

## **INTERIM DIVIDENDS**

The Board has resolved to pay an interim dividend of HK\$0.10 per share in respect of the year ending 30th June, 2007. The Board has also resolved to pay a special dividend of HK\$0.50 per share in respect of the year ending 30th June, 2007. The aggregate dividend of HK\$0.60 per share will be paid to shareholders whose names appear in the Company's register of members at the close of business on 25th April, 2007.

Dividend warrants will be posted to shareholders on or about 28th June, 2007.

## **CLOSURE OF REGISTER**

The register of members will be closed from 24th April, 2007 to 25th April, 2007 (both days inclusive) during which period no share transfer will be effected. To qualify for the interim dividend, all unregistered transfers should be lodged with the Company's Registrars, Computershare Hong Kong Investor Services Limited, at 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 23rd April, 2007.

## **REVIEW OF OPERATIONS**

The unaudited profit attributable to shareholders for the six months ended 31st December, 2006 was HK\$270.83 million, an increase of 61% over the profit of the same period of the previous year. The increase in profit was mainly attributable to the increase in revaluation gains of investment properties of the Group, net of related deferred taxation, and the increase in finance income.

## **HIGHLIGHTS OF PROPERTY DEVELOPMENT AND INVESTMENTS ARE SUMMARIZED BELOW: -**

### **The Remaining Portion of Kowloon Inland Lot No. 1300 (No. 3 Jordan Road, Kowloon)**

The 26-storey building comprising 48 apartments and retail units continues to be popular with tenants and has a satisfactory occupancy record.

### **Inland Lot 7105, Kam Hong Street, North Point**

The property has a site area of approximately 17,870 sq.ft. After completing negotiations with Government on the modification of the Government Lease, including payment of a premium of HK\$568.3 million in October 2005, your Company has transferred the site to a wholly-owned subsidiary of the Company to enable the site to be developed into a commercial and residential complex with a total gross floor area not exceeding 16,866.6 square meters. The subsidiary has appointed a wholly-owned subsidiary of Swire Properties Ltd. to design and build the development on the site and to market and sell the units on its behalf. The superstructure contract was awarded in November 2006 and construction of the superstructure is in progress. At 31st December, 2006, the site formation and foundation work had been completed. The project is planned for completion in the first half of 2009.

### **Inland Lot 88, No. 391 Chai Wan Road, Chai Wan**

The property, which is wholly-owned by the Company, continues to be held for investment purposes and derives rental income. The property has a site area of approximately 102,420 sq.ft. In May 2001, the site was rezoned and designated as a Comprehensive Development Area. In February 2002, the Town Planning Board approved, subject to a number of planning conditions, the Company's application under Section 16 of the Town Planning Ordinance for redevelopment. Planning approval was extended in January 2005 for a further three years subject to the same conditions. Discussion with Government on the modification of the Government Lease and the process of planning for the redevelopment of the site is ongoing.

### **UK Properties**

The Group's commercial properties in London, namely Albany House, Thanet House and Scorpio House were fully let and continue to perform well.

### **OUTLOOK**

The Group intends to continue with its long term policy to pursue investment opportunities, both locally and overseas, in a prudent manner.