

The Board of Directors (the “Board”) of Shanghai Forte Land Co., Ltd. (the “Company” or “Forte”) is pleased to announce its unaudited consolidated interim results of the Company, its subsidiaries and its jointly controlled entity (the “Group”) for the six months ended 30 June 2005 (the “Period”) prepared in conformity with the International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” promulgated by the International Accounting Standards Board (the “Interim Results”). The Interim Results have been reviewed and confirmed by the Audit Committee of the Company.

Results and Dividends

During the Period, the Group recorded a turnover of about RMB607,992,000. Gross profit margin of the Group reached 45.33%. Profit from operating activities was RMB418,976,000. Profit attributable to shareholders was RMB336,032,000. Basic earnings per share amounted to RMB0.146 for the Period. The Board had declared to pay an interim dividend of RMB 0.07 per share for the six months ended 30 June 2005.

Management Discussion and Analysis

Market Review

During the Period, both the central and local government have implemented a series of macro-control measures to restrain the negative impact such as excessive growth of investment, soaring property price, over-speculation and unreasonable residential supply driven by the rapid development of the property industry over the previous years with a view of sustaining the healthy development of the property industry.

In the first half of the year, the property development and investment of the PRC increased by 23.5% over the corresponding period of last year, dropped by 5.2 percentage point in growth rate compared with the same period. This represents that the macro-control measures have been effective in regulating investment.

In the first half of the year, the average selling price of commercial residential properties grew by 10.1% over the corresponding period of last year. It was attributable to the excessive rise in property prices in the second half of last year that brought about a substantial growth in the first half of this year.

復地(集團)股份有限公司(「本公司」或「復地」)董事會(「董事會」)欣然宣佈本公司、其附屬公司及合營公司(「本集團」)截至二零零五年六月三十日止六個月(「期內」)根據國際會計準則委員會頒佈之國際會計準則34號(「中期財務報告」)編製之未經審核的綜合業績(「中期業績」)。本公司的審核委員會已審閱及確認此中期業績。

業績及股息

於期內，本集團取得的營業額約為人民幣607,992,000元。本集團毛利率達到45.33%，經營業務溢利為人民幣418,976,000元，股東應佔溢利為人民幣336,032,000元，每股基本盈利為人民幣0.146元。董事會決議派發截至二零零五年六月三十日止六個月期間的中期股息每股人民幣0.07元。

管理層討論及分析

市場回顧

回顧期內，中央和各地方政府實施了一系列宏觀調控措施，以遏制投資增長過快、房價漲幅過高、過度投機、住宅供應結構不合理等房地產業在過去幾年快速發展中所積累的一些消極現象，促進房地產業的持續健康發展。

上半年，中國房地產開發投資同比增長23.5%，增幅比去年同期回落5.2個百分點，顯示宏觀調控已經起到抑制投資的作用。

上半年，商品房平均銷售價格同比上漲10.1%，由於去年下半年房價上升過快，造成今年上半年同比增幅過大。

However, the growth rate was reduced by 2.4 percentage point compared with the corresponding quarter. It is expected that the impact of macro-control measures on property prices will be reflected on the increase in property prices over the year.

The macro-control measures have effectively restrained speculation needs. Also, by evaluating the psychology of prospective buyers with actual demand for properties, some of their purchase decisions have been postponed. At the same time, the macro-control measures have procured the developers to alleviate their pace of land acquisition and work commencement so as to sustain a reasonable mix of supply and demand.

The increase in income and the pace of urbanization driven by the economic growth of the PRC have remained unchanged. At the same time, we believe that the macro-control measures will allow the property industry of the PRC to sustain prolonged healthy development.

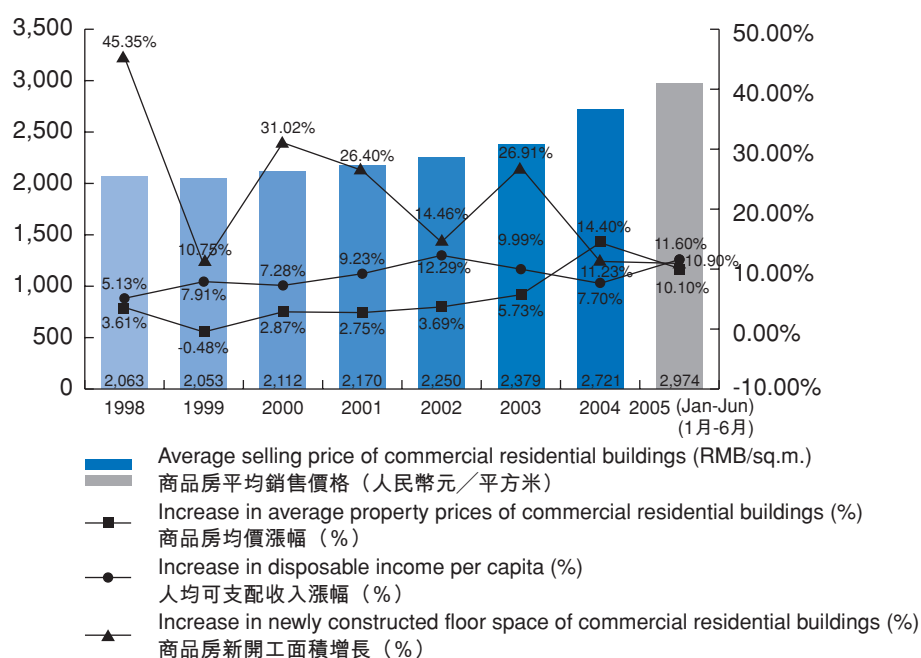
但是，該漲幅比一季度回落2.4個百分點，預計宏觀調控對房價的作用將體現在全年的房價增幅上。

宏觀調控措施有效地抑制了投機需求，又通過對購房者心理預期的影響，使部分真實購房需求推遲購房決定。同時宏觀調控政策促使開發商放緩了購置土地、開工新建的步伐，使得供需結構趨於合理。

中國經濟增長帶來的收入增長及中國城市化快速發展的基本面並沒有發生變化，同時，我們相信，宏觀調控政策將使中國房地產行業保持更持續、健康的發展。

Changes in property prices, newly constructed floor space and disposable income per capita of the PRC commercial residential properties from 1998 to the first half of 2005

全國商品房價格、商品房新開工面積與人均可支配收入變化，1998-2005上半年



Note: The average selling price increase for commercial residential buildings, increase in disposable income per capita and increase in newly constructed floor space of commercial residential buildings from January to June 2005 were based on the comparison with the same period of 2004.

註：2005年1月-6月商品房均價漲幅，人均可支配收入漲幅和商品房新開工面積增長均基於與2004年同期的比較。

Shanghai

For the first half of the year, the floor space of commercial residential properties in Shanghai being completed, under construction and newly constructed were changed by -8.6%, 5.8% or -21.7% respectively. The increase in newly constructed floor space has dropped sharply, which shows that the macro-control measures have influenced the development and investment of properties.

In the first half of the year, the sales area of Shanghai commercial residential properties sold was increased by 4.7%, a decline of 9.5 percentage point in the growth rate. Since the second quarter, both the central and Shanghai government have implemented control measures to substantially reduce the sales volume of property in Shanghai and the market has become stagnant.

Coupled with the stagnant demand and supply was the slowing down in the growth of selling price for commercial residential properties. In the first half of the year, the average selling price of commercial residential properties amounted to RMB7,029/sq.m., and compared on the same diameter, it represented a rise of 12.6% over the corresponding period of last year. The increase was due to the soaring property prices in the second half of last year and the first quarter of this year. The property prices for the second quarter of this year had showed signs of slowing down.

上海

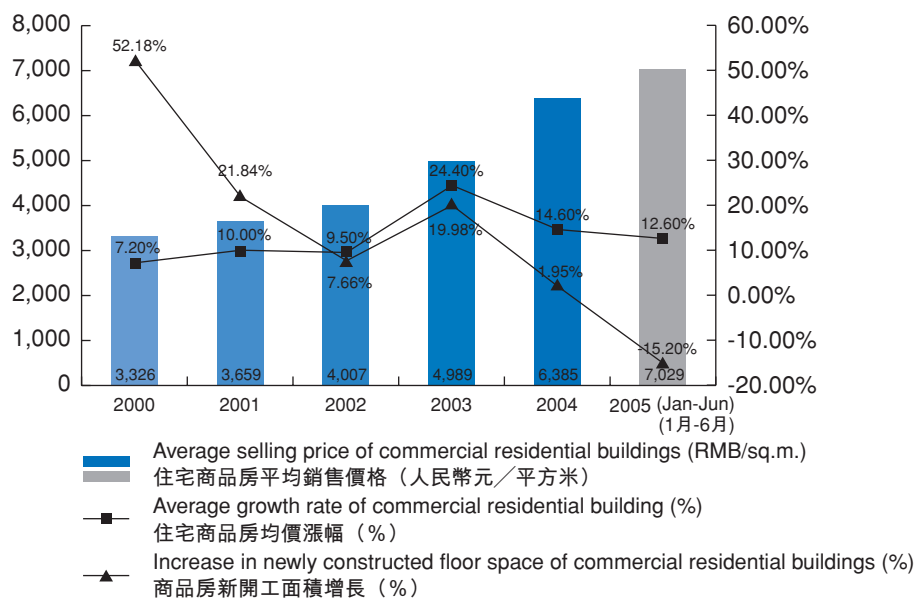
上半年，上海市商品住宅竣工面積、施工面積和新開工面積分別同比變動-8.6%、5.8%、-21.7%。新開工面積大幅度減少反映了宏觀調控政策對房地產開發投資的影響。

上半年，上海商品住宅銷售面積同比僅增長4.7%，增幅回落達9.5個百分點。從第二季度開始，中央和上海政府連續出臺的調控措施使上海住宅銷量出現較大幅度回落，市場出現觀望狀態。

伴隨房地產市場供需觀望狀態的是商品住宅銷售價格漲幅趨緩。上半年，商品住宅平均銷售價格為人民幣7,029元/平方米，按同比口徑計算，比去年同期上漲12.6%。上漲的原因仍是去年下半年及今年一季度房價上升過快。今年第二季度開始房價呈現回落跡象。

Increase in property prices and newly constructed floor space of commercial residential buildings in Shanghai from 2000 to the first half of 2005

上海住宅商品房價格和商品房新開工面積增長，2000-2005上半年



Note: The average selling price increase for commercial residential buildings and increase in newly constructed floor space of commercial residential buildings from January to June 2005 were based on the comparison with the same period of 2004.

註：2005年1月-6月住宅商品房均價漲幅和商品房新開工面積增長均基於與2004年同期的比較。

Beijing

Since the Beijing market was not affected by too many speculative factors, it has maintained a steady growth during the period under review. At the same time, the macro-control measures maintained a balance between supply and demand in the market.

Taking the pre-sale residential properties as an example. The floor space of commercial residential properties approved for pre-sale was reduced by one-third in the first half of the year compared with the corresponding period of last year, leading to a reduction in floor space sold. The floor space of pre-sale commercial residential properties sold as compared with those approved for pre-sale in the same period increased from 0.779:1 of last year to 1.073:1 of this year, showing a situation of supply slightly less than demand.

北京

由於在過去幾年中沒有受到過多投機因素的干擾，北京市場在回顧期內保持了穩中有升的走勢。同時，宏觀調控協調了市場供需間的平衡。

以預售住宅為例，上半年商品住宅批准預售面積同比下降了三分之一，導致預售成交面積有所下降。商品住宅預售成交面積與當期批准預售面積的比值由去年的0.779：1上升至1.073：1，呈現供略小於求的局面。

At the same time, the price of residential properties continued to sustain its upward trend. In the first half of the year, the average price of residential properties was RMB6,555/sq.m., increased by 14.32% compared with the corresponding period of last year.

It is noted that the floor space of newly constructed residential properties in the entire city reduced sharply by 31.7% in the first half of the year, with a growth rate of 42.1 percentage point less than that of the corresponding period of last year. As a result, the supply of residential properties in Beijing is expected to reduce substantially next year.

同時，住宅價格繼續穩步走高，上半年住宅期房買賣平均價格人民幣6,555元/平方米，同比上漲14.32%。

值得關注的是，上半年全市住宅新開工面積同比猛降31.7%，增速比上年同期低42.1個百分點，將使未來一年北京住宅供應大為減少。

Key figures of the residential buildings in Beijing in the first half of 2005 and the fluctuation compared with those in the corresponding period of last year

2005年上半年北京住宅市場主要數據及較去年同期變動

Residential floor space approved for pre-sale 住宅批准預售面積		Pre-sale of residential floor space being sold 住宅預售成交面積		Average price of pre-sale residential buildings 住宅預售平均價格		Newly constructed residential floor space 住宅新開工面積	
Value 數值	Change 變化	Value 數值	Change 變化	Value 數值	Change 變化	Value 數值	Change 變化
9,663,000 sq.m.	-33.3%	10,365,000 sq.m.	-8.1%	RMB 6,555/sq.m.	14.3%	5,901,000 sq.m.	-31.7%
966.3 萬平方米	-33.3%	1,036.5 萬平方米	-8.1%	人民幣 6,555 元/平方米	14.3%	590.1 萬平方米	-31.7%

Wuhan, Nanjing, Wuxi, Chongqing

As the newly emerging regional core cities in recent years, the market trends of the three cities, namely, Wuhan, Nanjing and Wuxi, during the period under review were on rise in a stable manner, and none of them had experienced buoyant fluctuation due to the macro-control measures. Among this, the development trends of two regions that began to emerge, namely Wuhan and Wuxi, were apparently rapid. This is reflected in the remarkable price increase over the average level of the country. The newly constructed floor space continued to maintain an expedited pace of growth. Nanjing continued its moderate trend over the past two to three years, with the increase in price grew slightly as compared with the corresponding period of last year. The newly constructed floor space nearly reduced 19%. This shows that supply in the market will decrease further in the future.

武漢、南京、無錫、重慶

作為近年來逐漸崛起的新興區域中心城市，武漢、南京、無錫三地在回顧期內市場走勢平穩向上，沒有因宏觀調控而出現大的波動。其中，處於啟動階段的武漢和無錫兩地快速發展之勢明顯，表現為價格增幅明顯高於全國平均水平，新開工面積依舊保持迅速增長。南京繼續過去兩三年的溫和走勢，價格漲幅略高於去年同期，新開工面積則下降近19%，顯示未來市場供應將進一步減少。

Key figures of the residential market in 4 cities including Wuhan in the first half of 2005 and the increase over corresponding period of last year

2005年上半年武漢等4城市住宅市場主要數據及較去年同期增長

	Wuhan 武漢		Nanjing 南京		Wuxi 無錫		Chongqing 重慶	
	Value 數值	Change 變化	Value 數值	Change 變化	Value 數值	Change 變化	Value 數值	Change 變化
Residential floor space sold 住宅銷售面積	2,210,000 sq.m. 221萬平方米	5.9%	3,650,000 sq.m. 365萬平方米	8.2%	1,720,000 sq.m. 172萬平方米	7.9%	4,760,000 sq.m. 476萬平方米	-1.23%
Newly constructed residential floor space 住宅新開工面積	5,550,000 sq.m. 555萬平方米	64.7%	3,520,000 sq.m. 352萬平方米	-18.9%	2,660,000 sq.m. 266萬平方米	65.2%	10,170,000 sq.m. ¹ 1,017萬平方米 ¹	3.1%
Average price of residential properties (RMB) 住宅均價(人民幣)	2,858/sq.m. 2,858元/平方米	18.8%	4,260/sq.m. 4,260元/平方米	5%	3,936/sq.m. 3,936元/平方米	31.4%	2,725/sq.m. 2,725元/平方米	11.7%

Note 1: Figures of newly constructed commercial residential buildings

註1：商品房新開工面積數據

Note: All the figures are quoted from the information of State Statistics Bureau, local statistics bureaus and local property management departments.

註：所有數據均引自國家統計局、各地方統計局和各地房地產管理部門的資料。

Business Review

During the first half of 2005, in order to restrain speculative investment and overheated situation of the property market and maintain a healthy development of the industry, the PRC Government again implemented a series of macro-economic control measures over the property market. Under the current environment brought about by the new measures, the Group accelerated its development pace outside Shanghai in an appropriate way in order to enhance the competitiveness of the Group, thus creating value for shareholders. The Group achieved encouraging results for the first half of the year. Its major accomplishments are reflected in the following aspects:

Progress in Project Development

During the Period, there were 25 projects under development. The total gross floor area ("GFA") amounted to approximately 1,828,000 sq.m., in which cities other than Shanghai accounted for 45.59%. The construction works of 10 projects, with a total GFA of approximately 896,000 sq.m., have been commenced during the Period, in which cities other than Shanghai accounted for 55.68%. Another project, with a total GFA of approximately 91,000 sq.m., was completed and in occupation.

業務回顧

二零零五年上半年，為了抑制房地產市場的投機及過熱傾向，維持行業的健康發展，中國政府再一次出臺了針對房地產行業的一系列宏觀調控政策。在新的政策環境下，本集團適當地加大了在上海以外城市的發展速度，以提升集團的競爭力，為股東創造價值。上半年本集團取得良好的業績，主要成就體現在以下方面：

項目發展

回顧期內，本集團相繼有25個項目處於開發過程中，總建築面積約為1,828,000平方米，上海以外城市佔45.59%。其中新開工10個項目，建築面積約為896,000平方米，上海以外城市佔55.68%；另外1個項目實現落成入伙，建築面積約為91,000平方米。

Property projects under development in the first half of 2005

二零零五年度上半年度開發項目

No. 序號	Region 地區	Name of Project 項目名稱	Location 地點	Approximate Total GFA (sq.m.) 概約總 建築面積 (平方米)	Interest Attributable to the Company 公司權益	Remarks 備註
1	Shanghai 上海	Forte Sunny City (Phase 2B) 復地太陽城 (二期B)	No. 8 Gulang Road, Putuo District, Shanghai 上海市普陀區古浪路8號	17,783	98%	Construction in progress 建設中
2		Forte Fucheng 復地復城	No. 910 Quyang Road, Hongkou District, Shanghai 上海市虹口區 曲陽路910號	151,818	99.78%	Commence construction work this year, construction in progress 今年開工項目·建設中
3		Forte Emerald Riverside 復地翠堤苑	Lane 3688 Wenxiang Road, Songjiang District, Shanghai 上海市松江區 文翔路3688弄	44,126	99.89%	Construction in progress 建設中
4		Forte Aroma Riverside Garden 復地香堤苑	Lane 1755 Sanxin Road North, Songjiang District, Shanghai 上海市松江區 三新北路1755弄	82,730	70%	Construction in progress 建設中
5		Villa Espana Estile De Vida (Phase 1) 帕緹歐香苑 (一期)	Lane 6666, Waiqingsong Road, Qingpu District, Shanghai 上海市青浦區 外青松公路6666弄	119,569	55%	Commence construction work this year, construction in progress 今年開工項目·建設中
6		Forte Allen Poem (Phase 2A) 復地愛倫坡 (二期A)	Lane 599 Lai Ting South Road, Jiuting Town, Songjiang District, Shanghai 上海市松江區 九亭鎮涇亭南路599弄	59,961	99.67%	Construction in progress 建設中
7		Chun Shen Forte City (Phase 2) 春申復地城 (二期)	Lane 4580 Dushi Road, Minhang District, Shanghai 上海市閔行區 都市路4580弄	91,025	90%	Completed and in occupation 落成入伙項目
8		Forte Elegant Garden (Phase 1) 復地雅苑 (一期)	No. 29 Fuxing East Road, Huangpu District, Shanghai 上海市黃浦區 復興東路29號	16,026	87.99%	Construction in progress 建設中

No. 序號	Region 地區	Name of Project 項目名稱	Location 地點	Approximate Total GFA (sq.m.) 概約總 建築面積 (平方米)	Interest Attributable to the Company 公司權益	Remarks 備註
9		Forte Elegant Garden (Phase 2) 復地雅苑 (二期)	No. 29 Fuxing East Road, Huangpu District, Shanghai 上海市黃浦區 復興東路 29 號	24,997	87.99%	Commence construction work this year, construction in progress 今年開工項目，建設中
10		Graceful Oasis (Phase 4) 錦繡華城 (四期)	Lane 3336 Jinxiu Road, Pudong New District, Shanghai 上海市浦東新區 錦繡路 3336 弄	72,261	40%	Construction in progress 建設中
11		Graceful Oasis (Phase 5) 錦繡華城 (五期)	Lane 3336 Jinxiu Road, Pudong New District, Shanghai 上海市浦東新區 錦繡路 3336 弄	47,302	40%	Construction in progress 建設中
12		Graceful Oasis (Phase 7) 錦繡華城 (七期)	Lane 3088 Jinxiu Road, Pudong New District, Shanghai 上海市浦東新區 錦繡路 3088 弄	57,715	40%	Construction in progress 建設中
13		Yi He Hua Cheng (Phase 2A) 頤和華城 (二期 A)	No. 577 Zhenjin Road, Putuo District, Shanghai 上海市普陀區 真金路 577 弄	63,258	50%	Construction in progress 建設中
14		Yi He Hua Cheng (Phase 3A) 頤和華城 (三期 A)	No. 479 Wuwei East Road, Putuo District, Shanghai 上海市普陀區 武威東路 479 弄	25,048	50%	Commence construction work this year, construction in progress 今年開工項目，建設中
15		Yi He Hua Cheng (Phase 4) 頤和華城 (四期)	No. 478 Wuwei East Road, Putuo District, Shanghai 上海市普陀區 武威東路 478 弄	75,584	50%	Commence construction work this year, construction in progress 今年開工項目，建設中
16		Domo City (Phase 3) 遠景佳苑 (三期)	Lane 1355 Dahua Road, Baoshan District, Shanghai 上海市寶山區 大華路 1355 弄	45,622	60%	Construction in progress 建設中
17	Beijing 北京	Spring Town (Phase 1) 玉泉新城 (一期)	Yuquan Road, Shijingshan District, Beijing 北京市石景山區 玉泉路	109,241	30%	Commence construction work this year, construction in progress 今年開工項目，建設中
18		Peking House 新天嘉園	No. 21 Xidawang Road Chaoyang District, Beijing 北京市朝陽區 西大望 21 號	156,027	86.4%	Construction in progress 建設中

No. 序號	Region 地區	Name of Project 項目名稱	Location 地點	Approximate Total GFA (sq.m.) 概約總 建築面積 (平方米)	Interest Attributable to the Company 公司權益	Remarks 備註
19	Wuhan 武漢	Forte Cui Wei New City (Phase 1B) 復地翠微新城 (一期B)	No. 16 Cuiwei Heng Road, Hanyang District, Wuhan 武漢市漢陽區 翠微橫路 16 號	52,892	60%	Construction in progress 建設中
20		Forte Cui Wei New City (Phase 1C) 復地翠微新城 (一期C)	No. 16 Cuiwei Heng Road, Hanyang District, Wuhan 武漢市漢陽區 翠微橫路 16 號	85,794	60%	Construction in progress 建設中
21		Forte Cui Wei New City (Phase 2) 復地翠微新城 (二期)	No. 18 Cuiwei Heng Road, Hanyang District, Wuhan 武漢市漢陽區 翠微橫路 18 號	118,775	60%	Commence construction work this year, construction in progress 今年開工項目，建設中
22	Nanjing 南京	Forte Ronchamp Villa (Phase 2) 復地朗香別墅 (二期)	No. 138-158 Fucheng Xi Road, Nanjing 南京市佛城西路 138-158 號	40,080	99.67%	Construction in progress 建設中
23		Nanjing Graceful Oasis (Phase 1A) 南京錦繡華城 (一期A)	No. 59 Puzhu North Road, Pukou District, Nanjing 南京市浦口區 浦珠北路 59 號	32,214	38%	Commence construction work this year, construction in progress 今年開工項目，建設中
24	Wuxi 無錫	Forte New City (Phase 1) 復地新城 (一期)	No. 99 Zhenghe Main Road, Huishan District, Wuxi 無錫市惠山區 政和大道 99 號	94,685	99.89%	Commence construction work this year, construction in progress 今年開工項目，建設中
25	Chongqing 重慶	Chongqing Jinyuntiancheng (Phase 1) 重慶金韻天城 (一期)	No. 81 Jinyu Main Road, Jingkai District, Chongqing 重慶市經開區 金渝大道 81 號	143,844	99.95%	Commence construction work this year, construction in progress 今年開工項目，建設中
			Total 合計	1,828,377		

Note: Including projects of joint ventures which the Group has equity interests in.

註：含本集團擁有股權的合資公司項目。

Sales Results

During the Period, the properties sold by the Group under contracts accounted to a total GFA of approximately 183,727 sq.m. (including projects of the joint ventures which the Group has equity interests in).

The Shanghai Municipal Government and the central government have implemented a series of austerities measures targeted at the property industry since March 2005, causing serious hesitant atmosphere in the Shanghai market. Sales of residential properties in the second quarter in Shanghai has significantly reduced, and the sale of the Group's projects in Shanghai were also affected and slowed down. At the same time, the projects of the Group situated in cities other than Shanghai gradually entered presale stage. The presale of Beijing Spring Town has commenced since April 2005 while the presales of Beijing Peking House, Wuxi Forte New City and Nanjing Graceful Oasis have commenced since June 2005. The progress of sales went comparatively smoothly.

In accordance with the approval of the Board regarding the change in accounting policy in respect of revenue recognition of the pre-completion contracts for the sale of development properties, the Group's revenue was recognised and adjusted to be booked into the Group's account only after the completion of the relevant projects. As only one project was completed in the first half of the year, namely Chun Shen Forte City Phase 2, this was the only project recognised in the turnover of the current period (the presale of the project was taken place in 2004). As at 30 June 2005, the area which the Group entered into presale contracts but was uncompleted amounted to 494,500 sq.m.. Following the completion of the projects, this presale amount will be recognised as the Group's turnover in the second half of 2005 and in 2006 successively.

銷售業績

回顧期內，本集團簽約售出總建築面積約為**183,727**平方米(含本集團擁有股權的合資公司項目)。

自二零零五年三月起，上海市及中央政府陸續出臺了針對房地產業的調控政策，上海市場出現了較嚴重的觀望氣氛。上海市第二季度住宅銷量出現明顯下降，本集團在上海的項目銷售也受影響而放緩。與此同時，本集團在上海以外城市的項目陸續開始進入預售階段。北京玉泉新城於二零零五年四月開始預售而北京新天嘉園及無錫復地新城、南京錦繡華城於二零零五年六月開始預售，銷售進展比較順利。

根據董事會批准關於更改開發中物業預售合約之收入確認的會計政策，本集團收入確認調整為按項目竣工後方可入賬，因上半年度只有一個項目(春申復地城二期)竣工，所以，確認為當期營業額的主要部份為該項目(該項目的預售發生在二零零四年度)。截止二零零五年六月三十日，本集團已簽約預售但尚未竣工的面積達**494,500**平方米，這部分預售金額，都將在二零零五年下半年及二零零六年隨房屋的竣工而陸續得以確認的營業額。

Total GFA sold by contract in the first half of 2005

二零零五年上半年簽約售出的總建築面積

No. 序號	Region 地區	Name of Project 項目名稱	Location 地點	Total GFA Sold (sq. m.) 售出總面積 (平方米)	Interest Attributable to the Group 集團權益
1	Shanghai 上海	Forte Sunny City (Phase 2B) 復地太陽城 (二期B)	No. 8 Gulang Road, Putuo District, Shanghai 上海市普陀區 古浪路8號	204	98%
2		Forte Sunny City (Phase 3) 復地太陽城 (三期)	No. 8 Gulang Road, Putuo District, Shanghai 上海市普陀區 古浪路8號	378	98%
3		Forte Allen Poem (Phase 1A) 復地愛倫坡 (一期A)	Lane 599 Lai Ting South Road, Songjiang District, Shanghai 上海市松江區 涇亭南路599號	311	99.67%
4		Forte Allen Poem (Phase 1B) 復地愛倫坡 (一期B)	Lane 599 Lai Ting South Road, Songjiang District, Shanghai 上海市松江區 涇亭南路599號	262	99.67%
5		Forte Allen Poem (Phase 2A) 復地愛倫坡 (二期A)	Lane 599 Lai Ting South Road, Songjiang District, Shanghai 上海市松江區 涇亭南路599號	19,136	99.67%
6		Graceful Oasis (Phase 3, 6A) 錦繡華城 (三期、六期A)	Lane 3088 Jinxiu Road, Pudong New District, Shanghai 上海市浦東新區 錦繡路3088弄	1,240	40%
7		Graceful Oasis (Phase 4, 5) 錦繡華城 (四、五期)	Lane 3088 Jinxiu Road, Pudong New District, Shanghai 上海市浦東新區 錦繡路3088弄	7,546	40%
8		Graceful Oasis (Phase 7) 錦繡華城 (七期)	Lane 3088 Jinxiu Road, Pudong New District, Shanghai 上海市浦東新區 錦繡路3088弄	7,048	40%

No.	Region	Name of Project	Location	Total GFA Sold (sq. m.) 售出總面積 (平方米)	Interest Attributable to the Group 集團權益
序號	地區	項目名稱	地點		
9		Forte Aroma Riverside Garden 復地香堤苑	Lane 1755 Sanxin Road North, Songjiang District, Shanghai 上海市松江區 三新北路 1755 弄	240	70%
10		Forte Emerald Riverside 復地翠堤苑	Lane 3688 Wenxiang Road, Songjiang District, Shanghai 上海市松江區 文翔路 3688 弄	17,815	99.89%
11		Yi He Hua Cheng (Phase 1) 頤和華城 (一期)	Henggang River/Zhenbei Road, Putuo District, Shanghai 上海市普陀區 真北路/橫港河	1,046	50%
12		Yi He Hua Cheng (Phase 2) 頤和華城 (二期)	Henggang River/Zhenbei Road, Putuo District, Shanghai 上海市普陀區 真北路/橫港河	7,025	50%
13		Domo City (Phase 3) 遠景佳苑 (三期)	Lane 1355 Dahua Road, Baoshan District, Shanghai 上海市寶山區 大華路 1355 弄	5,441	60%
14		Others 其他		1,816	82.06%
15	Beijing 北京	Peking House 新天嘉園	No. 21 Xidawang Road, Chaoyang District, Beijing 北京市朝陽區 西大望路 21 號	2,233	86.40%
16		Spring Town 玉泉新城	Yuquan Road, Shijingshan District, Beijing 北京市石景山區 玉泉路	52,321	30%
17	Wuhan 武漢	Forte Cui Wei New City (Phase 1B) 復地翠微新城 (一期B)	No. 16 Cuiwei Heng Road, Hanyang District, Wuhan 武漢市漢陽區 翠微橫路 16 號	5,643	60%

No. 序號	Region 地區	Name of Project 項目名稱	Location 地點	Total GFA Sold (sq. m.) 售出總面積 (平方米)	Interest Attributable to the Group 集團權益
18		Forte Cui Wei New City (Phase 1C) 復地翠微新城 (一期C)	No. 16 Cuiwei Heng Road, Hanyang District, Wuhan 武漢市漢陽區 翠微橫路16號	36,693	60%
19	Nanjing 南京	Forte Ronchamp Villa (Phase 2) 復地朗香別墅 (二期)	No. 138 -158 Fucheng Xi Road, Nanjing 南京市佛城西路 138-158號	10,946	99.67%
20		Nanjing Graceful Oasis (Phase 1A) 南京錦繡華城一期A	No. 59 Puzhu North Road, Pukou District, Nanjing 南京市浦口區 浦珠北路59號	225	38%
21	Wuxi 無錫	Forte New City (Phase 1A) 復地新城一期A	No. 99 Zhenghe Main Road, Wuxi 無錫市政和大道99號	6,158	99.89%
			Total 總計	<u>183,727</u>	

Note: Including projects of joint ventures which the Group has equity interests in.

註：含本集團擁有股權的合資公司項目。

Land Bank

During the Period under review, through participating in tenders and acquisitions of equity interests in other project companies in order to increase the land bank of the Group, the total GFA of the Group's land bank increased by approximately 1,283,000 sq.m. out of which land located in cities other than Shanghai accounted for 92.27% (approximately 1,220,000 sq.m. of such land is attributable to the Group according to its proportion of equity interests out of which land located in cities other than Shanghai accounted for 95.12%). An estimated total GFA of approximately 516,000 sq.m. was granted the respective land use right certificates (approximately 494,000 sq.m. is attributable to the Group according to its equity interests).

Among the projects of the Group originally included in its land bank, two projects, namely Beijing Spring Town Phase 1 and The Revival of Villa, with an estimated total GFA of approximately 203,000 sq.m., were granted the relevant land use right certificates during the Period (approximately 98,000 sq.m. is attributable to the Group according to its proportion of equity interests). The current land bank of the Group is sufficient to satisfy the need for development in the forthcoming years.

Business Outlook for the Second Half of the Year

Despite the implementation of macro-economic measures to restrict excessive speculation and prevent buoyant fluctuation, the basic and long-term elements that perpetually influence the property market environment such as growth of population, economic development and the progress of urbanization are not hindered. On the contrary, due to the removal of a series of unhealthy elements that were accumulated during the rapid development over the previous years, the implementation of macro-economic measures will be beneficial to the healthy development of the market in the long-term.

Within a short period of time, the reactions in respect of the different measures from the market will be rationalized. It is expected that the market will return to a normal position in which the price and sales of property will be determined by demand and supply as well as purchasing power.

土地儲備

回顧期內，本集團通過參與招投標、收購項目公司股權等方式增加土地儲備，本集團在期內增加土地儲備可建總建築面積約**1,283,000**平方米，上海以外城市佔**92.27%**（按本集團權益比例計算約為**1,220,000**平方米，上海以外城市佔**95.12%**）。其中預計總建築面積約為**516,000**平方米（按集團權益計算約**494,000**平方米）獲得了相關的《房地產權證》。

在本集團原有土地儲備項目中，北京玉泉新城一期及北京復地園墅在期內獲得了相關的《房地產權證》，預計總建築面積約為**203,000**平方米（按集團權益比例計算約**98,000**平方米）。集團目前的土地儲備量足夠滿足未來幾年的發展需要。

下半年展望

旨在抑制過度投機、避免市場劇烈波動的宏觀調控措施，未削弱人口規模、經濟發展、以及城市化進程等決定房地產市場景氣度的根本性、長期性因素；相反，由於理順了過去幾年快速發展中所積累的一系列不健康因素，因此，長期而言宏觀調控措施將有利市場的健康發展。

短期內，市場各方對政策的反應將趨於理性，預計市場將回到以供求關係，購買力來決定價格及銷量的正常狀況。

As a result, based on the annual strategies to be implemented by the Group in various aspects during the second half of the year, the Group will increase its effort in enhancing the development of the following areas, so as to signify its competitive advantages and achieve remarkable performance.

- Maintaining a reasonable development and sales pace by strictly implementing an efficient multi-projects management system to achieve a rapid turnover cycle. As a result, the overall process of project development is tightly controlled. It is planned that the eight development projects in Shanghai, Wuhan and Nanjing will be completed by the end of this year. At the same time, by strengthening the review and analysis of short term market trends, the public residential units under development will be sold at the right time and at an optimal rate with an aim to accelerate the turnover rate and thus the sales revenue will be maximized.
- Continuing to promote further development of regions in the PRC other than Shanghai in a stable manner. Besides continually strengthening its leading position in the mid-end residential market in Shanghai, the Group will also expand its business in Beijing, Wuhan, Nanjing, Wuxi and Chongqing, and seek new business development opportunities in other potential cities.
- While the domestic developers generally face the problem of lack of funds, the Group will leverage on its excellent relationship and experience with international institutions (such as ING Real Estate Group) so as to continually strengthen collaboration effort with these international institutions in order to enhance our competitiveness.

因此，於下半年度，本集團將在執行各項既定年度策略的基礎上，加強以下環節的推動力度，以突顯競爭優勢、謀求出眾的表現。

- 保持合理的開發和銷售節奏。以快速周轉為目標，通過嚴格的多項目管理系統，強化對項目開發全過程的控制，按計劃使位於上海、武漢、南京等八個開發中項目在今年年底前竣工。同時，加強對市場短期走勢的觀察與分析，準確把握各開發的大眾住宅產品之銷售時機與進度，以取得最大銷售收益。
- 繼續穩健地推進上海以外地區的發展。除繼續加強在上海中檔住宅市場的領導地位外，同時穩健地擴大目前已進入的北京、武漢、南京、無錫、重慶的業務規模，並在其他有潛力的城市尋找新的業務增長機會。
- 在內地開發商普遍面臨資金緊張的情況下，憑藉已有的良好合作基礎和經驗，繼續加大與國際大機構(如ING房地產集團)的合作力度，加大競爭優勢。

Financial Analysis

1. Interim profit

For the six months ended 30 June 2005, the Group recorded a turnover amounted to RMB607,992,000, representing a decrease of 27.26% compared with the same period of 2004 (same period of 2004: RMB835,847,000). The decrease in turnover was mainly attributable to a small number of completed property projects and the area with revenue recognized during the Period as compared with the same period in 2004. Net profit attributable to shareholders of the Company amounted to RMB336,032,000, representing an increase of 10.45% as compared with the same period of 2004 (same period of 2004: RMB304,240,000). The increase in net profit attributable to shareholders of the Company was mainly because of negative goodwill realized from the acquisition of two subsidiaries (Beijing Baihong Property Development Company Limited and Chongqing Runjiang Property Development Company Limited) during the Period. The negative goodwill recognised as income amounted to RMB216,252,000 during the Period. During the Period, the overall gross profit margin of the Group increased from 35.85% in the same period in 2004 to 45.33%.

2. Financial resources, liquidity and liabilities

During the Period, the Group's liquidity maintained at a healthy level. Its financial resources were allocated in a reasonable manner. As at 30 June 2005, the total assets of the Group amounted to RMB9,025,002,000, in which current assets accounted for RMB5,995,165,000. Total liabilities accounted for RMB5,493,554,000. Current liabilities amounted to RMB4,607,673,000 in which RMB2,075,977,000 is the advances from the presale of properties and non-current liabilities amounted to RMB885,881,000. The equity attributable to shareholders of the Company was RMB3,371,719,000.

財務分析

1. 中期溢利

截至二零零五年六月三十日止六個月內，本集團錄得營業額人民幣607,992,000元，較二零零四年同期下降27.26%（二零零四年同期：人民幣835,847,000元），本集團營業額的下降主要原因在於期內竣工樓盤數量少導致可供確認收入的面積減少。本公司股東應佔純利為人民幣336,032,000元，較二零零四年同期上升10.45%（二零零四年同期：人民幣304,240,000元）。本公司股東應佔純利的上升主要原因在期內確認因收購兩間子公司（北京柏宏房地產開發有限公司和重慶潤江置業有限公司）產生的負商譽。於期內確認為收入的負商譽的金額人民幣216,252,000元。本集團於期內之整體毛利率已由二零零四年同期之35.85%上升至45.33%。

2. 財政資源、流動資金及負債狀況

於回顧期內，本集團的資金流動性維持在健康水平，而財政資源亦作出合理分佈。於二零零五年六月三十日，本集團的總資產達到人民幣9,025,002,000元，其中流動資產達人民幣5,995,165,000元，總負債為人民幣5,493,554,000元，流動負債為人民幣4,607,673,000元（其中人民幣2,075,977,000元是物業預售之預收款項），非流動負債為人民幣885,881,000元，本公司股東應佔之權益達到人民幣3,371,719,000元。

As at 30 June 2005, the Group's cash and bank deposits amounted to RMB765,756,000. The Group has sufficient working capital for its operations and the liquidity of assets and that solvency is healthy.

3. Pledge of assets

As at 30 June 2005, properties under development with a book value of RMB1,819,686,000 were pledged to banks for the guarantee of bank loans of the Group. The corresponding bank loans were RMB949,150,000.

4. Contingent Liabilities

The Group provides bank guarantees in favour of its customers in respect of the mortgage loans provided by the banks to such customers for their purchases of the Group's properties until submission of the relevant property ownership certificates by the relevant customers to the banks. As at 30 June 2005, the remaining amount of the bank guarantees provided by the Group was approximately RMB1,673,332,000.

During the Period, Beijing Urban Construction Group Co., Ltd. ("Beijing Urban Construction Group") applied to CITIC Industrial Bank for a guarantee of a property development loan amounting to RMB150,000,000 on behalf of Beijing Yuquanxincheng Property Development Co., Ltd. ("Beijing Yuquanxincheng"), an associate of the Company. The Board of Directors of the Company has passed a resolution on providing counter-guarantee with unlimited joint liability jointly with Beijing Yangguang Times Real Estate Co., Ltd and Beijing Real Estate Property Development Co., Ltd., the other two shareholders of Beijing Yuquanxincheng to Beijing Urban Construction Group. The counter-guarantee amount was based on the amount stipulated in the guarantee agreement entered into by Beijing Urban Construction Group and CITIC Industrial Bank. At the same time, the Board passed a resolution on 6 April 2005 to pledge its equity interest in

於二零零五年六月三十日，本集團之現金和銀行存款達到人民幣**765,756,000**元，有充足資金作為日常營運用途，資產流動性良好，償債能力充分。

3. 資產抵押

截至二零零五年六月三十日止，賬面總值約為人民幣**1,819,686,000**元的發展中物業，已抵押於銀行作為本集團取得銀行信貸之擔保。其相對應的銀行貸款人民幣**949,150,000**元。

4. 或然負債

本集團為銀行就給予購買本集團物業之客戶的按揭貸款提供擔保，擔保將於有關客戶向承按銀行呈交有關的房屋所有權的權益證書的時候終止。於二零零五年六月三十日，已提供的擔保餘額達人民幣**1,673,332,000**元。

於期內北京城建集團有限責任公司(「北京城建集團」)為本公司之聯營公司北京玉泉新城房地產開發有限公司(「北京玉泉」)向中信實業銀行申請房地產開發貸款人民幣**150,000,000**元所提供擔保事項，本公司董事會決議通過連同北京玉泉其他兩方股東北京陽光時代投資公司和北京城建發展有限公司為北京城建集團提供無限連帶責任反擔保。反擔保金額以北京城建集團與中信實業銀行簽訂的擔保協定所約定的擔保金額為準。同時，本公司董事會於二零零五年四月六日決議通過將所持北京玉泉的股權質押

Beijing Yuquanxincheng to Beijing Urban Construction Group as security for the above mentioned counter-guarantee. The Company entered into the relevant agreement with Beijing Urban Construction Group on 7 April 2005.

Save as disclosed above, the Group did not have any outstanding loan capital, bank overdrafts, liabilities under acceptances or other similar indebtedness, debentures, mortgages, charges or loans or acceptance credits or hire purchase commitments, or guarantees or other material contingent liabilities outstanding as at 30 June 2005, apart from intra-group liabilities.

5. Commitments

As at 30 June 2005, the property development project expenditures of committed real estate development projects contracted were RMB2,357,368,000. In addition, as at 30 June 2005, lease payments under non-cancellable operating leases were RMB32,426,000, of which RMB12,038,000 should be repaid within a year, RMB17,388,000 should be repaid in the second to fifth years, inclusive, and RMB3,000,000 should be repaid over five years.

6. Foreign exchange risks

The Group conducts its business almost exclusively in the currency of Renminbi and does not have any direct exposures to foreign exchange fluctuations. The Directors do not expect the Group will have material foreign exchange exposure. However, there is no assurance that foreign exchange risks will not affect the results of operations of the Group.

給北京城建集團作為承擔上述反擔保責任的保證，並於二零零五年四月七日與北京城建集團簽署相關協議。

除上文所披露者外，於二零零五年六月三十日，除集團內公司間的負債外，本集團並無任何未償還借貸資本、銀行透支、承兌負債、或其他類似債務、債權證、按揭、抵押或貸款或承兌信貸、租購承擔、未償還的擔保或其他重大或然負債。

5. 承擔

於二零零五年六月三十日，本集團所承擔的項目以合同方式承擔的房地產項目開發開支人民幣2,357,368,000元，此外，於二零零五年六月三十日，不可撤銷經營性租約項下為人民幣32,426,000元，當中人民幣12,038,000元需於一年內支付，人民幣17,388,000元需於二至五年（包括首尾兩年）內支付，另外人民幣3,000,000元於五年後支付。

6. 滙兌風險

本集團絕大部分業務均以人民幣經營，故毋須承受任何直接外滙波動風險。董事並不預期本集團有任何重大的滙兌風險，但不能保證外滙風險在未來不會對本集團的經營業務產生影響。

Final Dividend of 2004

The Company was approved to distribute a final dividend of RMB0.06 per share for the year ended 31 December 2004 at the 2004 annual general meeting held on 15 June 2005 ("2004 AGM"). The cheques for the final dividend were despatched to the shareholders on 30 June 2005.

Interim Dividend of 2005

The Board was authorized by the shareholders to consider and approve the payment of an interim dividend of 2005 at the 2004 AGM. The Board has resolved to distribute an interim dividend of RMB0.07 per share for the six months ended 30 June 2005, to shareholders whose names appear on the register of members of the Company as at 12 October 2005. Cheques for the interim dividend will be despatched to the shareholders on 26 October 2005.

According to the articles of association of the Company ("Articles of Association"), dividends payable to shareholders shall be calculated and declared in RMB. Dividends payable to holders of the Company's domestic shares shall be paid in RMB, whereas dividends payable to holders of the Company's H shares shall be paid in Hong Kong dollars. The exchange rate to be adopted shall be the average closing rates of the five business days preceding the date of declaration of interim dividend as announced by the People's Bank of China.

二零零四年末期股息

本公司於二零零五年六月十五日舉行之二零零四年度股東周年大會(「二零零四年股東周年大會」)批准派發截至二零零四年十二月三十一日止年度的末期股息每股人民幣0.06元。支付末期股息之支票已於二零零五年六月三十日寄發予股東。

二零零五中期股息

股東於二零零四年股東周年大會上授權董事會考慮及批准派發二零零五中期股息。董事會議決派發截至二零零五年六月三十日止六個月的中期股息每股人民幣0.07元予截止二零零五年十月十二日收市後於公司股東名冊的股東。支付中期股息的支票將在二零零五年十月二十六日寄發予股東。

根據本公司之公司章程(「公司章程」)，所派股息將以人民幣計值和宣佈。應付之股息以人民幣向內資股股東發放，以港幣向H股股東發放。以港幣發放的股息計算之匯率以宣派中期股息日前五個工作天中國人民銀行公佈的人民幣兌換港幣平均基準匯率為準。

Closure of Register of Members

In accordance with the Articles of Association, no transfer of shares shall be registered in the register of members five days before the record date determined by the Company for the distribution of dividends. The Company's register of members of H shareholders will be closed from 8 October 2005 to 12 October 2005 (both days inclusive), during which period, no transfer of shares will be registered. In order to qualify for the declared interim dividend, all instrument of transfers of H Shares, accompanied by the relevant H share certificates, must be lodged for registration with the Company's H Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, by no later than 4:00 p.m. on Friday, 7 October 2005.

Placing of New H Shares

On 24 February 2005, the Company entered into a share placing agreement with Morgan Stanley Dean Witter Asia Limited ("Morgan Stanley"), pursuant to which, Morgan Stanley, being the sole placing agent, agreed to place an aggregate of 146,602,687 new H Shares (the "Placing Shares") to investors at HK\$2.82 per H Share (the "Placing"). The Placing Shares represented approximately 20% and 6.64% respectively, of the H Shares in issue and the share capital of the Company prior to the Placing and approximately 16.67% and 6.23% respectively of the H Shares in issue and the share capital of the Company as enlarged by the issue of the Placing Shares. The Placing was completed on 3 March 2005. The net proceeds raised from the Placing amounted to approximately HK\$405,100,000, after deducting the commission and related expenses of the Placing.

暫停辦理股份過戶登記手續

根據公司章程，股東的登記過戶手續將於公司決定分配股利的基準日前五日內暫停辦理。本公司H股股東的登記過戶手續將於二零零五年十月八日至二零零五年十月十二日(首尾兩天包括在內)暫停辦理。於該段期間內，不會登記股份的過戶。為符合收取中期股息之資格，所有H股股份之過戶表格連同有關H股股票須於二零零五年十月七日(星期五)下午四時前送達本公司於香港之H股股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。

配售新H股

根據本公司與摩根士丹利添惠亞洲有限公司(「摩根士丹利」)於二零零五年二月二十四日簽訂之股份配售協議，摩根士丹利作為獨家配售代理，同意按每股H股港幣2.82元之價格配售共計146,602,687股新H股(「配售股份」)予投資者(「配售」)。配售股份佔本公司配售前已發行H股及已發行股本之比例分別約為20%及6.64%，且配售股份佔本公司經擴大後之已發行H股及已發行股本之比例分別約為16.67%及6.23%。本次配售已於二零零五年三月三日完成，實際募集資金在扣除配股佣金及相關開支後之淨額約為港幣405,100,000元。

Set out below is a breakdown of holding in the share capital of the Company immediately before and after the completion of the Placing:

配售前後本公司之股本的持股明細表如下：

Name of shareholders 股東名稱	Immediately before the completion of the Placing 緊接配售完成前		Immediately after the completion of the Placing 緊接配售完成後	
	Number of shares held 所持股份數目	Percentage of shareholding 持股比例	Number of shares held 所持股份數目	Percentage of shareholding 持股比例
 Holders of Domestic Shares 				
 內資股持有人 				
Shanghai Fosun High Technology (Group) Company Limited (“Fosun High Technology”) 上海復星高科技(集團)有限公司(「復星高科技」)	577,367,700	26.16%	577,367,700	24.53%
Shanghai Fosun High New Technology Development Company Limited (“Fosun High New Technology”) 上海復星高新技術發展有限公司(「復星高新技術」)	318,292,450	14.42%	318,292,450	13.53%
Shanghai Fosun Pharmaceutical Development Company Limited (“Fosun Pharmaceutical”) 上海復星醫藥產業發展有限公司(「復星醫藥」)	267,217,615	12.11%	267,217,615	11.36%
Shanghai Fosun Information Development Company Limited (“Fosun Information”) 上海復星信息產業發展有限公司(「復星信息」)	207,260,200	9.39%	207,260,200	8.81%
Shanghai Guangxin Technology Development Company Limited (“Shanghai Guangxin”) 上海廣信科技發展有限公司(「上海廣信」)	88,825,800	4.02%	88,825,800	3.77%
Dahua (Group) Company Limited (“Dahua”) 大華(集團)有限公司(「大華」)	7,402,150	0.34%	7,402,150	0.31%
Dazhong Transportation (Group) Company Limited (“Dazhong”) 大眾交通(集團)股份有限公司(「大眾」)	7,402,150	0.34%	7,402,150	0.31%
Holders of H Shares				
 H 股持有人 	<u>733,013,435</u>	<u>33.22%</u>	<u>879,616,122</u>	<u>37.38%</u>
Total 合計	<u>2,206,781,500</u>	<u>100.00%</u>	<u>2,353,384,187</u>	<u>100.00%</u>

Change of Shareholding of Domestic Shares in the Company

The Company's domestic shareholder, Fosun High Technology, acquired a total of 614,378,450 domestic shares in the Company from three companies, namely Shanghai Guangxin, Fosun Information and Fosun High New Technology. The transfer of shares was approved by the Beijing's Ministry of Commerce on 30 May 2005 and was reported to Shanghai Administration of Industry and Commerce for filing on 20 June 2005. This transfer of shares has been fully completed.

Share Capital

The shareholding of the Company as at 30 June 2005:

公司內資股股東股權變更

本公司內資股股東復星高科技收購上海廣信、復星信息及復星高新技術三家合計持有本公司的614,378,450股內資股。該股份轉讓於二零零五年五月三十日獲北京商務部的批准，於二零零五年六月二十日獲上海市工商局准予備案，本次股份轉讓全部完成。

股本

截至二零零五年六月三十日本公司之股權結構：

Type of shares 股份類別		Number of shares 股份數目	Percentage (%) 百分比 (%)
Domestic Shares	內資股	1,473,768,065	62.62
Including:	其中：		
Fosun High Technology	復星高科技	1,191,746,150	50.64
Fosun Pharmaceutical	復星醫藥	267,217,615	11.36
Dahua	大華	7,402,150	0.31
Dazhong	大眾	7,402,150	0.31
H Shares	H 股	879,616,122	37.38
Total	總計	<u>2,353,384,187</u>	<u>100.00</u>

Substantial Shareholders

As at 30 June 2005, the following shareholders (who are not Directors nor chief executives) had 5% or more beneficial interests or short positions in the issued shares, underlying shares and debentures of the Company as recorded in the register required to be kept under section 336 of the Securities and Future Ordinance (“SFO”):

主要股東

於二零零五年六月三十日，根據證券及期貨條例第336條所存置的主要股東登記名冊顯示，下列股東(非本公司董事或最高行政人員)於本公司已發行股份、相關股份及債券中擁有5%或以上的實益權益或淡倉：

Name of shareholders 股東名稱	Class of shares 股份類別	Number of shares 股份數目	Percentage in the relevant class of share capital 佔該類別股本 的百分比	Percentage in total share capital 佔總股本 的百分比
Fosun High Technology 復星高科技	Domestic Shares 內資股	1,458,963,765 (Long position) (Note 1) (長倉) (附註1)	99.00%	62.00%
Shanghai Guangxin 上海廣信	Domestic Shares 內資股	1,458,963,765 (Long position) (Note 2) (長倉) (附註2)	99.00%	62.00%
Shanghai Fosun Pharmaceutical (Group) Company Limited ("Fosun Pharmaceutical Group") 上海復星醫藥(集團)股份有限公司 ("復星醫藥集團")	Domestic Shares 內資股	267,217,615 (Long position) (Note 3) (長倉) (附註3)	18.13%	11.36%
Fosun Pharmaceutical 復星醫藥	Domestic Shares 內資股	267,217,615 (Long position) (長倉)	18.13%	11.36%
The Capital Group Companies, Inc.	H Shares H股	88,090,000 (Long position) (長倉)	10.01%	3.74%
J.P. Morgan Chase & Co.	H Shares H股	68,696,200 (Long position) (長倉) 68,696,200 (Lending pool) (可供借出的股份)	7.81%	2.92%

Name of shareholders 股東名稱	Class of shares 股份類別	Number of shares 股份數目	Percentage in the relevant class of share capital 佔該類別股本 的百分比	Percentage in total share capital 佔總股本 的百分比
T. Rowe Price International	H Shares H股	52,842,000 (Long position) (長倉)	6.00%	2.25%
The Goldman Sachs Group, Inc.	H Shares H股	70,580,198 (Long position) (長倉)	8.02%	3.00%
		18,825,000 (Short position) (淡倉)	2.14%	0.80%
TIAA-CREF Investment Management, LLC	H Shares H股	48,094,000 (Long position) (長倉)	5.47%	2.04%

Notes:

附註：

- Out of these 1,458,963,765 shares, 1,191,746,150 shares are directly held by Fosun High Technology and the remaining 267,217,615 shares are deemed corporate interests indirectly through Fosun Pharmaceutical.
 - All of these 1,458,963,765 shares are deemed corporate interests indirectly held through Fosun High Technology and Fosun Pharmaceutical.
 - All of these 267,217,615 shares are deemed corporate interests indirectly held by Fosun Pharmaceutical Group through Fosun Pharmaceutical.
- 該等1,458,963,765股股份中，1,191,746,150股股份由復星高科技直接持有，而餘下267,217,615股股份被視為透過復星醫藥間接持有的公司權益。
 - 所有該等1,458,963,765股股份被視為透過復星高科技及復星醫藥間接持有的公司權益。
 - 所有該等267,217,615股股份被視為由復星醫藥集團透過復星醫藥間接持有的公司權益。

Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 30 June 2005, the interests and short positions of the Directors in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO) which was required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest and short positions which any such Director is taken or deemed to have under such provisions of the SFO) or which was required to be entered in the register required to be kept by the Company pursuant to Section 352 of the SFO are as follows:

(a) Long positions in the shares, underlying shares and debentures of the Company:

董事於股份、相關股份及債券之權益及淡倉

於二零零五年六月三十日，根據證券及期貨條例第XV部7及8分部知會本公司及香港聯合交易所有限公司(「聯交所」)的權益及淡倉(包括其根據證券及期貨條例視作擁有的權益及淡倉)或根據證券及期貨條例第352條所存置的登記冊顯示，下列董事於本公司已發行股本中擁有本公司及其相關法人(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有實益權益或淡倉：

(a) 與本公司股份、相關股份及債券的長倉：

Name of director 董事名稱	Types of interests 權益類別	Number of shares 股份數目	Percentage of the total number of shares in issue 佔已發行 股本的百分比
Guo Guangchang 郭廣昌	Corporate 公司	1,458,963,765	62.00%

(b) Long positions in the shares, underlying shares and debentures of the Company's associated corporations (within the meaning of Part XV of the SFO):

(b) 與本公司相關法人(定義見證券及期貨條例第XV部)的股份, 相關股份及債券的長倉:

Name of director 董事名稱	Name of associated corporation 相關法人名稱	Nature of interest 權益類別	Number of shares directly and indirectly held 直接及間接持有的股份數目	Approximate percentage of shares in issue of the associated corporation 佔相關法人已發行股本的概約百分比
Guo Guangchang 郭廣昌	Shanghai Fosun Hongqiao Property Development Co., Ltd. 上海復星虹橋房地產開發有限公司	Corporate 公司	N/A 不適用	20%
Guo Guangchang 郭廣昌	Shanghai Fujin Property Development Co., Ltd. 上海復錦房地產開發有限公司	Corporate 公司	N/A 不適用	10%
Guo Guangchang 郭廣昌	Shanghai Guangxin 上海廣信	Individual 個人	N/A 不適用	58%
Fan Wei 范偉	Shanghai Guangxin 上海廣信	Individual 個人	N/A 不適用	10%

Employees

As at 30 June 2005, the Group employed 1,221 full time staff in total. Staff remunerations were determined with reference to the market conditions, the performance of staff, the educational qualifications and experience. The Company has provided the employees with benefits including the pension insurance premium, the medical insurance, unemployment insurance and housing reserve fund scheme.

Purchase, Redemption or Sale of Listed Securities of the Group

During the Period, apart from the Placing mentioned above, neither the Group, nor any of its subsidiaries, nor a jointly controlled entity purchased, redeemed or sold any of the Group's listed securities.

Directors' Compliance with the Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code"). Specific enquires have been made to all Directors, who have confirmed that they complied with required standard set out in the Model Code.

Compliance with the Code on Corporate Governance Practice

In the opinion of the Directors, the Company complied with the Code on Corporate Governance Practice as set out in Appendix 14 of the Listing Rules (with the exception of Code Provision C.2 on internal controls) throughout the six months ended 30 June 2005.

僱員

於二零零五年六月三十日，本集團共聘用1,221名全職員工。員工薪酬乃視乎參考市場情況、員工之表現、學歷及經驗而定。公司提供之僱員福利，包括養老保險金、醫療保險、失業保險及住房公積金計畫。

購買、贖回或出售本集團的上市證券

回顧期內，除上述之配售外，本集團其任何子公司及合營企業於年內概無購買、贖回或出售任何本集團的上市證券。

董事遵守董事進行證券交易的守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易標準守則（「標準守則」）。本公司已向全體董事作出特定查詢，而他們已確認，他們已遵守標準守則內載列的所需標準。

遵守企業管治常規守則

董事會認為，截至二零零五年六月三十日六個月中，本公司一直嚴格遵守上市規則附錄14載列的企業管治常規守則（守則條文C.2內部監控除外）。

Audit Committee

The audit committee was established in accordance with Appendix 14 of the Listing Rules, which comprises Mr. Charles Nicholas Brooke, Mr. Chen Yingjie, Mr. Zhang Hongming and Ms. Wang Meijuan. The duties of the audit committee include reviewing and providing supervision over the Group's financial reporting processes and internal controls as well as providing advice to the Board. The audit committee has reviewed the Company's 2005 interim financial report for the six months ended 30 June 2005.

Disclosure of Information on the Stock Exchange's Website

The Company will submit to the Stock Exchange and publish on the website of the Stock Exchange (website: <http://www.hkex.com.hk>) all the information as required under paragraphs 46(1) and 46(6) of Appendix 16 of the Listing Rules in due course.

Others

As at the date of this announcement, the executive directors of the Company are Mr. Guo Guangchang, Mr. Fan Wei and Mr. Ding Guoqi, the non-executive director is Mr. Feng Xiekun and the independent non-executive directors are Mr. Charles Nicholas Brooke, Mr. Chen Yingjie, Mr. Zhang Hongming and Ms. Wang Meijuan.

By Order of the Board
Guo Guangchang
Chairman

Shanghai, the PRC, 28 July 2005

審核委員會

根據上市規則附錄14規定而成立之審核委員會。其成員包括蒲祿祺先生、陳穎杰先生、張泓銘先生及王美娟女士。審核委員會的主要職責為審閱及監察本集團的財務申報程式及內部監控制度，以及向董事會提供意見。本公司截至二零零五年六月三十日止六個月之中期財務報告已經由審核委員會審閱。

於聯交所網頁公佈之資料

載有根據聯交所上市規則附錄十六第46(1)至46(6)段所規定的資料，將於限期前呈交聯交所，並在其網址www.hkex.com.hk上發佈。

其他

於本公告日期，本公司的執行董事包括郭廣昌先生、范偉先生及丁國其先生，非執行董事包括馮燮堃先生，獨立非執行董事包括蒲祿祺先生、陳穎杰先生、張泓銘先生及王美娟女士。

承董事會命
郭廣昌
董事長

二零零五年七月二十八日，中國上海

Condensed Consolidated Income Statement

簡明綜合損益表

For the six months ended 30 June
截至6月30日止六個月

		Notes 附註	2005 RMB'000 人民幣千元 (Unaudited) (未經審核)	2004 RMB'000 人民幣千元 (Unaudited) (未經審核)
Turnover	營業額	3	607,992	835,847
Cost of properties sold	銷售物業成本		(332,378)	(536,182)
Gross profit	毛利		275,614	299,665
Other revenue	其他收入	3	224,237	14,834
Selling expenses	銷售開支		(34,140)	(18,050)
Administrative expenses	行政開支		(46,379)	(30,376)
Other costs	其他成本		(356)	(544)
Profit from operating activities	經營業務溢利		418,976	265,529
Finance costs	融資成本	4	(325)	(4,901)
Share of profits less losses of associates	應佔聯營公司之溢利減虧損		3,005	133,916
Profit before income tax	除所得稅前之溢利	4	421,656	394,544
Income tax expense	所得稅開支	5	(74,698)	(62,068)
Net profit for the period	本期淨利潤		346,958	332,476
Attributable to:				
Shareholders of the Company	本公司股東應佔純利		336,032	304,240
Minority interests	少數股東損益		10,926	28,236
			346,958	332,476
Dividends	股息			
Proposed interim	建議之中期股息	6	164,737	132,407
Earnings per share – basic (RMB)	每股盈利 – 基本 (人民幣元)	7	0.146	0.148

Condensed Consolidated Statement of Changes in Equity

簡明綜合股東權益變動表

For the six months ended 30 June
截至6月30日止六個月

		Notes 附註	2005 RMB'000 人民幣千元 (Unaudited) (未經審核)	2004 RMB'000 人民幣千元 (Unaudited) (未經審核)
Equity attributable to shareholders of the Company	本公司股東應佔之權益			
Issued and fully paid share capital	已發行及繳足之普通股股本			
At beginning of period	期初餘額		441,356	296,086
New placing of shares	配售新股		29,321	—
Global offering of shares	全球發售新股		—	146,602
Domestic shares converted to H shares	內資股轉化為H股		—	(1,332)
At end of period	期末餘額		470,677	441,356
Capital reserve	資本儲備			
At beginning of period	期初餘額		1,552,544	2
New placing of shares	配售新股		409,214	—
Global offering of shares	全球發售新股		—	1,671,965
Share issue expenses	發行費用		(8,877)	(119,423)
At end of period	期末餘額		1,952,881	1,552,544
Statutory surplus reserve	法定盈餘公積金			
At beginning and end of period	期初及期末餘額		158,348	92,601
Statutory public welfare fund	法定公益金			
At beginning and end of period	期初及期末餘額		110,041	60,243
Retained earnings	留存收益			
At beginning of period as previously stated	原列報之期初餘額		910,917	584,361
Effect of change in accounting policy in respect of revenue recognition	收入確認政策變更的影響	1	(426,363)	(301,743)
Derecognition of negative goodwill	不再確認負商譽的影響	1	389	734
At beginning of period as restated	重新列報之期初餘額		484,943	283,352
Net profit attributable to shareholders of the Company for the period	本期股東應佔純利		336,032	304,240
Proposed interim dividend	建議之中期股息		(164,737)	(132,407)
Final dividend	末期股息		(141,203)	—
At end of period	期末餘額		515,035	455,185
Reserves	儲備		2,736,305	2,160,573

		For the six months ended 30 June 截至6月30日止六個月	
		2005 RMB'000 人民幣千元 (Unaudited) (未經審核)	2004 RMB'000 人民幣千元 (Unaudited) (未經審核)
		Notes 附註	
Proposed dividend	建議之股息		
At beginning of period	期初餘額	—	—
Proposed interim dividend	建議之中期股息	164,737	132,407
		<hr/>	<hr/>
At end of period	期末餘額	164,737	132,407
		<hr/>	<hr/>
		3,371,719	2,734,336
		<hr/>	<hr/>
Minority interests	少數股東權益		
At beginning of period	期初餘額	174,886	99,555
Net profit attributable to minority shareholders	少數股東損益	10,926	28,236
Capital contribution from minority shareholders	少數股東資本投入	6,486	14,040
Arising from acquisition of a subsidiary	收購子公司而導致少數股東權益增加	24,000	—
Acquisition of minority interests from a minority shareholder	收購少數股東權益	(2,114)	—
Dividends paid to minority shareholders	支付少數股東之股利	(54,455)	(21,996)
		<hr/>	<hr/>
At end of period	期末餘額	159,729	119,835
		<hr/>	<hr/>
Total equity	權益合計	3,531,448	2,854,171
		<hr/>	<hr/>

Condensed Consolidated Balance Sheet

簡明綜合資產負債表

			30 June 2005 2005年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2004 2004年 12月31日 RMB'000 人民幣千元
	Notes 附註			
Non-current assets		非流動資產		
Property and equipment		固定資產	35,638	30,775
Goodwill		商譽	30,774	26,848
Interests in associates		於聯營公司之權益	422,515	454,941
An available-for-sale long term investment		可供出售之長期投資	250	250
Properties under development	8	開發中物業	2,540,660	1,539,418
			<u>3,029,837</u>	<u>2,052,232</u>
Current assets		流動資產		
Cash and cash equivalents		現金及現金等價物	765,756	1,037,815
Trade receivables	9	應收賬款	44,344	50,450
Prepayments, deposits and other receivables		預付款項、按金及其他應收款項	674,946	807,453
Completed properties for sale		待售已落成物業	400,005	100,244
Properties under development	8	開發中物業	3,974,125	2,646,297
Amount due from a jointly controlled entity		應收一間合營公司款項	87,007	86,895
Tax recoverable		預繳稅金	48,982	—
			<u>5,995,165</u>	<u>4,729,154</u>
Current liabilities		流動負債		
Interest-bearing loans and borrowings	10	計息借款	863,000	717,816
Trade payables	11	應付賬款	1,000,083	751,755
Advances received from pre-sale of properties under development		開發中物業預售之預收款項	2,075,977	1,565,375
Accrued liabilities and other payables		應計款項及其他應付款項	668,613	608,491
Tax payable		應付稅項	—	75,831
			<u>4,607,673</u>	<u>3,719,268</u>
Net current assets		流動資產淨額	<u>1,387,492</u>	<u>1,009,886</u>

		Notes 附註	30 June 2005 2005年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2004 2004年 12月31日 RMB'000 人民幣千元
Total assets less current liabilities	總資產減流動負債		4,417,329	3,062,118
Non-current liabilities	非流動負債			
Interest-bearing loans and borrowings	計息借款	10	508,150	140,000
Other long-term liabilities	其他長期負債		158,423	—
Deferred tax liabilities	遞延稅項		219,308	—
			885,881	140,000
Net assets	淨資產		3,531,448	2,922,118
Represented by:	以下列代表：			
Equity attributable to shareholders of the Company:	本公司股東應佔之權益：			
Share capital	股本	12	470,677	441,356
Reserves	儲備		2,736,305	2,305,876
Proposed interim dividend	建議之中期股息	6	164,737	—
			3,371,719	2,747,232
Minority interests	少數股東權益		159,729	174,886
Total Equity	權益合計		3,531,448	2,922,118

Director
董事
Guo Guangchang
郭廣昌

Director
董事
Fan Wei
范偉

Condensed Consolidated Cash Flow Statement

簡明綜合現金流量表

For the six months ended 30 June

截至6月30日止六個月

		2005	2004
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Net cash outflow from operating activities	經營業務產生之現金流出淨額	(773,466)	(739,281)
Net cash outflow from investing activities	投資活動產生之現金流出淨額	(123,642)	(105,513)
Net cash outflow before financing activities	未計融資活動前之現金流出淨額	(897,108)	(844,794)
Net cash inflow from financing activities	融資活動產生之現金流入淨額	625,049	1,360,181
(Decrease)/increase in cash and cash equivalents	現金及現金等價物之(減少)/增加	(272,059)	515,387
Cash and cash equivalents at beginning of period	現金及現金等價物之期初餘額	1,037,815	467,945
Cash and cash equivalents at end of period	現金及現金等價物之期末餘額	765,756	983,332
Analysis of balances of cash and cash equivalents	現金及現金等價物結餘額分析		
Cash and bank balances	現金及銀行存款	765,756	983,332

Notes to Condensed Financial Statements

簡明財務報表附註

1. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

These unaudited condensed interim consolidated accounts should be read in conjunction with the 2004 annual accounts.

The condensed interim consolidated financial statements are prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and with International Accounting Standard ("IAS") 34 "Interim Financial Reporting" promulgated by the International Accounting Standards Board.

A number of new and revised International Financial Reporting Standards ("IFRS") are generally effective for accounting periods beginning on or after 1 January 2005. The principal effect of the new and revised IFRS is summarised as follows:

IFRS 3 "Business Combinations" applies to accounting for business combinations for which the agreement date is on or after 31 March 2004. The effect of the adoption of IFRS upon the Group's accounting policies has impacted the recognition of negative goodwill arising upon an acquisition. According to IFRS 3, the carrying amount of negative goodwill previously recognised is derecognised and credited to retained profits. Negative goodwill is recognised in the income statement immediately. Additionally, the adoption of IFRS 3 and IAS 36 "Impairment of Assets" has resulted in the Group ceasing annual goodwill amortisation and to test for impairment annually at the cash generating unit level (unless an event occurs during the period/year which requires the goodwill to be tested more frequently) from 1 January 2005. The transition provisions of IFRS 3 have required the Group to eliminate the carrying amount of accumulated amortisation of RMB991,000 with a corresponding decrease in goodwill as at 1 January 2005. The revised accounting policy has resulted in the negative goodwill amounting to RMB389,000 being derecognised and credited to retained profits as at 1 January 2005.

1. 編製基礎和會計政策

該等未經審核的簡明中期綜合賬目應與二零零四年度賬目一並閱讀。

本簡明中期綜合財務報表乃根據香港聯合交易所有限公司(「香港聯交所」)證券上市規則附錄十六之適用披露要求以及國際會計準則委員會頒布之國際會計準則(「國際會計準則」)第34號《中期財務報告》編製。

自二零零五年一月一日及其以後生效之一系列新頒布及修訂之準則的主要影響如下：

國際財務報告準則第3號《企業合併》適用於訂立協議之日期為二零零四年三月三十一日或以後之企業並合併而產生之商譽。就本集團之會計政策而言，採納國際財務報告準則第3號已影響本集團確認於收購時產生之負商譽。根據國際財務報告準則第3號，先前確認之負商譽會撤銷確認賬面值並於保留溢利入賬，且立即於損益表中確認負商譽。除此以外，採納國際財務報告準則第3號及國際會計準則第36號《資產減值》導致本集團須終止年度商譽之攤銷，並自二零零五年一月一日起每年按現金產生單位水平測試減值情況(除非年內發生事件，需要增加對商譽進行測試之次數)。根據國際財務報告準則第3號之過渡條款，本集團與二零零五年一月一日撤銷商譽之累計攤銷額合計人民幣991,000元抵減相應之商譽原值。由於經修訂會計政策之影響，導致撤銷確認合計人民幣389,000元之負商譽，並於二零零五年一月一日之保留溢利列賬。

1. BASIS OF PRESENTATION AND ACCOUNTING POLICIES (Continued)

In addition, as set out in the Company's announcement dated 5 July 2005, the board of directors resolved to approve the change in the Company's accounting policy in respect of recognition of revenue (the "Revenue Recognition Policy") arising from the pre-completion contracts for the sales of development properties (the "Pre-Completion Contracts"), by following "HK Interpretation 3: Revenue-Pre-Completion Contracts for the Sale of Development Properties" (HK-Int3) issued by the Hong Kong Institute of Certified Public Accountants (initially issued as SSAP-Int24 in March 2005 and reissued as HK-Int3 in May 2005). According to HK-Int3, the Group will no longer apply the stage of completion method to recognise revenue from pre-completion sales of properties. The change in the Revenue Recognition Policy on the Pre-Completion Contracts is applied retrospectively in accordance with IAS 8 in the preparation of the condensed interim consolidated financial statements. The change in the above accounting policy has resulted in the decrease in retained profits amounting to RMB426,363,000 as at 1 January 2005.

Save as disclosed above, the basis of preparation and accounting policies used in the preparation of the condensed interim consolidated financial statements are the same as those used in the annual consolidated financial statements for the year ended 31 December 2004.

2. SEGMENT INFORMATION

The Group's turnover and profit for the six months ended 30 June 2004 and 2005 were mainly derived from property development. The principal assets employed by the Group are located in the PRC. Accordingly, no segmental analysis by business and geographical segments is provided.

1. 編製基礎和會計政策(續)

此外，如本公司於二零零五年七月五日發布的公告中陳述，董事會決議批准本公司更改開發中物業預售合同（「預售合約」）之收入確認的會計政策，籍依循香港會計師公會頒布的「香港第三號詮釋：收入－開發中物業預售合約」（「香港第三號詮釋」）（初時於二零零五年三月作為會計實務準則第二十四號詮釋頒布，並於二零零五年五月作為香港第三號詮釋再度頒布）。根據香港第三號詮釋，本集團將不再採用完工進度法來確認預售物業的收入。根據國際會計準則第8號，變更預售合約收入確認會計政策在編製簡明綜合會計報表時採用追溯調整法。由於上述修訂會計政策之影響，導致於二零零五年一月一日之保留溢利減少合計人民幣426,363,000元。

除上述外，本中期簡明綜合財務報表所採用的編製基礎和會計政策與本集團截至二零零四年十二月三十一日止年度綜合財務報表所採用的編製基礎和會計政策相一致。

2. 分類資料

本集團於截至二零零四年六月三十日及二零零五年六月三十日止各六個月期間之營業額及溢利主要來自物業開發。本集團之主要資產位於中國。因此，不再贅述按業務及地區劃分之分類資料。

3. TURNOVER AND REVENUE

3. 營業額及收入

For the six months ended 30 June

截至6月30日止六個月

		2005 RMB'000 人民幣千元 (Unaudited) (未經審核)	2004 RMB'000 人民幣千元 (Unaudited) (未經審核)
Sales of properties	銷售物業	639,083	866,563
Property agency fees	物業代理及中介費	13,141	20,430
Property sales planning fees	物業銷售策劃費	4,186	313
Construction supervisory fees	建築工程監理費	270	125
		656,680	887,431
Less: Business tax and government surcharges	減：營業稅及 政府附加費	(48,688)	(51,584)
Turnover	營業額	607,992	835,847
Government grants	政府津貼	1,650	11,902
Interest income	利息收入	1,046	2,442
Negative goodwill recognised as income	確認為收入之負商譽	216,252	—
Registration income	代辦登記收費	6	127
Rental income	租賃收入	4,910	—
Gain on disposal of interests in a subsidiary	處置子公司權益之收益	70	—
Others	其他	303	363
Other revenue	其他收入	224,237	14,834
Total revenue	收入合計	832,229	850,681

4. PROFIT BEFORE INCOME TAX

The Group's profit before income tax is arrived at after charging:

4. 除所得稅前之溢利

本集團之除所得稅前之溢利已扣除下列各項：

For the six months ended 30 June

截至6月30日止六個月

		2005 RMB'000 人民幣千元 (Unaudited) (未經審核)	2004 RMB'000 人民幣千元 (Unaudited) (未經審核)
Interest on bank loans	銀行貸款利息	22,333	23,145
Less: Interest capitalised	減：資本化之利息	(22,246)	(22,623)
		<u>87</u>	<u>522</u>
Exchange loss	滙兌損失	195	4,349
Bank charges and commissions	銀行手續費及佣金	43	30
		<u>325</u>	<u>4,901</u>
Finance costs	融資成本		
		<u>5.40%</u>	<u>5.08%</u>
<i>Average interest rate of interest capitalised</i>	資本化之利息平均利率		
Depreciation	折舊	2,806	1,997
Amortisation of goodwill	商譽攤銷	—	307
Loss on disposal of property and equipment	處置固定資產損失	144	126
Auditors' remuneration	核數師酬金	1,184	530
Staff costs	員工成本		
Wages and salaries	工資及薪金	32,458	28,223
Retirement costs:	退休金：		
- defined contribution fund	一定額供款	2,432	2,250
Accommodation benefits:	住房福利：		
- defined contribution fund	一定額供款	753	994
		<u>753</u>	<u>994</u>

5. TAX

Provision for PRC income tax has been provided at the applicable income tax rate of 33% on the assessable profits of the Company.

Three subsidiaries and an associate established in Shanghai Pudong New Area are subject to income tax at a preferential rate of 15%.

Two subsidiaries established in Hainan Special Economic Zone are subject to income tax at a preferential rate of 15%.

Pursuant to a document “(94) Cai Shui Zi No. 001” dated 29 March 1994 jointly issued by the Ministry of Finance and the State Tax Bureau and an approval document dated 28 December 2002 issued by the Shanghai Putuo District Tax Bureau, Shanghai Resource Property Consultancy Co., Ltd. (“SRPC”), a subsidiary established on 3 July 2002 and principally engaged in the rendering of consultancy services, is exempted from income tax for the two years from 1 September 2002, the date SRPC commenced its business, to 31 August 2004.

Pursuant to a document “(94) Cai Shui Zi No. 001 dated 29 March 1994 jointly issued by the Ministry of Finance and the State Tax Bureau and two approval documents issued by the Shanghai Putuo District Tax Bureau in May 2004 and January 2005, respectively, Shanghai Resource Advertisement Co., Ltd. (“SRAC”), a subsidiary established on 15 January 2004 and principally engaged in the advertising and promotion of property units, is exempted from income tax for the period from 15 January 2004, the date SRAC commenced its business, to 31 December 2005.

All other subsidiaries, associates and a jointly controlled entity of the Company are subject to income tax at the rate of 33%.

No provision for Hong Kong profits tax has been made as the Group has no assessable profits arising in Hong Kong for the six months ended 30 June 2005.

5. 稅項

中國所得稅撥備乃按本公司之應納稅溢利所適用之所得稅率**33%**作出。

位於上海浦東新區之三家子公司及一家聯營公司，乃按優惠稅率**15%**支付所得稅。

位於海南經濟特區之兩家子公司乃按優惠稅率**15%**支付所得稅。

根據財政部及國家稅務總局於一九九四年三月二十九日聯合發出之文件《(94)財稅字001號》及上海市普陀區稅務局於二零零二年十二月二十八日發出之批文，本公司之附屬公司上海策源置業顧問有限公司(「策源顧問」)(成立於二零零二年七月三日，主要從事提供顧問服務)自二零零二年九月一日(即策源顧問開始經營業務之日)起至二零零四年八月三十一日止兩年內免繳所得稅。

根據財政部及國家稅務總局於一九九四年三月二十九日聯合發出之文件《(94)財稅字001號》及上海市普陀區稅務局於二零零四年五月及二零零五年一月分別發出之批文，本公司之附屬公司—上海策源廣告有限公司(「策源廣告」)，成立於二零零四年一月十五日，主要從事物業廣告和推廣活動)自二零零四年一月十五日(即策源廣告開始經營業務之日)起至二零零五年十二月三十一日止期間免繳所得稅。

本公司之所有其他子公司、聯營公司及一家合營公司均須按所得稅率**33%**繳稅。

由於本集團於截至二零零五年六月三十日止六個月並無在香港獲得任何應課稅溢利，因此並無就香港利得稅作出撥備。

5. TAX (Continued)

Major components of income tax expense for the six months ended 30 June 2005 are as follows:

Group:	集團：
- Current	— 當期
- Deferred	— 遞延
Income tax expense	所得稅開支

A numerical reconciliation between tax expense and the product of accounting profit multiplied by the applicable tax rate is as follows:

Accounting profit	會計溢利
Non-taxable income and non-taxable profit of subsidiaries	毋需課稅之收入及子公司毋需課稅之溢利
Profit of the Group subject to income tax	本集團須繳納所得稅之溢利
Tax at applicable tax rate of	按下列適用稅率計算稅項
33%	33%
15%	15%
Sub-total	小計
Tax effect of expense items which are not deductible for income tax purposes	所得稅不獲扣減之開支項目之稅項影響
Income tax expense	所得稅開支

5. 稅項(續)

於截至二零零四年六月三十日六個月期間，所得稅開支之主要構成如下：

For the six months ended 30 June
截至6月30日止六個月

2005 RMB'000 人民幣千元 (Unaudited) (未經審核)	2004 RMB'000 人民幣千元 (Unaudited) (未經審核)
74,698	62,068
—	—
<u>74,698</u>	<u>62,068</u>

運用適當之所得稅稅率，會計溢利和所得稅開支之調節表如下：

For the six months ended 30 June
截至6月30日止六個月

2005 RMB'000 人民幣千元 (Unaudited) (未經審核)	2004 RMB'000 人民幣千元 (Unaudited) (未經審核)
421,656	394,544
(221,694)	(172,571)
199,962	221,973
57,594	46,814
3,815	12,017
61,409	58,831
13,289	3,237
<u>74,698</u>	<u>62,068</u>

5. TAX (Continued)

As set out in a tax notice numbered "Hu Di Shui Di (2002) No.83" dated 6 September 2002 issued by the Shanghai Local Tax Bureau, the local tax authorities in Shanghai have started to collect the LAT based on 1% of proceeds of the sale of and pre-sale of the Group's properties in Shanghai in 2004. Except for this amount paid to the local tax authorities, no further provision for the LAT has been made. The Directors consider that the relevant tax authorities are unlikely to impose additional LAT levies other than the amount already paid based on 1% of proceeds of the sale and pre-sale of the Group's properties up to 30 June 2005, which would otherwise have accumulated to approximately RMB161,507,000 attributable to the Group after netting off potential income tax saving.

In 2004, upon the reorganisation and the listing of the Company, the Company and Fosun High Technology, the holding company of the Company, entered into a deed of tax indemnity whereby Fosun High Technology will undertake to indemnify the Group in respect of the LAT payable attributable to the Group after netting off potential income tax saving in consequence of the disposal of the Group's properties at capital value as at 30 November 2003.

6. DIVIDENDS

The board of directors was authorised by the shareholders to consider and approve the payment of an interim dividend of 2005 at the 2004 AGM. The board of directors has resolved to declare an interim dividend of RMB0.07 (for the six months ended 30 June 2004: RMB0.06) per share for the six months ended 30 June 2005 to shareholders (including holders of domestic shares and holders of H Shares) whose names appeared on the register of members of the Company as at 12 October 2005.

5. 稅項(續)

根據上海市地方稅務局於二零零二年九月六日簽發之《滬地稅第(2002) 83號》稅務通知，上海市地稅局於二零零四年開始按本集團位於上海市之物業的銷售及預售收入之1%徵收土地增值稅。除該等已支付之土地增值稅外，本集團並未接獲相關稅務主管機關其他要求，因此，未就土地增值稅做出額外之撥備。本公司董事會認為除已繳納之土地增值稅外，相關稅務機關不太可能再徵收額外之土地增值稅。若需繳納，則扣除所節省之潛在所得稅後，本集團潛在之應付有關金額共計約人民幣161,507,000元。

根據本公司與其控股公司復星高科技在本公司於二零零四年重組上市過程中簽訂之一份稅務彌償保證契據，復星高科技將就本集團處置於二零零三年十一月三十日持有之物業的資本價值所產生之潛在土地增值稅(扣除所節省之潛在所得稅後)作出彌償。

6. 股息

在二零零四年度股東週年大會上，股東授權董事會考慮並批准派發二零零五年度中期股息。董事會已通過決議向截至二零零五年十月十二日止名列本公司股東名冊中之股東(包括內資股股東及H股股東)派發截至二零零五年六月三十日止六個月期間每股人民幣0.07元之中期股息(截至二零零四年六月三十日止六個月：人民幣0.06元)。

7. EARNINGS PER SHARE

Basic earnings per share amount for the six months ended 30 June 2005 is computed by dividing net profit attributable to shareholders for the six months ended 30 June 2005 of RMB336,032,000 (for the six months ended 30 June 2004: RMB304,240,000) by the weighted average number of 2,308,836,409 (for the six months ended 30 June 2004: 2,060,331,269) ordinary shares in issue during the period.

Diluted earnings per share for the six months ended 30 June 2004 and 2005 have not been disclosed as no diluting events existed during these periods.

8. PROPERTIES UNDER DEVELOPMENT

Land costs	土地成本
Construction costs	建築成本
Financial cost capitalized	資本化利息
Total costs	成本合計
Portion classified as current assets	列作流動資產

The Group's properties under development are situated in Shanghai, Wuhan, Nanjing, Haikou, Wuxi, Chongqing and Beijing, the PRC. The Company's properties under development are situated in Shanghai, the PRC.

7. 每股盈利

每股基本盈利乃按截至二零零五年六月三十日止六個月期間的股東應佔純利人民幣336,032,000元(截至二零零四年六月三十日止六個月：人民幣304,240,000元)除以截至二零零五年六月三十日止六個月期間內已發行股份之加權平均股數2,308,836,409股(截至二零零四年六月三十日止六個月：2,060,331,269股)。

因無導致每股盈利稀釋之事項存在，故於截至二零零四年六月三十日及二零零五年六月三十日止各六個月期間經稀釋之每股盈利未作披露。

8. 開發中物業

		30 June 2005 2005年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2004 2004年 12月31日 RMB'000 人民幣千元
		4,860,139	3,118,870
		1,477,910	1,018,861
		176,736	47,984
		6,514,785	4,185,715
		(3,974,125)	(2,646,297)
		2,540,660	1,539,418

本集團開發中物業位於中國上海市、武漢市、南京市、海口市、無錫市、重慶市及北京市。本公司開發中物業位於中國上海市。

8. PROPERTIES UNDER DEVELOPMENT

(Continued)

The Group's properties under development with a book value of RMB1,819,686,000 (31 December 2004: RMB1,016,109,000) as at 30 June 2005 were pledged to banks to secure bank loans amounting to RMB949,150,000 as at 30 June 2005 (31 December 2004: RMB563,000,000).

9. TRADE RECEIVABLES**8. 開發中物業(續)**

本集團開發中物業於二零零五年六月三十日之賬面值為人民幣**1,819,686,000**元(二零零四年十二月三十一日：人民幣**1,016,109,000**元)，已質押予銀行作為銀行貸款人民幣**949,150,000**元(二零零四年十二月三十一日：人民幣**563,000,000**元)之抵押物。

9. 應收賬款

		30 June 2005 2005年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2004 2004年 12月31日 RMB'000 人民幣千元
Outstanding balances aged:	按賬齡分類之餘額：		
Within six months	6個月內	43,279	49,897
More than six months, but within one year	6個月至1年	512	553
More than one year, but within two years	1至2年	553	—
		44,344	50,450

10. INTEREST-BEARING LOANS AND BORROWINGS

10. 計息借款

		30 June 2005 2005年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2004 2004年 12月31日 RMB'000 人民幣千元
Bank loans:	銀行貸款：		
Unsecured	無抵押	230,000	260,000
Secured	已抵押	949,150	563,000
		<u>1,179,150</u>	<u>823,000</u>
Other loans, unsecured	其他借款，無抵押	192,000	34,816
		<u>1,371,150</u>	<u>857,816</u>
Repayable:	須於以下期限償還：		
Within one year	1年內	863,000	717,816
In the second year	第2年	448,150	140,000
In the third to fifth years, inclusive	第3至第5年（包括首尾2年）	60,000	—
		<u>1,371,150</u>	<u>857,816</u>
Portion classified as current liabilities	列作流動負債	(863,000)	(717,816)
		<u>508,150</u>	<u>140,000</u>

The bank loans bear interest at rates from 4.94% to 6.34% (31 December 2004: from 4.94% to 6.14%) per annum. The other loans bear interest at a rate of 5.58% (31 December 2004: 5%).

銀行貸款年利率為4.94%至6.34%（二零零四年十二月三十一日：4.94%至6.14%）。其他貸款之年利率為5.58%（二零零四年十二月三十一日：5%）。

As at 30 June 2005, bank loans amounting to RMB949,150,000 (31 December 2004: RMB563,000,000) were secured on the Group's properties under development with a book value of approximately RMB1,819,686,000 as at 30 June 2005 (31 December 2004: RMB1,016,109,000).

於二零零五年六月三十日，銀行貸款金額人民幣949,150,000元（二零零四年十二月三十一日：人民幣563,000,000元）以本集團開發中物業作為抵押，於二零零五年六月三十日之賬面價值為人民幣1,819,686,000元（二零零四年十二月三十一日：人民幣1,016,109,000元）。

11. TRADE PAYABLES

11. 應付賬款

		30 June 2005 2005年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2004 2004年 12月31日 RMB'000 人民幣千元
Outstanding balances aged:	按賬齡分類之餘額：		
Within six months	6個月內	732,818	605,872
More than six months, but within one year	6個月至1年	162,574	68,463
Over one year	超過1年	104,691	77,420
		<u>1,000,083</u>	<u>751,755</u>

12. SHARE CAPITAL

12. 股本

		30 June 2005 2005年 6月30日 Number of shares 股份數目 '000 千股	31 December 2004 2004年 12月31日 Number of shares 股份數目 '000 千股	30 June 2005 2005年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2004 2004年 12月31日 RMB'000 人民幣千元
Registered	已註冊	<u>2,353,384</u>	<u>2,206,782</u>	<u>470,677</u>	<u>441,356</u>
Issued and fully paid:	已發行及繳足之普通股：				
Domestic Shares of RMB0.20 each	每股面值人民幣0.20元 之內資股	1,473,768	1,473,768	294,754	294,754
H Shares of RMB0.20 each	每股面值人民幣0.20元 之H股	879,616	733,014	175,923	146,602
Total	股本合計	<u>2,353,384</u>	<u>2,206,782</u>	<u>470,677</u>	<u>441,356</u>

12. SHARE CAPITAL (Continued)

The Domestic Shares are not currently listed on any stock exchange.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction.

The Company obtained an approval issued by the China Securities Regulatory Commission (the "CSRC") on 7 January 2004, approving the sub-division of 296,086,000 ordinary shares of a nominal value of RMB1.00 each into 1,480,430,000 ordinary shares of a nominal value of RMB0.20 each. The sub-division of shares was approved by the shareholders of the Company at the general meeting held on 8 January 2004.

The Company's H Shares were successfully listed on the Stock Exchange on 6 February 2004.

Pursuant to the "Provisional Administrative Measures for the Reduction of State-owned Shares in Raising the Social Security Fund", 6,661,935 Domestic Shares of the Company was converted into 6,661,935 Sale H Shares, the sales proceeds of which should be remitted to the National Social Security Fund (the "NSSF").

638,271,935 H Shares of the Company, which represented 631,610,000 New H Shares and 6,661,935 Sale H Shares, were listed on the Main Board of the Stock Exchange on 6 February 2004 and 94,741,500 additional New H Shares, issued upon exercise of an over-allotment option, were listed on the Main Board of the Stock Exchange on 19 February 2004. These H Shares with a nominal value of RMB0.20 each were issued to the public by way of Global Offering at a price of HK\$2.35 per share. After deducting net proceeds of approximately RMB15,548,000 from the sale of the 6,661,935 Sale H Shares, which have been remitted to the NSSF as explained above, and the share issue expenses of approximately RMB119,423,000, the Company raised net proceeds of approximately RMB1,697,812,000, of which issued share capital amounted to RMB145,270,000 and capital reserve amounted to RMB1,552,542,000.

12. 股本(續)

內資股尚未上市流通。

普通股股東有權領取本公司宣派之股利，並且普通股同股同權。

為籌備全球發售，本公司於二零零四年一月七日取得中國證監會簽發之批復，批准將本公司296,086,000股每股面值人民幣1.00元之普通股拆細為1,480,430,000股每股面值人民幣0.20元之普通股。本公司於二零零四年一月八日召開股東大會批准了上述股份拆細。

於二零零四年二月六日，本公司之H股股份在聯交所成功上市。

根據《減持國有股籌集社會保障資金管理暫行辦法》的規定，6,661,935股國有股存量股轉為H股並出售後所募集之資金應上繳全國社會保障基金。

於二零零四年二月六日，共計638,271,935股H股發行並在聯交所主板上市交易，其中包括新發行之631,610,000股H股新股和6,661,935股出售存量股。於二零零四年二月十九日，行使超額配股權而新增之94,741,500股H股新股在聯交所主板上市交易。該等H股新股每股面值人民幣0.20元，以每股港幣2.35元的價格向公眾全球發售。扣除前文所述應上繳全國社會保障基金之出售存量股6,661,935股所募集之資金約人民幣15,548,000元及發行開支約人民幣119,423,000元後，本公司實際募集資金淨額約為人民幣1,697,812,000元，其中已發行股本計人民幣145,270,000元，資本公積計人民幣1,552,542,000元。

12. SHARE CAPITAL (Continued)

On 24 February 2005, the Company entered into a share placing agreement with Morgan Stanley in connection with the placing of new H Shares (the "Placing"), pursuant to which, Morgan Stanley, being the sole Placing agent, has agreed to place an aggregate of 146,602,687 new H Shares in the capital of the Company to investors at HK\$2.82 per H Share. The Placing has been completed on 4 March 2005. The net proceeds raised from the Placing, after deducting the commission and related expenses of the Placing, are approximately HK\$405.10 million (equivalent to RMB429,658,000), of which issued share capital amounted to RMB29,321,000 and capital reserve amounted to RMB400,337,000.

With the approval of the Shanghai Foreign Investment Commission and the Ministry of Commerce of the People's Republic of China, Fosun High Technology acquired a total of 614,378,450 domestic shares with a nominal value of RMB0.20 each, in which 88,825,800 domestic shares were acquired from Shanghai Guangxin, 318,292,450 domestic shares were acquired from Fosun High New Technology and 207,260,200 domestic shares were acquired from Fosun Information. The amendments to the Articles of Association of the Company as a result of the above share transfers were approved by the shareholders of the Company at the 2004 AGM.

12. 股本(續)

根據本公司與摩根士丹利於二零零五年二月二十四日簽訂之股份配售協議，摩根士丹利作為獨家配售代理，同意按每股港幣2.82元之價格配售共計146,602,687股新H股予投資者。本次配售已於二零零五年三月四日完成。實際募集資金在扣除佣金及相關開支後之淨額約為港幣405,100,000元(折合人民幣429,658,000)，其中已發行股本計人民幣29,321,000元，資本公積計人民幣400,337,000元。

經上海市外國投資工作委員會及商務部的批准，復星高科技轉讓獲得合計614,378,450股內資股，每股面值人民幣0.20元，其中88,825,800股內資股取自上海廣信，318,292,450股內資股取自復星高新技術，以及207,260,200股內資股取自復星信息。本公司於二零零四年股東週年大會批准由於上述股權轉讓對公司章程需作相應之修改。

12. SHARE CAPITAL (Continued)

After the Placing of new H Shares and the above share transfers, the shareholding structure as at 30 June 2005 is as follows:

Name of shareholders 股東名稱		Number of shares held 持有的 股份數目	Percentage of shareholding (%) 股權 百分比(%)
Holders of Domestic Shares: 內資股持有人：			
Fosun High Technology	復星高科技	1,191,746,150	50.64
Fosun Pharmaceutical	復星醫藥	267,217,615	11.36
Dahua	大華	7,402,150	0.31
Dazhong	大眾	7,402,150	0.31
Holders of H Shares H股持有人		879,616,122	37.38
Total 合計		<u>2,353,384,187</u>	<u>100.00</u>

13. BUSINESS COMBINATIONS**Acquisition of Beijing Baihong Property Development Co., Ltd. (“Baihong”)**

On 30 April 2005, the Group acquired 100% of the voting shares of Baihong, an unlisted company based in Beijing specialising in property development. In connection with the business combination, the Group paid a cash consideration of RMB30 million.

12. 股本 (續)

於上述配售新股和股份轉讓完成後，於二零零五年六月三十日股權架構如下：

Name of shareholders 股東名稱		Number of shares held 持有的 股份數目	Percentage of shareholding (%) 股權 百分比(%)
Holders of Domestic Shares: 內資股持有人：			
Fosun High Technology	復星高科技	1,191,746,150	50.64
Fosun Pharmaceutical	復星醫藥	267,217,615	11.36
Dahua	大華	7,402,150	0.31
Dazhong	大眾	7,402,150	0.31
Holders of H Shares H股持有人		879,616,122	37.38
Total 合計		<u>2,353,384,187</u>	<u>100.00</u>

13. 企業合併**收購北京柏宏房地產開發有限公司 (「柏宏」)**

於二零零五年四月三十日，本集團收購柏宏100%的股權，柏宏為一家於北京成立的非上市房地產開發有限公司。本集團為此次企業並合併支付人民幣30,000,000元的現金對價。

13. BUSINESS COMBINATIONS (Continued)

The fair value of the identifiable assets and liabilities of Baihong as at the date of acquisition are:

13. 企業合併 (續)

收購日柏宏資產和負債的公允價值如下：

		Recognised on acquisition 公允價值 RMB'000 人民幣千元	Carrying value 賬面價值 RMB'000 人民幣千元
Property and equipment	固定資產	1,598	1,598
Properties under development	開發中物業	1,020,543	589,302
Completed properties for sale	待售已落成物業	304,156	304,156
Cash and cash equivalents	現金及現金等價物	14,798	14,798
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	4,548	4,548
		<u>1,345,643</u>	<u>914,402</u>
Interest-bearing loans and borrowings	計息借款	(170,000)	(170,000)
Trade payables	應付賬款	(33,475)	(33,475)
Advances received from pre-sale of properties under development	開發中物業預售之預收款項	(1,423)	(1,423)
Accrued liabilities and other payables	應計款項及其他應付款項	(719,327)	(719,327)
Deferred tax liabilities	遞延稅項	(180,542)	—
		<u>(1,104,767)</u>	<u>(924,225)</u>
Fair value of net assets	淨資產之公允價值	240,876	(9,823)
Negative goodwill arising on acquisition	收購產生之負商譽	(210,876)	<u>—</u>
Consideration paid in cash	現金對價	<u>30,000</u>	

From the date of acquisition, Baihong's results had no significant impact on the Group's consolidated turnover or net profit for the six months ended 30 June 2005.

自收購日起，柏宏的業績對截至二零零五年六月三十日止六個月本集團之合併營業額或純利並無重大影響。

13. BUSINESS COMBINATIONS (Continued)**Acquisition of Chongqing Runjiang Real Estate Co., Ltd. (“Runjiang”)**

On 31 May 2005, the Group acquired 100% of the voting shares of Runjiang, an unlisted company based in Chongqing specialising in property development. In connection with the business combination, the Group paid a cash consideration of RMB88,875,000.

The fair value of the identifiable assets and liabilities of Runjiang as at the date of acquisition are:

		Recognised on acquisition	Carrying value
		公允價值	賬面價值
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Property and equipment	固定資產	1,249	1,249
Properties under development	開發中物業	287,983	170,511
Cash and cash equivalents	現金及現金等價物	1,470	1,470
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	147	147
		<u>290,849</u>	<u>173,377</u>
Accrued liabilities and other payables	應計款項及其他應付款項	(157,832)	(157,832)
Deferred tax liabilities	遞延稅項	(38,766)	—
		<u>(196,598)</u>	<u>(157,832)</u>
Fair value of net assets	淨資產之公允價值	94,251	15,545
Negative goodwill arising on acquisition	收購產生之負商譽	(5,376)	—
Consideration paid in cash	現金對價	<u>88,875</u>	—

From the date of acquisition, Runjiang's results had no significant impact on the Group's consolidated turnover or net profit for the six months ended 30 June 2005.

13. 企業合併 (續)**收購重慶潤江置業有限公司(「潤江」)**

於二零零五年五月三十一日，本集團收購潤江100%的股權，潤江為一家於重慶成立的非上市的房地產開發公司。本集團為此次企業並合併支付人民幣88,875,000元的現金對價。

收購日潤江資產和負債的公允價值如下：

		Recognised on acquisition	Carrying value
		公允價值	賬面價值
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Property and equipment	固定資產	1,249	1,249
Properties under development	開發中物業	287,983	170,511
Cash and cash equivalents	現金及現金等價物	1,470	1,470
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	147	147
		<u>290,849</u>	<u>173,377</u>
Accrued liabilities and other payables	應計款項及其他應付款項	(157,832)	(157,832)
Deferred tax liabilities	遞延稅項	(38,766)	—
		<u>(196,598)</u>	<u>(157,832)</u>
Fair value of net assets	淨資產之公允價值	94,251	15,545
Negative goodwill arising on acquisition	收購產生之負商譽	(5,376)	—
Consideration paid in cash	現金對價	<u>88,875</u>	—

自收購日起，潤江的業績對截至二零零五年六月三十日止六個月本集團之合併營業額或純利並無重大影響。

13. BUSINESS COMBINATIONS (Continued)**Acquisition of Hainan Huaqiao Assembly Hall Co., Ltd. (“HHAH”)**

On 30 April 2005, the Group acquired 100% of the voting shares of HHAH, an unlisted company based in Haikou specialising in property development. In connection with the business combination, the Group paid a cash consideration of RMB12,942,000.

The fair value of the identifiable assets and liabilities of HHAH as at the date of acquisition are:

		Recognised on acquisition	Carrying value
		公允價值	帳面價值
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Properties under development	開發中物業	21,015	21,015
Cash and cash equivalents	現金及現金等價物	43	43
		<u>21,058</u>	<u>21,058</u>
Accrued liabilities and other payables	應計款項及其他應付款項	(11,058)	(11,058)
Fair value of net assets	淨資產之公允價值	10,000	10,000
Goodwill arising on acquisition	收購產生之商譽	2,942	<u>2,942</u>
Consideration paid in cash	現金對價	<u>12,942</u>	

From the date of acquisition, HHAH's results had no significant impact on the Group's consolidated turnover or net profit for the six months ended 30 June 2005.

13. 企業合併(續)**收購海南華僑會館有限公司(「海南華僑會館」)**

於二零零五年四月三十日，本集團收購海南華僑會館100%的股權，海南華僑會館為一家於海口成立的非上市的房地產開發公司。本集團為此次企業合併支付人民幣12,942,000元的現金對價。

收購日海南華僑會館資產和負債的公允價值如下：

		Recognised on acquisition	Carrying value
		公允價值	帳面價值
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Properties under development	開發中物業	21,015	21,015
Cash and cash equivalents	現金及現金等價物	43	43
		<u>21,058</u>	<u>21,058</u>
Accrued liabilities and other payables	應計款項及其他應付款項	(11,058)	(11,058)
Fair value of net assets	淨資產之公允價值	10,000	10,000
Goodwill arising on acquisition	收購產生之商譽	2,942	<u>2,942</u>
Consideration paid in cash	現金對價	<u>12,942</u>	

自收購日起，海南華僑會館的業績對截至二零零五年六月三十日止六個月本集團之合併營業額或純利並無重大影響。

13. BUSINESS COMBINATIONS (Continued)**Acquisition of Shanghai Dingfen Property Development Co., Ltd. (“Dingfen”) and Hainan New World Development Co., Ltd. (“HNWD”)**

On 30 April 2005, the Group acquired 60% of the voting shares of Dingfen, an unlisted company based in Shanghai specialising in property development. In connection with the business combination, the Group paid a cash consideration of RMB36 million.

On 30 April 2005, the Group acquired 100% of the voting shares of HNWD, an unlisted company based in Kaikou specialising in property development. In connection with the business combination, the Group paid a cash consideration of RMB60 million.

The fair value of the identifiable assets and liabilities of Dingfen and HNWD as at the date of acquisition are:

		Recognised on acquisition	Carrying value
		公允價值	賬面價值
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Property and equipment	固定資產	8	8
Properties under development	開發中物業	382,482	382,482
Cash and cash equivalents	現金及現金等價物	567	567
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	(33)	(33)
		<u>383,024</u>	<u>383,024</u>
Accrued liabilities and other payables	應計款項及其他應付款項	(263,024)	(263,024)
Minority interests	少數股東權益	(24,000)	(24,000)
Fair value of net assets	淨資產之公允價值	<u>96,000</u>	<u>96,000</u>
Consideration paid in cash	現金對價	<u>96,000</u>	

From the date of acquisitions, results of Dingfen and HNWD had no significant impact on the Group's consolidated turnover or net profit for the six months ended 30 June 2005.

13. 企業合併 (續)**收購上海鼎奮房地產開發經營有限公司(「鼎奮」)及海南新世界發展有限公司(「海南新世界」)**

於二零零五年四月三十日，本集團收購鼎奮60%的股權。鼎奮為一家於上海成立的非上市的房地產開發公司。本集團為此次企業合併支付人民幣36,000,000元的現金對價。

於二零零五年四月三十日，本集團收購海南新世界100%的控股股權。海南新世界為一家於海口成立的非上市的房地產開發公司。本集團為此次企業並合併支付人民幣60,000,000元的現金對價。

收購日鼎奮和海南新世界資產和負債的公允市價如下：

		Recognised on acquisition	Carrying value
		公允價值	賬面價值
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Property and equipment	固定資產	8	8
Properties under development	開發中物業	382,482	382,482
Cash and cash equivalents	現金及現金等價物	567	567
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	(33)	(33)
		<u>383,024</u>	<u>383,024</u>
Accrued liabilities and other payables	應計款項及其他應付款項	(263,024)	(263,024)
Minority interests	少數股東權益	(24,000)	(24,000)
Fair value of net assets	淨資產之公允價值	<u>96,000</u>	<u>96,000</u>
Consideration paid in cash	現金對價	<u>96,000</u>	

自收購日起，鼎奮和海南新世界的業績對截至二零零五年六月三十日止六個月本集團之合併營業額或純利並無重大影響。

14. COMMITMENTS

14. 承擔

Capital commitments

資本承擔

		30 June 2005 2005年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2004 2004年 12月31日 RMB'000 人民幣千元
Capital commitments in respect of:	資本承擔：		
Land acquisition:	購買土地：		
Contracted, but not provided for	已訂約但未撥備	704,740	339,110
Properties under development:	開發中物業：		
Contracted, but not provided for	已訂約但未撥備	1,652,628	588,165
		<u>2,357,368</u>	<u>927,275</u>

Operating lease commitments

經營租賃承擔

		30 June 2005 2005年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2004 2004年 12月31日 RMB'000 人民幣千元
Future minimum lease payments under non-cancellable operating leases for each of the following periods:	不可取消之經營租約須於未來下列期間內支付之最低租金：		
Within one year	1年內	12,038	12,204
In the second to fifth years, inclusive	第2至第5年(包括首尾2年)	17,388	18,737
Over five years	超過5年	3,000	3,741
		<u>32,426</u>	<u>34,682</u>

15. CONTINGENT LIABILITIES

- (1) As at 30 June 2005, the Group provided guarantees of approximately RMB1,673,332,000 in favour of its customers in respect of mortgage loans provided by banks to such customers for their purchases of the Group's developed properties where the underlying real estate certificates can only be provided to the banks on a time delayed manner due to administrative procedures in the PRC. These guarantees provided by the Group will be released when the customers pledge their real estate certificates as securities to the banks for the mortgage loans granted by the banks.
- (2) In view of that Beijing Urban Construction Group Co., Ltd. ("Beijing Urban Construction Group") has provided guarantee to Beijing Yuquanxincheng Property Development Co., Ltd. ("Beijing Yuquanxincheng"), an associate of the Company, for a bank loan amounting to RMB150 million borrowed from CITIC Industrial Bank, the Company together with Beijing Yanguang Times Real Estate Co., Ltd. and Beijing Real Estate Property Development Co., Ltd., the other two investors of Beijing Yuquanxincheng, entered into an agreement with Beijing Urban Construction Group on 7 April 2005 to provide joint counter-guarantee in proportion to their respective equity interests in Beijing Yuquanxincheng to Beijing Urban Construction Group for its guarantee provided to Beijing Yuquanxincheng in the amount of RMB150 million. On 6 April 2005, the board of directors passed a resolution to pledge its equity interests in Beijing Yuquanxincheng to Beijing Urban Construction Group as a security for the abovementioned counter-guarantee. On 7 April 2005, the Company entered into a relevant agreement with Beijing Urban Construction Group.

15. 或然負債

- (1) 於二零零五年六月三十日，本集團就對購買本集團之已開發物業而辦理按揭貸款之客戶提供銀行擔保，產生之或有負債約計人民幣1,673,332,000元，而由於需要辦理中國之行政手續，銀行會稍遲才獲提供相關之房地產權證。本集團向銀行提供之該等擔保，將於客戶向銀行質押其房地產權證作為銀行批出之按揭貸款之抵押後解除。
- (2) 鑒於北京城建集團有限責任公司（「北京城建集團」）為本公司之聯營公司北京玉泉新城房地產開發有限公司（「北京玉泉」）向中信實業銀行申請房地產開發貸款計人民幣150,000,000元所提供擔保事項，於二零零五年四月七日，本公司連同北京玉泉其他兩方股東北京陽光時代投資公司和北京城建發展有限公司與北京城建集團簽訂協議，就各自在北京玉泉所佔之股權比例共同為北京城建集團向北京玉泉提供人民幣150,000,000元之擔保提供無限連帶責任之反擔保。於二零零五年四月六日，本公司董事會通過決議，將所持北京玉泉的股權質押給北京城建集團作為上述反擔保責任的保證，並於二零零五年四月七日與北京城建集團簽訂相關協議。

16. RELATED PARTY TRANSACTIONS

The Group had the following material transactions with related parties:

16. 關聯方交易

本集團與關聯方進行之重大交易如下所列：

Name of related parties 關聯方名稱	Nature of transactions 交易性質	For the six months ended 30 June 截至6月30日止六個月	
		2005 RMB'000 人民幣千元 (Unaudited) (未經審核)	2004 RMB'000 人民幣千元 (Unaudited) (未經審核)
<i>Recurring transactions</i> 持續性交易			
Fosun Pharmaceutical Group (notes a & b) 復星醫藥集團 (附註1及2)	Operating lease in respect of office buildings rented by the Company from the related company 由本公司向關聯公司租用辦公室之經營租賃	3,598	2,139
Shanghai Furui Property Management Co., Ltd. (notes a & b) 上海復瑞物業管理有限公司 (附註1及2)	Property management services provided by the related company 由關聯公司提供之物業管理服務	1,204	2,203
Shanghai Zhong Hang Bie Ye Technology Development Co., Ltd. (notes a & b) 上海中行別業科技發展有限公司 (附註1及2)	Operating lease in respect of office buildings rented by a subsidiary from the related company 由一間子公司向關聯公司租用辦公室之經營租賃	851	758
Shanghai Xingye Investment Development Co., Ltd. (notes a & c) 上海興業投資發展有限公司 (附註1及3)	Sales agency services provided to the related company 向關聯公司提供之銷售中介服務	—	6,866
<i>Non-recurring transactions</i> 非持續性交易			
Shanghai Yitong Advertising Co., Ltd. (notes a & d) 上海一統廣告商務發展有限公司 (附註1及4)	Advertising services provided by the related company 由關聯公司提供之廣告服務	—	648

16. RELATED PARTY TRANSACTIONS (Continued)

Notes:

- (a) Fosun Pharmaceutical Group, Shanghai Zhong Hang Bie Ye Technology Development Co., Ltd., Shanghai Yitong Advertising Co., Ltd. ("SYAC") and Shanghai Xingye Investment Development Co., Ltd. are subsidiaries of Fosun High Technology, the holding company of the Company. Shanghai Furui Property Management Co., Ltd. is an associate of the Company.
- (b) The directors consider that the fees for property management services and rentals for office buildings paid to related companies were determined based on prices available to third party clients of the related companies.
- (c) The directors consider that the fees for sales agency services provided to the related company were determined based on prices available to third party clients.
- (d) From 1 January 2000 to 31 December 2003, the Group engaged SYAC for the provision of advertising consultancy services to the Group whenever advertising consultancy services were required for the Group's property development projects. The relevant contracts were entered into between the Company or its subsidiaries and SYAC on a project-by-project basis. SYAC received a fixed sum, as determined by both parties on an arm's length basis, under the respective advertising consultancy agreements for the services rendered.

On 18 October 2002, the Company entered into a new advertising agency agreement with SYAC for a term of three years commencing on 18 October 2002 (the "Advertising Agency Agreement"). The Company may terminate the Advertising Agency Agreement by giving SYAC a 30-day written notice.

Pursuant to the Advertising Agency Agreement, the Company engaged SYAC as a non-exclusive advertising agent for the Group to procure advertising spaces from the media for the Group's property development projects. The principal terms of the Advertising Agency Agreement are summarised below:

16. 關聯方交易 (續)

附註：

- (1) 復星醫藥集團、上海中行別業科技發展有限公司、上海一統廣告商務發展有限公司(「上海一統」)、及上海興業投資發展有限公司為本公司之控股公司復星高科技之子公司。上海復瑞物業管理有限公司為本公司之聯營公司。
- (2) 董事認為，支付予關聯公司之物業管理服務費及辦公室樓宇之租金乃根據關聯公司給予第三方客戶之價格釐定。
- (3) 董事認為，提供予關聯公司之銷售中介服務之費用，乃根據給予第三方客戶之價格釐定。
- (4) 由二零零零年一月一日至二零零三年十二月三十一日，本集團委聘上海一統提供廣告顧問服務，隨時為本集團之物業開發項目提供廣告顧問服務。本公司或其附屬公司與上海一統按個別項目基準訂立有關合同。上海一統根據各項廣告顧問協議，就所提供之服務收取定額費用，費用金額由訂約方按公平基準釐定。

於二零零二年十月十八日，本公司與上海一統訂立了一項新廣告代理協議(「廣告代理協議」)，由二零零二年十月十八日起，為期三年。本公司可向上海一統發出三十天之書面通知，終止該廣告代理協議。

根據該廣告代理協議，本公司委聘上海一統為本集團之非專有權廣告代理，負責為本集團之物業開發項目物色媒體廣告位。該廣告代理協議之主要條款概述如下：

16. RELATED PARTY TRANSACTIONS (Continued)

The Company or its subsidiaries may purchase the required advertising spaces through SYAC on the bases that:

- (i) the Company or its subsidiaries shall obtain quotes from at least one independent third party advertising agent for reference at the same time when they request SYAC to provide quotes in respect of the purchase of the required advertising space; and
- (ii) the quotes given by SYAC shall not be less favourable than those provided by any independent third party advertising agents.

The Company and its subsidiaries are not obliged to purchase any advertising space through SYAC if the terms offered by SYAC are less favourable than those offered by third parties. However, the Company or its subsidiaries will give priority to SYAC if the quotes provided by SYAC and those provided by any independent third parties are the same or are very similar.

The Group set up a new wholly-owned subsidiary, SRAC, with a registered capital of RMB1 million in January 2004. Subsequent to the establishment of SRAC, the Group ceased to engage SYAC for the provision of advertising services as the advertising services are conducted by SRAC.

- (e) A deed of tax indemnity was entered into between the Company and Fosun High Technology, the holding company of the Company whereby Fosun High Technology undertakes to indemnify the Group in respect of certain LAT payable in consequence of the disposal of the Group's properties at capital value as at 30 November 2003.

In the opinion of the directors, all the transactions above were conducted in the normal course of the Group's business.

16. 關聯方交易 (續)

本公司或其附屬公司按下列基準透過上海一統購買所需廣告位：

- (i) 本公司或其附屬公司於要求上海一統提供購買廣告位之報價時，須同時向至少一名獨立第三方廣告代理索取報價，以作參考；及
- (ii) 上海一統提供之報價須不高於任何獨立第三方廣告代理所提供之報價。

倘上海一統之條款遜於第三方提供之條款，本公司及其附屬公司毋須一定通過上海一統購買任何廣告位。然而，倘上海一統提供之報價與獨立第三方所提供之相同或非常相若，本公司或其附屬公司將優先委聘上海一統。

於二零零四年一月，本集團成立了一家新全資附屬公司策源廣告，註冊資本為人民幣1,000,000元。自策源廣告成立之日起，本集團終止委聘上海一統提供廣告服務，改由策源廣告負責。

- (5) 復星高科技(本公司之控股股東)與本公司訂立一項稅務彌償保證契據，據此，復星高科技承諾就出售本集團於二零零三年十一月三十日之物業產生的若干應付土地增值稅向本集團作出彌償。

董事認為，上述所有交易均是按照本集團之正常商業條款進行。

17. POST BALANCE SHEET EVENTS

No significant events have taken place subsequent to 30 June 2005.

18. COMPARATIVE AMOUNTS

As further explained in note 1 to condensed financial statements, due to the adoption of new IFRS and change in the Revenue Recognition Policy on the Pre-Completion Contracts during the six months ended 30 June 2005, the accounting treatment and presentation of certain items and balances in the condensed financial statements have been revised to comply with the new requirements. Accordingly, certain prior year adjustments have been made and certain comparative amounts have been restated to conform with the current period's presentation.

19. APPROVAL OF THE FINANCIAL STATEMENTS

The interim financial report was approved by the board of directors on 28 July 2005.

17. 結算日後事項

本集團無須披露重大的結算日後事項。

18. 比較數字

如本簡明財務報表附註1中所述，本集團於截至二零零五年六月三十日止六個月期間採用新的國際財務報告準則並且變更預售合約收入確認的會計政策，因此在編製本簡明財務報表時本集團所採用的會計處理和列示的個別事項及餘額已經根據新的國際財務報告準則和會計政策進行相應的會計處理。因此，為符合本期間之列報，已作若干以前年度調整及重列若干比較數字。

19. 批准財務報表

本中期財務報告已於二零零五年七月二十八日獲董事會批准。

Corporate Information

Executive Directors

Guo Guangchang

Fan Wei

Ding Guoqi

Non-Executive Director

Feng Xiekun

Independent Non-Executive Directors

Charles Nicholas Brooke

Chen Yingjie

Zhang Hongming

Wang Meijuan

Authorized Representatives

Fan Wei and Ding Guoqi

Company Secretary

Lo Yee Har Susan

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蒲祿祺

陳穎傑

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獲授權代表

范偉及丁國其

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China Construction Bank
China Merchants Bank
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