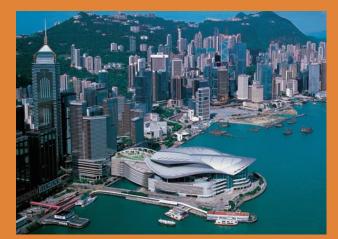
## Service

Our service businesses provide an unrivalled breadth and depth of expertise that stretches from facilities management, contracting & transport to financial services. As we move forward, we continue to support economic development and sustain the nation's growth.



Taifook Securities



Hong Kong Convention and Exhibition Centre

facilities management contracting & transport Hong Kong Convention and Exhibition Centre ("HKCEC") continued to provide a steady source of income and cash inflow to the Group. A total of 1,076 events were held during the year and patronage exceeded 4.2 million. Construction works for the Atrium Link extension were substantially completed in April 2009 and its total rental space has been increased to 91,500 sq m. The purpose-built exhibition hall space of 66,000 sq m enables HKCEC to host bigger and better mega-sized exhibitions and maintain its leading position in the market.

Free Duty, the duty free tobacco and liquor retail business at various cross-boundary transportation terminals in Hong Kong, achieved very satisfactory results in FY2009. Benefiting from the steady traffic growth via railway between Hong Kong and Mainland China, Free Duty in Lo Wu and Hunghom MTR Stations, which commenced in January 2008, produced outstanding results in FY2009. However, the ongoing global economic recession together with the human swine influenza outbreak have caused a decline in patronage at the Hong Kong International Airport.

The Facility Services business, including property management, security guarding, professional cleaning services and laundry, continued to contribute a stable profit and cashflow to the Group in FY2009. Our property management portfolio covers over 16.5 million sq m of commercial, industrial and residential areas in Hong Kong and Mainland China.



Free Duty



Urban Property Management



New World First Bus/ Citybus

The Contracting business recorded a drop in contribution in FY2009. Macau projects still remained to be the major profit contributor of the Contracting business. Contributions from Hong Kong projects decreased as a result of an additional provision of approximately HK\$180.0 million made for one major project due to potential claims for liquidated damages and foreseeable loss. As at 30 June 2009, the gross value of contracts on hand for the Construction Group was approximately HK\$20.5 billion.

During the year, through joint ventures with partners, NWSH succeeded in securing the design and build project of Tseung Kwan O Hospital in Hong Kong and the Masdar Institute of Science and Technology project in Abu Dhabi. Although the impact of the global financial tsunami is yet to be fully reflected, the management is cautiously optimistic about the medium to long-term prospects in Hong Kong. NWSH is well positioned to take advantage of the mega-sized projects. The performance of the mechanical and engineering business remained satisfactory with an improved gross profit margin. The total contracts on hand as at 30 June 2009 amounted to HK\$6.0 billion.

Transport business achieved a significant increase in contribution over FY2008. It was primarily due to the gain on disposal of fixed assets and the drop in fuel costs during the year. The improved results were also due to the one-off impairment provision made for an investment in Mainland China last year. Without the aforementioned disposal gain and impairment provision, the Transport business in effect recorded a 22% increase in profit over FY2008. A significant drop in contribution from Taifook Securities Group Limited ("Taifook Securities") was chiefly due to the substantial decline in earnings from its core operations including brokerage service, corporate finance and margin finance for FY2009. Its businesses seriously deteriorated due to the lack of turnover volume in the equity markets and contraction in fund-raising activities from IPOs as a consequence of the global financial tsunami. Although the equity trading activities turned slow during FY2009, the demand for brokering services for futures and other commodities remained strong and helped to mitigate the decline in earning. Moreover, the market has shown clear signs of rebound since March 2009 with increased turnover and significant improvement in contribution recorded in the second quarter of 2009. It is expected that the financial market will remain volatile until concrete signs of global economic recovery emerge.

As a global professional services provider specializing in integrated business, corporate and investor services, Tricor has successfully expanded into 21 cities in 12 countries/territories throughout Asia and worldwide. Caught in the global financial market slowdown, Tricor's revenue for FY2009 dropped slightly as compared to FY2008.