

OTHER CORPORATE INFORMATION

FINANCIAL REVIEW

The Group's turnover was HK\$628,347,000 for the year ended 31 December 2006, an increase of 7% over the corresponding period in 2005. This increase was due primarily to revenue generated from the operation of the Sheraton Saigon Hotel in Vietnam. Profit from operations was HK\$273,739,000 for the year ended 31 December 2006 as compared to a profit of HK\$169,454,000 in 2005. Profit attributable to shareholders amounted to HK\$203,031,000.

As 31 December 2006, the Group has a total bank loans and other borrowings of HK\$227,849,000 and cash equivalents of HK\$842,011,000. Of the total amount of bank borrowings, HK\$48,669,000 is repayable within twelve months.

The Group's bank borrowings are mostly in Hong Kong Dollars and United States Dollars. Cash and cash equivalents are mostly in Hong Kong Dollars, Euros, Australian Dollars, Canadian Dollars, Pounds Sterling and United States Dollars. The Group's bank borrowings are on a floating rate basis. Taking into account cash in hand and available credit facilities, the Group has sufficient working capital for its present requirements.

PLEDGE OF ASSETS

As at 31 December 2006, certain investment properties, other properties and fixed assets and a hotel property together with its integral fixtures and fittings with a net book value of HK\$797.7 million were mortgaged to various banks to secure banking facilities granted to the Group.

CONTINGENT LIABILITIES

At 31 December 2006, there were outstanding counter indemnities relating to guarantees issued by bankers of a subsidiary in favour of the Macau SAR Government in respect of properties under development amounting to HK\$8,252,000 (2005: HK\$8,252,000).

At 31 December 2006, guarantees given by the Company to banks to secure banking facilities made available to a subsidiary and an associate amounted to HK\$29.6 million and HK\$68.9 million (2005: HK\$134.3 million and HK\$69.1 million) respectively.

At 31 December 2006, guarantees given by a subsidiary and the Company to a bank to secure banking facilities made available to its associate amounted to HK\$33.4 million (2005: HK\$33.4 million).