-scale public relations events. Redevelopment of some office spaces into function rooms was also carried out to compliment the inadequate convention facilities of the hotel. Through these measures, the hotel managed to reach an annual occupancy rate of 70%.

After more than 10 years of operation, the facilities of Beijing Recreation Centre became so outdated to face the fierce competition of the entertainment industry. Hence, the Group decided to close Beijing Recreation Centre for redevelopment in September 2001. Before its closure, the management made appropriate arrangements for the reallocation of its staff and proper disposal of assets to allow smooth transition into the redevelopment phase.

- **Development Properties**

The Group established Beijing North Star Land Company (北京北辰置地分公司“Beijing North Star Land”) in April 2001 to take up the development and operation functions of the Group’s development properties. Beijing North Star Real Estate Development Company Ltd. (北京北辰房地產開發股份有限公司“Beijing North Star Real Estate Development”) was no longer responsible for property development projects of the listed company. As a result, it shifted its focus on the sales of inventory and search for new projects.

北辰置地大力推行項目經理負責制、建立成本控制體系、改革激勵機制、用人機制、落實崗位責任制等系列措施，使新公司的工作很快走上了正軌。二零零一年公司如期完成了綠色家園二期開工21.5萬平方米的計劃，完成了綠色家園一期和滙欣大廈項目竣工備案工作，並根據市場需求變化，對綠色家園居住區整體規劃進行了調整。綠色家園一期累計銷售80%，滙欣公寓累計銷售90%，在《北京青年報》、《北京晚報》的「京城明星樓盤」中，綠色家園躋身50強。

房地產開發股份有限公司按照新的職能定位，努力盤活存量資產，積極尋找新項目，二零零一年通過對10個預選項目的論證、比較和篩選，購進一幅規劃建築面積15.8萬平方米的土地，擴大了本集團的土地儲備。姜莊湖別墅項目的規劃方案，經過競標已完成設計並正式上報審批，由於委託境外機構進行設計，所需周期長，規劃調整方案待重新審批等因素，因此，開工時間做了技術性調整。該公司還努力盤活存量資產，二零零一年啟動了加利大廈的總體改造工程。

Through its intensive efforts in the introduction of a project manager-based accountability system, cost control mechanism, staff incentive scheme and human resources system, Beijing North Star Land was able to promptly develop in the right track. In 2001, Beijing North Star Land finished the development plan of a total site area of 215,000 square metres of Green Garden Phase II as scheduled. In the meantime, it finished the completion reports for Green Garden Phase I and Hui Xin Offices projects. According to the changes of market needs, the overall design of the residential area of Green Garden was adjusted. Aggregated sales of Green Garden Phase I and Hui Xin Apartment were 80% and 90% respectively. Green Garden, in particular, was voted among the top 50 of “Stars of Property Developments in Beijing” by “Beijing Youth Daily” and “Beijing Evening News”.

Beijing North Star Real Estate Development, in accordance with its new duties and positioning, strived to promote sales of the inventory and actively seek new projects. In 2001, through verification, comparison and screening of 10 pre-selected projects, it acquired a land site with a total construction area of 158,000 square metres to increase the land bank of the Group. Planning proposal of Jiang Zhuang Hu Garden Villas was completed after bidding and was submitted for approval. Since the design was assigned to a foreign firm, a longer lead-time was required and the modified design proposal needed re-approval by the relevant authorities. As a result, the timetable of the commencement of the project was adjusted. In addition, Beijing North Star Real Estate Development promoted inventory sales and kicked off the overall redevelopment project of Kerrie Plaza in 2001.

- **購物中心**

北辰購物中心面對二零零一年亞運村地區新增多家大型商業設施的壓力，積極調整商品結構，堅持品牌戰略，採用競爭性價格策略和促銷手段，鞏固並擴大市場份額，利潤達 55,433,000 元人民幣，同比增長 35.5%，單位平方米銷售額、人均創利等指標排名全市第一，已連續三年利潤增長超過 33%。

- **物業管理**

信和物業管理公司到二零零一年底管理的物業面積已達 45 萬平方米。並在二零零一年建設部示範小區初評中名列第一，在中國房地產協會主編的《全國知名物業管理企業推介》中名列第一位。

信誠物業管理公司二零零一年取得了由建設部頒發的國家物業管理一級資質證書，成為全國首批 40 家獲次證書的企業之一。

- **Shopping Centre**

Facing the growing competition from new shopping malls in the Asian Games Village in 2001, Bei Chen Shopping Centre proactively adjusted its product mix and employed competitive pricing strategy as well as sales and promotion tactics to secure a higher market share. Profit amounted to Rmb55,433,000, up by 35.5% from the last year. Sales revenue per square metre and profitability per capita continued to rank first in Beijing. It had achieved an annual profit growth rate of more than 33% for three consecutive years.

- **Property Management**

By the end of 2001, the total area of property under the management of Xin He Property Management Company Limited amounted to 450,000 square metres. The company was accredited as the top model estate in the preliminary assessment by the Ministry of Construction. It also ranked first in the "Recommendation of China's Leading Property Management Enterprises" published by the China Real Estate Association (中國房地產協會).

Xin Cheng Property Management Company Limited was awarded the Certificate of Quality Property Management by the Ministry of Construction in 2001 and became one of the first 40 companies granted with certificate of this kind in the PRC.

- 信息技術

北辰東軟信息技術有限公司（前稱「北京北辰東大阿爾派信息技術有限公司」）加大市場開發力度，二零零一年承接了北京市公安局容災容錯系統一期工程等多個項目，合同收入同比增長 93%，第一次實現全年盈利。

- **Information Technology**

Beijing North Star Dong Ruan Information Technology Company Limited（北辰東軟信息技術有限公司，formerly known as Beijing North Star Dongdai Aher Information Technology Company Limited）placed more emphasis in market expansion. In 2001, it was awarded several contracts including the first phase of “Back-Up System Against Disaster and Error(容災容錯系統)” project of Beijing Public Security Bureau. Contract revenue recorded a remarkable year-on-year growth of 93% and the company turned profitable for the first year.

## 二零零二年展望

### 形勢分析

北京房地產的發展形勢是建立在北京市經濟總體增長基礎之上的，北京經濟已連續三年出現兩位數增長，北京地方財政收入連續7年增長超過20%，人均生產總值已突破3000美元。預期未來北京市國內生產總值增長9%，城鎮居民人均可支配收入實際增長5%以上，農民人均可支配收入增長6%。北京財力的增加，整體經濟發展的增長，是首都房地產持續發展的根基和有力支撐，二零零二年北京市將進一步擴大房地產開發和投資規模，北京的物業、地產市場有著廣闊的前景與機遇。

### 入世機遇

二零零二年是我國正式加入世貿的第一年，對北京經濟社會發展將帶來了廣泛而深刻的影響，隨著入世承諾的兌現，國內市場日益開放，將吸引更多的境內外機構和投資者落戶北京，給北京的物業租賃和地產市場帶來新的需求；同時將有更多的資本聚集北京，尤其是實力強大的外資及港、澳、台地產發展商進入北京，將在設計理念、管理方法、營銷模式乃至新型建材應用等諸多方面帶動北京房地產的變革，加速北京房地產業的整合、規範及市場化運作。

## Prospects for Year 2002

### Development Trend Analysis

The development of the Beijing property market relies on the overall growth of the Beijing economy. The Beijing economy has achieved a double-digit growth for three consecutive years with its inland revenue rising over 20% in the seventh straight year. Gross National Product (GNP) per capita has made a record high of US\$3,000. GNP of Beijing is expected to record a growth rate of 9%. Urban dispensable income per capita is forecasted to record an actual growth rate of over 5% while rural dispensable income per capita is forecasted to have a growth rate of 6%. Both the increasingly sound financial position of Beijing and its overall economic growth formed the cornerstone and strong support for the continuous growth of the capital's real estate market. In 2002, Beijing will further expand the development and investment amount of its real estate market. Property and real estate market in Beijing are embracing brighter prospects and opportunities.

### Opportunities of WTO

The year of 2002 is the first year of the PRC's entry into WTO. It brings broad and deep impacts to the economic and social development of Beijing. As the PRC's commitment to the WTO materializes, the domestic market will further open to attract both local and foreign institutions and investors to reside in Beijing, boosting the demand of property lease and real estate market in the city. Meanwhile, more and more investment will be channeled to Beijing, especially leading property developers from Hong Kong, Macau, Taiwan and elsewhere around the world, which will introduce to the city their expertise in design, management, sales and advertising, as well as applications of new construction materials. These will speed up Beijing's reforms in real estate sector and also accelerate its process of rationalization, standardization and market-driven operations.



**奧運機遇**

二零零二年是北京奧運籌備工作全面啟動的第一年，北京將牢牢把握奧運機遇，以「新北京、新奧運」為主題，以奧運促發展，以發展促奧運，二零零二年市政府將加快一批奧運相關基礎設施項目的建設進度，未來幾年將花大力氣進行市政基礎設施建設，繼續投資建設五環路、六環路，修建地鐵140多公里和300公里高速公路，完成奧林匹克公園和32個比賽場館的建設與改造，興建一大批交通、通訊設施和大型公共建築，奧運工程的啟動將直接推動北京房地產的大發展。

**政策機遇**

二零零二年商業銀行降低了存貸款利率，住房公積金貸款利率也大幅下調；北京市政府積極穩步推進住房貨幣化政策，已出台了企業住房貨幣化政策、廉租房政策，還將出台行政事業單位住房貨幣化政策；推進住房二、三級市場的活躍和發展；加快危舊房的改造；建立土地一級市場，促進集體土地合理流轉，整合存量土地資源等。以上政策的實施，必將極大推動住房消費，規範地產市場，促進首都房地產業的發展。

**Opportunities of Olympic Games**

The year of 2002 is the first year of commencement for the Beijing's preparation in hosting the Olympic Games 2008. Beijing will grasp every opportunities that Olympic Games 2008 brings to the city. With its motto "New Beijing, Great Olympics", Olympics fosters urban development while urban development bolsters Olympics. In 2002, the Beijing municipal government will accelerate its infrastructure development plans in relation to Olympics. In the next few years, the Beijing municipal government will spend enormous efforts in construction of infrastructure developments. It will continue to invest in the construction of Fifth Ring Road and Sixth Ring Road, reconstruction of 140-kilometer subways and 300-kilometer expressways. It will also complete the construction and redevelopment of Olympic Green and 32 Olympic venues. In addition, there will also be construction of numerous transportation, telecommunication and public facilities. All these Olympics projects will propel the development of Beijing's real estate industry.

**Opportunities of Government Policy**

In 2002, commercial banks reduced interest rates for both deposits and loans. In addition, interest rates of housing pension fund loan have also been significantly reduced. The Beijing municipal government has been, proactively and steadily, proceeding with its monetisation policy of the real estate sector. The other policies include the recently introduced enterprise housing monetisation, low-rent housing policy, the soon-to-be-launched monetisation policy of administrative-related housing, which will facilitate the development of the second and third-tier markets as well as speed up the redevelopment of old urban residential quarters. These policies will also establish the first-tier land market, facilitate the rational transaction flows of collectively owned land plots and boost the property development of the capital city.

## 市場機遇

二零零二年國家機關企事業單位還將繼續提高職工的工資，隨著居民個人收入的增長，改善居住條件的要求十分迫切，這對促進房地產的發展十分有利。北京市還有47%的房改未達標戶，9%的無房戶，對住房的潛在需求很大。

## 面臨的挑戰

在加入世貿和申奧成功給北京帶來難得機遇的同時，本集團也清醒意識到所面臨的挑戰。

首先，加入世貿和申奧成功，大大激發了外商和外埠投資者來北京投資的積極性，使北京成為境內外大型物業、地產商竞相投資的焦點，土地資源的爭奪十分激烈，在北京市土地市場尚未完全市場化條件下，以合理的價格獲得有增值潛力的土地儲備已成為開發商的頭等難題。

## Opportunities of the Market

In 2002, national administrative units will continue to raise employee wages. As individual income increases, there are urgent needs for better living quality, which is favorable for pushing up the development of the real estate sector. There are 47% of the Beijing households which have not met the housing redevelopment standards while 9% of which do not own any flat, representing great potential for housing demand.

## Challenges Ahead

Apart from the opportunities arising from the entry of WTO and successful bidding of hosting the Olympic Games 2008, the Group is well aware of the challenges down the road.

First of all, the PRC's admission into the WTO and the successful bidding of hosting the Olympic Games 2008 have stimulated massive investment in Beijing from foreign enterprises and investors, making Beijing as the investment hub for large-scale property projects of both local and foreign developers. Competition of land resources is fierce. Under the immature land market of Beijing, acquisition of land with growth potential at reasonable prices has become the foremost problem to be solved by developers.

Apart from that, the scale of development in real estates continues to grow. In particular, the plentiful supply of middle-to-high end properties has exacerbated the imbalance of the supply-demand situation.

此外，房地產開發投資規模持續擴大，特別是中高價位住宅的大量供給，使供需的結構性矛盾日益突出，二零零一年全市新開工住宅面積比上年同期增長66%，到去年底全市商品房空置面積達到774萬平方米，比上年增長23%，住宅市場供過於求的局面給開發項目的銷售和物業租賃帶來了極大挑戰。

再者，政府為抑制北京市居高不下的房價，緩解供需的結構性矛盾，採取諸多平抑房價措施，其中之一是積極推進經濟適用房的建設，把建設經濟適用房作為長期、持久的策略。二零零二年將新開發經濟適用房300萬平方米，竣工200萬平方米，大規模經濟適用房的建設，預期將使北京房價整體趨降，導致物業租賃、地產開發行業的利潤空間被進一步壓縮。

加入世貿，北京市商業發展將會繼續呈現迅猛發展態勢，境外大型零售百貨業將竞相進入北京市場，商業競爭愈趨激烈，新的業態形式相繼出現並將迅速發展，商業的技術含量將不斷提高，商業網點及市場的擴容空前加快，面對國外大型商業的進入，單店經營已面臨極大挑戰，商業企業之間兼併、重組是必然趨勢。

In 2001, total floor area of newly-commenced residential projects increased 66% from a year earlier. By the end of 2001, the total floor area of unoccupied commodity flats amounted to 7.74 million square metres, up by 23% on a yearly basis. The supply surplus in the residential market has brought great challenges to the sales and leases of property developments.

Moreover, in an attempt to curb the surging housing prices and lessen the structural imbalance of the property market, the Beijing municipal government has taken various measures to cap housing prices. Amongst which, the municipal government pays great efforts in the construction of economy flats, making it a long-term and persistent policy. In 2002, there will be 3 million square metres of newly developed economy flats and 2 million square metres scheduled to be completed during the year. The large-scale construction of economy flats is expected to cool down the overall property market in Beijing, further narrowing profit margins in the overall property lease and development markets.

Accession into the WTO allows the commercial development of Beijing to continue its rapid development. Meanwhile, foreign department store giants tap into the local retail market resulting in intensified competition. New operation models are emerging that require commercial expertise and know-how. Business networks and market capacity are expanding at an unprecedented pace. Small private businesses will face increasing challenges from the multinationals. Mergers and acquisitions among enterprises will be inevitable.

## 經營舉措

面對整體有利的市場形勢，機遇大於挑戰，本集團將緊緊抓住機遇，主動迎接挑戰。

### 投資物業

為迎接奧運開發建設高潮的到來和加入世貿後投資物業所面臨的新機遇，針對亞運村物業與CBD、中關村、金融街等地區新興物業相比，較為陳舊的現狀，二零零二年本集團將加快投資物業的改造和調整，繼續提升亞運村的綜合服務功能，利用未來三至五年內的時間，使亞運村的品牌形象有一個較大的提升。投資物業還將通過聯營、收購、投資控股等多種方式擴大物業經營規模，實現規模經營，將亞運村投資物業做大做精，以帶動北京北部地區物業的升級和升值。

二零零二年康樂宮改建為北辰大廈的工作正式啟動，將在康樂宮原址上興建建築面積達18萬平方米，高180米的高檔商務辦公樓，並配以商業、餐飲、娛樂健身等設施，以提升亞運村物業的檔次並增強該區的商務氛圍，北辰大廈將成為亞運村的標誌性建築，該項目計劃年內完成設計方案的審批、地質勘探、三通一平等前期準備工作，力爭在二零零二年底以前開工。

## Operating Strategy

Given the favorable market condition as a whole, opportunities outweigh challenges. The Group will fetch the opportunities and actively embrace the challenges ahead.

### Investment Properties

To meet the infrastructural development of Olympics and challenges in the wake of the PRC's entry into the WTO, the Group will speed up the redevelopment and adjustment of investment properties to continuously upgrade the integrated service functions of the Asian Games Village in 2002 in order to revamp its relatively old facilities when compared with those new buildings located in the CBD, Zhongguancun and Finance Street (金融街). Within three to five years' time, the Group will enhance the branding of the Asian Games Village. Through various measures including formation of joint ventures, acquisition and purchasing controlling stakes of companies, the Group will expand its operating scale of investment properties so as to attain higher economies of scale. We aim at increasing the scale and upgrading the quality of properties in Asian Games Village. This will not only uplift the standard but also enhance the value of the properties in northern Beijing in general.

Redevelopment of Beijing Recreation Centre into Bei Cheng Building will soon commence in 2002. A new premium office building will replace the recreation centre. The total gross floor will be 180,000 square metres and the height will be 180 metres. The building will be equipped with commercial complex, restaurants, entertainment and fitness facilities to uplift the standards of the Asian Games Village properties, making it the landmark of the Village. Preparatory works such as approval of planning and design proposal, site investigation, road, main water and electricity supply as well as site formation are scheduled to be completed within 2002 to meet the target of commencing the construction by the end of this year.

五洲大酒店東樓改造在經周密論證及公開招標後，將於今年三月正式開工，年內將完成改擴建主體工程和部分系統設備的安裝。

二零零二年滙園公寓N座改造為酒店式公寓將正式投入運營，同年還將對滙園公寓M座、P座進行結構改造，以增強散客接待能力。

本年度還將對國際會議中心進行局部改造，以提高大型國際國內會議的接待能力。

#### 發展物業

本集團發展物業將加快開發速度，加大開發面積，增強營銷手段，增加土地儲備，積極參與奧運項目的建設，充分發揮發展物業的支柱產業作用，擴大開發經營的市場份額。

發展物業將以奧運村、綠化隔離帶、城市輕軌沿線地域為主要目標，加快新項目和優質土地儲備的尋找和開發，力爭每年獲取兩至三個新項目，為集團的持續發展奠定基礎。

After comprehensive verification and open tenders, redevelopment works of the East Wing of Continental Grand Hotel will commence in March 2002. By the end of the year, the major construction of the project and part of the installations of facilities are expected to complete.

Upon its redevelopment into service apartments, Block N of Hui Yuan International Apartment will soon commence operations. In this year, Blocks M and P will also undergo structural reconstruction to attract tourist customers.

International Convention Centre will be partially refurbished this year, so as to raise its reception capacity for both local and overseas large-scale conventions.

#### Development Properties

The Group will escalate the pace of property development through increasing development area, strengthening sales strategy, replenishment of land bank and active participation in the Olympic projects. Leveraging on the development properties as our core assets, the Group will further extend its market share in the property development market.

Property development of the Group will be focused on Olympic Village, green belt areas and the development projects along the city's light railway. The Group will accelerate the pace of identification and development of new projects and quality land reserves, targeting to win two to three new projects every year. This will pave the way for the Group's continuous development.

綠色家園在二零零一年開發 20 萬平方米的基礎上，二零零二年力爭新開工 30 萬平方米；在大力銷售現有剩餘房源同時，積極進行新樓盤預售，力爭二期 A、B、C 三棟樓銷售達到 40%；二期其餘樓盤爭取在第三季度末完成結構封頂；綠色家園還將完成中心花園規劃方案及配套設施的報審工作；年內完成建設用地內的拆遷安置工作。

新購入位於京順路高級別墅區的 15.8 萬平方米土地，在完成市場分析、產品定位及規劃設計等前期工作後，爭取在年內開工。姜莊湖別墅項目計劃於今年四月開工。

二零零二年是北京奧運工程正式啟動的第一年，本集團將充分發揮優勢，積極參與對股東有利的奧運項目建設，力爭以奧運促發展。

### 購物中心

面對日趨激烈的商業競爭，二零零二年北辰購物中心將繼續把「顧客滿意工程」作為全體工作的中心，進一步調整商品結構，堅持競爭性價格策略，完善促銷手段，鞏固和擴大市場份額。力保零售額、每平方米銷售額、人均創利等各項指標全市前茅的佳績，在保持現有單店經營良好基礎上，擇機向外發展，並將適時通過資本運作實現本集團商業的快速擴張戰略。

Based on the construction of a total site area of 200,000 square metres in 2001, Green Garden targets to start new development of 300,000 square metres in 2002. While actively promoting the sales of unsold flats, pre-sales will be pushed through in order to attain a sales target of 40% units of Blocks A, B and C in the second phase. The construction of the remaining blocks of the second phase are scheduled to complete by the end of the third quarter of this year. Planning proposal and ancillary facilities of the central garden will obtain approval soon. It aims at completing the clearing and settlement of the site by 2002.

After the completion of preparation works including market analysis, product positioning together with planning and design, the newly acquired high-class villa on Jing Shun Road, with a site area of 158,000 square metres, is targeted to commence construction by the end of 2002. Jiang Zhuang Hu Garden Villas project is expected to commence construction in April 2002.

The year of 2002 is the first year of commencement for Beijing's Olympic projects. Captilizing on its competitive advantages, the Group will actively pursue in the construction of Olympics projects which are beneficial to shareholders to bolster its own corporate development.

### Shopping Centre

Faced with the rising competition, Bei Chen Shopping Centre will continue to uphold "customer satisfaction project" as the core of its whole operation in 2002. The Centre will further fine-tune its product mix, continue with its competitive pricing strategy, improve sales strategy, maintain and expand its market share. By doing so, the Centre will make every endeavour to maintain its leading position in terms of various indicators such as turnover, sales revenue per square metre and profitability per capita. Building on the solid foundation of outstanding performance as a single complex, the Centre will seek opportunities to expand its market. It will also follow our Group's rapid expansion strategy by capital utilization in a timely manner.

### 內部管理

二零零二年本集團將調整和完善經營發展戰略，加強規劃發展的研究制定工作，組織各方專家深入論證，集思廣益，制定符合集團現實發展的經營戰略；加強內部管理機制的改革，制定和完善各項規章制度，強化公司管治，提高科學運營水平；健全財務監督機制，實行總會計師委派制，加強集團公司對各分公司、子公司的財務監控；本著公平競爭、擇優錄取的原則，引進和選用管理人才；制訂更加規範、科學、合理的獎懲制度，調動員工積極性。

二零零二年本集團管理層將和全體員工一道，繼續努力、勤勉工作，以新的良好業績回報股東。

### Internal Management

In 2002, the Group will adjust and optimize its business development strategy. This will be achieved by dedicating more research efforts on development plans, inviting experts to participate in verification for the exchange of constructive ideas so as to come up with operation strategies which suit the Group's future development. The Group will enhance the reform on its internal management system, devise and improve various regulatory rules, strengthen corporate governance and raise the standards of scientific operations. It will also refine its financial surveillance system, implement chief accountants appointment system, enforce financial control of its subsidiaries and associate companies. Moreover, it will uphold the principle of fair competition to recruit the best management expertise. Regulatory rules, scientific and reasonable remuneration system will be introduced to increase efficiency of staff deployment.

In the year of 2002, the Group's management will, together with all the staff, continue to dedicate themselves to work diligently and bring satisfactory results to the shareholders.