

INTERIM DIVIDENDS

The Board has resolved to pay an interim dividend of HK\$0.10 per share in respect of the year ending 30th June, 2006. The Board has also resolved to pay a special dividend of HK\$0.50 per share in respect of the year ending 30th June, 2006. The aggregate dividend of HK\$0.60 per share will be paid to shareholders whose names appear in the Company's register of members at the close of business on 26th April, 2006.

Dividend warrants will be posted to shareholders on or about 15th June, 2006.

CLOSURE OF REGISTER

The register of members will be closed from 25th April, 2006 to 26th April, 2006 (both days inclusive) during which period no share transfer will be effected.

REVIEW OF OPERATIONS

The unaudited profit attributable to shareholders for the six months ended 31st December, 2005 was HK\$168.63 million, an increase of 15% over the profit of the same period of the previous year (restated). The increase in profit was mainly attributable to the sale of properties by a jointly controlled entity and the increase in interest income, partially offset by an increase in provision for deferred taxation.

HIGHLIGHTS OF PROPERTY DEVELOPMENT AND INVESTMENTS ARE SUMMARIZED BELOW: -

The Remaining Portion of Kowloon Inland Lot No. 1300 (No. 3 Jordan Road, Kowloon)

The 26-storey building on the above site has been completed and the 48 apartments fully furnished. Leasing of the furnished apartment units is continuing.

Inland Lot 7105, Kam Hong Street, North Point

The property has a site area of approximately 17,870 sq.ft. Your Company has completed negotiations with Government on the modification to the Government Lease, including payment of a premium of HK\$568.3 million. Your Company has transferred the site to a wholly-owned subsidiary of the Company (CMB Sub) to enable the site to be redeveloped into a commercial and residential complex with car parking spaces. CMB Sub has appointed a wholly-owned subsidiary of Swire Properties Limited (the Developer) to design and build the development on the site and to market and sell the units on behalf of CMB Sub on terms according to the Development Agreement. Possession of the site has been given to the Developer. The foundation contract has been awarded. Foundation works have commenced and are proceeding on programme for completion during the fourth quarter of 2006.

Inland Lot 88, No. 391 Chai Wan Road, Chai Wan

The property, which is wholly-owned by the Company, has a site area of approximately 102,420 sq.ft. In May 2001, the site was rezoned and designated as a Comprehensive Development Area. In February 2002, the Town Planning Board approved, subject to a number of planning conditions, the Company's application under Section 16 of the Town Planning Ordinance for redevelopment. Planning approval was extended in January 2005 for a further three years subject to the same conditions. Your Company is continuing discussion with Government on the modification of the Government Lease.

UK Properties

The Group's commercial properties in London, namely Albany House, Thanet House and Scorpio House were fully let and continue to perform well.

Outlook

The Group is continuing with its long term plan of developing its own land in Hong Kong. With the sharp rise in office rentals in Hong Kong, rental income in the Group's investment properties in Hong Kong should increase in future. The Group remains in a strong financial position and will pursue any investment opportunity both locally and overseas.