

I am pleased to present to you a satisfactory set of results for 2003. Although there were difficulties caused by Severe Acute Respiratory Syndrome ("SARS") in the first half, the economy of the Hong Kong Special Administrative Region ("Hong Kong") rebounded particularly during the last quarter of the year, along with the local property and financial markets. Accordingly, impairment losses and revaluation deficits in relation to the year end valuation of the Group's Hong Kong properties were much reduced compared to the year before.

## FINANCIAL RESULTS

For the year ended 31st December, 2003, the Group's profit attributable to shareholders was HK\$311.0 million, compared to the loss of HK\$400.9 million in 2002, representing a significant increase of 177.6%.

## DIVIDEND

The Directors consider that it is prudent to retain an appropriate level of funds to take advantage of business opportunities as and when they arise, and therefore do not recommend the declaration of a final dividend (2002: Nil).

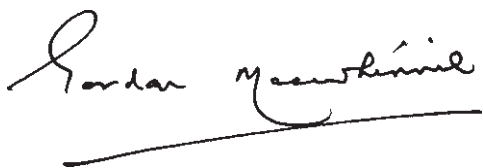
Accordingly, there will be no closure of the Register of Members of the Company, and the Annual General Meeting will be held on 7th June, 2004.

## FUTURE PROSPECTS

The Review of Operations by the Chief Executive, which follows this statement covers the Group's outlook for the future.

## APPRECIATION

I would like to thank my fellow Directors and the staff for their diligence, dedication and support in the past year, which has been most commendable.



**Sir Gordon Macwhinnie**

*Chairman*

Hong Kong, 15th April, 2004