

## GROUP RESULTS

The Board of Directors of Hopewell Holdings Limited (the “Company”) is pleased to announce the unaudited interim results of the Group for the six months ended 31st December, 2006.

### Overview

For the six months ended 31st December, 2006, the Group’s turnover by activities and their respective earnings before interest and tax are reported as follows:

	Turnover (Note 1)		Earnings before interest & tax (Note 2)	
	2005 HK\$’M	2006 HK\$’M	2005 HK\$’M	2006 HK\$’M
Property letting, agency & management	160	189	92	104
Property development	—	193	(13)	655
Infrastructure projects investment	4	3	540	627
Hotel operations, restaurant & catering	180	190	38	38
Others	—	—	42	73
	344	575	699	1,497
Share of turnover of jointly controlled entities				
Infrastructure projects investment	860	1,004		
Property development	—	1,064		
	1,204	2,643		

	Results	
	2005 HK\$’M	2006 HK\$’M
Earnings before interest & tax (Note 2)	699	1,497
Exceptional items (Note 3)	473	8
Fair value change on the Group’s investment properties		
– Revaluation increase	168	96
– Attributable tax effect	(29)	(17)
Finance costs	(30)	(44)
Taxation	(1)	(6)
Net profit	1,280	1,534
Attributable to:		
Equity holders of the Company	1,118	1,336
Minority interests	162	198
	1,280	1,534

#### Notes:

- Turnover represented the sum of the Group’s turnover of HK\$575 million (2005: HK\$344 million) and the attributable share of turnover of jointly controlled entities engaging in infrastructure projects of HK\$1,004 million (2005: HK\$860 million) and property development of HK\$1,064 million (2005: Nil).
- Earnings before interest & tax represented the sum of (i) profit from operations before changes in fair value of investment properties and exceptional items of HK\$228 million (2005: HK\$147 million); and (ii) share of profits of jointly controlled entities and associates of HK\$1,269 million (2005: HK\$552 million).
- Exceptional item for current period represented gain on deemed disposal of interests in HHI upon exercise of HHI warrants by the warrants holders during the period. The exceptional items for last period comprised profit on disposal of interests in subsidiary, power station and infrastructure project.

## **Turnover**

Turnover for the six months ended 31st December, 2006, including the Group's proportionate share of turnover of jointly controlled entities engaging in infrastructure and property development businesses, was HK\$2,643 million which reported an increase of 120% as compared with HK\$1,204 million of last corresponding period. The increase was resulted from revenue growth of the Group's core businesses including property, hospitality, infrastructure projects and particularly the recognition of sales of development properties in Macau and Huadu. The Group's attributable share of toll revenue of the three expressways under operation, namely Guangzhou-Shenzhen Superhighway, Guangzhou ESW Ring Road and Western Delta Route Phase I amounted to HK\$1,004 million for the period under review, representing a 17% increase over HK\$860 million of the last period.

## **Earnings before Interest and Tax**

During the period, all business segments reported growth over last period. The Group's earnings before interest and tax ("EBIT") surged to HK\$1,497 million, representing 114% increase over HK\$699 million of last period.

The prominent growth was mainly attributable to infrastructure projects and property development businesses. Due to the continued growth of toll revenue from the expressway projects as well as benefiting from appreciation of Renminbi, EBIT from infrastructure projects reported an increase over 16% over last period. During the period, the Group has also recognized significant contribution from sale of properties in Macau and Huadu totalling HK\$655 million.

## **Net Profit Attributable to Equity Holders of the Company**

The Group's net profit attributable to shareholders was HK\$1,336 million as compared to HK\$1,118 million of last period, representing an increase of 19%. Excluding the effect of exceptional items and property revaluation gain, the Group's net profit attributable to shareholders would be HK\$1,249 million, which reported a 147% increase over HK\$506 million of last period.