

# REVIEW OF OPERATIONS



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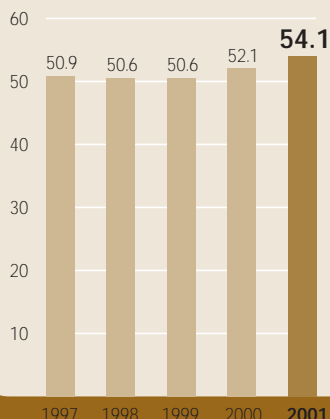
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### Land Bank in Hong Kong

Attributable gross floor area

million square feet

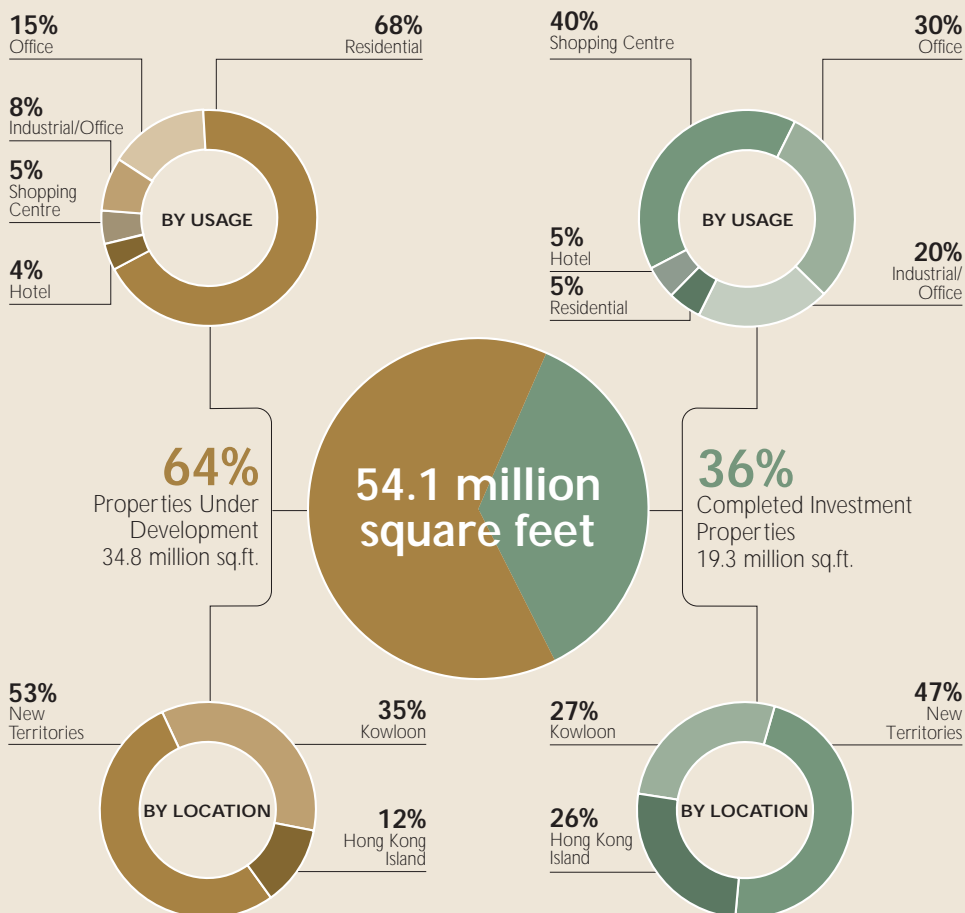


The Group has a land bank of 54.1 million square feet, in terms of attributable gross floor area, following the addition of three prime sites during the year under review. Details of the new sites are given in the Chairman's Statement on page 5.

The Group's land bank is well diversified both in terms of usage and location. About 49 per cent of the projects are on Hong Kong Island and in Kowloon, while the remaining 51 per cent are spread throughout various new towns in the New Territories. In addition, the Group has 22 million square feet of agricultural land, in terms of site area, primarily located along existing or planned railway lines in the New Territories. The majority of this is in the process of land use conversion, principally for residential development.

### Composition of Land Bank in Hong Kong

Attributable gross floor area: 54.1 million square feet



The Group has 34.8 million square feet of properties under development. Of this, 26.6 million square feet will be for sale, while the remaining 8.2 million square feet will be added to the Group's completed investment property portfolio, which now stands at 19.3 million square feet.

About 68 per cent of the properties under development is residential, mostly large-scale estates with small to medium sized units for sale. The Group will continue to develop commercial and residential properties of premium quality, employing the most up-to-date technology in facilities and management. The Group's recognized brand name and commitment to excellence add to the value of its developments in the current competitive market.

The current land bank is sufficient for development needs over the next five years. In line with its strategy to increase the production volume of residential projects for sale over time, the Group will take advantage of the current downturn to replenish its land bank as appropriate. The Group's land bank in Mainland China is described on page 54.

The Group's land bank in Hong Kong, in attributable gross floor area, is analyzed by status, usage and location as follows:

#### Status and Usage

	Attributable gross floor area in million square feet					Total
	Residential	Shopping Centre	Office	Hotel	Industrial/Office*	
Development for sale	23.7	–	0.2	–	2.7	26.6
Development for investment	–	1.7	4.9	1.6	–	8.2
Completed investment properties	1.0	7.7	5.8	0.9	3.9	19.3
<b>Total</b>	<b>24.7</b>	<b>9.4</b>	<b>10.9</b>	<b>2.5</b>	<b>6.6</b>	<b>54.1</b>

\* Industrial/office properties include data centres, godowns and industrial properties.

#### Status and Location

	Attributable gross floor area in million square feet			Total
	Hong Kong Island	Kowloon	New Territories	
Development for sale	2.7	6.3	17.6	26.6
Development for investment	1.5	6.0	0.7	8.2
Completed investment properties	5.0	5.2	9.1	19.3
<b>Total</b>	<b>9.2</b>	<b>17.5</b>	<b>27.4</b>	<b>54.1</b>



*Royal Peninsula, Kowloon*

The Group's aim has always been to build ideal homes for its customers, and it is raising standards even higher in order to enhance its brand name for quality and strengthen its market-leading position.

# PROPERTY DEVELOPMENT

