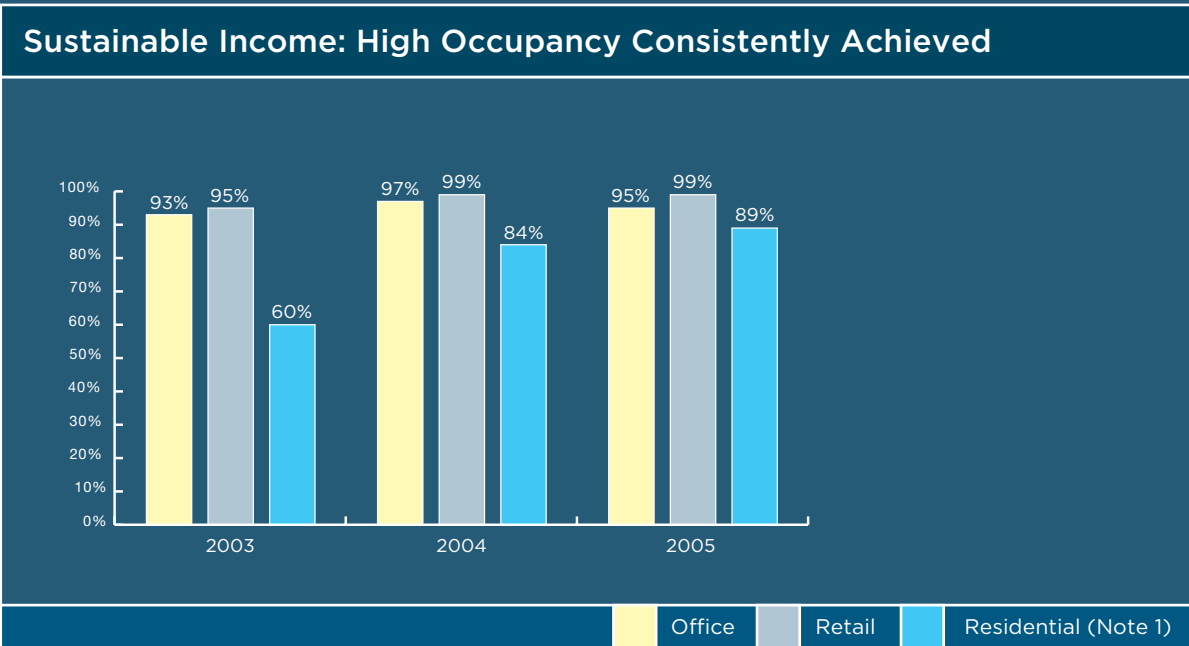
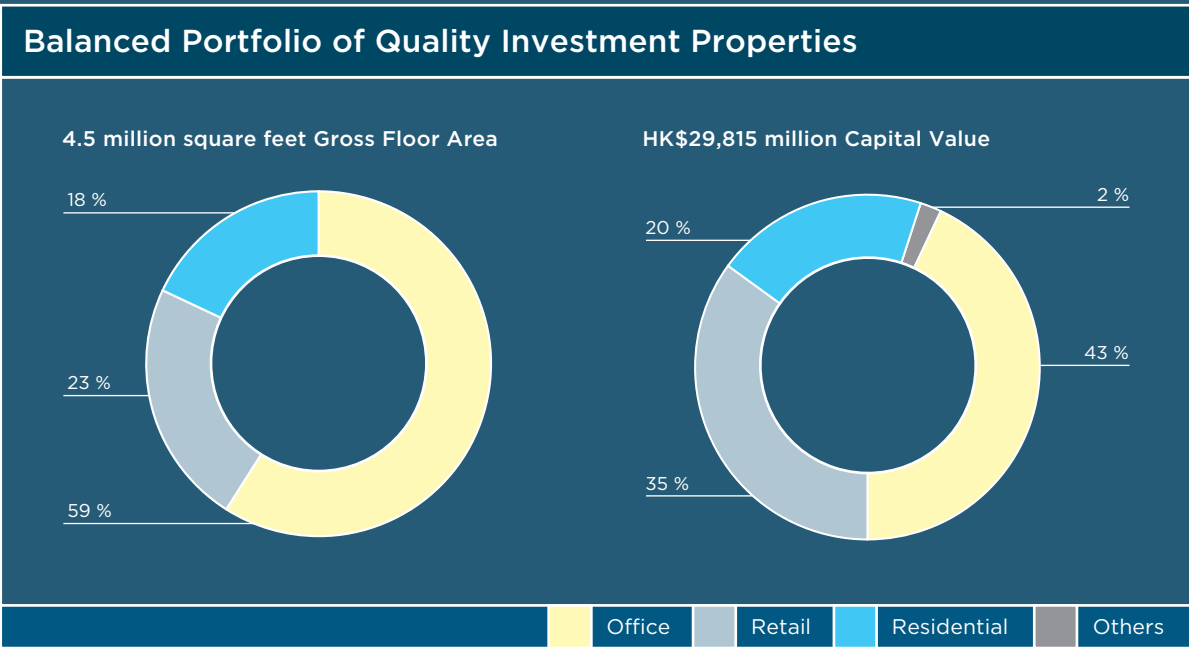


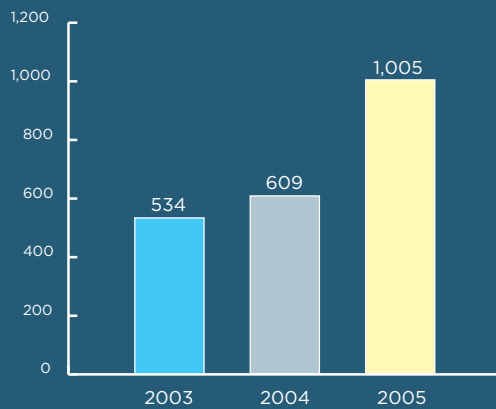
HYSAN TODAY



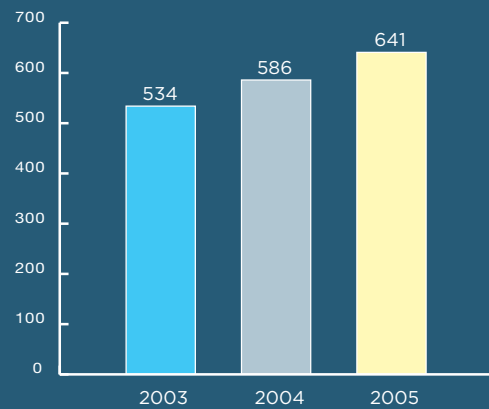
Note 1: Repositioned Bamboo Grove residential project relaunched in 2003

Value Creation

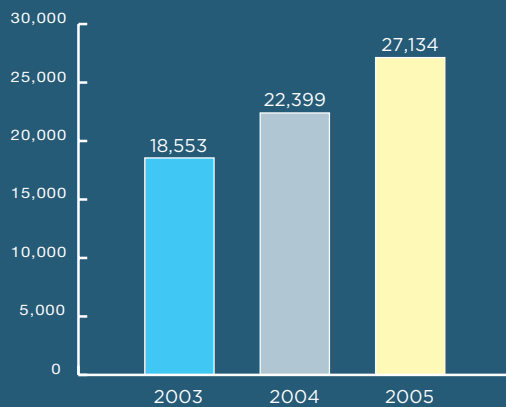
Underlying Net Profit Attributable to Shareholders (HK\$M) (Note 2)



Net Profit Excluding Asset Value Changes and Prior Year Tax Provision (HK\$M) (Note 2)



Adjusted Shareholders' Funds (HK\$M) (Note 2)



Note 2: Detailed explanation of these indicators is set out on page 5.

2005 IN REVIEW

- Group turnover up 8.3%
- Office rental reversions turned positive
- Strengthened balance sheet positioned for growth
- Full-year dividends up 12.5%

KEY FINANCIAL DATA	2005	2004 ¹ (restated)	Change %
Consolidated income statement (HK\$ million)			
Turnover	1,250	1,154	8.3
Finance costs	214	162	(32.1)
Net profit attributable to shareholders	4,121	609	576.7 ⁵
Underlying net profit attributable to shareholders ²	1,005	609	65.0
Net profit excluding asset value changes ⁴ and prior year tax provision	641	586	9.4
Consolidated balance sheet (HK\$ million)			
Total assets	33,991	30,147	12.8
Shareholders' funds	24,667	20,566	19.9 ⁵
Adjusted shareholders' funds ³	27,134	22,399	21.1
Consolidated cash flow statement (HK\$ million)			
Net cash from operating activities	841	744	13.0
Net cash from investing activities	2,394	62	3,761.3
Net cash used in financing activities	(1,855)	(799)	(132.2)
Net increase in cash and cash equivalents	1,380	7	19,614.3
Per share data			
Earnings			
Earnings per share - basic (HK cents)	391.87	58.16	573.8 ⁵
Earnings per share - diluted (HK cents)	391.62	58.14	573.6 ⁵
Underlying earnings per share - basic ² (HK cents)	95.60	58.16	64.4
Underlying earnings per share - diluted ² (HK cents)	95.54	58.14	64.3
Shareholders' returns			
Dividend per share (HK cents)	45.00	40.00	12.5
Shareholders' return per share (HK\$) (Note 1)	3.30	4.75	(30.5)
Total shareholders' return per share (HK\$) (Note 2)	4.88	3.95	23.5
Assets value			
Net assets value per share (HK\$)	23.42	19.59	19.6 ⁵
Adjusted net assets value per share ³ (HK\$)	25.76	21.33	20.8
Net debt per share (HK\$)	2.75	5.32	48.3
Share information			
Number of shares in issue at year end (million)	1,053	1,050	0.3
Weighted average number of shares (million)	1,052	1,046	0.6
Highest share price (HK\$)	20.50	16.70	22.8
Lowest share price (HK\$)	14.40	10.40	38.5
Closing price at year end (HK\$)	19.20	16.35	17.4
Investments in listed securities			
Total return (dividends received plus capital value growth)	31.6%	10.1%	212.9
Financials			
Average finance costs	3.60%	2.54%	(41.7)
Net gearing	6.4%	20.8%	69.2
Net interest coverage (times)	4.6x	5.5x	(16.4)
Floating rate debt (% on total debt)	49.8%	49.3%	1.0
Average debt maturity	5.2 years	5.5 years	(5.5)
Bank facilities: capital market issuance	47%:53%	62%:38%	N/A

KEY OPERATING DATA	2005	2004 ¹ (restated)	Change %
Investment property value (HK\$ million) (Note 3)	29,815	27,917	6.8
- office	12,767	12,395	3.0
- retail	10,392	9,566	8.6
- residential	6,060	5,360	13.1
- others	596	596	-
Occupancy at year end			
- office	95%	97%	(2.1)
- retail	99%	99%	-
- residential	89%	84%	6.0
Property expenses (HK\$ million)	237	259	8.5
Property expenses as a percentage of turnover	19%	22%	13.6

Note (1): Shareholders' return per share represents growth in share price plus dividend per share

Note (2): Total shareholders' return per share represents the growth in adjusted net assets value per share plus dividend per share

Note (3): The year-on-year change is 16% (Office: 16%, Retail: 20%) if the fair value of Entertainment Building is excluded from the 2004 figure.

The 2005 financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (HKFRSs) applicable to accounting periods commencing on or after 1 January 2005. The Group has adopted the fair value model for reporting investment properties, accordingly they are recorded at their fair values, as determined by an independent professional valuer. Fair value changes on investment properties and related deferred tax are recognised through profit and loss. In addition, certain owner-occupied properties have been reclassified from investment properties to property, plant and equipment. Revaluation changes on owner-occupied properties and related deferred tax arising thereon are taken to equity. On the basis that there is no capital gains tax in Hong Kong, no tax liability will be crystallised even on disposal of those properties at the value included in the financial statements. In light of the above, management has presented other indicators for assessing the performance of the Group: (i) "Underlying net profit attributable to shareholders" and "Underlying earnings per share", effectively arrived at by adjusting for the unrealised fair value changes on investment properties and the related deferred tax on the net profit figure. On the same basis, cumulative deferred tax provided on the fair value gains on investment and owner-occupied properties are added back to the shareholders' funds when computing "Adjusted shareholders' funds" and "Adjusted net assets value per share", (ii) "Net profit excluding asset value changes and prior year tax provision" is arrived at after further adjusting "Underlying net profit attributable to shareholders" for aggregate of realised gain/loss on disposal of investment properties and investment in securities, impairment and reversals and prior year tax provision. For detailed analysis of the impact of adoption of new accounting policies, see notes 2 and 3 to the financial statements.

1. Restated on reclassification of certain owner-occupied properties (corporate office and training centre) from investment properties to leasehold land and buildings and recognition of deferred tax in respect of cumulative fair value gains of investment and owner-occupied properties, upon adoption of HKFRSs. In addition, the land element of owner-occupied properties is stated at amortised cost (rather than at fair value before adoption of HKFRSs). These changes in accounting treatment have been applied retrospectively.
2. The 2005 figure was adjusted for HK\$2,934 million unrealised fair value gains on the investment property portfolio net of deferred tax and minority interests, and HK\$182 million on unrealised fair value gains included in associates.
3. Adjusted for HK\$2,467 million (2004: HK\$1,833 million) being the cumulative deferred tax provided on the fair value gains on the investment and owner-occupied properties attributable to shareholders at 31 December 2005. Besides, the land element of owner-occupied properties was restated at cost less accumulated amortisation, and the accumulated fair value gain of HK\$94 million at 2004 year end was reversed.
4. Asset value changes included realised gain or loss on disposal of investment properties and investment in securities, impairment and reversals, and unrealised fair value changes on investment properties net of deferred tax and minority interests (see "Operations Review - Impact of New Reporting and Accounting Standards" on pages 22-23).
5. The year-on-year change is not strictly comparable following the adoption of HKFRSs (see "Operations Review - Impact of New Reporting and Accounting Standards" on pages 22-23).