

(3) SEGMENTAL INFORMATION AND TURNOVER - continued

	2001	2000
	<u>Turnover</u> HK\$ million	<u>Turnover</u> HK\$ million
	Contribution to results from ordinary activities before taxation HK\$ million	Contribution to results from ordinary activities before taxation HK\$ million
Finance costs	(1.1)	(1.0)
Share of results of jointly controlled entities	30.8	35.2
Surplus on revaluation of an investment property	10.0	-
Other (expenses) revenue	(1.0)	3.1
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Profit from ordinary activities before taxation	<u>598.1</u>	<u>611.8</u>

(4) OTHER REVENUE

Included in other revenue is net investment income as follows:

	2001 HK\$ million	2000 HK\$ million
Interest income	33.3	39.6
Net unrealised holding (loss) gain on other investments	(1.3)	1.8
Dividends received from investments in securities		
- listed	3.0	-
- unlisted	0.3	-
Net realised loss on disposal of other investments - listed	(0.2)	-
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(5) PROFIT FROM OPERATIONS

Profit from operations has been arrived at after charging
(crediting):

Depreciation and amortisation		
Owned assets	59.8	59.5
Assets held under finance lease	-	1.3
Site establishment expenditure	10.6	10.9
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	70.4	71.7
Less: Amount capitalised to construction jobs	(1.1)	(1.8)
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	69.3	69.9
Auditors' remuneration	2.3	2.0
Operating lease payments in respect of rented premises	34.0	36.0
Loss on disposal of property, plant and equipment	0.3	1.0
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Gross rent from an investment property	(13.6)	(10.9)
Less: Outgoings	3.7	4.5
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Net rental income	(9.9)	(6.4)
Pre-operating expenditure written off	-	4.5
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For the year ended 31 March 2001

(6) FINANCE COSTS

	2001 HK\$ million	2000 HK\$ million
Interest on:		
Bank loans and overdrafts and other loans wholly repayable within 5 years	132.5	55.5
Finance leases	-	0.1
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Total borrowing costs	132.5	55.6
Less: Amount capitalised to properties under development for sale	(131.4)	(54.6)
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	1.1	1.0
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(7) DIRECTORS' EMOLUMENTS

Fees		
Executive directors	0.1	0.1
Non-executive directors	-	-
Independent non-executive directors	0.1	0.1
Other emoluments		
Executive directors		
Salaries and other benefits	16.1	13.9
Provident fund contributions	0.7	0.5
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	17.0	14.6
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The emoluments of the directors were within the following bands:

Emolument bands	2001 Number of <u>directors</u>	2000 Number of <u>directors</u>
HK\$0 - HK\$1,000,000	5	5
HK\$1,000,001 - HK\$1,500,000	1	-
HK\$2,000,001 - HK\$2,500,000	-	1
HK\$2,500,001 - HK\$3,000,000	1	-
HK\$3,000,001 - HK\$3,500,000	1	1
HK\$3,500,001 - HK\$4,000,000	-	1
HK\$4,000,001 - HK\$4,500,000	1	-
HK\$5,000,001 - HK\$5,500,000	-	1
HK\$5,500,001 - HK\$6,000,000	1	-
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	10	9
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(8) EMPLOYEES' EMOLUMENTS

Of the five individuals with highest emoluments in the Group, four (2000: four) are executive directors of the Company whose emoluments are included in the disclosures in note 7 above.

The emoluments of the remaining one (2000: one) individual were as follows:

	2001 HK\$ million	2000 HK\$ million
Salaries and other emoluments	2.4	2.4
Provident fund contributions	0.1	0.1
	<u>2.5</u>	<u>2.5</u>

(9) TAXATION

The charge comprises:

Company and subsidiaries

Hong Kong Profits Tax

Income tax of other regions in the PRC

Deferred taxation

Jointly controlled entities

Hong Kong Profits Tax

Income tax of other regions in the PRC

Deferred taxation

	76.6	95.7
	0.2	0.1
	(2.6)	0.6
	6.6	5.6
	0.7	0.3
	(0.8)	(0.2)
	<u>80.7</u>	<u>102.1</u>

Hong Kong Profits Tax is calculated at 16% (2000:16%) on the estimated assessable profits for the year. Income tax of other regions in the PRC has been provided for based on the estimated assessable profits in accordance with the relevant tax laws applicable to the Group in the Chinese Mainland.

Details of the potential deferred tax charge provided and not provided for in the year are set out in note 26.

(10) PROFIT ATTRIBUTABLE TO SHAREHOLDERS

Of the Group's profit attributable to shareholders for the year of HK\$508.3 million (2000: HK\$503.1 million) a profit of HK\$560.7 million (2000: HK\$470.7 million) has been dealt with in the financial statements of the Company.

(11) DIVIDENDS

Interim dividend - HK\$0.60 per share on 263,334,000 shares (2000: HK\$0.55 per share on 262,302,000 shares)

Final dividend for 1999/2000 at HK\$1.25 per share on 954,000 shares issued upon exercising share options (2000: Final dividend for 1998/1999 at HK\$1.00 per share on 1,724,000 shares)

Proposed final dividend - HK\$1.20 per share on 263,334,000 shares (2000: HK\$1.25 per share on 262,350,000 shares)

	2001 HK\$ million	2000 HK\$ million
	158.0	144.3
	1.2	1.7
	<u>316.0</u>	<u>327.9</u>
	<u>475.2</u>	<u>473.9</u>

For the year ended 31 March 2001

(12) EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following data:

	2001 HK\$ million	2000 HK\$ million
Earnings for the purposes of basic and diluted earnings per share	<u>508.3</u>	<u>503.1</u>
	Million	Million
Weighted average number of ordinary shares for the purposes of basic earnings per share	263.0	261.5
Effect of dilutive potential ordinary shares: Share options	<u>1.0</u>	<u>1.7</u>
Weighted average number of ordinary shares for the purposes of diluted earnings per share	<u>264.0</u>	<u>263.2</u>

(13) INVESTMENT PROPERTY

	2001 HK\$ million	2000 HK\$ million
THE GROUP		
At 1 April	130.0	130.0
Revaluation increase	10.0	-
At 31 March	<u>140.0</u>	<u>130.0</u>

The Group's investment property is held in Hong Kong under medium-term lease. It was revalued at 31 March, 2001 by Chesterton Petty Limited, independent professional valuers on an open market value basis.

The Group's investment property is rented out under operating leases.

(14) PROPERTY, PLANT AND EQUIPMENT

The Group	Land and buildings in other regions of the PRC held under medium-term lease HK\$ million	Land and buildings in Hong Kong held under medium-term lease HK\$ million	Land and buildings in Hong Kong held under short-term lease HK\$ million	Plant and machinery HK\$ million	Motor vehicles HK\$ million	Equipment, furniture and other assets HK\$ million	Total HK\$ million
At cost/valuation							
At 1 April, 2000	5.8	67.5	27.8	451.3	36.8	39.6	628.8
Additions	-	-	-	54.0	4.0	17.8	75.8
Disposals	-	-	(2.1)	(11.6)	(1.6)	(4.0)	(19.3)
Reallocation	-	-	-	(0.5)	2.4	(1.9)	-
At 31 March, 2001	5.8	67.5	25.7	493.2	41.6	51.5	685.3
Accumulated depreciation							
At 1 April, 2000	1.1	-	27.8	292.3	26.0	27.7	374.9
Charge for the year	0.3	1.4	-	47.1	4.4	6.6	59.8
Eliminated on disposals	-	-	(2.1)	(11.0)	(1.5)	(3.9)	(18.5)
Reallocation	-	-	-	1.0	0.9	(1.9)	-
Adjustment upon valuation	-	(1.4)	-	-	-	-	(1.4)
At 31 March, 2001	1.4	-	25.7	329.4	29.8	28.5	414.8
Net book value							
At 31 March, 2001	4.4	67.5	-	163.8	11.8	23.0	270.5
At 31 March, 2000	4.7	67.5	-	159.0	10.8	11.9	253.9
Cost or valuation comprising:							
At valuation-2001	-	67.5	-	-	-	-	67.5
At cost	5.8	-	25.7	493.2	41.6	51.5	617.8
	5.8	67.5	25.7	493.2	41.6	51.5	685.3

Notes:

- (i) The land and buildings in Hong Kong under medium-term lease have been revalued on 31 March, 2001 by Chesterton Petty Limited, independent professional valuers, on an open market value basis. No separate valuation was undertaken for land and buildings in other regions of the PRC under medium-term lease and those in Hong Kong under short-term lease as their carrying values are insignificant and the directors are of the opinion that their carrying values approximate their fair value.
- (ii) A medium-term lease is defined as a lease having not more than 50 years and not less than 20 years to run. A short-term lease is defined as a lease having less than 20 years to run.
- (iii) If the revalued land and buildings in Hong Kong under medium-term lease were carried at cost less accumulated depreciation, their net book value as at the balance sheet date would be HK\$32.0 million (2000: HK\$32.8 million).

*For the year ended 31 March 2001***(14) PROPERTY, PLANT AND EQUIPMENT - continued**

	Motor vehicles HK\$ million	Equipment, furniture and other assets HK\$ million	Total HK\$ million
The Company			
At cost			
At 1 April, 2000	0.9	7.3	8.2
Additions	0.6	1.3	1.9
	<u>1.5</u>	<u>8.6</u>	<u>10.1</u>
At 31 March, 2001			
Accumulated depreciation			
At 1 April, 2000	0.7	4.0	4.7
Charge for the year	0.3	1.6	1.9
	<u>1.0</u>	<u>5.6</u>	<u>6.6</u>
At 31 March, 2001			
Net book value			
At 31 March, 2001	<u>0.5</u>	<u>3.0</u>	<u>3.5</u>
At 31 March, 2000	<u>0.2</u>	<u>3.3</u>	<u>3.5</u>

(15) INTERESTS IN SUBSIDIARIES

	The Company	
	2001 HK\$ million	2000 HK\$ million
Unlisted shares, at cost	<u>291.7</u>	<u>283.9</u>

Details of the principal subsidiaries are set out in note 36 to these financial statements.

(16) INTERESTS IN JOINTLY CONTROLLED ENTITIES

	The Group	
	2001 HK\$ million	2000 HK\$ million
Share of net assets	<u>159.4</u>	<u>117.3</u>

Details of the jointly controlled entities are set out in note 38 to these financial statements.

(17) INVESTMENTS IN SECURITIES

	The Group	
	2001 HK\$ million	2000 HK\$ million
Other investments, at fair value:		
equity securities		
- unlisted	18.9	18.5
- listed	167.2	-
	<u>186.1</u>	<u>18.5</u>
Listed :		
- Hong Kong	167.2	-
Unlisted :		
- Overseas	18.9	18.5
	<u>186.1</u>	<u>18.5</u>
Market value of listed securities	<u>167.2</u>	<u>-</u>

(18) CLUB DEBENTURE

	The Group		The Company	
	2001 HK\$ million	2000 HK\$ million	2001 HK\$ million	2000 HK\$ million
Unlisted membership debenture in a recreational club, at cost	<u>1.2</u>	<u>-</u>	<u>1.2</u>	<u>-</u>

(19) SITE ESTABLISHMENT EXPENDITURE

	The Group	
	2001 HK\$ million	2000 HK\$ million
Balance brought forward	13.1	13.7
Additions	17.3	10.3
Amortisation for the year	(10.6)	(10.9)
Balance carried forward	<u>19.8</u>	<u>13.1</u>

*For the year ended 31 March 2001***(20) INVENTORIES**

	The Group	
	2001 HK\$ million	2000 HK\$ million
Raw materials	13.9	13.8
Work-in-progress	10.2	9.2
Finished goods	8.0	9.7
Spare parts	10.8	10.0
	<u>42.9</u>	<u>42.7</u>
 Amounts due from (to) customers for contract work		
Contracts in progress at the balance sheet date:		
Contract costs incurred	6,229.8	6,871.0
Recognised profits less recognised losses	342.5	418.3
	<u>6,572.3</u>	<u>7,289.3</u>
Progress billings	(6,536.6)	(7,319.0)
Net contract work	<u>35.7</u>	<u>(29.7)</u>
Represented by:		
Amounts due from customers for contract work	209.6	200.3
Amounts due to customers for contract work	(173.9)	(230.0)
	<u>35.7</u>	<u>(29.7)</u>