

RESULTS

Turnover for the year ended 31st December, 2006 (the "Year") amounted to HK\$4,763.8 million (year ended 31st December, 2005: 2,275.0 million), a 1.1 times increase over the same period last year. It was mainly due to the increase in turnover of securities investments.

For property leasing, the Year recorded a decrease of 6.7% in rental income as compared with the corresponding year in 2005, amounting HK\$667.9 million (2005: HK\$715.6 million). It was mainly due to the redevelopment of Tung Ying Building and Tung Sang Building. The buildings have been vacant for redevelopment since December 2005 and January 2006 respectively. Furthermore, Laforet (formerly Nu Front) at Excelsior Plaza and lower portion of Windsor House had been vacant for renovation since November 2005 and July 2006 respectively. Laforet was re-opened in July 2006 and Windsor House is scheduled to complete by the fourth quarter of 2007. Evergo Tower in Shanghai acquired in March 2006 had a contribution in rental during the Year.

Gross profit for the Year amounted to HK\$923.7 million, a 17.7% increase as compared with the same period last year.

In relation to property development, the sale of Miami Crescent in Sheung Shui (50% interest), Indihome in Tsuen Wan (50% interest) and Mount Beacon in Kowloon Tong (33.33% interest) had been successful during the Year, which had generated a profit of HK\$107.8 million (year ended 31st December, 2005: HK\$45.9 million), HK\$239.6 million (year ended 31st December, 2005: nil) and HK\$690.0 million (year ended 31st December, 2005: nil) respectively, all of which were included in share of results of associates. Furthermore, the sale of Parc Palais in Homantin (10% interest) had generated a contribution of HK\$51.5 million (year ended 31st December, 2005: HK\$78.0 million) which was included in investment income.

The Group had reviewed the carrying amount of two development projects at Reclamation Street/Arran Street project and Larch Street/Bedford Road project, a total impairment loss of HK\$200 million was recognised during the Year (year ended 31st December, 2005: reverse of HK\$977 million for Tai Yuen Street project).

業績

截至二零零六年十二月三十一日止年度（「本年度」）的營業額為4,763,800,000港元（截至二零零五年十二月三十一日止年度：2,275,000,000港元），較去年同期增加1.1倍，主要與證券投資的交易額增加有關。

在物業租賃方面，本年度的租金收入較二零零五年減少6.7%，達667,900,000港元（二零零五年：715,600,000港元），主要與重建東英大廈及東生大廈有關，該等大廈分別自二零零五年十二月及二零零六年一月起空置以進行重建。此外，怡東商場之東角Laforet（前稱東角駁）及皇室大廈低層分別自二零零五年十一月及二零零六年七月起空置以進行翻新工程，東角Laforet已於二零零六年七月重開，而皇室大廈則預期於二零零七年第四季完成翻新工程。於二零零六年三月購入的上海愛美高大廈於本年度帶來租金收入貢獻。

本年度的毛利為923,700,000港元，較去年同期增加17.7%。

在物業發展方面，上水邁爾豪園（佔50%權益）、荃灣樂悠居（佔50%權益）及九龍塘畢架山峰（佔33.33%權益）於本年度成功售出，分別帶來107,800,000港元（截至二零零五年十二月三十一日止年度：45,900,000港元）、239,600,000港元（截至二零零五年十二月三十一日止年度：零）及690,000,000港元（截至二零零五年十二月三十一日止年度：零）之溢利，全部溢利均列入攤佔聯營公司業績。此外，何文田君頤峰（佔10%權益）的銷售入賬51,500,000港元（截至二零零五年十二月三十一日止年度：78,000,000港元），已列入投資收入。

本集團已分別審閱位於新填地街／鴨蘭街及洋松街／必發道的兩項發展項目的賬面值，並已於本年度確認減值虧損合共200,000,000港元（截至二零零五年十二月三十一日止年度：撥回太原街項目977,000,000港元）。

RESULTS (cont'd)

In respect of the performance of listed securities investments and treasury products, the Group has recorded profit before and after finance costs of HK\$868.2 million (year ended 31st December, 2005: HK\$279.9 million) and HK\$689.2 million (year ended 31st December, 2005: HK\$243.3 million) respectively. The components in the income statement for the Year were gross profit of HK\$270.9 million (year ended 31st December, 2005: HK\$59.1 million), loss on fair value changes of HK\$9.1 million (year ended 31st December, 2005: HK\$138.0 million), realised gain on disposals of available-for-sale investments of HK\$233.0 million (year ended 31st December, 2005: HK\$86.3 million), and gain on other treasury products, dividend and interest income of HK\$373.4 million (year ended 31st December, 2005: HK\$272.5 million). Finance costs of HK\$179.0 million (year ended 31st December, 2005: HK\$36.6 million) included interest expense and exchange loss in the sum of HK\$156.4 million (year ended 31st December, 2005: HK\$61.0 million) and HK\$22.6 million (year ended 31st December, 2005: gain of HK\$24.4 million) respectively. In addition to profit recognised in the income statement, gains on fair value changes on available-for-sale investments amounted to HK\$4,211.6 million (year ended 31st December, 2005: HK\$330.4 million) was recognised in equity during the Year.

Other income recorded a decrease of 69.3% to HK\$30.7 million when compared with the same period last year. Administrative expenses increased by 45.2% to HK\$186.6 million as compared with the same period last year. Finance costs recorded an increase of 44% to HK\$453.5 million as compared with the same period last year.

The share of results of associates for the Year increased by 1.6 times to HK\$1,135.2 million as compared with the same period last year (year ended 31st December, 2005: HK\$430.0 million), including fair value gains on investment properties and profits on disposals of Miami Crescent, Indihome and Mount Beacon.

業績(續)

至於上市證券投資及財資產品的表現，本集團於本年度分別錄得扣除財務費用前後溢利868,200,000港元(截至二零零五年十二月三十一日止年度：279,900,000港元)及689,200,000港元(截至二零零五年十二月三十一日止年度：243,300,000港元)。計入本年度收益表之各項包括毛利270,900,000港元(截至二零零五年十二月三十一日止年度：59,100,000港元)、公平值變動虧損9,100,000港元(截至二零零五年十二月三十一日止年度：138,000,000港元)、出售待售投資的已變現收益233,000,000港元(截至二零零五年十二月三十一日止年度：86,300,000港元)及其他財資產品收益、股息及利息收入373,400,000港元(截至二零零五年十二月三十一日止年度：272,500,000港元)。財務費用179,000,000港元(截至二零零五年十二月三十一日止年度：36,600,000港元)包括利息開支及匯兌虧損總額分別156,400,000港元(截至二零零五年十二月三十一日止年度：61,000,000港元)及22,600,000港元(截至二零零五年十二月三十一日止年度：收益24,400,000港元)。除於收益表內確認的溢利外，待售投資的公平值變動收益為4,211,600,000港元(截至二零零五年十二月三十一日止年度：330,400,000港元)亦已於年內確認為股本權益。

其他收入較去年同期減少69.3%至30,700,000港元，行政開支較去年同期增加45.2%至186,600,000港元。財務費用較去年同期增加44%至453,500,000港元。

本年度的攤佔聯營公司業績較去年同期增加1.6倍至1,135,200,000港元(截至二零零五年十二月三十一日止年度：430,000,000港元)，當中包括投資物業的公平值變動收益及銷售邁爾豪園、樂悠居及畢架山峰的溢利。

RESULTS (cont'd)

Profit attributable to equity holders of the parent for the Year was HK\$7,477.3 million as compared to HK\$6,154.6 million for the same period last year. The profit for the Year was mainly attributable from the fair value gains on investment properties and the share of results of associates generated from the sales of development properties. Earnings per share was HK339.2 cents (year ended 31st December, 2005: HK300.0 cents).

If the major non-cash items of HK\$5,339.6 million (2005: HK\$5,040.5 million) are excluded, profit attributable to equity holders of the parent for the Year will become HK\$2,137.7 million (2005: HK\$1,114.1 million) and earnings per share will become HK97.0 cents (2005: HK54.3 cents), an increase of 91.9% and 78.6% over 2005 respectively.

The two major non-cash items are fair value gains on investment properties together with their respective deferred tax expenses of HK\$5,539.6 million (2005: HK\$4,192.7 million) and impairment loss recognised of HK\$200.0 million (2005: impairment loss reversed of HK\$847.8 million at the Group's interest) in respect of stock of properties.

A final dividend of HK12 cents per share in amount of HK\$266.8 million for the year ended 31st December, 2005 (year ended 31st December, 2004: HK11 cents) and an interim dividend of HK12 cents per share in amount of HK\$268.9 million for the half year ended 30th June, 2006 (half year ended 30th June, 2005: HK9 cents) were paid in cash and in form of new shares in lieu of cash (scrip dividend) during the Year. 40.5% and 59.5% were paid in cash and in scrip dividend respectively for the final dividend as well as 27.1% and 72.9% were paid in cash and in scrip dividend respectively for the interim dividend.

A final dividend has been recommended at HK18 cents (2005: HK12 cents) per share. Together with interim dividend of HK12 cents (2005: HK9 cents) per share, the total dividend for the Year is HK30 cents (2005: HK21 cents) per share, representing a total dividend payout of 8.8% (2005: 7.0%). If the net income on the two major non-cash items (per above) for the Year is excluded, the dividend payout ratio for the Year will become 30.9% (2005: 38.7%).

業績 (續)

本年度母公司股本權益持有人的應佔溢利為7,477,300,000港元，而去年同期為6,154,600,000港元。本年度的溢利主要來自投資物業的公平值變動收益及攤佔聯營公司來自銷售發展物業的業績。每股盈利為339.2港仙（截至二零零五年十二月三十一日止年度：300.0港仙）。

如撇除重大非現金項目5,339,600,000港元（二零零五年：5,040,500,000港元），本年度母公司股本權益持有人的應佔溢利將為2,137,700,000港元（二零零五年：1,114,100,000港元），而每股盈利將為97.0港仙（二零零五年：54.3港仙），分別較二零零五年增加91.9%及78.6%。

兩項主要非現金項目分別為有關投資物業公平值變動收益連同其各自遞延稅項支出5,539,600,000港元（二零零五年：4,192,700,000港元），以及就物業存貨確認的減值虧損200,000,000港元（二零零五年：本集團所佔權益之減值虧損撥回847,800,000港元）。

截至二零零五年十二月三十一日止年度的末期股息每股12港仙（截至二零零四年十二月三十一日止年度：11港仙），合共266,800,000港元，而截至二零零六年六月三十日止半年的中期股息每股12港仙（截至二零零五年六月三十日止半年：9港仙），合共268,900,000港元，兩項股息均已於本年度以現金及以新股份代替現金（以股代息）的形式派付，末期股息的40.5%及59.5%分別以現金及以股代息形式派付，中期股息的27.1%及72.9%分別以現金及以股代息形式派付。

本公司董事會建議派付末期股息每股18港仙（二零零五年：12港仙）。連同中期股息每股12港仙（二零零五年：9港仙），本年度的股息總額為每股30港仙（二零零五年：21港仙），相當於總派息率8.8%（二零零五年：7.0%）。如撇除本年度兩項重大非現金項目的收入淨額，本年度的派息率將為30.9%（二零零五年：38.7%）。

NET ASSET VALUE

As at 31st December, 2006, the Group's total net asset to equity holders of the parent amounted to approximately HK\$35,533 million (31st December, 2005: HK\$23,302 million), an increase of HK\$12,231 million or 52.5% when compared with 31st December, 2005. With the total number of ordinary shares in issue of 2,259,809,483 as at 31st December, 2006 (31st December, 2005: 2,091,506,780 shares), the net asset value per share to equity holders of the parent was HK\$15.72, an increase of 41.1% over 31st December, 2005 (HK\$11.14). The increase in net asset value per share was mainly due to the fair value gains on listed securities investments and the profit retained for the Year, including the fair value gains on investment properties.

Included in the total net asset is deferred tax liabilities of HK\$4,238 million on fair value gains on investment properties. If the deferred tax liabilities are excluded, the total net asset to equity holders of the parent will become HK\$39,771 million or HK\$17.6 per share.

During the Year, the Group had acquired certain lands in Macau (70.01% interest) and two lands in Chengdu for development, Evergo Tower in Shanghai and Sun Fair Mansions at No. 12 Shiu Fai Terrace in Hong Kong for investment, bought and sold listed securities investments and disposal of Hong Kong New World Tower in Shanghai (34.65% interest). Other than the existing projects and those disclosed in the annual report, the Group did not have any future plans for material investment or capital assets.

SECURITIES INVESTMENTS

As at 31st December, 2005, the listed securities investments and treasury products were HK\$7,602.8 million. During the Year, the portfolio was reduced by a net disposal of HK\$3,428.9 million, a decrease of 45.1% over 2005. After adding the fair value gains of HK\$4,202.5 million (2005: HK\$192.4 million) for the Year, the listed securities investments portfolios of the Group reached HK\$8,376.4 million at 31st December, 2006, representing 14.5% (31st December, 2005: 18.8%) of the total assets, which formed part of the Group's cash management activities.

資產淨值

於二零零六年十二月三十一日，母公司的股本權益持有人應佔本集團的總資產淨值約為35,533,000,000港元（二零零五年十二月三十一日：23,302,000,000港元），較二零零五年十二月三十一日增加12,231,000,000港元或52.5%。根據二零零六年十二月三十一日的已發行普通股總數2,259,809,483股（二零零五年十二月三十一日：2,091,506,780股）計算，母公司的股本權益持有人的每股資產淨值為15.72港元，較二零零五年十二月三十一日（11.14港元）增加41.1%。每股資產淨值增加主要與本年度上市證券投資的公平值變動收益及保留溢利有關，當中包括投資物業的公平值變動收益。

總資產淨值包括有關投資物業的公平值變動收益的遞延稅項負債4,238,000,000港元。如撇除該遞延稅項負債，母公司的股本權益持有人的總資產淨值將為39,771,000,000港元或每股17.6港元。

本年度內，本集團收購澳門若干土地（佔70.01%權益）及成都兩幅土地以作發展，收購上海愛美高大廈及香港肇輝臺12號新輝大廈以作投資，並且買入及賣出上市證券投資，以及出售於上海的香港新世界大廈（佔34.65%權益）。除現有項目及年報所披露者外，本集團並無有關重大投資或資本資產的未來計劃。

證券投資

於二零零五年十二月三十一日，上市證券投資及財資產品為7,602,800,000港元。本年度內，該等組合因出售淨額3,428,900,000港元而減少，較二零零五年減少45.1%。於加入本年度4,202,500,000港元的公平值變動收益（二零零五年：192,400,000港元）後，本集團於二零零六年十二月三十一日的上市證券投資組合達到8,376,400,000港元，佔總資產14.5%（二零零五年十二月三十一日：18.8%），該等組合為本集團資金管理其中一部份。

RISK MANAGEMENT

The Group has established adequate risk management procedures that enable it to identify, measure, monitor and control various types of risk it faces. This is supplemented by active management involvement, effective internal controls and adequate internal audit in the best interests of the Group.

EQUITY

The number of issued ordinary shares as at 31st December, 2006 and 31st December, 2005 were 2,259,809,483 and 2,091,506,780 respectively.

CONVERTIBLE BONDS

The face value of convertible bonds outstanding as at 31st December, 2006 was HK\$322.5 million, with adjusted conversion price of HK\$6.97 but before adjustment on 2006 proposed final dividend.

DEBT AND GEARING

As at 31st December, 2006, the Group's bank and other borrowings amounted to HK\$14,993 million (31st December, 2005: HK\$12,889 million). Cash, deposit at bank and United States currency treasury bills amounted to HK\$8,121 million (31st December, 2005: HK\$1,755 million) and net borrowings amounted to HK\$6,872 million (31st December, 2005: HK\$11,134 million).

Total debt to equity ratio was 41.7% (31st December, 2005: 54.4%) and net debt to equity ratio was 19.1% (31st December, 2005: 47.0%), which are expressed as a percentage of bank and other borrowings, and net borrowings respectively, over the total equity of HK\$35,963 million (31st December, 2005: HK\$23,703 million).

The decrease of the total debt to equity ratio and the net debt to equity ratio were mainly due to an increase in total equity, which was mainly attributable from the fair value gains on listed securities investments and the profit retained for the Year, including the fair value gains on investment properties.

風險管理

本集團設有一套完善的風險管理程序，以識別、衡量、監察及控制其面對的各種風險，同時輔以積極管理、有效的內部監控及足夠的內部審核，以保障本集團的最佳利益。

股本

於二零零六年十二月三十一日及二零零五年十二月三十一日的已發行普通股數目分別為2,259,809,483股及2,091,506,780股。

可換股債券

於二零零六年十二月三十一日未行使的可換股債券的面值為322,500,000港元，經調整的換股價為6.97港元，惟尚未就二零零六年擬派末期股息作出調整。

債務及資本與負債比率

於二零零六年十二月三十一日，本集團的銀行及其他借貸為14,993,000,000港元（二零零五年十二月三十一日：12,889,000,000港元）。現金、銀行結存及美國貨幣國庫券為8,121,000,000港元（二零零五年十二月三十一日：1,755,000,000港元），而借貸淨額為6,872,000,000港元（二零零五年十二月三十一日：11,134,000,000港元）。

總債務與股本權益比率為41.7%（二零零五年十二月三十一日：54.4%），而淨債務與股本權益比率為19.1%（二零零五年十二月三十一日：47.0%），乃將銀行及其他借貸及借貸淨額分別除以總股本權益35,963,000,000港元（二零零五年十二月三十一日：23,703,000,000港元）得出的百分比。

總債務及淨債務與股本權益比率之減少主要與總股本權益增加有關，總股本權益增加主要由於上市證券投資的公平值變動收益及本年度的保留溢利（包括投資物業的公平值變動收益）所致。

DEBT AND GEARING (cont'd)

If the listed securities investments and treasury products of HK\$8,376 million (31st December, 2005: HK\$7,603 million) are included, there will be net cash position of HK\$1,504 million (31st December, 2005: net debt of HK\$3,531 million).

Excluding outstanding convertible bonds, at the balance sheet date, all of the Group's bank and other borrowings were denominated in Hong Kong dollars. Of the Group's total bank and other borrowings of HK\$14,714 million, 74.8%, 3.3%, 21.8% and 0.1% were repayable within 1 year, 1 to 2 years, 2 to 5 years and over 5 years respectively. The Group's bank and other borrowings carrying interest rates were calculated mainly with reference to HIBOR and LIBOR. No hedging for interest rate was subsisted at the end of the year.

PLEDGE OF ASSETS

As at 31st December, 2006, the Group had pledged the following assets:

- (a) The Group's investment properties, property and other fixed assets, prepaid lease payments, stock of properties and time deposits with their respective book value of approximately HK\$30,062.6 million (31st December, 2005: HK\$23,263.2 million), HK\$49.1 million (31st December, 2005: HK\$50.6 million), HK\$239.8 million (31st December, 2005: HK\$240.4 million), HK\$2,829.5 million (31st December, 2005: HK\$2,138.0 million) and HK\$1,086.0 million (31st December, 2005: HK\$124.5 million) were pledged to the Group's bankers to secure general banking and loan facilities granted to the Group.
- (b) The Group's investments held-for-trading, available-for-sale investments and equity-linked notes with an aggregate carrying amount of approximately HK\$7,258.5 million (31st December, 2005: HK\$7,859.9 million) were pledged to the Group's financial institutions to secure margin and securities facilities granted to the Group in respect of securities transactions and utilised by the Group as borrowings due within one year of approximately HK\$3,924.7 million (31st December, 2005: HK\$4,318.1 million).

債務及資本與負債比率(續)

如計入上市證券投資及財資產品8,376,000,000港元(二零零五年十二月三十一日:7,603,000,000港元),則現金淨額狀況將為1,504,000,000港元(二零零五年十二月三十一日:負債淨額3,531,000,000港元)。

於結算日,撇除未行使的可換股債券,本集團的所有銀行及其他借貸以港元計值。於本集團的銀行及其他借貸總額14,714,000,000港元中,74.8%、3.3%、21.8%及0.1%須分別於一年內、一至兩年、兩至五年及五年後償還。本集團的銀行及其他借貸主要參照香港銀行同業拆息及倫敦銀行同業拆息計算利息。於年底並無就利率作出對沖。

資產抵押

於二零零六年十二月三十一日,本集團已抵押以下資產:

- (a) 本集團賬面值分別約為30,062,600,000港元(二零零五年十二月三十一日:23,263,200,000港元)、49,100,000港元(二零零五年十二月三十一日:50,600,000港元)、239,800,000港元(二零零五年十二月三十一日:240,400,000港元)、2,829,500,000港元(二零零五年十二月三十一日:2,138,000,000港元)及1,086,000,000港元(二零零五年十二月三十一日:124,500,000港元)的投資物業、物業及其他固定資產、預付租賃款項、物業存貨及定期存款,已就本集團獲授之一般銀行及貸款融資,抵押予本集團之往來銀行。
- (b) 本集團賬面總值約為7,258,500,000港元(二零零五年十二月三十一日:7,859,900,000港元)的持作買賣之投資、待售投資及股票掛鈎票據,已就本集團有關證券交易獲授之保證金及證券融資,抵押予本集團之財務機構,而本集團已動用於一年內到期之借貸約3,924,700,000港元(二零零五年十二月三十一日:4,318,100,000港元)。

PLEDGE OF ASSETS (cont'd)

- (c) Interests in certain subsidiaries of the Company have been pledged as part of the security to secure certain bank borrowings granted to the Group.
- (d) The Group has subordinated and assigned its advance to associates of approximately HK\$802.1 million (31st December, 2005: HK\$858.8 million) to financial institutions to secure banking general credit facilities granted to associates.

FINANCIAL AND INTEREST INCOME/EXPENSES

Interest income was included in turnover and investment income. Finance costs included interest expenses on bank and other loans, exchange difference on foreign currency loans, and arrangement, facility and commitment fee expenses. Interest income for the Year was HK\$479.1 million, representing an increase of 63.5% from that of 31st December, 2005 (HK\$293.0 million). Interest capitalised for the Year was HK\$148.3 million as compared to HK\$23.8 million for last year. Excluding imputed interest, interest expenses for the Year amounted to HK\$405.4 million, representing a 47.8% increase over the interest expenses of HK\$274.3 million recorded for the same period last year. An exchange loss on translation of foreign currency loans of HK\$22.6 million (year ended 31st December, 2005: gain of HK\$24.4 million) was recorded during the Year. The increase in interest expenses was mainly due to increase in interest rate and increase in borrowings during the Year. The average interest rate over the year under review was 4.74% (2005: 3.51%), which was expressed as a percentage of total interest expenses over the average total borrowings.

REMUNERATION POLICIES AND SHARE OPTION SCHEME

During the year under review, the Group employed a total of 286 staff (year ended 31st December, 2005: 249 staff) (excluding about a total of 253 staff (year ended 31st December, 2005: 225 staff) for estate management employed under the Group's estate management company, Perfect World Company Limited).

Employees were remunerated on the basis of their performance, experience and prevailing industry practice. Remuneration packages comprised salary and year-end discretionary bonus based on market conditions and individual performance. The Executive Directors continued to review employees' contributions and to provide them with necessary incentives and flexibility for their better commitment and performance. No share option scheme was adopted for the Year.

資產抵押(續)

- (c) 本公司若干附屬公司之權益已質押為本集團獲授若干銀行借貸之部分抵押。
- (d) 本集團已就聯營公司獲授之銀行信貸將其墊付聯營公司款項約802,100,000港元(二零零五年十二月三十一日: 858,800,000港元)轉歸及授讓財務機構。

財務及利息收入/支出

營業額及投資收入包括利息收入。財務費用包括銀行及其他貸款之利息支出、外匯貸款匯兌差額、安排、信貸及承擔費用支出。本年度之利息收入為479,100,000港元，較二零零五年十二月三十一日(293,000,000港元)增加63.5%。本年度之資本化利息為148,300,000港元，而去年則為23,800,000港元。撇除名義利息，本年度之利息支出為405,400,000港元，較去年同期錄得之利息支出274,300,000港元增加47.8%。本年度之換算外幣貸款匯兌虧損為22,600,000港元(截至二零零五年十二月三十一日止年度: 收益24,400,000港元)。利息支出增加主要與本年度利率上升及借貸增加有關。於回顧年度內之平均利率為4.74%(二零零五年: 3.51%)，乃以總利息支出除以平均借貸總額得出。

酬金政策及購股權計劃

於回顧年度內，本集團共有僱員286人(截至二零零五年十二月三十一日止年度: 249人)(不包括受僱於本集團之物業管理公司忠信物業管理有限公司之物業管理員工合共253人(截至二零零五年十二月三十一日止年度: 225人))。

僱員薪金乃根據其表現、經驗及目前業內慣例釐定。酬金包括薪金以及按市況及個人表現釐定之年終花紅。執行董事繼續檢討僱員工作表現，並於需要時給予獎勵及靈活處理，鼓勵員工在工作上更加投入和有更好表現。本年度並無採納購股權計劃。

MAINLAND CHINA AND MACAU

Profit contribution from the Group's investment in the Mainland China (including gross profit, fair value changes on investment properties and share of results of associates) for the Year amounted to HK\$90.2 million representing 1.2% of the profits attributable to equity holders of the parent (year ended 31st December, 2005: HK\$95.0 million). The Group's net investment in the Mainland China as at 31st December, 2006 amounted to HK\$1,345.0 million (31st December, 2005: HK\$1,170.5 million) representing approximately 2.3% of the Group's total asset value and 3.8% of the Group's net asset value. Further, the Group's net investment in Macau as at 31st December, 2006 amounted to HK\$1,299.9 million representing approximately 2.3% of the Group's total asset value.

LISTED SUBSIDIARIES

At the year end date, the Group owned 61.96% interest in Chi Cheung Investment Company, Limited and 50.1% interest in G-Prop (Holdings) Limited.

PROPERTY VALUATION

A property valuation has been carried out by Messrs. Norton Appraisals Limited, independent qualified professional valuers, in respect of the Group's investment properties as at 31st December, 2006 and that valuation was used in preparing 2006 financial statements. The Group's investment properties were valued at HK\$31,054 million (2005: HK\$23,987 million), a 29% increase over 2005 after adjusted for additions and disposals of investment properties during the Year. The increase in fair value of approximately HK\$6,922 million was credited to the income statement for the Year. The Group also shared an increase (net of deferred tax of HK\$18 million) in fair value changes on investment properties of the associates of HK\$88 million for the Year. Development properties and non-investment properties of the Group were stated at cost less impairment, if any, in the financial statements.

中國大陸及澳門

本集團於中國大陸之投資為本年度帶來溢利（包括毛利、投資物業的公平值變動及攤佔聯營公司業績）90,200,000港元，佔母公司股本權益持有人應佔溢利1.2%（截至二零零五年十二月三十一日止年度：95,000,000港元）。本集團之中國大陸投資淨額於二零零六年十二月三十一日達1,345,000,000港元（二零零五年十二月三十一日：1,170,500,000港元），分別佔本集團資產總值及本集團資產淨值約2.3%及3.8%。此外，於二零零六年十二月三十一日本集團於澳門之投資淨額為1,299,900,000港元，佔本集團資產總值約2.3%。

上市附屬公司

於年結日，本集團於至祥置業有限公司擁有61.96%權益，另於金匡企業有限公司擁有50.1%權益。

物業估值

獨立合資格專業估值師普敦國際評估有限公司已就本集團於二零零六年十二月三十一日持有之投資物業進行物業估值，有關估值乃用於編製二零零六年財務報表。本集團投資物業之估值為31,054,000,000港元（二零零五年：23,987,000,000港元），經作出二零零六年投資物業之增加及出售之調整後較二零零五年增加29%。公平值變動之增加約6,922,000,000港元已計入本年度之收益表。本集團亦攤佔本年度聯營公司投資物業之公平值變動之增加88,000,000港元（已扣除遞延稅項18,000,000港元）。本集團之發展物業及非投資物業乃於財務報表中按成本扣除減值（如有）列賬。