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The Board of Directors of Allied Properties (H.K.) Limited (“Company”) is pleased to announce that the unaudited consolidated results of the Company and its subsidiaries (“Group”) for the six months ended 30th June, 2004 with comparative figures are as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

for the six months ended 30th June, 2004

		Six months ended 30th June,	
		2004	2003
	<i>Notes</i>	Unaudited	Unaudited
		HK\$'000	HK\$'000
			(Restated)
Turnover	3	573,916	372,261
Other operating income		6,834	23,137
Total income		580,750	395,398
Cost of sales		(64,917)	(55,034)
Brokerage and commission expenses		(98,324)	(33,972)
Selling expenses		–	(1,203)
Administrative expenses		(179,660)	(148,581)
Impairment losses and revaluation deficits	4	(690)	(55,935)
Bad and doubtful debts written back (provided)		1,211	(11,335)
Other operating expenses		(59,303)	(66,815)
Profit from operations	5	179,067	22,523
Finance costs		(27,539)	(29,064)
Release of negative goodwill		79,133	65,556
Amortisation of capital reserve		8,633	8,634
Share of results of associates		96,538	33,961
Share of results of jointly controlled entities		24,648	12,798
Profit before taxation		360,480	114,408
Taxation	6	(57,099)	(19,371)
Profit after taxation		303,381	95,037
Minority interests		(52,245)	(25,785)
Profit attributable to shareholders		251,136	69,252
Dividend		–	–
Earnings per share	7		
Basic		51.3 cents	14.2 cents
Diluted		50.1 cents	N/A

CONDENSED CONSOLIDATED BALANCE SHEET

at 30th June, 2004

		At 30th June, 2004 Unaudited HK\$'000	At 31st December, 2003 Audited HK\$'000
	<i>Notes</i>		
Non-current assets			
Fixed assets		2,384,532	2,388,474
Intangible assets		8,193	7,081
Negative goodwill		(466,975)	(529,403)
Properties under development		135,842	131,174
Interest in associates		2,265,783	2,201,871
Interest in jointly controlled entities		1,110,232	1,087,379
Investments	8	706,084	702,353
Deferred tax assets		9,614	9,853
		<u>6,153,305</u>	<u>5,998,782</u>
Current assets			
Properties held for sale and other inventories		447,889	447,890
Investments	8	48,258	35,563
Accounts receivable, deposits and prepayments	9	2,603,270	2,861,392
Amounts due from associates		87,582	266,303
Amount due from a jointly controlled entity		1,046	2,056
Tax recoverable		4,882	5,281
Short-term pledged bank deposit		1,362	1,487
Bank deposits, bank balances and cash		672,394	629,201
		<u>3,866,683</u>	<u>4,249,173</u>
Current liabilities			
Accounts payable and accrued charges	10	1,465,456	1,680,070
Amount due to Allied Group Limited		40,911	29,813
Amounts due to associates		50,309	38,081
Amount due to a jointly controlled entity		179,104	171,658
Taxation		48,928	29,523
Bank borrowings due within one year		801,690	1,059,908
Other liabilities due within one year	11	909	1,273
		<u>2,587,307</u>	<u>3,010,326</u>
Net current assets		<u>1,279,376</u>	<u>1,238,847</u>
		<u><u>7,432,681</u></u>	<u><u>7,237,629</u></u>

CONDENSED CONSOLIDATED BALANCE SHEET (CONT'D)*at 30th June, 2004*

		At 30th June, 2004 Unaudited <i>HK\$'000</i>	At 31st December, 2003 Audited <i>HK\$'000</i>
	<i>Notes</i>		
Capital and reserves			
Share capital	12	978,800	978,768
Reserves	13	4,165,274	3,910,546
		5,144,074	4,889,314
Minority interests		1,182,236	1,148,929
Non-current liabilities			
Bank borrowings due after one year		848,581	941,435
Loan notes	14	229,637	231,637
Deferred tax liabilities		22,609	21,406
Other liabilities due after one year	11	5,544	4,908
		1,106,371	1,199,386
		7,432,681	7,237,629

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY*for the six months ended 30th June, 2004*

		Six months ended 30th June,	
		2004	2003
	<i>Note</i>	Unaudited	Unaudited
		HK\$'000	HK\$'000
			(Restated)
Total equity at 1st January	22	4,889,314	4,497,085
Revaluation increase in investments in securities		9,552	22,024
Exchange differences arising on translation of operations outside Hong Kong		463	(196)
Share of reserve movements of associates		(51)	(3,989)
Share of reserve movements of jointly controlled entities		1,844	(22,601)
Net gains (losses) not recognised in the income statement		11,808	(4,762)
Profit attributable to shareholders		251,136	69,252
Investment revaluation reserve released on impairment of non-trading securities		517	893
Investment revaluation reserve released on disposal of non-trading securities		871	1,608
Property revaluation reserve released on dilution of interest in an associate		(1,009)	–
Investment revaluation reserve released on dilution of interest in an associate		31	–
Translation reserve released on dilution of interest in an associate		2	–
Capital reserve released on dilution of interest in an associate		(3)	–
Translation reserve released on disposal of an associate		–	(201)
Capital reserve released on disposal of an associate		–	(320)
Capital reserve released on amortisation		(8,633)	(8,634)
		242,912	62,598
Exercise of warrant subscription rights		32	–
Premium on issue of shares		8	–
Total equity at 30th June		5,144,074	4,554,921

CONDENSED CONSOLIDATED CASH FLOW STATEMENT*for the six months ended 30th June, 2004*

	Six months ended 30th June, 2004	2003
	Unaudited HK\$'000	Unaudited HK\$'000
Net cash from operating activities	244,408	130,619
Net cash from investing activities	163,672	60,516
Net cash used in financing activities	(295,659)	(123,188)
Increase in cash and cash equivalents	112,421	67,947
Exchange adjustments	(159)	171
Cash and cash equivalents at 1st January	479,328	375,450
Cash and cash equivalents at 30th June	<u>591,590</u>	<u>443,568</u>
Analysis of the balances of cash and cash equivalents:		
Bank deposits, bank balances and cash	672,394	486,586
Bank overdrafts	(80,804)	(43,018)
	<u>591,590</u>	<u>443,568</u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

for the six months ended 30th June, 2004

1. BASIS OF PREPARATION

The condensed financial statements have been prepared in accordance with the applicable disclosure requirements set out in Appendix 16 of the Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited ("Stock Exchange") and with the Statement of Standard Accounting Practice ("SSAP") 25 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in these condensed financial statements are consistent with those set out in the Group's audited financial statements for the year ended 31st December, 2003.

3. SEGMENTAL INFORMATION

Analysis of the Group's business segmental information is as follows:

	Six months ended 30th June, 2004			Total HK\$'000
	Investment, broking and finance HK\$'000	Property rental, hotel operations and management services HK\$'000	Sale of properties and property based investments HK\$'000	
Turnover	495,517	85,279	-	580,796
Less: inter-segment turnover	(4,650)	(2,230)	-	(6,880)
	<u>490,867</u>	<u>83,049</u>	<u>-</u>	<u>573,916</u>
Profit (loss) from operations	146,876	33,782	(1,591)	179,067
Finance costs				(27,539)
Release of negative goodwill				79,133
Amortisation of capital reserve				8,633
Share of results of associates				96,538
Share of results of jointly controlled entities	(895)	25,543	-	24,648
Profit before taxation				360,480
Taxation				(57,099)
Profit after taxation				<u>303,381</u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONT'D)*for the six months ended 30th June, 2004***3. SEGMENTAL INFORMATION (CONT'D)**

	Six months ended 30th June, 2003			
	Investment, broking and finance <i>HK\$'000</i>	Property rental, hotel operations and management services <i>HK\$'000</i>	Sale of properties and property based investments <i>HK\$'000</i>	Total <i>HK\$'000</i>
Turnover	283,875	79,592	16,000	379,467
Less: inter-segment turnover	(4,576)	(2,630)	–	(7,206)
	<u>279,299</u>	<u>76,962</u>	<u>16,000</u>	<u>372,261</u>
Profit (loss) from operations	56,507	(14,150)	(19,834)	22,523
Finance costs				(29,064)
Release of negative goodwill				65,556
Amortisation of capital reserve				8,634
Share of results of associates				33,961
Share of results of jointly controlled entities	1	12,797	–	12,798
Profit before taxation				114,408
Taxation				(19,371)
Profit after taxation				<u>95,037</u>

Inter-segment transactions have been entered into on terms agreed by the parties concerned.

During the period under review, less than 10% of the operations of the Group in terms of both turnover and results of operations were carried on outside Hong Kong. Accordingly, no geographical segmental information is shown.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONT'D)*for the six months ended 30th June, 2004***4. IMPAIRMENT LOSSES AND REVALUATION DEFICITS**

	Six months ended 30th June,	
	2004	2003
	HK\$'000	HK\$'000
Impairment losses and revaluation deficits comprise:		
Impairment losses recognised in respect of:		
Properties held for sale	–	12,325
Properties under development	–	805
Non-trading securities	690	1,200
	690	14,330
Deficits arising on revaluation of investment properties	–	41,605
	690	55,935

5. PROFIT FROM OPERATIONS

	Six months ended 30th June,	
	2004	2003
	HK\$'000	HK\$'000
Profit from operations has been arrived at after charging:		
Depreciation	9,638	10,690
Net unrealised loss on trading securities	4,973	–
Loss on dilution of interest in an associate	4,138	–
Amortisation of intangible assets	1,180	583
Loss on disposal of an associate	–	3,088
Loss on disposal of a jointly controlled entity	–	5,549
Loss on disposal of non-trading securities	–	1,348
Net realised loss on trading securities	–	16
and after crediting:		
Interest income	82,230	75,771
Dividend income from investments in listed securities	29,744	7,035
Dividend income from investments in unlisted securities	29,540	13,155
Profit on dealing in foreign currencies	13,630	5,953
Net realised profit on derivatives	6,709	3,160
Profit on other dealing activities	4,149	3,010
Profit on disposal of non-trading securities	3,421	–
Write-back of loss arising from default of loan agreement with Millennium Touch Limited	773	19,332
Net realised profit on trading securities	204	–
Unrealised profit on derivatives	3	–
Net unrealised profit on trading securities	–	276

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONT'D)

for the six months ended 30th June, 2004

6. TAXATION

	Six months ended 30th June,	
	2004	2003
	<i>HK\$'000</i>	<i>HK\$'000</i>
The charge comprises:		
Current tax:		
Hong Kong	17,796	6,871
Outside Hong Kong	2,741	3,039
	20,537	9,910
Deferred tax	1,453	(486)
Taxation attributable to the Company and subsidiaries	21,990	9,424
Share of taxation attributable to associates	11,733	6,018
Share of deferred taxation attributable to associates	17,440	287
Share of taxation attributable to jointly controlled entities	5,936	3,642
	57,099	19,371

Hong Kong Profits Tax is calculated at the rate of 17.5% (2003: 17.5%) on the estimated assessable profits derived from Hong Kong.

Taxation outside Hong Kong is calculated at the rates prevailing in the relevant jurisdictions.

7. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profit attributable to shareholders of HK\$251,136,000 (2003: HK\$69,252,000 as restated) and on the weighted average number of 489,395,450 (2003: 489,372,615 after adjusting for the consolidation of the Company's ordinary shares in November 2003) shares in issue during the period.

The calculation of the diluted earnings per share for the current period is based on the profit attributable to shareholders of HK\$251,136,000 and on the weighted average number of 501,502,224 shares in issue during the period after adjusting for the effects of all dilutive potential ordinary shares. No diluted earnings per share has been presented for 2003 as the Company had no dilutive potential ordinary shares during that period.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONT'D)
for the six months ended 30th June, 2004

8. INVESTMENTS

	Investments in securities									
	Non-trading securities				Trading securities		Other investments		Total	
	At		At		At		At		At	
	30th June, 2004	31st December, 2003	30th June, 2004	31st December, 2003	30th June, 2004	31st December, 2003	30th June, 2004	31st December, 2003	30th June, 2004	31st December, 2003
HK\$'000		HK\$'000		HK\$'000		HK\$'000		HK\$'000		
Listed equity securities, at market value, issued by corporate entities										
Hong Kong	363,657	346,734	20,635	10,567	-	-	-	-	384,292	357,301
Outside Hong Kong	2,055	2,903	3,435	4,243	-	-	-	-	5,490	7,146
issued by banks										
Hong Kong	-	-	13,033	12,596	-	-	-	-	13,033	12,596
issued by public utility entities										
Hong Kong	-	-	250	26	-	-	-	-	250	26
	<u>365,712</u>	<u>349,637</u>	<u>37,353</u>	<u>27,432</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>403,065</u>	<u>377,069</u>
Unlisted equity securities issued by corporate entities										
Hong Kong	144,817	159,417	-	-	-	-	-	-	144,817	159,417
Outside Hong Kong (note)	73,866	67,984	-	-	-	-	-	-	73,866	67,984
	<u>218,683</u>	<u>227,401</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>218,683</u>	<u>227,401</u>
Unlisted marketable debt securities issued by overseas government	-	-	7,794	7,747	-	-	-	-	7,794	7,747
Other unlisted securities	-	-	3,111	384	-	-	-	-	3,111	384
Club debentures, exchange seats and statutory deposits and other deposits with Exchange and Clearing companies	-	-	-	-	28,168	28,001	-	-	28,168	28,001
Amounts due from investee companies less impairment losses recognised (note)	-	-	-	-	93,521	97,314	-	-	93,521	97,314
	<u>584,395</u>	<u>577,038</u>	<u>48,258</u>	<u>35,563</u>	<u>121,689</u>	<u>125,315</u>	<u>-</u>	<u>-</u>	<u>754,342</u>	<u>737,916</u>
Carrying amount analysed for reporting purposes as:										
Non-current	584,395	577,038	-	-	121,689	125,315	-	-	706,084	702,353
Current	-	-	48,258	35,563	-	-	-	-	48,258	35,563
	<u>584,395</u>	<u>577,038</u>	<u>48,258</u>	<u>35,563</u>	<u>121,689</u>	<u>125,315</u>	<u>-</u>	<u>-</u>	<u>754,342</u>	<u>737,916</u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONT'D)

for the six months ended 30th June, 2004

8. INVESTMENTS (CONT'D)

Note:

A sum totalling HK\$118,003,000 is included in "Unlisted non-trading securities" and "Amounts due from investee companies" being the amount, (excluding interest which has been expensed in prior years) which represents the carrying value of the effective 12.5% interest in a completed project in Kuala Lumpur, Malaysia presently known as "The Renaissance Kuala Lumpur Hotel". Sun Hung Kai & Co. Limited ("Sun Hung Kai") is not in possession of full information that would, in the opinion of the management, render it appropriate to make any present provision of impairment against the carrying value. The matter will continue to be reviewed in the light of both probable ongoing litigation and the commercial prospects of the project.

9. ACCOUNTS RECEIVABLE, DEPOSITS AND PREPAYMENTS

For trade receivables in respect of securities, bullion and commodities businesses, the Group allows a credit period up to the settlement dates of respective securities, bullion and commodities transactions or a credit period mutually agreed with the contracting parties. The credit terms of other trade receivables range from 30 days to 180 days. Included in accounts receivable, deposits and prepayments are trade receivables totalling HK\$2,472,295,000 (at 31st December, 2003: HK\$2,764,499,000), the aged analysis of which is as follows:

	At 30th June, 2004 HK\$'000	At 31st December, 2003 HK\$'000
0 to 30 days	2,420,753	2,718,315
31 to 180 days	21,253	12,755
181 to 365 days	5,787	3,427
Over 365 days	425,095	432,513
	<u>2,872,888</u>	3,167,010
Allowance for doubtful debts	(400,593)	(402,511)
	<u><u>2,472,295</u></u>	<u><u>2,764,499</u></u>

The above balance of HK\$2,872,888,000 (at 31st December, 2003: HK\$3,167,010,000) includes margin loans of HK\$1,545,567,000 (at 31st December, 2003: HK\$1,592,610,000) and term loans of HK\$308,540,000 (at 31st December, 2003: HK\$535,358,000). The maturity profile of term loans is shown in note 21.

There are listed and unlisted securities and properties of clients held as collateral against secured margin loans and term loans. The market value of the listed securities at 30th June, 2004 was HK\$4,736,024,000 (at 31st December, 2003: HK\$5,118,827,000).

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONT'D)

for the six months ended 30th June, 2004

9. ACCOUNTS RECEIVABLE, DEPOSITS AND PREPAYMENTS (CONT'D)

The granting of credit in respect of trade receivables of the finance business including secured margin loans and secured term loans are approved and reviewed by the respective credit committees. Clients are normally required to provide additional margin or securities whenever there are any shortfalls in their accounts. Specific allowances are made for doubtful debts as and when they are considered necessary by the management and the credit committee. Trade receivables in the balance sheet are stated net of such allowances.

10. ACCOUNTS PAYABLE AND ACCRUED CHARGES

Included in accounts payable and accrued charges are trade payables of HK\$1,196,104,000 (at 31st December, 2003: HK\$1,298,768,000), the aged analysis of which is as follows:

	At 30th June, 2004 <i>HK\$'000</i>	At 31st December, 2003 <i>HK\$'000</i>
0 to 30 days	1,096,442	1,212,112
31 to 180 days	22,547	12,041
181 to 365 days	11,373	1,733
Over 365 days	65,742	72,882
	<u>1,196,104</u>	<u>1,298,768</u>

11. OTHER LIABILITIES

	At 30th June, 2004 <i>HK\$'000</i>	At 31st December, 2003 <i>HK\$'000</i>
Obligations under a finance lease	526	966
Other employee benefits	5,927	5,215
	6,453	6,181
Less: Amount repayable within one year shown under current liabilities	(909)	(1,273)
Amount due after one year	<u>5,544</u>	<u>4,908</u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONT'D)*for the six months ended 30th June, 2004***12. SHARE CAPITAL**

	<u>Number of shares</u>	<u>Value HK\$'000</u>
Ordinary shares of HK\$2 each		
Authorised:		
At 31st December, 2003 and 30th June, 2004	<u>3,000,000,000</u>	<u>6,000,000</u>
Issued and fully paid:		
At 1st January, 2004	489,384,217	978,768
Exercise of warrant subscription rights	<u>16,078</u>	<u>32</u>
At 30th June, 2004	<u>489,400,295</u>	<u>978,800</u>

13. RESERVES

	<u>At 30th June, 2004 HK\$'000</u>	<u>At 31st December, 2003 HK\$'000</u>
Share premium	492,792	492,784
Property revaluation reserve	244,352	245,739
Investment revaluation reserve	80,681	69,379
Special capital reserve	2,320,430	2,320,430
Capital redemption reserve	72,044	72,044
Translation reserve	(203,456)	(205,761)
Capital (goodwill) reserve	(31,833)	(24,027)
Accumulated profits	<u>1,190,264</u>	<u>939,958</u>
	<u>4,165,274</u>	<u>3,910,546</u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONT'D)

for the six months ended 30th June, 2004

14. LOAN NOTES

The amount represents the loan notes issued in part consideration of the repurchase of shares by a listed subsidiary. The loan notes bear interest at 4% per annum and are due on 7th March, 2008.

	At 30th June, 2004 <i>HK\$'000</i>	At 31st December, 2003 <i>HK\$'000</i>
At 1st January	231,637	–
Issued	–	255,234
Repurchased and cancelled	(2,000)	(23,597)
	<u>229,637</u>	<u>231,637</u>

15. CONTINGENT LIABILITIES

(a) At 30th June, 2004, the Group had guarantees as follows:

	At 30th June, 2004 <i>HK\$'000</i>	At 31st December, 2003 <i>HK\$'000</i>
Guarantee for banking facility granted to an investee company	7,020	6,989
Indemnities on banking guarantees made available to a clearing house and regulatory body	4,540	4,540
Indemnities on a letter of credit issued by a bank for a loan to a client	–	67,556
Other guarantees	2,265	913
	<u>13,825</u>	<u>79,998</u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONT'D)

for the six months ended 30th June, 2004

15. CONTINGENT LIABILITIES (CONT'D)

- (b) On 9th September, 2002, Sun Hung Kai Investment Services Limited ("SHKIS"), an indirect wholly-owned subsidiary of Sun Hung Kai, was served with a writ attaching a statement of claim by Shenzhen Building Materials Group Co. Limited, a company registered in Shenzhen, the People's Republic of China ("PRC"), claiming the return of certain shares in Shenzhen International Holdings Limited (worth HK\$38,031,000 at 30th June, 2004) together with interest, costs and damages. The actions taken by SHKIS in regard to the shares were based on considered advice from reputable legal counsel, which advice was strictly followed in its implementation. The case remains at an early stage with interlocutory matters still being dealt with. The plaintiffs have taken few steps to progress their action. Notwithstanding, the case is being strenuously defended and at this stage the management takes the view that while a provision has been made for legal costs, it is not appropriate for any other provision to be made with respect to this action.
- (c) On 4th February, 2004, Sun Tai Cheung Credits Limited ("STCC"), an indirect wholly-owned subsidiary of Sun Hung Kai, and SHKIS were served with a writ attaching a statement of claim ("200/2004") by Shanghai Finance Holdings Limited ("SFHL"), claiming, inter alia, that the sale of the shares in Shun Loong Holdings Limited ("SLHL") ("Shun Loong Shares") by STCC as assignee to SHKIS (for a consideration of HK\$36,500,000 subject to additional amounts of HK\$15,700,000 which may be payable one year from the date of completion under certain conditions) pursuant to a sale and purchase agreement dated 25th June, 2003 be set aside, or alternatively, against STCC for damages and the amount received by STCC in respect of the Shun Loong Shares. The writ is being vigorously defended. STCC and SHKIS were properly advised at all times during the transaction and firmly believe there is no basis to the claim and have applied to have the claim struck-out. The strike-out hearing is presently scheduled to be heard on 28th October, 2004. While a provision has been made for legal costs, at this stage the management takes the view that it is not appropriate for any other provision to be made with respect to this action.
- (d) The Group understands that a further writ was issued by New World Development Company Limited ("New World") in April 2004, naming Sun Hung Kai Securities Limited ("SHKS"), a wholly-owned subsidiary of Sun Hung Kai, as defendant, and claiming the sums of HK\$27,237,490 and HK\$7,697,418 and interest thereon from March 2000 and January 2001 respectively. The writ has not been served on SHKS. If served, it will be vigorously defended. While a provision has been made for legal costs, at this stage the management takes the view that it is not appropriate for any other provision to be made with respect to this action.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONT'D)*for the six months ended 30th June, 2004***16. CAPITAL COMMITMENTS**

	At 30th June, 2004 <i>HK\$'000</i>	At 31st December, 2003 <i>HK\$'000</i>
Capital expenditure contracted for but not provided for in the financial statements in respect of:		
Property development projects	8,900	13,350
Others	8,279	2,520
	<u>17,179</u>	<u>15,870</u>
Capital expenditure authorised but not contracted for:		
Others	<u>5,215</u>	<u>16,205</u>

17. LEASE COMMITMENTS

At 30th June, 2004, the Group had outstanding minimum lease payments under non-cancellable operating leases, which fall due as follows:

	At 30th June, 2004		At 31st December, 2003	
	Land and buildings <i>HK\$'000</i>	Others <i>HK\$'000</i>	Land and buildings <i>HK\$'000</i>	Others <i>HK\$'000</i>
Within one year	20,128	1,606	25,258	927
In the second to fifth year inclusive	42,613	–	7,657	38
	<u>62,741</u>	<u>1,606</u>	<u>32,915</u>	<u>965</u>

Operating leases are negotiated for terms ranging from one to four years.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONT'D)

for the six months ended 30th June, 2004

18. PLEDGE OF ASSETS

At 30th June, 2004, certain of the Group's investment properties, land and buildings, properties under development and properties held for sale with an aggregate carrying value of HK\$2,855,487,000 (at 31st December, 2003: HK\$2,856,218,000), certain securities in respect of a listed subsidiary with a cost of HK\$970,457,000 (at 31st December, 2003: HK\$1,740,628,000), and listed investments belonging to the Group and margin clients with an aggregate carrying value of HK\$992,580,000 (at 31st December, 2003: HK\$792,489,000) were pledged to secure loans and general banking facilities to the extent of HK\$3,438,467,000 (at 31st December, 2003: HK\$3,627,516,000) granted to the Group. Facilities amounting to HK\$1,628,503,000 (at 31st December, 2003: HK\$1,929,562,000) were utilised at 30th June, 2004.

At 30th June, 2004, a bank deposit of HK\$1,362,000 (at 31st December, 2003: HK\$1,487,000) was pledged to secure a bank guarantee amounting to HK\$2,000,000 (at 31st December, 2003: HK\$2,000,000).

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONT'D)*for the six months ended 30th June, 2004***19. RELATED PARTY TRANSACTIONS**

The following is a summary of the significant transactions with related parties during the period:

- (a) Summary of income and expense items:

	(Income)/Expenses	
	Six months ended 30th June,	
	2004	2003
	<i>HK\$'000</i>	<i>HK\$'000</i>
	<u> </u>	<u> </u>
Corporate management services, calculated at 0.5% of the Group's net assets to the ultimate holding company	12,223	11,623
Advertising income from the ultimate holding company	(400)	(400)
Rent, property management and air-conditioning fees from the ultimate holding company	(1,732)	(1,680)
Advertising income from a fellow subsidiary	(200)	(200)
Dividend income from a fellow subsidiary	–	(4,610)
Property management and air-conditioning fees and other property related service fees from a jointly controlled entity	(6,999)	(7,706)
Administration and management fees from a jointly controlled entity	(1,180)	(930)
Interest income from an associate	(4,004)	(7,982)
Insurance premiums from an associate	(3,250)	(1,249)
Rent, property management and air-conditioning fees and other related service fees from an associate	(659)	(876)
Dividend income from an associate	–	(1,100)
	<u> </u>	<u> </u>

- (b) During the period, both the Group and a joint venture partner, each having a 50% interest in a jointly controlled entity, received and repaid various interest free loans from such jointly controlled entity. At 30th June, 2004, the amounts lent to the Group totalled HK\$179,000,000 (at 30th June, 2003: HK\$178,000,000).

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONT'D)

for the six months ended 30th June, 2004

19. RELATED PARTY TRANSACTIONS (CONT'D)

- (c) On 28th January, 2004, a new promissory note of HK\$87,000,000 due on 30th December, 2004 was issued by a listed associate bearing interest at 5% per annum. The new promissory note was issued as repayment in part of a promissory note of HK\$145,000,000 and its outstanding interest that was due on 30th December, 2003. The remaining balance was repaid by cash.
- (d) A promissory note of HK\$57,144,000 issued by a listed associate with accrued interest of HK\$1,398,000 was repaid during the period. The listed associate also repaid RMB4,000,000 (equivalent to HK\$3,759,000) to the Group for the settlement of outstanding sales proceeds for the disposal of a house in the PRC in previous years.
- (e) During the period, a short-term loan of HK\$30,000,000 was borrowed from a fellow subsidiary with interest charged at the Hong Kong prime rate per annum. The principal and the accrued interest totalling HK\$30,086,000 was repaid in June 2004.

The above transactions have been entered into on terms agreed by the parties concerned.

20. SUBSEQUENT EVENTS

- (a) On 19th May, 2004, Tailwind Consultants Limited ("Vendor"), a wholly-owned subsidiary of Sun Hung Kai, entered into a conditional agreement with Asia Coast Investments Limited ("Purchaser"), a wholly-owned subsidiary of Tian An China Investments Company Limited ("Tian An"), in respect of the sale of the Vendor's 17.29% equity interest in CBI Investment Limited for a consideration of HK\$28,000,000 to the Purchaser. Under the terms of the agreement, the consideration is to be settled by HK\$3,000,000 cash and a HK\$25,000,000 promissory note issued by Tian An. The agreement was completed on 5th August, 2004 and resulted in a loss of HK\$715,000.
- (b) On 27th August, 2004, Sun Hung Kai repurchased its loan notes with a face value of HK\$100,000,000 for a consideration of HK\$98,500,000 that resulted in a profit of HK\$1,500,000.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONT'D)

for the six months ended 30th June, 2004

21. MATURITY PROFILE OF TERM ASSETS AND LIABILITIES

The following table lists the assets and liabilities of the Group which have a term of maturity. Overdue assets are included as on demand.

	At 30th June, 2004					Total HK\$'000
	On demand HK\$'000	Within 3 months HK\$'000	3 months to 1 year HK\$'000	1 year to 5 years HK\$'000	After 5 years HK\$'000	
Assets						
Fixed deposits with banks	-	192,493	-	-	-	192,493
Promissory note of a listed associate	-	-	87,000	-	-	87,000
Loan note of a listed associate	-	-	-	78,000	-	78,000
Term loans	221,525	35,548	51,467	-	-	308,540
Marketable debt securities	-	7,794	-	-	-	7,794
	<u>-</u>	<u>7,794</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,794</u>
Liabilities						
Bank loans and overdrafts	-	307,530	494,160	750,219	98,362	1,650,271
Loan notes	-	-	-	229,637	-	229,637
Obligations under a finance lease	-	224	302	-	-	526
	<u>-</u>	<u>224</u>	<u>302</u>	<u>-</u>	<u>-</u>	<u>526</u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (CONT'D)*for the six months ended 30th June, 2004***21. MATURITY PROFILE OF TERM ASSETS AND LIABILITIES (CONT'D)**

	At 31st December, 2003					Total HK\$'000
	On demand HK\$'000	Within 3 months HK\$'000	3 months to 1 year HK\$'000	1 year to 5 years HK\$'000	After 5 years HK\$'000	
Assets						
Fixed deposits with banks	-	251,080	-	-	-	251,080
Promissory notes of a listed associate	202,144	-	40,419	-	-	242,563
Loan note of a listed associate	-	-	-	78,000	-	78,000
Term loans	175,405	278,486	81,467	-	-	535,358
Marketable debt securities	-	7,747	-	-	-	7,747
	<u>-</u>	<u>7,747</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,747</u>
Liabilities						
Bank loans and overdrafts	-	575,503	484,405	829,870	111,565	2,001,343
Loan notes	-	-	-	231,637	-	231,637
Obligations under a finance lease	-	219	671	76	-	966
	<u>-</u>	<u>219</u>	<u>671</u>	<u>76</u>	<u>-</u>	<u>966</u>

22. COMPARATIVE FIGURES

A listed associate of the Group subsequently adjusted the prior year adjustment for the adoption of SSAP 12 (Revised) "Income Taxes" after the preparation of its interim report for the six months ended 30th June, 2003. As a result, the comparatives of the condensed financial statements have been restated to take into account the effect of the Group's share of the adjustment. A reconciliation of the total equity at 1st January, 2003 is set out below. In addition, the profit for the six months ended 30th June, 2003 is reduced by HK\$9,415,000.

	<u>HK\$'000</u>
Total equity at 1st January, 2003	
- As originally stated in last interim report	4,545,251
- Effect of revised prior year adjustment	(48,166)
	<u>4,497,085</u>
- Audited amount as reported in the annual report for the year ended 31st December, 2003	<u>4,497,085</u>

INTERIM 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 an interim dividend.

For the six months ended 30th June, 2003, the Company did not declare an interim dividend.

FINANCIAL REVIEW

The Group's profit attributable to shareholders for the period was approximately HK\$251.1 million, compared with the profit of approximately HK\$69.3 million for the same period in 2003, representing an increase of 262%. The increase was primarily due to a stronger performance from Sun Hung Kai, a major listed subsidiary of the Group, and following the recovery in the property market, it was not appropriate for further provisions to be made against the Group's Hong Kong property portfolio.

Financial Resources, Liquidity and Capital Structure

The Group is principally financed by net cash inflow from operating activities and banking facilities granted by the banks and 5 year 4% loan notes issued by Sun Hung Kai. The banking facilities of the Group are reviewed from time to time and new banking facilities will be obtained or renewed to meet the funding requirements for capital commitments, investments and operations of the Group.

There was no material change to the issued share capital of the Company during the period.

At 30th June, 2004, the current ratio (current assets/current liabilities) of the Group was 1.49 times, which increased from the 1.41 times applicable at the end of 2003.

At 30th June, 2004, the Group's net borrowings amounted to HK\$1,206.2 million (at 31st December, 2003: HK\$1,602.3 million), representing bank borrowings and loan notes of HK\$1,879.9 million (at 31st December, 2003: HK\$2,233.0 million) less bank deposits, bank balances and cash of HK\$673.7 million (at 31st December, 2003: HK\$630.7 million) and the Group had net assets of HK\$5,144.1 million (at 31st December, 2003: HK\$4,889.3 million). Accordingly, the Group's gearing ratio of net borrowings to net assets was 23.4% (at 31st December, 2003: 32.8%).

FINANCIAL REVIEW (CONT'D)

Financial Resources, Liquidity and Capital Structure (cont'd)

	At 30th June, 2004 <i>HK\$'000</i>	At 31st December, 2003 <i>HK\$'000</i>
Bank borrowings of the Group are repayable as follows:		
Within one year or on demand	801,690	1,059,908
More than one year but not exceeding two years	70,854	70,760
More than two years but not exceeding five years	679,365	759,110
More than five years	98,362	111,565
	1,650,271	2,001,343
Loan notes repayable within five years	229,637	231,637
	1,879,908	2,232,980

The Group's bank borrowings are charged at floating rates.

Risk of Foreign Exchange Fluctuation

There have been no significant changes in the exposures to foreign exchange risks from those outlined in the Company's annual report for 2003.

Acquisition and Disposal

There were no material acquisitions and disposals of subsidiaries, associates and jointly controlled entities during the period.

Contingent Liabilities

Details regarding the contingent liabilities are set out in note 15 to the condensed financial statements on pages 15 and 16.

FINANCIAL REVIEW (CONT'D)

Material Litigation Update

- (a) Shun Loong Finance Limited and SLHL (together the "Petitioners"), both wholly-owned subsidiaries of Sun Hung Kai, filed a winding-up petition on 19th February, 2004 in the British Virgin Islands ("BVI") seeking an order that SFHL be wound up by reason of its failure to pay debts owing to the Petitioners. BVI proceedings are presently stayed pending the outcome of 200/2004, the Hong Kong proceedings mentioned in note 15(c) to the condensed financial statements on page 16.
- (b) Sun Hung Kai, STCC and SHKIS filed a writ on 7th February, 2004 (230/2004) naming as defendants Shanghai Land Holdings Limited, Stephen Liu Yiu Keung, Yeo Boon Ann, The Standard Newspapers Publishing Limited and Hong Kong Economic Times Limited and claiming damages for libel, injunctive relief, interest and costs. The case remains at an early stage.
- (c) An appeal has been lodged by SHKS against the judgment delivered by the Hong Kong High Court in favour of New World on 1st April, 2004. The appeal is based on considered advice from senior legal counsel and is likely to be heard in July 2005.

Pledge of Assets

Details regarding the pledge of assets are set out in note 18 to the condensed financial statements on page 18.

OPERATIONAL REVIEW

Properties

Hong Kong and overseas

The Group's investment property portfolio continued to provide stable and satisfactory recurring rental income. In particular, rental income from St. George Apartments on Waterloo Road during the period almost doubled compared with the corresponding period of last year due to increase in the number of residential units retained by the Group for long-term investment purposes. The average occupancy rate for St. George Apartments during the period was approximately 87%.

Phase two of Ibis North Point is nearing completion and is anticipated to be fully operational before the end of this year. When this 275-room hotel on Java Road is completed, the Group's recurrent income is expected to increase further. Following the completion of Ibis, all of the Group's development projects in Hong Kong will have been completed. The Group will continue to assess opportunities for appropriate property investments should they arise.

The property rental from Century Court, a commercial/residential building located directly opposite Allied Kajima Building and Novotel Century Hong Kong hotel in Wanchai was slightly higher than that in the corresponding period of last year.

Allied Kajima Limited, 50% indirectly owned by the Group and holding properties including Allied Kajima Building, Novotel Century Hong Kong hotel and the Westin Philippine Plaza Hotel contributed a profit of 114% over the corresponding period in 2003 mainly due to the recovery of the hospitality industry in Hong Kong after the SARS outbreak in the first half of 2003.

Mainland PRC

Tian An, a 48.16% owned listed associate of Sun Hung Kai, achieved a profit attributable to its shareholders of HK\$52.3 million for the current period, representing a significant growth of 297% compared to the corresponding period of last year, despite that total sales of gross floor area attributable to Tian An during the period under review decreased to 120,100 sq. m. from 146,920 sq. m. The sharp improvement in the results for the period was mainly attributable to stronger contributions from property sales and the focus by Tian An on products of higher profit margin.

Although the austerity measures taken by the PRC government to reduce speculative growth are expected to inevitably affect Tian An's immediate earnings growth, Tian An is confident, with its streamlined structure, in its pursuit of its long-term growth strategy into the second half of 2004, and beyond.

OPERATIONAL REVIEW (CONT'D)

Financial Services

Sun Hung Kai recorded a profit attributable to its shareholders of HK\$202.9 million, representing an increase of 133% compared with the same period last year.

The turnover and brokerage income of Sun Hung Kai's securities broking division enjoyed strong growth in line with the buoyant stock market conditions. New account openings increased significantly during the period, benefiting from a surge in capital-raising and corporate activities. Sun Hung Kai participated in 42 issues including new share offerings, sub-underwritings and placements of equities for clients.

The income stream derived by Sun Hung Kai as a liquidity provider of derivative warrants and equity linked instruments to derivative issuers increased by more than 60% compared with the previous half year. Income from institutional and corporate clients also increased considerably, compensating for the lower income earned through the provision of third party execution services to non-exchange participants.

Sun Hung Kai has been able to maintain a similar level of outstanding loans on its margin finance book to that experienced in the corresponding 2003 period.

SHK Online began 2004 with strong momentum, establishing a new record in January for monthly net profit. New accounts and turnover continued to grow throughout the first quarter, while the second quarter was somewhat quieter. As a whole, the number of accounts increased by 22% during the first half of 2004. The recent launch of SHK Online's US trading facility, provided through Pershing LLC, together with additional products planned for the eFutures channel, is expected to provide impetus for future growth.

Investments

Quality HealthCare Asia Limited ("QHA")

QHA, a 29.71% associate of Sun Hung Kai, has been successful in delivering a significantly improved profit performance for the first six months of 2004. This result has been achieved through a combination of sustained effort by both its frontline healthcare professionals and the back-office team and has been driven by management's focus on core business and effective cost control. Cashflows strengthened over the period, resulting in lower financing charges.

QHA continues to support the government in its public-private partnership initiatives in the healthcare sector, and looks forward to further collaboration on programmes for the benefit of the Hong Kong community.

OPERATIONAL REVIEW (CONT'D)

Investments (cont'd)

Yu Ming Investments Limited ("Yu Ming")

During the period, the major investments of Yu Ming were in international bonds, the Argyle Centre shopping mall in Mongkok, and the International Exhibition Centre ("IEC") at the Hong Kong International Airport.

The high-yield bond portfolio of Yu Ming continues to provide reliable income to Yu Ming. As the property market improved throughout the period, Yu Ming also sold some retail shops in the Argyle Centre. For the IEC property, significant bookings were secured from both local and overseas exhibition organisers well in advance of its scheduled opening in 2006.

Shanghai Allied Cement Limited ("SAC")

The profit attributable to shareholders for the first half of 2004 of SAC was HK\$13.5 million, representing an increase of 2.7% as compared with the same period last year. The increase was mainly due to the continued growth of the domestic economy and implementation of cost control measures. It is anticipated by SAC that its new Shandong plant will commence production in late 2004 and should enable it to progress towards its target cement production capacity of 3,000,000 tonnes per annum.

Employees

The total number of staff of the Group at 30th June, 2004 was 1,825 (at 31st December, 2003: 1,746). The Group reviews remuneration packages from time to time and normally annually. Besides salary payments, other staff benefits include contributions to employee provident funds, medical subsidies and a discretionary bonus scheme.

Management of Risks

The management of risks in respect of the Group's finance business is primarily conducted by Sun Hung Kai. There has been no material change in the nature of Sun Hung Kai group's exposures, policies and practices in managing its risks to those which were reported in the Company's annual report for 2003.

BUSINESS OUTLOOK

The recovering Hong Kong economy is encouraging for the future performance of the Group. With deflation subsiding and the employment rate improving, the Board expects that the economy and the real estate market in Hong Kong should perform well in the near future. Nevertheless, recent upward price fluctuations of crude oil and the rising trend of interest rates are cautionary factors impacting on the future economic outlook. The management will make every effort to deliver a satisfactory performance by the Group for the full year and to maximise returns for all shareholders.

DISCLOSURE PURSUANT TO RULES 13.20 AND 13.22 OF THE LISTING RULES

The following information is disclosed pursuant to Rules 13.20 and 13.22 of the Listing Rules.

- (a) At 30th June, 2004, the Group had advances to an entity which exceeded 8% of the market capitalisation of the Company. Pursuant to Rule 13.20 of the Listing Rules, the details of the advances are set out as follows:

Name of entity	Advances at 30th June, 2004
Tian An	HK\$165,794,000 (Note)

Note:

This amount comprises the following:- (i) promissory note issued by Tian An of HK\$87,000,000 to a wholly-owned subsidiary of Sun Hung Kai on 28th January, 2004 which is unsecured and bears interest at 5% per annum payable on a semi-annual basis. The promissory note will mature on 30th December, 2004; (ii) loan note issued by Tian An of HK\$78,000,000 to Sun Hung Kai on 29th August, 2003 which is unsecured and bears interest at 2.5% per annum payable on an annual basis. The loan note will mature on 29th August, 2008; and (iii) accounts receivable from Tian An and its subsidiaries arising from the normal course of business of HK\$794,000.

- (b) At 30th June, 2004, the Group had advances to certain affiliated companies totalling HK\$249,617,000 (before the Group's provision of HK\$18,726,000), which exceeded 8% of the market capitalisation of the Company. Pursuant to Rule 13.22 of the Listing Rules, the proforma unaudited combined balance sheet of these affiliated companies based on their latest financial statements available is set out as follows:

	HK\$'000
Proforma combined balance sheet:	
Non-current assets	5,988,683
Current assets	3,274,491
Current liabilities	(3,387,823)
Non-current liabilities	(1,521,509)
Minority interests	(412,269)
	<u>3,941,573</u>
Group's proforma attributable interests	<u>1,416,450</u>

DIRECTORS' INTERESTS

At 30th June, 2004, Messrs. Patrick S. W. Lee and Li Chi Kong, Directors of the Company, had the following interests in the shares and underlying shares of the Company and its associated corporations, within the meaning of Part XV of the Securities and Futures Ordinance ("SFO"), as recorded in the register required to be kept under Section 352 of the SFO:

Name of Director	Name of Company	Number of shares and underlying shares held	Approximate % of the relevant issued share capital	Nature of interest
Patrick S. W. Lee	The Company	297,000 (Note 1)	0.06%	Personal interest (held as beneficial owner)
	Allied Group Limited ("Allied Group") (Note 2)	5,500,000 (Note 3)	0.20%	Personal interest (held as beneficial owner)
Li Chi Kong	SAC (Note 2)	600,000 (Note 4)	0.08%	Personal interest (held as beneficial owner)

Notes:

1. The interest includes the holding of 270,000 shares (representing approximately 0.055% of the issued share capital) and 27,000 warrants of the Company giving rise to an interest in 27,000 underlying shares (representing approximately 0.005% of the issued share capital) of the Company. The warrants were issued on 3rd December, 2003 and are exercisable at an initial subscription price of HK\$2.50 per share, subject to adjustment, at any time during the period from 5th December, 2003 to 6th December, 2004 (both days inclusive).
2. Allied Group is the ultimate holding company of the Company. Allied Group and SAC are associated corporations of the Company within the meaning of Part XV of the SFO.
3. This represents an interest in 5,500,000 shares of Allied Group.
4. This represents an interest in 600,000 share options of SAC giving rise to an interest in 600,000 underlying shares of SAC. The share options were granted on 28th July, 2003 at a consideration of HK\$10.00 and are exercisable at an exercise price of HK\$0.70 at any time during the period from 28th January, 2004 to 27th July, 2013 (both days inclusive).
5. All interests stated above represent long positions.

Save as disclosed above, at 30th June, 2004, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations, within the meaning of Part XV of the SFO, as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

At 30th June, 2004, the following shareholders had an interest in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

Name of Shareholder	Number of shares and underlying shares held	Approximate % of the issued share capital	Notes
Allied Group	401,456,059	82.03%	1, 2, 3
Lee and Lee Trust	401,456,059	82.03%	4, 5

Notes:

1. The interest includes the holding of: (i) 167,061,619 shares or underlying shares held by Capscore Limited ("Capcore"); (ii) 4,186,632 shares or underlying shares held by Citiwealth Investment Limited ("Citiwealth"); (iii) 133,869,783 shares or underlying shares held by Sunhill Investments Limited ("Sunhill"); and (iv) 96,338,025 shares or underlying shares held by Allied Group.
2. Capcore, Citiwealth and Sunhill are all wholly-owned subsidiaries of Allied Group. Allied Group was therefore deemed to have an interest in the shares and underlying shares in which Capcore, Citiwealth and Sunhill were interested.
3. The interest includes the holding of 365,206,329 shares (representing approximately 74.62% of the issued share capital) and 36,249,730 warrants of the Company giving rise to an interest in 36,249,730 underlying shares (representing approximately 7.41% of the issued share capital) of the Company.
4. The figure refers to the same interest of Allied Group in 401,456,059 shares and underlying shares of the Company.
5. Mr. Lee Seng Hui, Ms. Lee Su Hwei and Mr. Lee Seng Huang are the trustees of Lee and Lee Trust, being a discretionary trust. They together owned approximately 38.62% interest of the issued share capital of Allied Group and were therefore deemed to have an interest in the shares and underlying shares in which Allied Group was interested.
6. The interest stated above represents long position.

Save as disclosed above, the Company had not been notified of any other person who had an interest or a short position in any shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO at 30th June, 2004.

CORPORATE GOVERNANCE

Audit Committee Review

The audit committee of the Company (“Audit Committee”) has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a general review of the unaudited interim financial report for the six months ended 30th June, 2004. In carrying out this review, the Audit Committee has relied on a review conducted by the Group’s external auditors in accordance with Statement of Auditing Standards 700 issued by the HKICPA, and on the interim results announcements of the listed associates, as well as obtaining reports from management. The Audit Committee has not undertaken detailed independent audit checks.

Code of Best Practice

None of the Directors is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the six months ended 30th June, 2004, in compliance with the Code of Best Practice as set out in Appendix 14 of the Listing Rules.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s securities during the six months ended 30th June, 2004.

By Order of the Board
Sir Gordon Macwhinnie
Chairman

16th September, 2004