

CHAIRMAN'S STATEMENT

主席報告

For the year ended 31 March 2007 ("the year"), the audited profit from operations was HK\$1,230.9 million, representing an increase of 89.2 per cent when compared to HK\$650.7 million of last year. Profit attributable to shareholders was HK\$1,192.3 million, 39.2 per cent higher than the HK\$856.3 million last year. Earnings per share for the year were HK\$0.88, 23.9 per cent more than the HK\$0.71 last year. Turnover for the year was HK\$2,835.0 million, representing an increase of 119.1 per cent when compared to HK\$1,293.8 million of last year.

Capital values in the portfolio continued to rise. The net asset value increased from last year's HK\$8,002.4 million (HK\$5.9 per share) to HK\$9,251.8 million (HK\$6.9 per share), representing an increase of HK\$1,249.4 million or 15.6 per cent.

The Board of Directors has recommended a final dividend of HK\$0.10 per share and a special dividend of HK\$0.10 per share for the year. Together with the interim dividend of HK\$0.04 per share, the total dividend amounted to HK\$0.24 per share for the year.

The year 2007 is an important year for HKR International Limited as it marks the 20th anniversary of our listing on the Stock Exchange and our 30th year of commitment in the development of Discovery Bay. During the past 30 years, Discovery Bay has remained the Group's flagship project and has nurtured our core strength in internationally recognised township development.

We have been pursuing the strategy of maximising profits by focusing on delivering unique quality products at a premium price. The latest property projects, Chianti in Discovery Bay and La Rossa in Tung Chung, have set new standards of quality and offered outstanding services which were well-received by the market and reflected in the high selling prices achieved. The Yi Pak development in Discovery Bay has been progressing well based on the same strategy and offers good potential to create value for our shareholders.



主席查懋聲先生
Mr CHA Mou Sing Payson, Chairman

截至二零零七年三月三十一日止，集團經審核之營運溢利為十二億三千零九十萬港元，較去年的六億五千零七十萬港元增加百分之八十九點二。股東應佔溢利為十一億九千二百三十萬港元，較去年的八億五千六百三十萬港元增加百分之三十九點二。本年度之每股盈利由去年的七十一港仙上升百分之二十三點九至八十八港仙；總營業額為二十八億三千五百萬港元，較去年的十二億九千三百八十萬港元增加百分之一百一十九點一。

集團業務組合之資本值持續上升。集團之資產淨值由去年的八十億零二百四十萬港元（每股五點九港元）增加至九十二億五千一百八十萬港元（每股六點九港元），即增加十二億四千九百四十萬港元或百分之十五點六。

董事會建議派發末期股息每股十港仙及特別股息每股十港仙，連同每股四港仙之中期股息，本年度派發之全年股息為每股二十四港仙。

二零零七年是香港興業國際集團重要的一年，它標誌著集團於聯交所上市二十週年，亦為集團發展愉景灣項目的三十週年。經過三十年的發展，愉景灣不但仍是集團的地產發展旗艦項目，亦充份反映集團建構國際級大型社區發展項目的獨特優勢。

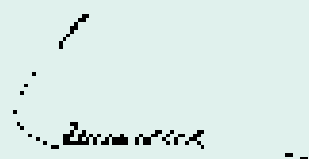
集團致力發展獨特而優質的產品，並採取優於市價的定價策略，以爭取最大的利潤回報。集團的最新物業發展項目包括愉景灣的「尚堤」及東涌的「影岸•紅」，均錄得理想銷情及售價，為優質物業及優秀服務重新定義。愉景灣二白發展計劃進展順利，集團將貫徹其發展策略，為股東創造更佳的投资回報。

Outside Hong Kong, we continue to expand our presence in various markets with good potential. In December 2006, the Group entered into a strategic partnership with Swire Properties Limited to jointly develop the Dazhongli project, a landmark development in Shanghai. In Singapore, Beaufort on Nassim achieved a record-high selling price for luxury low-rise development in its sales launch in early February this year. Meanwhile, the Group's healthcare business is well-positioned to capitalise on the growing demand for private healthcare services and the increase of the ageing population in the region.

Looking ahead, the global economic outlook remains positive and the robust economic growth in Mainland China maintains its momentum, with double-digit growth recorded for the fourth consecutive year. It is expected that the Hong Kong economy will remain strong and buoyant, with improving job market and increasing consumption spending.

The Group will continue to leverage on its strong footholds in various business sectors, its brand equity, experience and expertise to explore and capture new opportunities to grow its businesses. The Group will continue to intensify its growth strategy to take advantage of the opportunities presented in some of the fastest-growing cities in Mainland China. Hong Kong will remain our base for development but we will also strengthen our business presence in Mainland China. We are confident that the Group's vision, strategic focus and capability will help it achieve sustainable growth and create maximum value for our shareholders.

I would like to take this opportunity to express my appreciation to the Board of Directors; to the management team and all employees for their dedication and contribution; and to our shareholders and business partners for their continuous support.



CHA Mou Sing Payson

Chairman

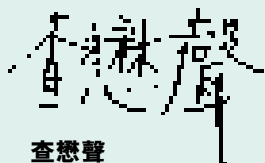
Hong Kong, 28 June 2007

集團繼續在香港以外的地區拓展市場，尋求在更多具潛力的地區發展業務。於二零零六年十二月，集團與太古地產有限公司成為策略性夥伴，共同發展位於上海靜安區的綜合性物業發展地標項目。至於新加坡的 Beaufort on Nassim 於本年二月初推出時創下當地豪華低密度住宅之新高呎價。隨著亞太區內城市對私人醫療保健服務需求日增及長者人口攀升，集團的醫療保健業務將可把握機遇，發展相關服務。

展望未來，環球經濟仍然蓬勃，中國經濟連續四年錄得雙位數字的高速增長。集團預期在良好的就業市場及強勁的消費力帶動下，香港經濟將持續向好。

集團將繼續憑藉其在各業務的穩固基礎、發展優質物業及酒店服務的品牌優勢以及其豐富經驗和專長，抓緊商機以擴展業務。集團將繼續強化其發展策略，並集中在國內增長最迅速的城市尋求更大商機。集團仍然以香港為業務發展基地，同時亦不斷拓展國內的業務。我們對集團的遠景、業務策略及發展潛力充滿信心，深信集團的業務可持續增長，並為股東創造更高的企業價值。

本人謹藉此機會向各位董事致謝，並感謝各管理層及所有員工的努力及盡心服務，同時亦衷心感激各位股東與業務夥伴對集團一直以來的支持。



查懋聲

主席

二零零七年六月二十八日於香港