

The Group believes that the continuous robust economic growth in the PRD region and Macau, coupled with the improved economic conditions of Hong Kong, will benefit the three core businesses of the Group, namely, Property, Infrastructure and Hospitality. The Group will continue to focus on these core businesses.

EMax is scheduled to open in the second half of 2007 and the QRE Plaza is planned to be completed in the third quarter of 2007. This, together with the two new property rental projects in Hong Kong, which, upon completion in the next few years, will strengthen the Group's rental property portfolio and thus enhance its recurring rental income base. Pre-sales of the units of Nova City in Macau and Hopewell New Town in Huadu, Guangzhou are well received and we are optimistic about the property markets and their sustainability.

The Group expects GS Superhighway, ESW Ring Road and Phase I West to become increasingly important components of the PRD expressway network, and that they will continue to enjoy stable growth in traffic flow and toll revenue. At the same time, they provide HHI with opportunities to explore and develop new projects. For the Hong Kong-Zhuhai-Macau Bridge project, we believe that HHI will be in an advantageous position to assume an important role when the project proceeds to the tendering stage.

The financial position of the Group is strong and sound. With more than HK\$18 billion of cash and available banking facilities, the Group is on very solid ground to capture investment opportunities when they arise.