

Financial Highlights

		2010	2009	Change
Results				
Turnover	HK\$ Million	4,266	4,045	+5.5%
Net operating profit	HK\$ Million	389	380	+2.4%
Share of after-tax results of jointly controlled companies				
– Hong Kong Aero Engine Services Limited and Singapore Aero Engine Services Pte. Limited	HK\$ Million	380	363	+4.7%
– Other jointly controlled companies	HK\$ Million	27	57	-52.6%
Profit attributable to the Company's shareholders	HK\$ Million	701	688	+1.9%
Earnings per share for profit attributable to the Company's shareholders (basic and diluted)	HK\$	4.21	4.14	+1.9%
Interim and final dividends per share	HK\$	2.10	2.00	+5.0%
Financial Position				
Net borrowings	HK\$ Million	176	143	+23.1%
Gearing ratio	%	2.7	2.3	+0.4% pt
Total equity	HK\$ Million	6,484	6,141	+5.6%
Equity attributable to the Company's shareholders per share	HK\$	33.45	31.13	+7.5%
Cash Flows				
Net cash generated from operating activities	HK\$ Million	481	729	-34.0%
Net cash inflow before financing activities	HK\$ Million	307	39	+687.2%

Note:

The average number of shares in issue is 166,324,850 in 2010 (2009: 166,324,850).

Additional financial information of the Group's jointly controlled companies is presented on page 59.

Contents

Management Discussion and Analysis

- 01** Financial Highlights
- 02** Group Profile
- 04** Chairman's Letter
- 06** 2010 in Review
- 14** Review of Operations
- 20** Financial Review

Corporate Governance

- 23** Corporate Governance
- 28** Sustainable Development
- 31** Directors and Officers
- 33** Directors' Report

Independent Auditor's Report and Accounts

- 39** Independent Auditor's Report
- 40** Consolidated Income Statement
- 41** Consolidated Statement of Comprehensive Income
- 42** Consolidated Statement of Financial Position
- 43** Company Statement of Financial Position
- 44** Consolidated Statement of Cash Flows
- 45** Consolidated Statement of Changes in Equity
- 46** Notes to the Accounts
- 77** Principal Accounting Policies

Ten-year Financial Summary

- 88** Ten-year Financial Summary

Supplementary Information

- 90** Glossary
- 91** Financial Calendar and Information for Investors