

10. RESERVES

	31 March 2002 HK\$'000	30 September 2001 HK\$'000
Investment properties revaluation reserve	1,069,457	1,069,457
Retained profits	38,564	29,209
	<u>1,108,021</u>	<u>1,098,666</u>

Interim Dividend

The Board declares an interim dividend of HK\$0.50 per share (2001: HK\$0.50 per share) for the year ending 30 September 2002. The register of members will be closed from 8 July to 10 July 2002, both days inclusive, during which period no transfer of shares will be registered. Dividend warrants will be posted to shareholders by 15 July 2002.

Chairman's Business Review

The Group's investment properties, Melbourne Plaza at 33 Queen's Road Central and Kimley Commercial Building at 142-146 Queen's Road Central, continued to generate steady rental income. 77% of the shops and offices at Melbourne Plaza were let during the period while rental remained at comparable level as that of last year. The occupancy rate of 77% is considered satisfactory in view of the stiff competition in Central's rental market. Stable return can be expected for the whole year.

The Group participates in a property development project in Foshan, China with Wing Shan Group. The project, covering a site area of 30.5 million sq. ft., includes two golf courses which are already in full operation. Handover of "The Bestview Villas" and "The Florance Villas" to buyers commenced during the period. Additional units will be built if conditions are favourable.