

Seaview Crescent in Tung Chung. This residential development of 1,536 apartments is located near Hong Kong International Airport.



At present, the Group's attributable agricultural land bank amounts to nearly 20 million sq. ft.

Agricultural land bank	Total land area sq. ft.	Group's share of land area sq. ft.
Yuen Long	14,625,000	13,141,100
Fanling	2,360,000	2,360,000
Shatin / Tai Po	3,530,000	2,642,000
Sai Kung	1,950,000	1,688,000
Tuen Mun	120,000	120,000
Total	22,585,000	19,951,100

The Group plans to finalise land premium payments for the conversion of land use and/or land exchange applications for 10 residential projects with a total attributable GFA of over 3.5 million sq. ft.. The Group will be cautious when assessing new property projects acquisitions under the prevailing market conditions.

Hong Kong Property Investment

Gross rental for the Group's investment properties in Hong Kong amounted to HK\$1,612.5 million, a 6% decrease. Notwithstanding the deflationary economic environment and weak consumer spending, the Group has held fast to its commitment to upgrading its investment properties to ensure they are competitive.

New World Centre, the Group's flagship investment property, completed a major refurbishment programme of its shopping mall in mid-2001 to accommodate a diversified mix of renowned retailers. More recently "The Amazon" (formerly known as "Palace Mall") featuring the Teddy Bear Kingdom on its basement level. New tenants were secured as a result of the opening of the Teddy Bear Kingdom in August 2002. Despite all these efforts, the leasing and the pedestrian traffic of New World Centre has been adversely affected by the prolonged public transport construction works in the vicinity.

Occupancy at our underground shopping mall – 'The Amazon' – is improving following the opening of the Teddy Bear Kingdom, a new concept in family entertainment.



In the face of the prevailing sluggish economy, the Group has also tried to maintain and raise occupancy throughout its portfolio.

Offices During the year, despite the ample supply of office space in Central and neighbouring areas, New World Tower and Manning House achieved near 90% occupancy while Methodist House was almost 80% leased.

Shopping Malls The Group's major shopping malls – including Discovery Park Shopping Mall, Telford Plaza and Pearl City – all attained virtually full occupancy.

As part of its continuing efforts to improve the value of its portfolio, the Group is upgrading facilities and enhancing the image of its investment properties. Two major new projects include the multi-purpose complex in Hanoi Road and the

extension of the New World Centre in Tsim Sha Tsui.

When completed, the two projects will have a total GFA of about 2 million sq. ft..

Hotels and Restaurants The Group now has a total of 16 hotels in Hong Kong, Mainland China and Southeast Asia. Contributions from the Group's hotels have dropped due to the sale of The Regent in August 2001 and drop in room rates for some of the hotels.

The Group's three hotels in Hong Kong, including the Grand Hyatt Hong Kong, Renaissance Harbour View and New World Renaissance Hotel, maintained stable occupancy. This was due to the fall in overseas business travellers after the September 11 event being offset by the increase in tourist arrivals from Mainland China.