

# FINANCIAL HIGHLIGHTS

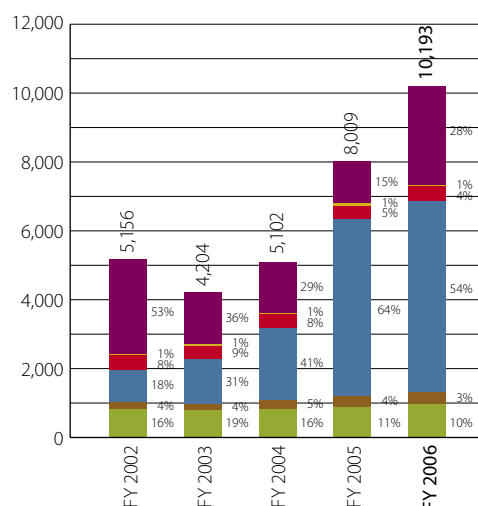
## TWO-YEAR OVERVIEW

		FY 2006	FY 2005	% Change
Turnover	(HK\$M)	<b>10,193</b>	8,009	+27%
Gross profit	(HK\$M)	<b>2,792</b>	2,273	+23%
Gross profit margin	(%)	<b>27.4</b>	28.4	
Operating profit	(HK\$M)	<b>5,388</b>	3,246	+66%
Operating profit margin	(%)	<b>52.9</b>	40.5	
Profit attributable to shareholders	(HK\$M)			
– before fair value change of properties		<b>2,944</b>	1,759	+67%
– after fair value change of properties		<b>4,689</b>	3,067	+53%
Net profit margin	(%)			
– before fair value change of properties		<b>28.9</b>	22.0	
– after fair value change of properties		<b>46.0</b>	38.3	
Earnings per share	(HK\$)			
– before fair value change of properties		<b>2.40</b>	1.45	+66%
– after fair value change of properties		<b>3.83</b>	2.53	+51%
Shareholders' equity	(HK\$M)	<b>29,325</b>	25,221	+16%
Net borrowings	(HK\$M)	<b>10,202</b>	9,184	+11%
Net asset value per share	(HK\$)	<b>23.68</b>	20.73	+14%
Share price as at 31 December	(HK\$)	<b>36.35</b>	20.55	+77%
Price earnings ratio <sup>#</sup>	(times)			
– before fair value change of properties		<b>15.1</b>	14.2	
– after fair value change of properties		<b>9.5</b>	8.1	
Market capitalization as at 31 December <sup>#</sup>	(HK\$M)	<b>45,012</b>	25,001	+80%
Dividend per share	(HK\$)	<b>0.85</b>	0.70	+21.4%
Dividend payout ratio	(%)			
– before fair value change of properties		<b>35.4</b>	48.3	
– after fair value change of properties		<b>22.2</b>	27.7	
Dividend cover	(times)			
– before fair value change of properties		<b>2.8</b>	2.1	
– after fair value change of properties		<b>4.5</b>	3.6	
Dividend yield <sup>#</sup>	(%)	<b>2.3</b>	3.4	
Return on shareholders' equity	(%)			
– before fair value change of properties		<b>10.0</b>	7.0	
– after fair value change of properties		<b>16.0</b>	12.2	
Gearing	(%)	<b>34.8</b>	36.4	
Interest cover	(times)			
– before fair value change of properties		<b>7.3</b>	9.9	
– after fair value change of properties		<b>11.7</b>	16.1	
Current ratio	(times)	<b>2.1</b>	1.7	
Liquidity ratio	(times)	<b>1.8</b>	1.5	
Premium/(discount) to net asset value <sup>#</sup>	(%)	<b>53.5</b>	(0.9)	

<sup>#</sup> Based on share prices as at 31 December 2006 and 31 December 2005, respectively.

## BREAKDOWN OF TOTAL TURNOVER

HK\$ Million

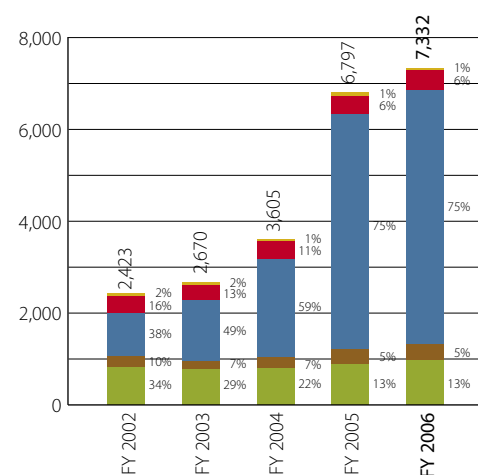


- Proceeds from sales of properties
- Development consultancy and project management fees
- Warehouse income
- Logistics income
- Hotel revenue
- Rental income

The Group recorded a 27% increase in total turnover for FY2006 to **HK\$10,193 million** (2005: HK\$8,009 million).

## BREAKDOWN OF RECURRENT INCOME

HK\$ Million

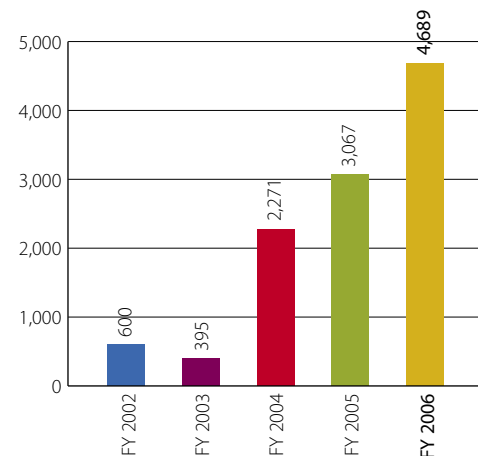


- Development consultancy and project management fees
- Warehouse income
- Logistics income
- Hotel revenue
- Rental income

	Total Turnover	Recurrent Income		Net Profit before fair value change of properties	Net Profit after fair value change of properties
	HK\$ Million	HK\$ Million	% Weighting	HK\$ Million	HK\$ Million
FY 2002	5,156	2,423	47%	860	600
FY 2003	4,204	2,670	64%	824	395
FY 2004	5,102	3,605	71%	1,580	2,271
FY 2005	8,009	6,797	85%	1,759	3,067
<b>FY 2006</b>	<b>10,193</b>	<b>7,332</b>	<b>72%</b>	<b>2,944</b>	<b>4,689</b>

## PROFIT ATTRIBUTABLE TO SHAREHOLDERS

HK\$ Million

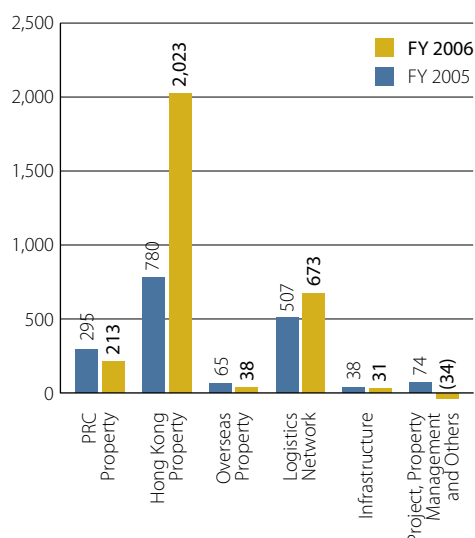


The Group's net profit attributable to shareholders for FY 2006 increased by 53% to **HK\$4,689 million** (2005: HK\$3,067 million).

# FINANCIAL HIGHLIGHTS (Continued)

## PROFIT ATTRIBUTABLE TO SHAREHOLDERS BY DIVISION (before fair value change of properties)

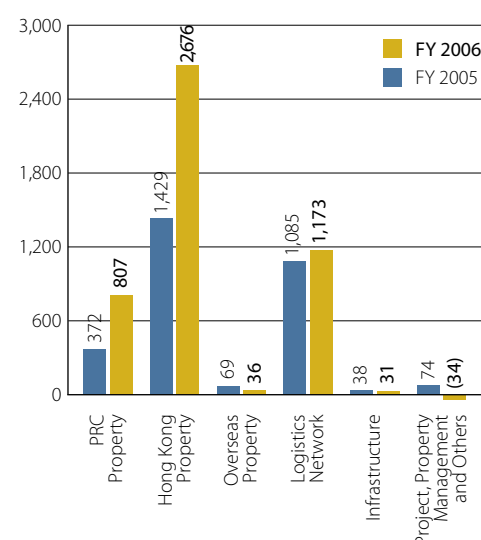
HK\$ Million



Profit attributable to shareholders (by division)	2006 HK\$ Million	2005 HK\$ Million	% Change
PRC Property	213	295	-28%
Hong Kong Property	2,023	780	159%
Overseas Property	38	65	-42%
Logistics Network	673	507	33%
Infrastructure	31	38	-18%
Project, Property Management and Others	(34)	74	-146%
	2,944	1,759	67%

## PROFIT ATTRIBUTABLE TO SHAREHOLDERS BY DIVISION (after fair value change of properties)

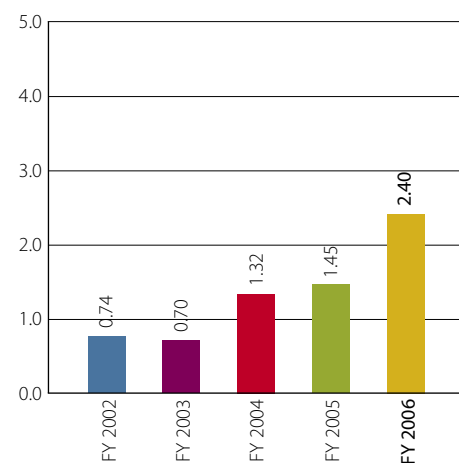
HK\$ Million



Profit attributable to shareholders (by division)	2006 HK\$ Million	2005 HK\$ Million	% Change
PRC Property	807	372	117%
Hong Kong Property	2,676	1,429	87%
Overseas Property	36	69	-48%
Logistics Network	1,173	1,085	8%
Infrastructure	31	38	-18%
Project, Property Management and Others	(34)	74	-146%
	4,689	3,067	53%

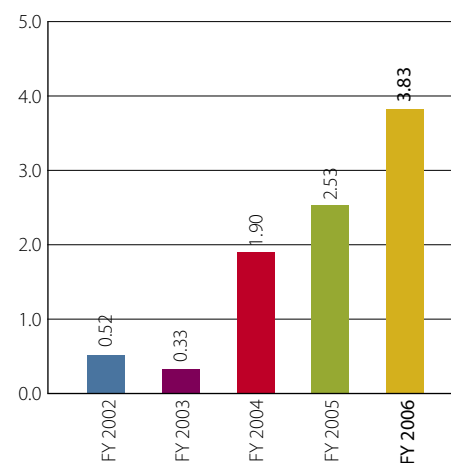
## EARNINGS PER SHARE (before exceptional items)

HK\$

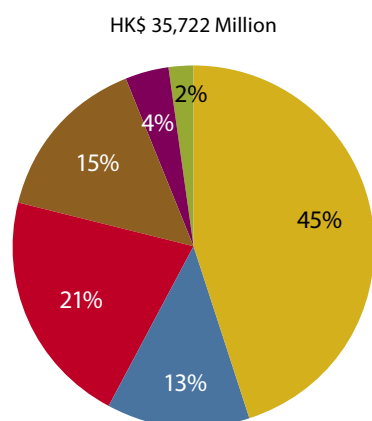


## EARNINGS PER SHARE (after exceptional items)

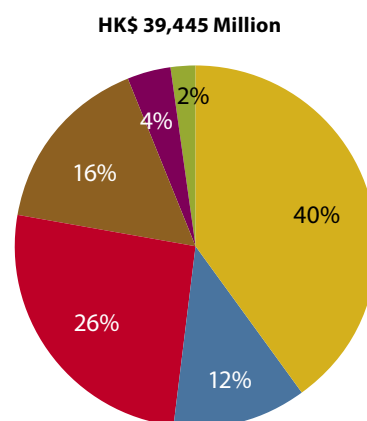
HK\$



## GROSS ASSET VALUE OF PROPERTIES



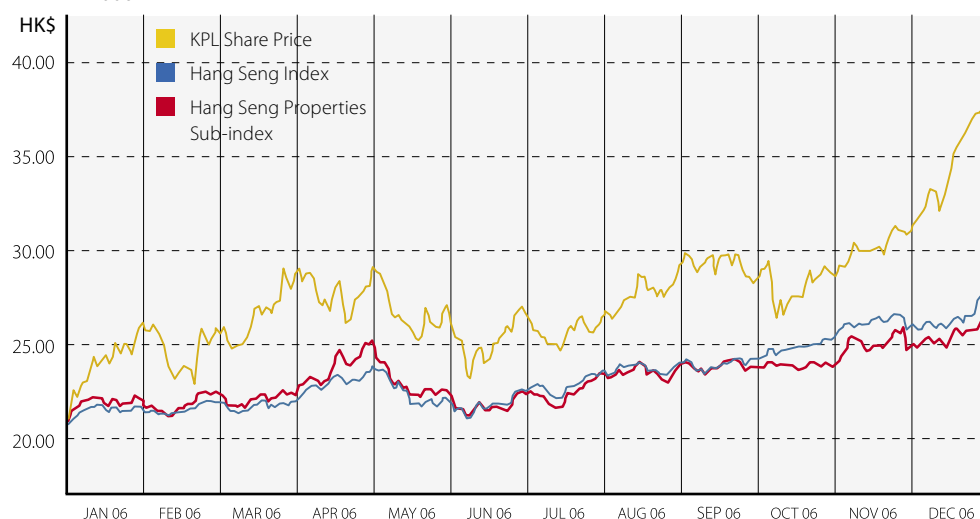
FY 2005



FY 2006

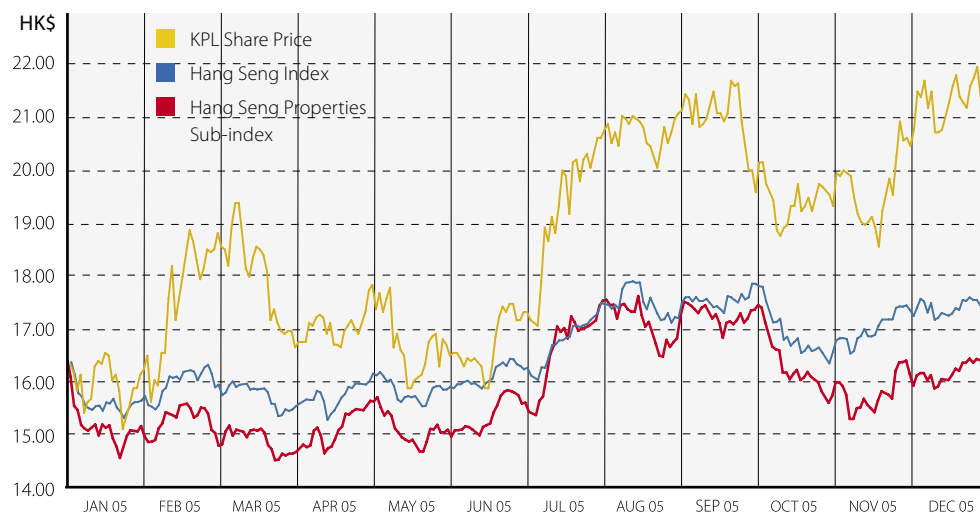
## SHARE PRICES PERFORMANCES

FY 2006



<b>KPL Share Price</b>	
High:	HK\$37.40
Low:	HK\$20.60
Average:	HK\$27.48
Year's High PE:	14.8x
Year's Low PE:	8.1x
Average PE:	10.9x
Hang Seng Index Average PE:	12.7x
Hang Seng Properties Sub-index Average PE:	9.4x

FY 2005



<b>KPL Share Price</b>	
High:	HK\$21.95
Low:	HK\$15.30
Average:	HK\$18.73
Year's High PE:	13.5x
Year's Low PE:	9.4x
Average PE:	11.5x
Hang Seng Index Average PE:	14.5x
Hang Seng Properties Sub-index Average PE:	12.4x