

Financial Highlights

FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED 31 DECEMBER

	2006 HK'000	2005 HK'000	Changes %
Revenue	<u>6,056,331</u>	<u>5,249,158</u>	15.4
Profit for the year attributable to shareholders	<u>1,506,903</u>	<u>1,303,495</u>	15.6
Earnings per share — Basic	<u>25.00 HK cents</u>	<u>22.69 HK cents</u>	10.2
Dividends per share			
Interim	<u>5.00 HK cents</u>	<u>4.00 HK cents</u>	
Proposed final	<u>5.00 HK cents</u>	<u>5.00 HK cents</u>	
	<u>10.00 HK cents</u>	<u>9.00 HK cents</u>	11.1
EBITDA	<u>3,665,752</u>	<u>3,430,511</u>	6.9
Shareholders' equity	<u>12,622,587</u>	<u>11,478,289</u>	10.0
Total assets	<u>30,173,862</u>	<u>30,549,119</u>	(1.2)
Net financial borrowings ⁷	<u>11,220,085</u>	<u>13,051,824</u>	(14.0)

Financial Highlights

KEY RATIOS (As at 31 December)

	2006	2005
Gearing ¹	0.92X	1.17X
Interest cover ²	5.61X	4.55X
Liquidity ³	1.43X	1.45X
Return on average shareholders' equity ⁴	12.50%	12.37%
Post-tax return on average assets ⁵	5.86%	4.96%
Dividend payout ratio ⁶	40%	40%

SHARE INFORMATION (As at 31 December)

	2006	2005
Ordinary shares (HK\$0.5 per share) in issue	6,091m	6,018m
Market capitalisation	HK\$21,379m	HK\$17,451m
Closing market price per share	HK\$3.51	HK\$2.90
Basic earnings per share	25.00 HK cents	22.69 HK cents
Diluted earnings per share	24.33 HK cents	21.51 HK cents
Net asset value ⁸ per share	HK\$2.07	HK\$1.91

Notes:

1.
$$\frac{\text{Financial indebtedness}}{\text{Net asset value}^8}$$

2.
$$\frac{\text{EBITDA}}{\text{Finance costs}}$$

3.
$$\frac{\text{Current assets}}{\text{Current liabilities}}$$

4.
$$\frac{\text{Profit for the year attributable to shareholders}}{(\text{opening equity}^8 + \text{closing equity}^8)/2}$$

5.
$$\frac{\text{Profit for the year}}{(\text{opening total assets} + \text{closing total assets})/2}$$

6.
$$\frac{\text{Dividends per share}}{\text{Basic earnings per share}}$$

7. Financial borrowings — cash and cash equivalents

8. Excluded minority interests

Financial Highlights

ANALYSIS OF GROSS FINANCIAL BORROWINGS (As at 31 December)

	2006 HK\$'000	2005 HK\$'000
Loans maturity profile		
Within 1 year	324,002	163,860
In the 2nd year	390,697	381,345
In the 3rd to 5th years, inclusive	3,207,620	3,740,938
Over 5 years	9,549,425	10,879,725
	13,471,744	15,165,868
Currency	%	%
Hong Kong dollars	90.4	91.0
Renminbi	9.6	9.0
Interest rate	%	%
Floating	*85.7	*78.6
Fixed	0.3	8.1
Non-interest bearing	14.0	13.3

Note:

* Borrowings amounted to HK\$5.2 billion is hedged by certain fixed interest rate swap agreements.

SOURCE OF FINANCING (As at 31 December 2006)

	Available, committed and utilised %
Bank and other borrowings	86.0
Non-interest-bearing borrowing	14.0
	100.0

Financial Highlights

ANALYSIS OF THE GROUP'S BUSINESSES

An analysis of the Group's revenue, profit before tax and earnings before interest, tax, depreciation and amortisation ("EBITDA") by principal activities and geographical area of operations for the year ended 31 December 2006 is as follows:

Year ended 31 December 2006

	Revenue		Profit before tax		EBITDA	
	HK\$'000	%	HK\$'000	%	HK\$'000	%
By activities:						
Water distribution	3,225,939	53.27	1,060,963	51.81	2,629,333	71.73
Electric power generation	814,083	13.44	171,965	8.40	212,504	5.79
Toll roads and bridges	15,313	0.25	119,724	5.85	45,506	1.24
Property investment and development	428,786	7.08	455,019	22.22	482,342	13.16
Department stores	1,267,904	20.94	109,058	5.33	102,975	2.81
Hotel operations and management	304,306	5.02	88,633	4.33	150,570	4.11
Others	—	—	42,379	2.06	42,522	1.16
	<u>6,056,331</u>	<u>100.00</u>	<u>2,047,741</u>	<u>100.00</u>	<u>3,665,752</u>	<u>100.00</u>
By geographical area:						
Mainland China	5,872,734	96.97				
Hong Kong	183,597	3.03				
	<u>6,056,331</u>	<u>100.00</u>				

Financial Highlights

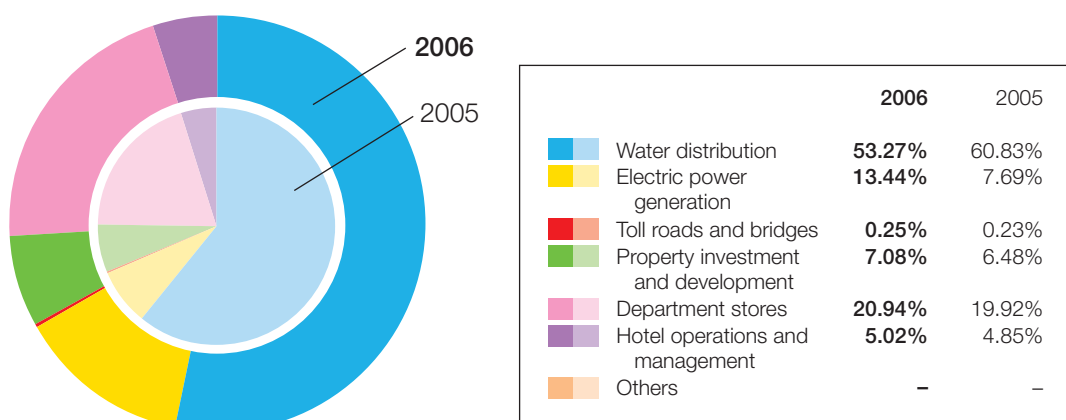
ANALYSIS OF THE GROUP'S BUSINESSES (continued)

Year ended 31 December 2005

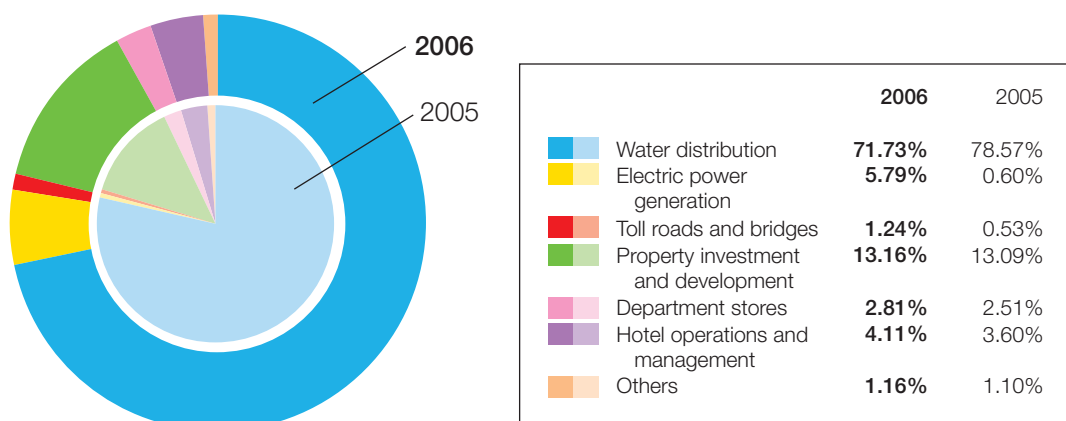
	Revenue		Profit before tax		EBITDA	
	HK\$'000	%	HK\$'000	%	HK\$'000	%
By activities:						
Water distribution	3,192,988	60.83	1,039,229	60.13	2,695,417	78.57
Electric power generation	403,526	7.69	1,331	0.08	20,626	0.60
Toll roads and bridges	12,234	0.23	94,580	5.47	18,114	0.53
Property investment and development	340,449	6.48	423,376	24.50	449,107	13.09
Department stores	1,045,495	19.92	82,284	4.76	86,024	2.51
Hotel operations and management	254,466	4.85	66,069	3.83	123,378	3.60
Others	—	—	21,306	1.23	37,845	1.10
	<u>5,249,158</u>	<u>100.00</u>	<u>1,728,175</u>	<u>100.00</u>	<u>3,430,511</u>	<u>100.00</u>
By geographical area:						
Mainland China	5,088,233	96.93				
Hong Kong	<u>160,925</u>	<u>3.07</u>				
	<u>5,249,158</u>	<u>100.00</u>				

Financial Highlights

Revenue by Business Segments

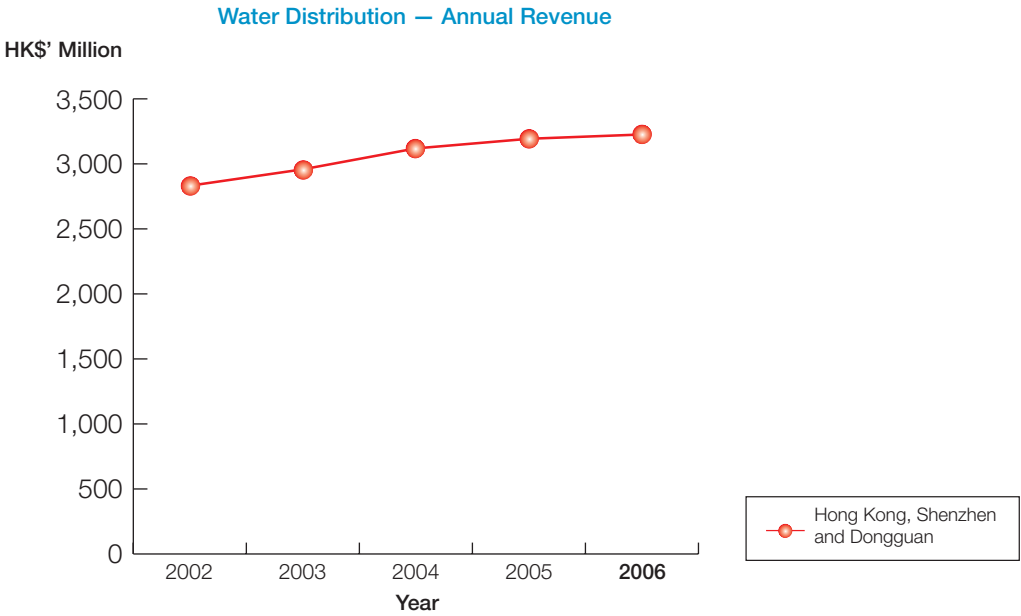
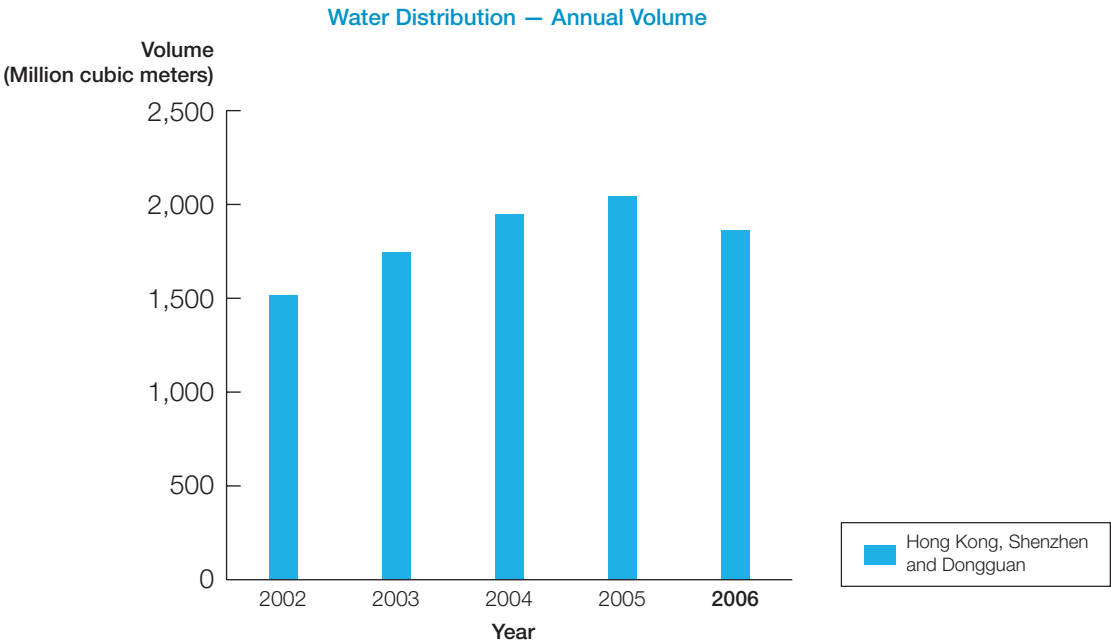


EBITDA by Business Segments



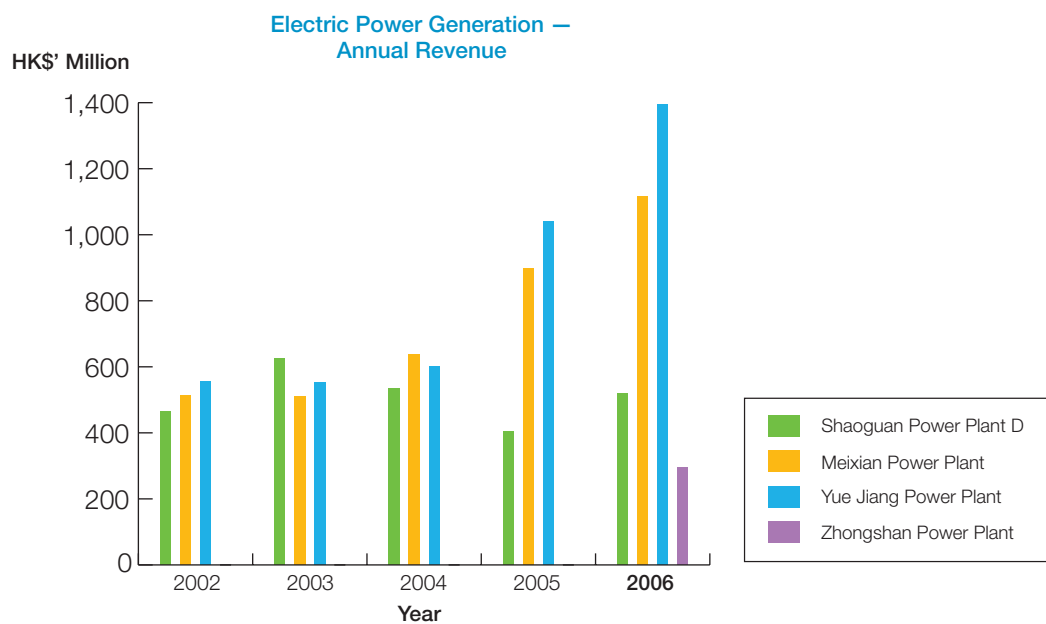
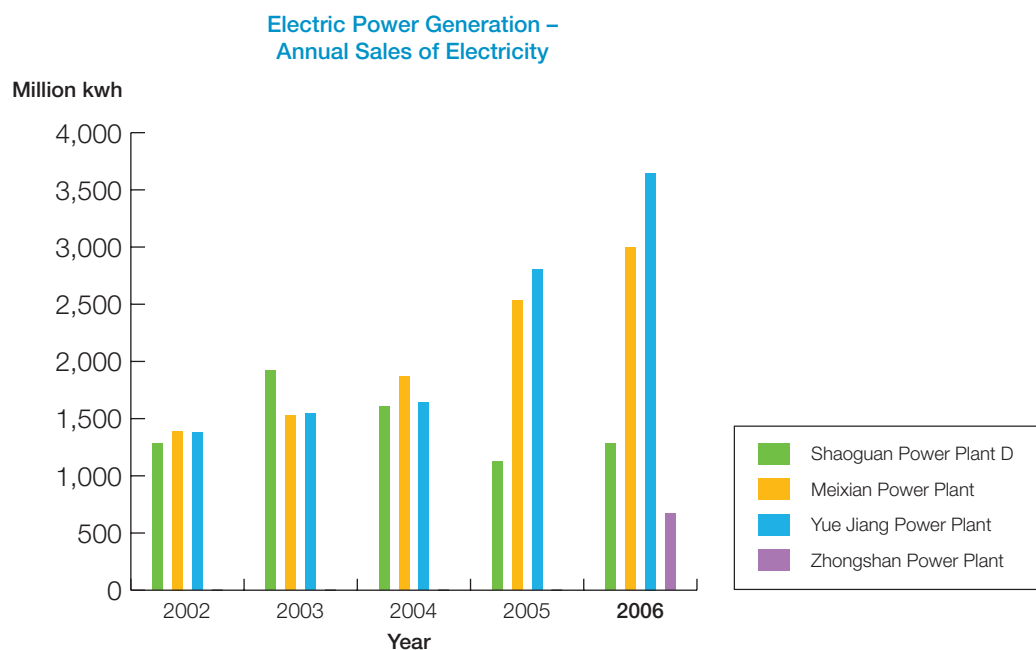
Financial Highlights

WATER DISTRIBUTION



Financial Highlights

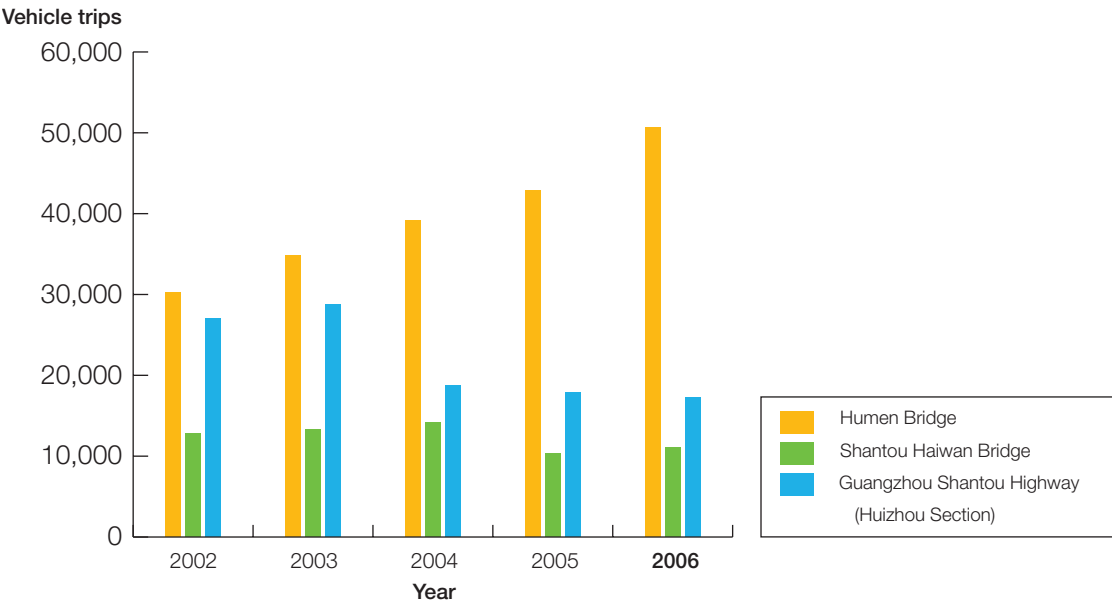
ELECTRIC POWER GENERATION



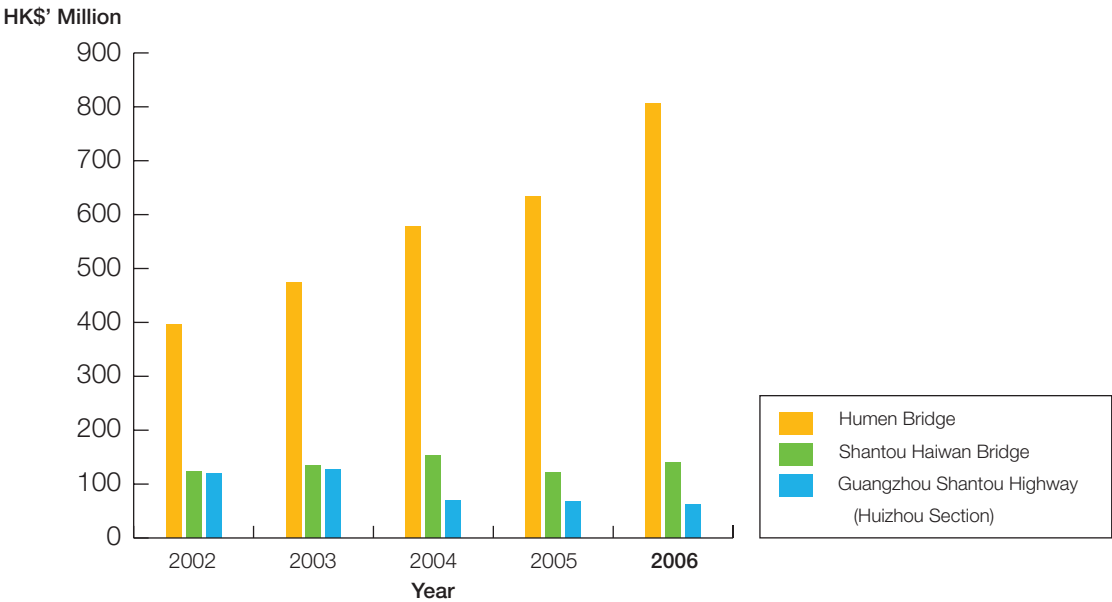
Financial Highlights

TOLL ROADS AND BRIDGES

Toll Roads and Bridges — Average Daily Traffic Flow



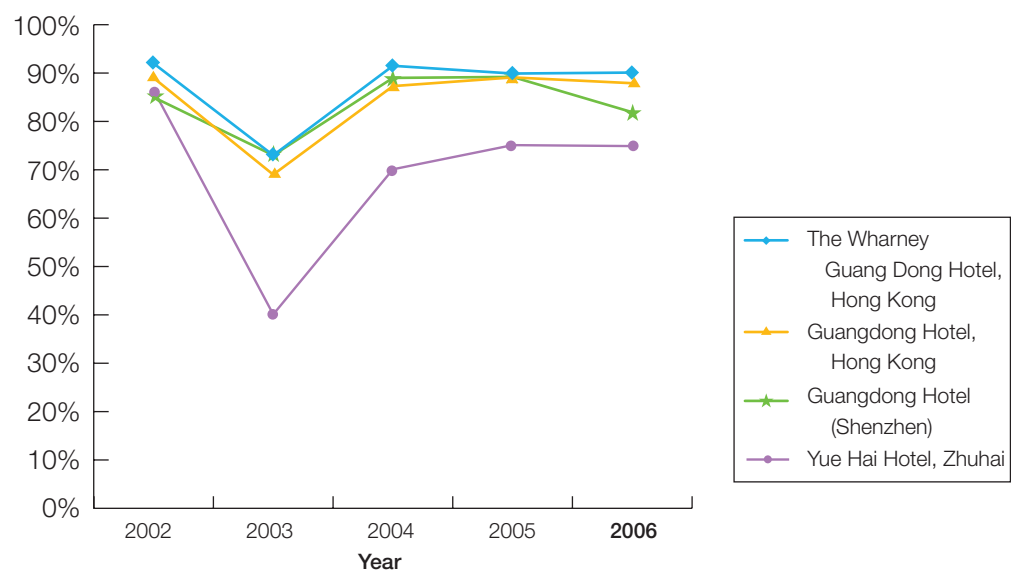
Toll Roads and Bridges — Annual Revenue



Financial Highlights

HOTEL OPERATIONS AND MANAGEMENT

Hotels — Occupancy Rate



Hotels — Annual Revenue

