

*To build, own and manage quality buildings,
and being the occupiers' partner of choice in
the provision of real estate accommodation
and services, thereby delivering attractive and
sustainable returns to shareholders.*

~ HYSAN'S MISSION STATEMENT

CONTENTS

	WHERE WE ARE TODAY AND FUTURE DIRECTION	OUR FINANCIAL STATEMENTS AND PORTFOLIO VALUATION
Competitive Advantages	2	Directors' Responsibilities for
2006 in Review	4	the Financial Statements
Chairman's Statement	6	72
<hr/>		Independent Auditor's Report
Special Feature: Causeway Bay's Spirit		73
<hr/>		Consolidated Income Statement
HOW WE CREATE VALUE AND MANAGE RISKS		74
Overview	18	Consolidated Balance Sheet
Operations Review	20	75
Financial Policy	32	Balance Sheet
Internal Control and Risk Management	36	77
HOW WE GOVERN		Consolidated Statement of Changes
Board of Directors and Senior Management	40	in Equity
Corporate Governance Report	44	78
Directors' Report	57	Consolidated Cash Flow Statement
Directors' Remuneration and		80
Interests Report	63	Notes to the Consolidated
Audit Committee Report	70	Financial Statements
		82
		Five-Year Financial Summary
		121
		Report of the Valuer
		123
		Schedule of Principal Properties
		124
		Shareholder Information

2006 was another productive year for Hysan, with a healthy local economy as backdrop. As the largest commercial landlord in Causeway Bay, Hysan always recognises its roots in this most vibrant and diverse district. In our 2006 Annual Report, we pay tribute to the spirit of Causeway Bay, its ability to constantly reinvent itself, its gift for seamlessly blending businesses and tradition, and its ability to attract the dynamic people who work, visit and reside here. In this Annual Report, we also strive to further enhance the quality of information and disclosure in the following areas: our performance, how we create value and manage our risks, and our governance. At the same time, we recognise that shareholders are equally interested in knowing more about the “human” side of the equation – the values that underlie our management practices. We have, therefore, introduced our first Corporate Responsibility Report. We hope thereby that our readers can better understand how we use our guiding principle of being a responsible business to define how we interact with our stakeholders, including our shareholders, tenants, employees, and the community, as well as how we achieve our results.

