

# 中國內地

借助上海經驗，集團在內地其他城市的黃金地區，成功掌握多項良機





# Mainland China

Our experience in Shanghai is allowing us to  
seize opportunities across the mainland at  
prime locations in other cities

## 中國內地業務 Mainland China Operations

本集團借助其香港經驗，成功拓展中國內地市場。中國業務持續壯大，現已成為集團旗下一支勁旅。

財政年度內，租金保持堅穩，而集團上海物業之租出率保持百分之一百。因此，收入增加百分之二十七，達港幣七億二千一百九十萬元，佔集團總收入百分之十九以及集團投資物業收入百分之二十七。

### 在黃金地點作出投資

集團在中國內地之發展策略，乃專注於主要城市的黃金地點及建立一個以商場為主的優質投資物業組合。隨著經濟持續發展，中國內地之收入及消費遞增，故應可為集團之中國業務帶來穩步增長的收益。

由於中國內地市場仍處於發展初期，集團在落實業務策略時，務須審慎挑選並以合理價錢購入可續享黃金地利的土地。我們相信，集團過去十四年在上海的成果，提供了穩固根基，讓我們可更進取地開拓中國內地的其他城市。未來兩至三年，集團計劃投資十二個或以上的發展項目，令中國內地業務佔集團總租金收入的比例，增至逾百分之五十的水平。

集團之現有項目上海恒隆廣場和港匯廣場，在財政年度內均錄得顯著的收益增長。

The Group has successfully leveraged its experience in Hong Kong to develop business in mainland China, which is now a highly dynamic part of our operations.

During the financial year, rentals continued to remain firm and our Shanghai properties remained 100% let. As a result, revenues increased by 27% to HK\$721.9 million, representing 19% of total Group revenues and 27% of the Group's revenues from investment properties.

### Investing in Prime Locations

The strategy in mainland China is to focus on building a portfolio of high quality investment properties in the prime locations of major cities, with a particular emphasis on the retail segment. This should ensure steadily rising revenue as the economy develops, income rises and the consumer class expands.

With the market still very much in its infancy, the execution of this strategy requires prudence in selecting sites that will retain their premium locations and in securing them at reasonable prices. We believe our success in Shanghai during the last 14 years has given us a solid basis on which we are now expanding more aggressively into other cities. Over the next two to three years we plan to invest twelve or more projects and raise the proportion of mainland China revenues to total Group rental revenues to over 50%.

The Group's existing portfolio, comprising **Plaza 66** and **The Grand Gateway** in Shanghai saw considerable growth in revenues during the financial year.



集團上海物業  
深受歡迎...  
Our properties  
in Shanghai are  
increasingly  
sought after...





...本土和國際品牌  
均趨之若鶩  
...by local and  
international brands

上海 恒隆廣場 Plaza 66, Shanghai: 1, 2, 3, 4

# 12

發展項目  
projects

未來兩至三年，集團計劃投資十二個或以上的發展項目，令中國內地業務佔集團總租金收入的比例，增至逾百分之五十的水平  
Over the next two to three years we plan to invest twelve or more projects and raise the proportion of mainland China revenues to total Group rental revenues to over 50%

恒隆廣場位於上海主要大街南京西路，是浦西區之最高建築物。其擁有首幢甲級辦公室大樓，下設大型購物商場。財政年度內，該購物商場之租出率保持百分之一百，收入增加百分之二十五；辦公室大樓之租出率為百分之一百，租金收入增加百分之十四。

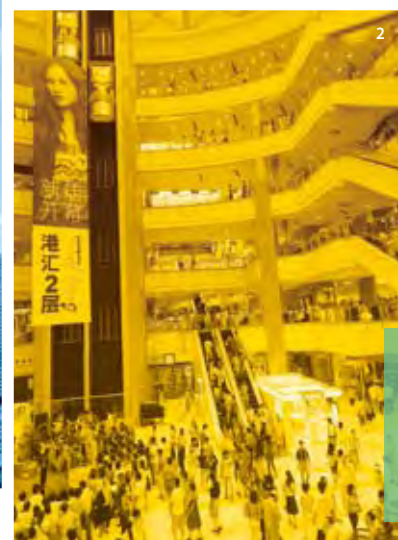
恒隆廣場第二幢辦公室大樓正如期施工，可望於二零零六年年底落成。該座八萬一千四百平方米的甲級辦公室大樓現已展開預租活動，市場反應甚為踴躍。

港匯廣場位於上海最大地鐵站徐家匯地鐵站之上蓋，包括一座樓面面積達十萬零二千平方米之購物商場，擁有多類型電影院、食肆及各類消閒設施。

**Plaza 66** is the tallest structure in Puxi District and is located on Nanjing Xilu, one of the city's main thoroughfares. The Grade A office space of the first office tower is built over a large retail podium. Occupancy for the retail portion remained at 100% and income increased by 25% during the financial year. The office portion was 100% let and rental income rose 14%.

A second office tower, which will offer 81,400 square metres of Grade A space is currently under construction and is scheduled for completion by the end of 2006. Pre-leasing has begun and again the response has been extremely strong.

**The Grand Gateway** is a large complex above Xujiahui Station, Shanghai's largest subway station. The development was of a 102,000 square metre gfa shopping centre incorporating multiplex cinemas, restaurants and leisure facilities.



上海 港匯廣場 The Grand Gateway, Shanghai: 1, 2, 3

港匯廣場坐擁上海  
最龐大的購物人流  
The Grand Gateway  
attracts the highest  
traffic of shoppers in  
Shanghai

### 吸引頂級優質租戶

上述辦公室大樓之租出率及租金均達高水平，並獲多家跨國公司獨自租用數層，足證跨國公司對此等優質項目需求殷切。

集團持續改善商場的租戶組合以增加租金收入，從而爭取最大回報。

年內，恒隆廣場除原有的世界知名品牌店外，並獲寶格麗(Bulgari)、伯爵(Piaget)、Tiffany、Van Cleef & Arpels及Joyce等開設旗艦店。為提高形象及進一步鞏固市場地位，恒隆廣場購物商場計劃於二零零七年開關一層「豪華手錶」專區。

港匯廣場獲Hugo Boss、Paul & Shark、范思哲(Versace)及DKNY等國際品牌成為新租戶，為上海日益興盛的中產階級提供更多購物姿采，亦令商場的租金水平得以顯著上揚。

### 新項目

正如去年年報所述，集團於二零零五年一月購入一幅位於天津市黃金地段面積達四點四公頃之土地。天津市鄰近北京，是一個人口超過一千萬人的城市。集團計劃在該幅土地上，發展一個樓面面積達十五萬平方米的購物商場。

### Attracting Top Quality Tenants

The high occupancy and rental levels achieved at the office properties testify to the very strong demand for these top quality developments from multinational lessees, many of whom have taken several floors of the space.

We continued to work to maximise returns through refining the tenant mix to boost rental revenue.

At **Plaza 66**, in addition to the many existing world famous brands, a number of flagship stores were added during the year including Bulgari, Piaget, Tiffany, Van Cleef & Arpels and Joyce. In order to raise the mall's image and further strengthen its market positioning, a special 'luxury watch floor' is planned to open in 2007.

**The Grand Gateway** is catering to the lifestyle aspirations of Shanghai's burgeoning middle class. The new tenant mix resulted in a very significant rise in achieved rental levels. Several new brands joined the roster of leading names, including Hugo Boss, Paul & Shark, Versace and DKNY.

### New Projects

As reported in our last annual report, the Group acquired 4.4 hectares of land in January 2005 at a prime site in Tianjin, the city of over 10 million inhabitants near Beijing, and plans for a 150,000 square metre gfa retail development are being drawn up.

二零零五年九月，集團購入一幅位於瀋陽市瀋河區中街路面積達三點五公頃之土地。瀋陽市是中國東北遼寧省省會，人口達七百萬人。該幅商業黃金地塊毗鄰「瀋陽故宮」，集團計劃在該址興建一幢樓高五層、樓面面積達十二萬平方米的世界級購物商場。

鑑於瀋陽市經濟近年增長蓬勃，提供可觀的發展潛力，故集團於今年八月亦即財政年度後，購入第二幅位於瀋陽市的黃金地塊。該幅九點二公頃之土地位於瀋河區青年大街市政府廣場毗鄰，屬於瀋陽市舊區重建「金廊」的一部份。集團計劃在該址興建一座巨型綜合發展項目，當中包括世界級購物商場、辦公室大樓、六星級酒店及服務式寓所，總樓面面積達九十二萬平方米。

二零零六年一月，集團與濟南市之市政府簽訂一份意向書，擬購入一幅面積達六點四公頃鄰近大明湖和千佛山等景點之土地。濟南市乃山東省省會，人口達六百萬人，按國內生產總值計算，居全國之第二位。集團計劃在該址興建一幢樓高六層、樓面面積達十五萬平方米的購物商場。

二零零六年七月，集團與湖南省長沙市政府簽訂另一份意向書，計劃在長沙市芙蓉區一幅面積為七公頃之土地上，興建一座高級購物商場、辦公室大樓及服務式寓所，樓面面積為五十萬平方米。

集團現正在中國內地積極物色其他機會。

In September 2005, we acquired a 3.5 hectare site on Zhongjie Road in Shenhe District, Shenyang, a city of 7 million people that is the capital of China's northeastern Liaoning province. The site is also in a prime commercial location, near the imperial palace and again, is now being prepared for the construction of a 120,000 square metre gfa five-storey world-class shopping centre.

Recognising the strong potential offered by Shenyang, which has seen robust economic growth in recent years, subsequent to the financial year end in August we acquired a second site of 9.2 hectares near City Plaza along Qingnian Street, also in Shenhe District, the 'Golden Corridor' that is part of the city's urban renewal area. The site will be developed into a large scale multi-complex, including a luxury branded shopping mall, office towers, 6-star hotels and serviced apartments with a total of 920,000 square metres gfa.

In Jinan, in January 2006, a Memorandum of Understanding (MOU) was signed with the municipal government regarding a 6.4 hectare plot near the scenic spots of Daming Lake and Qianfo Mountain. Jinan, the 6 million people strong capital city of Shandong province, has the second highest GDP in China. Our intention is to construct a six-storey shopping centre of 150,000 square metres gfa.

In July 2006, another MOU was signed with the city government of Furong District in Changsha, Hunan province. The aim is to develop on a 7 hectare site, a complex comprising an upscale shopping centre, office towers and serviced apartments of 500,000 square metres gfa.

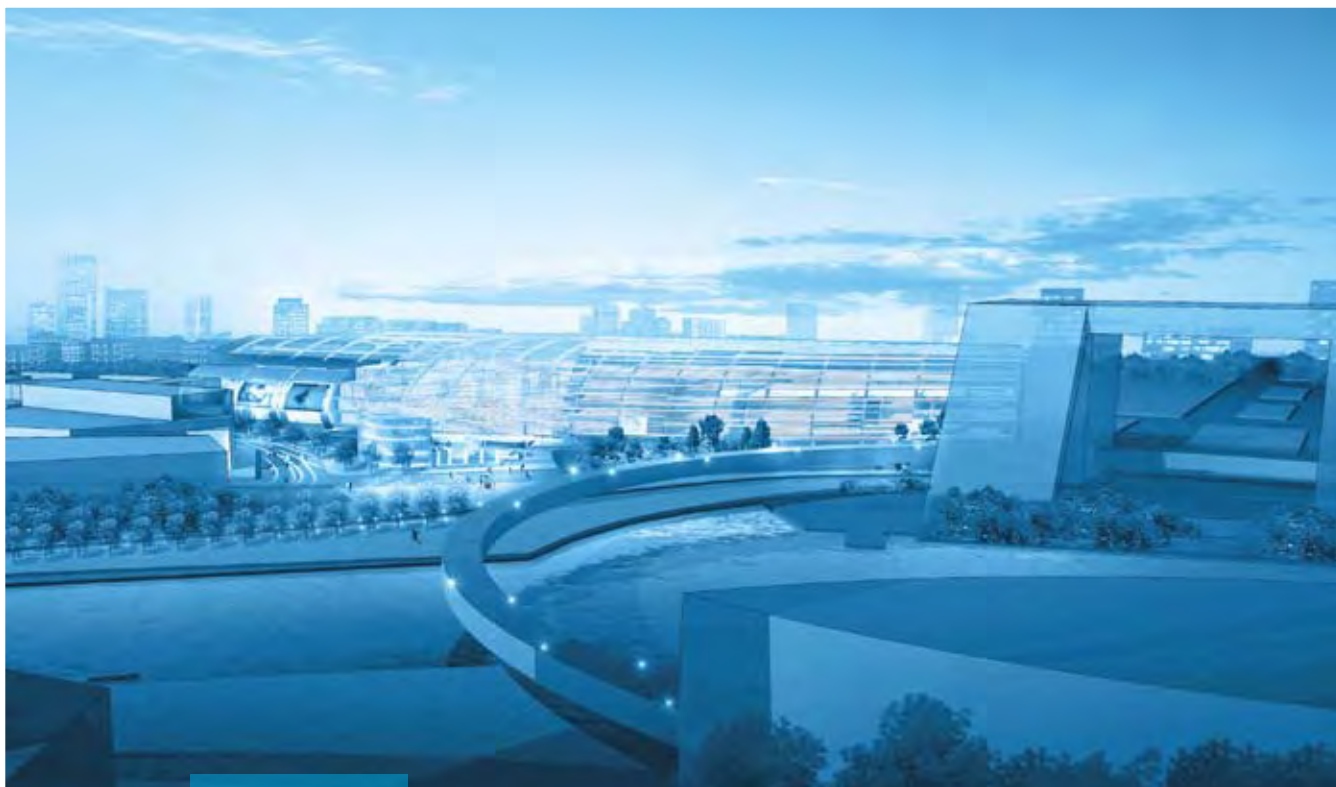
The Group has been actively pursuing other opportunities across mainland China.

### 中國內地投資物業及發展中物業之 按地域性分析

### Geographical Analysis of Mainland China Investment Properties and Properties Under Development

|     |                  | 總樓面面積 (千平方米)<br>Total Gross Floor Area ('000 sq. m) |       | 租金收入 (港幣百萬元)<br>Rental Revenue (HK\$ million) |       | 租出率 (百分率)<br>Occupancy Rate (%) |      |
|-----|------------------|---|-------|---|-------|---------------------------------|------|
|     |                  | 2006  | 2005  | 2006  | 2005  | 2006                            | 2005 |
| 上海  | Shanghai         |   |       |   |       |                                 |      |
| 徐匯區 | Xuhui District   | 101.9   | 101.9 | 322.9   | 230.6 | 100                             | 100  |
| 靜安區 | Jing An District | 211.3   | 211.3 | 399.0   | 337.0 | 100                             | 100  |
|     |                  | 313.2   | 313.2 | 721.9   | 567.6 | 100                             | 100  |
| 天津  | Tianjin          | 150.0   | 150.0 | -   | -     | -                               | -    |
| 瀋陽  | Shenyang         | 120.0   | -     | -   | -     | -                               | -    |
| 總計  | Total            | 583.2   | 463.2 | 721.9   | 567.6 | -                               | -    |

## 業務展望 Business Outlook



我們銳意發展  
最優質的綜合物業  
*We aim to build  
state-of-the-art  
complexes*

天津 發展項目 Tianjin Project

二零零七年財政年度內，集團料會繼續採取其為現有物業組合提升價值之策略，同時積極開拓中國內地市場。

香港方面，集團旗下投資物業之租金收入可望進一步上升。受惠於香港和區內的經濟增長，寫字樓、商舖及住宅物業租金持續上揚，但幅度會較為溫和。此外，租約更新週期的暢旺程度仍保持良好水平。集團會從品牌、主題及租戶組合等多方面入手，繼續發掘旗下投資物業的潛在價值。

During the financial year 2007, the Group expects to continue pursuing its strategy of enhancing its existing portfolio while expanding aggressively in mainland China.

In Hong Kong, our investment properties should see further gains. Buoyed by economic growth in Hong Kong and the region, rental rates for office, retail and residential properties continue to rise, although at a moderate pace. The rent reversion cycle for our portfolio remains positive. We will continue to unlock value through attention to brand, theme and tenant mix.

物業發展業務頗視乎利率走勢。二零零六年上半年內，香港僅錄得約五千宗住宅物業成交，低於正常買賣宗數，故市場明顯地積壓了需求。大部分觀察家認為，一旦美國和香港利率週期清楚見頂，樓市便可望反彈。

至於中國內地業務，在強勁的經濟增長下，加上集團不斷改善租戶組合和管理配套，旗下物業租金可望保持堅穩。此外，恒隆廣場第二幢辦公室大樓可望於二零零六年年底落成，為集團之中國物業組合增添八萬一千四百平方米優質樓面面積。該物業的招租情況甚為理想，料可在本財政年度下半年為集團帶來可觀的盈利貢獻。

我們將繼續發展天津及瀋陽項目，最早於二零一零年便可投入運作。中國內地是全球最富活力的市場之一，我們定會積極在此尋找其他機會。

集團擁有充裕資金供業務擴展所需。二零零六年六月，集團簽訂一項港幣六十億元銀團貸款。該項五年期循環貸款之年息率為香港銀行同業拆息加二十三個基點，創下了集團長期信貸利率的新低。有關貸款於包銷和銀團籌組階段均獲超額認購，故由原定的港幣五十億元增至港幣六十億元。

On the development side, much will depend on interest rates. In the first half of calendar year 2006, only some 5,000 transactions were recorded, below the normal take up rate. Clearly, therefore, there is pent up demand and most observers think the market will rebound once it is clear that the interest rate cycle in the United States and hence Hong Kong has peaked.

In mainland China, again, strong economic growth combined with our efforts to maximise our retail investment properties through improved tenant mix and management support is expected to keep rentals firm. The portfolio will also benefit before the end of calendar year 2006 from the addition of a second office tower at **Plaza 66**. Offering 81,400 square metres gfa of high quality space, the Office Tower 2 already has a long waiting list of tenants and its earnings will make a significant contribution to the second half of the financial year.

We will continue to progress our projects in Tianjin and Shenyang, which at the earliest should be operating by 2010. We will also pursue other opportunities in mainland China, one of the world's most exciting markets.

We are well funded for expansion. In June 2006, the Group syndicated a HK\$6 billion revolving credit facility. The 5-year facility's interest rate of HIBOR plus 23 basis points set a new benchmark for our long term funding. It was oversubscribed at both the underwriting and general syndication stages, resulting in the size of the facility being increased from the original HK\$5 billion to HK\$6 billion.



瀋陽 發展項目 Shenyang Project: 1, 2



# 主要物業概覽

## Major Properties at a Glance

### 香港物業租賃 Hong Kong Property Leasing

#### 商場及商舖 Commercial and Retail



- 1 山頂 山頂廣場  
The Peak Galleria, The Peak
- 2 金鐘 金鐘廊  
Queensway Plaza, Admiralty
- 3 銅鑼灣 名店坊  
Fashion Walk, Causeway Bay
- 4 旺角 雅蘭中心一及二期  
One & Two Grand Tower, Mongkok
- 5 鯉魚涌 康怡廣場  
Kornhill Plaza, Quarry Bay
- 6 旺角 家樂坊  
Gala Place, Mongkok



#### 寫字樓 Office

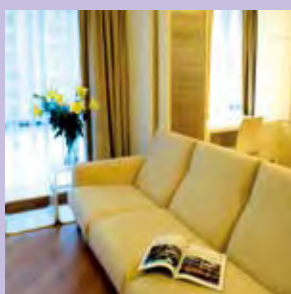


- 1 尖沙咀 格蘭中心  
Grand Centre, Tsimshatsui
- 2 中環 印刷行  
Printing House, Central
- 3 中環 樂成行  
Baskerville House, Central
- 4 鯉魚涌 樂基中心  
Stanhope House, Quarry Bay
- 5 銅鑼灣 恒隆中心  
Hang Lung Centre, Causeway Bay
- 6 旺角 栢裕商業中心  
Park-In Commercial Centre, Mongkok



## 香港物業發展及銷售 Hong Kong Property Development and Sales

### 住宅及寓所 Residential and Apartment



- 1 鯽魚涌 康蘭居  
Grand Plaza Apartments, Quarry Bay
- 2 半山 御峯  
The Summit, Mid-Levels



### 住宅 Residential



- 1 西九龍 君臨天下  
The HarbourSide, West Kowloon
- 2 何文田 君逸山  
Carmel-on-the-Hill, Ho Man Tin
- 3 西九龍 碧海藍天  
AquaMarine, West Kowloon
- 4 西九龍 浪澄灣  
The Long Beach, West Kowloon

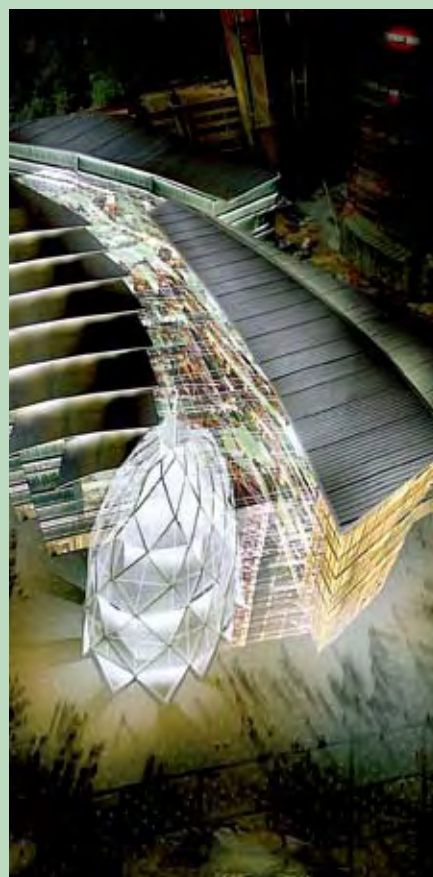


## 中國內地物業租賃 Mainland China Property Leasing



- 1 上海 港匯廣場  
The Grand Gateway, Shanghai
- 2 上海 恒隆廣場  
Plaza 66, Shanghai

## 中國內地未來發展 Future Developments in Mainland China



|   |   |   |
|---|---|---|
| 1 | 2 |   |
| 1 | 3 | 3 |
|   | 3 |   |

- 1 天津 發展項目  
Tianjin Project
- 2 瀋陽 發展項目  
Shenyang Project
- 3 各大城市  
Major cities



## 集團主要物業 Major Group Properties

### A 主要發展中物業

### A Major Properties Under Development

於二零零六年六月三十日 At 30 June 2006

| 地點                                      | Location   | 地盤面積<br>(平方米)<br>Site Area<br>(sq. m) | 主要用途<br>Main Usage | 總樓面面積<br>(平方米)<br>Total Gross<br>Floor Area<br>(sq. m) | 施工階段<br>Stage of<br>Completion | 預計落成日期<br>Expected<br>Completion<br>Date |
|---|--|---------------------------------------|--------------------|--|--------------------------------|--|
| <b>香港</b><br>藍塘道，<br>內地段5747號           | <b>Hong Kong</b><br>Blue Pool Road,<br>IL 5747                           | 7,850                                 | R                  | 審批中<br>Pending<br>Approval                             | 計劃中<br>Planning                | 不適用<br>N/A                               |
| <b>上海</b><br>恒隆廣場，<br>靜安區南京西路，<br>1266號 | <b>Shanghai</b><br>Plaza 66,<br>1266 Nan Jing Xi Lu,<br>Jing An District | 31,100                                | O                  | 81,400   | OT2<br>建築上蓋<br>Superstructure  | 2006                                     |
| <b>天津</b><br>和平區                        | <b>Tianjin</b><br>Heping District  | 44,277                                | C                  | 150,000  | 計劃中<br>Planning                | 2010                                     |
| <b>瀋陽</b><br>瀋河區                        | <b>Shenyang</b><br>Shenhe District                                       | 34,845                                | C                  | 120,000  | 計劃中<br>Planning                | 2010                                     |

C： 商鋪  
O： 寫字樓  
OT2： 寫字樓第二座  
R： 住宅

C： Commercial  
O： Office  
OT2： Office Tower 2  
R： Residential

除恒隆廣場外(集團持有百分之八十二權益)，以上物業皆為本集團全資擁有。

All the above properties are wholly owned by the Group except Plaza 66 which the Group holds 82% interest.

## B 已建成待售物業

### B Properties Completed for Sale

於二零零六年六月三十日 At 30 June 2006

| 地點                               | Location   | 主要用途<br>Main Usage | 總樓面面積<br>(平方米)<br>Total Gross<br>Floor Area<br>(sq. m) | 住宅單位數目<br>No. of<br>Residential<br>Units | 車位數目<br>No. of<br>Carparking<br>Spaces |
|----------------------------------|--|--------------------|--|--|--|
| <b>香港</b>                        | <b>Hong Kong</b>   |                    |  |  |  |
| 君臨天下·<br>柯士甸道西1號·<br>九龍內地段11080號 | The HarbourSide,<br>1 Austin Road West,<br>KIL 11080         | R                  | 106,805  | 877                                      | 614                                    |
| 碧海藍天·<br>深盛路8號·<br>新九龍內地段6338號   | AquaMarine,<br>8 Sham Shing Road,<br>NKIL 6338               | R<br>C             | 32,259*<br>22,350                                      | 488                                      | 404<br>112                             |
| 君逸山·<br>迦密村街9號·<br>九龍內地段11122號   | Carmel-on-the-Hill,<br>9 Carmel Village Street,<br>KIL 11122 | R<br>C             | 1,082<br>2,131   | 15                                       | 40                                     |
| 浪澄灣·<br>海輝道8號·<br>九龍內地段11152號    | The Long Beach,<br>8 Hoi Fai Road,<br>KIL 11152              | R<br>C/O           | 142,150<br>20,200                                      | 1,829                                    | 305<br>85                              |

\* 與房屋協會就項目銷售後之淨收益分賬達成協議

\* Subject to an agreement with the Housing Society on the sharing of the net proceeds on property sales

C: 商舖  
R: 住宅  
O: 寫字樓

C: Commercial  
R: Residential  
O: Office

除碧海藍天外(集團持有百分之九十權益), 以上物業皆為本集團全資擁有。

All the above properties are wholly owned by the Group except AquaMarine which the Group holds 90% interest.

集團主要物業  
Major Group Properties

**C 主要投資物業**  
**C Major Investment Properties**

於二零零六年六月三十日 At 30 June 2006

| 地點   | Location   | 地契屆滿年期<br>Lease Expiry | 樓面面積(平方米)<br>Gross Floor Area (sq. m) |   |                                       | 車位數目<br>No. of<br>Carparking<br>Spaces |
|--|--|------------------------|---------------------------------------|---|---------------------------------------|--|
|  |  |                        | 商場及商舖<br>Commercial<br>and Retail     | 寫字樓及<br>工業 / 寫字樓<br>Office and<br>Industrial/Office | 住宅及寓所<br>Residential and<br>Apartment |  |
| <b>香港</b>  | <b>Hong Kong</b>   |                        |                                       |   |                                       |  |
| <b>中環及金鐘</b>   | <b>Central and Admiralty</b>   |                        |                                       |   |                                       |  |
| 印刷行，都爹利街6號，<br>內地段339號   | Printing House,<br>6 Duddell Street, IL 339  | 2848                   | 1,709                                 | 5,980   | -                                     | -                                      |
| 都爹利街1號，<br>內地段7310號  | 1 Duddell Street,<br>IL 7310   | 2848                   | -                                     | 9,007   | -                                     | -                                      |
| 樂成行，雪廠街22號，<br>內地段644號   | Baskerville House,<br>22 Ice House Street, IL 644  | 2880                   | 1,473                                 | 3,379   | -                                     | -                                      |
| 渣打銀行大廈，<br>德輔道中4-4A號，<br>海傍地段103號<br>A段及B段                                       | Standard Chartered<br>Bank Building,<br>4-4A Des Voeux Road Central,<br>Sections A&B of ML 103   | 2854                   | 4,814 <sup>†</sup>                    | 23,730 <sup>†</sup>                                 | -                                     | 16                                     |
| 金鐘廊，<br>金鐘道93號   | Queensway Plaza,<br>93 Queensway   | 2012                   | 6,923                                 | -   | -                                     | -                                      |
| <b>銅鑼灣及灣仔</b>  | <b>Causeway Bay and Wanchai</b>  |                        |                                       |   |                                       |  |
| 恒隆中心，<br>百德新街2-20號，<br>內地段524號及749號  | Hang Lung Centre,<br>2-20 Paterson Street,<br>IL 524 & IL 749  | 2864                   | 8,613                                 | 22,161  | -                                     | 126                                    |
| 銅鑼灣物業，<br>百德新街、厚誠街、<br>記利佐治街、加寧街、<br>京士頓街、告士打道，<br>海傍地段231號及52號，<br>內地段469號及470號 | Causeway Bay Properties,<br>Paterson Street, Houston Street,<br>Great George Street,<br>Cleveland Street, Kingston Street,<br>Gloucester Road, ML 231, ML 52,<br>IL 469 & IL 470 | 2842, 2864<br>& 2868   | 31,072                                | -   | 7,935                                 | -                                      |
| 栢景臺，英皇道1號，<br>內地段8560號   | Park Towers,<br>1 King's Road, IL 8560   | 2060*                  | 1,101                                 | -   | -                                     | 250                                    |
| 瑞安中心，15至28樓，<br>港灣道6-8號，<br>內地段8633號   | Shui On Centre, 15/F-28/F,<br>6-8 Harbour Road,<br>IL 8633   | 2060*                  | -                                     | 16,313  | -                                     | 42                                     |

C 主要投資物業(續)

C Major Investment Properties (Continued)

| 地點  | Location  | 地契屆滿年期<br>Lease Expiry | 樓面面積(平方米)<br>Gross Floor Area (sq. m) |   |                                       | 車位數目<br>No. of<br>Carparking<br>Spaces |
|---|---|------------------------|---------------------------------------|---|---------------------------------------|--|
|   |   |                        | 商場及商舖<br>Commercial<br>and Retail     | 寫字樓及<br>工業 / 寫字樓<br>Office and<br>Industrial/Office | 住宅及寓所<br>Residential and<br>Apartment |  |
| <b>康山及鯽魚涌</b><br>康怡廣場，康山道1-2號，<br>內地段8566號      | <b>Kornhill and Quarry Bay</b><br>Kornhill Plaza,<br>1-2 Kornhill Road, IL 8566 | 2059*                  | 53,080                                | 10,577  | -                                     | 1,069                                  |
| 康蘭居，康山道2號，<br>內地段8566號                          | Grand Plaza Apartments,<br>2 Kornhill Road, IL 8566                             | 2059*                  | -                                     | -   | 35,275                                | -                                      |
| 樂基中心，英皇道734號，<br>內地段3507號                       | Stanhope House,<br>734 King's Road, IL 3507                                     | 2007*                  | 1,051                                 | 26,720  | -                                     | 70                                     |
| <b>山頂及半山區</b><br>山頂廣場，山頂道118號，<br>市郊地段3號        | <b>The Peak and Mid-Levels</b><br>The Peak Galleria,<br>118 Peak Road, RBL 3    | 2047                   | 12,500                                | -   | -                                     | 493                                    |
| 花園臺，2-3號第二座，<br>舊山頂道8A號，<br>內地段896號及2850號       | Nos. 2&3, Garden Terrace, Block 2,<br>8A Old Peak Road,<br>IL 896 & IL 2850     | 2078 &<br>2886         | -                                     | -   | 558                                   | 26                                     |
| 御峯，司徒拔道41C號，<br>內地段8870號                        | The Summit,<br>41C Stubbs Road, IL 8870   | 2047                   | -                                     | -   | 15,225                                | 54                                     |
| <b>港島南區</b><br>濱景園，南灣道9號，<br>市郊地段994號           | <b>Hong Kong South</b><br>Burnside Estate,<br>9 South Bay Road, RBL 994         | 2072                   | -                                     | -   | 9,212                                 | 89                                     |
| <b>旺角</b><br>旺角中心第一期，<br>彌敦道688號，<br>九龍內地段1262號 | <b>Mongkok</b><br>Argyle Centre, Phase I,<br>688 Nathan Road,<br>KIL 1262       | 2060                   | 50                                    | 2,300   | -                                     | -                                      |
| 雅蘭中心一期，<br>彌敦道627-641A號，<br>九龍內地段10246號         | One Grand Tower,<br>627-641A Nathan Road,<br>KIL 10246                          | 2060                   | 19,276                                | 22,637  | -                                     | 40                                     |
| 雅蘭中心二期，<br>彌敦道625號，<br>九龍內地段10234號              | Two Grand Tower,<br>625 Nathan Road,<br>KIL 10234                               | 2060                   | 1,629                                 | 8,614   | -                                     | -                                      |
| 恒通大廈，<br>廣東道1112-1120號，<br>九龍內地段9708號           | Hang Tung Building,<br>1112-1120 Canton Road,<br>KIL 9708                       | 2045*                  | -                                     | -   | -                                     | 955                                    |



集團主要物業  
Major Group Properties

C 主要投資物業 (續)  
C Major Investment Properties (Continued)

| 地點  | Location   | 地契屆滿年期<br>Lease Expiry | 樓面面積 (平方米)<br>Gross Floor Area (sq. m) |   |                                       | 車位數目<br>No. of<br>Carparking<br>Spaces |
|---|--|------------------------|--|---|---------------------------------------|--|
|   |  |                        | 商場及商舖<br>Commercial<br>and Retail      | 寫字樓及<br>工業 / 寫字樓<br>Office and<br>Industrial/Office | 住宅及寓所<br>Residential and<br>Apartment |  |
| <b>旺角 (續)</b><br>栢裕商業中心 / 家樂坊，<br>登打士街56號，<br>九龍內地段9590號          | <b>Mongkok (Continued)</b><br>Park-In Commercial Centre/Gala Place,<br>56 Dundas Street,<br>KIL9590                    | 2044*                  | 6,297                                  | 29,966  | –                                     | 478                                    |
| 荷李活商業中心，<br>彌敦道610號，<br>九龍內地段11024號                               | Hollywood Plaza,<br>610 Nathan Road,<br>KIL 11024  | 2047                   | 9,136                                  | 17,974  | –                                     | –                                      |
| <b>尖沙咀</b><br>格蘭中心，堪富利士道8號，<br>九龍內地段7725號<br>及8026號               | <b>Tsimshatsui</b><br>Grand Centre,<br>8 Humphreys Avenue,<br>KIL 7725 & KIL 8026                                      | 2038                   | 3,688                                  | 7,198   | –                                     | –                                      |
| 恒福時裝雅集，<br>彌敦道221B–E號，<br>九龍內地段10619號及8132號                       | Hanford Fashion,<br>221B–E Nathan Road,<br>KIL 10619 & KIL 8132  | 2037                   | 2,443                                  | 3,892   | –                                     | –                                      |
| <b>牛頭角及觀塘</b><br>淘大商場，牛頭角道77號，<br>新九龍內地段53號、1482號、<br>2660號及3947號 | <b>Ngau Tau Kok and Kwun Tong</b><br>Amoy Plaza, 77 Ngau Tau Kok Road,<br>NKIL 53, NKIL 1482,<br>NKIL 2660 & NKIL 3947 | 2047                   | 44,951                                 | –   | –                                     | 620                                    |
| 淘大工業中心，<br>牛頭角道7號，<br>新九龍內地段1744號                                 | Amoycan Industrial Centre,<br>7 Ngau Tau Kok Road,<br>NKIL 1744  | 2047                   | –                                      | 6,547   | –                                     | –                                      |
| 麗港城商場，茶果嶺道，<br>新九龍內地段6055號  | Laguna Plaza,<br>Cha Kwo Ling Road, NKIL 6055  | 2047                   | 15,619                                 | –   | –                                     | 165                                    |
| <b>長沙灣及葵涌</b><br>百佳大廈，青山道476號，<br>新九龍內地段1761號                     | <b>Cheung Sha Wan and Kwai Chung</b><br>Park Building,<br>476 Castle Peak Road, NKIL 1761                              | 2047                   | 397                                    | 13,109  | –                                     | –                                      |

C 主要投資物業(續)

C Major Investment Properties (Continued)

| 地點   | Location   | 地契屆滿年期<br>Lease Expiry | 樓面面積(平方米)<br>Gross Floor Area (sq. m) |   |                                       | 車位數目<br>No. of<br>Carparking<br>Spaces |
|--|--|------------------------|---------------------------------------|---|---------------------------------------|--|
|  |  |                        | 商場及商舖<br>Commercial<br>and Retail     | 寫字樓及<br>工業 / 寫字樓<br>Office and<br>Industrial/Office | 住宅及寓所<br>Residential and<br>Apartment |  |
| <b>長沙灣<br/>及葵涌(續)</b>                                  | <b>Cheung Sha Wan<br/>and Kwai Chung (Continued)</b>   |                        |                                       |   |                                       |  |
| 荔灣花園，<br>荔景山道1A1、1A2、<br>5A、6A及6B號商舖，<br>測量約分4號地段3336號 | Laichikok Bay Garden,<br>Shops 1A1, 1A2, 5A, 6A & 6B,<br>Lai King Hill Road,<br>Lot 3336 of SD 4 | 2047                   | 3,109                                 | –   | –                                     | 172                                    |
| 紅A中心，青山道443–451號，<br>丈量約分445號地段<br>690號A段              | Star Centre,<br>443–451 Castle Peak Road,<br>Section A of Lot 690 in DD 445                      | 2047                   | –                                     | 28,512  | –                                     | 27                                     |
| <b>上海</b>  | <b>Shanghai</b>  |                        |                                       |   |                                       |  |
| 港匯廣場，<br>徐家匯虹橋路1號，<br>徐匯區                              | The Grand Gateway,<br>1 Hong Qiao Lu, Xujiahui,<br>Xuhui District                                | 2043                   | 101,924                               | –   | –                                     | 1,100                                  |
| 恒隆廣場，<br>南京西路1266號，<br>靜安區                             | Plaza 66,<br>1266 Nan Jing Xi Lu,<br>Jing An District  | 2044                   | 51,700                                | 78,200  | –                                     | 392                                    |

\* 可續期七十五年

\* With an option to renew for a further term of 75 years

† 集團現擁有面積二萬二千一百零一平方米寫字樓之租金收入，其餘樓面之收租權益將於二零一二年交回本集團

† The Group is now entitled to rental on 22,101 square metres of office area. The rights to rental entitlement in the remaining area will revert to the Group in 2012

# 財務業績及狀況回顧

## Review of Financial Results and Position

### 營業額 Turnover

由於市場需求龐大(特別是辦公室分部)，香港之租金收入顯著增長。有鑑於中國內地經濟持續迅速增長，上海物業持續表現突出。物業銷售方面，本集團售出逾三百個碧海藍天住宅單位，其每平方米售價約為四千八百元。

Hong Kong rental income increased considerably due to strong market demand especially in the office segment. The Shanghai properties continued their outstanding performance as mainland China's economy continued to grow rapidly. In property sales, we sold over 300 units of AquaMarine at approximately \$4,800 p.s.f.

### 其他收入 Other income

其他收入主要包括二億五千三百萬元之銀行利息收入，而該等銀行利息收入因所持現金增加以及利率較高而有所增長。

Other income comprised mainly bank interest income of \$253 million which increased owing to higher cash holdings and higher interest rates.

### 行政費用 Administrative expenses

行政費用主要包括行政人員成本及其他公司開支。

Administrative expenses comprised mainly administrative staff costs and other corporate expenses.

### 投資物業之公平值增加 Increase in fair value of investment properties

上個財政年度採納香港會計準則第40號後，估值變動已於收益表確認。

Following the adoption of HKAS 40 last financial year, valuation changes are recognised in the income statement.

### 財務費用 Finance costs

年內，財務費用與市場利率同步上升。

Finance costs rose in line with the increase in market interest rates during the year.

### 二零零五/零六年度之財務業績 Financial results for 2005/06

|                          |  |              |         | 變動<br>(百分率) |
|--------------------------|--|--------------|---------|-------------|
| 以港幣百萬元計算 in HK\$ million |  | 2006         | 2005    | change (%)  |
| <b>營業額</b>               | <b>Turnover</b>  |              |         |             |
| <b>租金收入</b>              | <b>Rental income</b>                                       |              |         |             |
| 香港                       | Hong Kong  | 1,956        | 1,854   | 5%          |
| 中國內地                     | Mainland China   | 722          | 568     | 27%         |
|                          |  | 2,678        | 2,422   | 11%         |
| <b>物業銷售</b>              | <b>Property sales</b>                                      | 1,063        | 4,533   | -77%        |
|                          |  | <b>3,741</b> | 6,955   | -46%        |
| <b>其他收入</b>              | <b>Other income</b>  | <b>317</b>   | 106     | 199%        |
| 直接成本及<br>營業費用            | Direct costs and<br>operating expenses                     | (1,388)      | (3,505) | -60%        |
| <b>行政費用</b>              | <b>Administrative expenses</b>                             | <b>(206)</b> | (154)   | 34%         |
| <b>投資物業之<br/>公平值增加</b>   | <b>Increase in fair value of<br/>investment properties</b> | <b>3,438</b> | 5,403   | -36%        |
| <b>財務費用</b>              | <b>Finance costs</b>                                       | <b>(415)</b> | (256)   | 62%         |
| 應佔合營<br>公司溢利             | Share of profits of jointly<br>controlled entities         | 90           | 118     | -24%        |
| 稅項                       | Taxation   | (1,003)      | (1,583) | -37%        |
| 本年度溢利                    | Profit for the year  | 4,574        | 7,084   | -35%        |
| <b>應佔純利</b>              | <b>Attributable to</b>                                     |              |         |             |
| 股東                       | Shareholders   | 4,403        | 6,813   | -35%        |
| 少數股東權益                   | Minority interests   | 171          | 271     | -37%        |

## 於二零零六年六月三十日之財政狀況 Financial position at 30 June 2006

|                          |                                 | 2006          | 2005   | 變動<br>(百分率) |
|--------------------------|---------------------------------|---------------|--------|-------------|
| 以港幣百萬元計算 in HK\$ million |                                 |               |        |             |
| <b>投資物業</b>              | <b>Investment properties</b>    | <b>39,590</b> | 36,032 | 10%         |
| <b>其他非流動資產</b>           | <b>Other non-current assets</b> | <b>3,537</b>  | 2,396  | 48%         |
| 存貨                       | Inventories                     | 10,159        | 10,693 | -5%         |
| <b>現金及銀行存款</b>           | <b>Cash and bank</b>            | <b>5,984</b>  | 3,206  | 87%         |
| 其他流動資產                   | Other current assets            | 1,097         | 769    | 43%         |
| 流動負債                     | Current liabilities             | 1,862         | 2,319  | -20%        |
| <b>銀行貸款</b>              | <b>Bank loans</b>               | <b>8,454</b>  | 4,114  | 105%        |
| <b>優先股股份</b>             | <b>Preference shares</b>        | <b>-</b>      | 355    | -100%       |
| 浮息票據                     | Floating rate notes             | 1,500         | 1,500  | 0%          |
| <b>遞延稅項負債</b>            | <b>Deferred tax liabilities</b> | <b>3,691</b>  | 2,910  | 27%         |
| 其他長期負債                   | Other long term liabilities     | 571           | 643    | -11%        |
| 資產淨值                     | Net assets                      | 44,289        | 41,255 | 7%          |

### 投資物業 Investment properties

隨本集團之租賃業務(特別是辦公室分部)之收益大幅增加後,年內確認三十四億三千八百萬元之估值收益。  
A valuation gain of \$3,438 million was recorded this year following sharp growth of revenues at our leasing operations, especially in the office segment.

### 其他非流動資產 Other non-current assets

其他非流動資產增加反映本集團擴展其於中國內地之投資策略。  
The increase in other non-current assets reflected the Group's strategy of expanding its investment in mainland China.

### 現金及銀行存款 Cash and bank

強勁現金狀況有助本集團把握未來湧現之投資商機。  
The strong cash position will enable the Group to seize future investment opportunities.

### 銀行貸款 Bank loans

於二零零六年六月簽訂之銀團貸款達六十億元,利率極為優惠,為香港銀行同業拆息加年息率23個基點。  
A syndicated loan of \$6 billion was signed in June 2006 at a very favourable rate of HIBOR plus 23 basis points per annum.

### 優先股股份 Preference shares

所有優先股股份均已於年內轉換為恒隆地產有限公司之普通股股份,而其於香港聯交所及盧森堡證券交易所之上市地位已撤銷。  
All preference shares were converted into ordinary shares of Hang Lung Properties Limited during the year and listing on the Hong Kong and Luxembourg stock exchanges was withdrawn.

### 遞延稅項負債 Deferred tax liabilities

遞延稅項負債增加與投資物業價值之升幅相應。  
The increase in deferred tax liabilities corresponds to the increase in the value of investment properties.

## 財務回顧 Financial Review

### 流動資金及資本資源

二零零六年六月，本集團與十六家本地及國際銀行簽訂一項港幣六十億元之銀團貸款。該項目獲銀行界熱烈支持，並有助集團減省借貸成本。

本集團之負債率在結算日處於百分之九之低水平。公司之市值自一九九七年以來穩步上升，於二零零六年六月三十日約達港幣五百一十九億元。

於二零零六年六月三十日，尚未動用之銀行信貸連同銀行存款合共為港幣一百四十億六千七百六十萬元，其中港幣五十九億八千三百六十萬元為銀行存款、港幣七十一億五千九百萬元為承諾信貸，而港幣九億二千五百萬元為活期信貸。

於二零零六年六月三十日，本集團有港幣十五億元之浮息票據，該等票據須於二零零九年十二月全數償還及沒有權利轉換成本公司或其他公司之股份。集團並無其他未償還的定息或浮息票據或可換股債券。

二零零六年六月，所有尚未轉換的可換股累積優先股股份已強制轉換為普通股股份，本公司年內因而發行了四千四百四十萬股普通股新股份。

### Liquidity and Capital Resources

In June 2006, the Group signed a HK\$6.0 billion syndicated loan facility with 16 local and international banks. The facility was well received by the financial community, and will assist in reducing costs of funds for the Group.

The Group's gearing ratio at balance sheet date stood at a very low 9%. Market capitalisation has been steadily rising since 1997, and as at 30 June 2006 was approximately HK\$51.9 billion.

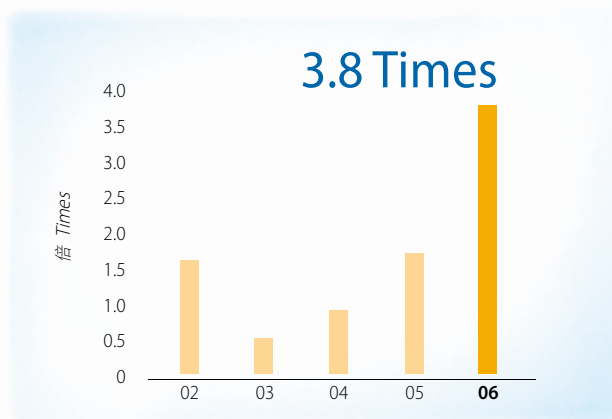
As at 30 June 2006, undrawn banking facilities together with bank deposits amounted to HK\$14,067.6 million, comprising HK\$5,983.6 million in bank deposits, HK\$7,159.0 million in committed facilities and HK\$925.0 million in demand facilities.

At 30 June 2006, the Group has floating rate notes amounted to HK\$1.5 billion which are repayable in full in December 2009 and have no rights of conversion into shares of the Company or any other body corporate. The Group has no other outstanding fixed or floating rate notes or convertible bonds.

All outstanding convertible cumulative preference shares were converted by June 2006 under a compulsory conversion and 44.4 million new ordinary shares were consequently issued during the year.

### 流動比率

於六月三十日



### Liquidity Ratio

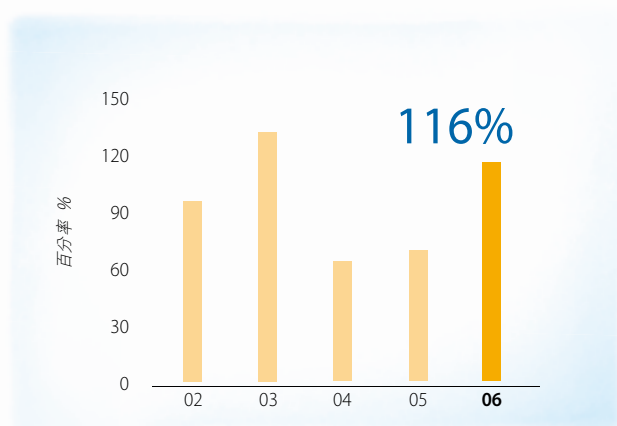
At 30 June

附註：流動比率乃流動資產減存貨後與流動負債之比較

Note: Liquidity ratio represents current assets less inventories over current liabilities.

### 基本派息比率

截至六月三十日止年度



### Underlying Pay-out Ratio

For years ended 30 June

### 股息

董事局建議派發末期股息每股三角八仙，較去年度增加百分之三。全年度每股股息總額為五角一仙，較去年度增加百分之二。環顧所有香港上市地產公司，本集團之股息率持續居於榜首之列。

本集團繼續秉持在各個年度穩定地派發股息之政策。此「分攤」方式可避免股息與年度溢利掛鉤，後者有可能因銷售物業之時間而出現波動。有關方式令本集團近年來持續成為股息率最高之香港大型地產公司之一。

### 會計準則

香港會計師公會已頒佈多項新訂及經修訂《香港財務報告準則》、《香港會計準則》及詮釋（統稱「HKFRSs」），並於本集團二零零五年七月一日或之後開始之會計期間生效。

本集團已於截至二零零五年六月三十日年度提早採納HKAS 40及HKSIC-Int 21，於收益表內確認重估變動及相關遞延稅項。

本集團於本年度額外採納其他新訂會計準則，如HKFRS 2「股權支付」、HKFRS 3「業務合併」、HKAS 32「金融工具：披露及列報」及HKAS 39「金融工具：確認及計量」。有關會計準則對本年度股東應佔純利之影響微不足道。

### Dividend

The Board has proposed a final dividend of 38 cents per share, which is an increase of 3% above last year's figure. The total dividend for the year is 51 cents, up 2% from the previous year. The Group consistently offers one of the highest dividend yields amongst all stocks in Hong Kong's property sector.

The Group is continuing its policy of maintaining steady dividend payments. This 'smoothing out' process avoids pegging of the dividend to annual profits, thereby eliminating fluctuations tied to the timing of property sales. This policy has allowed the Group to consistently offer one of the highest dividend yields amongst the Hong Kong property sector.

### Accounting Standards

The Hong Kong Institute of Certified Public Accountants has issued a number of new and revised Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations (collectively, 'HKFRSs') which are effective for the Group's accounting periods beginning on or after 1 July 2005.

The Group adopted in advance HKAS 40 and HKSIC-Int 21 for the year ended 30 June 2005 where revaluation changes and related deferred tax are recognized in the income statement.

For current year, the Group further adopted other new accounting standards like HKFRS 2 'Share-based payment', HKFRS 3 'Business Combinations', HKAS 32 'Financial instruments: Disclosure and Presentation', HKAS 39 'Financial instruments: Recognition and Measurement'. The effect on the net profit attributable to shareholders for the year is negligible.

# 風險管理

## Risk Management

### 土地儲備

本集團已就中國內地業務制定投資計劃，其中包括對地點和項目的策略性篩選準則，重點為有關城市的整體發展和基建情況、當地政府的支持程度、項目涉及的土地成本及收益潛力等。在落實任何項目前，集團定必進行周詳評估。每個項目發展計劃均由經驗豐富的專業隊伍負責執行，而在項目選址、購置土地、可行性研究、項目設計及施工等重要階段，集團管理層均會積極監管，並於有需要時迅速作出決定，藉此提升項目的回報。

香港方面，集團繼續審慎物色機會，冀能透過各項購置方式適時地增加土地儲備。

### 現金管理及融資

所有附屬公司之現金流均由中央管理，藉此提高資金的成本效益。集團安排適量的銀行貸款額度來支持旗下所有公司的資金需要，這些貸款各有不同的還款期。集團亦不時以優惠價格和條件來訂立新的銀行信貸，以配合業務增長所需或為原有貸款再融資。集團會把盈餘現金匯集供償還貸款之用，或存放於金融機構以取得較佳回報。

### 流動性風險

集團保持穩健的流動資金水平，確保隨時備有足夠流動資金以符合業務要求，並密切監察各類債項的償還期，預先妥善部署還款安排。

### 利率及匯率風險

集團密切監察其利率風險及市場利率走勢，務求把其整體借貸成本減至最低。集團大部分現有貸款均為浮息，但用以為集團部分中國內地業務提供融資之人民幣貸款除外。集團的貨幣資產和負債的到期日亦妥善分佈以減少風險。當情況恰當時，集團以本土貨幣貸款來對應有關業務及有關的營運貨幣，從而降低匯率波動所帶來的風險。

### Land Bank

The Group has developed an investment plan for mainland China which includes strategic criteria for the selection of locations and projects. This is based on the overall development and infrastructure of the cities where the projects are situated, the level of support from the local government and the land cost involved, having regard to the income potential of the projects concerned. Comprehensive evaluations are made before the Group commits to any project. In addition to having a professional and experienced team to execute the development plan for each project, the Group's management plays an active role in supervising the various stages of all projects including the site identification and acquisition, feasibility study, project design and implementation. Prompt management decisions are made as needed to enhance the project return.

In Hong Kong, the Group continues to identify opportunities prudently to expand its land bank at appropriate times by acquiring sites through various means.

### Cash Management and Funding

The cash flow of all subsidiaries is managed on a centralised basis in order to enhance the cost-efficiency of funding. Adequate but not excessive banking facilities, with different maturity profiles, are arranged at the Group level to support the funding requirements of all Group entities. New banking facilities with favourable pricing and terms are entered into from time to time to match business growth or to refinance existing facilities. Surplus cash is pooled for repayment of borrowings or placing with financial institutions to achieve economies of scale and better rates of return.

### Liquidity Risk

The Group maintains a strong liquidity position to ensure sufficient funds are available to meet liquidity requirements at all times. The repayment profile of liabilities is closely monitored and sources of payment are well planned in advance.

### Interest Rate and Exchange Rate Risks

The Group monitors closely its interest risk exposure and interest rate movements with an aim to minimise the overall cost of borrowings. Most of the Group's current borrowings are subject to floating interest rates, with the exception of RMB borrowings which are used to finance certain of the Group's mainland China operations. The maturities of monetary assets and liabilities are distributed in a way to minimise the repricing risk. Exchange rate risks arising from fluctuation of exchange rates are mitigated by using local currency funding, where appropriate, to match the operating currencies.

## 採用衍生工具

集團之政策絕不容許訂立任何投機性的衍生工具交易。集團只可採用衍生工具來管理財務風險或作出對沖，並只可在經濟情況確實有需要下方能採用。

## 交易對手/信貸風險

集團只可在信貸風險可接受的情況下與其他方進行交易。當集團調配盈餘資金時，對方必須為有聲譽的交易對手（例如財政穩健的金融機構）。集團亦定期就本身與每名交易對手的信貸關係作出管理，以避免過量集中所帶來的風險。

## 零售市道及收租管理

集團於適當時節舉辦各項推廣活動，為旗下商場增加人流，並經常審閱旗下商場之租戶組合、收租政策及租金拖欠情況。此外，集團向租戶收取按金以減低欠租風險，並在適當情況下向遲繳租金之租戶徵收罰款。當出現拖欠租金情況時，集團會迅速採取行動，令潛在損失減至最小。

## 保險及保養

集團定期審閱旗下所有投資物業，並及早採取預防措施以確保該等物業均處於良好狀況。集團除定期為旗下所有物業實施保養計劃外，亦定期為有關的住宅物業及商場進行大型的清潔和翻新行動及改善設施。集團所有投資物業，均已就各項可能帶來損失之意外事件購買保險。

## 營運風險

集團設有完善的內部監控機制，防止欺詐行為、越權行為、人為錯誤及系統失誤帶來損失。內部審計部定期就內部監控機制進行獨立審閱。此外，集團定期為電腦資訊備份並設有後備營運中心，把緊急事件對集團業務運作的影響減至最小。

## Use of Derivatives

It is the policy of the Group that no speculative derivative transactions be entered into. The Group may use derivative instruments solely for financial risk management/hedging purposes if justified by the economic situation.

## Counterparty/Credit Risk

The Group only undertakes transactions with counterparties that represent acceptable credit risks. When deploying surplus funds, the Group only deals with reputable counterparties such as financial institutions having sound finances. The Group also manages exposure to individual counterparties regularly to avoid undue concentration risk.

## Retail Climate and Rental Collection

The Group organises promotional events at appropriate occasions to improve customer traffic at its retail centres. The tenant mix at the Group's retail outlets remains under constant review, along with the policies on the collection of rental and outstanding debts. Rental deposits are received in advance from tenants to mitigate the potential default risks and penalties are imposed for late payment where appropriate. The Group takes prompt action when rentals are in arrears to minimise potential losses.

## Insurance and Maintenance

All investment properties are regularly reviewed and precautionary measures are taken promptly to maintain and improve their condition. In addition to the Group's ongoing maintenance programme to enhance all buildings, large-scale cleaning, renovation and facility-upgrading exercises are regularly conducted at both residential properties and shopping malls. All investment properties are well insured for any loss from casualties.

## Operational Risk

The Group has well established internal control system to protect against loss arising through fraud, unauthorised activities, error and system malfunctions. Independent reviews of the internal control systems are regularly performed by the Internal Audit Department. Information backup is performed on a regular basis and a back up site is in place to ensure disruption to business is minimised in the case of a contingency.



## 企業公民 Corporate Citizenship

身為亞洲一家主要地產公司，恒隆積極參與社會事務，透過多項目標明確的行動，致力為社會作出貢獻。多年來，我們努力不懈地協助年青人成長，而在本財政年度內，集團為支持各類公益和環保計劃，合共作出超過港幣六百萬元的襄助。

As one of Asia's leading property companies, the Group is deeply involved with the communities in which it operates, and strives to make a positive contribution through a variety of targeted initiatives. In this regard, we have been supporting youth development for many years. In all, the Group provided over HK\$6 million of support to various community and environmental programmes during the financial year.

6 百萬  
million

在本財政年度內，集團為支持各類公益和環保計劃，合共作出超過港幣六百萬元的襄助

In all, the Group provided over HK\$6 million of support to various community and environmental programmes during the financial year

培育身心豐盛的下一代，向來是集團公益事務的重點之一。二零零六年財政年度內，集團透過各類計劃為年青人進一步提供支持和鼓勵。

The health and prosperity of the next generation remained a major focus for our efforts in corporate citizenship and the financial year 2006 saw our programmes provide further assistance and motivation to younger people.

我們相信，恒隆身為盡責的企業公民，為培育香港的下一代，扮演著重要的角色。集團贊助每兩年一度舉行的「恒隆數學獎」，透過獎賞和表揚來激發香港中學生對數學的興趣。該項比賽是亞洲首個同類型的比賽，由香港中文大學數學科學研究所主辦，並由丘成桐教授擔任評審會主席。

As a responsible corporate citizenship, we believe we have an important role in nurturing our next generation in Hong Kong. Every two years the Group sponsors the Hang Lung Mathematics Awards, a platform to reward and recognise secondary school students with a passion for mathematics. Administered by the Institute of Mathematical Sciences of The Chinese University of Hong Kong, and chaired by Professor Shing-tung Yau, this biennial competition is the first of its kind in Asia.

比賽成功地激發學生對數學研究之熱情，並為學生、教師和學校創造了一個提升數學之教學質素的環境。各中學的學生均可組隊參賽，每隊最多5人，由一位老師帶領。每隊自訂數學課題和計劃，進行研究及提交研究方法和報告。每間學校可有超過一隊參賽隊伍。

This competition has successfully stimulated interest in mathematics research, and has created an environment for students, teachers and schools to raise the quality of mathematics in their educational curricula. Schools are invited to form teams of up to five students along with a supervising teacher. Each team designs and carries out a mathematics research project, then submits a project report which summarises the methodology, research and results. Schools are permitted to enter more than one team.

財政年度內，集團積極籌備二零零六年「恒隆數學獎」。截至二零零六年六月，已有超過九十隊參賽隊伍。頒獎典禮將於二零零六年十二月舉行。

During the financial year, the Group has been preparing for the 2006 Hang Lung Mathematics Awards. By June 2006, over 90 teams had participated in the competition. The award presentation will be held in December 2006.

除贊助年青人計劃外，我們亦協助商界和社會相關機構促進社會了解。

In addition to sponsoring youth oriented programmes, we have helped fund business and community related institutions to support and foster understanding across society.

香港大學「一比一建造計劃」 'HKU One-to-one Construction' Project



綠的歡欣有限公司之「名樹護養計劃」 Green Fun Limited's 'Adopt a Vintage Tree' Campaign

教育是我們關注的另一重點。在集團主席協助下，香港工會聯合會舉辦「勞資關係及人力資源管理研究證書課程」，就各國勞資關係進行研究和比較。我們亦贊助了香港大學「一比一建造計劃」，讓港大建築系學生從真實的建築過程中吸收寶貴經驗。

公眾人士、商界和政府均日益重視環保。財政年度內，集團贊助非牟利組織綠的歡欣有限公司之「名樹護養計劃」，協助喚起各界重視樹木對香港環境的重要。

身為物業發展商兼業主，集團不斷改善業務運作，作出更佳的環保管理。當發展新物業時，集團把環保列為整體設計的重要元素，有效地減少廢棄物及提高節能，港匯廣場便是一個好例子。至於集團旗下的投資物業，集團響應政府對空調溫度的規定，在公用地方作出適當的調溫，並兼顧較大空間和範圍的舒適需要。

集團繼續推行無紙辦公室概念，鼓勵全體員工於日常工作應用網絡系統，並提供所需的設備及加強員工的有關技能。集團亦提升資訊系統及發展電子平台，從而簡化日常的工作流程。此等措施為集團帶來更佳的營運效率及員工管理。

Education is another strong area of focus. The Group Chairman helped institute a Postgraduate Certificate in Industrial Relations & Human Resource Management with The Hong Kong Federation of Trade Unions, which aims to provide research and comparative studies of industrial relations in a global basis. We also sponsored The University of Hong Kong's 'HKU One-to-one Construction Project' which provides valuable experience of real construction work for students in the Department of Architecture.

Environmental protection is of increasing concern to the general public, business and the Government. During the financial year, we sponsored Green Fun Limited's 'Adopt a Vintage Tree' campaign, helping to raise awareness of the importance of treescapes to Hong Kong's environment.

As an owner and developer of properties, the Group has also been examining its operations to see where it can best improve its environmental management. In the development of new properties, such as The Grand Gateway, environmental considerations have become more integral to the design process, resulting in improved waste management and more energy efficient design. For our investment properties, we have taken note of the Government's initiative to regulate air conditioning and have made adjustments in common areas, while bearing in mind the need to maintain comfortable temperatures across large and complex spaces.

We continued to promote a 'paperless office' by encouraging all employees to adopt web-based applications, equipping them with the necessary equipment and skills. We have also continued to enhance our systems and develop service platforms that help simplify work processes in daily operations. This has resulted in greater productivity and more effective management.

## 僱員關係 Employee Relations



超過三百名員工及其家眷  
於完成修復的北京故宮  
建福宮花園內參觀

Over 300 employees and family members  
visited the restored Jianfu Palace Garden  
in the Forbidden City in Beijing

為令業務長期持續增長，集團矢志建立一支熱誠工作的能幹團隊，以實現其業務目標。集團所有僱員均以誠信、忠貞、權操及昭明等四大核心價值為基準，致力為集團的抱負作出貢獻。

To sustain long-term business growth, the Group has been committed to building a highly dedicated and competent team to work towards its business goals. All of the Group's employees have striven to contribute towards the Group's mission, on the basis of our four core values of integrity, loyalty, authority and simplicity.

於二零零六年六月三十日，集團僱用一千七百二十六名員工，包括香港員工一千零二十人及中國內地員工七百零六人。年內，員工之薪酬總額為港幣二億七千六百二十萬元。集團之薪酬政策乃論功行賞，

As at 30 June 2006, the Group employed 1,726 employees – including 1,020 in Hong Kong and 706 in mainland China. The total remuneration of our employees during the year was HK\$276.2 million. The Group's remuneration policy has been based on the principle of pay for performance, and aims to attract, motivate and retain talented

藉此鼓勵士氣及挽留人才。除給予員工合約訂明之十三個月薪金外，亦為有表現之員工給予加薪及酌情發放之花紅。

## 培訓人才供擴展業務

集團明白，要實現其鴻圖大計，需要合適的人才持續落實各項部署。

為此，集團於二零零五年八月實施嶄新的「見習管理人員培訓計劃」，藉此培養一批經磨練的忠誠才俊，作為集團未來的經理級接班人。集團每年選聘本地和海外大學畢業生參加該項為期兩年的計劃。期內，受訓者被安排到多個部門工作以取得實務經驗，其中包括為期六個月暫調上海工作。每名受訓者均有一名導師，如能完成計劃及符合要求，可獲受聘及享有良好的升職機會。二零零六年度內，第二批畢業生參加該計劃，而集團之上海辦事處亦招聘一批管理培訓生，安排他們在恒隆廣場和港匯廣場各個部門接受為期十八個月之在職訓練。

集團位於中環面積達二百三十平方米的員工培訓中心，亦為集團物業管理員工提供廣泛的技能和專才訓練。除由內部培訓導師負責各項課程外，亦經常邀請法律界及保險業等專業人士擔任研討會講者。我們並邀請廉署代表，為集團員工舉辦專業道德及防止貪污講座。

集團亦因應業務改變來調校員工的培訓工作。由於集團中國內地業務急速增長，加上訪港之中國內地旅客日眾，故集團亦顯著加強員工的普通話培訓。

為鼓勵員工進修及持續學習和發展，集團調高每名員工的每年進修資助費。根據該項資助計劃，員工參加外部培訓計劃、學術課程及專業考試等均可獲資助。

people. In addition to the contractual 13-month salary, discretionary bonuses and salary increments are awarded to outstanding performers.

## Training for Expansion

The Group's expansion plans are ambitious and we fully recognise the need to ensure we have the right people to execute them and maintain momentum.

With this in mind, in August 2005 we launched a major new Management Trainee Programme designed to create a cadre of talented, well trained and loyal future managers. Each year, graduates from local and overseas universities will be selected to join the programme. Lasting for two years, it gives the recruits hands on experience across the range of departments, including a six-month secondment to our Shanghai operations. Each participant has an individual mentor and upon successful completion is assigned to a fast-track position. In 2006, a second batch of graduates was recruited to the programme. Moreover, our Shanghai office recruited management trainees to undergo 18 months' on-the-job training with various departments in Plaza 66 and The Grand Gateway.

Training is conducted largely at our dedicated 230 square metre training centre in Central. General courses are extensive and cover a wide range of technical and soft skills training for building management employees. In addition to in-house training staff, the Group regularly invites professionals such as those from legal and insurance firms, to conduct seminars. We have also invited the ICAC to deliver talks on professional ethics and corruption prevention to our employees.

Training is increasingly geared towards the changing nature of the Group's business. The development of Putonghua language skills has increased markedly, in view not only of our growing business in mainland China, but of the increased need to cater for mainland visitors to Hong Kong.

To encourage employees to pursue further education and continuous learning and development, the Group has increased the amount of annual training sponsorship for each employee. Under the sponsorship programme, employees are eligible to enrol on external training programmes, academic courses and for professional examinations.



傷健同步創明天由香港傷健協會舉辦  
Charity walk organized by Hong Kong PHAB Association



見習管理人員培訓計劃首輪甄選 First screening of Management Trainee Programme

### 建立積極的企業文化

我們致力向員工闡明集團的目標、使命和核心價值，努力建立一個積極求進的企業文化。除提供正式培訓外，亦舉辦公司年度旅行等活動，協助培養及鞏固企業文化。

財政年度內，超過三百名員工及其家眷參加了集團主辦的北京遊，參觀了完成修復的故宮建福宮花園，該項修復工程由集團主席擔任會長的中國文化保護基金會捐款進行。年內，集團之員工康體會為員工舉辦多項活動，包括瑜珈班、遠足活動、保齡球比賽、荔枝莊旅行團、螢火蟲觀賞夜及系內公司足球比賽等，藉此促進員工的身心健康和團隊精神。

### Building a Strong Corporate Culture

Considerable effort has also been put into explaining the Group's vision, mission and core values, to build a strong culture and support business goals. In addition to formal courses, events such as the annual company outing help foster this spirit.

During the financial year, the outing took over 300 employees and family members to Beijing to visit the restored Jianfu Palace Garden in the Forbidden City, a project funded by the China Heritage Fund of which the Group's Chairman is currently the Director. To promote team spirit and build a healthy workforce, the Group's Staff Social Club supported numerous activities during the year, including yoga classes, hiking, a bowling competition, lychee valley tour and fireflies watching night, as well as inter-company soccer tournaments.



恒隆地產足球隊友誼賽 Hang Lung Properties Limited Soccer Team inter-company soccer tournament