

只選好的 **RIGHT** choice





恒隆精心挑選最佳地段，悉心籌劃興建世界級商用物業，促使每年各項新的發展。

With vision and the right strategy, we pick the right spot, build a world-class commercial facility, and deliver a new growth source every year.

下一個世界級商用物業亮點：瀋陽的市府恒隆廣場
Next to launch: Forum 66, Shenyang



(左起) (From Left)

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悉心部署 Make the **RIGHT** Move





恒隆重視客戶關係，了解商戶和顧客需要，提供最優質的物業管理及合適商機，締造雙贏。

We value our relationships with customers and are totally dedicated to understanding their needs. By providing superlative property management service and business opportunities, we are creating a win-win situation for everyone.



(左) (Left)

黃慧珊 **Rosanna Wong** 高級租務主任 — 租務及物業管理(香港) Senior Leasing Officer – Leasing and Management (Hong Kong)

目標為本 Do the **RIGHT** Thing



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公司簡介

CORPORATE PROFILE

正確之道·就是恒隆 We are **RIGHT** on
We are **Hang Lung**

恒隆集團有限公司

(股份代號：10) 是香港最具資歷的上市公司之一，在物業發展市場擁有五十年經驗。透過附屬公司恒隆地產有限公司(股份代號：101)，集團在香港和內地享有尊崇地位，被公認為一家重視質量的頂級物業發展商。

集團的香港業務包括發展物業供銷售和租賃。旗下物業組合龐大，包括大型商場、寫字樓及住宅物業，均以精心策劃及地點優越而著稱。

集團早於九十年代初在內地作出首項投資，為集團日後在內地發展業務邁出第一步。集團在內地的策略是在主要城市的黃金地段，發展最優質的物業。集團現時在上海擁有兩項大型投資物業，包括集商場、寫字樓和住宅於一身的港匯恒隆廣場，以及集商場和寫字樓於一身的恒隆廣場，並在瀋陽及濟南擁有剛開業的皇城恒隆廣場及恒隆廣場。我們正以此等項目的成功為基礎，在瀋陽、無錫、天津和大連等主要城市，發展同類的物業項目。

我們不僅繼續在內地擴展業務，亦會在香港本土市場的物業組合作出投資，並矢志成為該兩個市場內最出類拔萃的物業發展商。

Hang Lung Group Limited

(stock code: 10) is one of the most established listed companies in Hong Kong with 50 years of experience in the property development market. Through its subsidiary -- Hang Lung Properties Limited (stock code: 101) -- the Group has built a leading reputation as a top tier property developer in Hong Kong and on the Mainland, with a recognized commitment to quality.

The Group's businesses in Hong Kong include property development for sale and lease. Our substantial portfolio includes well-planned large-scale commercial, office and residential developments in prominent locations.

The Group made its first investment on the Mainland in the early 1990s as the first step in our future business expansion. The Group's strategy on the Mainland is to develop prime sites in major cities. Our portfolio of investment properties currently comprises two large-scale developments in Shanghai, the commercial, office and residential complex Grand Gateway 66; and the commercial and office complex Plaza 66; together with the newly opened shopping complexes, Palace 66 in Shenyang and Parc 66 in Jinan. We are building on our successes to develop similar properties in major cities including Shenyang, Wuxi, Tianjin and Dalian.

We will continue not only to expand our presence on the Mainland, but also to invest in our portfolio in Hong Kong, as we aim to become the highest quality property developer in both markets.

財務摘要

FINANCIAL HIGHLIGHTS

業績 Results

| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 (重列) (Restated) |
|-----------------|--|----------------|----------------------------|
| 營業額 | Turnover | | |
| 物業租賃 | Property leasing | | |
| 香港 | Hong Kong | 2,973 | 2,746 |
| 中國內地 | Mainland China | 2,738 | 2,323 |
| 物業銷售 | Property sales | 3 | 7,511 |
| 營業額總計 | Total turnover | 5,714 | 12,580 |
| 股東應佔純利 | Net profit attributable to shareholders | 3,529 | 13,139 |
| 股息 | Dividends | 1,025 | 1,017 |
| 每股資料 | Per share data | | |
| 盈利 | Earnings | \$ 2.62 | \$9.83 |
| 股息 | Dividends | | |
| 中期 | Interim | \$0.19 | \$0.19 |
| 末期 | Final | \$0.57 | \$0.57 |
| 總計 | Total | \$0.76 | \$0.76 |
| 股東權益 | Shareholders' equity | \$43.7 | \$39.6 |
| 資產淨值 | Net assets | \$89.2 | \$76.4 |
| 股東權益 | Shareholders' equity | 58,972 | 52,973 |
| 派息比率 | Pay-out ratio | 29% | 8% |
| 負債率 附註 1 | Gearing ratio Note 1 | 0% | 0% |

基本業績 Underlying Results

| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 |
|----------------------|--|---------------|--------|
| 股東應佔基本純利 附註 2 | Underlying net profit attributable to shareholders Note 2 | 1,733 | 3,695 |
| 每股盈利 附註 3 | Earnings per share Note 3 | \$1.29 | \$2.76 |
| 派息比率 附註 3 | Pay-out ratio Note 3 | 59% | 28% |

附註：

- 負債率為淨債項與股權加淨債項之比較。淨債項指銀行貸款及融資租約承擔，扣除現金及銀行存款。股權則包括股東權益及非控股權益。
- 為加強對本集團營運業績的理解，呈報基本業績時已撇除因採納香港會計準則第40號《投資物業》之影響，該準則規定投資物業及發展中投資物業公平值之變動並扣除相關遞延稅項及非控股權益於收益表中入賬。
- 有關計算乃根據股東應佔基本純利計算。

Notes:

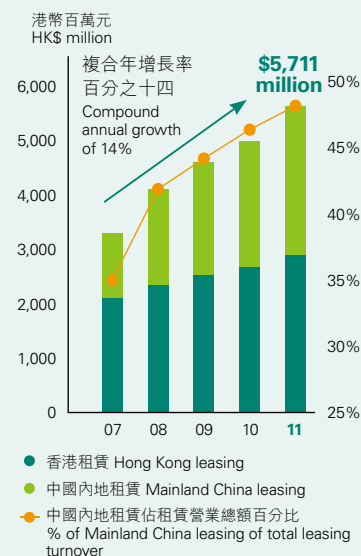
- Gearing ratio represents net debt over equity plus net debt. Net debt represents bank loans and finance lease obligations, less cash and deposits with banks. Equity comprises shareholders' equity and non-controlling interests.
- To facilitate better understanding of the Group's operational results, the underlying net profit attributable to shareholders is presented by excluding the effect of adopting Hong Kong Accounting Standard 40, Investment Property which requires changes in fair value of investment properties and investment properties under development, net of related deferred tax and non-controlling interests be accounted for in the income statement.
- The relevant calculations are based on the underlying net profit attributable to shareholders.

核心業務收入及利潤持續增長

Sustainable Income and Profit Growth in Core Business

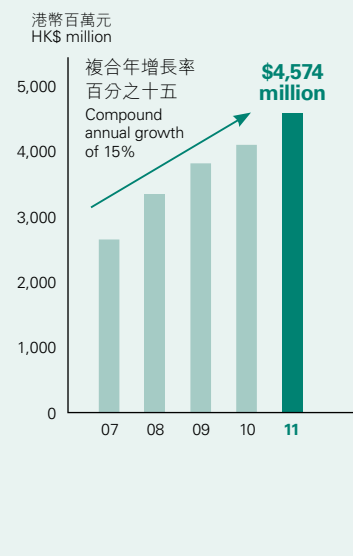
租賃營業額 Rental Turnover

截至六月三十日止年度
For the years ended June 30



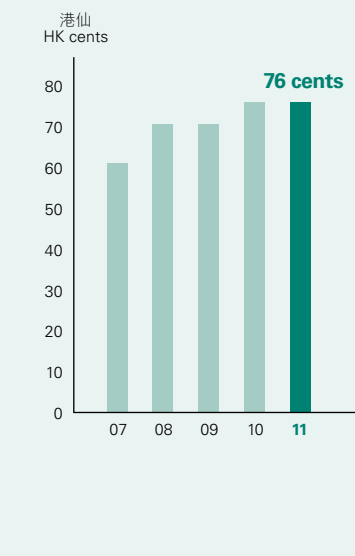
租賃溢利 Rental Profit

截至六月三十日止年度
For the years ended June 30



每股總股息 Total Dividends per Share

截至六月三十日止年度
For the years ended June 30

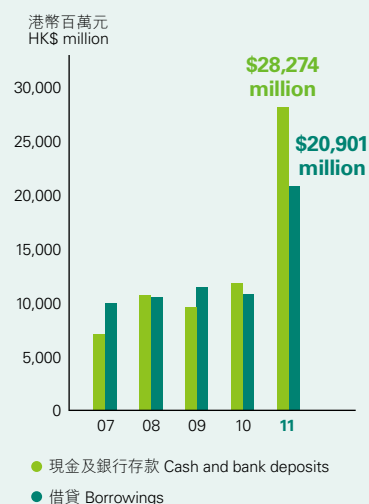


實力雄厚 掌握商機

Strong Financial Capability to Capture Business Opportunities

現金及借貸 Cash and Borrowings

於六月三十日
At June 30



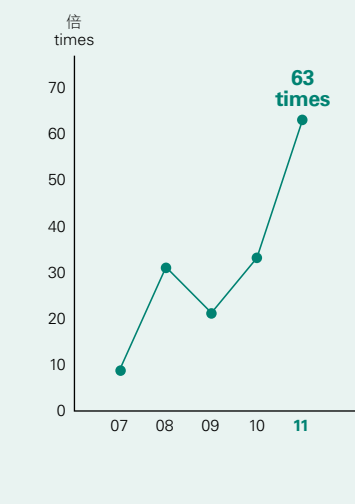
負債率^{附註 1} Gearing Ratio^{Note 1}

於六月三十日
At June 30



盈利對利息倍數^{附註 2} Interest Cover^{Note 2}

截至六月三十日止年度
For the years ended June 30



附註：

- 負債率為淨債項與股權加淨債項之比較。淨債項指銀行貸款及融資租約承擔，扣除現金及銀行存款。股權則包括股東權益及非控股權益。
- 盈利對利息倍數指未計入投資物業之公平值變動及利息收入的營業溢利除以利息資本化前的淨利息開支。

Notes:

- Gearing ratio represents net debt over equity plus net debt. Net debt represents bank loans and finance lease obligations, less cash and deposits with banks. Equity comprises shareholders' equity and non-controlling interests.
- Interest cover represents operating profit before changes in fair value of investment properties and interest income divided by net interest expenses before interest capitalization.

董事長致股東函

CHAIRMAN'S LETTER TO SHAREHOLDERS



陳啟宗
董事長
Ronnie C. Chan
Chairman

業績及股息

截至二零一一年六月三十日止，年度之營業額減少百分之五十四點六至港幣五十七億一千四百萬元。股東應佔純利下降百分之七十三點一至港幣三十五億二千九百萬元。每股盈利跌幅相若，減至港幣二元六角二仙，較去年下跌百分之七十三點三。

儘管我們的主要附屬公司恒隆地產在目前市況下沒有出售任何住宅單位，但物業租賃的租金收入錄得百分之十二點七的升幅，升至港幣五十七億一千一百萬元；其經營溢利增長百分之十一點七，達港幣四十五億七千四百萬元。

倘扣除重估收益和其相關遞延稅項以及非控股權益，基本純利下降百分之五十三點一，至港幣十七億三千三百萬元。每股基本盈利的跌幅相若，減至港幣一元二角九仙。

董事局建議派發末期股息每股港幣五角七仙。如獲股東批准，末期及全年度每股股息均與去年相同。

業務回顧

在剛過去的財政年度內，由於恒隆地產並無出售任何香港住宅物業，故物業銷售額由一年前的港幣七十五億元減至近乎零。此乃純利下降的兩個原因之一。另一個原因是重估收益大幅減少，這反映了整體地產市場的情況，並且是非現金項目。我們的財政狀況維持穩健。

香港租金收入上升百分之八，頗為不俗，較去年的百分之五顯著為高。商場和辦公樓物業上升百分之七，而住宅和工業物業則上升百分之十四。

雖然上海市場漸趨成熟，但我們的租金收入仍上升百分之十一。商場物業持續過去升勢並有更佳

Results & Dividend

For the year ended June 30, 2011, turnover decreased by 54.6% to HK\$5,714 million. Net profit attributable to shareholders fell by 73.1% to HK\$3,529 million. Earnings per share similarly decreased to HK\$2.62, representing a drop of 73.3% from the previous year.

While our major subsidiary, Hang Lung Properties (HLP) did not sell any apartments under the current market environment, property leasing recorded a 12.7% increase in rental income to HK\$5,711 million and a 11.7% growth in operating profit to HK\$4,574 million.

When excluding revaluation gain and its related deferred taxes and non-controlling interests, underlying net profit went down by 53.1% to HK\$1,733 million. Underlying earnings per share decreased similarly to HK\$1.29.

The Board recommends a final dividend of HK57 cents per share. If approved by shareholders, both the final and total dividends per share for the full year will be the same as the year before.

Business Review

Because HLP did not sell any Hong Kong apartments in the past fiscal year, property sales went from HK\$7.5 billion a year ago to almost zero. This is the first of two reasons for the fall in net profit. The other is that revaluation gain decreased tremendously. That is a reflection of the overall property market and is a non-cash item. Our finances remain healthy.

Hong Kong rents rose by 8% which was quite respectable. This was considerably better than the year before when they only grew by 5%. Both commercial and offices increased at 7% but residential and industrial buildings went up 14%.

Although the Shanghai market is maturing, we still took in 11% more rent. Continuing the trend of the past years, retail space did much better. It advanced

表現，增長百分之十九，然而辦公樓租金僅輕微上升。上海恒隆廣場之頂級購物商場增長百分之二十八，再次跑贏滙豐恒隆廣場之購物商場百分之十三的升幅。後者的三幢住宅大樓錄得百分之十的增長。

開業一年的瀋陽皇城恒隆廣場，其租金營業額符合預期。它像任何新商場一樣，需要一些時間才可提供顯著利潤，這是意料中事。

租金收入方面，香港佔總額百分之五十二，內地佔百分之四十八；一年前的數字分別為百分之五十四及百分之四十六。隨著濟南恒隆廣場下月開業，可假設內地租金比重將於本財政年度超越香港。

由於去年十一月恒隆地產配售股份，故本集團在該公司之股權降至稍低於百分之四十九。過去數月，我們趁市況利淡時購入恒隆地產股份。在條件許可下，我們將繼續吸納。畢竟，過去九個月的股價走勢顯示，恒隆地產的配股價（每股港幣三十七元四角八仙）是期內的高位。

一年前，我在致股東函中主要論及兩個課題：香港住宅市場的基本問題，以及為何我抱有希望可在內地購置更多土地。我看對了前者但看錯了後者。以下是我觀察所得的現況及其對我們業務可能帶來的影響。

由於香港政府過去多年在土地政策上的失誤，我們今天面對棘手的難題。它的影響超乎純經濟範疇，並助長了社會上的不和諧。倘欠缺正確及有技巧的處理，後果將更趨嚴重。政府領導層一直沒有妥善解決房屋供應問題，如今唯有從需求方面作出干預。內地亦面對同樣問題，但規模遠遠更大和本質上更加複雜。

香港的問題相對地較易解決：宣佈大量推出合適的土地供興建普羅住宅，並且切實執行，樓價便會下跌。政府必須首先關顧社會的整體利益，而非照顧地產商的利益。

且看過去十二個月港府在控制需求方面的整體成效。港府於去年十一月宣佈徵收特別印花稅，非但未能遏止樓價上升，甚至可以說令問題加劇，皆因許多業主決定把單位改售為租，導致市場上住宅供應量減少，因而推動租金上升。

財政司司長於二月發表財政預算案時承諾推出更多土地，但市民並不相信，樓價繼續攀升。這逼使政府採取更強硬措施，銀行亦收緊按揭，直至政府宣佈考慮恢復居者有其屋（居屋）計劃，市場的情緒才終於得以紓緩。

顯然，所有這些打邊措施未能為樓市帶來健康發展，亦無法解決土地供應嚴重不足這根本問題。我曾重複被問及對復建居屋的看法，我既不支持亦不反對。我不支持是因為社會不應被逼面對這個問題。鑑於一九九七年至二零零二年發生亞洲金融危機、二零零三年「沙士」接踵而至，樓價因而急劇下挫，政府在該等年度停止賣地乃正確做法。縱使以此悲慘的方式來糾正香港於一九九七年回歸祖國前被人為推高的樓價實屬諷刺，但政府驚惶失措若此，以至到二零一零年該六年間鮮有賣地則說不過去。最低限度，政府在二零零

by 19% while office rent only grew marginally. The luxury shopping center of Plaza 66 again outperformed at 28% as opposed to 13% for the mall at Grand Gateway 66. In the latter property, the three residential blocks garnered 10% more income.

The one-year-old Shenyang Palace 66 met budget in terms of turnover. Significant contribution to profit will take some time which is expected of any new building.

Rental income came 52% from Hong Kong and 48% from the Mainland. A year ago the numbers were respectively 54% and 46%. With the addition of Jinan Parc 66 next month, it is quite safe to assume that in this fiscal year, Mainland rent will surpass that from our home market.

As a result of the placement of HLP shares last November, our shareholding therein has dropped to slightly below 49%. In the past few months we have taken advantage of market weakness and have purchased HLP shares. Conditions permitting, we will continue to acquire. After all, price movements of the past nine months showed that we had placed shares at the peak -- at HK\$37.48 per share.

A year ago I wrote to shareholders mainly about two issues: fundamental problems in the Hong Kong residential market and why I was hopeful to buy more land on the Mainland. I was correct on the former but erred on the latter. Here is how I see the present situation and how it may impact our business.

Due to Hong Kong government's blunders in land policies over the past several years, we are facing a conundrum today. The implications extend beyond pure economics and have contributed to social disharmony. If not handled correctly and skillfully, the ramifications will accelerate. As the supply of housing was not adequately addressed, our leaders are now forced into meddling with demand. The same problem exists on the Mainland except that the scale is much bigger and much more complicated.

The Hong Kong problem can be fixed relatively easily. Announce the massive release of land of the right kind, i.e. for mass residential housing, and follow through. Prices will fall. The government must first and foremost care for the society as a whole and not cater to the interests of industry players.

Consider the general ineffectiveness of controlling demand in the past twelve months. The announcement of the levy of Special Stamp Duty (SSD) last November did not stop price hikes. It could even be argued that the problem was exacerbated because many owners resolved to renting their flats, thus taking supply out of the market. This in turn pushed up rents.

After the Financial Secretary's Budget Speech of February which promised more land, people did not believe it and prices kept rising. That forced the hand of government to take tougher measures. Banks were engaged to limit mortgages, but only government's announcement to consider revitalizing the Home Ownership Scheme (HOS) finally tamed market sentiments.

It is obvious that all these blunt actions do not engender a healthy development of the housing market, nor do they address the root problem which is a serious undersupply of land. I have been asked repeatedly about my views on the resumption of the HOS. My answer is that I am neither for it nor against it. I am not for it because our society should not need to be pushed to a position where we have to face the question. Given the Asian Financial Crisis of 1997 to 2002 followed by SARS in 2003, housing prices fell precipitously. In those years, our government rightly stopped selling land. Ironically that was a tragic way to correct the artificially high prices of 1997 right before Hong Kong's return to her Motherland. But being shell-shocked to such an extent that for some six years to 2010 very little land was sold by the government, was inexcusable. At

董事長致股東函 CHAIRMAN'S LETTER TO SHAREHOLDERS

五年前後便應推售更多土地以滿足市場所需。倘若如此，我們今天便無需面對居屋問題。

資料顯示過去數年來，地產建設商會屢次敦促政府出售土地，可惜我們的領導人置若罔聞；如今面對嚴重的供應短缺，社會再次大聲疾呼復建居屋，令人無從反對。

即使到了今天，我仍然抱有希望，假如政府宣佈未來兩年大量推售普羅住宅用地，所產生的市場預期定可令樓價迅速下降，有關的政策改變及預期反應都會是理性的。然而，鑑於政府軟弱而民眾往往訴諸激情，復建居屋的訴求也許是可以理解的。

無論如何，回顧歷史乃有用之舉，從中可收以正視聽之效。今天的樓價看似甚高，但其實還不及一九九七年時高昂。根據「中原城市領先指數」（住宅價格），樓價於當年六月二十九日即香港回歸中國前兩天創出歷史新高。截至今年七月一日止，僅港島的樓價超逾那個歷史高位，九龍仍低出百分之四，新界東低出百分之六，新界西低出百分之二十二。

這些數據與市場的直覺情況吻合。許多位於港島的豪宅，其價格已持續上升多年，並早已超越一九九七年前的水平。但就普羅住宅而言，其價格僅於過去一兩年間才追近十四年前的水平。在某些地區例如新界西，其樓價仍然落後好一段距離。

把一九九七年七月至今的整體樓價、消費物價指數以及平均薪酬作比較，亦蠻有意思。消費物價指數僅剛剛重返當年水平，換言之，十四年來香港的經濟基本上並無寸進。整體樓價仍較一九九七年中的頂峰低約百分之六，而平均薪酬則有約百分之十的增長。基於豪宅價格升幅最大，故表面上大部分香港市民今天置業的負擔應較十四年前為輕。問題是此段期間的薪酬升幅並不一致，某些高增值行業如金融服務業薪酬的升幅甚為可觀，反之低下階層的工資則相形見絀，此乃香港許多問題的癥結所在。

有見如斯市況，恒隆地產在過去十二個月沒有實質機會大量出售住宅單位。君臨天下和浪澄灣的二手市場價格，僅略高於幾年前我們銷售時的成交價。（大家不應被部分發展商的銷售技倆和宣稱的一手市場高成交價所誤導。）這並不打緊，我們只需要再多等一會。

至於在內地購置土地方面，情況頗令人憂慮。我在財政年度開始時抱有希望進行購置，但其後市場遞變，逼使我重新思量，我在中期報告書的致股東函內已就此闡明。我曾寫道：「不斷變化的規則及不斷演變的競爭環境，為我們的努力帶來進一步挑戰。因此，管理層在某些方面堅持紀律之同時，亦必須在其他方面不時予以調整以切合市場現實。」

過去六個月內，市場風起雲湧，改變了地產業的面貌。總理溫家寶於二月宣佈，政府未來五年將

the latest by around 2005, much more land should have been released to meet market demand. If that had been done, we would not face the HOS issue today.

Records show that in the past several years, the Real Estate Developers Association repeatedly urged the government to sell land. Unfortunately our leaders refused. Now in face of a severe shortage of supply and with society once again clamoring for the return of the HOS, one could hardly object.

Even today, I hold out hope that if the government were to announce that say within the next two years, massive amounts of mass residential land were to be released, market expectation would soon bring home prices down. The policy change as well as the anticipated response would both be rational. However, the populace is more often than not emotional. And given the timidity of the government, the cry for the return of the HOS is perhaps understandable.

Whatever the case, it is useful to examine history and in the process set the record straight. High as housing prices may seem today, it is not as bad as in 1997. According to the Centa-City Leading Index (of home prices), a historic peak took place on June 29 of that year, two days ahead of Hong Kong's return to China. As of July 1 this year, only prices on Hong Kong Island have exceeded such historical peak that while those in Kowloon were still 4% below, with New Territories East 6% below and New Territories West 22% below.

These numbers are in line with an intuitive understanding of the market. Luxury homes such as many on Hong Kong Island have for many years seen prices shoot up. They have long surpassed the pre-1997 level. But for mass residential, it was only in the past year or two that prices approached those of fourteen years ago. In some cases such as in the New Territories West, there is still much catch up to be had.

It is also interesting to compare overall home prices, the consumer price index (CPI) and average wages since July 1997. CPI has just caught up to the earlier level. In other words, in the past fourteen years Hong Kong's economy basically went nowhere. Overall housing value is still some 6% below that of its peak in mid 1997. As to average wages, there has been a gain of approximately 10%. Since luxury units rose the most, superficially home ownership today for most Hong Kong citizens is more affordable than fourteen years ago. The problem is that the rise in salary over the same period is by no means uniform -- increases in pay of high value-added jobs such as in the financial services has been phenomenal while the lower strata are left in a worse position than before. This is at the root of much of our city's ills.

Given market conditions, HLP did not have a realistic chance in the past twelve months to part with apartments en masse. Secondary market prices of The HarbourSide and of The Long Beach were only slightly above the last time we sold a few years ago. (One should not be misled by marketing gimmicks and pronouncements of exorbitant transaction prices in the primary market by some developers.) We just have to wait a little longer which is fine.

As to purchasing land on the Mainland, the situation is somewhat troubling. I began the fiscal year holding out hope to buy but subsequent market evolution has forced me to reconsider as evidenced in my letter to shareholders at mid-year. I wrote, "Our efforts are further challenged by ever changing rules and an evolving competitive landscape. Consequently, while insisting on discipline in some areas, management must in other areas adjust periodically to market realities."

In the past six months, much has happened in the market which will change the face of the industry. Premier WEN Jiabao announced in February the building

興建三千六百萬套保障性住房，單是今年鐵定動工的保障房已達一千萬套，其中百分之四十可供租賃。與之相比，去年由私人發展商出售的單位總數為九百三十萬套。鑑於發展商的數目不減，每名發展商的平均生意份額勢將被削減。中國內地政策驟變由此可見一斑。

這會帶來多重後果。部分較弱的發展商可能破產，快將結業的公司及其物業組合可能遭較強的發展商併購。其他發展商結果會變身為承建商，不僅從事建築，同時也集地產顧問與承建商職務於一身。畢竟，他們以往是發展商，理應具備這些專才。另一方面，總會有一些地主及商家在其他行業賺了錢，希望進軍地產業但又缺乏經驗，這些地產顧問暨承建商將可提供所需專才。嚴格來說，這些混合型公司在地產發展這遊戲中早已落敗。他們可賺取的利潤與所承受的風險均同樣輕微。

其他發展商將要在大幅削減的市場內掙扎求生。那些在主要城市專攻豪宅的發展商受到的影響較小。他們的產品與政府興建的保障房分別較大。那些以往號稱土地儲備達數千萬平方米的發展商可能更為受創。人們難免會猜想，倘一家或多家大型企業獲准破產會帶來什麼後果。

部分較強的發展商會進軍商業地產市場，這情況已在發生。由於商用物業的本質與住宅物業截然不同，他們許多最終均會失敗，較幸運者尚可持有許多次級和低收益的資產。那些成功出售產品和滾大資金的发展商將可生存，但恕我直言，他們的無心之失，卻造成嚴重的後遺症，令中國的城市充斥著「視覺污染」，即設計和建造均屬劣等的綜合建築。那些欠缺彈性的發展商因沒有適時出售物業，可能會被市場的下跌周期逮個正著，而發現自己陷入財困。因此，那些在住宅市場避過一劫的發展商，可能會在商業地產行業裏倒台。

我們誰也不應為這些發展而驚訝。世界各地的地產業無不經歷同樣周期。事實上，中國作為發展中的經濟體系，其地產業仍方興未艾，沒有出現大型的破產潮倒有點異常。二零零八年底及二零零九年初曾出現許多跡象，但政府施予援手。未來有發展商破產實屬無可避免，而事實上亦有助行業正常和健康地成長。中國會有此一日。

但對於我們這些商業地產業長期參與者而言，我們正面對一個困難的抉擇。包括近年轉趨活躍的香港地產商在內的新參與者相繼湧現，將無可避免地推高地價，問題是我們應否追逐高價。

首先緊記，中國地價上升屬於長期趨勢。像我們這些在過去成功地購入廉價土地的發展商，不應為今天飆升的地價困擾。往者已矣，我們應向前望以決定今後去向，否則將會錯失良機。這是我在中期報告內隱含的意思，那時我們正在考慮如何應對新環境。

六個月過後，我們的想法日益精進。從兩項觀察所得，現時追逐價格非明智之舉。首先，在一些未被察覺而具有活力的城市裏，仍有可能找到位置良好的地塊。中國及其零售市場實在碩大無

of 36 million apartments by the government in the coming five years. This year alone, ten million of them must commence construction, 40% of which can be for rent. This compares to a total of units sold last year by private developers of 9.3 million. Since the number of developers will unlikely decrease, the average share of business per player has diminished. Such is the severity of policy changes that can be had in Mainland China.

The consequences can be manifold. Some weaker developers may go bankrupt. The outgoing companies and their property portfolio may be absorbed by stronger players. Others will effectively turn themselves into contractors. Instead of doing just construction, they will become like real estate consultants and contractors rolled into one. After all they are former developers and are supposed to have such expertise. On the other hand, there are always land owners and businessmen who have made money in other industries, who want to enter the property field but without experience. Such development consultants cum contractors will provide the needed capabilities. Strictly speaking, such hybrid firms have already lost as far as the development game is concerned. The profit they will make will be commensurate with the risks they will take -- both will be minimized.

Others will struggle along in a much diminished playground. Those who specialize in luxury housing in major cities will be affected less. Their products are more different from the subsidized kind built by the government. Those who formerly boasted of tens of millions of square meters of land bank may be hurt more. One cannot help but wonder what would happen if one or more of those bigger companies are allowed to enter bankruptcy.

Some stronger players will invade the commercial real estate sector which is already happening. Since it is by nature very different from home building, a number of these will eventually fail. The more fortunate ones may end up holding many substandard and low yielding assets. Those who manage to sell their products and churn their capital will survive, but an unintended consequence is to fill China's cities with "visual pollution" i.e. ridiculously -- pardon the honesty -- designed and built complexes. Those who are not nimble enough to sell at the right time may get caught in a market down cycle and find themselves in a financial bind. As such, those who escaped Waterloo in the residential market may find their downfall in the commercial sector.

None of us should be surprised by such developments. No real estate industry anywhere in the world does not go through the same cycle. It is in fact odd that in a developing economy like China where the industry is teeming, we have not seen major bankruptcies yet. We would have had many in late 2008 and early 2009 but the government saved them all. But moving forward, such blowups seem inevitable. In fact they will help mature the industry and so are normal and healthy. For China, that day will come.

But for us long time participants in commercial real estate, we are faced with a difficult decision. The proliferation of new players -- including those from Hong Kong who have in recent years turned active -- will inevitably drive up land value. The question is whether we should chase prices.

The first thing to bear in mind is that rising land prices are a secular trend in China. Developers like us who have been successful in buying cheap land in the past should not allow today's much larger numbers trouble us. Let the past be the past. One should only look forward in deciding what to do today and for tomorrow. If not, we may miss the opportunities. That was a message embedded in my words at mid-year. We were then considering how to tackle the new environment.

Six months have passed and our thinking has evolved further. Two observations convince us that it may be unwise to chase prices now. First, it is still quite possible to find well located plots of land in dynamic cities which are yet to be noticed. The country and its retail markets are simply too gigantic and

董事長致股東函 CHAIRMAN'S LETTER TO SHAREHOLDERS

比，儘管商用物業發展商數目日增但仍非常有限。就財力及其他方面而言，能與我們一較高下者少之又少。

另一方面，多個富裕城市的領導均意識到，發展商純粹帶來資金或承諾投資並不足夠。一部分後來被發現是財政不穩健，而他們在專才方面的貧乏亦同樣令人不快。坦白說，云云國內發展商當中，有誰在建築美學和功能兼備的世界級綜合物業方面擁有彪炳成績？隨着市領導日益精明，他們會越來越重視這些問題。此類發展對我們甚為有利，皆因我們在財政上位居最強之列，而在專才方面亦是公認的佼佼者。

此意味著我們必須就購置土地更廣闊地撒網。對有思維的市領導而言，恒隆實在是城中佳話，我們務必廣予宣揚。我相信良機存在，並有理據支持這個看法；我們只需把它們發掘出來。此非使蠻勁多付錢的時候，而是更精明地看通系統內有欠效率之處以找出滄海遺珠。

以上觀察顯示我們無需追逐價格，但以下觀察則顯示此刻追逐價格或非明智之舉。首先，我們日益關注某些社會發展，當我們不能肯定何事會發生時，持盈保泰是較為安穩的做法。現時作出購置，有可能會削弱我們日後作出更佳購置的能力。中國以至全世界的經濟狀況均令人缺乏信心。鑑於中國現已甚為融入環球經濟，歐美的利淡發展將無可避免影響中國。且看近期一宗事例：當貝爾斯登(Bear Stearns)於二零零八年三月倒閉後，中國的用電量及出口均於短時間內驟降。

經一併考慮上文所述關於商業地產行業的變化後，我們得出的結論是現今並非過於進取之時。

恒隆有兩個重要部門：項目發展與建築，以及租務及物業管理。(它們當然得到其他部門如財務部、人力資源部、資訊科技部等作強大後盾。)它們的工作性質截然不同，建築和物業管理有如務農，須日復一日堅持不懈。另一方面，項目發展尤其土地購置有如狩獵，縱使累月經年亦未必有收獲。與農夫一樣，獵人亦必須堅持不懈，但只能偶有成果。此外，即使是狩獵也有季節。當時機來臨時，在短時間內可獲雙倍獵物，這正好是我們於二零零六年十二月以及二零零九年五月時的經驗。

儘管辛勤是先決條件，但經常以全速追捕獵物的獵人未必能取得最佳成果，因為總有一天會筋疲力盡；情況就如經常為購置土地而付出最高價的人，最後都會耗盡財力。因此，獵人需要時時刻刻都行事精明，智取往往比單純的蠻勁有更佳成果。獵人在許多時候均需有耐性，採取無為並安心等待。觀察、計算、準備、養精蓄銳，肥美的獵物遲早會出現。這正正是我們過去二十年的做法，並獲利甚豐。我相信此等經驗今天又會大派用場。

the number of commercial developers of size, while increasing, is still very limited. Fewer yet are those who can play in our league, financially speaking and otherwise.

On the other hand, a number of wealthy cities are recognizing that merely bringing in money -- or bearing the promise to bring in money -- is not sufficient. Some are later found to be not financially solid. Equally unpleasant is their lack of knowhow. Frankly who among the local developers has a track record of building aesthetically and functionally world class complexes? As municipal leaders become more sophisticated -- and they are becoming so by the day -- such issues become increasingly important to them. This development is very favorable to us, for we are among the strongest financially and an unquestioned leader in terms of expertise.

What all this means is that we must cast the net much broader in our effort to acquire land. To thoughtful city leaders, Hang Lung can be the best story in town and we need to broadcast it more widely. Supported by some evidence, I believe that good opportunities should exist; we just need to find them. This is not a time to try harder i.e. pay more, but smarter, i.e. exploit inefficiencies in the system and find those lost pearls.

Whereas the above signals that we do not need to chase prices, the following set of observations seems to indicate that perhaps it is not wise to chase prices now. First we are increasingly concerned over certain social developments. When we are not sure what may happen, it is safer to be cautious and maintain liquidity. Buying now may diminish our ability to buy better tomorrow. The economic conditions of the country and indeed of the world also do not breed confidence. With China now so integrated into the global economy, untoward developments in the U.S. and Europe will inevitably affect China. Consider the recent event: soon after Bear Stearns failed in March 2008, China's electricity consumption as well as exports fell precipitously within a short period of time.

So together with changes in the commercial real estate sector described earlier, we have come to the conclusion that this is not the time to be overly aggressive.

At Hang Lung, two critical departments are project development and construction, and (property) leasing and management. (These are of course strongly supported by the likes of finance, human resources, IT, etc.) Their activities are very different in nature. Construction and property management are like farming -- one has to persist in it day in and day out. Project development, particularly land acquisition, on the other hand is like hunting. One labors for months or even years and there are apparently no tangible results. Like a farmer, a hunter must also persist, but gratification comes only sporadically. Moreover, there seem to be seasons even for hunting. When the time comes, one may get double kills in a short period of time. That was indeed our experience in December 2006 and again May 2009.

While hard work is always required, a hunter may not get the best result by constantly running at full speed. That is to always pay the highest price for land. One day he may run out of strength i.e. financial resources. Rather a hunter must act wisely at all times. Trying smarter will often bring more gratification than merely trying harder. At times he must be patient and do nothing except to wait. Observe, calculate, prepare and conserve and the big kill will sooner or later arrive. That was exactly what we did in the past two decades to great profit. I trust that these experiences will again serve us well today.

展望

鑑於中港經濟規模懸殊，香港唯一的生存空間是向遠較我們為大的鄰居證明自身的價值。另一方面，我們如能成功做到此點，便可享有無限的興旺繁榮。試想想，七百萬香港市民為十三億五千萬內地人口服務，這代表著何等大的經濟機會！換個角度來看，香港處身於一個擁有十三億五千萬人口、對我們的服務有所需求的市場。舉例，迄今香港的金融服務業在很多方面仍不能被內地仿效。由於他們迫切需要我們，我們便可蓬勃發展。過去數年來，我們每年的新公司上市融資額均較紐約或倫敦為大，這是十年前大多數人無法想像的。

然而，並非所有香港行業都能受惠，例如地產業便較為特殊。如果內地人獲准在港自由購置居所，我們將應接不暇。如果這成為事實，香港可能須要立法以保障港人能以合理價格置業。畢竟，量重於一切。

反之，即使未來數年所有香港家庭都在內地置業，亦不會造成太大影響，兩者的影響程度難以同日而語。香港現時僅有約一百二十萬個家庭擁有自置居所。而單在去年，內地已有九百三十萬個新住宅成交。

同一道理，香港發展商要在內地樹旗立幟並不容易。迄今為止，恒隆可以說是唯一一家。了解香港發展商為何未能在北面之神州大地取得大勝乃有用之舉。唯有這樣，我們才有機會糾正這個情況。兼且，過去十年我們一直以此地作為目標市場，這問題確實與我們息息相關。

二十年前，內地發展商幾乎絕無僅有，而香港卻已有多家實力雄厚的大型地產公司，有些甚至居於世界最大之列。由於當年幾乎沒有任何門檻阻止香港地產商進入內地，而事實上地方政府當時對我們亦無任歡迎，香港地產商大可在龐大的內地市場雄踞一方，但我們並沒有這樣做。以我所知，只有一個剛大學畢業的香港年輕人，在成熟的香港市場難有作為的情況下，大膽北上並甚為成功。去年以總資產、銷售面積和土地儲備的規模計算，他的公司在所有內地發展商中排名第十。

那些包括恒隆在內的香港主要發展商究竟發生何事？一些自我反思實屬好事。我們必須首先知道自己錯在哪兒。我相信最少有七方面，並肯定還可以找到更多。

首先，縱使到了今天，很多香港發展商仍欠缺承擔；對他們來說，內地是次要的市場。勝負不太重要；如果獲勝，亦不外是錦上添花。事實上，由於內地的單位價格甚低，他們甚至會看不起這個市場和當地的發展商。這真是愚不可及！

其次，儘管部分香港商家與國家或省級領導關係良好，但他們可能與副市長以下級別的官員不太稔熟。然而，地產業歸根結底是本土企業，與「前線」的關係往往最為重要。

第三，誠然香港公司在有良好監管的社會營運多年，確實較有道德操守。（不過，香港的地產公司在企業管治方面仍有許多改善空間。）在中國，尤其是九十年代，道德幾乎蕩然無存，香港人曾

Prospects

Given the economic size differential, Hong Kong can only survive if we can prove our worth to our much bigger neighbor. On the other hand, if we succeed in doing that, then we will thrive beyond measure. Consider this: seven million Hong Kong people serving 1.35 billion Mainlanders. What economic opportunities that represents! Looking at it from the other direction; Hong Kong can find itself in a position where 1.35 billion people need us, say our services. For example, much of Hong Kong's financial service industry cannot so far be duplicated by the Mainland. Since they urgently need us, we thrive. For the past few years, our annual IPO volume was bigger than that of either New York or London. A decade ago, most people could not imagine that.

But not all industries in Hong Kong will benefit, and real estate is an odd case. If Mainlanders were allowed to freely purchase homes in Hong Kong, we would be overwhelmed. If that ever materializes, then regulations may have to be introduced to protect our local citizens so they too can buy at reasonable prices. After all, size matters a lot.

The converse has a very different effect. Even if every Hong Kong family were to buy a home on the Mainland in the coming years, it will not make much of a difference. There are only approximately 1.2 million households in Hong Kong who own their residence. Last year alone, 9.3 million new homes on the Mainland changed hands.

Likewise, it is not easy for Hong Kong developers to make a mark on the Mainland. Arguably Hang Lung is so far the only one. It is useful to understand why Hong Kong players have failed to win big up north. Only so will we have a chance to remedy that situation. And since our target market for the past decade has been over there, the issue is of critical significance to us.

Twenty years ago, there were hardly any developer to speak of on the Mainland. Many Hong Kong companies on the other hand were already large and strong. Some were even among the biggest in the world. Since there was to us hardly any barrier to entry -- in fact local governments then welcomed us with open arms -- we could have taken over a sizable chunk of the market. But none of us did that. To my knowledge, only one Hong Kong young man straight out of university who had little possibility of making it big in the mature Hong Kong market, ventured north and greatly succeeded. Last year his firm ranked number ten of all Mainland developers in total assets, sales volume and size of land bank.

What has happened to the established Hong Kong players including ourselves? Some soul searching should serve us well. We must first know what we did wrong. I believe that there are at least seven areas; more I am sure can be identified.

First, even today many Hong Kong developers lack commitment; the Mainland market is secondary to them. It does not matter to them if they win; if they do, it is just icing on the cake. In fact because unit price is so low up north, they may even look down upon that market and their players. That is foolishness indeed!

Secondly, whereas some Hong Kong businessmen are well connected with national and provincial leaders, they are probably less familiar with officials below the vice mayor level. Yet with real estate being the ultimate local business, relationships with the "underlings" can be critical.

Thirdly, it is true that by operating for long years in a well regulated society, Hong Kong businessmen are relatively more ethical. (Nevertheless, much remains to be desired in terms of good governance among our real estate firms.) In China especially in the 1990's, almost anything went. Hong Kong people were

董事長致股東函 CHAIRMAN'S LETTER TO SHAREHOLDERS

因為誠實而處於不利位置。幸好內地正循正確方向作出改變，雖則還有很大的改善空間。

第四，雖然大家同為中國人，但無可否認存有文化上的差異。最低限度，大部分香港大型發展商不能操流利的普通話，其他甚至愚昧地擺出高人一等之姿態，此等人難以明瞭內地的政治及企業文化。

再者，內地的政治、社會及經濟制度，均與我們截然不同，只有謙虛者才有學習機會。然而即使學懂了，我們仍將永遠是外人。要完全融入另一個體制殊不容易；此道理放諸四海而皆準，但在中國這麼大的國家尤其真確。

第六，香港大型發展商已在本地積累了財富，不再抱有創業精神。然而，在發展中及監管較少的市場如中國內地，此種精神甚為重要。對香港人而言，這涉及大量辛勤和遠行。數十年前創業的老一輩曾經非常進取，如今他們及其子女均不願走回頭路。

最後，香港跟祖國不同，香港是個非常細小的地方。雖然我們的樓價位居世界最高之列，但對量的概念陌生。不過，在中國其他地方，情況便不同了。在當地迄今量就是一切，而香港人則認為這是微不足道。

今天，以總資產計算的十大內地地產公司中，最小者約值港幣九百億元，最大者超過此數的二點五倍。如以去年營業額計算，在首二十大裏最小的一家錄得超過港幣一百五十億元，而最大的兼且是世界第一的一家，其住宅銷售額超過港幣一千三百億元。以土地儲備計算，於接近二零一零年底時的首二十大裏，最小的一家持有一千二百五十萬平方米，而最積極者持有約七千二百四十萬平方米。所有這些可觀的數字，都在香港的發展商不以為意之下實現的。

恒隆在這七方面表現如何？我們如何生存並冀能蓬勃成長？在香港所有大型發展商中，我們可能是首家及迄今仍是唯一一家公開表明以內地為未來的發展商。我們在香港有將近十一年沒有購置土地。這是我們有意之舉，雖則我們經二十年的沉寂後在整個九十年代處於弱勢地位，但此乃促使我們發奮圖強。我們知道，由於欠缺廉價的土地儲備，我們難以在本港市場勝出。因此，我們較易對內地市場作出承諾。

與政府官員的關係方面，我們跟許多其他人不一樣。除有需要外，我們從不主動串門，亦從不喜歡太接近權貴，因此舉可能有不良的後果；我們只在確有需要時才拜訪他們。幸運的是，我們在商業地產行業擁有較大的規模和彪炳的往績，這有助我們在有需要時獲蓬門大開。

在商業道德方面，我敢說我們是香港地產公司中的佼佼者。與內地打交道時，我們秉持睿智的文明操守。我們尊重他們的體制，在不違反道德標

definitely put in a disadvantaged position for being more honest. Fortunately the Mainland has been changing in the right direction although much more needs to be done.

Fourthly, there is no denying that while all are ethnic Chinese, there are differences in culture. At the very least, most major Hong Kong developers do not speak Mandarin adequately. Others may even foolishly harbor an unfounded superiority. Such can hardly understand the political and corporate cultures of the Mainland.

Next, the political, social and economic systems on the Mainland are all very different from ours. Only the humble have a chance to learn. But even if we do, we will be forever outsiders. It is not easy to fully embed ourselves in another system. This is true everywhere but especially in a big country like China.

Sixthly, having already amassed wealth in Hong Kong, our major developers are no longer willing to be entrepreneurial. Yet it is critical in a developing and so less regulated market like Mainland China. To Hong Kong people, it is a lot of hard work and a lot of travel. The older generation who founded their firms decades ago was once upon a time extraordinarily entrepreneurial. Neither they nor their children want to be like that anymore.

Finally, unlike our Motherland, Hong Kong is a very small place. Although our unit property price is among the highest in the world, quantity has never been our thing. But in the rest of China, it is a different story. So far it is all about quantity there, and Hong Kong people think too small.

So today on the Mainland, the smallest of the top ten property companies in terms of total assets stands at about HK\$90 billion. The biggest is over 2.5 times that. On last year's turnover, the smallest of the top twenty was over HK\$15 billion. The largest, which is also number one in the world, sold over HK\$130 billion of homes. Towards the end of 2010, the land bank of the least of the top twenty was 12.5 million sq.m. and the most aggressive had about 72.4 million sq.m. All these impressive numbers were achieved when Hong Kong developers were hardly watching.

In face of these seven areas, how does Hang Lung fare and how do we survive and hopefully thrive? Of all the major Hong Kong players, we were probably the first -- and so far still the only -- to publicly declare that our future was on the Mainland. We have not purchased land in Hong Kong for almost eleven years. This was a deliberate effort on our part, although we were also encouraged by the disadvantaged position we were in throughout the 1990's following two decades of lethargy. We knew that it would be difficult to excel in our home market due to the lack of a cheap land bank. For that reason, our commitment to the Mainland market was perhaps made somewhat easier.

On relationships with government officials, we unlike many others never proactively develop them unless we are required to. We never like to get too close to the powers that be because there may be undesirable consequences. We only knock on their doors when there is a clear necessity. Fortunately our relatively large size and successful track record in commercial real estate helps to open doors when we need to.

On business ethics, I dare say that we are among the best of Hong Kong property firms. We are culturally sensitive if not savvy when dealing with the Mainland. We respect their system and try as much as possible to

準的原則上竭盡所能地予以理解和配合。我們進取但絕不踰越策略上設定的規限，而我們相信這是可行的。可以說，我們是既進取同時又恪守紀律的企業家。

儘管我們在上述六點有不同程度的成功，但我相信關鍵因素是在於第七點：我們拒絕單靠以量角逐。我們深知，在內地市場的唯一致勝之道是質量，找出當地大小型發展商均欠缺專才或能力的狹縫；因此，我們以打造並長期持有世界級的商業綜合物業作為策略。我們實行這項策略的時間比神州大地的任何發展商均要長，在漫長歲月裏累積所得的經驗是無價的，決非一朝一夕便能獲享。畢竟，在地產業裏唯一的學習方法是通過錯誤，尤其是自己的錯誤來學習。鑑於一個項目需要長時間完成，即使肯學亦至少需要十至二十年才能略懂。這應可讓我們有時間在市場建立領先地位，令其他人難以甚至全無機會從後趕上。我們並將繼續自強不息，務求與競爭對手保持一段可觀的距離。

濟南恒隆廣場下月開幕，共十七萬一千平方米的舖位自二月起已全部租出。一項物業在落成前六個月全部租出，在內地幾乎聞所未聞。該項目簽訂的租金相當理想，因此初期收益率會頗佳，與我們在上海和瀋陽的所有現有設施剛開業時相比，應更勝一籌。

與瀋陽皇城恒隆廣場相比，濟南恒隆廣場的建築工程順利得多。濟南的競爭環境亦較為利好，我們是該市的首個大型商場，憑著黃金地段、宏大規模及卓越設計應有助確保持續成功。該商場在此省會絕無僅有，我預期它開幕後可迅速成為遠近居民的購物亮點。

倘無不可預見的情況出現，本集團在未來數年的租金收入可望持續增加，此乃由於我們每年將為物業組合平均增加十萬至二十萬平方米的面積。隨著無錫恒隆廣場和瀋陽市府恒隆廣場的首幢辦公樓，以及天津恒隆廣場和大連恒隆廣場的購物商場相繼落成，營業額應在二零一四年和二零一五年期間有特別強勁的增長。恒隆的黃金時期確實即將來臨。

今個財政年度的租金營業額應有不俗表現，部分原因是各類物業的基本增長，另外是加入濟南恒隆廣場。縱使欠缺物業銷售，預期營業額和純利均可整體上升。

本公司於去年九月十三日慶祝金禧紀念。儘管無人能預見未來五十年的光景，但我相信只要環球和中國經濟保持良好發展，我們下個十年或二十年應令人興奮。我們正處身市場上一個集天時地利人和、令人羨慕的上佳位置。我們憑著無可媲美的定位將受惠於一個世界上增長最快、有可能即將成為全球最大的經濟體系。我們所要做的，不外是把已購入的土地打造成商場和辦公樓，並妥善管理。此外，我們亦會審慎購置更多土地以擴大物業組合。

董事長

陳啟宗

香港，二零一一年七月二十九日

understand and work with it without compromising ethical standards. We believe that it can be done. We are entrepreneurial but stay within the bounds of our strategy. If you will, we are entrepreneurial and disciplined at the same time.

Success in varying degrees in the above six points notwithstanding, the determining factor is I believe the seventh. We refuse to play the game purely for the sake of quantity. We are deeply aware that the only way we can win on the Mainland is to compete on quality. Find a niche where local players big or small do not have the knowhow or means, hence our strategy to build world class commercial complexes for long term hold. We have been doing it for longer than anyone up north has. Experiences gained over long years are invaluable and long years are required to acquire them. After all, the only way to learn in this business is through mistakes -- especially one's own mistakes. Given the long time to complete a project, one to two decades at a minimum are necessary to learn somewhat adequately, if one learns at all. That should give us the time to build up a market lead which would be difficult if not impossible for others to catch up with. We also constantly strive to improve so as to keep a healthy distance between ourselves and our competitors.

Next month Jinan Parc 66 will open. All 171,000 sq.m. of shops have been fully leased since February. Accomplishing this six months ahead of completion is hardly heard of on the Mainland. Contracted rents are rather pleasing and so the initial yield of the project will be quite good. It should outdo by a healthy margin all our existing facilities in Shanghai and Shenyang when they first opened.

Unlike Shenyang Palace 66, construction at Parc 66 was much more smooth. The competitive landscape in Jinan is also more favorable -- we are the first major mall in the city. Our top location, large size and excellent design should help ensure continued success. There is simply nothing like it in this provincial capital. Once opened, I expect it to quickly become an attraction to citizens near and far.

Barring unforeseen circumstances, increase in the Group's rental income should continue for many years to come as we will on average add 100,000 sq.m. to 200,000 sq.m. to the portfolio annually. Top line growth should be especially strong around 2014 and 2015, when the first office towers of Wuxi Center 66 and Shenyang Forum 66 as well as the shopping centers at Tianjin Riverside 66 and Dalian Olympic 66 are all slated to open. Indeed the golden era of Hang Lung is ahead of us.

Rental turnover this fiscal year should perform acceptably. It will be due partly to organic growth everywhere and partly to the addition of Parc 66. Even in the absence of property sales, an overall increase in both the top and the bottom lines can be expected.

Last September 13, we celebrated our jubilee. Whereas no one can foresee what will happen in the next fifty years, I am confident that as long as the global and the Chinese economies hold up reasonably well, our next decade or two should be exciting. We are in a market sweet spot that is the envy of many -- we are as well positioned as anyone to take advantage of the rise of the world's fastest growing economy which may soon become the biggest as well. All we have to do is to build out the land we already own and properly manage the resulting malls and offices. Beyond that, we will cautiously expand our portfolio by buying more land.

Ronnie C. Chan

Chairman

Hong Kong, July 29, 2011

濟南新地標—恒隆廣場

New Icon in Jinan

PARC

66

今年八月，我們慶祝濟南的恒隆廣場盛大開幕。這是恒隆繼上海及瀋陽的地標商業項目後，又一精心打造的世界級購物商場。

坐落濟南市中心，這座樓高七層、樓面面積共十七萬一千平方米的頂級消閒及娛樂中心，不僅是市內最大的購物商場，更以新穎設施及優質服務，為當地人民締造更高層次的生活享受。

恒隆廣場於開幕時已全部租出，租戶包括多個國際知名品牌，當中不乏首度落戶濟南的品牌。恒隆廣場勢必成為濟南市的熱點，為這個日益富裕的社區增添活力，並提供更多采多姿的消費選擇。

In August this year, we celebrated the grand opening of Parc 66 in Jinan, another world-class shopping mall joining our signature malls and commercial complexes in Shanghai and Shenyang.

Located in the heart of Jinan, this superlative seven-story 171,000 square-meter leisure and entertainment center has not only become the city's largest shopping mall, but has also set new lifestyle standards with its trend-setting facilities and premium services.

Fully leased upon its opening with many leading international brand names, some never seen in the city before, Parc 66 will become a key nexus for the Jinan community, bringing vibrancy and new levels of luxury to the city's increasingly affluent community.





選取優越地點

山東省發展迅速，其二零一一年上半年的國內生產總值，在中國排行第二。恒隆策略性地選址山東省會濟南市興建恒隆廣場，必能受益於當地蓬勃的經濟增長。

坐落於素有「金街」美譽的泉城路，恒隆廣場亦盡佔地利。泉城路過去三百年來一直是濟南市的政治、文化及商業核心；項目並毗鄰多個歷史景點和旅遊名勝，配合新建的行人天橋，將恒隆廣場與市中心的主要休閒區泉城廣場相連接，為項目帶來熙攘人流。

Choosing the Right Location

Shandong province is developing so rapidly that it is said to hold the number two position in China's GDP rankings in the first half of 2011. Parc 66, strategically positioned in the province's capital city, Jinan, is set to benefit from this fast developing prosperity.

Situated on Quancheng Lu, the city's "Golden Avenue" which has been Jinan's political, cultural and commercial hub for the past three hundred years, Parc 66 benefits from its proximity to historic and tourist attractions in the vicinity. Also boosting pedestrian flows to the mall is a footbridge directly connected to Quancheng Square, Jinan's major leisure spot in the city center.



濟南新地標 — 恒隆廣場 NEW ICON IN JINAN - - PARC 66

打造優質設計

恒隆廣場的設計以四周的湖和泉水為主題，其起伏的屋脊、綠化的空間和流線型的外牆，自然巧妙地與附近的泉林美景融為一體。一條蜿蜒伸延的「游龍」橋樑，把兩座呈對向的三角形購物中心相連，營造婀娜多姿的建築形態，亦提供便捷的通道，將商場不同的區域連接起來。為突出這種流動感，單是該條「游龍」橋已用上超過二千六百種不同大小的玻璃組件來建造。逾一百部自動扶梯日夜連接各商舖和食肆，為訪客提供舒適便捷的購物體驗。

Creating the Right Design

Reflecting the region's natural beauty with its many lakes and springs, Parc 66 takes its design from the surrounding environment - - its undulating roofs, green spaces and curved façades echo the water theme and blend agreeably into the nearby parkland. The two inverted triangular-shaped shopping malls are connected by a gracefully undulating bridge, "The Dragon," which provides dynamic spaces and convenient access to the different mall areas. Enhancing this feeling of flow and fluidity, over 2,600 different-sized glass units were used to build "The Dragon." More than 100 escalators link shops and restaurants day and night, providing a pleasant and convenient shopping experience for visitors.





項目具備「恒隆」品牌的所有卓越特色：頂級用料、先進技術及恆久設計，因而榮獲多項國際設計大獎，包括國際房地產交易會及《建築評論》雜誌(The Architectural Review)頒發「2009年 MIPIM Architectural Review 未來項目大獎——零售及消閒組別」表揚證書，以及獲國際物業大獎頒發「國際商業物業大獎」組別的「2009亞太區商業物業大獎——建築大獎(五星)」殊榮。



Bearing all the hallmarks of Hang Lung's "66" brand with its top-quality materials, cutting edge technology and timeless design, Parc 66 has won a number of international design awards, including Le Marché International des Professionnels de l'Immobilier and The Architectural Review's "MIPIM Architectural Review Future Project Awards 2009 -- Retail & Leisure" Commended

Certificate as well as the International Property Awards' "Asia Pacific Commercial Property Awards 2009 -- The Architecture Award (Five Star)"

堅持環保理念

為履行保護環境的承諾，並確保物業的持續發展，我們所有新項目均採用環保建材，並配備多項環保設施。秉承這個理念，濟南的恒隆廣場於二零零九年獲美國綠色建築協會頒發「能源及環境設計先鋒獎——核心及外殼組別」金獎的預認證。

Doing the Right Thing

Ensuring our own sustainability as well as the future of our environment, all our new developments are built with environmentally-friendly materials and features. Attesting to our commitment in this field, Parc 66 has already gained its Gold Level -- Precertification under Leadership in Energy and Environmental Design (LEED) -- Core and Shell Development, issued by the U.S. Green Building Council in 2009.

拓展內地市場

EXTENDING OUR REACH ON THE MAINLAND

1. 市府恒隆廣場 — 瀋陽 Forum 66 -- Shenyang
2. 恒隆廣場（一期及二期）— 無錫 Center 66 (Phases 1 & 2) -- Wuxi
3. 皇城恒隆廣場 — 瀋陽 Palace 66 -- Shenyang
4. 恒隆廣場 — 大連 Olympia 66 -- Dalian
5. 港匯恒隆廣場 — 上海 Grand Gateway 66 -- Shanghai
6. 恒隆廣場 — 上海 Plaza 66 -- Shanghai
7. 恒隆廣場 — 天津 Riverside 66 -- Tianjin
8. 恒隆廣場 — 濟南 Parc 66 -- Jinan





隨著未來數年更多商用物業竣工投入營運，恒隆正迅速擴展為一家全國性企業，物業租賃組合亦將不斷壯大。

With more projects on the Mainland to come on stream in the next few years, we are quickly expanding into a nationwide company with a broad rental portfolio.

天時地利 The RIGHT Location



管理層之討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

後排(左起) Back row (From Left):

畢國榮 **Kwok Wing Put** 副維修主管 — 租務及物業管理(香港) Assistant Maintenance Supervisor – Leasing and Management (Hong Kong)
張嫻嫻 **Cindy Zhang** 經理 — 人力資源及行政(瀋陽皇城恒隆廣場) Manager – Human Resources and Administration (Palace 66, Shenyang)
全科 **Kevin Quan** 助理經理 — 項目發展(香港) Assistant Manager – Project Development (Hong Kong)

前排(左起) Front row (From Left):

林慧儀 **Summa Lam** 主任 — 租務及物業管理(香港) Officer – Leasing and Management (Hong Kong)
黃廣發 **Duncan Wong** 物業助理 — 租務及物業管理(香港) Property Assistant – Leasing and Management (Hong Kong)
胡惠雅 **Vera Wu** 經理 — 租務及物業管理(上海恒隆廣場) Manager – Leasing and Management (Plaza 66, Shanghai)
黃秀婷 **Yuki Wong** 高級客戶服務助理 — 租務及物業管理(香港) Senior Guest Services Assistant – Leasing and Management (Hong Kong)



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理想夥伴 The RIGHT Partnership

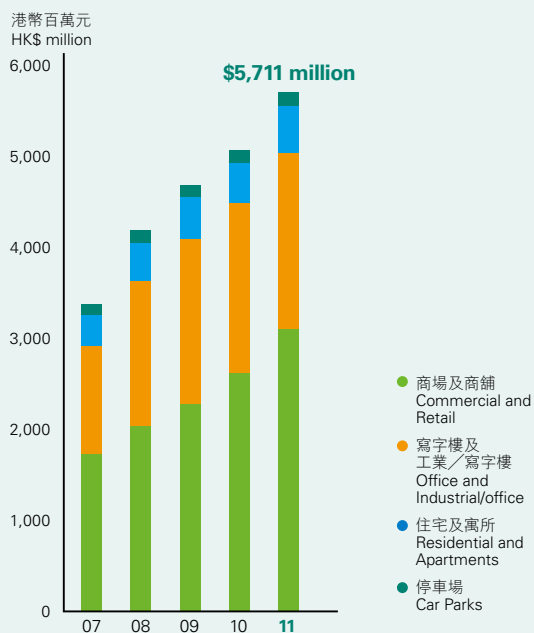


業務概覽—正確選擇

BUSINESS OVERVIEW - - MAKING THE RIGHT CHOICES

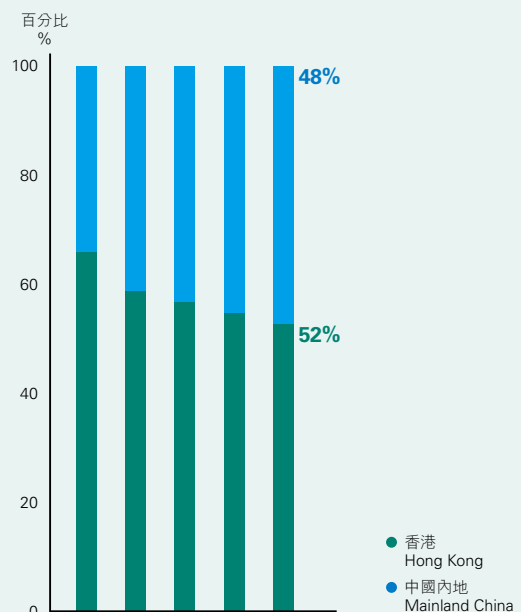
租金收入 Rental Revenue

截至六月三十日止年度
For the years ended June 30



香港／中國內地租金收入分佈 Hong Kong/Mainland China Rental Income Split

截至六月三十日止年度
For the years ended June 30



二零一零／一一財政年度內，恒隆集團在多個範疇取得進展。首先，集團享有穩健表現，各核心業務均有理想增長。受惠於香港和內地經濟暢旺，物業租賃業務強勁增長帶動溢利上揚。年內，來自內地租賃物業的溢利增加百分之十二，香港租賃物業組合的溢利上升百分之十一。

截至二零一一年六月三十日止年度之股東應佔純利下跌百分之七十三，至港幣三十五億二千九百萬元。

年內，我們慶祝五十週年。這個重要的里程碑不僅引證恒隆集團五十年成果，更突顯了我們多年來作出的正確業務選擇；我們以有紀律的策略落實遠大目光，成就今天享有的堅實基礎和卓越聲譽。它亦標誌著集團業務進入新的「黃金

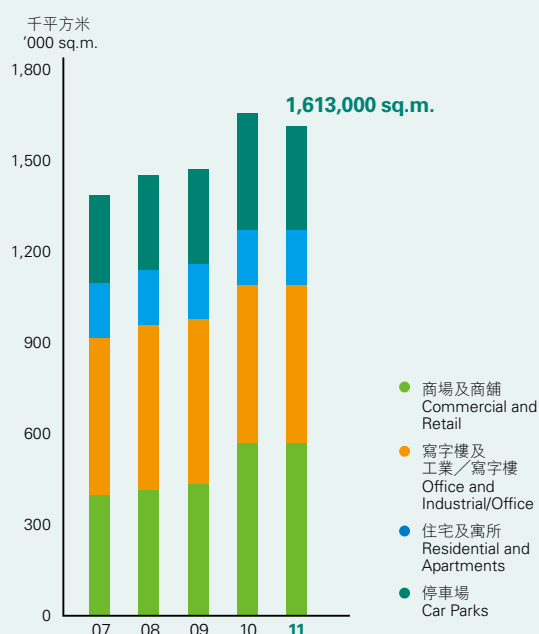
The financial year 2010/11 was a positive year for the Hang Lung Group on a number of fronts -- the Group enjoyed a solid performance, achieving satisfactory growth throughout our core businesses. The booming economy both in Hong Kong and on the Mainland fueled strong growth in our property leasing business in particular, driving encouraging profit growth. Profit generated by our Mainland properties thus rose 12% during the year while the Hong Kong portfolio achieved a profit increase of 11%.

Net profit attributable to shareholders for the year ended June 30, 2011 dropped 73% to HK\$3,529 million.

During the year, we also celebrated our 50th birthday. This major milestone not only commemorated 50 years of business success, but also highlighted that over the years, the Hang Lung Group has made the right business choices, delivering on our far-sighted vision as well as our disciplined strategies to establish the solid track record and illustrious reputation we enjoy today. The anniversary also marked

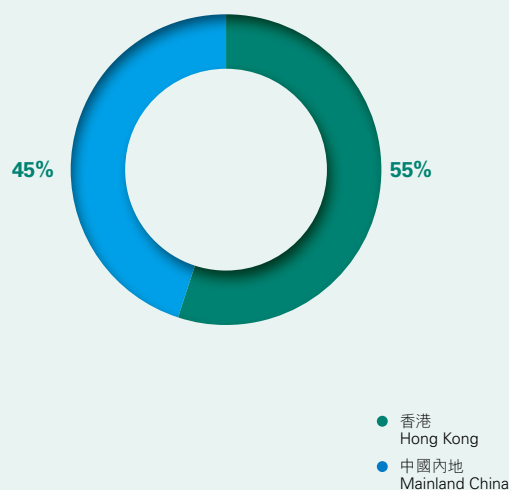
投資物業面積之業務分類 The Area of Investment Properties by Business Segment

於六月三十日
At June 30



投資物業之地域分佈 Investment Properties by Geographical Location

於二零一一年六月三十日
At June 30, 2011



年代」。隨著多座新的恒隆廣場開幕，我們擴大版圖至內地更多城市，進一步發揮「恒隆」品牌效益，迎接下一個豐盛的五十年。

於二零一零年十一月，恒隆地產透過向機構投資者以先舊後新的安排配售二億九千三百九十萬股恒隆地產股份，從而擴大股本基礎，所得款項淨額為港幣一百零八億九千六百萬元。本集團於結算日的現金淨額因而高達港幣七十三億七千三百萬元。

物業租賃

金融危機過去後，經濟環境持續改善。集團核心業務——物業租賃業務的收入和溢利繼續取得增長，租金收入和溢利總額分別上升百分之十三及百分之十二。

a whole new “golden era” in our activities, as we enter the next 50 years of operations and as we cement the expansion of our “66” brand with the opening of a number of new Hang Lung “66” malls across the Mainland.

In November 2010, by a top-up placement of 293.9 million new Hang Lung Properties Limited shares to institutional investors at a price of HK\$37.48 per share expanded our capital base, with net proceeds of HK\$10,896 million. This has boosted the Group’s net cash position to HK\$7,373 million as at the reporting date.

Property Leasing

The economy since the global financial crisis has continued to improve in the past few years and boosted our property leasing business, enabling the delivery of both income and profit growth from this core business segment. Total rental income and profits grew 13% and 12% respectively.

業務概覽—正確選擇 BUSINESS OVERVIEW - - MAKING THE RIGHT CHOICES

香港

由於需求強勁，集團旗下商舖物業和寫字樓的租出率，分別高達百分之九十七及百分之九十三，再加上整體物業組合取得良好的租金調升，故我們的香港租金收入上升百分之八至港幣二十九億七千三百萬元，溢利增長百分之十一至港幣二十四億三千八百萬元。

中國內地

集團在內地見證了更大幅度的增長。我們在上海的兩大地標物業恒隆廣場及港匯廣場(現已易名為「港匯恒隆廣場」)，年內保持幾乎全部租出的高租出率，再加上瀋陽的皇城恒隆廣場於二零一零年六月開業後帶來的貢獻，故內地業務的整體租金營業額增加百分之十八，溢利上升百分之十二。

截至二零一一年六月底，中國內地物業組合佔集團整體租金營業額百分之四十八。

上海的恒隆廣場踏入十週年，慶祝十載的成功和出色表現。年內，其租金營業額增長百分之十四，其辦公樓的租出率亦穩企於百分之九十九，高於市場平均數；港匯恒隆廣場的租金營業額則上升百分之九。

Hong Kong

In view of the strong demand, occupancy rates for our commercial properties and office properties remained at a high 97% and 93% respectively. Together with the positive rental reversions achieved across our Hong Kong portfolio, the rental income in this market saw a rise of 8% to HK\$2,973 million, while profits grew 11% to HK\$2,438 million.

Mainland China

The Mainland saw even more substantial growth. With our two iconic properties in Shanghai, Plaza 66 and The Grand Gateway (now rebranded as Grand Gateway 66), virtually fully let during the year, as well as the contribution made by Palace 66 in Shenyang, which opened in June 2010, the overall rental turnover for our operations on the Mainland grew 18% while profits rose 12%.

As at the end of June 2011, our portfolio in mainland China accounted for 48% of the Group's total rental turnover.

During the year, Plaza 66 in Shanghai cemented a decade of successful and high performance operations with the celebration of its 10th birthday as well as a 14% growth in its rental turnover. The office towers at Plaza 66 also performed positively, maintaining their occupancy rate at 99%, well above the market average. Grand Gateway 66 also saw a rise in turnover of 9%.



港匯恒隆廣場位處地鐵線交匯點，地點便捷，人流暢旺。
A prime location above the intersection of metro lines brings large customer flows and pedestrian traffic to Grand Gateway 66.

雖然瀋陽的皇城恒隆廣場於二零一零年六月才開業，這座嶄新的購物商場亦已全部租出，首個運作年度錄得租金營業額港幣一億四千九百萬元，符合我們的預期。隨著我們逐步調整及提升租戶組合，並加強市務推廣及宣傳，我們期待瀋陽的皇城恒隆廣場將可取得更優異的表現。

物業發展

瀋陽的皇城恒隆廣場於去年開業，標誌著集團業務進入新的「黃金時期」。這是我們在內地繼上海以外首個落成的新項目，加上更多項目將於內地更多城市落成，進一步奠定了新增長期的來臨。

Though only launched in June 2010, Palace 66, our new shopping mall in Shenyang, was fully let and generating a rental turnover of HK\$149 million in its first year of operation, in line with our expectation. We do however expect to see the mall's performance climbing further, settling within the top end of the market, as we continue to enhance and refine the tenant mix and increase our marketing and promotional activities at the development.

Property Development

The opening of Palace 66 in Shenyang last year heralded a new phase of expansion in our operations. As the first of our properties under development to reach fruition and be launched on the Mainland outside Shanghai, it marks the start of a new "golden era" as we expand our horizons and as more and more of our development properties come on stream in up-and-coming cities across the country.



上海恒隆廣場
Plaza 66, Shanghai



上海港匯恒隆廣場
Grand Gateway 66, Shanghai

業務概覽—正確選擇 BUSINESS OVERVIEW - - MAKING THE RIGHT CHOICES

將於二零一一年八月開幕的濟南的恒隆廣場進一步奠定此收成期。一如皇城恒隆廣場，濟南的恒隆廣場於開幕前已全部租出，租戶包括多個國際知名品牌如優衣庫 (UNIQLO)、無印良品 (Muji)、Zara 及 蔻馳 (Coach)，其中許多均是首次進駐濟南。這座樓高七層的世界級購物中心，具備「恒隆」品牌的所有卓越特色，將為濟南市提供一個全新的休閒和娛樂熱點。

除了瀋陽皇城恒隆廣場及濟南恒隆廣場，我們在內地的其他五個發展項目，包括瀋陽的市府恒隆廣場、無錫的恒隆廣場（一期）和（二期）、天津的恒隆廣場及大連的恒隆廣場，均進展順利，預期在未來數年陸續落成。大連的恒隆廣場於二零一零年九月舉行了動土儀式；這座地標項目並以獨特創新的設計，奪得國際房地產大獎二零一一年度「亞太區最佳零售建築項目」大獎。

財務

本集團繼續保持雄厚資本。

此外，本集團尚未動用的銀行承諾信貸高達港幣一百一十九億四千四百萬元及一項價值二十億美元之中期票據計劃，故具備充足財力為內地各發展項目提供融資。

This period of rich harvest will gain further momentum with the opening of Parc 66 in Jinan in August 2011. Similar to Palace 66, Parc 66 is fully leased prior to its official opening with an array of leading global brands, ranging from UNIQLO and Muji to Zara and Coach. Among the many new names represented, some have never been seen in Jinan before. Living up to our Hang Lung "66" mall promise, this seven-story world-class shopping mall and leisure facility will create a new entertainment hub for the city.

In addition to Palace 66 and Parc 66, five more properties on the Mainland - - Forum 66 in Shenyang, Phases 1 & 2 of Center 66 in Wuxi, Riverside 66 in Tianjin and Olympia 66 in Dalian, are under construction and are progressing well. We expect these properties to come on stream over the next few years. Our most recent project, Olympia 66, not only saw its ground-breaking ceremony in September 2010, but also won the "Asia Pacific Commercial Property Awards 2011 - - Best Retail Architecture in Asia-Pacific" for its innovative and unique design.

Finance

The Group continued to maintain a strong financial position.

Together with committed undrawn banking facilities of HK\$11,944 million and a US\$2 billion Medium Term Note Program, the Group has ample capacity to finance both potential and developing projects.

濟南恒隆廣場將於二零一一年八月開幕。
Parc 66 will open in Jinan in August 2011.



展望

過去五十年來，我們被譽為香港和中國內地頂級的地產公司之一，成績有目共睹。憑藉豐裕的儲備和富經驗的專業團隊，我們除可落實現有的發展項目外，更有能力掌握內地隨時出現的新機遇，策動集團的未來增長。

香港方面，我們會繼續密切監察住宅市場，確保能把握適當時機進一步推售住宅單位。同時我們亦會繼續優化商用物業及商場的租戶組合，針對不同客戶層面推出合適的市場推廣及促銷活動，帶動人流及租金收入增長。我們亦借助新的社交媒體和網上平台，進一步與持份者和客戶溝通。這不僅可吸引年輕客戶群，亦可讓我們以相對較低的成本直接接觸更多潛在客戶。

內地方面，我們在上海兩項地標項目的成功先例，為其他內地新項目的營運模式提供參考基準。隨著瀋陽的皇城恒隆廣場及濟南的恒隆廣場開業，其他五個項目陸續落成及投入運作，內地將成為我們租金收益增長的主要動力，帶動集團穩步開創更輝煌的成果。

Outlook

In the past 50 years, we have established a strong track record, building a reputation as one of the leading property companies both in Hong Kong and mainland China. Together with our abundant reserves as well as our team of dedicated, professional and talented staff, we are ideally positioned not only to deliver on our current development projects but also to seize new opportunities as they arise on the Mainland to ensure our future growth.

In Hong Kong, we continue to keep a close eye on the residential market, following developments to make sure we catch the right moment to release further residential units for sale. In our commercial and retail properties, we maintain our focus on the upgrading of our facilities while also refining the tenant mix, uniquely positioning them to meet the needs of different target groups. These activities in turn will be supported by marketing and promotional activities to increase pedestrian traffic and thus our rental turnover. We are also making increasing use of the new social media and online platforms to engage with and involve our stakeholders and customers. They not only appeal to a younger audience, but also provide direct communication with a large number of potential customers at a relatively low cost.

On the Mainland, the strong track record of our two landmark projects in Shanghai will act as the benchmark and business model for our newly launched Palace 66 and Parc 66 projects as well as our five upcoming properties in the pipeline. As these projects come on stream over the next few years, the Mainland will provide the main engine to drive our continued success and sustainability into the future, bringing more rental income and enhanced growth.



大連恒隆廣場動工儀式。
Ground-breaking ceremony for Olympia 66 in Dalian.



長久合作夥伴

**Customer
Partnerships**

山頂廣場和峰景餐廳慶祝十七年的夥伴關係。自山頂廣場於一九九四年開業至今，峰景餐廳一直為商場訪客提供高質素的國際美食。
The Peak Galleria and Café Deco celebrate 17 years of partnership, ever since the mall's opening in 1994.

香港物業租賃 HONG KONG PROPERTY LEASING

建立理想夥伴

年內，受惠於香港和內地經濟的蓬勃發展，集團旗下香港物業租賃業務刷新紀錄。在強勁的市況帶動下，更多海外公司來港拓展新業務和設立辦事處，令香港的寫字樓及住宅租賃市場需求甚殷。零售市場欣欣向榮，加上訪港旅客大增，刺激本土消費飆升，國際時裝品牌爭相租用黃金地點的商舖。因此，來自恒隆中心、名店坊及淘大商場的租金收入年內均創新高，同時惠及服務式寓所汀蘭居及康蘭居。因此，恒隆集團的香港租金收入總額升至新高，達港幣二十九億七千三百萬元，較二零零九／一零年度增長百分之八，溢利亦上升百分之十一至港幣二十四億三千八百萬元。

Building the Right Partnerships

Our property leasing activities in Hong Kong enjoyed a record year thanks to the strong economy both in Hong Kong and on the Mainland. A robust market has driven strong demand for both office space and residential rental facilities in Hong Kong, as overseas companies set up new businesses or branch offices in the city. The booming retail market coupled with high levels of inbound travel also fueled high local consumption. Prime retail locations were thus rapidly snapped up by international fashion brands. As a result, Hang Lung Centre, Fashion Walk and Amoy Plaza all reported record high rentals for the year. Serviced apartments The Bay Bridge and Kornhill Apartments also benefited. The Hang Lung Group therefore saw total rental income in Hong Kong growing 8% over 2009/10 to reach a new high of HK\$2,973 million for the year. Profits grew 11% to HK\$2,438 million.

香港投資物業之按地域分析

Geographical Analysis of Hong Kong Investment Properties

於二零一一年六月三十日 At June 30, 2011

| | | 樓面面積* (千平方米) Gross Floor Area* ('000 sq. m.) | |
|-----------|-------------------------------|---|------|
| | | 2011 | 2010 |
| 港島 | Hong Kong Island | | |
| 中環及金鐘 | Central and Admiralty | 58 | 58 |
| 銅鑼灣及灣仔 | Causeway Bay and Wanchai | 112 | 112 |
| 康山及鰂魚涌 | Kornhill and Quarry Bay | 165 | 165 |
| 山頂及半山區 | The Peak and Mid-Levels | 47 | 47 |
| 港島南區 | Hong Kong South | 12 | 12 |
| 九龍 | Kowloon | | |
| 旺角 | Mongkok | 140 | 140 |
| 尖沙咀及西九龍 | Tsimshatsui and West Kowloon | 89 | 89 |
| 牛頭角及觀塘 | Ngau Tau Kok and Kwun Tong | 98 | 98 |
| 長沙灣及葵涌 | Cheung Sha Wan and Kwai Chung | 166 | 166 |
| 總計 | Total | 887 | 887 |

* 包括停車場之樓面面積
Including gross floor area of car parks

香港物業租賃 HONG KONG PROPERTY LEASING

商場及商舖業務

我們的商場及商舖物業主要位於香港兩個最繁盛的購物區銅鑼灣和旺角的心臟地帶。零售市道暢旺下，這些物業憑著黃金地利和創新的營銷策略而大幅受惠。該項業務的租金收入上升百分之七至港幣十四億七千二百萬元，租出率達百分之九十七。

除本地需求殷切外，中國內地旅客蜂擁而至，對零售行業持續帶來明顯裨益。集團各類零售租戶，例如化妝品零售商、珠寶金飾店、名牌手錶店及護膚產品店等，均錄得強勁的業務增長。經增加食肆數目及優化飲食租戶組合後，食街、恒隆中心及淘大商場亦錄得可觀的餐飲消費增長，租金營業額隨之上揚。

主題式租賃策略

為進一步提升效益，我們採用「主題式租賃」策略來優化租戶組合及提升顧客的購物樂趣。

山頂廣場「香港品味」—— 山頂是香港旅遊熱點。山頂廣場以香港為主題，讓本地人和遊客體驗香港的文化和生活。山

Commercial and Retail Activities

Thanks to the prime location of the great majority of our retail sites - - in the heart of Causeway Bay and Mongkok, Hong Kong's two busiest shopping districts - - as well as stimulation from the booming retail market and our focused marketing and leasing activities, we have seen positive growth in rental income in our commercial and retail properties. Rental income rose 7% to HK\$1,472 million, with occupancy levels standing at 97%.

In addition to local demand, the influx of tourists from mainland China continued to make a strong impact on the retail sector. Cosmetics, jewelry and gold ornaments, luxury watches and specialist skin care products all saw significant sales growth, according to our retail tenants. The increasing number of restaurants, together with the refining of the tenant mix in Food Street, Hang Lung Centre and Amoy Plaza, also resulted in significant growth in the total turnover of the food and beverage business segment and thus in rental turnover.

Themed Leasing Strategies

This positive picture was further brightened by our use of "Themed Leasing," a key strategy in the refining of our tenant mix and in enhancing the shopping experience for customers.

Love Hong Kong Style at The Peak Galleria - - Building on the Peak's location as a major tourist spot, The Peak Galleria focuses on Hong Kong as its theme, creating a hub for Hong Kong's culture and lifestyle

淘大商場的「\$10,000任買大抽獎」活動吸引眾多市民參與，廣受商舖歡迎。
Amoy Plaza's "HK\$10,000 Spending Lucky Draw" event is warmly received by public and tenants.



頂廣場近一半租戶是香港品牌，商場舉辦的多項文化展覽和特別節目充分反映香港文化和傳統。這些活動增加了租賃查詢數目，提高了顧客人流，並獲得租戶的正面迴響。

康怡廣場「康怡學林」——康怡廣場的主題區「康怡教室」已更名為「康怡學林」。它位於香港東區中產聚居的心臟地帶，佔地約十二萬平方呎，是香港最大規模的學習中心之一，為青少年提供不同類型的課外活動及學習課程。

家樂坊「大食瀛」——日本食品在港深受歡迎，位於旺角心臟地帶的家樂坊緊貼潮流，於商場地庫設置名為「大食瀛」的食肆樓層，共有六家食店，提供和牛、拉麵、餃子、日式咖啡和乳酪等東瀛美食。

for locals and visitors alike. While almost half our tenants here carry Hong Kong brands, the mall also stages cultural exhibitions and special events that communicate Hong Kong's style and heritage. These activities have increased the number of leasing enquiries, raised traffic flows, and brought positive feedback from tenants.

Kornhill Learnscape at Kornhill Plaza -- The Learning Zone at Kornhill Plaza has been rebranded as Kornhill Learnscape. With around 120,000 square feet of space at the heart of Hong Kong East's middle-class residential area, Kornhill Learnscape provides one of the largest learning hubs in Hong Kong together with a full suite of extra-curricular activities and learning programs for the younger generation.

Japanese Food Avenue in Gala Place -- Riding on the growing interest in Japanese food, this venue was established in the basement of Gala Place in the heart of Mongkok. Consisting of six restaurants, the Avenue offers a variety of Japanese food ranging from wagyu beef, ramen noodles and dumplings to specialist Japanese coffee and frozen yogurt.



保留香港傳統繡花鞋手藝，擁有逾半世紀歷史的先達繡花拖鞋專門店是山頂廣場「香港品味」的新租戶。
New "Love Hong Kong Style" tenant at The Peak Galleria -- Sindart, a more than 50-year-old specialty store renowned for embroidered Chinese slippers.

香港物業租賃 HONG KONG PROPERTY LEASING



康怡廣場的「康怡學林」是本港最大的學習中心之一。
Kornhill Learnscape at Kornhill Plaza is one of the largest learning hubs in Hong Kong.



「家樂•大食瀛」開幕表演
Grand opening of Japanese Food Avenue at Gala Place

我們亦繼續優化旗下零售商舖和食肆的租戶組合，例如國際品牌 Burberry Blue & Black Label 和無招牌海鮮餐廳均在名店坊開設了香港首家分店。淘大商場和山頂廣場將進一步翻新及提升設施，為這兩個商場的租戶增加裨益以及為消費者提供更佳的購物經驗。

推廣及促銷活動

年內營商環境大致良好，但期間個別行業及商舖亦曾出現短暫挑戰。日本發生地震、海嘯及核危機後，日式餐飲業面對短暫性的挑戰。此外，通脹加劇和食材成本上漲，加上實施最低工資，均影響租戶毛利及負擔租金的能力。

為協助租戶對應挑戰，我們舉辦了多項促銷活動，增加旗下購物商場人流。其中一個重點活動為旗下六個購物商場，

We also continue to perfect our tenant mix both in the retail as well as the food and beverage sector. This led to the opening for the first time in Hong Kong of international brands Burberry Blue & Black Label and No Signboard Seafood Restaurant at Fashion Walk. Renovations at Amoy Plaza and The Peak Galleria will also add value to our mall tenants, as they will provide a fresh look and an enhanced shopping experience for customers.

Customer and Marketing Incentives

Despite this sunny picture, there have been a few passing clouds on the horizon in the year. The earthquake, tsunami and the resulting nuclear crisis in Japan have created short-term challenges for Japanese restaurants in Hong Kong. Accelerating inflation, growing costs of food materials and the new minimum wage policy have affected some of these tenants' profit margins and hence their rental affordability.

To help tenants meet these challenges, a number of promotional initiatives were held to bring additional traffic into our malls. The highlight was an online marketing campaign launched in conjunction

包括山頂廣場、名店坊、恒隆中心、家樂坊、雅蘭中心一期及淘大商場，合共三十家食肆，聯手透過Groupon香港網上平台向顧客推出價值港幣一百萬元的飲食優惠券。市民反應熱烈，原定在三天內銷售的一萬五千張優惠券於短短十小時內售罄，租戶生意額亦錄得增長。

with Groupon Hong Kong; six of our shopping malls - - The Peak Galleria, Fashion Walk, Hang Lung Centre, Gala Place, One Grand Tower and Amoy Plaza, as well as 30 restaurants in these malls. The initiative offered dining vouchers worth a million dollars to end-customers for use in these restaurants. The response was immediate with 15,000 coupons being snapped up in just 10 hours on the three days of the sale, leading to a boost in business for tenants.

以有效媒介推行創新意念 Innovation with the Right Tools

我們致力採用合適及具成本效益的平台，與租戶和大眾建立夥伴關係。我們使用日益流行的社交互動媒體舉行網上活動，故山頂廣場、名店坊、淘大商場和家樂坊均設立網站、Facebook專頁和新浪微博專頁，並舉行了一系列受歡迎的網上促銷活動，包括各商場聯合舉辦的母親節Facebook活動、淘大商場Facebook遊戲，以及六個商場透過Groupon的uBuyiBuy平台推出餐餐優惠。

In building partnerships with both our tenants and the general public, we place a strong focus on using the appropriate and most cost-effective tools. A recent innovation is the use of interactive online campaigns as well as the new social media. The Peak Galleria, Fashion Walk, Amoy Plaza and Gala Place have thus all carried out a range of online promotions through their websites, Facebook and Sina Weibo, which have proven to be highly popular. These included a joint-mall Mother's Day Facebook campaign, Facebook games for Amoy Plaza, as well as our highly successful, six-mall discount dining campaign launched in conjunction with Groupon's uBuyiBuy platform.



香港物業租賃 HONG KONG PROPERTY LEASING

市場經歷過去五年的高增長後，預料稍後增長會進入鞏固期。展望未來，在強勁的本地經濟及遊客潮持續帶動下，我們相信商場及商舖業務仍會有良好的表現。

寫字樓及工業／寫字樓

強勁的經濟亦對我們的寫字樓及工業／寫字樓業務帶來多項裨益。由於香港中環區寫字樓需求殷切而空置率低，因此我們在該區的甲級物業享有更大需求，租出率達百分之九十三。同時，鑑於中環區租金高企兼且地方短缺，許多企業嘗試遷往次級商業區，為我們在灣仔及港島東的寫字樓物業帶來業務機會。早前市場已消化東九龍新寫字樓的充裕供應，因此我們位於西九龍的工業／寫字樓物業組合，在財政年度內無論租出率和單位租金均有改善。整體而言，該項業務年內的租金收入達港幣十億二千八百萬元，增長百分之七。

Looking forward, we expect to see a less steep growth curve than in the past five years, as the market enters a period of consolidation. We remain optimistic about the positive performance of this business sector, as the local economy remains strong and the inflow of tourists continues to be vigorous. Yet we do see slight moderation in the steep growth curve than seen in the past five years, as the commercial and retail businesses enter a period of consolidation.

Office and Industrial/Office

The strong economy also benefited our office and industrial/office activities. The high demand for office space in Hong Kong's Central business district, coupled with low vacancy rates, boosted strong interest in our Grade A properties in the area. As a result, occupancy levels in this sector of our portfolio stood at 93%. The high rents and space shortage in Central also drove many businesses into the secondary business areas, creating positive opportunities for our office portfolio in Wanchai and Island East. Our industrial office portfolio in Kowloon West also improved in terms of both occupancy rate and unit rental, as the abundant supply of new office space in Kowloon East was increasingly absorbed by the market. This sector achieved an overall rental income of HK\$1,028 million for the year, translating into growth of 7%.



恒隆為印刷行的商戶提供電腦技術支援服務。
Value-added IT support services are provided for tenants at Printing House.

香港投資物業之按類分析

Segmental Analysis of Hong Kong Investment Properties

| | | 樓面面積(千平方米) Gross Floor Area ('000 sq. m.) | | 租金收入(港幣百萬元) Rental Revenue (HK\$ million) | | 租出率(百分比) Occupancy Rate (%) | |
|------------|------------------------------|---|------|---|-------|-----------------------------------|------|
| | | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| 商場及商舖 | Commercial and Retail | 287 | 287 | 1,472 | 1,379 | 97 | 97 |
| 寫字樓及工業/寫字樓 | Office and Industrial/Office | 291 | 291 | 1,028 | 962 | 93 | 93 |
| 住宅及寓所 | Residential and Apartments | 99 | 99 | 356 | 295 | 75 | 73 |
| 停車場 | Car Parks | 210 | 210 | 117 | 110 | N/A | N/A |
| 總計 | Total | 887 | 887 | 2,973 | 2,746 | 91 | 91 |

我們在中環的物業，除了集團總部的所在地，即位於德輔道中的旗艦物業渣打銀行大廈外，還包括都爹利街三物業——都爹利街一號、印刷行和樂成行。這些物業坐落於中環心臟區，並同時擁有相對幽靜的環境和綠色景觀，為高端專業機構、商會、音響器材專賣店、其他專業零售商戶及外資機構等，提供理想的辦公環境。配合租戶需要，三幢物業均徹底翻新及添置租戶專享設施，例如免費資訊科技支援服務等，深受租戶歡迎。

展望未來，集團旗下寫字樓物業將繼續拓展多元化的租戶及行業組合，鞏固我們在半零售及服務行業租賃的領導地位。

Our flagship property in Central is the Standard Chartered Bank Building on Des Voeux Road where our headquarters are located. Additional properties consist of the "Duddell Street Trio" -- 1 Duddell Street, Printing House and Baskerville House -- uniquely positioned in the heart of Central, yet within a relatively quiet, green and leafy area. They have proven to be highly popular among professional firms, commercial chambers, audio-visual and other specialist retailers, as well as foreign companies. Meeting the needs of this clientele during the year, extensive renovation was carried out and special tenant facilities, such as free IT support, were provided. With the recent completion of the renovation, these new features and facilities gained a highly positive response from tenants.

Maintaining this impetus into the future, we will continue to diversify the tenant and trade mix at our office properties, seeking to cement our leadership in the semi-retail and service business trades.

香港物業租賃 HONG KONG PROPERTY LEASING

御峰的住客萬聖節派對
Halloween party at The Summit



住宅及服務式寓所

承接二零零九／一零年度下半年的升勢，服務式寓所的業務成為香港租賃物業組合中表現的佼佼者，較去年錄得高達百分之二十一之增長。受惠於有效的營銷策略及企業需求回升，加上金融業和專業服務行業的外籍僱員對優質住宅及服務式寓所需求殷切，故汀蘭居、康蘭居和衛蘭軒的租金收入增長超過百分之三十四，其中康蘭居更享有高達百分之三十一的可觀升幅；此增長亦由於我們期內調升房租所致。我們預期該項業務可於明年保持持續增長勢頭，但增長速度會因為市場整固而較為持平。

Residential and Serviced Apartments

Riding on the momentum that commenced in the second half of 2009/10, the serviced apartments sector was the star performer in our Hong Kong rental portfolio, recording year-to-date growth of 21% over the previous year. Thanks to our effective marketing strategies and the surge in corporate demand, driven by the steady stream of expatriate businessmen in the financial and professional services sector seeking quality residential and serviced accommodation, The Bay Bridge, Kornhill Apartments and The Wesley in all registered strong income growth of over 34%, while Kornhill Apartments enjoyed a spectacular increase of 31%. The rising demand also increased room rates, which contributed to this satisfactory performance. While these impressive advances will continue in the coming year, we do expect to see some market consolidation with a more balanced rate of growth.

住宅方面，集團旗下的住宅物業，包括飽覽跑馬地馬場遼闊景觀的豪宅御峯，以及擁有四十五幢家庭式別墅的濱景園，在優質住宅需求帶動下錄得百分之八的租金收入增長，至港幣一億六千四百萬元。由於本土經濟持續強勁，並有更多金融和專業服務公司繼續在香港設立辦事處，因此我們看好該項業務的前景。不過，由於越來越多跨國金融機構因港島租金高昂而把辦事處遷往九龍，其員工亦隨之選擇遷居九龍，因此我們對未來持審慎態度。

On the residential front, the need for quality accommodation drove a rise of 8% to HK\$164 million in rental income from our residential portfolio, which consists of The Summit, with its panoramic views of the racecourse in Happy Valley, and Burnside Villa, with its 45 family-style garden homes. The outlook for this sector remains positive as the local economy continues to flourish and as more financial and professional service firms establish offices in Hong Kong. Sounding a note of caution for the future, however, as more and more multinational financial institutions move their offices to Kowloon to avoid high rents, we do expect to see a larger number of their staff choosing to live in Kowloon.



汀蘭居
The Bay Bridge

香港物業發展及銷售 HONG KONG PROPERTY DEVELOPMENT AND SALES

在黃金地點興建具有強大升值潛力的優質住宅物業，是我們在香港發展住宅物業所採用的業務策略。在執行這項審慎和具遠見的經營策略時，我們採取嚴謹的銷售策略，務求為這些投資取得最佳回報，為股東和置業人士提供最大價值。

集團現有的物業發展項目包括：

浪澄灣是位於西九龍的高檔住宅項目，包括八幢大廈共一千八百二十九個單位，享有遼闊海景、頂級會所及康樂設施，為住客提供優質家居環境。

Our business strategy in the development of residential properties in Hong Kong is to build top quality residential complexes in prime locations and with strong upside potential. Hand-in-hand with this prudent and far-seeing strategy, we take a disciplined sales approach, optimizing value for shareholders and end-users by obtaining the best possible returns on these investments.

Key current developments include:

The Long Beach, our high-end residential complex in West Kowloon, consists of 1,829 units in eight towers. With its sweeping harbor views, best-of-class clubhouse and recreational facilities, it is seen as a prime development offering a luxury home environment.



浪澄灣享有頂級會所和康樂設施，為一家大小提供安樂窩。
The Long Beach, equipped with best-of-class clubhouse and recreational facilities, provides comfortable family homes.

君臨天下單位飽覽維多利亞港景色
Magnificent Victoria Harbor view from The HarbourSide



君臨天下巍峨矗立於西九龍之頂級豪宅，俯瞰維多利亞港，包括三幢大廈共一千一百二十二個豪宅單位。住客享有無敵海景及方便交通，鄰近設有現代化生活設施。

新項目位於跑馬地藍塘道，此全新豪宅項目落成後的總樓面面積約為八千平方米。現時施工進度理想，並預期於二零一二年年底完成。項目成為了美國綠色建築協會二零一零年第四季推出的「能源及環境設計先鋒獎」(LEED)住宅國際試點計劃的全球首個註冊項目。

The HarbourSide towers majestically above West Kowloon. Overlooking Victoria Harbor, this top-of-the-line residential complex provides 1,122 luxury units in three towers. Residents enjoy magnificent harbor views combined with convenient transport and contemporary lifestyle facilities.

A New Project is also taking shape on Blue Pool Road in Happy Valley. This luxury residential project will consist of around 8,000 square meters of total floor area. Construction is progressing well and this complex is expected to see completion towards the end of 2012. It became the first project in the world to be registered under the Leadership in Energy and Environmental Design (LEED) for Homes' International Pilot program launched by the U.S. Green Building Council in the fourth quarter of 2010.



跑馬地藍塘道的新住宅項目
New residential project on Blue Pool Road in Happy Valley



與恒隆締造美好未來

Charting new phase
of growth with
Hang Lung

UGG再次與恒隆合作，在另一恒隆內地商場——上海的港匯恒隆廣場開設新店。

UGG opens another shop on the Mainland with Hang Lung -- this time at Grand Gateway 66, Shanghai.

中國內地物業租賃 MAINLAND CHINA PROPERTY LEASING

我們於十八年前首次進入中國市場，隨著近年中國經濟增長蓬勃，我們得以續享早年訂定的正確策略以帶來的成果。瀋陽的皇城恒隆廣場於二零一零年開業，令該項業務邁進新的年代。年內，該項業務的租金收入上升百分之十八至港幣二十七億三千八百萬元；經營溢利亦上升百分之十二至港幣二十一億三千六百萬元。該項業務現佔集團租金收入總額百分之四十八。

於二零一一年，我們繼續在內地拓展，進一步鞏固內地增長勢頭。濟南的恒隆廣場於今年八月開幕，為我們的商場物業組合增添十七萬一千平方米的世界級購物空間。濟南的恒隆廣場是當地最大的購物商場，並一如瀋陽的皇城恒隆廣場，於投入運作時已全部租出，我們預期濟南的恒隆廣場於來年將為集團的整體租金提供實益貢獻。

十年來，上海恒隆廣場的成功，為恒隆在內地不同城市的營運奠定了一個「恒隆模式」，並為其帶來創新價值。為進一步強化品牌效益，我們統一集團在內地所有購物商場和商業項目的營銷推廣和銷售運作。因此，港匯廣場已於今年三月易名為「港匯恒隆廣場」，以更佳地反映「恒隆模式」的獨特成果。

上海的恒隆廣場

這個地標購物商場是上海最豪華的發展項目之一，並於二零一一年慶祝十週年。恒隆廣場是上海首個優質商場，以成功的租戶組合、世界級的商場管理，以及優質的購物環境著稱。以每平方米的總銷售額計算，恒隆廣場可能是內地生產力最高的購物商場。該購物商場於二零一零／一一年度的租出率逾百分之九十七；租金營業額增至港幣六億五千七百萬元，較二零零九／一零年度增加百分之二十八。

As China grows in prosperity and its economy expands, we continue to reap the benefits of our strategies and the decisions made when we entered the market more than 18 years ago. Together with the new era in our business expansion, which took off with the opening of Palace 66 in Shenyang in 2010, rental income in this sector grew a positive 18% to HK\$2,738 million. Echoing this trend, operating profit rose 12% to HK\$2,136 million. These activities now account for 48% of the Group's total rental turnover.

In 2011, we consolidated the new growth chapter in our Mainland operations with the launch of Parc 66 in Jinan this August. Its opening will add 171,000 square meters of world-class shopping space to our retail portfolio. We expect Parc 66, Jinan's largest shopping mall, to make a solid contribution to our overall rental income in the year to come as, following in the footsteps of Palace 66, this new facility commenced operations fully leased.

Our evolution into a multi-city operation across the Mainland is building increasing value for our unique Hang Lung "66" brand, which commenced so successfully with Plaza 66 in Shanghai ten years ago. Capitalizing on the strength and power of the brand, we are unifying all the marketing and promotion as well as sales and operation of our shopping malls and commercial developments on the Mainland under this premium image. As a result, in March this year, The Grand Gateway saw its rebranding to Grand Gateway 66 to better reflect its position in our unique and successful Hang Lung model.

Plaza 66

One of Shanghai's most luxurious developments, this iconic shopping mall celebrated its 10th anniversary in 2011. The first premium mall to open in Shanghai, Plaza 66 is renowned for its successful tenant configuration, world-class mall management and sophisticated shopping environment. Results are such that the development is probably the highest productivity shopping mall on the Mainland in terms of total sales on a per square meter basis. Enjoying an occupancy rate of over 97% in 2010/11, rental turnover for the shopping mall grew to HK\$657 million, an increase of 28% over 2009/10.

中國內地物業租賃 MAINLAND CHINA PROPERTY LEASING

恒隆廣場擁有世界最知名的品牌，如香奈兒(Chanel)、普拉達(Prada)、迪奧(Dior)、路易威登(Louis Vuitton)、蒂凡尼(Tiffany)、卡地亞(Cartier)、寶詩龍(Boucheron)及芝柏(Girard Perregaux)等。商場不僅在高端市場建立了獨特的地位，更成為上海豪華商場的領導典範。過去十年，它受惠於上海和鄰近江蘇、浙江兩省對奢侈品牌日益上升的消費需求。

此項世界頂級物業亦不斷加強硬件、樓層配置、物業管理及租戶組合，務求進一步提升購物體驗，滿足租戶需要，在

Plaza 66 not only boasts some of the most well-known names in the world -- from Chanel, Prada, Dior and Louis Vuitton to Tiffany, Cartier, Boucheron and Girard Perregaux -- but it has also carved a niche for itself in the high-end market and emerged as the benchmark luxury mall market leader. Over the decade, it has benefited from the growing demand for luxury brands both in Shanghai and the surrounding Jiangsu and Zhejiang provinces.

This top-of-class complex also makes continuous efforts to refine its hardware, floor configuration, property management and tenant mix in order to enhance the shopping experience, meet tenants' needs



市場上保持領導地位。年內，主要租戶例如路易威登(Louis Vuitton)和愛馬仕(Hermès)等，不僅開始翻新店舖，並擴大店舖面積。當上海的恒隆廣場於二零一二年首季完成所有翻新工程後，勢將成為內地一個擁有最多頂級奢侈品牌旗艦店及最大展場店的商場。

此外，恒隆廣場以優質的餐飲設施，將時尚生活提升至更高層次。最新進駐的包括在香港獲得米芝蓮二星的餐廳桃花源小廚。

and maintain its edge in the market. Attesting to its success in this direction, leading tenants such as Louis Vuitton and Hermès not only commenced refurbishment of their stores in Plaza 66 during the year, but they are also expanding their shop spaces. When refurbishment work is completed in the first quarter of 2012, Plaza 66 will house probably the largest number of top luxury brand flagship stores, as well as their biggest “maison” stores, on the Mainland.

Heightening Plaza 66’s quality lifestyle experience with improved dining facilities, the mall saw the opening of a number of highly rated restaurants during the year. They included Tim’s Kitchen, which is so well-known and loved in Hong Kong where it has been awarded two Michelin stars.



最佳拍檔 The Right Partner

路易威登對恒隆廣場精益求精的發展感到稱心。這個居領導地位的時尚品牌，除了擴充其在恒隆廣場的店舖，使之成為其在中國內地最大的旗艦店外，更於二零一零年在恒隆廣場舉行「路易威登百年世博回顧展」，首次把它的古董箱包運往法國以外的地方展出。該品牌的區域辦事處亦設於恒隆廣場辦公樓。

Pleased with our ongoing improvements in Plaza 66, Louis Vuitton is expanding its store in the mall, making it both its flagship as well as its largest store in mainland China. The brand also held a “Century Retrospective Expo” at Plaza 66 in 2010, showcasing antique handbags which were shipped from France, and exhibited outside that country for the first time. The group’s regional offices are also located in Plaza 66’s Office Tower.

中國內地物業租賃 MAINLAND CHINA PROPERTY LEASING

與商舖市道的蓬勃環境相比，上海寫字樓市場由於年內供應充裕，故寫字樓租金面對較大的挑戰。鑑於未來約十二個月內續有新盤供應，故我們認為有關情況短期內難以改善。儘管面對挑戰，但憑著集團的正面形象、優越地利、與租戶的緊密夥伴關係，以及卓越的客戶服務，我們年內仍能將租出率維持在百分之九十九以上。事實上，恒隆廣場辦公樓有超過一半租戶是十年前我們開業時遷入，至今已和我們共度十載，證明我們與租戶關係悠久，優質服務備受認同。

港匯恒隆廣場

港匯恒隆廣場的購物商場於二零一零／二零一一財政年度錄得租賃營業額增長百分之十三至港幣八億二千二百萬元，租出率近乎百分之一百。

Despite the flourishing retail environment, office rentals in Shanghai experienced greater challenges as abundant supplies of office premises entered the market during the year, and will continue to do so for the next 12 months or so. With our positive image, prime location, close partnerships with tenants as well as our excellent client services, however, we were able to maintain occupancy rates at well over 99% during the year. Testifying to the quality of our services and the strength of our customer partnerships, we can proudly boast that more than half of Plaza 66's office tenants have stayed throughout the past 10 years, moving in when it opened in 2001.

Grand Gateway 66

Grand Gateway 66 saw a rental turnover of HK\$822 million for its shopping mall, an increase of 13% from the year before, with an almost full occupancy in 2010/11.



這個坐落於上海中心地點的項目，除於年內易名為「港匯恒隆廣場」，發揮「恒隆」品牌效益，更藉此積極優化租戶組合及提升檔次，吸引了更多頂級品牌在年內落戶。年內，其寫字樓租金收入下降百分之四至港幣二億三千五百萬元，而住宅及服務式寓所租金收入增加百分之十至港幣一億六千萬元。

The highlight for this centrally-located development in Shanghai during the year was its renaming under our premium "66" brand to become Grand Gateway 66. This repositioning defines the development's strengthening image together with its enhanced tenant mix. Leveraging on the Hang Lung "66" brand, Grand Gateway 66 has actively enhanced its tenant mix, adding more luxury names during the year. Income from office rentals dropped 4% to HK\$235 million while income from the residential towers and serviced apartments increased by 10% to HK\$160 million.

年內，一系列國際知名品牌進駐港匯恒隆廣場當中包括迪奧(Dior)、UGG、Spige、Dunhill、Escada、EMPORIO ARMANI、Chloé、Loewe和Vivienne Westwood。餐飲方面亦有國際和國內知名連鎖品牌相繼入駐，如VERSACE CAFÉ、Gloria Jean's Coffees、俏江南、板長壽司、鼎泰豐及蘇浙匯。

港匯恒隆廣場內外兼備的持續優化，既滿足上海消費者對更高質素的購物和休閒體驗的需求，更推動商場零售額的大幅上升。除奢侈品店的銷售額持續攀升外，各食肆亦表現良好。其中，於二零一零年開業的Olé精品超市吸引了大批對高端消費需求甚殷的顧客。二零一零年上海世博也加大了港匯恒隆廣場二零一零／二零一一財政年度上半年度錄得的消費需求。

同時，商場亦進行了翻新工程，進一步改善購物設施；並通過改良佈局擴大了商場新翼的有效營業面積，增加店區和顧客空間，帶來了額外的租金收益。

International top brands newly opened at Grand Gateway 66 during the year include Dior, UGG, Spige, Dunhill, Escada, EMPORIO ARMANI, Chloé, Loewe and Vivienne Westwood. There were also new international and mainland food and beverage chain outlets such as VERSACE CAFÉ, Gloria Jean's Coffees, South Beauty Restaurant, Itacho Sushi, Din Tai Fung, and King Mang Shanghai's Restaurant.

With its continued efforts to upgrade the mall's software and hardware, Grand Gateway 66 catered to the demand for a high quality shopping and leisure experience in the Shanghai market and brought in increased sales turnover. Sales of luxury products continued to rise in the year, and food and beverage outlets also performed well. In particular, Olé Supermarket, the cosmopolitan lifestyle supermarket opened in 2010, attracted large crowds seeking luxury goods. The World Expo held in Shanghai in 2010 also created greater consumer demand at Grand Gateway 66 in the first half of the financial year.

Meanwhile, there were also renovations to further improve facilities for shoppers and to add new extensions in the mall, creating larger shop areas, enhanced customer spaces and additional sources of rental income.



中國內地物業租賃 MAINLAND CHINA PROPERTY LEASING

港匯恒隆廣場亦享有地利。它坐落於上海徐家匯商業區最大和最繁忙的地鐵站的上蓋，地點便捷。除了身處地鐵一號線和九號線的交匯點外，更可因即將通車的地鐵十一號線而享有更多客流。

儘管市場競爭日益激烈，愈來愈多住宅發展商轉攻商業地產市場，多家豪華購物商場亦在上海市中心開業，港匯恒隆廣場憑著有效的業務策略、內外兼備的持續經營理念，和商場地利優勢，成功應對挑戰及創造可持續的增長空間。

我們預期港匯恒隆廣場在可見將來仍可保持雙位數字的營業額增長。

Grand Gateway 66's prime location above Shanghai's largest and busiest metro station in the Xujiahui commercial district also stands it in good stead. Not only is Grand Gateway 66 located at the intersection of Lines 1 and 9, the soon-to-open Line 11 will also bring even larger customer flows and pedestrian traffic to the mall.

Despite more intense market competition, as seen in increasing numbers of residential developers turning to the commercial property market and more luxury shopping facilities coming on line in Shanghai's city center, Grand Gateway 66's effective business strategies, well-rounded and sustainable property management approach, and prime location advantage have enabled this popular commercial complex to tackle different challenges and created sustainable long-term growth prospects.

For the foreseeable future, we expect to maintain double-digit turnover growth for this thriving retail and commercial complex.





仿如一家 Home away from Home

岩崎先生是港匯恒隆廣場服務式公寓的住客。他較早時心臟病發，幸好得到及時治療，現已康復。

得悉他患病後，港匯恒隆廣場立刻安排服務式公寓的員工帶鮮花和禮物趕到醫院探訪。他們知道岩崎先生獨在異鄉，太太因簽證所限不能留居上海。

這些關懷令岩崎先生非常感動。他十分感謝港匯恒隆廣場員工，並說他們的關顧令他在病榻上也不感孤獨。

岩崎先生在港匯恒隆廣場服務式公寓居住已近九年，唯一一次暫離是因為公寓進行翻新，使他不得不搬出一年。翻新完成後，他便搬回來了。

港匯恒隆廣場服務式公寓仿如岩崎先生的家。

Mr Iwasaki, a resident in Grand Gateway 66's serviced apartments, suffered a heart attack some time ago. Fortunately he is now fine, thanks to the immediate medical attention he received.

Upon hearing the news of the attack, Grand Gateway 66's serviced apartment staff rushed to the hospital with flowers and gifts for him, knowing that Mr Iwasaki was on his own in a foreign country -- his wife had been unable to stay on in Shanghai due to visa restrictions.

Mr Iwasaki was very touched by the attention. He said he never felt lonely when he was ill because of all the care and attention he received from our Grand Gateway 66 staff.

Mr Iwasaki has been a resident in Grand Gateway 66's serviced apartments for nearly nine years. The only break in his stay was when he had to move out for a year because the apartments were under renovation. Once the renovations were completed, he returned.

Grand Gateway 66's serviced apartments are Mr Iwasaki's home away from home.

中國內地物業租賃
MAINLAND CHINA PROPERTY LEASING

瀋陽的皇城恒隆廣場

恒隆正進一步拓展至內地更多城市，瀋陽的皇城恒隆廣場於二零一零年開業，為我們內地業務的新增長期揭開序幕。該個新商場的所有舖位已全部租出，年內來自約三百個本地和國際租戶的租金收入達港幣一億四千九百萬元。



Palace 66

The opening of Palace 66 in Shenyang in 2010 heralded a new stage of growth in Hang Lung's operations on the Mainland, as we expanded our horizons into up-and-coming cities throughout the country. This new lifestyle and upscale leisure center was fully leased with a mix of some 300 local and international tenants during the year, achieving a rental income of HK\$149 million.

濟南的恒隆廣場

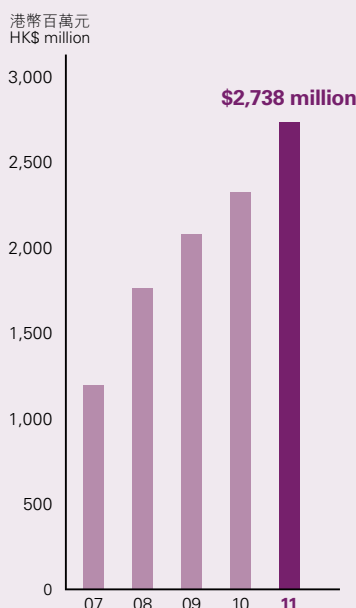
這座樓高七層、坐落於被譽為「金街」的泉城路的世界級購物商場將於二零一一年八月開業，是濟南市最大的購物和消閒中心。濟南的恒隆廣場於開幕前已全部租出，勢將為該城市的休閒娛樂帶來新面貌，成為市內最新的購物和時尚生活地標。

Parc 66

This seven-story world-class shopping mall in the heart of Jinan on Quancheng Lu, the city's "Golden Avenue," will open in August 2011 to become the city's largest shopping and leisure center. Fully leased even before its opening, Parc 66 will not only bring a whole new dimension in entertainment to the city, it is set to become a leading shopping landmark and lifestyle icon.

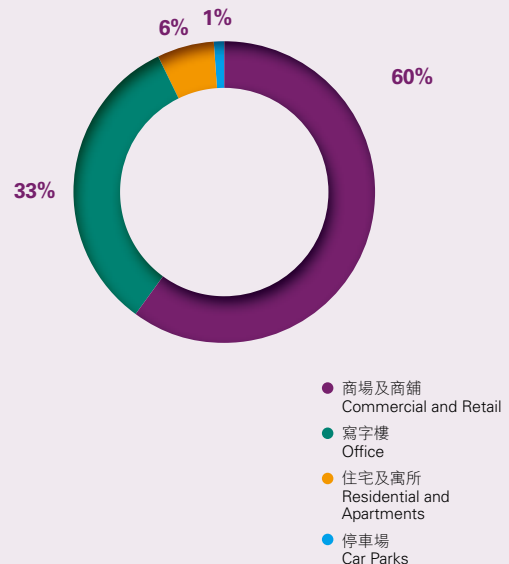
中國內地租金收入
Mainland China Rental Revenue

截至六月三十日止年度
For the years ended June 30



中國內地租金收入之業務分類
Mainland China Rental Revenue
by Business Segment

截至二零一一年六月三十日止年度
For the year ended June 30, 2011



中國內地投資物業之按類分析
Segmental Analysis of Mainland China Investment Properties

| | | 總樓面面積*(千平方米) Total Gross Floor Area* ('000 sq. m.) | | 租金收入(港幣百萬元) Rental Revenue (HK\$ million) | | 租出率(百分比) Occupancy Rate (%) | |
|-------|----------------------------|--|------|---|-------|-----------------------------------|------|
| | | 2011 | 2010 | 2011 | 2010 | 2011 | 2010 |
| 商場及商舖 | Commercial and Retail | 283 | 283 | 1,628 | 1,240 | 97 | 100 |
| 寫字樓 | Office | 227 | 227 | 911 | 906 | 99 | 95 |
| 住宅及寓所 | Residential and Apartments | 83 | 83 | 160 | 146 | 97 | 95 |
| 停車場 | Car Parks | 133 | 176 | 39 | 31 | N/A | N/A |
| 總計 | Total | 726 | 769 | 2,738 | 2,323 | 98 | 98 |

* 包括地面及地底之樓面面積
Including gross floor area above and below ground

中國內地投資物業及發展中投資物業之按地域分析
Geographical Analysis of Mainland China Investment Properties and Investment Properties Under Development

於二零一一年六月三十日 At June 30, 2011

| | | 總樓面面積*(千平方米) Total Gross Floor Area* ('000 sq. m.) |
|----------------|--|---|
| 投資物業 | Investment Properties | |
| 上海 | Shanghai | |
| 徐匯區 | Xuhui District | 315 |
| 靜安區 | Jing'an District | 273 |
| 瀋陽 | Shenyang | |
| 瀋河區(中街路) | Shenhe District (Zhongjie Lu) | 138 |
| 發展中投資物業 | Investment Properties Under Development | |
| 濟南 | Jinan | 171 |
| 瀋陽 | Shenyang | |
| 瀋河區(青年大街) | Shenhe District (Qingnian Da Jie) | 855 |
| 無錫 | Wuxi | |
| 崇安區(人民中路) | Chong'an District (Renmin Zhong Lu) | 264 |
| 崇安區(健康路) | Chong'an District (Jiankang Lu) | 113 |
| 天津 | Tianjin | 153 |
| 大連 | Dalian | 222 |
| 總計 | Total | 2,504 |

* 包括地面及地底之樓面面積
Including gross floor area above and below ground

中國內地物業發展 MAINLAND CHINA PROPERTY DEVELOPMENT



1 瀋陽的市府恒隆廣場

繼瀋陽的皇城恒隆廣場及濟南的恒隆廣場分別於去年和今年開業後，瀋陽的市府恒隆廣場將於明年開業，延續集團內地業務的增長勢頭。此為我們目前最大的在建項目，將興建樓面面積達八十五萬五千一百平方米的地標綜合樓群，包括頂級購物商場、寫字樓、酒店及服務式寓所，其中兩座樓高三百五十米的辦公大樓相信是中國東北部最高的寫字樓群。

市府恒隆廣場坐落於貫通瀋陽市中心有「金廊」之稱的青年大街，置身於瀋陽市最著名的地標包括遼寧大劇院、遼寧省博物館、市政府辦公樓及市府廣場的交匯點。興建中的地鐵將沿著「金廊」設站直達該項目。項目預計於二零一二年起分期落成，最先落成的將是頂級購物商場。

市府恒隆廣場於二零零八年取得美國綠色建築協會之「能源及環境設計先鋒獎——核心及外殼組別」金獎的預認證。

1 Forum 66, Shenyang

Following the opening of Palace 66 in Shenyang last year and Parc 66 in Jinan this year, Forum 66, also in Shenyang, will be coming on stream sometime next year to cement the growth momentum of our Mainland operations. The largest of our current projects under construction by phases, this prime 855,100 square-meter landmark complex will consist of premium shopping facilities, offices, hotels and serviced apartments, with two office towers rising 350 meters, making them the tallest office complexes in northeastern China.

Located on Qingnian Da Jie, the “Golden Corridor” that runs through the city center, Forum 66 is situated in the very midst of some of Shenyang’s most well-known landmarks -- the Liaoning Grand Theater, the Museum of Liaoning Province, the Municipal Government Building, as well as City Plaza. A new metro line, which is being built along the “Golden Corridor,” will also provide direct internal access from the station to our development. Completion is expected in phases from 2012 onwards with the premium shopping facilities being completed first.

Forum 66 received its “Precertification under Leadership in Energy and Environmental Design (LEED) for Core and Shell Development Gold Level” issued by the U.S. Green Building Council in 2008.



② 無錫的恒隆廣場（一期）

與恒隆其他內地項目一樣，無錫的恒隆廣場佔盡地利，坐落在無錫市中心商圈崇安區人民中路，未來的地鐵一號線及二號線將促進項目的人流。恒隆廣場（一期）的面積達二十六萬三千八百平方米，包括一座購物商場及甲級辦公樓群，預期於二零一三年落成。

無錫恒隆廣場的購物商場及一期寫字樓於二零零九年七月獲美國綠色建築協會頒發「能源及環境設計先鋒獎——核心及外殼組別」金獎的預認證。

② Center 66 - - Phase 1, Wuxi

In line with all Hang Lung's Mainland projects, the site for Center 66 was chosen for its prime location in the very heart of the central business district in Wuxi. In addition to being situated right on Renmin Zhong Lu in Chong'an District with its heavy pedestrian flows, Center 66 will also benefit from the busy traffic that the future Number 1 and 2 metro lines will bring. Center 66 Phase 1 consists of 263,800 square meters of premium shopping space and Grade A office towers and is expected to be completed in 2013.

Center 66's shopping mall and Phase 1 office facilities obtained "Precertification under Leadership in Energy and Environmental Design (LEED) for Core and Shell Development Gold Level" from the U.S. Green Building Council in July 2009.

③ 無錫的恒隆廣場（二期）

該項目集商場、辦公樓、酒店及服務式寓所於一身，坐落於健康路及後西溪交界，位於人民中路恒隆廣場（一期）南面。當兩期項目落成後，合計總樓面面積達三十七萬六千八百平方米，成為無錫市核心商業區最大最新的地標。

③ Center 66 - - Phase 2, Wuxi

This commercial, office, hotel and serviced apartment development at the intersection of Jiankang Lu and Houxi Xi is immediately to the south of Renmin Zhong Lu where Center 66, Phase 1, is located. When completed, the total gross floor area of Center 66 Phases 1 & 2 will reach 376,800 square meters, creating the largest commercial development and the latest landmark in Wuxi's central business district.

中國內地物業發展
MAINLAND CHINA PROPERTY DEVELOPMENT



④ 天津的恒隆廣場

天津的恒隆廣場位於「全國十大著名商業街」之一的和平路，與我們其他在建項目一樣佔盡地利，除提供十五萬二千八百平方米的頂級商場和商舖面積外，其建築設計亦甚具特色。它落成後將成為中國最長的購物商場之一，其玻璃結構外殼讓行人在街外亦可飽覽商場內的商舖和活動。其優秀的設計，獲美國建築師聯合會紐約分會頒發「2010美國建築師聯合會紐約分會設計年獎（在建項目組別）」，我們可能是首家在內地營運的香港發展商獲此殊榮。項目亦獲國際房地產論壇及全球交易會頒發「2007未來項目大獎——零售及消閒組別」。項目預期於二零一四年落成。

該項目亦於二零零九年九月獲美國綠色建築協會頒發「能源及環境設計先鋒獎——核心及外殼組別」金獎的預認證。

④ Riverside 66, Tianjin

As with all our new properties under development, Riverside 66 in Tianjin is located on a prime site in Heping Lu, one of the “10 Most Famous Commercial Streets in China”. In addition to its 152,800 square meters of prime commercial and retail space, Riverside 66’s design is unique -- becoming one of the longest shopping malls in China and with a glass shell design providing an external view of the shops and activities within the mall. Riverside 66 won the prestigious “2010 AIA New York Chapter’s Design Awards, Unbuilt Category”, from the American Institute of Architects (AIA) New York Chapter for its outstanding design. We are probably the first Hong Kong developer operating on the Mainland to receive this well-known award. Riverside 66 also received the “MIPIM Architectural Review Future Project Awards 2007 -- Retail and Leisure”. Project completion is due in 2014.

The project was also awarded the “Precertification under Leadership in Energy and Environmental Design (LEED) for Core and Shell Development Gold Level” issued by the U.S. Green Building Council in September 2009.



5 大連的恒隆廣場

大連的恒隆廣場坐落於大連市核心商業街之一的五四路，毗鄰奧林匹克廣場。項目將提供二十二萬一千九百平方米的購物、飲食及消閒設施。其室內廣場將連接項目內充滿活力的中庭空間，以水晶天窗把它們統一起來。此創新和精巧的設計，令項目榮獲知名國際房地產大獎二零一一年度的「亞太區——最佳零售建築項目」及「中國區五星級最佳零售建築項目」大獎。項目已於去年九月舉行動土儀式，預期於二零一四年底落成。

大連的恒隆廣場採用可持續設計及具環保特色，以矢志取得美國綠色建築協會頒發的「能源及環境設計先鋒獎——核心及外殼組別」金獎認證。

5 Olympia 66, Dalian

Centrally located at Wusi Lu, one of the most prominent commercial avenues in Dalian and adjacent to Olympic Plaza, Olympia 66 will offer 221,900 square meters of shopping, dining and entertainment space. An indoor plaza will connect the complex's vibrant atrium spaces, bringing them together under a crystalline skylight. This innovative and sophisticated design won Olympia 66 the "Best Retail Architecture in the Asia-Pacific" and the "Five-star Best Retail Architecture in China" titles under the renowned International Property Awards 2011. A ground-breaking ceremony for the project took place in September last year, and completion is expected towards the end of 2014.

Olympia 66 includes a range of sustainability design and eco-friendly features, aiming to achieve the "Certification under Leadership in Energy and Environmental Design (LEED) for Core and Shell Development Gold Level" issued by the U.S. Green Building Council.

集團主要物業 MAJOR GROUP PROPERTIES



主要發展中物業 Major Properties Under Development

於二零一一年六月三十日 At June 30, 2011

| 地點 | Location | 地盤面積 (平方米) Site Area (sq. m.) | 主要用途 Main Usage | 總樓面面積 (平方米) Total Gross Floor Area (sq. m.) | 集團應佔權益 (百分比) Group's Attributable Interest (%) | 施工階段 Stage of Completion | 預計落成 日期 Expected Completion Date |
|---------------------------|---|--|--------------------|---|--|--------------------------------|--|
| 香港 HONG KONG | | | | | | | |
| 藍塘道， 內地段 5747 號 | Blue Pool Road, IL 5747 | 7,850 | R | 8,005 | 49.1 | 地基工程 Foundation | 2012 |
| 濟南 JINAN | | | | | | | |
| 恒隆廣場， 泉城路， 歷下區 | Parc 66, Quancheng Lu, Lixia District | 52,569 | C | 171,000 | 49.1 | 建築上蓋 Superstructure | 2011 |
| 瀋陽 SHENYANG | | | | | | | |
| 市府恒隆廣場， 青年大街， 瀋河區 | Forum 66, Qingnian Da Jie, Shenhe District | 92,065 | C/H/O/S | 855,100 | 49.1 | 建築上蓋 Superstructure | 2012 起 onwards |
| 無錫 WUXI | | | | | | | |
| 恒隆廣場（一期）， 人民中路， 崇安區 | Center 66 (Phase 1), Renmin Zhong Lu, Chong'an District | 37,324 | C/O | 263,800 | 49.1 | 地基工程 Foundation | 2013 起 onwards |
| 恒隆廣場（二期）， 健康路， 崇安區 | Center 66 (Phase 2), Jiankang Lu, Chong'an District | 16,767 | C/H/O/S | 113,000 | 49.1 | 計劃中 Planning | 不適用 N/A |
| 天津 TIANJIN | | | | | | | |
| 恒隆廣場， 和平路， 和平區 | Riverside 66, Heping Lu, Heping District | 42,697 | C | 152,800 | 49.1 | 地基工程 Foundation | 2014 |
| 大連 DALIAN | | | | | | | |
| 恒隆廣場， 五四路， 西崗區 | Olympia 66, Wusi Lu, Xigang District | 63,400 | C | 221,900 | 49.1 | 地基工程 Foundation | 2014 |

C : 商場 Commercial
H : 酒店 Hotel
O : 寫字樓 Office
R : 住宅 Residential
S : 服務式寓所 Serviced Apartments



已建成待售物業
Properties Completed for Sale

於二零一一年六月三十日 At June 30, 2011

| 地點 | Location | 主要用途 Main Usage | 總樓面面積 (平方米) Total Gross Floor Area (sq. m.) | 集團應佔權益 (百分比) Group's Attributable Interest (%) | 未售出 住宅單位數目 No. of Unsold Residential Units | 未售出 車位數目 No. of Unsold Carparking Spaces |
|----------------------------------|--|--------------------|---|--|--|--|
| 香港 HONG KONG | | | | | | |
| 君臨天下， 柯士甸道西1號， 九龍內地段11080號 | The HarbourSide, 1 Austin Road West, KIL 11080 | R | 37,487 | 49.1 | 284 | 270 |
| 浪澄灣， 海輝道8號， 九龍內地段11152號 | The Long Beach, 8 Hoi Fai Road, KIL 11152 | R | 100,224 | 49.1 | 1,234 | – |
| 碧海藍天， 深盛路8號， 新九龍內地段6338號 | AquaMarine, 8 Sham Shing Road, NKIL 6338 | R | 1,939 | 49.1 | 21 | – |
| 君逸山， 迦密村街9號， 九龍內地段11122號 | Carmel-on-the-Hill, 9 Carmel Village Street, KIL 11122 | R | 286 | 49.1 | 2 | 17 |

R : 住宅 Residential

集團主要物業 MAJOR GROUP PROPERTIES



主要投資物業 Major Investment Properties

於二零一一年六月三十日 At June 30, 2011

| 地點 | Location | 地契屆滿年期 Lease Expiry | 樓面面積 (平方米) Gross Floor Area (sq. m.) | | | |
|--|---|------------------------|---|---|---|--|
| | | | 商場及商舖 Commercial and Retail | 寫字樓及 工業/寫字樓 Office and Industrial/ Office | 住宅及寓所 Residential and Apartments | 車位數目 No. of Carparking Spaces |
| 香港 | HONG KONG | | | | | |
| 中環及金鐘 | CENTRAL AND ADMIRALTY | | | | | |
| 印刷行， 都爹利街6號， 內地段339號 | Printing House, 6 Duddell Street, IL 339 | 2848 | 1,709 | 5,980 | — | — |
| 都爹利街1號， 內地段7310號 | 1 Duddell Street, IL 7310 | 2848 | 2,340 | 6,616 | — | — |
| 樂成行， 雪廠街22號， 內地段644號 | Baskerville House, 22 Ice House Street, IL 644 | 2880 | 1,473 | 3,379 | — | — |
| 渣打銀行大廈， 德輔道中4-4A號， 海傍地段103號 A段及B段 | Standard Chartered Bank Building, 4 - 4A Des Voeux Road Central, Sections A&B of ML 103 | 2854 | 4,814 [†] | 23,730 [†] | — | 16 |
| 金鐘廊， 金鐘道93號 | Queensway Plaza, 93 Queensway | 2012 | 7,303 | — | — | — |
| 銅鑼灣及灣仔 | CAUSEWAY BAY AND WANCHAI | | | | | |
| 恒隆中心， 百德新街2-20號， 內地段524號及749號 | Hang Lung Centre, 2-20 Paterson Street, IL 524 & IL 749 | 2864 | 8,777 | 22,131 | — | 126 |
| 名店坊， 百德新街、厚誠街、 記利佐治街、加寧街、 京士頓街、告士打道， 海傍地段231號 及52號， 內地段469號及470號 | Fashion Walk, Paterson Street, Houston Street, Great George Street, Cleveland Street, Kingston Street, Gloucester Road, ML 231 & ML 52, IL 469 & IL 470 | 2842, 2864 & 2868 | 31,072 | — | 7,935 | — |
| 栢景臺， 英皇道1號， 內地段8560號 | Park Towers, 1 King's Road, IL 8560 | 2060* | 1,101 | — | — | 250 |
| 瑞安中心， 15至28樓， 港灣道6-8號， 內地段8633號 | Shui On Centre, 15/F-28/F, 6-8 Harbour Road, IL 8633 | 2060* | — | 16,313 | — | 42 |
| 康山及鰂魚涌 | KORNHILL AND QUARRY BAY | | | | | |
| 康怡廣場， 康山道1-2號， 內地段8566號 | Kornhill Plaza, 1-2 Kornhill Road, IL 8566 | 2059* | 53,080 | 10,577 | — | 1,069 |
| 康蘭居， 康山道2號， 內地段8566號 | Kornhill Apartments, 2 Kornhill Road, IL 8566 | 2059* | — | — | 35,275 | — |
| 樂基中心， 英皇道734號， 內地段3507號 | Stanhope House, 734 King's Road, IL 3507 | 2082 | 1,424 | 26,411 | — | 70 |



主要投資物業(續)
Major Investment Properties (Continued)

於二零一一年六月三十日 At June 30, 2011

| 地點 | Location | 地契屆滿年期 Lease Expiry | 樓面面積 (平方米) Gross Floor Area (sq. m.) | | | 車位數目 No. of Carparking Spaces |
|--|---|------------------------|---|---|---|--|
| | | | 商場及商舖 Commercial and Retail | 寫字樓及 工業/寫字樓 Office and Industrial/ Office | 住宅及寓所 Residential and Apartments | |
| 香港(續) | HONG KONG (Continued) | | | | | |
| 山頂及半山區 | THE PEAK AND MID-LEVELS | | | | | |
| 山頂廣場， 山頂道 118 號， 市郊地段 3 號 | The Peak Galleria, 118 Peak Road, RBL 3 | 2047 | 12,446 | — | — | 493 |
| 花園臺， 2-3 號第二座， 舊山頂道 8A 號， 內地段 896 號及 2850 號 | Nos. 2&3, Garden Terrace, Block 2, 8A Old Peak Road, IL 896 & IL 2850 | 2078 & 2886 | — | — | 558 | 25 |
| 御峯， 司徒拔道 41C 號， 內地段 8870 號 | The Summit, 41C Stubbs Road, IL 8870 | 2047 | — | — | 15,225 | 54 |
| 港島南區 | HONG KONG SOUTH | | | | | |
| 濱景園，南灣道 9 號， 市郊地段 994 號 | Burnside Villa, 9 South Bay Road, RBL 994 | 2072 | — | — | 9,212 | 89 |
| 旺角 | MONGKOK | | | | | |
| 旺角中心第一期， 彌敦道 688 號， 九龍內地段 1262 號 | Argyle Centre, Phase I, 688 Nathan Road, KIL 1262 | 2060 | 114 | — | — | — |
| 雅蘭中心一期， 彌敦道 627-641A 號， 九龍內地段 10246 號 | One Grand Tower, 627-641A Nathan Road, KIL 10246 | 2060 | 19,276 | 22,637 | — | 40 |
| 雅蘭中心二期， 彌敦道 625 號， 九龍內地段 10234 號 | Two Grand Tower, 625 Nathan Road, KIL 10234 | 2060 | 1,629 | 8,614 | — | — |
| 恒通大廈， 廣東道 1112-1120 號， 九龍內地段 9708 號 | Hang Tung Building, 1112-1120 Canton Road, KIL 9708 | 2045 * | — | — | — | 1,000 |
| 栢裕商業中心/ 家樂坊， 登打士街 56 號， 九龍內地段 9590 號 | Park-In Commercial Centre/ Gala Place, 56 Dundas Street, KIL 9590 | 2044 * | 7,454 | 30,205 | — | 478 |
| 荷李活商業中心， 彌敦道 610 號， 九龍內地段 11024 號 | Hollywood Plaza, 610 Nathan Road, KIL 11024 | 2047 | 9,139 | 17,941 | — | — |
| 君逸山， 迦密村街 9 號， 九龍內地段 11122 號 | Carmel-on-the-Hill, 9 Carmel Village Street, KIL 11122 | 2050 | 2,131 | — | — | 11 |
| 尖沙咀及西九龍 | TSIMSHATSUI AND WEST KOWLOON | | | | | |
| 格蘭中心， 堪富利士道 8 號， 九龍內地段 7725 號及 8026 號 | Grand Centre, 8 Humphreys Avenue, KIL 7725 & KIL 8026 | 2038 | 3,688 | 7,198 | — | — |

集團主要物業
MAJOR GROUP PROPERTIES

主要投資物業(續)
Major Investment Properties (Continued)

於二零一一年六月三十日 At June 30, 2011

| 地點 | Location | 地契屆滿年期 Lease Expiry | 樓面面積 (平方米) Gross Floor Area (sq. m.) | | | |
|--|---|------------------------|---|---|---|--|
| | | | 商場及商舖 Commercial and Retail | 寫字樓及 工業/寫字樓 Office and Industrial/ Office | 住宅及寓所 Residential and Apartments | 車位數目 No. of Carparking Spaces |
| 香港(續) | HONG KONG (Continued) | | | | | |
| 尖沙咀及西九龍(續) | TSIMSHATSUI AND WEST KOWLOON (Continued) | | | | | |
| 恒福時裝雅集， 彌敦道221B-E號， 九龍內地段10619號及 8132號 | Hanford Fashion, 221B-E Nathan Road, KIL 10619 & KIL 8132 | 2037 | 1,444 | 4,891 | — | — |
| 浪澄灣， 海輝道8號， 九龍內地段11152號 | The Long Beach, 8 Hoi Fai Road, KIL 11152 | 2050 | 20,174 | — | — | 390 |
| 碧海藍天， 深盛路8號， 新九龍內地段6338號 | AquaMarine, 8 Sham Shing Road, NKIL 6338 | 2050 | 22,350 | — | — | 516 |
| 牛頭角及觀塘 | NGAUTAU KOK AND KWUNTONG | | | | | |
| 淘大商場， 牛頭角道77號， 新九龍內地段53號、 1482號、2660號及 3947號 | Amoy Plaza, 77 Ngau Tau Kok Road, NKIL 53, NKIL 1482, NKIL 2660 & NKIL 3947 | 2047 | 49,006 | — | — | 620 |
| 淘大工業中心， 牛頭角道7號， 新九龍內地段1744號 | Amoycan Industrial Centre, 7 Ngau Tau Kok Road, NKIL 1744 | 2047 | — | 8,589 | — | — |
| 麗港城商場， 茶果嶺道， 新九龍內地段6055號 | Laguna Plaza, Cha Kwo Ling Road, NKIL 6055 | 2047 | 15,162 | — | — | 165 |
| 長沙灣、葵涌及荃灣 | CHEUNG SHA WAN, KWAI CHUNG AND TSUEN WAN | | | | | |
| 百佳商業中心， 青山道476號， 新九龍內地段1761號 | Park Building, 476 Castle Peak Road, NKIL 1761 | 2047 | 397 | 13,109 | — | — |
| 荔枝角道822號， 新九龍內地段5568號 | 822 Lai Chi Kok Road, NKIL 5568 | 2047 | — | 9,004 | — | 73 |
| 永康街9號， 新九龍內地段6229號 | 9 Wing Hong Street, NKIL 6229 | 2047 | — | 35,223 | — | 95 |
| 荔灣花園， 荔景山道1A1、1A2、 5A、6A及6B號商舖， 測量約分4號 地段3336號 | Laichikok Bay Garden, Shops 1A1, 1A2, 5A, 6A & 6B, Lai King Hill Road, Lot 3336 of SD 4 | 2047 | 3,109 | — | — | 172 |
| 紅A中心， 青山道443-451號， 丈量約分445號地段 690號A段 | Star Centre, 443-451 Castle Peak Road, Section A of Lot 690 in DD 445 | 2047 | — | 28,512 | — | 27 |
| 汀蘭居， 油柑頭青山公路 123號，荃灣市地段 356號 | The Bay Bridge, 123 Castle Peak Road, Yau Kom Tau, TWTL 356 | 2047 | — | — | 20,096 | 179 |



主要投資物業(續)
Major Investment Properties (Continued)

於二零一一年六月三十日 At June 30, 2011

| 地點 | Location | 地契屆滿年期 Lease Expiry | 樓面面積 (平方米) Gross Floor Area (sq. m.) | | | 車位數目 No. of Carparking Spaces |
|--|---|------------------------|---|---|---|--|
| | | | 商場及商舖 Commercial and Retail | 寫字樓及 工業／寫字樓 Office and Industrial/ Office | 住宅及寓所 Residential and Apartments | |
| 香港(續) HONG KONG (Continued) | | | | | | |
| 長沙灣、葵涌及荃灣(續) CHEUNG SHA WAN, KWAI CHUNG AND TSUEN WAN (Continued) | | | | | | |
| 灣景花園， 荃灣青山道633號， 荃灣市地段329號 | Bayview Garden, 633 Castle Peak Road, Tsuen Wan, TWTL 329 | 2047 | 4,959 | — | — | 52 |
| 屯門 TUEN MUN | | | | | | |
| 大興花園， 屯門震寰路11號及 河興街10號A， 屯門市地段312號 | Tai Hing Gardens, 11 Tsun Wen Road and 10A Ho Hing Circuit, Tuen Mun, TMTL 312 | 2047 | 10,970 | — | — | 387 |
| 聯昌中心， 屯門業旺路8號， 丈量約分131號地段 1169號 | Luen Cheong Can Centre, 8 Yip Wong Road, Tuen Mun, Lot 1169 in DD 131 | 2047 | — | 7,856 | — | 37 |

* 可續期七十五年
With an option to renew for a further term of 75 years

† 集團現擁有面積二萬二千一百零一平方米寫字樓之租金收入，其餘樓面之收租權益將於二零一二年交回集團。
The Group is now entitled to rental on 22,101 square meters of office area. The rights to rental entitlement in the remaining area will revert to the Group in 2012.

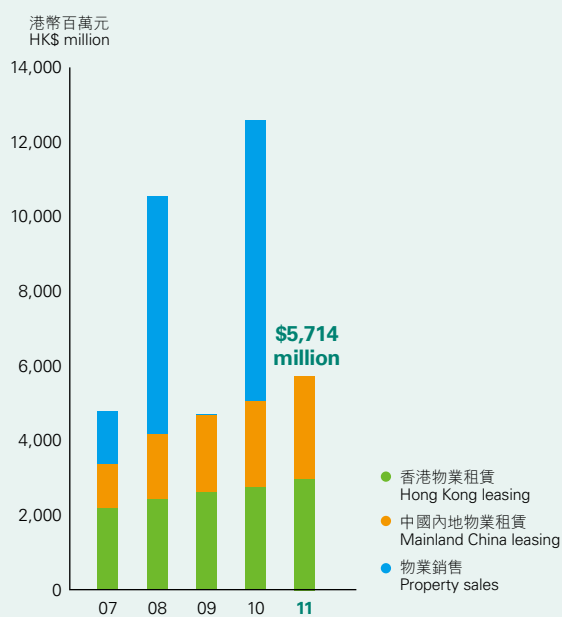
| 地點 | Location | 地契屆滿年期 Lease Expiry | 總樓面面積# (平方米) Gross Floor Area# (sq. m.) | | | 車位數目 No. of Carparking Spaces |
|--------------------------------------|---|------------------------|--|---|---|--|
| | | | 商場及商舖 Commercial and Retail | 寫字樓及 工業／寫字樓 Office and Industrial/ Office | 住宅及寓所 Residential and Apartments | |
| 上海 SHANGHAI | | | | | | |
| 港滙花園第一期及 第二期， 華山路2118號， 徐匯區 | Grand Gateway 66 Gardens 1 & 2, 2118 Hua Shan Lu, Xuhui District | 2063 | — | — | 64,900 | — |
| 港滙恒隆廣場， 虹橋路1號， 徐匯區 | Grand Gateway 66, 1 Hong Qiao Lu, Xuhui District | 2043 | 120,000 | 67,200 | 18,300 | 835 |
| 恒隆廣場， 南京西路1266號， 靜安區 | Plaza 66, 1266 Nan Jing Xi Lu, Jing'an District | 2044 | 53,600 | 159,700 | — | 804 |
| 瀋陽 SHENYANG | | | | | | |
| 皇城恒隆廣場 中街路128號 瀋河區 | Palace 66 128 Zhongjie Lu, Shenhe District | 2057 | 109,300 | — | — | 871 |

包括地面及地底之樓面面積
Including gross floor area above and below ground

財務回顧 FINANCIAL REVIEW

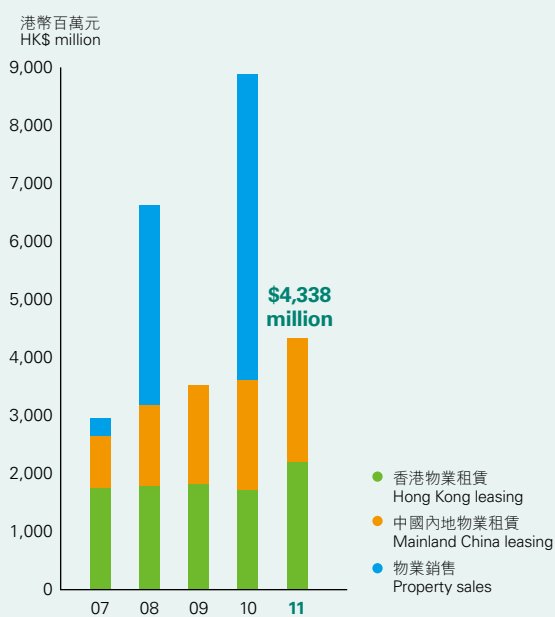
營業額 Turnover

截至六月三十日止年度
For the years ended June 30



未計入投資物業之公平值變動的營業溢利 Operating Profit Before Change in Fair Value of Investment Properties

截至六月三十日止年度
For the years ended June 30



二零一一年財務業績回顧

本集團之核心業務，於香港及中國內地之物業租賃業務，於本年度再次錄得強勁業績。該部分之基本溢利，即不計重估收益淨額之稅後溢利，上升百分之二十四至港幣十七億三千二百萬元。

受興旺之租賃活動推動，本年度物業租賃之租金收入及經營溢利分別增長百分之十三及百分之十二，至港幣五十七億一千一百萬元及港幣四十五億七千四百萬元。

香港投資物業所產生之租金收入及經營溢利分別增長百分之八及百分之十一，至港幣二十九億七千三百萬元及港幣二十四億三千八百萬元。

Review of 2011 Financial Results

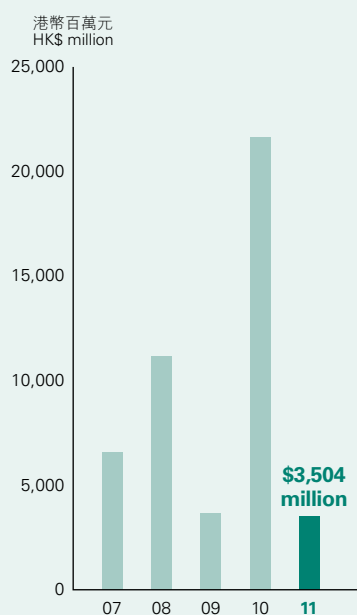
Property leasing in Hong Kong and mainland China, our core business, delivered robust results again this year. Underlying profit, being profit after taxation without taking into account the net revaluation gain, derived from this segment rose 24% to HK\$1,732 million.

Fueled by strong leasing activities, rental turnover and operating profit for property leasing increased by 13% and 12% in the year to HK\$5,711 million and HK\$4,574 million, respectively.

Rental income and operating profit generated from Hong Kong investment properties grew 8% and 11% to HK\$2,973 million and HK\$2,438 million, respectively.

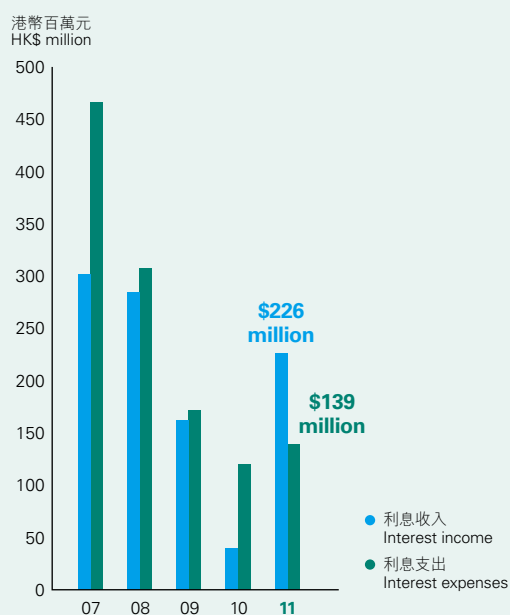
投資物業之公平值增加 Change in Fair Value of Investment Properties

截至六月三十日止年度
For the years ended June 30



利息收入及支出 Interest Income and Expenses

截至六月三十日止年度
For the years ended June 30



中國內地物業持續錄得驕人增長，租金收入及經營溢利分別增長百分之十八及百分之十二，至港幣二十七億三千八百萬元及港幣二十一億三千六百萬元。

Mainland China properties continued to record pleasing growth as rental income and operating profit increased by 18% and 12% to HK\$2,738 million and HK\$2,136 million, respectively.

本年度物業銷售數量有限，因為本集團在當前較不確定之市場環境下，決定保留已完工之公寓。因此，雖然由於物業銷售有限致使直接成本及經營費用大幅下降，恒隆集團之總營業額及基本溢利仍然分別下降百分之五十五及百分之五十三，至港幣五十七億一千四百萬元及港幣十七億三千三百萬元。

Property sales were insignificant this year since we decided to retain the completed flats under the current uncertain market conditions. As a result, while direct costs and operating expenses decreased substantially due to the insignificant property sales, total turnover and underlying profit of Hang Lung Group fell by 55% and 53% to HK\$5,714 million and HK\$1,733 million, respectively.

財務回顧 FINANCIAL REVIEW

本年度投資物業公平值增長為港幣三十五億零四百萬元，低於去年之港幣二百一十六億二千六百萬元。下降主要是由於根據二零零九／一零年度之一項新會計準則確認發展中物業之一次性累積重估收益港幣七十三億六千五百萬元。此外，於二零零八年之金融風暴之後，二零零九／一零年度之物業重估價值錄得強勁反彈。

通過恒隆地產於二零一零年十一月根據先舊後新的安排配售二億九千三百九十萬股新股，本集團持有可觀之現金結餘，當中包括以應付於中國內地的建築支出之人民幣存款。本年度錄得港幣八千七百萬元之淨利息收入，而去年則錄得港幣八千萬元之淨利息支出。

由於溢利下降，本年度稅項支出下降百分之七十八至港幣十一億一千七百萬元。

因此，恒隆集團之股東應佔純利下降百分之七十三至港幣三十五億二千九百萬元。本年度每股基本盈利由港幣二元七角六仙下降至港幣一元二角九仙。董事會已建議派付末期股息每股港幣五十七仙，與二零一零年相同。

The increase in fair value of investment properties recorded for this year amounted to HK\$3,504 million which was lower than HK\$21,626 million last year. The reduction was primarily due to recognition of a one-off cumulative revaluation gain of HK\$7,365 million from properties under development pursuant to a new accounting standard in 2009/10. In addition, an extraordinary revaluation rebound in 2009/10 was observed following the financial turmoil experienced in 2008.

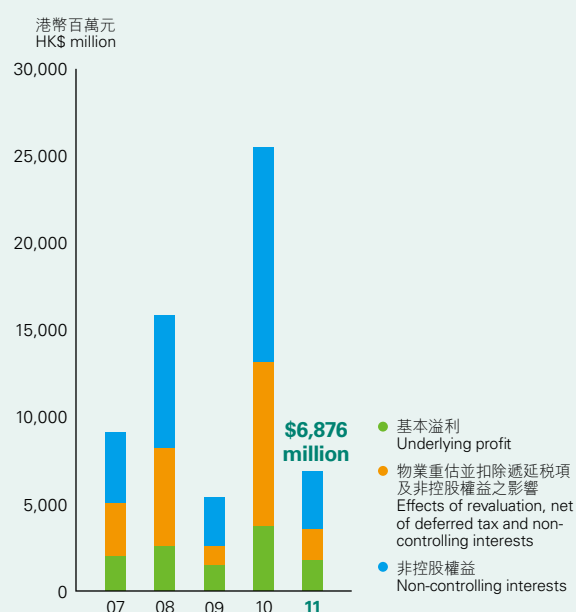
With the issue of 293.9 million new shares in November 2010 by Hang Lung Properties pursuant to placing and top-up arrangement, the Group held significant cash balances including Renminbi deposits to meet construction expenditure in mainland China. A net interest income of HK\$87 million was recorded for the year against a net interest expense of HK\$80 million last year.

Taxation charges decreased by 78% this year to HK\$1,117 million due to the decrease in profit.

Consequently, the net profit attributable to shareholders of Hang Lung Group fell 73% to HK\$3,529 million. The underlying earnings per share decreased from HK\$2.76 to HK\$1.29 this year. The Board has proposed a final dividend of HK57 cents per share, the same as 2010.

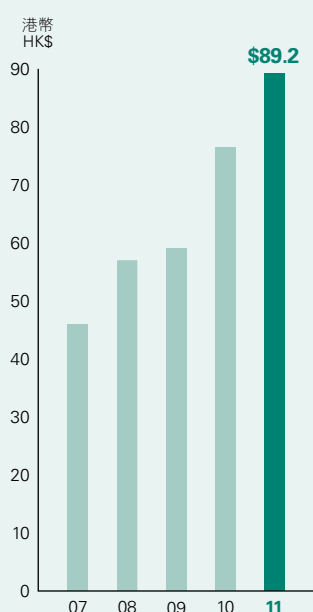
年度溢利 Profit for the Year

截至六月三十日止年度
For the years ended June 30



每股資產淨值 Net Assets per Share

於六月三十日
At June 30



二零一一年財務業績回顧

本集團有策略地管理財務，持續保持充裕之財務資源和有適當外匯組合的現金流量以於到期時履行各項義務。

於二零一零年十一月，本集團之附屬公司恒隆地產有限公司通過按每股港幣三十七元四角八仙之價格向機構投資者以先舊後新的安排配售二億九千三百九十萬股股份，以擴大資本基礎。此次配售共獲得港幣一百零八億九千六百萬元。因此，本集團之財務狀況得以進一步加強，淨資產增加百分之十七至港幣一千二百零一億九千七百萬元。

Review of 2011 Financial Position

The Group continued to manage its financial affairs tactically by maintaining sufficient financial resources and liquidity with appropriate currency mix to meet all obligations as they fall due.

In November 2010, the Group's subsidiary Hang Lung Properties Limited expanded its capital base by a top-up placement of 293.9 million shares to institutional investors at a price of HK\$37.48 per share. Net proceeds of HK\$10,896 million were collected. Hence, our financial position was further strengthened with net assets increased by 17% to HK\$120,197 million.

財務回顧 FINANCIAL REVIEW

投資物業增加百分之六至港幣九百四十億零三百萬元，部份由於對現有組合之重估收益。

根據計劃中之施工進度，加上港幣四千一百萬元之重估收益，發展中物業由港幣一百五十三億二千六百萬元增加至港幣二百一十五億二千四百萬元。

於二零一一年六月三十日，本集團之資本承擔為港幣三百五十四億七千七百萬元；其主要與中國內地之物業發展項目有關。其中，約港幣二百億元屬未來四年落成之項目，餘下為以後相繼落成之項目。

本集團繼續保持審慎水平之流動資金及銀行信貸以滿足未來之承擔需求。截至二零一一年六月三十日，本集團持有現金及銀行存款港幣二百八十二億七千四百萬元，以滿足內地各個項目規定之注資及施工付款計劃之要求，以及其他營運資金需求。經扣除總借貸（無抵押）港幣二百零九億零一百萬元，本集團截至二零一一年六月三十日共持有現金淨額港幣七十三億七千三百萬元。

為擴大我們的融資來源，年內本集團訂立中期票據（「中期票據」）計劃，金額達二十億美元，作為替代債務融資途徑。通過建立該計劃，未提取之銀行信貸金額已從上一年度之港幣一百七十一億九千一百萬元相應減少至港幣一百一十九億四千四百萬元。

Investment properties rose by 6% to HK\$94,003 million partly due to the revaluation gains on existing portfolio.

In line with scheduled construction progress together with a revaluation gain of HK\$41 million, properties under development increased from HK\$15,326 million to HK\$21,524 million.

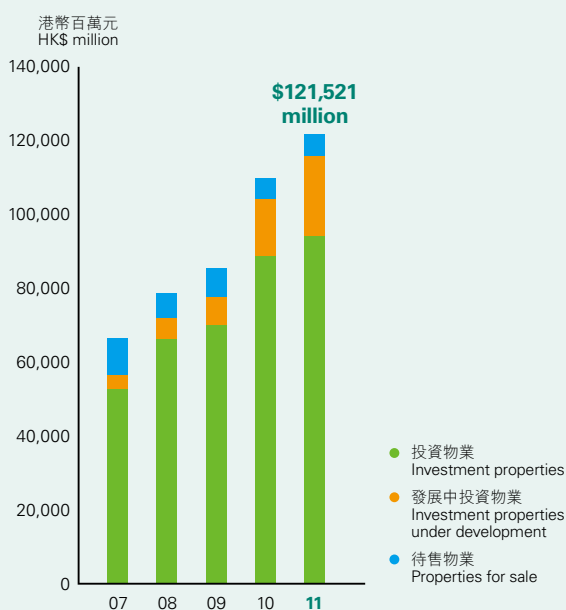
At June 30, 2011, the Group had capital commitments amounting to HK\$35,477 million which are predominantly related to the property development projects in mainland China. Out of these commitments, approximately HK\$20,000 million are for projects to be completed in the next four years while the rest is for projects to be completed thereafter.

The Group continued to position itself with a prudent level of liquid funds and banking facilities to meet future commitments. As at June 30, 2011, the Group had cash and bank deposits of HK\$28,274 million in order to meet the stipulated equity injection requirements of various projects on the Mainland and their construction payment schedules in addition to other working capital requirements. After netting off total borrowings, all unsecured, of HK\$20,901 million, the Group had net cash of HK\$7,373 million as at June 30, 2011.

To diversify our sources of funding, we established a Medium Term Note ("MTN") Program to the extent of US\$2 billion during the year as an alternate source of debt financing. With the establishment of this Program, the amount of un-drawn banking facilities was correspondingly reduced to HK\$11,944 million from HK\$17,191 million in the previous year.

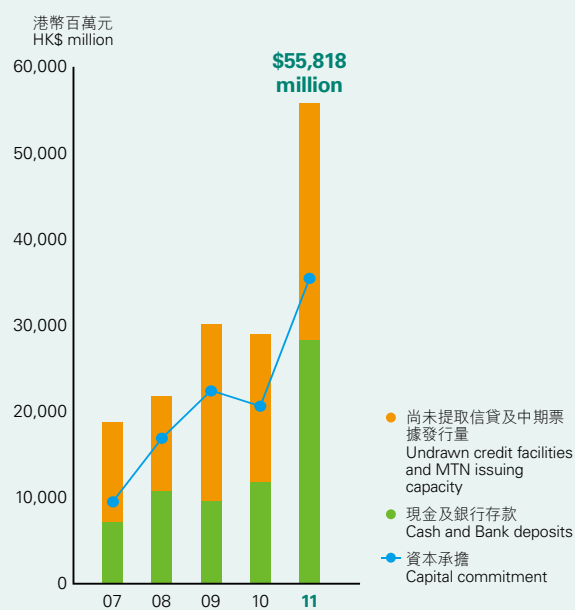
投資物業、發展中投資物業及待售物業 Investment Properties, Investment Properties Under Development and Properties for sale

於六月三十日
At June 30



財務資源及資本承擔 Financing Resources and Capital Commitment

於六月三十日
At June 30



憑藉本集團強勁之現金產生能力及豐富之財務資源，我們有能力應對任何意外之市場變動或把握符合我們增長策略的有吸引力之投資機會。

With our strong cash generation capability and ample financial resources, we are well-positioned to deal with unexpected market dislocation or to capture attractive investment opportunities that fit our growth strategy.

風險管理

RISK MANAGEMENT

土地儲備購置及物業發展

正確的抉擇、合適的位置、適當的步調

本集團以長期擴展計劃為基礎，執行擴充土地儲備策略。每個發展項目或土地購置，均須就相關風險和回報等各方面作出周全評估，經董事局批准後方可進行。其他考慮及評估因素尚包括：相關之政府政策、當地政府之支持程度、各項經濟數據和周邊的基建配套設施等。我們在中國內地的投資項目用作長期的商業用途。因此，短期市場波動及政府政策將對我們的長期發展計劃造成之影響最小。

每個項目均由具備相關技能和經驗的專業團隊專責管理，並由高級管理層密切監察。所有項目均須定期審查進展，以便迅速作出決定；亦成立指導委員會負責監察該項目的進度，並審議和批准設計及興建狀況之任何重大變化。規定施工團隊定期向指導委員會及董事局作出報告。

內部監控環境

恰當的基調

良好的監控環境為出色的內部監控奠定了基調。我們的簡單而有效的監控機制融合基本的要素，例如密切和定期的管理檢討、職責分工、預算監控、各種權限級別的清晰且明確以及具體的限制、告密機制，全體員工和交易夥伴的行為準則以及為員工的發展提供適當的培訓。

財務風險

妥當的監控

本集團之業務使我們面對各類財務風險。此等風險載於下文，並按管理層批准的集團財務政策進行管理。

(a) 利率及匯率

本集團大部分借貸均以浮動利率計息，故須面對利率變動之影響。本集團密切監察利率風險，於適當時會採用相關措施以管理風險，包括但不限於發行固定利率債券，並小心策劃和管理貨幣資產和負債之到期日，盡量減少錯配和重新定價風險。本集團以內地現有的貨幣機制來管理其內地投資的匯率風險，以最大限度地保護自身。由於港元與美元掛鈎，故我們認為美元存款的匯率風險不大。

Land Bank Acquisition and Property Development

Right Choice, Right Place, Right Pace

The Group's long-term expansion plans underpin our strategy to build up our land bank. Each development project or land acquisition requires Board approval after thorough evaluation of its various aspects including the related risk and return. Other factors for consideration and assessment include relevant government policies, level of local government support, various economic data and the adequacy of the infrastructure development in the surrounding area. Our investment projects in Mainland China are for long-term commercial usage. Thus short-term market fluctuations and government policies will have minimal impact on our long-term development plans.

Each project is managed by a designated professional team with the relevant skills and experience. Projects are actively supervised by senior management with regular progressive reviews so that decisions can be made promptly. A steering committee is also set up to monitor the progress of each project and to consider and approve any major changes to the design and construction status. The construction team is required to report regularly to the steering committee and the Board.

Internal Control Environment

Right Tone

A good control environment sets the tone for good internal controls. Our simple but effective control mechanisms incorporate fundamental elements such as close and regular management reviews, the segregation of duties, budgetary controls, clear, well defined and specific limits for the various authority levels, whistle blowing mechanisms, codes of conduct for all staff and trading partners, as well as the provision of appropriate training for staff development.

Treasury Risk

Right Controls

The Group's activities expose us to a variety of treasury risks. The risks as stated below are managed in accordance with the Group's treasury policy approved by management.

(a) Interest Rate and Foreign Exchange

The Group is exposed to interest rate movements as most of the borrowings are issued at floating rates. Interest rate risks are closely monitored and the Group may adopt relevant measures in managing the risks including but not limited to the issuance of fixed interest bonds, if appropriate. Maturities of monetary assets and liabilities are carefully planned and managed to minimize mismatch and repricing risks. Exchange rate risks arising from the Group's investments on the Mainland are managed to the highest possible extent to protect ourselves under the existing currency regime on the Mainland. Given that Hong Kong dollars are pegged to United States dollars, exchange rate risks relating to United States dollar deposits are not considered significant.

(b) 現金管理、融資及流動資金

本集團之現金均由中央匯集管理，以取得規模效益。所有融資需求均於集團層面作出監控安排，以取得最優惠借貸條件及方便財務風險管理，目標是確保始終有足夠資金和銀行貸款來提前履行義務。我們妥善分佈銀行貸款之到期日，把還款或再融資風險減至最少。

(c) 信貸／交易對手

本集團面對的信貸風險涉及應收租金、與物業銷售有關的應收分期付款，以及存放於銀行的存款等。我們對準租戶作出信用評估，收取租金按金，並密切監察未繳租金，從而管理應收租金的信貸風險。至於物業銷售方面，我們持有相關抵押，藉此保障應收之款項。盈餘資金只存放在擁有高度信貸評級和信譽良好的銀行，並限制在每家銀行的存款額，避免過量集中所帶來的風險。

(d) 使用衍生工具

衍生工具僅用於對沖金融風險，絕不容許投機性的衍生工具交易。

業務和經營風險

正確的行動

我們密切監察市場趨勢和營商環境，確保旗下物業保持競爭優勢，並定期為物業進行保養翻新及提升設施，保持物業之安全性和質量。我們已為物業購買充足保險，以確保意外及其他損失時獲得保障，並維持內部監控機制，以保護本集團之資產及防止不當行為發生。我們亦繼續對其環保措施進行升級，以保持領先於市場預期。我們的獨立內部審計部定期進行審閱及檢測，以確保所有監控機制及政策均為充足無缺、符合成本效益及獲得妥善依循。我們已設定有效備份程序，確保電腦資料不會遺失，並設有電腦系統獨立後備中心作為本集團的業務持續計劃的一部分。

人才風險

合適的專才

本集團根據市場薪酬趨勢持續監控其薪酬待遇。提名及薪酬委員會亦確保董事及高級管理層的薪酬水平保持競爭力。我們亦鼓勵員工參加培訓計劃，透過對認可計劃提供適當的財務支持，以提高彼等之知識和技能。我們亦為各個級別的員工提供申訴渠道。此外，我們進行離職面談，為進一步改進收集相關資料。

(b) Cash Management, Funding and Liquidity

The Group's cash is pooled and centrally managed to achieve economies of scale. All funding requirements are controlled and arranged at the corporate level in order to optimize borrowing terms and facilitate financial risk management. The objective is to ensure that sufficient funds and banking facilities are always in place to meet obligations ahead of time. Bank facility maturity dates are properly distributed to minimize repayment or refinancing risks.

(c) Credit/Counter-party

The Group's exposure to credit risk arises from rents receivable, installments receivable relating to property sales and deposits placed with banks. Credit risk on rents receivable is managed through credit assessment of prospective tenants, payment of rental deposits and close monitoring of outstanding rentals. Receivables arising from property sales are protected with collateral on the relevant properties. Surplus funds will only be deposited with reputable banks that have sound credit ratings with assigned exposure limits to mitigate concentration risk.

(d) Use of Derivatives

Derivative instruments may only be used for financial risk hedging purposes. Speculative derivative transactions are not allowed.

Business and Operational Risk

Right Moves

Market trends and business environments are closely monitored to ensure that our properties continue to maintain their competitive edge. Regular maintenance, renovation and upgrading of facilities are carried out to uphold the safety and quality of our properties. Adequate insurance covers are in place to protect our properties against accidental losses and other perils. We have established internal control systems to safeguard our assets and protect the Group from possible malpractices, if any. We also continue to upgrade our environmental conservation measures to stay ahead of market expectations. An independent internal audit team carries out frequent reviews and tests to ensure that internal control systems and policies are adequate, cost effective and complied with. Proper back-up procedures have been established to safeguard against potential loss of computer data. A separate back-up site for our computer system is in place as part of the Group's business continuity plan.

People Risk

Right Talents

The Group's remuneration packages are constantly monitored against market salary trends. The Nomination and Remuneration Committee also ensures that the level of remuneration for directors and senior management will be competitive. We also encourage staff to take up training programs to improve their knowledge and skills with the provision of appropriate financial support for recognized programs. We also maintain channels for grievance reporting for staff of all levels. Additionally, exit interviews are conducted to gather relevant information for future improvement.

可持續發展報告 SUSTAINABILITY REPORT

恒隆致力在環境、人才及社會三方面履行可持續發展的目標和承諾。

**We are committed to promoting sustainability in our environment,
our people and our community.**



實踐承諾 Making the RIGHT Commitment





恒隆的環保管理專責小組身體力行，在山頂廣場及濱景園設置創意園圃，種植多種蔬果，更把收成和同事及公司賓客分享，宣揚環保訊息。

Hang Lung's Environmental Project Team set up small farms at The Peak Galleria and Burnside Villa to grow fruits and vegetables, with a mission to create a greener environment and provide healthy food for staff and guests.

任何機構的成敗存亡，取決於它能否在經濟、環境及社會各方面做到可持續發展。有鑑於此，集團的可持續發展計劃不僅致力於關顧環境，也包括以環保方式興建和管理物業，鼓勵社區投資及員工義工計劃，努力與各個持份者建立互信及創造價值。

恒生可持續發展企業指數

集團一直在企業管治、環境保護、社會和工作環境等範疇積極推廣可持續發展，因而獲選為「恒生可持續發展企業指數」及「恒生內地及香港可持續發展企業指數」的成份股之一。該兩項指數於二零

The viability and success of any organization depends on the sustainability of its operations -- economically, environmentally and socially. Our sustainability program thus not only seeks to care for our environment, but also encompasses building and managing properties in eco-friendly ways, encouraging community investment and staff volunteer service, and working to build trust and value for our various stakeholders.

Hang Seng Corporate Sustainability Index Series

With our continuous commitment to promoting sustainability in terms of corporate governance, environmental, social and work contexts, we were selected to be in the Hang Seng Corporate Sustainability Index and the Hang Seng (Mainland and Hong Kong) Corporate Sustainability Index, when they were launched in July 2010. These

一零年七月推出，為投資者在考慮投資一家機構或一項業務時提供參考基準，以評估企業的持續發展能力及對社會責任的承擔。

商界展關懷計劃

我們獲得香港社會服務聯會嘉許為「商界展關懷」公司，彰顯我們在履行企業社會責任的決心和成果。「商界展關懷」計劃旨在表揚及公開嘉許實踐良好企業公民責任的商業機構，獲嘉許機構需在關懷社區、員工和環境三方面有所貢獻。

可持續的業務發展

恒隆以最卓越的業務管理和最大決心，為持份者提供長期價值和增長潛力。由於可持續概念已植根於我們的業務運作中，因此我們秉持最高的企業管治標準，確保所有業務均受問責及具透明度。這個承諾體現於董事局層面，集團董事長、董事及高級管理人員，均積極參與制定和落實可持續發展策略和措施。有關我們的企業管治措施，詳載於「企業管治」一節。

防範風險及保障業務的持續性

在制定可持續的業務發展策略時，我們另一個重要準則是保障業務的持續性及防範風險。

財政年度內，我們優化了危機管理計劃，除採用切合時宜的措施保障員工、租戶及顧客外，當一旦發生危機或緊急事件時，亦能維持業務正常運作，把任何損害或損失減至最小。

我們並分別於香港和內地進行應急演習，藉此提高員工的防患意識。

indexes provide key benchmarks for the investment community to assess the corporate sustainability and social responsibility of an organization or business that it is thinking of investing in.

Caring Company Scheme

We are named a “Caring Company” by the Hong Kong Council of Social Service, a reaffirmation of our commitment to corporate social responsibility and related achievements in this area. The recognition scheme raises public awareness of good corporate citizenship as demonstrated by the business sector. Awarded companies have demonstrated inspiring corporate social responsibility initiatives through caring for the community, their employees and the environment.

Business Sustainability

Hang Lung is committed to delivering long-term value and growth potential to our stakeholders with the highest level of business management and assurance. The concept of sustainability is deeply ingrained in our business operations. We therefore adhere to the highest standards of corporate governance, ensuring total accountability and transparency throughout our operations. This commitment is demonstrated at the Board level with our Chairman, Directors and senior management actively involved in the development and implementation of our sustainability policies and practices. More details on our corporate governance measures can be found in the Corporate Governance section.

Risk Vigilance and Business Continuity

Another important parameter in our business sustainability strategy is our emphasis on ensuring business continuity and risk vigilance.

In the financial year, we enhanced our crisis management plan with updated measures that aim at protecting staff, tenants and customers while maintaining business continuity and minimizing any damage or loss to our business in the event of any crisis or emergency.

Special drills and emergency exercises, both in Hong Kong and on the Mainland, are carried out to raise general awareness and staff preparedness.

企業價值及紀律守則

我們致力鞏固恒隆四大核心價值：昭明、權操、誠信、忠貞，並透過各個溝通平台推動企業文化，提高員工誠信及歸屬感。

我們並優化紀律守則，為香港和中國內地員工應有的專業道德操守，提供清晰的指引和規定，藉此鞏固各項核心價值。我們更於二零一一年四月訂立員工派遣政策，列明員工調往本公司不同地方工作時的政策和程序。

Corporate Values and Code of Conduct

We place strong emphasis on reinforcing our core values -- Simplicity, Authority, Integrity and Loyalty (SAIL) -- within the Hang Lung family. Through various communications platforms, we have been promoting our culture while driving both integrity and a sense of belonging to the Hang Lung group.

These values are in turn supported by our enhanced Code of Conduct, which provides clear guidelines and regulations on the professional and ethical behavior expected of our people both in Hong Kong and mainland China. A Secondment Policy was launched in April 2011 to clearly establish policies and procedures for staff to be seconded to different locations within the Company.

四大核心價值 – 做對的事 Our SAIL Values – Doing the Right Thing

昭明 Simplicity

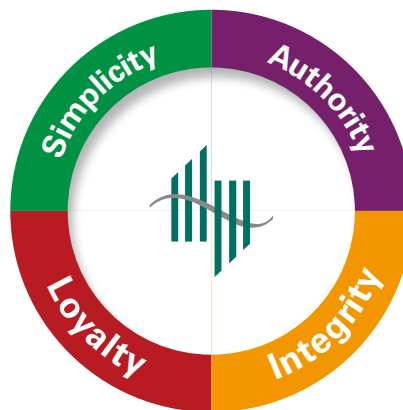
- 簡化工作程序 → 精簡企業架構及工作流程
- 簡明溝通渠道 → 增加透明度及促進管理層與員工的雙向溝通
- Simple work procedures → lean corporate structure and efficient work practices
- Simple and clear communication → enhanced transparency and two-way communication between management and staff

忠貞 Loyalty

- 歸屬感 → 團隊精神及共同目標，為公司爭取最佳利益
- Sense of belonging → teamwork and shared goals to work in the best interests of the Group

權操 Authority

- 授權予員工 → 工作自主及作出必要和有效的決定
- Staff empowerment → work ownership together with necessary and effective decisions



誠信 Integrity

- 員工文化 → 最高標準的企業管治及專業道德
- Staff culture → highest standards in corporate governance and professional ethics

全面的員工培訓

我們為員工提供合適的培訓及發展項目，藉此加強落實公司各項核心價值。例如，為加強員工對誠信的認知，我們透過電子學習平台「學問網」和《連繫恒隆》內部月刊分享有關誠信的新知資訊和良好守則。

集團並與廉政公署在香港舉辦一系列研討會，教導員工最高的專業道德操守及加強他們對防止賄賂條例的認識。

我們又以統一教材，年內於各內地辦公室舉辦防貪倡廉培訓課程。

可持續發展的工作環境

集團的業務成功有賴良才。因此，我們建立了一支專業及富有才幹的忠心團隊，藉此確保公司的持續發展，並邁向成功。為吸引最佳人才，我們提供具競爭力的福利。集團的薪酬政策以論功行賞為原則，表現傑出的員工可獲加薪及於正常薪酬外獲發花紅，董事和行政人員亦可獲股份期權作為獎賞鼓勵。於二零一一年六月底，集團僱用合共二千七百零二名員工，包括香港一千零六十八人及內地一千六百三十四人，員工的薪酬總額為港幣七億七千三百萬元。

培育人才

我們致力提供事業而非工作，藉此保留人才。因此，我們為員工提供廣泛的持續進修機會，涵蓋個人發展和專業培訓。

Company-wide Training

We adopt appropriate staff training and engagement activities to reinforce these corporate values within the Company. For example, in an attempt to promote the integrity value, we share integrity-related news and good practices via our e-learning platform "Learning Zone" and internal newsletter "Connections".

In collaboration with the Independent Commission Against Corruption, a series of seminars was conducted in Hong Kong that aims to educate our staff about the highest standards of professional ethics and enhance their understanding of the Prevention of Bribery Ordinance.

Likewise, we have developed year-round anti-corruption training sessions for our Mainland offices with standardized training materials.

Sustainability in the Workplace

The success of our business relies on our people. We have therefore built a professional, committed and talented team who will ensure our sustainable development and future success. Looking for the best people, we offer a competitive package of benefits. Employee remuneration is offered along "pay for performance" principles with outstanding employees receiving additional bonuses on top of their regular package while directors and executives also receive share options as incentives and rewards. At the end of June 2011, there were a total of 2,702 employees, of which 1,068 are in Hong Kong and 1,634 are on the Mainland. Total remuneration for the year amounted to HK\$773 million.

Developing our Human Capital

Making sure we retain our people, we seek to provide careers rather than jobs. To this end, we provide extensive and continuous learning opportunities for staff that cover both personal development and professional training.

二零一零／一一年度內，

- 每名恒隆員工平均接受
三天培訓
- 公司提供**高達
六萬六千小時**培訓

我們透過多種方式鼓勵持續進修：

- **有系統的學習計劃**
- **特定主題的講座及研討會**
- **資助員工報讀外界進修課程**
- **恒隆獨有的「學問網」
電子學習平台**

In 2010/11,

- each Hang Lung staff member received an average of
3 training days
- total company training hours reached an impressive
66,000 hours

We encourage continuous learning through:

- **Structured learning programs**
- **Talks and seminars on specific topics**
- **Corporate sponsorship for external training**
- **Hang Lung's unique electronic learning platform "Learning Zone"**



持續進修實例 A Case of Continuous Learning

租務及物業管理科物業主任李偉基任職本公司十年。在公司的進修資助計劃推動下，他修讀兼讀制物業管理課程。完成課程後，他學以致用，獲晉升為文職人員，職權範圍由執行層面擴大至管理層面。但他並不自滿，在部門經理不斷支持及公司資助下，現正修讀物業管理學士課程。

Ricky Lee, currently a Property Officer in the Leasing and Management Division, has been with the Company for 10 years. Motivated by our external sponsorship program, he began a part-time study program on property management. With the completion of the course and his commitment to the job, Ricky was promoted to an administrative staff position, which saw his responsibilities and job exposure expand from operations to administration. But Ricky is not complacent. He is studying for his Bachelor of Science in Facilities Management with the continuous support of his team manager and under the Company's sponsorship.



分享優質管理的實踐

恒隆作為一家頂級地產發展商，在香港和內地管理多元化的物業組合，十分重視系內員工工作經驗分享及知識交流，並透過定期的溝通平台和交流計劃，促進員工的溝通。



Promoting Sharing of Best Practices

As a top-tier property developer that manages a diverse portfolio of properties in Hong Kong and on the Mainland, Hang Lung sees the importance of sharing best practices and knowledge across its network, and engaging staff through regular communication platforms and exchange programs.

管理培訓生計劃

該計劃於二零零五年推出，旨在栽培出類拔萃的年青人作為恒隆的未來領袖。我們招募優秀的大學畢業生，為他們提供發展、領導及管理方面的培訓，並提供輪崗機會，讓他們深入了解本公司的運作及文化。

二零一零／一一年度內，我們進一步優化計劃，增加「人力資源導師方案」，由「人力資源導師」出任培訓員和師傅，為每位學員提供個人職業發展指導。

Management Trainee Program

Launched in 2005 and with an objective to nurture bright youngsters to be Hang Lung's future leaders, this program recruits outstanding university graduates and provides them with development, leadership and management training together with job rotation opportunities to give them a thorough understanding of the Company and our culture.

In 2010/11, the program was further enhanced with the addition of our Human Resources Pilot program, under which an "HR Pilot" acts as a trainer and mentor, providing career development and coaching guidance to individual trainees.

可持續發展報告 SUSTAINABILITY REPORT

物業助理計劃

為培養更多物業管理專才，我們年內推出是項計劃，招募有興趣從事物業管理的大學畢業生，並安排他們在恒隆旗下商場和寫字樓擔任前線工作，以重點培育他們成為集團未來之中層管理人員。

Property Assistant Program

Seeking to develop a pool of talented property management professionals, this program was launched during the year to recruit university graduates interested in developing a career in property management, especially in becoming a frontline management member in our commercial, retail, office and car parking complexes.

第一屆保安公司最佳培訓獎

我們秉持專業服務及不斷上進的精神，在職業訓練局及香港警務處合辦的「第一屆保安公司最佳培訓獎」選舉中，獲得第一類保安公司（保安服務人員為500人或以下）的金獎殊榮。



First Security Training Award

In recognition of our ongoing commitment to professionalism and continuous learning, we won the gold award in the First Security Training Award (Type I Security License, for 500 and under security personnel) presented by the Vocational Training Council's Security Training Board and the Hong Kong Police Force.

促進員工安康及工作與生活平衡

我們努力為公司建設一支健康和富有活力的團隊，並同時以一系列平衡員工的工作與生活的優質計劃，促進員工安康。

Driving Employee Care and a Healthy Work-Life Balance

In our efforts to build a healthy and energetic team for the Company, we seek to foster the well-being of our people with a range of quality and balanced work-life programs.



我們定期舉辦各項社交活動，如聖誕聯歡會、員工生日會及體育比賽等，藉此建立團隊精神，鼓勵員工分享喜悅，促進和諧的工作環境。年內，我們亦舉辦電影欣賞、本地遊、即興繪畫工作坊、瑜珈班和蛋糕製作班等活動，加強員工和家人的融洽關係。

集團年內的重點活動是二零一一年度週年晚宴，除讓員工共度一個熱鬧歡愉的晚上外，今年更別具慶祝意義。晚宴以「隆情50載」為主題，突顯集團五十年來的業務成果及繼往開來的黃金時代。

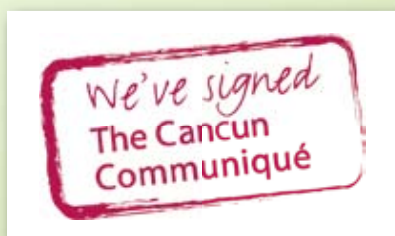
為促進優質的家庭生活，我們推出男同事有薪陪產假期，讓他們在新的家庭成員誕生時履行父親的職責。

對環保的承諾

恒隆地產一直是規劃和興建可持續發展物業的先鋒。

可持續物業項目除可保護環境及節省地球資源外，亦有助保持物業價值及降低能源和其他營運成本，因此具有良好的商業價值。

因此，我們循多方面支持相關機構的環保活動及工作：



Social gatherings such as the Christmas party, staff birthday party and sports events are organized regularly to build team spirit, encourage the sharing of joyful moments and foster a harmonious working environment. During the year, activities such as movie appreciation, local tours, art jamming, yoga and cake-making classes were held to strengthen the bonding among staff and with their family.

The highlight of the year was our Annual Dinner 2011. As well as bringing staff together for an enjoyable and entertaining social evening, this year's event provided further cause for celebration. Held under the theme "Our Precious 50 Years," the event marked both the successes of our first 50 years as well as our transition into a new "golden era" in our operations.

To foster quality family life and recognize the important role that fathers play when there is a new birth in the family, we introduced paid paternity leave for male employees.

Commitment to the Environment

Hang Lung Properties has been a pioneer in the planning and building of sustainable properties.

In addition to preserving the environment and conserving world resources, sustainable building development makes eminent business sense as it helps to maintain the value of our properties while also reducing energy and other operational costs.

Hence we support worthwhile causes by relevant organizations on multiple fronts:

可持續發展建築

Building for Sustainability



我們以最高標準作為環保表現準則，致力取得由美國綠色建築協會頒發的「能源及環境設計先鋒獎 (LEED) 核心及外殼組別」金獎認證。於二零一零年在瀋陽開幕的皇城恒隆廣場，是首座在內地取得該項金獎認證的購物商場。

We benchmark our environmental performance with the highest standard, namely the gold level of the Leadership in Energy and Environment Design (LEED) Core and Shell certification issued by the U.S. Green Building Council. Palace 66 in Shenyang which opened in 2010 was the first shopping mall receiving such a gold standing on the Mainland.

我們在內地陸續落成的所有項目，在規劃、設計、建築和運作方面，均以取得 LEED 金獎認證為主要目標。



香港租務及物業管理科的葉靄嫻(右)和管理培訓生蔡紫琪成為恒隆首兩位取得 LEED Green Associate 專業認證的非物業發展科同事。Leasing and Management's Bonnie Yip (right) and Management Trainee Christine Choy have recently been qualified as LEED Green Associates, named by the U.S. Green Building Council. Bonnie and Christine are the first Non-Project Development staff in Hang Lung to attain such a credential.

All our upcoming projects on the Mainland have all been, or are being, planned, designed, constructed and operated with this LEED gold rating as a major target.

Exceeding these international building requirements in many instances, all our new developments on the Mainland include high performance building envelopes which save cooling and heating load, and hence the amount of energy used; renewable energy facilities such as solar panels and geothermal heat pumps; as well as extensive recycling and reuse of waste materials.

濟南的恒隆廣場

濟南的恒隆廣場是我們在內地最新落成的世界級購物商場，充份突顯了可持續發展計劃的效益。該項目於二零零九年一月獲得「LEED 核心及外殼組別」金獎預認證，並將於二零一一年年底獲得正式的金獎認證。

Parc 66

Parc 66, our latest world-class shopping complex in Jinan, showcases the benefits of an active sustainability program. It gained its "Precertification under the Leadership in Energy and Environmental Design (LEED) for Core and Shell Development Gold Level" in January 2009 and expects to receive its official gold level certification at the end of 2011.

濟南的恒隆廣場具備以下的可持續建築設施： Sustainability building features at Parc 66 include:

• 節能

再生能源 —— 設有佔地面積相等於十一個標準籃球場的光伏面板，每年產生三十六萬三千千瓦時的電力，足以照明四千一百五十平方米以上的停車場，即約六百五十個停車位。



• Saving Energy

Renewable Energy -- Photovoltaic (PV) panels, total area equivalent to **11 standard basketball courts**, generate 363,000 kWh of electricity a year, enough to **light an over 4,150-square-meter car park** with 650 spaces.

節能照明系統 —— 設有可預設時間的照明控制系統，並裝置高效節能的LED照明燈及T8/T5熒光燈。



Energy-efficient Lighting -- Lighting control systems are installed with preset time-management devices, in addition to energy efficient LED lighting and T8/T5 fluorescent tubes.

高效節能建築物外牆 —— 項目以高效節能雙層玻璃幕牆覆蓋，並設有高效反射陽光及綠化面積達四千平方米的屋頂，能於極端的冷熱天氣下保持商場室溫，從而減低項目對空調和暖氣的需求。



High Performance Building Envelopes -- Double deck and low emissivity glazing façades, efficient solar reflecting roofs and **4,000 square meters of "greening" roofs** create shielding from extreme heat and cold, thus reducing demand for air-conditioning and heating.

變頻冷卻器和製冷機組 —— 三個製冷機組專為節省大量電力而設(每年可節省約四十萬千瓦時的電力)。



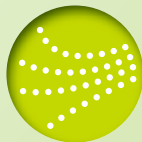
Variable-frequency Coolers and Chiller Systems -- Three water-cooled systems work towards saving a significant amount of electricity (saving around 400,000 kWh of electricity per year).

熱回收系統 —— 送風系統熱回收裝置產生的熱能，能把進入商場空調系統的新鮮空氣預冷或預熱。



Heat Recovery Systems -- Heat recovered from air-side systems is used to pre-cool or pre-heat fresh air entering through the mall's air-conditioning systems.

自動清新空氣系統 —— 二氧化碳監測器可根據商場實際人流，自動調整通風流量，保持環境舒適及節能。



Automatic Fresh Air Systems -- Carbon dioxide monitors adjust fresh air flow based on the actual volume of people in the mall, maintaining a pleasant environment while also saving energy.

• 節約用水

節約用水設施 —— 包括雙頻沖水座廁、低流量水龍頭和花灑、自動水龍頭感應器等。



• Saving Water

Water Saving Features -- Include dual-flushing toilet cisterns, low discharge faucets and showers, automatic faucet sensors, etc.

中水處理系統 —— 該系統每天收集及處理循環再用水達三十六立方米，用於灌溉和非飲用用途，這相等於六千次沖廁用水。









Centralized Water Treatment Systems -- Collect and treat **36 cubic meters of recycled water every day** for irrigation and non-drinking purposes, sufficient to **flush 6,000 pedestal toilets**.

可持續發展報告
SUSTAINABILITY REPORT



我們亦為其他內地的商業項目訂立了嚴格的環保目標：

For other commercial projects on the Mainland, we have also set high environmental saving targets:

| |  瀋陽 皇城恒隆廣場 Palace 66 Shenyang |  濟南 恒隆廣場 Parc 66 Jinan |  瀋陽 市府恒隆廣場 Forum 66 Shenyang |  無錫 恒隆廣場 Center 66 Wuxi |  天津 恒隆廣場 Riverside 66 Tianjin |  大連 恒隆廣場 Olympia 66 Dalian |
|--|--|---|---|---|--|---|
| 能源 Energy | 減省逾 21% Saving over 21% | 減省逾 17% Saving over 17% | 商場 (Retail): 減省逾 21% Saving over 21% 寫字樓 (Office): 減省逾 17.5% Saving over 17.5% | 商場 (Retail): 減省逾 14% Saving over 14% 寫字樓 (Office): 減省逾 14% Saving over 14% | 減省逾 14% Saving over 14% | 減省逾 14% Saving over 14% |
| 水 Water | 減省逾 40% Saving over 40% | 減省 48% Saving 48% | 商場 (Retail): 減省逾 30% Saving over 30% 寫字樓 (Office): 減省逾 40% Saving over 40% | 商場 (Retail): 減省逾 40% Saving over 40% 寫字樓 (Office): 減省逾 40% Saving over 40% | 減省逾 40% Saving over 40% | 減省逾 40% Saving over 40% |
| 建築廢物回收 Construction Waste Recycling | 逾 80% Over 80% | 逾 80% Over 80% | 逾 75% Over 75% | 逾 75% Over 75% | 逾 75% Over 75% | 逾 75% Over 75% |
| LEED 目標 Target | 金獎 Gold | 金獎 Gold | 金獎 Gold | 金獎 Gold | 金獎 Gold | 金獎 Gold |

香港藍塘道

我們位於藍塘道的新住宅項目亦開創先河，成為美國綠色建築協會二零一零年年底推出的LEED住宅國際試點計劃的全球首個註冊項目。為進一步優化香港項目的可持續發展，我們致力獲得「建築環保評估標準」(BEAM Plus) 認證，該項標準旨在透過建築評估、績效改進、認證和標籤等程序，提高建築物的生命週期和表現。

可持續管理

環保管理專責小組

除了在建築設計中加入可持續發展元素外，我們成立了環保管理專責小組，由三十六位來自香港和內地不同部門的代表組成，在公司不同層面推廣環保訊息。此外，我們委任了十七位環保物業管理大使，經接受香港特別行政區政府環境保護署的培訓後，在日常營運中身體力行，實踐環保使命。

山頂廣場環保設施

香港的山頂廣場設有多項卓越的可持續設施，並透過其「環保探索」導覽，向遊客和學生宣揚環保訊息，在環保教育方面發揮積極作用。

過去六年，山頂廣場節省了約四百萬千瓦時電力，相當於減少近三千公噸二氧化碳排放，等同於十二萬五千株樹所吸收的二氧化碳量。

山頂廣場的節能成效多年來屢獲嘉許，於二零一一年獲香港環保卓越計劃頒發「卓越級別」節能標誌。

Blue Pool Road, Hong Kong

In Hong Kong, our new residential development on Blue Pool Road broke new ground, becoming the first project in the world to be registered under LEED's Homes International Pilot scheme, which was launched by the U.S. Green Building Council at the end of 2010. Further enhancing the sustainability of our developments in Hong Kong, we are also working to gain BEAM Plus (Building Environmental Assessment Method) certification, which seeks to improve the life cycle performance of buildings through building assessment, performance improvement, certification and labeling.

Managing for Sustainability

Environmental Project Team

In addition to sustainable design initiatives, we have set up an Environmental Project Team (EPT) consisting of representatives from 36 cross-departments in Hong Kong and on the Mainland with the aim of promoting green messages at all levels across the Company. Furthermore, 17 Environmental Ambassadors, who have completed an environmental training course conducted by the Environmental Protection Department of the Hong Kong SAR Government, have the task of maximizing participation in these efforts at the operational level.

Eco Galleria at The Peak

The Peak Galleria in Hong Kong, with its impressive array of sustainable features, actively plays a public education role to promote earth-friendly messages to sightseers and students with its Eco-Discovery Tour.

In the past six years, The Peak Galleria has saved approximately four million kWh of electricity, which translates into a reduction of around 3,000 metric tons of carbon dioxide emissions, or equivalent to the amount offset by 125,000 trees.

In recognition of its efforts to conserve energy over the years, The Peak Galleria won the Energywise Label "Class of Excellence" award presented by the Hong Kong Awards for Environmental Excellence in 2011.

「環保探索」導覽
Eco-Discovery Tour at The Peak Galleria



- | | |
|---------------|--|
| 1. 自動灌溉系統 | Automatic irrigation system |
| 2. 雨水收集系統 | Rainwater collection system |
| 3. 太陽能板及風力渦輪機 | Solar panel and wind-turbine system |
| 4. 許願樹 | Wish tree |
| 5. 日光感應調控帆布 | Sunlight sensor canvas |
| 6. 電動車充電站 | Battery charging station for electric vehicles |



推廣廚餘循環再造

雅蘭中心一期參加了仁愛堂的「膳油行善」計劃，由仁愛堂每星期於食肆租戶指定的時間收集廢煮食油，經過過濾、去水、加熱及品檢程序，把廢煮食油轉化為生物柴油。



Promoting Food Recycling

One Grand Tower joined Yan Oi Tong's "Oil for Charity" green initiative. Under this social enterprise program, Yan Oi Tong arranged to collect waste oil from participating tenants at a specified time each week. The collected oil is converted into biodiesel through a filtration, processing, heating and quality control process.

內地可持續發展的先行者

我們位於上海的兩個地標項目——港匯恒隆廣場及恒隆廣場，年內積極推行可持續管理，進一步提升領導地位。港匯恒隆廣場完成了十六項節能工程，每年可節省五百萬千瓦時電力。該項目最近把商場空調系統的冷凍二次泵系統改為一次泵系統，每年節省高達一百三十萬千瓦時電力；並於年內改善照明系統及更佳地使用LED照明，節省一百一十一萬千瓦時電力。項目連續四年獲徐匯區人民政府評為「節能標杆企業」，並獲撥付人民幣一百六十二萬元的節能獎勵金，以推動更多節能方案。

上海的恒隆廣場自於二零零八年與上海市節能服務中心簽訂「上海市節能技術改造專案管理合同」後，推行了一系列涵蓋照明和空調系統的節能措施，更於二零一零年年底獲市和區政府撥付人民幣二百一十二萬元的節能獎勵金，繼續為靜安區樹立節能典範，並獲上海市政府頒發「上海市節能技改示範專案」稱號。

Pioneering Sustainability on the Mainland

Our two Hang Lung signature properties in Shanghai, Grand Gateway 66 and Plaza 66, enhanced their leading reputations for committed sustainability management during the year. Well-known for its energy-saving successes, Grand Gateway 66 completed 16 energy-saving initiatives, which aim to save five million kWh of electricity every year. Recently the development switched its secondary water-cooled air-conditioning system to become its primary system, saving an impressive 1.3 million kWh of electricity annually in the process. Improved lighting and the better use of LED lighting systems saved 1.11 million kWh of electricity during the year. Named as a "Model Enterprise in Energy Saving" by the Xuhui District People's Government for the fourth year running, the development received an incentive award of RMB1.62 million from the authorities to further its environmental initiatives.

Plaza 66 has implemented a series of energy-saving measures to its lighting and air-conditioning systems since it signed the Shanghai Energy Saving Improvement Measures Management Agreement with the Shanghai Energy Saving Services Center in 2008. In 2010, Plaza 66 received an RMB2.12 million incentive award from the municipal and district governments and was recognized as a "green model" for Jing'an District and the "Model Project in Shanghai on Energy Savings" in 2010 by the Shanghai government.

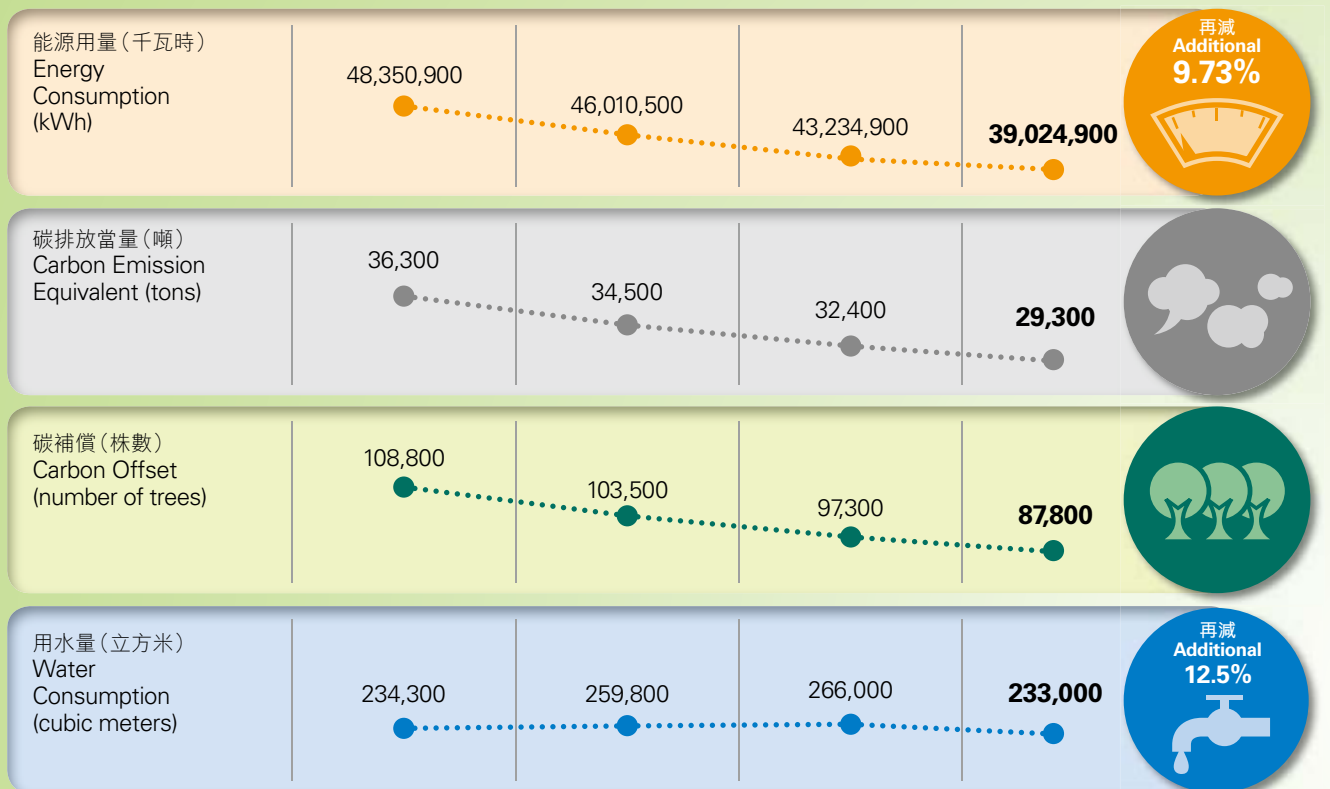
可持續發展報告
SUSTAINABILITY REPORT

恒隆於上海物業實施節能省水的持續努力

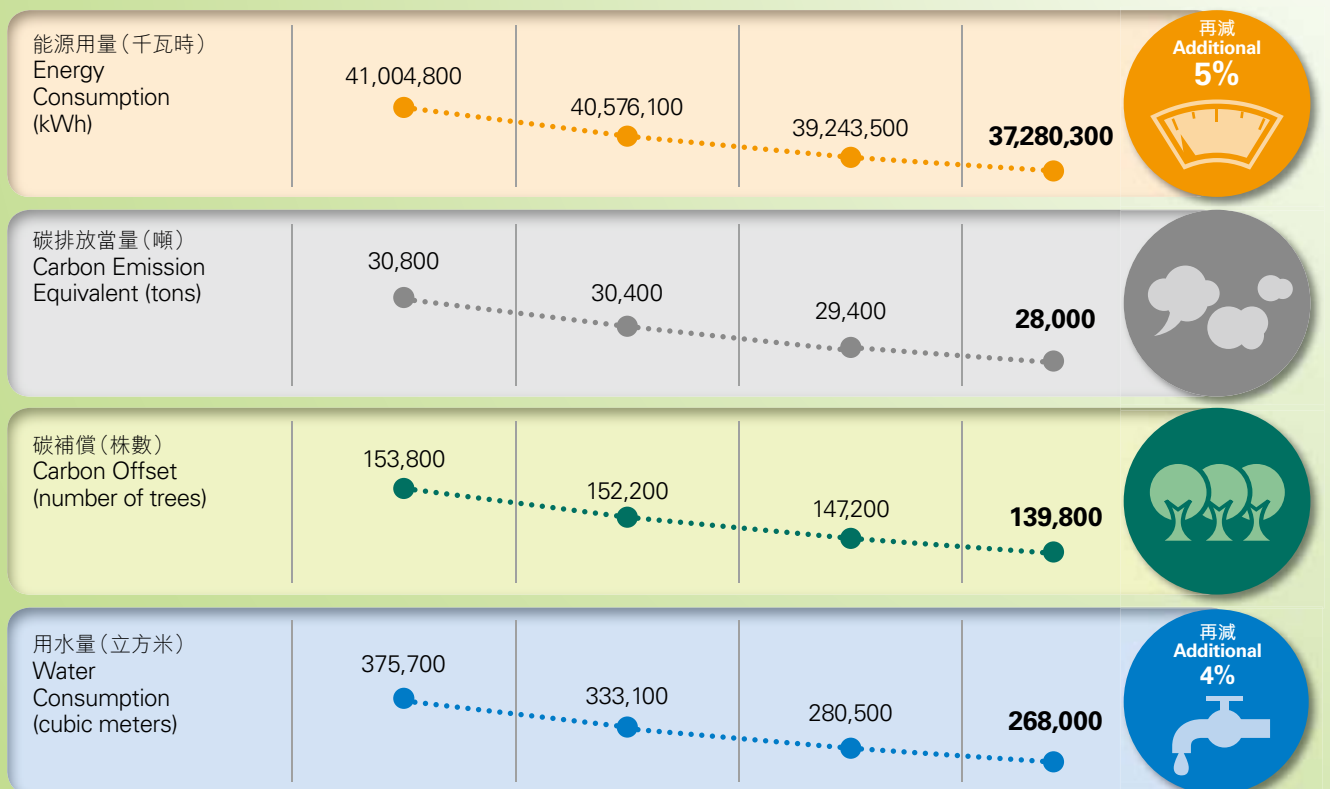
Hang Lung's Continued Effort in Energy and Water Savings in Shanghai

未來的減省目標
Future Target Reduction
2011/12

港匯恒隆廣場
Grand Gateway 66



恒隆廣場
Plaza 66



社會投資 Community Investment



作為一家關愛社會及負責任的機構，我們致力服務社區，並作出貢獻。

As a responsible and caring organization, we seek to make a contribution to the communities that we serve.

年內，我們向非牟利組織捐款港幣一千八百萬元，並提供場地襄助多家慈善機構合共籌得港幣一百二十四萬元善款。

During the year, we donated HK\$18 million to non-profit organizations and helped raise a total of HK\$1.24 million through venue sponsorships for charitable causes.

北京清華大學恒隆房地產研究中心

我們銳意支持房地產研究，並捐款贊助成立北京清華大學恒隆房地產研究中心。

Hang Lung Center for Real Estate, Tsinghua University, Beijing

Committed to supporting real estate research, we made a donation for setting up the Hang Lung Center for Real Estate at Tsinghua University in Beijing.

「商界展關懷」公司

我們獲得香港社會服務聯會嘉許為「商界展關懷」公司，彰顯我們在關懷社區、員工和環境三方面的決心和成果。



A Caring Company

We are named a "Caring Company" by the Hong Kong Council of Social Service, a reaffirmation of our commitment to corporate social responsibility and the caring efforts we have made for the community, our employees and the environment.

造福社群

我們鼓勵員工參與義工服務回饋社會，大部分活動均在恒隆康體會的帶領下，由員工組成的義工隊統籌及舉辦。

Reaching Out to Our Community

We encourage staff to take part in giving back to the society through volunteer work. Many of these activities are coordinated and organized by the Staff Volunteer Team, under the auspices of the Hang Lung Social Club.

可持續發展報告 SUSTAINABILITY REPORT

這些活動一直獲得員工鼎力支持，在二零一零／一一年度亦不例外。舉例，三十名員工以義工身份參加香港乳癌基金會主辦的「乳•健康大步走步行籌款2010」，提高公眾對乳癌的認識及預防方法。



Staff support for these events has always been generous and the year 2010/11 proved to be no exception. For example, 30 staff volunteers took part in the Pink Walk Against Breast Cancer 2010 event, helping to raise funds for the Hong Kong Breast Cancer Foundation and generating awareness on how to avert the risks of developing breast cancer.

二零一零／一一年度，員工貢獻了合共一千三百小時的工餘時間為社區提供義工服務，並獲香港特區政府社會福利署頒發「義工服務金獎」。當中，兩名員工每人年內貢獻了二百小時義工服務，獲頒發個人「義工服務金獎」。

In 2010/11, staff contributed a total of 1,300 hours of volunteer service to the community, earning us a “Gold Award for Volunteer Service” from the Social Welfare Department of Hong Kong SAR Government. During the year, two of our staff received the “Gold Award for Volunteer Service” in appreciation of their contribution of 200 service hours each to the community.

培育青少年

未來的世界掌握在年青人手上，因此我們特別重視教育和相關的培訓計劃。

Nurturing Young People

As the future of our world rests in the hands of our young people, we place a particularly strong focus on education and education-related programs.

二零一零年度「恒隆數學獎」

「恒隆數學獎」由集團董事長陳啟宗先生與一九八二年費爾茲獎得主、現於哈佛大學任教的世界知名數學家丘成桐教授於二零零四年創立，旨為香港培育具批評思維和創意的世界級數學家。

2010 Hang Lung Mathematics Awards

Started in 2004 by our Chairman, Mr Ronnie C. Chan, and the well-known mathematician and 1982 Fields Medalist, Professor Shing-tung Yau of Harvard University, this event seeks to nurture world-class mathematicians in Hong Kong with critical and creative thinking abilities.

二零一零年十二月，集團與香港中文大學數學科學研究所和數學系攜手公佈二零一零年度「恒隆數學獎」得主名單，並邀得香港教育局局長孫明揚先生 GBS, JP



A special ceremony was held in conjunction with The Institute of Mathematical Sciences and the Department of Mathematics of The Chinese University of Hong Kong in December 2010 to announce the winners of the 2010 Hang Lung Mathematics Awards.

擔任主禮嘉賓，出席頒發合共八個獎項。來自世界的知名數學家組成「學術委員會」，負責選出得勝隊伍及研究項目。

Attended by Guest of Honor Mr Michael MY Suen, GBS JP, Secretary for Education in Hong Kong, a total of eight awards were presented. The winning teams and projects were selected by the Scientific Committee, which consists of top international mathematicians from around the world.

集團董事長表示，「恒隆數學獎」除為孕育年輕數學菁英外，亦協助他們發掘科學研究的奧妙，為往後的學術應用研究事業奠下基石。

Discussing the rationale behind this unique event, our Chairman said that in addition to discovering Hong Kong's top mathematical talent, he hopes that it will help individual contestants discover the joys of scientific research, propelling them into possibly pursuing an academic career in applied research.

「恒善隆情知識創明天」

集團義工隊於二零零九年創辦這項計劃，為弱勢兒童提供功課輔導和專題學習，涵蓋主題包括健康護理、環保和氣候變化等。年內更推出「海陸空活動教室」系列，以外展形式推動計劃，重頭戲包括乘坐昂坪360纜車進行大嶼山生態考察。

Knowledge Builds a Better Tomorrow

Starting in 2009 to assist underprivileged children with their studies, members of our volunteer team run tutorials, helping the children with their homework and sharing useful knowledge on subjects such as health care, environmental care and climate change. A "360-degree Outdoor Learning Series" was introduced during the year, adding outdoor activities to the program. A highlight in this new series is an ecological field trip to the Ngong Ping 360 experience on Lantau.



持份者參與

我們透過定期和全面的互動溝通計劃，致力與持份者建立互信和雙贏關係。

Engaging with Stakeholders

We seek to build trust and win-win partnerships with our stakeholders through regular, comprehensive and interactive engagement programs.

持份者溝通計劃

Our Stakeholder Engagement Program

| 持份者 Stakeholder | 整體溝通 General Communication | 面對面溝通 Face-to-face Communication |
|--------------------------------------|--|---|
| 投資者及股東 Investors and Shareholders | <ul style="list-style-type: none"> 資料發佈、通告、中期及年度業績公佈。 投資者關係聯絡及資訊。 適時的電子資訊。 年報及中期報告。 Information releases, notices, interim and annual results announcements. Investor Relations mailbox and news. Up-to-date electronic information. Annual and interim reports. | <ul style="list-style-type: none"> 分析員簡報會、投資者會議及海外路演。 分析員及機構投資者會議和論壇。 股東週年大會。 Analyst briefings, investor meetings, overseas roadshows. Analyst and institutional conferences and forums. Annual general meeting. |
| 政府 Government | <ul style="list-style-type: none"> 向政府相關機構發放資料。 作為香港地產建設商會的會員，陳述地產發展商的意見。 Information notices to relevant government bodies. Presenting property developers' perspectives as a Real Estate Developers' Association of Hong Kong (REDA) member. | <ul style="list-style-type: none"> 與地方、省及中央政府機構保持對話和會晤。 Regular communication and meetings with local, provincial and national government bodies. |
| 商業夥伴 Business Partners | <ul style="list-style-type: none"> 作為「氣候變化商界論壇」的贊助人，與商界緊密分享有關環境問題的資訊。 作為香港地產建設商會的會員，協助陳述地產發展商的意見。 As a CCBF patron, working closely with the business community to share information on environmental issues. As a REDA member, helping to represent the interests of property developers. | |



管理層與股東會面
Management meeting
with shareholders



政府代表參觀項目的建築地盤
Government officials visit construction site of our
projects

恒隆服務獲得住客認同
Excellent service recognized by serviced
apartment tenants



為顧客提供稱心服務
Well-trained staff and high customer
service standard

| 持份者 Stakeholder | 整體溝通 General Communication | 面對面溝通 Face-to-face Communication |
|--|---|--|
| 顧客及租戶 Customers and Tenants | <ul style="list-style-type: none"> 「租戶網上系統」查閱平台。 確保物業買家和物業管理公司妥善溝通。 Online "Tenants Log-on" platform. Ensuring effective communication between property buyers and property management company. | <ul style="list-style-type: none"> 在各項物業設置客戶服務櫃台。 管理人員與租戶定期開會。 為住戶舉行特定康樂活動。 Customer desks at individual developments. Regular meetings between management and tenants. Special recreational events for residents. |
| 社區和非政府組織 The Community and NGOs | <ul style="list-style-type: none"> 就項目的設計、執行和評核，與社會和社區組織密切溝通。 Close communication with community and community organizations about the design, execution and evaluation of projects. | <ul style="list-style-type: none"> 公司義工計劃。 Corporate Volunteer Program. |
| 承包商、顧問及 供應商 Contractors, Consultants and Suppliers | <ul style="list-style-type: none"> 就集團業務和環保要求，與供應商和承包商設定積極溝通計劃。 妥善準備合同，避免混淆或爭議。 與穩健的供應商和承包商建立夥伴關係。 Proactive supplier and contractor program on our operational and environmental practices. Preparing contracts clearly to avoid possible confusion or dispute. Forging partnerships with competent vendors and providers. | <ul style="list-style-type: none"> 與顧問及承包商定期舉行進度會議。 與供應商保持緊密聯繫。 出席相關研討會及行業活動。 Regular progress meetings with consultants and contractors. Close contact with vendors. Relevant seminars and industry events. |
| 僱員 Employees | <ul style="list-style-type: none"> 透過恒隆康體會由下而上制定員工康體計劃。 《連繫恒隆》內部月刊。 收集員工對培訓課程的意見。 Staff well-being programs formulated by the Social Club Committee through a "bottom-up" approach. Internal monthly newsletter "Connections". Feedback on training from staff. | <ul style="list-style-type: none"> 內部紀律守則列明所有員工均可直接聯絡主管或更高層的管理人員。 All employees are entitled to direct access to their supervisor or higher levels of management, under our internal Code of Conduct. |
| 傳媒 Media | <ul style="list-style-type: none"> 透過新聞稿、通告、公佈及其他宣傳品，主動與傳媒保持溝通。 Proactive media program with provision of press releases, notices, announcements and other relevant information. | <ul style="list-style-type: none"> 為業績公佈等安排簡報會和媒體訪問。 定期會晤傳媒及安排簡報會和訪問。 Briefings and media interviews, e.g. on results announcements, etc. Regular meetings, briefings and interviews with media. |

財務日誌

FINANCIAL CALENDAR

1月 JAN

公佈中期業績
Interim Results announced

二零一一年一月二十六日
January 26, 2011

2月 FEB

派發中期股息
Interim Dividend paid

二零一一年二月二十四日
February 24, 2011

7月 JUL

公佈全年業績
Annual Results announced

二零一一年七月二十九日
July 29, 2011

10月 OCT

截止辦理股份過戶
(就出席股東週年大會及於會上投票而言)
Latest time to lodge transfers (for attending and voting at Annual General Meeting)

二零一一年十月十三日
下午四時三十分
4:30 p.m. on October 13, 2011

暫停辦理股份過戶登記
(就出席股東週年大會及於會上投票而言)
Share Register closed (for attending and voting at Annual General Meeting)

二零一一年十月十四日至十八日
(首尾兩天包括在內)
October 14 to 18, 2011
(both days inclusive)

股東週年大會
(細節請參閱本年報附上之股東週年大會通告)
Annual General Meeting
(Details are set out in the Notice of Annual General Meeting accompanying this Annual Report)

二零一一年十月十八日
上午十一時正
假座註冊辦事處
11:00 a.m. on October 18, 2011
at Registered Office

截止辦理股份過戶 (就末期股息而言)
Latest time to lodge transfers (for final dividend)

二零一一年十月二十一日
下午四時三十分
4:30 p.m. on October 21, 2011

暫停辦理股份過戶登記 (就末期股息而言)
Share Register closed (for final dividend)

二零一一年十月二十四日
October 24, 2011

11月 NOV

派發建議之末期股息
Proposed Final Dividend payable

二零一一年十一月三日
November 3, 2011

企業管治

CORPORATE GOVERNANCE

超越符規要求

作為良好的企業公民，我們完全遵守香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四《企業管治常規守則》(「企業管治守則」)所載之所有守則條文，並在許多情況下更勝一籌。

堅持管治信念

恒隆堅信，強而有力的管治能為我們奠定基石，使我們可達成企業目標，為持份者持續提供最大的長期回報。能幹稱職的董事局(「董事局」)，是我們管治架構裏的核心。他們致力維持最高的企業管治標準、健全的內部監控機制，以及有效的風險管理，並積極提高透明度、問責性、公信力及坦誠度，努力贏取股東和其他持份者的信心。

Exceeding Compliance Requirements

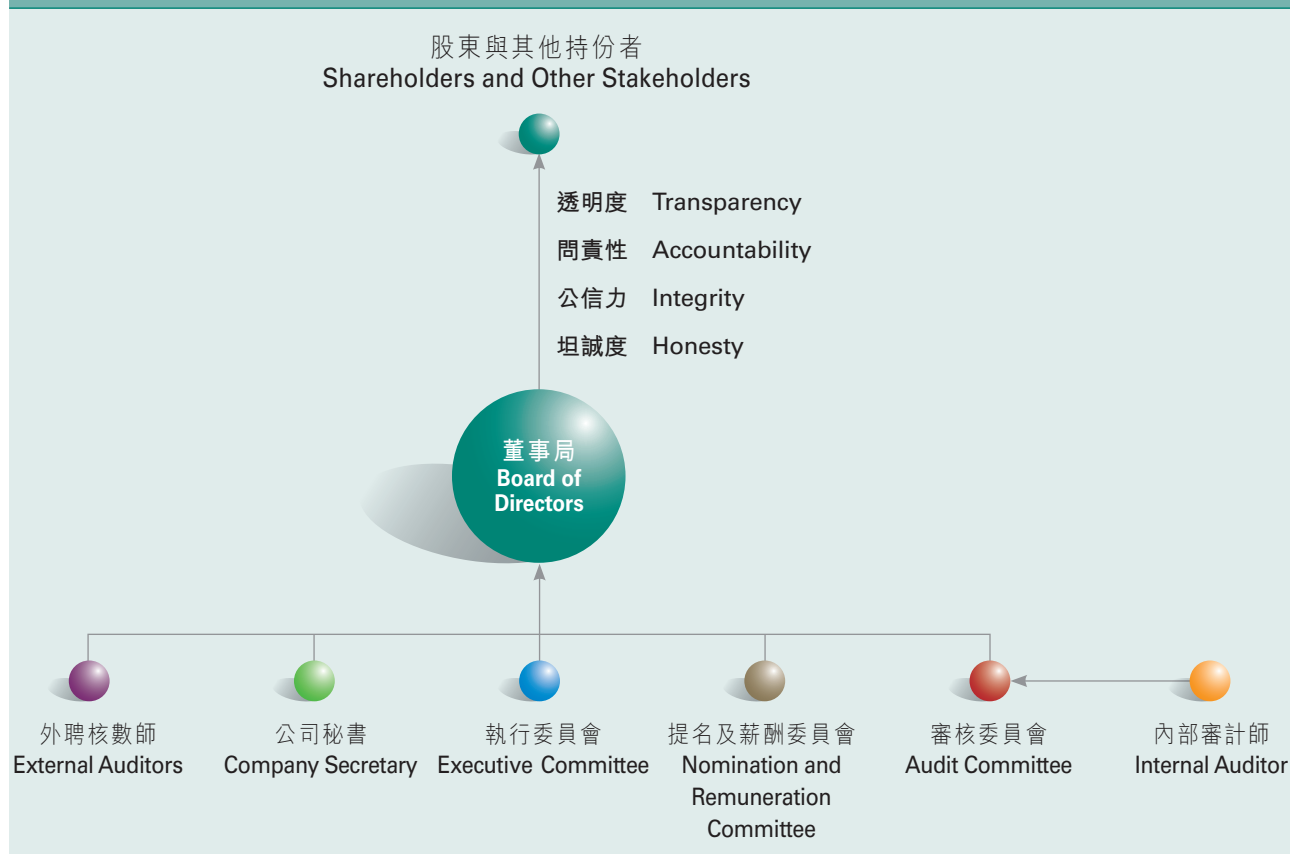
As good corporate citizens, we comply fully with, and in many cases exceed, the Code Provisions of the Code on Corporate Governance Practices (the “CG Code”) as stated in Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Our Strong Belief in Governance

Hang Lung firmly believes that strong governance is the foundation to delivering the corporate objective of maximizing return on a sustainable basis to its stakeholders over the long term. The core of the governance structure is an effective and qualified Board of Directors (the “Board”) which is committed to maintain the highest standard of corporate governance, sound internal control and effective risk management to enhance transparency, accountability, integrity and honesty, in order to earn the confidence from our shareholders and other stakeholders.

企業管治架構

Corporate Governance Structure



企業管治 CORPORATE GOVERNANCE

卓越企業文化

良好的管治是企業成功之本，故企業管治在本集團的文化中扮演核心角色。我們透過以身作則的領導方式、多元化的培訓及有效的內部監控，孕育出卓越的企業文化。這種堅持是植根於恒隆卓越不凡的操守準則，每個員工和供應商都知道並須依隨。

專業專責團隊

董事局由社會多個範疇的專業人士組成，他們為董事局帶來豐富的商務和財務經驗以及專才。執行董事與非執行董事在董事局中佔均衡比重，使董事局擁有強大的獨立意見，能有效地作出獨立判斷。為加強功能，董事局成立了三個委員會，包括執行委員會、審核委員會及提名及薪酬委員會，負責不同的工作。

審慎管理風險

本集團明白旗下業務面對各類風險因素，並以專業方式作出管理。我們建立有效的內部監控機制，分析各項風險因素，在均衡有序的情況下盡量降低風險。

A Sound Corporate Culture

As good governance is essential to corporate success, we instill the core principle of good corporate governance into our corporate culture through leadership by example, training and effective internal controls. A sound governance culture starts from the root. Hang Lung maintains an unparalleled Code of Conduct which every staff and supplier would be made aware of and required to adhere to.

Professional and Responsible Management

The Board comprises professionals from different facets of society who brought in a wide range of business and financial experience and expertise to the Board. The Board includes a balanced composition of Executive and Non-Executive Directors so that there is a strong independent element on the Board which can effectively exercise independent judgment. To improve on the function of the Board, three committees, namely the Executive Committee, Audit Committee and Nomination and Remuneration Committee had been set up to take up different responsibilities.

Prudent Risk Management

The Group recognizes the various risk factors it will face in the operation, and properly deals with them in a manageable manner by setting a good internal control environment.

以下為我們的企業管治常規超越上市規則附錄十四企業管治守則所載之守則條文及建議最佳常規的主要範疇。

The following are the major aspects in which our corporate governance practice exceeds the Code Provisions and Recommended Best Practices of the CG Code under Appendix 14 of the Listing Rules.

| 超越 | Exceeds |
|--|---|
| ✓ 董事局於二零一零/一一年度舉行了六次定期會議。 | Six regular Board Meetings were held in 2010/11. |
| ✓ 由於近乎半數董事均為獨立非執行董事，董事局擁有強大的獨立原素。 | A strong independent element is maintained on the Board as almost half of the Board is represented by Independent Non-Executive Directors. |
| ✓ 在適當情況下高級管理人員會被邀請出席董事局會議，使董事能夠在掌握有關資料的情況下作出決定，並能履行其作為本公司董事的職責及責任。 | Senior management is invited to join the Board Meetings, where appropriate, to provide appropriate information to enable the Directors to make an informed decision and to discharge their duties and responsibilities. |
| ✓ 提名及薪酬委員會的所有成員均為獨立非執行董事，以確保並無任何執行董事或高級管理人員參與釐訂彼等各自的薪酬待遇。 | The Nomination and Remuneration Committee comprises only Independent Non-Executive Directors to ensure no Executive Director or senior management is involved in deciding his/her own remuneration package. |
| ✓ 審核委員會的所有成員均為獨立非執行董事，以保證其獨立性及公信力。 | The Audit Committee comprises only Independent Non-Executive Directors, thereby guaranteeing its independence and credibility. |
| ✓ 審核委員會於二零一零/一一年度在沒有執行董事列席情況下，與外聘核數師舉行了三次會議。 | The Audit Committee met the external auditors three times in 2010/11 without the presence of the Executive Board members. |
| ✓ 自二零零八年起，公司於財政期結束後一個月內公佈中期和全年業績。 | Since 2008, the Company announced its interim and annual results within one month from the end of the accounting period. |
| ✓ 公司設有內部審計部，該部門獨立於本公司之日常運作及會計職務。 | Our internal audit department is independent of our operation and accounting functions. |
| ✓ 內部審計師直接向審核委員會匯報。 | The Internal Auditor reports directly to the Audit Committee. |
| ✓ 外聘核數師出席股東週年大會（「週年大會」）解答股東的提問。 | External auditors attend annual general meetings (the "AGM") to answer questions from shareholders. |
| ✓ 公司自一九九四年起，採納一套適用於所有僱員及董事的企業操守準則。該準則載有我們的舉報政策。 | The Company has adopted a corporate Code of Conduct since 1994, which is applicable to all staff and Directors. The Code of Conduct contains our whistle blowing policy. |
| ✓ 公司全新規劃的網站，加強了與持份者溝通的渠道，網站內亦載有主要的企業管治架構及公司刊物，供公眾瀏覽。 | The Company revamped its corporate website as a means of communication with stakeholders. Principal corporate governance structures and newsletters are publicly available. |
| ✓ 公司出版了一份可持續發展報告，刊載於二零零九/一零年年報內，並載列於公司網站，供公眾瀏覽。 | The Company has published a separate Sustainability Report contained in Annual Report 2009/10 and is publicly available on its corporate website. |

(一) 董事局

1. 組成及功能

董事局現有九名成員：

- 四名執行董事，分別為陳啟宗先生、陳南祿先生、高伯邁先生及何孝昌先生；
- 一名非執行董事，為陳樂宗先生；及
- 四名獨立非執行董事，分別為殷尚賢先生、鄭漢鈞博士、陳樂怡女士及葉錫安先生。彼等均具備適當之學術及專業資格或相關之財務管理專才，並以其豐富的商務及財務經驗為董事局作出貢獻。

於二零一零／一一年度，陳南祿先生及何孝昌先生分別於二零一零年七月十五日及二零一零年九月二十九日獲委任為本公司之執行董事，彼等已於本公司二零一零年之週年大會告退及膺選連任。袁偉良先生於二零一零年七月十四日退任為本公司執行董事，吳士元先生則由二零一零年七月二十一日起辭任本公司執行董事。廖約克博士於二零一一年一月一日辭任本公司獨立非執行董事。

本公司網頁提供最新的董事名單及履歷詳情。

董事負責：

- 確保領導層之連續性；
- 設定卓越之業務策略；
- 確保資金和管理資源足以應付業務策略之推行；及
- 確保財務及內部監控制度健全，業務運作符合適用之法律及規定。

(II) The Board

1. Composition and Functions

The Board currently comprises nine persons:

- four Executive Directors, namely, Mr Ronnie C. Chan, Mr Philip N.L. Chen, Mr William P.Y. Ko and Mr H.C. Ho;
- one Non-Executive Director, Mr Gerald L. Chan; and
- four Independent Non-Executive Directors, namely, Mr S.S. Yin, Dr H.K. Cheng, Ms Laura L.Y. Chen and Mr Simon S.O. Ip. They possess appropriate academic and professional qualifications or related financial management expertise and have brought a wide range of business and financial experience to the Board.

During the year 2010/11, Mr Philip N.L. Chen and Mr H.C. Ho were appointed Executive Directors of the Company on July 15, 2010 and September 29, 2010 respectively, and retired and were re-elected at the 2010 AGM of the Company. Mr Nelson W.L. Yuen retired as Executive Director of the Company on July 14, 2010 whereas Mr Terry S. Ng resigned as Executive Director of the Company with effect from July 21, 2010. Dr York Liao resigned as Independent Non-Executive Director of the Company on January 1, 2011.

An updated list of Board members together with their biographical details is maintained on our website.

The Board is responsible for:

- ensuring continuity of leadership;
- development of sound business strategies;
- availability of adequate capital and managerial resources to implement the business strategies adopted; and
- adequacy of systems of financial and internal controls and conduct of business in conformity with applicable laws and regulations.

為確保每位新委任之董事妥善理解本公司之業務運作，以及完全清楚其本人按照法規及普通法、上市規則、其他法定規則及本公司之管治政策所應負之責任，該董事在首次接受委任時均會獲安排與其他董事和高級管理人員會面，並會獲得全面、正式兼特為其而設的就任須知。所有董事必須向本公司披露其於公眾公司或組織擔任的職位及其他重大承擔。

於二零一零／一一年度，董事局舉行了六次定期會議，其中包括兩次董事局造訪行程中舉行的兩次董事局會議。董事局造訪阿布扎比和迪拜以研究優質物業，並造訪中國大陸以評估公司於當地的投資。

董事於二零一零／一一年度的出席各類會議的記錄詳情如下：

To ensure proper understanding of the operations and business of the Company, and full awareness of his/her responsibilities under statute and common law, the Listing Rules, other regulatory requirements, and especially the governance policies of the Company, every newly appointed Director will meet with other fellow Directors and members of senior management, and will receive a comprehensive, formal and tailored induction on the first occasion of his/her appointment. All Directors are required to disclose to the Company their offices held in public companies or organizations and other significant commitments.

During the year 2010/11, six regular Board Meetings were held, including two Board Meetings held outside Hong Kong during two offsite Board trips. The Board visited Abu Dhabi and Dubai for studying quality properties, and mainland China for evaluating the Company's investment there.

Details of Directors' attendance records in 2010/11 are set out below:

| 董事 | Directors | 出席／舉行會議 Meetings Attended/Held | | | 二零一零年 週年大會 2010 AGM |
|-------------------------|--|-----------------------------------|-----------------------------|---|---------------------------|
| | | 董事局 Board | 審核委員會 Audit Committee | 提名及 薪酬委員會 Nomination & Remuneration Committee | |
| 獨立非執行董事 | Independent Non-Executive Directors | | | | |
| 殷尚賢 | S.S. Yin | 6/6 | 不適用N/A | 不適用N/A | 1/1 |
| 鄭漢鈞 | H.K. Cheng | 6/6 | 3/3 | 1/1 | 1/1 |
| 陳樂怡 | Laura L.Y. Chen | 6/6 | 2/3 | 1/1 | 1/1 |
| 葉錫安 | Simon S.O. Ip | 6/6 | 3/3 | 1/1 | 1/1 |
| 廖約克* | York Liao* | 2/3 | 1/1 | 不適用N/A | 0/1 |
| 非執行董事 | Non-Executive Director | | | | |
| 陳樂宗 | Gerald L. Chan | 5/6 | 不適用N/A | 不適用N/A | 1/1 |
| 執行董事[#] | Executive Directors[#] | | | | |
| 陳啟宗 | Ronnie C. Chan | 6/6 | 不適用N/A | 不適用N/A | 1/1 |
| 陳南祿 | Philip N.L. Chen | 6/6 | 不適用N/A | 不適用N/A | 1/1 |
| 高伯邁 | William P.Y. Ko | 6/6 | 不適用N/A | 不適用N/A | 1/1 |
| 何孝昌 ⁺ | H.C. Ho ⁺ | 4/4 | 不適用N/A | 不適用N/A | 1/1 |

附註：

* 廖約克博士於二零一一年一月一日辭任獨立非執行董事，不再出任審核委員會及提名及薪酬委員會之成員。

[#] 袁偉良先生於二零一零年七月十四日退任為執行董事，及吳士元先生於二零一零年七月二十一日辭任執行董事。由二零一零年七月一日直至彼等退休／辭任為止，並無舉行董事局會議。

⁺ 何孝昌先生於二零一零年九月二十九日獲委任為執行董事。

Remarks:

* Dr York Liao resigned as Independent Non-Executive Director on January 1, 2011 and hence ceased to be a member of both Audit Committee and Nomination and Remuneration Committee.

[#] Mr Nelson W.L. Yuen retired as Executive Director on July 14, 2010 and Mr Terry S. Ng resigned as Executive Director on July 21, 2010. No Board Meetings were held from July 1, 2010 up to their retirement/resignation.

⁺ Mr H.C. Ho was appointed as Executive Director on September 29, 2010.

企業管治 CORPORATE GOVERNANCE

所有董事均可向董事長或公司秘書提出在董事局會議之議程內列入商討事項。董事局或各委員會的全部會議文件，至少於計劃舉行會議日期的三天前分別交予所有董事或委員會成員。管理層為董事局及各委員會提供了足夠資料和解釋，以讓董事局及各委員會於作出決定前能充分掌握有關之財務及其他資料。在適當情況下，管理層會獲邀出席董事局會議。

所有董事均有權取得有關本公司業務的適時資料，於有需要時作出進一步查詢，並可個別地聯絡高級管理人員。此外，公司秘書負責確保董事局依循程序及遵守適用法律及規例；所有董事均可獲得公司秘書之意見及服務。公司秘書亦就企業管治情況及企業管治守則之施行事宜，向董事長及董事局提供意見。董事局並已同意董事尋求獨立專業意見之程序，其所需費用由本公司支付。

根據本公司之組織章程細則，任何涉及董事或其任何聯繫人之重大利益的任何合約或安排時，有關董事不得參加表決或計算在會議法定人數以內。

本公司已為董事和高級管理人員購買適當保險，保障彼等因履行職務有可能承擔之法律訴訟責任。

2. 董事長及董事總經理

董事長及董事總經理的責任清楚區分，以確保權力和授權分佈均衡。

董事長

董事長陳啟宗先生為董事局之領導人。彼負責確保所有董事均可適時獲得足夠及完整可信之資料以及可就其在董事局會議所提出之問題獲清楚之解釋。彼亦確保：

- 董事局有效地運作及履行責任；

All Directors can give notice to the Chairman or the Company Secretary if they intend to include matters in the agenda for Board Meetings. Full Board or Committee papers will be sent to all Directors or Committee members at least three days before the intended date of a Board Meeting or Committee Meeting respectively. Management also supplies the Board and its Committees with adequate information and explanations so as to enable them to make an informed assessment of the financial and other information put before the Board and its Committees for approval. Management is also invited to join Board Meetings where appropriate.

All the Directors are entitled to have access to timely information in relation to our business and make further enquiries where necessary, and they can have separate and independent access to senior management. In addition, all Directors have access to the advice and services of the Company Secretary who is responsible to the Board for ensuring that procedures are followed and that all applicable laws and regulations are complied with. The Company Secretary is also a source of advice to the Chairman and to the Board on corporate governance and the implementation of the CG Code. Procedures have also been agreed by the Board to enable Directors to seek independent professional advice at the Company's expense.

Under the Company's Articles of Association, a Director shall not vote or be counted in the quorum in respect of any contract or arrangement in which he/she or any of his/her associates is/are materially interested.

We have also arranged appropriate insurance cover on Directors' and officers' liabilities in respect of legal actions against our Directors and senior management arising from corporate activities.

2. Chairman and Managing Director

There is a clear division of responsibilities between the Chairman and Managing Director to ensure a balance of power and authority.

Chairman

The Chairman, Mr Ronnie C. Chan, provides leadership for the Board. He is responsible for ensuring that all Directors receive adequate information, which must be complete and reliable, in a timely manner and that Directors are properly briefed on issues arising at Board Meetings. He also ensures that:

- the Board works effectively and discharges its responsibilities;

- 董事局及時就所有重要的適當事項進行討論；
- 公司建立良好之企業管治常規和程序；及
- 公司採取適當步驟與股東有效地溝通，而股東之意見可傳達至整個董事局。
- all key and appropriate issues are discussed by the Board in a timely manner;
- good corporate governance practices and procedures are established; and
- appropriate steps are taken to provide effective communication with shareholders and that views of shareholders are communicated to the Board as a whole.

董事長最少每年一次與獨立非執行董事會面，執行董事不會列席。董事長主要負責釐定並批准每次董事局會議議程，並在適當情況下考慮把其他董事提出之任何事宜列入議程。彼亦可把此項責任交由公司秘書執行。

He, at least annually, holds meetings with the Independent Non-Executive Directors without the Executive Directors being present. He is primarily responsible for drawing up and approving the agenda for each Board Meeting, taking into account, where appropriate, any matters proposed by the other Directors for inclusion in the agenda, or delegates such responsibility to the Company Secretary.

董事長鼓勵所有董事全面地及積極地為董事局之事務作出貢獻，並以身作則，確保董事局之行事符合本公司之最佳利益。彼亦務求非執行董事對董事局能作出有效之貢獻，並確保執行董事與非執行董事保持有建設性之關係。

He encourages all Directors to make a full and active contribution to the Board's affairs and takes the lead to ensure that the Board acts in the best interests of the Company. He facilitates the effective contributions of Non-Executive Directors and ensures constructive relations between Executive Directors and Non-Executive Directors.

董事總經理

身為本公司執行委員會的成員，董事總經理陳南祿先生負責：

Managing Director

The Managing Director, Mr Philip N.L. Chen, is a member of the Executive Committee of the Company and is responsible for:

- 本公司之整體業務運作，並執行董事局所採納之政策和策略；
- 按董事局的指示管理本公司之日常業務；
- 就董事局所設定之目標和優先次序制定策略性業務計劃，並致力維持本公司之業務表現；及
- 確保本公司之財務和內部監控機制以及業務運作均充分符合適用法律及規定。
- operating the business of the Company and implementing policies and strategies adopted by the Board;
- the Company's day-to-day management in accordance with the instructions issued by the Board;
- developing strategic operating plans that reflect the objectives and priorities established by the Board and maintaining operational performance; and
- ensuring the adequacy of financial and internal control systems and the conduct of business in conformity with applicable laws and regulations.

董事總經理負責主持本公司每月舉行之部門營運會議，制定本公司之管理架構及內部守則供董事局審批，並就高級行政人員之委任及辭退向董事局作出建議。

The Managing Director chairs the monthly meetings of the Company's various operational divisions. He formulates, for the Board's approval, the management organization and internal rules of the Company and recommends the appointment and dismissal of senior executives.

3. 獨立非執行董事

我們已接獲每位獨立非執行董事按上市規則第3.13條所提交有關其獨立性之年度確認書，故認為所有獨立非執行董事均繼續保持其獨立性。

為進一步提高問責性，凡服務董事局超過九年之獨立非執行董事，須獲股東以獨立決議案批准方可連任。我們會在週年大會通告中，向股東列明董事局認為該獨立非執行董事仍屬獨立人士的原因，以及我們向股東提議就獨立非執行董事之重選投贊成票。

4. 委任、重選和罷免

遵照本公司之組織章程細則，董事人數三分之一須於週年大會輪值告退後再獲股東重選方可連任。此外，每位董事須最少每三年輪值告退一次，新委任之董事須於緊接其委任後召開之股東大會獲股東重新選任。所有該等合資格重選之董事姓名連同其個人詳細履歷，均會載於股東大會通告內。

非執行董事及獨立非執行董事之委任有指定任期，彼等之任職屆滿日期與彼等之預期輪值告退日期(最少每三年一次)一致。

(二) 董事局權力的轉授

執行委員會、審核委員會和提名及薪酬委員會分別於一九八九年、一九九九年及二零零三年成立。

1. 執行委員會

本公司董事局之執行委員會乃於一九八九年成立，現有成員包括全部執行董事，彼等定期舉行會議，藉以制定本公司之策略性方向及監察管理層之表現。董事局已採納清晰的職權範圍，並已就若干須交由董事局決定的事項制訂了指引。每位委員會成員均完全清楚哪些事項須交由董事局全體決定、哪些事項可交由委員會或管理層負責。

3. Independence of Non-Executive Directors

We have received from each of our Independent Non-Executive Directors an annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules and therefore we consider the Independent Non-Executive Directors are still independent.

To further enhance accountability, any appointment of an Independent Non-Executive Director who has served the Board for more than 9 years will be subject to a separate resolution to be approved by shareholders. We will state in the notice of the AGM the reason why we consider the Independent Non-Executive Director continues to be independent and our recommendation to shareholders to vote in favor of the re-election of such Independent Non-Executive Director.

4. Appointment, Re-election and Removal

In accordance with our Articles of Association, one-third of the Directors are required to retire from office by rotation for re-election by shareholders at an AGM. In addition, every Director is subject to retirement by rotation at least once every three years, and new appointments to the Board are subject to re-election by shareholders at the upcoming general meeting. Names of such Directors eligible for re-election being accompanied by detailed biographies will be stated in the notice of the general meeting.

Non-Executive Director and Independent Non-Executive Directors are appointed for specific terms, which coincide with their expected dates of retirement by rotation at least once every three years.

(II) Delegation by the Board

The Executive Committee, Audit Committee and Nomination and Remuneration Committee were formed in 1989, 1999 and 2003 respectively.

1. Executive Committee

The Executive Committee of the Board of the Company was formed in 1989. Its members are all the Executive Directors of the Company, who meet regularly to establish the strategic direction of the Company, and to monitor the performance of management. Clear terms of reference have been adopted by the Board, and guidelines were also set up for certain issues requiring Board approval. Each of the Committee members has full understanding on determining which issues require a decision of the full Board and which are delegated by the Board to the Committee or management.

2. 審核委員會

審核委員會乃於一九九九年由董事局設立，目前成員包括三名獨立非執行董事，分別為葉錫安先生(委員會主席)、鄭漢鈞博士及陳樂怡女士。彼等均具備適當之學術及專業資格或相關之財務管理專才。審核委員會每年舉行最少兩次會議，以討論內部審計工作之性質和範疇以及評核集團之內部監控。審核委員會於有需要時會與外聘核數師另行開會(管理層並不列席)。於二零一零/一一年度內，審核委員會舉行了三次會議。

審核委員會之職權範圍(已載於本公司的網頁可供瀏覽)包括上市規則所規定之具體職責。

委員會獲董事局授權，可調查其職權範圍內之任何事項；向任何僱員索取任何所需資料，而所有僱員均須就委員會之要求作出通力合作；向外界法律人士或其他獨立專業人士尋求意見；及於有需要時邀請具有相關經驗和專才之外界人士參與會議。委員會獲提供足夠資源以履行其職責。

本年度內，審核委員會履行了(其中包括)以下之職責：

- 審閱並向管理層和外聘核數師取得有關中期業績(未經審核)和全年業績之解釋，包括與以往會計期有改變之原因、採用新會計政策之影響、對上市規則和有關法規的遵例情況、以及任何核數事宜，然後建議董事局採納有關業績；
- 考慮及向董事局建議再度委任畢馬威會計師事務所為本公司之外聘核數師；
- 考慮及審批僱用外聘核數師為本公司提供非核數服務之程序和指引；
- 收取及檢討內部審計師之內部審計報告；
- 與外聘核數師開會(管理層並不列席)以商討核數事宜；

2. Audit Committee

An Audit Committee was established by the Board in 1999, which now comprises three Independent Non-Executive Directors with appropriate academic and professional qualifications or related financial management expertise, namely, Mr Simon S.O. Ip (Chairman of the Committee), Dr H.K. Cheng and Ms Laura L.Y. Chen. Meetings are held at least two times a year for the purpose of discussing the nature and scope of internal audit work and assessing the Group's internal controls. Separate meetings will also be held with the external auditors (in the absence of management) as and when required. The Audit Committee held three meetings in 2010/11.

Its terms of reference, which are accessible to all via our website, have included the duties stipulated in the Listing Rules.

The Committee is authorized by the Board to investigate any activity within its terms of reference; to seek any information it requires from any employee and all employees are directed to co-operate with any requests made by the Committee; to obtain outside legal or other independent professional advice; and to secure the attendance of outsiders with relevant experience and expertise to their meetings if necessary. Sufficient resources are provided to the Committee to discharge its duty.

During the year, the Audit Committee has performed, inter alia, the following:

- reviewed and obtained explanation from management and the external auditors on the interim (unaudited) and annual results, including causes of changes from the previous period, effects on the application of new accounting policies, compliance with the Listing Rules and relevant legislation, and any audit issues, before recommending their adoption by the Board;
- considered and proposed to the Board the re-appointment of KPMG as the Company's external auditors;
- considered and approved the procedures and guidelines in employing the external auditors to perform non-audit assignments for the Company;
- received and reviewed the internal audit reports from the Internal Auditor;
- held meetings with the external auditors in the absence of management to discuss any audit issues;

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- 與內部審計師另行開會以商討內部審計事宜；
- 審批二零一零／一一年度之內部審計計劃；及
- 就本公司的內部監控機制作出年度審閱，包括本公司在會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算又是否充足。
- held meetings with the Internal Auditor in private to discuss internal audit issues;
- approved the internal audit program for 2010/11; and
- carried out an annual review of the internal control system of the Company including the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programs and budget.

3. 提名及薪酬委員會

提名及薪酬委員會於二零零三年設立，目前成員包括三名獨立非執行董事，分別為鄭漢鈞博士(委員會主席)、陳樂怡女士及葉錫安先生。該委員會定期舉行會議以審閱有關人力資源之議題，包括集團薪酬架構之重大改變及影響董事和高級管理人員之條款及條件之重大改變。於二零一零／一一年度內，委員會舉行了一次會議，以審閱(其中包括)董事局之成員架構及董事薪酬。

委員會之職權範圍(已載於本公司的網頁可供瀏覽)包括不低於上市規則所規定之具體職責。

本年度內，委員會已履行的主要職責如下：

- 檢討董事局之架構、規模及成員(包括董事之技能、知識和經驗)；
- 就本公司有關董事和高級管理人員之薪酬政策及架構，向董事局提出建議；
- 釐定所有執行董事和高級管理人員之特定薪酬待遇，包括非金錢利益、退休金權利及賠償金額；及
- 就非執行董事及獨立非執行董事之酬金向董事局提出建議。

3. *Nomination and Remuneration Committee*

A Nomination and Remuneration Committee, set up in 2003, now constitutes three Independent Non-Executive Directors, namely Dr H.K. Cheng (Chairman of the Committee), Ms Laura L.Y. Chen and Mr Simon S.O. Ip. Regular meetings were held to review human resources issues, including significant changes in the salary structure of the Group and terms and conditions affecting Directors and senior management. The Committee met once in 2010/11 to review, inter alia, the composition of Board members and Directors' remuneration.

Its terms of reference, which are accessible to all via our website, have included, as a minimum, the specific duties as stipulated in the Listing Rules.

The major work performed by the Committee during the year included the following:

- reviewed the structure, size and composition (including the skills, knowledge and experience) of the Board;
- made recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management;
- determined the specific remuneration packages of all Executive Directors and senior management, including benefits in kind, pension rights and compensation payments; and
- made recommendations to the Board on the remuneration of Non-Executive Director and Independent Non-Executive Directors.

董事和高級管理人員之薪酬待遇(包括酌定花紅及股份期權)，乃基於以下準則：

- 個人表現；
- 技能和知識；
- 對本集團事務之參與程度；
- 達成之業務目標；及
- 本集團之表現及盈利。

委員會並考慮各項因素，包括可供比較之公司所支付之薪金、董事所投入之時間及承擔之職責、集團其他職位之僱用條件、以及與表現掛鉤之薪酬安排是否可取。

委員會從內部及外界取得指標報告，以評估董事和高級管理人員薪酬之有關市場趨勢及競爭水平。委員會獲提供足夠資源以履行其職責。委員會可諮詢董事長及董事總經理就其對其他執行董事薪酬之意見，並可在有需要時徵詢專業意見。

4. 高級管理人員

高級管理人員包括各助理董事及高級經理，彼等在各執行董事領導下負責本集團之日常運作及行政管理。董事局已給予管理層清晰指引，明確界定哪些事項須先獲董事局批准，方可代表本公司作出決定。董事局授權管理層可作出決定之事項包括：執行董事局決定之策略和方針、本集團之業務運作、準備財務報表及營運預算案、以及遵守適用之法律和規則。本公司定期審閱此等安排，確保其適合本公司之所需。

The remuneration package of Directors and senior management, including discretionary bonus and share options, is based on the following criteria:

- individual performance;
- skill and knowledge;
- involvement in the Group's affairs;
- achievement of business targets; and
- performance and profitability of the Group.

The Committee also considers factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment conditions elsewhere in the Group and desirability of performance-based remuneration.

The Committee obtains benchmark reports from internal and external sources for evaluation of market trends and the competitive levels of remuneration being offered to Directors and senior management. Sufficient resources are provided to the Committee to discharge its duty. The Committee may consult the Chairman and the Managing Director about their proposals relating to the remuneration of other Executive Directors and have access to professional advice if considered necessary.

4. Senior Management

Senior management, comprising assistant directors and senior managers, is responsible for the day-to-day operations and administration function of the Group under the leadership of the Executive Directors. The Board has given clear directions to management as to the matters that must be approved by the Board before decisions are made on behalf of the Company. The types of decisions to be delegated by the Board to management include implementation of the strategy and direction determined by the Board, operation of the Group's businesses, preparation of financial statements and operating budgets, and compliance with applicable laws and regulations. These arrangements will be reviewed periodically to ensure that they remain appropriate to our needs.

(三) 董事的證券交易及持有之股份權益

1. 遵守標準守則

本公司之操守準則內有關「買賣本公司之股份」之指引，載有本公司已採納的一套不低於上市規則附錄十所載之《上市發行人董事進行證券交易的標準守則》（「標準守則」）所規定的董事進行證券交易標準的行為守則。本公司已向所有董事作出特定查詢，確認已遵守標準守則及操守準則所規定的董事進行證券交易標準。

2. 董事持有之股份權益

於二零一一年六月三十日，董事持有本公司及其上市附屬公司恒隆地產有限公司（「恒隆地產」）之股份權益之詳情如下：

(III) Directors' Securities Transactions and Share Interests

1. Compliance with Model Code

We have set out guidelines regarding securities transactions by Directors under “transactions in the Company’s shares” in our Code of Conduct, which are on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules (the “Model Code”). The Company has made specific enquiries to all Directors and confirmed that they have complied with the required standard set out in the Model Code and the Code of Conduct regarding Directors’ securities transactions.

2. Share Interests of Directors

Details of Directors’ interests in shares of the Company and our listed subsidiary, Hang Lung Properties Limited (“HLP”), as at June 30, 2011 are as follows:

| 董事姓名 | Name of Directors | 本公司 The Company | | 恒隆地產 HLP | |
|------|-------------------|-----------------------|---|-----------------------|---|
| | | 股份數目 No. of Shares | 根據期權 可認購之股數 No. of Shares under Option | 股份數目 No. of Shares | 根據期權 可認購之股數 No. of Shares under Option |
| 陳啟宗 | Ronnie C. Chan | – | 11,790,000 | – | 36,570,000 |
| 殷尚賢 | S.S. Yin | – | – | – | – |
| 陳南祿 | Philip N.L. Chen | – | – | – | 14,500,000 |
| 陳樂宗 | Gerald L. Chan | – | – | – | – |
| 鄭漢鈞 | H.K. Cheng | – | – | – | – |
| 陳樂怡 | Laura L.Y. Chen | – | – | – | – |
| 葉錫安 | Simon S.O. Ip | – | – | – | – |
| 高伯邁 | William P.Y. Ko | 30,000 | 994,000 | – | 25,730,000 |
| 何孝昌 | H.C. Ho | – | – | – | 5,600,000 |

(四) 問責及核數

1. 財務匯報

董事對本公司以持續營運為基準所編製的財務報表承擔責任，並於有需要時為財務報表作出合理的假設和保留意見。本公司之財務報表乃按照上市規則、公司條例及香港公認會計原則及守則之規定而編製，並貫徹採用合適之會計政策及作出審慎及合理之判斷和估計。外聘核數師，畢馬威會計師事務所已在本公司財務報表的獨立核數師報告中就他們的申報責任作出聲明。

董事於年報、中期報告、股價敏感公告及上市規則和法規要求的其他披露文件內，致力確保就本公司之狀況和前景作出平衡、清晰及明白之評審。

2. 內部監控

我們維持良好的內部監控系統，確保內部監控系統及程序有效運作。操守準則詳述本集團之經營業務宗旨，作為所有員工依隨之標準。

設立內部監控制度，是為了讓我們監察本集團之整體財務狀況、防止資產受損或被挪用、就欺詐及錯失作出合理預防措施、以及就因無法達成本集團之目標而可能帶來之風險作出管理。

我們對執行委員會、董事、行政人員及高級職員之活動設有明確之特定權限。年度及中期預算案的所有資本及收入項目編製後，均須先獲高級管理人員批准方可採納。我們密切監察各項業務，審閱每月之財務業績及與預算作出比較，並不時檢討及更新內部監控以面對未來的挑戰。

我們採取極審慎的措施處理股價敏感資料。此等資料僅為須知人士所悉。

(IV) Accountability and Audit

1. Financial Reporting

Directors acknowledge their responsibility for preparing the financial statements on a going concern basis, with supporting assumptions or qualifications as necessary. The Company's financial statements are prepared in accordance with the Listing Rules, Companies Ordinance and also the accounting principles and practices generally accepted in Hong Kong. Appropriate accounting policies are selected and applied consistently; judgments and estimates made are prudent and reasonable. A statement by the external auditors, KPMG, about their reporting responsibilities is included in the Independent Auditor's Report on the Company's financial statements.

The Directors endeavor to ensure a balanced, clear and understandable assessment of the Company's position and prospects in annual reports, interim reports, price-sensitive announcements and other disclosures required under the Listing Rules and other statutory requirements.

2. Internal Control

We maintain a good internal control environment to enable the internal control systems and procedures to perform effectively. The Code of Conduct details the Group's philosophy in running its business and acts as a benchmark for all staff to follow.

Internal control systems have been designed to allow us to monitor the Group's overall financial position, safeguard its assets against loss and misappropriation, to provide reasonable assurance against fraud and errors, and to manage the risk in failing to achieve the Group's objectives.

We have a well defined specific limit of authority governing activities of the Executive Committee, Directors, executives and senior staff. Annual and mid-year budgets on all capital and revenue items are prepared and approved by senior management before being adopted. We monitor the business activities closely and review monthly financial results of operations against budgets. We also review and update the internal controls to meet upcoming challenges.

We take extreme precautionary measures in handling price-sensitive information. Such information is restricted to a need-to-know basis.

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本公司設有內部審計部，獨立於本公司之日常運作及會計職務。內部審計師直接向審核委員會匯報。內部審計程序乃根據風險評估方法設計，並由審核委員會每年作出審閱。內部審計師每月與管理層商討其內部審計工作及結果，而管理層則就各項有關事宜作出適當之回應。內部審計師每季均向審核委員會提交報告。

內部審計師與審核委員會每六個月舉行一次正式會議，商討內部審計事宜。審核委員會舉行會議時，亦會向外聘核數師查詢其對本公司財務及內部監控事宜之意見。審核委員會有權與外聘核數師直接商討，雙方並會最少每年就此舉行一次會議，倘有需要，管理層不會列席。一名執行董事出席審核委員會會議，以解答審核委員會之查詢，並會向董事局匯報審核委員會會議上提出的事宜。

董事明白，彼等有責任維持有效的風險管理及內部監控制度，並須每年審閱有關制度兩次。董事管理風險的方法包括作出策略性規劃、委任合適資歷及經驗豐富的人士擔任高級管理人員、定期監察本集團之表現、對資本支出及投資保持有效的監控、以及制定嚴謹的操守準則供所有董事及員工依從。

截至二零一一年六月三十日止之財政年度內，董事已就本公司及其附屬公司之所有主要監控機制作出審閱，範圍涵蓋財務、運作及合規監控、以及風險管理功能，對運作中的內部監控機制的成效和足夠程度感到滿意。亦審議本公司在會計及財務匯報職能方面的資源，員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算又是否充足。董事作出此項結論，乃基於公司已清楚列明有關政策和程序，並已設定權限、監控財政預算及定期監察集團之表現，並已參考外聘核數師及內部審計師之報告。

We maintain an internal audit department which is independent of our daily operations and accounting functions. The Internal Auditor reports directly to the Audit Committee. An internal audit program based on risk assessment methodology was designed which has been reviewed by the Audit Committee on an annual basis. On a monthly basis, the Internal Auditor discusses his internal audit reviews and findings with the management and obtains management's responses on various issues. Internal audit reports are prepared for the Audit Committee every quarter.

Formal meetings are held every six months between the Internal Auditor and the Audit Committee to discuss internal audit issues. During Audit Committee Meetings, the Audit Committee also enquires on financial and internal control matters with the external auditors. The Audit Committee has the authority to have direct discussion with external auditors in the absence of management if deemed necessary, and they meet at least once annually for this purpose. One Executive Director is present at the Audit Committee Meetings to answer enquiries from the Audit Committee and to report to the Board on matters arising.

The Directors acknowledged that it is their responsibility to maintain effective risk management and internal control systems and to review them twice a year. The Directors manage risks by strategic planning, appointing appropriately qualified and experienced personnel at senior management positions, monitoring the Group's performance regularly, maintaining effective control over capital expenditure and investments, and setting a high level of Code of Conduct for all Directors and employees to follow.

The Directors had conducted a review covering all material controls, including financial, operational and compliance controls and risk management functions of the Company and its subsidiaries for the financial year ended June 30, 2011, and were satisfied that an effective and adequate internal control system had been in operation. Considerations are also given to the adequacy of resources, qualifications and experience of the staff of the Company's accounting and financial reporting function, and their training programs and budget. The Directors came to such a conclusion based on the Company's clearly set company policies and procedures, specific limits of authority, budgetary controls, regular monitoring of performance and the reports from both the external auditors and the Internal Auditor.

無論是收購土地供未來發展，抑或把土地建成可凌駕競爭對手的世界級物業，集團均會認清相關風險。我們為項目保留充足的財政資源，不斷為物業提升功能及優化外觀以配合市場的潮流變化。我們採用中央司庫管理，致力減低貨幣和信貸風險；並妥善保護資產，除購買足夠的保險外，更制訂適當的應急計劃，其中包括設有電腦系統獨立後備中心。此外，我們提供適當的培訓和具競爭力的薪酬，藉此建立專業服務團隊及挽留優秀員工。

董事確定，與上一財政年度比較，本公司所面對的主要風險，在性質上和程度上均無重大變化；本公司有能力應付其營商環境及外在環境之任何相關變化。此外，本公司年內並無遇到有關內部監控的重大問題。我們持續地密切監察本公司的內部監控機制，並獲審核委員會進一步證實，內部監控機制正有效地運作。我們完全遵守企業管治守則之守則條文所載有關維持有效的內部監控制度的規定。

3. 操守準則

本公司自一九九四年起採納企業操守準則，並不時更新。

企業操守準則清楚列出本公司的原則；法律規定；處理利益衝突的方式；處理機密資料和公司財產；使用資訊和通訊系統；有關舉報政策的申訴渠道；與供應商和承辦商的公平交易；付款程序；對股東和投資者的責任；與顧客和消費者的關係；僱傭守則；以及對社會的責任等。事實上，準則詳述了本集團的業務經營宗旨，作為所有員工和供應商的依隨標準。

為監察及貫徹操守準則之遵從，各部門經理負責確保其下屬充分瞭解及遵守該等準則和規定。違規之僱員會受到處分，包括被勒令離職，並會向廉政公署或其他有關機構舉報涉嫌貪污或其他罪行。倘任何董事局成員查詢關於股東、潛在股東、客戶、消費者、供應商、承辦商及本公司之僱員所作出之投訴，執行董事須直接向該董事作出回答，以確保有關投訴獲公正及有效率之處理。

We identify the risk in land acquisition for future expansion, the development into world-class outstanding properties that will let us stay ahead of competitors, maintaining adequate financial resources for the projects, constantly upgrading the functions and appearance of our properties to capture the changes in market and trend, using a centralized treasury function and limiting the exposure to currency and credit risk, safeguarding our assets, maintaining adequate insurance coverage, formulating an appropriate disaster plan including a separate computer back-up site, providing appropriate training and competitive remuneration packages to retain quality staff.

The Directors confirm that there have been no major changes in the nature and extent of significant risks faced by us from the previous financial year, and the Company has the ability to respond to any such changes in our business and the external environment. Furthermore, there were no significant internal control problems encountered during the year. We closely monitor our system of internal control, and received further assurance from the Audit Committee that the internal audit function has been functioning effectively. We have complied with the Code Provisions set out in the CG Code in respect of maintaining an effective internal control system.

3. Code of Conduct

We have adopted a corporate Code of Conduct since 1994 which is updated from time to time.

The Code of Conduct clearly spells out the Company's stance, the legal requirements, conflicts of interest, handling of confidential information and company property, use of information and communication systems, avenue for whistle blowing, fair trading with suppliers and contractors, payment procedures, responsibilities to shareholders and the financial community, relationship with customers and consumers, employment practices, and responsibilities to the community. In essence, it details the Group's philosophy in running its business and acts as a benchmark for all staff and suppliers to follow.

In order to monitor and enforce compliance to the Code of Conduct, functional managers are responsible for ensuring their subordinates fully understand and comply with the standards and requirements as stipulated. Any violation thereof will result in the employee being disciplined, including termination of employment. Suspected corruption or other forms of criminality will be reported to the Independent Commission Against Corruption or appropriate authorities. The Executive Directors will also answer directly to any Board member for impartial and efficient handling of complaints received from all shareholders and potential shareholders; customers and consumers; suppliers and contractors and our employees.

企業管治 CORPORATE GOVERNANCE

此外，所有高於界定職級的僱員均須每年填寫並簽署申報表格，披露其直接或間接在本公司或其附屬公司或聯營公司持有之利益，以確保所有業務管理均按照最高的實務準則及企業管治準則進行。

4. 核數師酬金

二零一零年週年大會上，股東批准再度委任畢馬威會計師事務所為本公司之外聘核數師，直至二零一一年週年大會為止。彼等之主要責任乃就年度綜合財務報表提供核數服務。

年內，付予外聘核數師服務之總酬金如下：

Also, all employees who are above a designated level are required to complete and sign a declaration form annually declaring their interests, directly or indirectly, with the Company and our subsidiaries and associated companies, so as to make sure that all operations are managed in accordance with the highest standards of practice and corporate governance.

4. Auditors' Remuneration

KPMG was re-appointed as our external auditors by shareholders at the 2010 AGM until the conclusion of the 2011 AGM. They are primarily responsible for providing audit services in connection with the annual consolidated financial statements.

During the year, the total remuneration in respect of services provided by the external auditors is as follows:

| | | 二零一一年 Year 2011 港幣百萬元 HK\$M | 二零一零年 Year 2010 港幣百萬元 HK\$M |
|---------|--------------------------|--------------------------------------|--------------------------------------|
| 法定核數服務 | Statutory audit services | 10 | 9 |
| 稅務及其他服務 | Tax and other services | 3 | 1 |

(五) 與持份者的溝通

1. 股東

本公司之週年大會為董事局與股東提供溝通良機。董事長及各委員會之主席一般均出席以解答股東提出之問題，外聘核數師每年也會出席週年大會。週年大會通告及有關文件於大會舉行日期前最少二十個營業日寄予股東。董事長就每項獨立的事宜個別提出決議案。週年大會獲股東踴躍出席。

倘持有不少於本公司百分之五已繳股本之股東提出要求(彼於提出要求當日擁有上述持股量及在本公司之股東大會上有相等之投票權)，本公司董事須就此召開股東特別大會。

倘股東有特別查詢或建議，可致函本公司之註冊地址予董事局或公司秘書或電郵至本公司。

(V) Communication with Stakeholders

1. Shareholders

Our AGM provides a good opportunity for communication between the Board and shareholders. The Chairmen of the Board and of the Committees are normally present to answer queries raised by shareholders. External auditors also attend the AGM every year. Notice of the AGM and related papers are sent to shareholders at least 20 clear business days before the meeting. Each separate issue is proposed by a separate resolution by the Chairman. The meeting enjoys strong participation from shareholders.

On the requisition of our shareholders holding not less than 5% of our paid-up capital as at the date of the deposit of the requisition carrying the right of voting at our general meetings, our Directors shall forthwith proceed to convene an extraordinary general meeting.

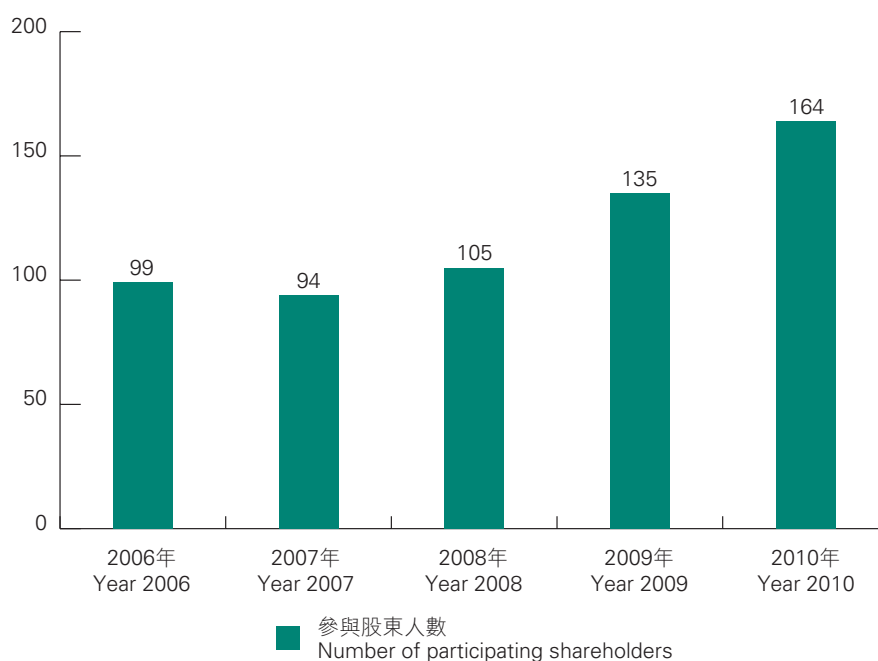
Specific enquiries and suggestions by shareholders can be sent in writing to the Board or the Company Secretary at our registered address or by e-mail to our Company.

本公司上屆週年大會於二零一零年十月二十日在本公司之註冊辦事處舉行，合共有一百六十四位股東親身或委派代表出席大會。會上，董事長要求以投票方式表決每項決議案，及已向股東提供以投票方式進行表決的詳細程序。所有於二零一零年週年大會上提呈的決議案，其中包括財務報表之採納、重選董事、重聘核數師及再次給予一般授權均以投票方式表決，投票表決結果於同日傍晚在本公司及聯交所之網頁刊登。

Our last AGM was held on October 20, 2010 at our registered office. The meeting was attended by 164 shareholders present in person or by proxy. At the meeting, the Chairman had demanded a poll on each of the resolutions submitted for voting, and the shareholders were provided with detailed procedures for conducting a poll. All resolutions tabled at the 2010 AGM, inter alia, adoption of the financial statements, re-election of Directors, re-appointment of auditors and renewal of general mandates were voted on by poll, and the results of poll voting were posted on the websites of our Company and of the Stock Exchange in the evening on the same day.

參與週年大會的股東人數

Shareholders Participation in AGM



董事局將於二零一一年十月十八日舉行之週年大會動議修訂本公司之組織章程細則，詳情載於隨本年報一併寄發的股東通函內。下個財政年度與股東相關的重要日期，包括就宣佈派發截至二零一二年六月三十日止年度之中期股息及末期股息而舉行的董事局會議的日期、以及週年大會日期，分別約於二零一二年一月底、二零一二年七月底、以及二零一二年十月舉行。

The Board proposed to make changes to the Articles of Association of the Company at the forthcoming AGM to be held on October 18, 2011. Details are set out in the circular to shareholders to be sent together with this annual report. The important shareholders' dates for the coming financial year, which include the Board Meetings for the declaration of interim and final dividends for the year ending June 30, 2012 and the AGM, are expected to be held at around late January 2012, late July 2012 and in October 2012 respectively.

企業管治 CORPORATE GOVERNANCE

2. 投資者

於二零一一年六月三十日之股東所屬地詳情如下：

2. Investors

Details of holders of shares by domicile as at June 30, 2011 are as follows:

| 所屬地 | Domicile | 股東 Shareholders | | 持股量 Shareholdings | |
|-----------|-------------------------|--------------------|---------------|-----------------------|---------------|
| | | 人數 No. | 百分比 % | 股份數目 No. of Shares | 百分比 % |
| 香港 | Hong Kong | 2,213 | 97.83 | 972,924,357 | 72.16 |
| 中國內地 | Mainland China | 7 | 0.31 | 130,625 | 0.01 |
| 澳門 | Macau | 4 | 0.18 | 116,075 | 0.01 |
| 台灣 | Taiwan | 1 | 0.04 | 1,874 | 0.00 |
| 澳洲及新西蘭 | Australia & New Zealand | 5 | 0.22 | 28,200 | 0.00 |
| 加拿大及美國 | Canada & USA | 17 | 0.75 | 120,525 | 0.01 |
| 東南亞 | South East Asia | 2 | 0.09 | 34,000 | 0.00 |
| 英國 | United Kingdom | 6 | 0.27 | 22,758 | 0.00 |
| 其他 | Others | 7 | 0.31 | 374,939,828 | 27.81 |
| 總計 | TOTAL | 2,262 | 100.00 | 1,348,318,242 | 100.00 |

於二零一一年六月三十日之股東持股量組別詳情如下：

Details of holders of shares by holding range as at June 30, 2011 are as follows:

| 持股量組別 | Holding Range | 股東* Shareholders* | | 持股量* Shareholdings* | |
|-----------------|-------------------------|----------------------|---------------|------------------------|---------------|
| | | 人數 No. | 百分比 % | 股份數目 No. of Shares | 百分比 % |
| 1-1,000股 | 1 - 1,000 shares | 416 | 18.39 | 247,121 | 0.02 |
| 1,001-5,000股 | 1,001 - 5,000 shares | 778 | 34.39 | 2,392,005 | 0.18 |
| 5,001-10,000股 | 5,001 - 10,000 shares | 404 | 17.86 | 3,377,615 | 0.25 |
| 10,001-100,000股 | 10,001 - 100,000 shares | 608 | 26.88 | 16,931,910 | 1.25 |
| 100,000股以上 | Over 100,000 shares | 56 | 2.48 | 1,325,369,591 | 98.30 |
| 總計 | TOTAL | 2,262 | 100.00 | 1,348,318,242 | 100.00 |

* 包括二百五十八名參與中央結算及交收系統之人士，彼等在所屬之持股量組別內，以香港中央結算代理人有限公司名義登記持有合共七億七千八百七十三萬一千零三十股股份

* incorporating, in their respective shareholdings range, 258 participants of Central Clearing and Settlement System holding a total of 778,731,030 shares registered in the name of HKSCC Nominees Limited

本公司致力向股東和投資者披露其業務之相關資料，除透過本公司之年報及中期報告外，亦定期與分析員會面、舉行記者會、發放新聞稿和電郵、以及在本公司網頁提供資料。股東、投資者、傳媒或公眾人士之所有查詢及建議，均由執行董事、公司秘書或適當之高級管理人員負責解答。

任何人士均可登上本公司之網頁查閱本公司之資料，包括審核委員會及提名及薪酬委員會的職權範圍，而上述職權範圍之印刷本亦可供索閱。除提供財務等傳統資料外，本公司之網頁亦提供本公司其他最新資料，包括可供出售物業、租賃物業、最新之已發行股本、主要股東之股份權益、公司刊物、公司大事紀要及常見問題等。

We are committed to disclose relevant information on our activities to our shareholders and investors through regular analysts' briefings, press conferences and press releases, e-mails and our website, apart from our annual and interim reports. All enquiries and proposals received from shareholders, investors, media or the public are responded to by Executive Directors, Company Secretary or appropriate members of senior management.

The Company's information, including the terms of reference of Audit Committee and Nomination and Remuneration Committee, is also accessible to all via our website. Hard copies of the terms of reference of the above-mentioned Committees are also available on request. Besides providing traditional financial data, our website also contains the most current information including properties available for sale and leasing, latest issued capital, updated substantial shareholders' interests in shares, newsletters, major corporate events and frequently asked questions.

董事簡介

PROFILE OF THE DIRECTORS

由左至右：

From Left to Right:

何孝昌先生，葉錫安先生，鄭漢鈞博士，陳南祿先生，陳啟宗先生，
殷尚賢先生，陳樂宗先生，陳樂怡女士，高伯適先生

**Mr Hau Cheong Ho, Mr Simon Sik On Ip, Dr Hon Kwan Cheng,
Mr Philip Nan Lok Chen, Mr Ronnie Chichung Chan, Mr Shang Shing Yin,
Mr Gerald Lokchung Chan, Ms Laura Lok Yee Chen, Mr William Pak Yau Ko**



黃金團隊 The RIGHT Team



董事簡介

PROFILE OF THE DIRECTORS

陳啟宗先生

董事長

陳先生現年六十一歲，於一九七二年加盟本集團，並於一九九一年出任董事長。彼亦為恒隆集團主要之上市附屬公司恒隆地產有限公司之董事長。陳先生為香港地產建設商會副會長、亞洲協會聯席主席兼其香港分會會長，及中國國務院相關之中國發展研究基金會理事會顧問。陳先生亦為多個國際智庫和大學的董事局或顧問委員會成員，包括香港科技大學、美國南加州大學及北京清華大學等。陳先生持有美國南加州大學工商管理學碩士。彼亦為本公司非執行董事陳樂宗先生之胞兄。

殷尚賢先生

副董事長（獨立非執行董事）

殷先生現年八十歲，於一九七零年加盟本集團，曾擔任董事局多個職位，包括由一九八六年至一九九二年出任董事總經理，並自一九九二年起出任副董事長。殷先生在物業投資及發展方面積逾二十年經驗，且為資深銀行家，並於英國倫敦獲英國銀行學會頒授銀行學文憑。彼亦為恒隆地產有限公司之副董事長。

陳南祿先生

董事總經理

陳先生現年五十五歲，於二零一零年七月加盟本公司及其主要上市附屬公司恒隆地產有限公司出任董事總經理。陳先生擁有逾三十年的管理經驗，期間主要任職於航空界，不論在香港、中國內地以及世界各地，都具備豐富經驗。陳先生一九七七年畢業於香港大學取得文學士學位，其後取得該大學的工商管理碩士學位。

Mr Ronnie Chichung Chan

Chairman

Aged 61, Mr Chan joined the Group in 1972, becoming Chairman in 1991. He also serves as Chairman of Hang Lung Properties Limited, the Group's major publicly listed subsidiary. Mr Chan is Vice-President of The Real Estate Developers Association of Hong Kong, Co-Chair of the Asia Society and Chairman of its Hong Kong Center. He also acts as an advisor to the China Development Research Foundation of the State Council of the People's Republic of China. Mr Chan sits on the governing or advisory bodies of several think-tanks and universities, including the Hong Kong University of Science and Technology, the University of Southern California, USA, where he received his MBA, and Tsinghua University in Beijing. Mr Chan is the brother of Mr Gerald Chan, a Non-Executive Director of the Company.

Mr Shang Shing Yin

Vice Chairman (Independent Non-Executive Director)

Aged 80, Mr Yin joined the Group in 1970. Holding various positions on the Board, including Managing Director between 1986 and 1992, he has been Vice Chairman since 1992. He has over 20 years of experience in the fields of property investment and development, and is a qualified banker with a Banking Diploma from The Chartered Institute of Bankers in London, UK. Mr Yin also serves as Vice Chairman of Hang Lung Properties Limited.

Mr Philip Nan Lok Chen

Managing Director

Aged 55, Mr Chen joined the Company and its major listed subsidiary, Hang Lung Properties Limited, as Managing Director in July 2010. Mr Chen has more than 30 years of management experience, mostly in the aviation industry, acquiring a wealth of experience in Hong Kong, mainland China and beyond. Mr Chen graduated from the University of Hong Kong in 1977 with a Bachelor of Arts degree and holds a Master's degree in Business Administration from the same university.

陳樂宗先生

非執行董事

陳先生現年六十歲，自一九八六年起出任本公司董事。陳先生由一九八七年起，通過其所共同創辦的晨興集團，活躍於風險投資和私募股權投資領域。他亦擔任美國加州大學洛杉磯分校、哈佛大學、復旦大學等多間大學的顧問委員會委員。陳先生在加州大學洛杉磯分校完成了工程學高級學位課程，並獲得哈佛大學博士學位。陳先生為本集團董事長陳啟宗先生的胞弟。

鄭漢鈞博士 金紫荆星章、OBE、太平紳士
獨立非執行董事

鄭博士現年八十四歲，於一九九三年加盟本集團。鄭博士持有天津大學工程學學士學位及英國倫敦帝國學院深造文憑，並為英國倫敦帝國學院資深院士。彼為香港工程師學會之前會長及該會榮譽資深會員及金獎章獲得者，亦為香港工程科學院院士、英國結構工程師學會前副會長、該會資深會員及金獎章獲得者、英國土木工程師學會資深會員、澳洲工程師學會榮譽資深會員，以及香港建築物條例之認可人士及香港註冊結構工程師，國家一級註冊結構工程師資格。鄭博士曾為行政及立法兩局議員以及香港房屋委員會主席。鄭博士為永亨銀行有限公司、雅居樂地產控股有限公司及天津發展控股有限公司之獨立非執行董事。彼亦為恒隆地產有限公司之獨立非執行董事。

Mr Gerald Lokchung Chan

Non-Executive Director

Aged 60, Mr Chan has been a Director of the Company since 1986. As co-founder of Morningside, Mr Chan has been active in venture capital and private equity investments since 1987. He also serves on the advisory boards of numerous universities including the University of California, Los Angeles, Harvard University and Fudan University. Mr Chan received his undergraduate training in engineering at the University of California, Los Angeles, and his Doctor of Science degree from Harvard University. He is the brother of Mr Ronnie Chan, Chairman of the Group.

Dr Hon Kwan Cheng GBS, OBE, JP
Independent Non-Executive Director

Aged 84, Dr Cheng joined the Group in 1993. Dr Cheng obtained an engineering degree from Tianjin University and a post-graduate diploma from Imperial College, London, UK, of which he is a Fellow. He is a past President, Honorary Fellow and Gold Medallist of The Hong Kong Institution of Engineers, Fellow of the Hong Kong Academy of Engineering Sciences, and past Vice President, Fellow and Gold Medallist of The Institution of Structural Engineers, Fellow of The Institution of Civil Engineers, UK, Honorary Fellow of The Institution of Engineers, Australia, and an Authorized Person and Registered Structural Engineer in Hong Kong, with a State Class 1 Registered Structural Engineer qualification. Dr Cheng was a Member of both the Executive and Legislative Councils and Chairman of the Hong Kong Housing Authority. Dr Cheng is an Independent Non-Executive Director of Wing Hang Bank, Limited, Agile Property Holdings Limited and Tianjin Development Holdings Limited. He is also an Independent Non-Executive Director of Hang Lung Properties Limited.

董事簡介

PROFILE OF THE DIRECTORS

陳樂怡女士

獨立非執行董事

陳女士現年六十三歲，於一九九七年加盟本集團。在本港及美國之銀行、地產及金融服務行業工作逾二十年，自一九九三年起出任私人投資企業常興集團之董事，管理環球資本市場之投資組合，尤其是新興市場及高息產品。近年，彼之職責轉變為發展及管理慈善團體之計劃及活動。陳女士為香港擇善基金會之執行主席。私人方面，彼亦為中美中心（約翰霍普金斯大學與南京大學之合作計劃）、亞洲協會（香港分會），以及多個非牟利機構之顧問委員會成員。陳女士為美國首都華盛頓喬治華盛頓大學工商管理學系碩士，並持有美國維珍尼亞大學國際銀行學深造證書。彼亦為恒隆地產有限公司之獨立非執行董事。

葉錫安先生 CBE、太平紳士

獨立非執行董事

葉先生現年六十二歲，於一九九八年加入董事局。彼為執業律師及公證人。葉先生熱心社會服務工作，曾任立法局議員、香港律師會前會長及曾為外匯基金諮詢委員會之委員，彼為香港教育學院創校主席、香港賽馬會之董事、離職公務員就業申請諮詢委員會之委員，並擔任本港兩所大學及清華大學之名譽職位。

Ms Laura Lok Yee Chen

Independent Non-Executive Director

Aged 63, Ms Chen joined the Group in 1997. She has been involved in the banking, real estate, and financial service industries for over twenty years, both in Hong Kong and in the USA. Since 1993, she has been a director of the Sterling Group — a private investment entity managing investment portfolios in global capital markets, with a special interest in emerging markets and high-yield products. In recent years, her professional career has made the transition into the development and management of philanthropic programs and activities, and she is currently the Executive Chair of the Hong Kong based ZeShan Foundation. On a personal level, she serves on the advisory councils of the Hopkins-Nanjing Center — a joint program between the Johns Hopkins and Nanjing Universities, the Asia Society Hong Kong Center, and numerous non-profit organizations. Ms Chen holds an MBA from the George Washington University in Washington, DC, USA, and a post-graduate certificate in International Banking from the University of Virginia, USA. Ms Chen is also an Independent Non-Executive Director of Hang Lung Properties Limited.

Mr Simon Sik On Ip CBE, JP

Independent Non-Executive Director

Aged 62, Mr Ip joined the Board in 1998. He is a solicitor and Notary Public. Mr Ip has a distinguished record of public service. A former Legislative Councillor, past President of the Law Society of Hong Kong and a past member of the Exchange Fund Advisory Committee, he is a Founding Chairman of the Hong Kong Institute of Education, a Steward of the Hong Kong Jockey Club, a member of the Advisory Committee on Post-service Employment of Civil Servants and he also holds honorary positions in two local universities and Tsinghua University.

高伯邁先生

執行董事

高先生現年五十二歲，於二零一零年二月獲委任為執行董事。高先生於一九九四年加盟本集團出任高級工程策劃經理，並於二零零二年晉升為助理董事。彼於二零零五年獲委任為本公司之上市附屬公司恒隆地產有限公司之執行董事，負責香港及中國內地之物業發展及項目策劃管理。高先生持有英國利物浦大學文學學士學位及建築學學士學位。彼亦持有美國西北大學The Kellogg School of Management以及香港科技大學工商管理學院聯合頒授之行政人員工商管理碩士學位。彼為英國皇家建築師協會及香港建築師學會之會員，並為英國及香港註冊建築師。加盟本集團前，高先生曾在英國、美國及香港從事建築實務。

何孝昌先生

執行董事

何先生現年五十一歲，於二零零八年加盟本集團出任助理董事 — 財務及行政。何先生於二零一零年九月獲委任為本公司及其上市附屬公司恒隆地產有限公司之執行董事。何先生曾在英國、澳洲及香港之大型機構擔任要職，並擁有逾二十年財務管理經驗。彼持有澳洲墨爾本大學工商管理碩士學位及英國伯明翰大學商業（會計）學士學位。何先生分別於一九八六年及一九八七年註冊成為英格蘭及澳洲的特許會計師。

Mr William Pak Yau Ko

Executive Director

Aged 52, Mr Ko was appointed as an Executive Director in February 2010. Mr Ko joined the Group in 1994 as Senior Project Manager and was promoted to Assistant Director in 2002. He was appointed as an Executive Director of Hang Lung Properties Limited, the Company's publicly listed subsidiary, in 2005 and is responsible for property development and project management both in Hong Kong and mainland China. Mr Ko holds a Bachelor of Arts degree and a Bachelor of Architecture degree from the University of Liverpool, UK. He also has an Executive MBA degree jointly awarded by The Kellogg School of Management of Northwestern University, USA and The School of Business and Management of the Hong Kong University of Science and Technology. A Member of the Royal Institute of British Architects and The Hong Kong Institute of Architects, he is a Registered Architect both in the United Kingdom and Hong Kong. Prior to joining the Group, Mr Ko practiced architecture in the United Kingdom, United States and Hong Kong.

Mr Hau Cheong Ho

Executive Director

Aged 51, Mr Ho joined the Group in 2008 as Assistant Director — Finance & Administration. He was appointed as an Executive Director of the Company and of its publicly listed subsidiary, Hang Lung Properties Limited, in September 2010. He possesses over 20 years of financial management experience, having previously held a range of senior positions with major corporations in the United Kingdom, Australia and Hong Kong. He holds an MBA from The University of Melbourne, Australia and a Bachelor of Commerce degree in Accounting from The University of Birmingham, United Kingdom. Mr Ho qualified as a chartered accountant in England in 1986 and Australia in 1987.

高級行政人員簡介

PROFILE OF SENIOR EXECUTIVE

蔡碧林女士

公司秘書、總法律顧問及
助理董事 — 集團事務

蔡女士現年四十一歲，於二零一一年八月二十四日加入本集團為公司秘書、總法律顧問及助理董事 — 集團事務。彼為合資格於香港執業之律師。蔡女士於加盟本集團前曾於另外兩間香港聯合交易所有限公司上市公司擔任法律主管及公司秘書多年。彼於一九九三年畢業於香港大學並獲頒法學學位。彼亦持有香港中文大學之工商管理碩士學位。

Ms Bella Peck Lim Chhoa

Company Secretary, General Counsel and
Assistant Director — Corporate Affairs

Aged 41, Ms Chhoa joined the Group as Company Secretary, General Counsel and Assistant Director — Corporate Affairs on August 24, 2011. She is a solicitor qualified to practice in Hong Kong. Prior to joining the Group, Ms Chhoa was head of the legal department and company secretary of two other companies listed on The Stock Exchange of Hong Kong Limited for a number of years. She graduated from The University of Hong Kong with a degree in law in 1993. She also has a Master of Business Administration degree from The Chinese University of Hong Kong.

董事局報告

REPORT OF THE DIRECTORS

董事局欣然提呈截至二零一一年六月三十日止年度之董事局報告及已審核財務報表。

主要業務

本公司之主要業務為控股投資，並透過其附屬公司發展物業以供銷售及租賃，投資物業以供收租，以及其他投資。本公司及其附屬公司（統稱「本集團」）亦經營包括停車場管理及物業管理業務，並透過合營公司經營乾洗服務。

財政年度內按經營分部分析之本集團之營業額及業績載於財務報表附註第三項內。

主要附屬公司及合營公司

主要附屬公司及合營公司，其營業及註冊地點、已發行股本／註冊資本等資料載於財務報表附註第三十五及三十六項內。

業績

本集團截至二零一一年六月三十日止年度之溢利及本公司與本集團於該日之財務狀況載於財務報表第一百三十一至二百零六頁內。

十年財務概覽

本集團過去十個財政年度之業績、資產及負債概要載於本年報第二百零七頁內。

股息

董事現建議派發末期股息每股港幣五角七仙，連同於二零一一年二月二十四日已派發之中期股息每股港幣一角九仙，截至二零一一年六月三十日止年度之全年派息將合共為每股港幣七角六仙。擬派發之末期股息倘於二零一一年十月十八日舉行之股東週年大會中獲股東通過，將於二零一一年十一月三日派發予二零一一年十月二十四日名列股東名冊之股東。

The directors have pleasure in submitting their report together with the audited Financial Statements for the year ended June 30, 2011.

Principal Activities

The principal activities of the Company are investment holding, and through its subsidiaries, property development for sales and leasing, property investment for rental income, and other investments. The Company and its subsidiaries (collectively referred to as the "Group") also operate in car park management and property management, and through its jointly controlled entities, are involved in the operation of dry-cleaning.

An analysis of the turnover and trading results of the Group by operating segments during the financial year is set out in Note 3 on the Financial Statements.

Principal Subsidiaries and Jointly Controlled Entities

A list of principal subsidiaries and jointly controlled entities, together with their places of operations and incorporation and particulars of their issued share capital/registered capital, is set out in Notes 35 and 36 on the Financial Statements.

Financial Results

The profit of the Group for the year ended June 30, 2011, and the state of affairs of the Company and of the Group at that date are set out in the Financial Statements on pages 131 to 206.

Ten-year Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last ten financial years is set out on page 207 of the annual report.

Dividends

The directors now recommend a final dividend of HK57 cents per share which, together with the interim dividend of HK19 cents per share paid on February 24, 2011, makes a total of HK76 cents per share in respect of the year ended June 30, 2011. The proposed final dividend, if approved by the shareholders at the Annual General Meeting on October 18, 2011, will be paid on November 3, 2011 to shareholders whose names appear on the Register of Members on October 24, 2011.

主要供應商及客戶

年內本集團五大供應商合共所佔之購貨額百分比及本集團五大客戶合共所佔之營業額或銷售額百分比各不超過本集團總購貨額及營業額或銷售額百分之三十。

儲備

年內本公司及本集團之儲備變動情況載於財務報表附註第二十三項內。

捐款

年內本集團之捐款為港幣一千八百萬元（二零一零年：港幣四千二百萬元）。

固定資產

年內固定資產之變動詳情載於財務報表附註第十一項內。

銀行貸款

本集團於二零一一年六月三十日之銀行貸款情況載於財務報表附註第十八項內。

資本化之借貸支出

年內本集團資本化之借貸支出款項為港幣一億五千二百萬元（二零一零年：港幣一億八千七百萬元）。

集團主要物業

於二零一一年六月三十日本集團主要物業之詳情載於本年報第五十六至六十一頁內。

股本

於本年度內，根據本公司股份期權計劃行使股份期權而發行九百一十一萬二千股（二零一零年：四百八十九萬五千股）每股港幣一元之股份，總代價為港幣一億三千二百六十九萬二千二百五十元（二零一零年：港幣三千一百零九萬三千四百五十元），從而增加已發行及繳足股本。

年內本公司股本之變動詳情載於財務報表附註第二十二項內。

Major Suppliers and Customers

During the year, both the percentage of purchases attributable to the Group's 5 largest suppliers combined and the percentage of turnover or sales attributable to the Group's 5 largest customers combined were less than 30% of the total purchases and turnover or sales of the Group respectively.

Reserves

Movements in the reserves of the Company and of the Group during the year are set out in Note 23 on the Financial Statements.

Donations

Donations made by the Group during the year amounted to HK\$18 million (2010: HK\$42 million).

Fixed Assets

Details of movements in fixed assets during the year are set out in Note 11 on the Financial Statements.

Bank Loans

Particulars of bank loans of the Group as at June 30, 2011 are set out in Note 18 on the Financial Statements.

Borrowing Costs Capitalization

Borrowing costs capitalized by the Group during the year amounted to HK\$152 million (2010: HK\$187 million).

Major Group Properties

Details of major properties of the Group as at June 30, 2011 are set out on pages 56 to 61 of the annual report.

Share Capital

During the year, the issued and fully paid share capital was increased by an issue of 9,112,000 (2010: 4,895,000) shares of HK\$1.00 each for total consideration of HK\$132,692,250 (2010: HK\$31,093,450) as a result of the exercise of share options under the Company's share option scheme.

Details of movements in share capital of the Company during the year are set out in Note 22 on the Financial Statements.

本公司之上市附屬公司之股本

於本年度內，本公司之上市附屬公司恒隆地產有限公司（「恒隆地產」）因根據恒隆地產股份期權計劃行使股份期權而發行了一千八百七十八萬二千五百股（二零一零年：一千三百五十一萬九千股）每股港幣一元之繳足股份，總代價為港幣三億三千五百一十一萬二千零六十元（二零一零年：港幣一億三千七百三十五萬五千八百八十元）。於本報告日期，根據恒隆地產股份期權計劃而可予發行之恒隆地產股份總數為九千九百萬零三千三百九十股，佔恒隆地產已發行股份百分之二點二一。每名參與人在任何十二個月內獲授的期權（包括已行使或未行使）予以行使時所發行及將發行之恒隆地產股份總數將不超過恒隆地產已發行股份之百分之一。

恒隆地產亦於二零一零年十一月根據一項先舊後新之配售安排以每股港幣三十七元四角八仙發行予本公司二億九千三百八十六萬四千股之繳足股份。

董事

於本報告日之本公司董事名單載於本年報第二百零八頁內，而彼等之簡歷載於本年報第一百一十四至一百一十七頁內。彼等之薪酬詳情載於財務報表附註第六項內。

袁偉良先生於二零一零年七月十四日退任為本公司及恒隆地產執行董事，吳士元先生則由二零一零年七月二十一日起辭任本公司及恒隆地產執行董事。

陳南祿先生及何孝昌先生分別於二零一零年七月十五日及二零一零年九月二十九日獲委任為本公司及恒隆地產之執行董事，彼等已於本公司及恒隆地產二零一零年之股東週年大會告退及膺選連任。

Share Capital of the Company's Listed Subsidiary

During the year, the Company's listed subsidiary, Hang Lung Properties Limited ("HLPL"), issued 18,782,500 (2010: 13,519,000) fully paid shares of HK\$1.00 each for total consideration of HK\$335,112,060 (2010: HK\$137,355,880) as a result of the exercise of share options under HLPL's share option scheme. As at the date of this report, the total number of shares of HLPL available for issue under HLPL's share option scheme is 99,003,390 shares, representing 2.21% of the issued share capital of HLPL. The total number of shares of HLPL issued and to be issued upon exercise of options (including both exercised and outstanding) granted to each participant shall not exceed in any 12-month period 1% of shares of HLPL in issue.

HLPL also issued 293,864,000 fully paid shares at HK\$37.48 per share to the Company pursuant to a placing and top-up arrangement in November 2010.

Directors

The directors of the Company as at the date of this report are listed on page 208 and their brief biographical details are set out on pages 114 to 117 of the annual report. Details of their remuneration are set out in Note 6 on the Financial Statements.

Mr Nelson W.L. Yuen retired as executive director of the Company and HLPL on July 14, 2010 whereas Mr Terry S. Ng resigned as executive director of the Company and HLPL with effect from July 21, 2010.

Mr Philip N.L. Chen and Mr H.C. Ho were appointed executive directors of the Company and HLPL on July 15, 2010 and September 29, 2010 respectively, and retired and were re-elected at the 2010 Annual General Meetings of the Company and HLPL.

董事局報告 REPORT OF THE DIRECTORS

廖約克博士於二零一一年一月一日起辭任本公司獨立非執行董事。

遵照本公司組織章程細則第一百零三及一百零四條規定，陳樂宗先生、陳樂怡女士及陳啟宗先生於應屆股東週年大會輪值告退，惟願參選連任。

董事之服務合約

非執行董事及獨立非執行董事之委任有指定任期（不超過三年），任職屆滿日期與彼等遵照本公司組織章程細則之條文之預期輪值告退日期一致。

擬於將舉行之股東週年大會上參選連任之董事概無與本公司或其任何附屬公司訂立於一年內倘終止須作出賠償（法定賠償除外）之服務合約。

董事之合約權益

於年內任何時間或年結日，概無任何本公司董事在本公司或其任何附屬公司之任何與本集團業務有關的重要合約中直接或間接擁有重大權益。

Dr York Liao resigned as independent non-executive director of the Company with effect from January 1, 2011.

In accordance with Articles 103 and 104 of the Company's Articles of Association, Mr Gerald L. Chan, Ms Laura L.Y. Chen and Mr Ronnie C. Chan retire from the Board by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

Directors' Service Contracts

The appointments of non-executive director and independent non-executive directors are for specific terms (not exceeding 3 years) which coincide with their expected dates of retirement by rotation in accordance with the provisions of the Company's Articles of Association.

No director proposed for re-election at the forthcoming Annual General Meeting has a service contract with the Company, or any of its subsidiaries which is not determinable within one year without payment of compensation (other than statutory compensation).

Directors' Interests in Contracts

No contract of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party, and in which a director of the Company was materially interested, whether directly or indirectly, subsisted at any time during the year or at the end of the year.

董事於股份、相關股份及債權證之權益及淡倉

根據證券及期貨條例(「證券條例」)第XV部或根據上市公司董事進行證券交易的標準守則須知會本公司及香港聯合交易所有限公司，或根據證券條例第三百五十二條規定須予備存之登記冊所記錄，各董事於二零一一年六月三十日持有本公司及其相聯法團(定義見證券條例)之股份、相關股份及債權證之權益或淡倉如下：

Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at June 30, 2011, the interests or short positions of each of the directors in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance (the "SFO") which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to Part XV of the SFO or pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers or which were recorded in the register required to be kept by the Company under Section 352 of the SFO are as follows:

| 董事姓名 | 身份 | Name of Directors | Capacity | 本公司(好倉) The Company (Long Position) | | | 恒隆地產有限公司(好倉) Hang Lung Properties Limited (Long Position) | | |
|------|----|-------------------|----------|--|----------------------------------|--|--|----------------------------------|--|
| | | | | 股份數目 No. of Shares | 已發行股本之百分比 % of Issued Capital | 根據期權可認購之股數 (附註1) No. of Shares under Option (Note 1) | 股份數目 No. of Shares | 已發行股本之百分比 % of Issued Capital | 根據期權可認購之股數 (附註2) No. of Shares under Option (Note 2) |
| 陳啟宗 | 個人 | Ronnie C. Chan | Personal | - | - | 11,790,000 | - | - | 36,570,000 |
| 殷尚賢 | - | S.S. Yin | - | - | - | - | - | - | - |
| 陳南祿 | 個人 | Philip N.L. Chen | Personal | - | - | - | - | - | 14,500,000 |
| 陳樂宗 | - | Gerald L. Chan | - | - | - | - | - | - | - |
| 鄭漢鈞 | - | H.K. Cheng | - | - | - | - | - | - | - |
| 陳樂怡 | - | Laura L.Y. Chen | - | - | - | - | - | - | - |
| 葉錫安 | - | Simon S.O. Ip | - | - | - | - | - | - | - |
| 高伯適 | 個人 | William P.Y. Ko | Personal | 30,000 | - | 994,000 | - | - | 25,730,000 |
| 何孝昌 | 個人 | H.C. Ho | Personal | - | - | - | - | - | 5,600,000 |

附註
Notes

1. 根據本公司之股份期權計劃的期權變動 Movement of Options under the Share Option Scheme of the Company

| 授出日期 (月/日/年) Date Granted (mm/dd/yyyy) | 姓名 Name | 姓名 Name | 根據期權可認購之股數 No. of Shares under Option | | | 每股行使價 (港幣) Exercise Price per Share (HK\$) | 歸屬日期 (月/日/年) Vested Dates (mm/dd/yyyy) | 到期日 (月/日/年) Expiry Date (mm/dd/yyyy) |
|---|------------|-----------------------------------|--|---|---|--|--|---|
| | | | 於2010年 7月1日 As at July 1, 2010 | 年內行使 Exercised during the Year | 於2011年 6月30日 As at June 30, 2011 | | | |
| 05/20/2004 | 陳啟宗 高伯適 | Ronnie C. Chan William P.Y. Ko | 5,090,000 494,000 | - - | 5,090,000 494,000 | \$9.45 | 05/20/2005 : 25% 05/20/2006 : 25% 05/20/2007 : 25% 05/20/2008 : 25% | 05/19/2014 |
| 11/20/2006 | 陳啟宗 高伯適 | Ronnie C. Chan William P.Y. Ko | 6,700,000 500,000 | - - | 6,700,000 500,000 | \$20.52 | 11/20/2007 : 10% 11/20/2008 : 20% 11/20/2009 : 30% 11/20/2010 : 40% | 11/19/2016 |

董事局報告 REPORT OF THE DIRECTORS

2. 根據恒隆地產有限公司之股份期權計劃的期權變動 Movements of Options under the Share Option Scheme of Hang Lung Properties Limited

| 授出日期 (月/日/年) Date Granted (mm/dd/yyyy) | 姓名 | Name | 根據期權可認購之股數 No. of Shares under Option | | | | 每股行使價 (港幣) Exercise Price per Share (HK\$) | 歸屬日期 (月/日/年) Vested Dates (mm/dd/yyyy) | 到期日 (月/日/年) Expiry Date (mm/dd/yyyy) |
|---|--------------------------|--|--|---------------------------------------|---|---|--|--|---|
| | | | 於2010年 7月1日 As at July 1, 2010 | 年內授出 Granted during the Year | 年內行使 Exercised during the Year | 於2011年 6月30日 As at June 30, 2011 | | | |
| 05/20/2004 | 陳啟宗 高伯適 | Ronnie C. Chan William P.Y. Ko | 5,090,000 | - | - | 5,090,000 | \$9.20 | 05/20/2005 : 25% 05/20/2006 : 25% 05/20/2007 : 25% 05/20/2008 : 25% | 05/19/2014 |
| | | | 1,330,000 | - | - | 1,330,000 | | | |
| 09/01/2005 | 高伯適 | William P.Y. Ko | 500,000 | - | - | 500,000 | \$12.35 | 09/01/2006 : 25% 09/01/2007 : 25% 09/01/2008 : 25% 09/01/2009 : 25% | 08/31/2015 |
| 11/20/2006 | 陳啟宗 高伯適 | Ronnie C. Chan William P.Y. Ko | 2,000,000 | - | - | 2,000,000 | \$17.14 | 11/20/2007 : 10% 11/20/2008 : 20% 11/20/2009 : 30% 11/20/2010 : 40% | 11/19/2016 |
| | | | 3,700,000 | - | - | 3,700,000 | | | |
| 08/21/2007 | 陳啟宗 高伯適 | Ronnie C. Chan William P.Y. Ko | 3,640,000 | - | - | 3,640,000 | \$25.00 | 08/21/2008 : 10% 08/21/2009 : 20% 08/21/2010 : 30% 08/21/2011 : 40% | 08/20/2017 |
| | | | 2,600,000 | - | - | 2,600,000 | | | |
| 08/21/2007 | 陳啟宗 高伯適 | Ronnie C. Chan William P.Y. Ko | 5,600,000 | - | - | 5,600,000 | \$25.00 | 08/21/2009 : 10% 08/21/2010 : 20% 08/21/2011 : 30% 08/21/2012 : 40% | 08/20/2017 |
| | | | 4,000,000 | - | - | 4,000,000 | | | |
| 09/01/2008 | 何孝昌 | H.C. Ho | 300,000* | - | - | 300,000 | \$24.20 | 09/01/2010 : 10% 09/01/2011 : 20% 09/01/2012 : 30% 09/01/2013 : 40% | 08/31/2018 |
| 12/31/2008 | 陳啟宗 高伯適 何孝昌 | Ronnie C. Chan William P.Y. Ko H.C. Ho | 9,240,000 | - | - | 9,240,000 | \$17.36 | 12/31/2010 : 10% 12/31/2011 : 20% 12/31/2012 : 30% 12/31/2013 : 40% | 12/30/2018 |
| | | | 6,600,000 | - | - | 6,600,000 | | | |
| | | | 300,000* | - | - | 300,000 | | | |
| 02/08/2010 | 陳啟宗 高伯適 | Ronnie C. Chan William P.Y. Ko | 6,500,000 | - | - | 6,500,000 | \$26.46 | 02/08/2012 : 10% 02/08/2013 : 20% 02/08/2014 : 30% 02/08/2015 : 40% | 02/07/2020 |
| | | | 4,000,000 | - | - | 4,000,000 | | | |
| 07/29/2010 | 陳南祿 | Philip N.L. Chen | - | 10,000,000 | - | 10,000,000 | \$33.05 | 07/29/2012 : 10% 07/29/2013 : 20% 07/29/2014 : 30% 07/29/2015 : 40% | 07/28/2020 |
| 09/29/2010 | 何孝昌 | H.C. Ho | - | 2,000,000 | - | 2,000,000 | \$36.90 | 09/29/2012 : 10% 09/29/2013 : 20% 09/29/2014 : 30% 09/29/2015 : 40% | 09/28/2020 |
| 06/13/2011 | 陳啟宗 陳南祿 高伯適 何孝昌 | Ronnie C. Chan Philip N.L. Chen William P.Y. Ko H.C. Ho | - | 4,500,000 | - | 4,500,000 | \$30.79 | 06/13/2013 : 10% 06/13/2014 : 20% 06/13/2015 : 30% 06/13/2016 : 40% | 06/12/2021 |
| | | | - | 4,500,000 | - | 4,500,000 | | | |
| | | | - | 3,000,000 | - | 3,000,000 | | | |
| | | | - | 3,000,000 | - | 3,000,000 | | | |

附註 Remarks

* 此乃何孝昌先生於二零一零年九月二十九日(彼於當日獲委任為本公司董事)所持有之期權。
representing the outstanding share options held by Mr H.C. Ho on September 29, 2010 as he was appointed as executive director of the Company on that date.

袁偉良先生於二零一零年七月十四日退任為本公司及恒隆地產之執行董事。於二零一零年七月一日及直至彼之退任日期，彼持有股份期權，可認購五百五十萬股本公司及三千零一十二萬股恒隆地產之股份。

Mr Nelson W.L. Yuen retired as executive director of the Company and HLPL on July 14, 2010. As at July 1, 2010 and up to his date of retirement, he had share options to subscribe for 5,500,000 shares in the Company and 30,120,000 shares in HLPL.

吳士元先生於二零一零年七月二十一日辭任本公司及恒隆地產之執行董事。於二零一零年七月一日及直至彼之辭任日期，彼持有股份期權，可認購三百零八萬八千股本公司及二千三百八十萬股恒隆地產之股份。

Mr Terry S. Ng resigned as executive director of the Company and HLPL on July 21, 2010. As at July 1, 2010 and up to his date of resignation, he had share options to subscribe for 3,088,000 shares in the Company and 23,800,000 shares in HLPL.

該等本公司及恒隆地產之股份期權權益已載於本財務報表附註二十八(b)項內。

Such interests in share options of the Company and HLPL have been included in Note 28(b) on the Financial Statements.

除以上所披露外，並無本公司董事或彼等之任何聯繫人於二零一一年六月三十日持有本公司或任何相聯法團之股份、相關股份或債權證之權益或淡倉。

除以上所述外，於年內任何時間，本公司或其任何附屬公司概無作出任何安排使本公司董事（包括彼等之配偶及未滿十八歲之子女）可藉購入本公司或任何其他機構之股份或債權證而獲益。

主要股東及其他人士於股份及相關股份之權益及淡倉

根據證券條例第三百三十六條規定須予備存之登記冊所記錄，主要股東及依據證券條例第XV部須披露其權益之其他人士於二零一一年六月三十日持有本公司之股份及相關股份之權益以及淡倉之詳情如下：

Save as disclosed above, none of the directors of the Company or any of their associates had, as at June 30, 2011, any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporations.

Other than as stated above, at no time during the year was the Company or any of its subsidiaries a party to any arrangement to enable the directors of the Company (including their spouses and children under 18 years of age) to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares

As at June 30, 2011, details of substantial shareholders' and other persons' (who are required to disclose their interests pursuant to Part XV of the SFO) interests and short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO are as follows:

| 名稱 | Name | 附註 Note | 持有股份或相關股份數目 No. of Shares or Underlying Shares Held | | 已發行股本之百分比 % of Issued Capital | |
|-------------------------------------|--|------------|---|--------------------------|----------------------------------|--------------------------|
| | | | (好倉) (Long Position) | (淡倉) (Short Position) | (好倉) (Long Position) | (淡倉) (Short Position) |
| 陳譚慶芬 | Chan Tan Ching Fen | 1 | 498,428,580 | – | 36.97 | – |
| Cole Enterprises Holdings Limited | Cole Enterprises Holdings Limited | 1 | 498,428,580 | – | 36.97 | – |
| Merssion Limited | Merssion Limited | 1 | 498,428,580 | – | 36.97 | – |
| Kingswick Investment Limited | Kingswick Investment Limited | 2 | 97,965,000 | – | 7.27 | – |
| Aberdeen Asset Management Plc及其聯繫人士 | Aberdeen Asset Management Plc and its Associates | 3 | 175,516,454 | – | 13.02 | – |
| Davis Selected Advisers, L.P. | Davis Selected Advisers, L.P. | 3 | 66,870,000 | – | 5.01 | – |

附註 Notes

- 此等股份與一信託基金所持有之股份為同一批股份，陳譚慶芬女士為該信託基金之成立人。Cole Enterprises Holdings Limited為該信託基金之受託人。These shares were the same parcel of shares held by a trust of which Ms Chan Tan Ching Fen was the founder. Cole Enterprises Holdings Limited was the trustee of the trust. Merssion Limited持有四億九千八百四十二萬八千五百八十股股份，當中九千七百九十六萬五千股股份由其附屬公司Kingswick Investment Limited持有。Merssion Limited held 498,428,580 shares, of which 97,965,000 shares were held by its subsidiary, Kingswick Investment Limited.
- Kingswick Investment Limited所持有之九千七百九十六萬五千股股份已包括在上述由陳譚慶芬女士/Cole Enterprises Holdings Limited/Merssion Limited所持有之四億九千八百四十二萬八千五百八十股股份之數目內。The 97,965,000 shares held by Kingswick Investment Limited were included in the above-mentioned number of 498,428,580 shares held by Ms Chan Tan Ching Fen/Cole Enterprises Holdings Limited/Merssion Limited.
- 此等股份乃以投資經理身份所持有。These shares were held in the capacity of investment managers.

董事局報告 REPORT OF THE DIRECTORS

除以上所披露者外，於二零一一年六月三十日，本公司並無獲知會任何其他權益，而須記錄於根據證券條例第三百三十六條規定須予備存之登記冊內。

關連人士交易

在日常業務中進行的重大關連人士交易詳情載於財務報表附註第二十九項內。該等關連人士交易並不構成香港聯合交易所有限公司證券上市規則（「上市規則」）界定的須予披露關連交易。

管理合約

年內本公司並無就本公司全部或任何重大部分業務訂立或現存任何管理及行政合約。

購回、出售或贖回上市證券

年內本公司或其任何附屬公司並無購回、出售或贖回本公司之任何上市證券。

足夠公眾持股量

截至本年報日期，根據本公司可以得悉而本公司董事亦知悉之公開資料，本公司已維持上市規則訂明之公眾持股量。

企業管治

本公司之企業管治常規載於本年報第九十三至一百一十一頁之企業管治報告內。

Save as disclosed above, as at June 30, 2011, no other interest required to be recorded in the register kept under Section 336 of the SFO has been notified to the Company.

Related Party Transactions

Details of the significant related party transactions undertaken in the usual course of business are set out in Note 29 on the Financial Statements. None of these related party transactions constitutes a discloseable connected transaction as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

Management Contracts

No contract for the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

Purchase, Sale or Redemption of Listed Securities

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Sufficiency of Public Float

Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company as at the date of this annual report, the Company has maintained the prescribed public float under the Listing Rules.

Corporate Governance

The Company's corporate governance practices are set out in the Corporate Governance Report on pages 93 to 111 of the annual report.

核數師

本公司將於即將舉行之股東週年大會上提出決議案，建議再度委任畢馬威會計師事務所為本公司核數師，直至下屆股東週年大會結束為止。

承董事局命

公司秘書

李蕙蘭

香港，二零一一年七月二十九日

Auditors

A resolution for the re-appointment of KPMG as auditors of the Company until the conclusion of the next Annual General Meeting is to be proposed at the forthcoming Annual General Meeting.

By Order of the Board

Velencia Lee

Company Secretary

Hong Kong, July 29, 2011

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT



獨立核數師報告
致恒隆集團有限公司股東
(在香港註冊成立的有限公司)

本核數師(以下簡稱「我們」)已審核列載於第一百三十一頁至第二百零六頁恒隆集團有限公司(「貴公司」)的綜合財務報表,此綜合財務報表包括於二零一一年六月三十日的綜合財務狀況表及貴公司的財務狀況表與截至該日止年度的綜合收益表、綜合全面收益表、綜合權益變動表和綜合現金流量表,以及主要會計政策概要及其他附註解釋資料。

董事就財務報表須承擔的責任

貴公司的董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》編製綜合財務報表,以令綜合財務報表作出真實而公平的反映及落實其認為編製綜合財務報表所必要的內部控制,以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

我們的責任是根據我們的審核對該等財務報表作出意見。我們是按照香港《公司條例》第141條的規定,僅向整體股東報告。除此之外,我們的報告書不可用作其他用途。我們概不就本報告書的內容,對任何其他人士負責或承擔法律責任。

我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範,並規劃及執行審核,以合理確定此等財務報表是否不存有任何重大錯誤陳述。

Independent auditor's report to the shareholders of
Hang Lung Group Limited
(Incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of Hang Lung Group Limited ("the Company") and its subsidiaries (together "the Group") set out on pages 131 to 206, which comprise the consolidated and company statements of financial position as at 30 June 2011, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the consolidated financial statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.



審核涉及執程序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該風險時，核數師考慮與該公司編製及真實而公平地列報財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零一一年六月三十日的事務狀況及 貴集團截至該日止年度的利潤及現金流量，並已按照香港《公司條例》妥為編製。

畢馬威會計師事務所
執業會計師

香港中環
遮打道10號
太子大廈8樓

二零一一年七月二十九日

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 30 June 2011 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

KPMG
Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

29 July 2011

財務報表

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綜合收益表

CONSOLIDATED INCOME STATEMENT

截至二零一一年六月三十日止年度 For the year ended 30 June 2011

| 以港幣百萬元計算 | in HK\$ million | 附註 Note | 2011 | 2010 (重列) (Restated) |
|--------------------|---|------------|----------------|----------------------------|
| 營業額 | Turnover | 3(a) | 5,714 | 12,580 |
| 其他收入 | Other income | 4 | 252 | 43 |
| 直接成本及營業費用 | Direct costs and operating expenses | | (1,138) | (3,228) |
| 行政費用 | Administrative expenses | | (490) | (526) |
| 未計入投資物業之公平值變動的營業溢利 | Operating profit before change in fair value of investment properties | | 4,338 | 8,869 |
| 投資物業之公平值增加 | Increase in fair value of investment properties | 11 | 3,504 | 21,626 |
| 已計入投資物業之公平值變動的營業溢利 | Operating profit after change in fair value of investment properties | | 7,842 | 30,495 |
| 財務費用 | Finance costs | 5 | (139) | (120) |
| 應佔合營公司溢利 | Share of profits of jointly controlled entities | 13 | 290 | 296 |
| 除稅前溢利 | Profit before taxation | 3(a) & 5 | 7,993 | 30,671 |
| 稅項 | Taxation | 7(a) | (1,117) | (5,119) |
| 本年度溢利 | Profit for the year | | 6,876 | 25,552 |
| 應佔純利： | Attributable to: | | | |
| 股東 | Shareholders | 23 | 3,529 | 13,139 |
| 非控股權益 | Non-controlling interests | 24 | 3,347 | 12,413 |
| | | | 6,876 | 25,552 |
| 每股盈利 | Earnings per share | 10(a) | | |
| 基本 | Basic | | \$2.62 | \$9.83 |
| 攤薄 | Diluted | | \$2.60 | \$9.71 |

財務報表附註乃本財務報表之一部分。
年內股東應佔股息詳列於附註9。

The accompanying notes form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 9.

綜合全面收益表

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

截至二零一一年六月三十日止年度 For the year ended 30 June 2011

| 以港幣百萬元計算 | in HK\$ million | 附註 Note | 2011 | 2010 (重列) (Restated) |
|-------------------|---|------------|--------------|----------------------------|
| 本年度溢利 | Profit for the year | | 6,876 | 25,552 |
| 其他全面收益 | Other comprehensive income | 7(d) | | |
| 投資估值儲備變動淨額 | Net movement in investment revaluation reserve | | (1) | 7 |
| 換算海外附屬公司賬項產生之匯兌差異 | Exchange difference arising from translation of overseas subsidiaries | | 2,946 | 268 |
| | | | 2,945 | 275 |
| 本年度全面收益總額 | Total comprehensive income for the year | | 9,821 | 25,827 |
| 應佔全面收益總額： | Total comprehensive income attributable to: | | | |
| 股東 | Shareholders | | 4,905 | 13,247 |
| 非控股權益 | Non-controlling interests | | 4,916 | 12,580 |
| | | | 9,821 | 25,827 |

財務報表附註乃本財務報表之一部分。

The accompanying notes form part of these financial statements.

財務狀況表

STATEMENTS OF FINANCIAL POSITION

於二零一一年六月三十日 At 30 June 2011

| | | 集團 Group | | | 公司 Company | |
|---------------------|--|------------|----------------------------|----------------------------|------------|--------|
| | | 2011 | 2010 (重列) (Restated) | 2009 (重列) (Restated) | 2011 | 2010 |
| 以港幣百萬元計算 | in HK\$ million | 附註 Note | | | | |
| 非流動資產 | Non-current assets | | | | | |
| 固定資產 | Fixed assets | | | | | |
| 投資物業 | Investment properties | | 94,003 | 88,633 | 69,958 | - |
| 發展中投資物業 | Investment properties under development | | 21,524 | 15,326 | 7,570 | - |
| 其他固定資產 | Other fixed assets | | 213 | 170 | 125 | - |
| | | | 115,740 | 104,129 | 77,653 | - |
| 附屬公司權益 | Interest in subsidiaries | 11 | - | - | - | - |
| 合營公司權益 | Interest in jointly controlled entities | 12 | - | - | 14,133 | 13,624 |
| 其他資產 | Other assets | 13 | 1,982 | 1,804 | 1,643 | - |
| 遞延稅項資產 | Deferred tax assets | 14 | 2,130 | 1,269 | 1,274 | - |
| | | 20(b) | 45 | 40 | 61 | - |
| | | | 119,897 | 107,242 | 80,631 | 14,133 |
| | | | | | | 13,624 |
| 流動資產 | Current assets | | | | | |
| 現金及銀行存款 | Cash and deposits with banks | 15 | 28,274 | 11,852 | 9,632 | 77 |
| 應收賬款及其他應收款 | Trade and other receivables | 16 | 1,202 | 1,532 | 699 | - |
| 待售物業 | Properties for sale | 17 | 5,994 | 5,886 | 7,714 | - |
| | | | 35,470 | 19,270 | 18,045 | 77 |
| | | | | | | 2 |
| 流動負債 | Current liabilities | | | | | |
| 銀行貸款 | Bank loans | 18 | 7,500 | 3,180 | 800 | - |
| 應付賬款及其他應付款 | Trade and other payables | 19 | 3,709 | 3,483 | 2,387 | 7 |
| 應付稅項 | Taxation payable | 20(a) | 1,231 | 1,191 | 889 | - |
| 二零零九年到期之浮息票據 | Floating rate notes due 2009 | | - | - | 1,500 | - |
| | | | 12,440 | 7,854 | 5,576 | 7 |
| | | | | | | 6 |
| 流動資產/(負債) 淨值 | Net current assets/(liabilities) | | 23,030 | 11,416 | 12,469 | 70 |
| | | | | | | (4) |
| 資產總值減流動負債 | Total assets less current liabilities | | 142,927 | 118,658 | 93,100 | 14,203 |
| | | | | | | 13,620 |
| 非流動負債 | Non-current liabilities | | | | | |
| 銀行貸款 | Bank loans | 18 | 13,401 | 7,610 | 9,166 | - |
| 融資租約承擔 | Finance lease obligations | 21 | 35 | 168 | 287 | - |
| 應付附屬公司款項 | Amounts due to subsidiaries | | - | - | - | 323 |
| 遞延稅項負債 | Deferred tax liabilities | 20(b) | 9,294 | 8,535 | 4,878 | - |
| | | | 22,730 | 16,313 | 14,331 | 323 |
| | | | | | | 307 |
| 資產淨值 | NET ASSETS | | 120,197 | 102,345 | 78,769 | 13,880 |
| | | | | | | 13,313 |
| 資本及儲備 | Capital and reserves | | | | | |
| 股本 | Share capital | 22 | 1,348 | 1,339 | 1,334 | 1,348 |
| 儲備 | Reserves | 23 | 57,624 | 51,634 | 39,306 | 12,532 |
| | | | | | | 1,339 |
| 股東權益 | Shareholders' equity | | 58,972 | 52,973 | 40,640 | 13,880 |
| 非控股權益 | Non-controlling interests | 24 | 61,225 | 49,372 | 38,129 | - |
| | | | | | | - |
| 總權益 | TOTAL EQUITY | | 120,197 | 102,345 | 78,769 | 13,880 |
| | | | | | | 13,313 |

陳南祿
董事總經理

Philip N.L. Chen
Managing Director

何孝昌
執行董事

H.C. Ho
Executive Director

財務報表附註乃本財務報表之一部分。

The accompanying notes form part of these financial statements.

綜合權益變動表

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

截至二零一一年六月三十日止年度 For the year ended 30 June 2011

| 以港幣百萬元計算 in HK\$ million | 附註 Note | 股東權益 Shareholders' equity | | | | 非控股權益 Non-controlling interests (附註24) (Note 24) | 總權益 Total equity |
|-----------------------------|---|--|---|---|---------------|---|---------------------|
| | | 股本 Share capital (附註22) (Note 22) | 其他儲備 Other reserves (附註23) (Note 23) | 保留溢利 Retained profits (附註23) (Note 23) | 總額 Total | | |
| 於二零零九年七月一日，上年度報告 | At 1 July 2009, as previously reported | 1,334 | 3,811 | 33,487 | 38,632 | 36,310 | 74,942 |
| 會計政策變動之影響 | Impact of change in accounting policy | 2 | - | 2,008 | 2,008 | 1,819 | 3,827 |
| 於二零零九年七月一日，重列 | At 1 July 2009, restated | 1,334 | 3,811 | 35,495 | 40,640 | 38,129 | 78,769 |
| 本年度溢利(重列) | Profit for the year (restated) | - | - | 13,139 | 13,139 | 12,413 | 25,552 |
| 投資估值儲備變動淨額 | Net movement in investment revaluation reserve | - | 7 | - | 7 | - | 7 |
| 換算海外附屬公司賬項產生之匯兌差異 | Exchange difference arising from translation of overseas subsidiaries | - | 101 | - | 101 | 167 | 268 |
| 本年度全面收益總額(重列) | Total comprehensive income for the year (restated) | - | 108 | 13,139 | 13,247 | 12,580 | 25,827 |
| 上年度末期股息 | Final dividends in respect of previous year | - | - | (722) | (722) | - | (722) |
| 本年度中期股息 | Interim dividends in respect of current year | - | - | (254) | (254) | - | (254) |
| 發行股份 | Issue of shares | 5 | 26 | - | 31 | - | 31 |
| 僱員股權費用 | Employee share-based payments | - | 53 | 3 | 56 | 78 | 134 |
| 因本集團在一間附屬公司之股權減少而產生非控股權益變動 | Change in non-controlling interests arising from decrease of the Group's shareholding in a subsidiary | - | (25) | - | (25) | 162 | 137 |
| 已付非控股權益股息 | Dividends paid to non-controlling interests | - | - | - | - | (1,364) | (1,364) |
| 償還予非控股權益款項 | Repayment to non-controlling interests | - | - | - | - | (213) | (213) |
| 於二零一零年六月三十日 | At 30 June 2010 | 1,339 | 3,973 | 47,661 | 52,973 | 49,372 | 102,345 |
| 於二零一零年七月一日，上年度報告 | At 1 July 2010, as previously reported | 1,339 | 3,973 | 44,918 | 50,230 | 46,935 | 97,165 |
| 會計政策變動之影響 | Impact of change in accounting policy | 2 | - | 2,743 | 2,743 | 2,437 | 5,180 |
| 於二零一零年七月一日，重列 | At 1 July 2010, restated | 1,339 | 3,973 | 47,661 | 52,973 | 49,372 | 102,345 |
| 本年度溢利 | Profit for the year | - | - | 3,529 | 3,529 | 3,347 | 6,876 |
| 投資估值儲備變動淨額 | Net movement in investment revaluation reserve | - | (1) | - | (1) | - | (1) |
| 換算海外附屬公司賬項產生之匯兌差異 | Exchange difference arising from translation of overseas subsidiaries | - | 1,377 | - | 1,377 | 1,569 | 2,946 |
| 本年度全面收益總額 | Total comprehensive income for the year | - | 1,376 | 3,529 | 4,905 | 4,916 | 9,821 |
| 上年度末期股息 | Final dividends in respect of previous year | - | - | (767) | (767) | - | (767) |
| 本年度中期股息 | Interim dividends in respect of current year | - | - | (256) | (256) | - | (256) |
| 發行股份 | Issue of shares | 9 | 124 | - | 133 | - | 133 |
| 僱員股權費用 | Employee share-based payments | - | (4) | 2 | (2) | 115 | 113 |
| 一間附屬公司配售股份而產生非控股權益變動 | Change in non-controlling interests arising from placement of a subsidiary's shares | 24 | 2,067 | - | 2,067 | 8,829 | 10,896 |
| 因本集團在一間附屬公司之股權減少而產生非控股權益變動 | Change in non-controlling interests arising from decrease of the Group's shareholding in a subsidiary | - | (81) | - | (81) | 70 | (11) |
| 已付非控股權益股息 | Dividends paid to non-controlling interests | - | - | - | - | (1,489) | (1,489) |
| 償還予非控股權益款項 | Repayment to non-controlling interests | - | - | - | - | (588) | (588) |
| 於二零一一年六月三十日 | At 30 June 2011 | 1,348 | 7,455 | 50,169 | 58,972 | 61,225 | 120,197 |

財務報表附註乃本財務報表之一部分。 The accompanying notes form part of these financial statements.

綜合現金流量表

CONSOLIDATED CASH FLOW STATEMENT

截至二零一一年六月三十日止年度 For the year ended 30 June 2011

| 以港幣百萬元計算 | in HK\$ million | 附註 Note | 2011 | 2010 |
|-------------------------|---|------------|-----------------|----------------|
| 經營活動 | Operating activities | | | |
| 來自經營業務之現金 | Cash generated from operations | 25 | 5,620 | 10,405 |
| 已付稅項 | Tax paid | | | |
| 已付香港利得稅 | Hong Kong Profits Tax paid | | (236) | (765) |
| 已付中國所得稅 | China Income Tax paid | | (479) | (411) |
| 來自經營活動之現金淨額 | Net cash generated from operating activities | | 4,905 | 9,229 |
| 投資活動 | Investing activities | | | |
| 購買固定資產 | Payment for fixed assets | | (6,324) | (3,686) |
| 出售固定資產所得款項 | Sale proceeds from disposals of fixed assets | | 1 | – |
| 購買持至到期日投資 | Purchase of held-to-maturity investments | | (827) | – |
| 已收利息 | Interest received | | 211 | 62 |
| 已收合營公司股息 | Dividend received from jointly controlled entities | | 37 | 36 |
| 非上市投資(支付)/償還貸款 | (Payment to)/Repayment from advances to unlisted investments | | (1) | 1 |
| 合營公司還款 | Repayment from jointly controlled entities | | 75 | 77 |
| 於三個月後到期的銀行存款之增加 | Increase in bank deposits with maturity greater than three months | | (7,478) | – |
| 收購附屬公司 | Acquisition of a subsidiary | | – | (15) |
| 用於投資活動之現金淨額 | Net cash used in investing activities | | (14,306) | (3,525) |
| 融資活動 | Financing activities | | | |
| 新增銀行貸款所得款項 | Proceeds from new bank loans | | 13,284 | 9,365 |
| 償還銀行貸款 | Repayment of bank loans | | (3,180) | (8,530) |
| 行使股份期權所得款項 | Proceeds from exercise of share options | | 133 | 31 |
| 已付利息及其他借貸費用 | Interest and other borrowing costs paid | | (306) | (304) |
| 已付融資租約費用 | Finance lease charges paid | | (17) | (24) |
| 已付股息 | Dividends paid | | (1,023) | (976) |
| 已付非控股權益股息 | Dividends paid to non-controlling interests | | (1,489) | (1,364) |
| 償還非控股權益款項 | Repayment to non-controlling interests | | (588) | (213) |
| 附屬公司非控股權益(減少)/增加 | (Decrease)/Increase in non-controlling interests in subsidiaries | | (11) | 137 |
| 附屬公司配售股份所得款項 | Proceeds from placement of shares of a subsidiary | 24 | 10,896 | – |
| 融資租約之資本部份 | Capital element of finance lease | | (119) | (106) |
| 償還於二零零九年到期之浮息票據 | Repayment of floating rate notes due 2009 | | – | (1,500) |
| 來自/(用於)融資活動之現金淨額 | Net cash generated from/(used in) financing activities | | 17,580 | (3,484) |
| 現金及現金等價物之增加 | Increase in cash and cash equivalents | | 8,179 | 2,220 |
| 匯率變動之影響 | Effect of foreign exchange rate change | | 765 | – |
| 於七月一日之現金及現金等價物 | Cash and cash equivalents at 1 July | | 11,852 | 9,632 |
| 於六月三十日之現金及現金等價物 | Cash and cash equivalents at 30 June | 15 | 20,796 | 11,852 |

財務報表附註乃本財務報表之一部分。 The accompanying notes form part of these financial statements.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

(以港幣為單位) (Expressed in Hong Kong dollars)

1 主要會計政策

(a) 遵例聲明

本財務報表乃根據所有適用之《香港財務報告準則》(「HKFRSs」) 編製，而該統稱涵蓋香港會計師公會頒佈之所有適用個別《香港財務報告準則》、《香港會計準則》(「HKASs」) 及詮釋、香港公認會計原則及香港《公司條例》之規定。本財務報表亦符合《香港聯合交易所有限公司證券上市規則》之適用披露規定。本集團採用之主要會計政策概述如下。

香港會計師公會頒佈了多項新訂和經修訂之HKFRSs。這些準則在本會計期間生效或可供提早採用。因初次應用這些與本集團有關的轉變所引致當前和以往會計期間的會計政策變動已於本財務報表內反映，有關資料載列於附註2。

本集團已決定就根據HKAS 40「投資物業」，以公平值入賬之投資物業所確認之遞延稅項，提早採用HKAS 12(修訂本)「稅項」(「HKAS 12(經修訂)」)。

除了採用HKAS 12(經修訂)外，本集團並無採用任何在當前會計期間尚未生效之新準則、修訂本或詮釋(參閱附註32)。

(b) 財務報表編製基準

截至二零一一年六月三十日止年度之綜合財務報表包括本公司及其附屬公司(統稱「本集團」)及本集團於合營公司之權益。

除下文所載之會計政策另有所指外，財務報表均以歷史成本作為編製基準。

1 PRINCIPAL ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. A summary of the principal accounting policies adopted by the Group is set out below.

The HKICPA issued a number of new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 2 provides information on any changes in accounting policies resulting from initial adoption of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

The Group has decided to early adopt the amendments to HKAS 12, Income taxes ("HKAS 12 (amended)"), in respect of the recognition of deferred tax on investment properties carried at fair value under HKAS 40, Investment property.

Other than the adoption of HKAS 12 (amended), the Group has not applied any new standard, amendment or interpretation that is not yet effective for the current accounting period (see note 32).

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 30 June 2011 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in jointly controlled entities.

The measurement basis used in the preparation of the financial statements is the historical cost basis except as otherwise stated in the accounting policies set out below.

1 主要會計政策 (續)

(b) 財務報表編製基準 (續)

為編製符合HKFRSs之財務報表，管理層須對影響政策之應用、資產負債及收支列報作出判斷、估計及假設。有關估計及相關之假設乃根據過往經驗，以及多項在當時情況下相信屬合理之其他因素而作出，有關結果構成在未能依循其他途徑即時確切得知資產與負債賬面值時所作出判斷的基礎。實際結果可能與此等估計或有不同。

管理層會不斷審閱各項估計和相關假設。如果會計估計的修訂只是影響某一期間，其影響便會在該期間內確認；如果修訂對當前和未來期間均有影響，則在作出修訂的期間和未來期間確認。

管理層在應用HKFRSs時所作出對財務報表有重大影響的判斷及估計不確定性的主要原因於附註31論述。

(c) 附屬公司及非控股權益

附屬公司為本集團控制之公司。當本集團有權支配一間公司的財務及經營政策，或實際上有能力對公司行使實際控制權，並藉此從其活動中取得利益，則本集團擁有該公司之控制權。評估控制權時，現時可行使的潛在投票權亦計算在內。

當公司持有一個大部分的少數股東權益而有效地行使實質控制權，而其他股權廣為分散而不能聯合成功投票反對最大股東的意願時，則為擁有實質控制權。

於附屬公司之投資自開始控制之日起至失去控制權當日已包括於綜合財務報表內。集團內部往來之結餘及交易，以及集團內部交易所產生之任何未變現溢利，會在編製綜合財務報表時全數抵銷。集團內部交易所引致未變現虧損之抵銷方法與未變現收益相同，但抵銷額只限於沒有證據顯示已出現減值之部份。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(b) Basis of preparation of the financial statements (Continued)

The preparation of financial statements in conformity with HKFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 31.

(c) Subsidiaries and non-controlling interests

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity, or has the ability in practice to exert de facto control over the entity, so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

De facto control exists when the Company is able to exert effective control by holding a substantial minority interest in an entity of which the other shareholdings are widely dispersed and thus unable to coalesce to successfully vote against the wishes of the largest shareholder.

An investment in a subsidiary is consolidated in the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances and transactions and any unrealized profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealized losses resulting from intra-group transactions are eliminated in the same way as unrealized gains but only to the extent that there is no evidence of impairment.

1 主要會計政策 (續)

(c) 附屬公司及非控股權益 (續)

非控股權益為非本公司直接或透過附屬公司間接擁有權益所佔之附屬公司的資產淨值部份。就此而言，本集團並未向該等權益持有人同意任何附加條款致使本集團整體須就此等權益承擔按財務負債定義的合約責任。於綜合財務狀況表內，非控股權益與本公司股東權益分別於權益內呈列。非控股權益應佔本集團年內業績按非控股權益及股東權益應佔年內損益總額及全面收益總額的分配於綜合收益表及綜合全面收益表內呈列。

本集團於附屬公司的權益變動不對控制權有所改變，則按權益交易方式入賬，即只調整在綜合權益內之控股及非控股股東權益的金額以反映其相關權益的變動，但不調整商譽及確認損益。

在本公司之財務狀況表內，附屬公司之投資乃按成本值減去任何減值虧損列賬。

(d) 合營公司

合營公司乃一間由本集團或本公司與其他人士按一項合約性安排而經營之公司，而在該項合約性安排下，本集團或本公司與一名或多名其他人士對該公司之經濟活動共同行使控制權。

本集團於合營公司之權益乃以權益法在綜合財務報表內列賬，初步以成本入賬，其後按本集團應佔合營公司之淨資產於收購後之改變作出調整。綜合收益表包括本集團應佔合營公司於收購後及除稅後之年度業績，而本集團應佔合營公司於收購後及除稅後之其他全面收益於綜合全面收益表內確認。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(c) Subsidiaries and non-controlling interests (Continued)

Non-controlling interests represent the portion of the net assets of subsidiaries attributable to interests that are not owned by the Company, whether directly or indirectly through subsidiaries, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated income statement and the consolidated statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controller and non-controlling interests within consolidated equity to reflect the changes in relative interest, but no adjustments are made to goodwill and no gain or loss is recognized.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less any impairment losses.

(d) Jointly controlled entities

A jointly controlled entity is an entity which operates under a contractual arrangement between the Group or the Company and other parties, where the contractual arrangement establishes that the Group or the Company and one or more of the other parties share joint control over the economic activity of the entity.

The Group's interests in jointly controlled entities are accounted for in the consolidated financial statements under the equity method and are initially recorded at cost and adjusted thereafter for the post-acquisition change in the Group's share of the jointly controlled entities' net assets. The consolidated income statement includes the Group's share of the post-acquisition, post-tax results of the jointly controlled entities for the year, whereas the Group's share of the post-acquisition, post-tax items of the jointly controlled entities' other comprehensive income is recognized in the consolidated statement of comprehensive income.

1 主要會計政策 (續)

(d) 合營公司 (續)

當本集團對合營公司承擔的虧損額超過其所佔權益時，本集團所佔權益便會減少至零，並且不須再確認往後的虧損；但如本集團須履行法定或推定義務，或代合營公司作出付款則除外。就此而言，本集團在合營公司所佔權益為按照權益法計算之投資賬面價值，以及實質上構成本集團對合營公司投資淨額一部份之長期權益。

本集團與其合營公司之間交易所產生之未變現溢利或虧損，均按本集團於合營公司所佔之權益比例抵銷；但如未變現虧損證明所轉讓資產已出現減值，則會即時在損益中確認該虧損。

在本公司之財務狀況表內，合營公司之投資乃按成本值減任何減值虧損列賬。

(e) 商譽

商譽是指企業合併之成本超過本集團在被收購方之可辨別資產、負債和或然負債之公平值中所佔部份之差額。

商譽是按成本減去累計減值虧損後列賬，並須定期接受減值測試。

本集團在被收購方之可辨別資產、負債和或然負債的公平值中所佔部份，超過企業合併之成本部份，會當作為議價收購即時在損益中確認。

當出售一間公司時，任何應佔購入商譽於出售時計入損益內。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(d) Jointly controlled entities (Continued)

When the Group's share of losses exceeds its interest in the jointly controlled entity, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the jointly controlled entity. For this purpose, the Group's interest in the jointly controlled entity is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the jointly controlled entity.

Unrealized profits and losses resulting from transactions between the Group and its jointly controlled entities are eliminated to the extent of the Group's interest in the jointly controlled entity, except where unrealized losses provide evidence of an impairment of the asset transferred, in which case they are recognized immediately in profit or loss.

In the Company's statement of financial position, investments in jointly controlled entities are stated at cost less impairment losses.

(e) Goodwill

Goodwill represents the excess of the cost of a business combination over the Group's share of the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Goodwill is stated at cost less accumulated impairment losses and is tested regularly for impairment.

Any excess of the Group's interest in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of a business combination is recognized immediately in profit or loss as a gain on a bargain purchase.

On disposal of an entity, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

1 主要會計政策 (續)

(f) 物業

1. 投資物業及發展中投資物業

投資物業是根據租賃權益擁有或持有，用作賺取租金收入及／或資本增值之土地及／或樓宇。當中包括現時持有但未確定將來用途之土地及仍在興建或發展中以供日後用作投資物業之物業。

投資物業於財務狀況表中以公平值入賬，除非物業於結算日仍在興建或發展而物業的公平值在當時不能可靠計量。因公平值變動或報廢或出售投資物業所產生的任何收益或虧損將確認為損益。投資物業之租金收入如附註1(q)所述入賬。

倘本集團根據營業租約持有一項物業權益以賺取租金收入及／或作資本增值，該權益則按不同的物業而分類及入賬為投資物業。任何已分類為投資物業的物業權益乃分類為猶如根據融資租約持有的權益，相同的會計政策亦適用於根據融資租約持有的其他投資物業的權益。應付租金如附註1(g)所述入賬。

2. 待售發展中物業

待售發展中物業皆列入流動資產內，並以成本值及可變現淨值之較低者入賬。成本包括土地購買成本、發展成本、資本化之借貸支出及其他直接開支之總和。可變現淨值乃估計物業售價減估計落成成本及出售物業涉及之費用。

3. 待售已建成物業

待售已建成物業皆列入流動資產內，並以成本值及可變現淨值之較低者入賬。成本乃按未出售單位應佔之比例攤分總發展成本，包括資本化借貸支出而釐定。可變現淨值指管理層參照目前市況而釐定之估計物業售價減出售物業涉及之費用。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(f) Properties

1. Investment properties and investment properties under development

Investment properties are land and/or buildings which are owned or held under a leasehold interest to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are stated in the statement of financial position at fair value, unless they are still in the course of construction or development at the reporting date and their fair value cannot be reliably determined at that time. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognized in profit or loss. Rental income from investment properties is accounted for as described in note 1(q).

When the Group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease, and the same accounting policies are applied to that interest as are applied to other investment properties leased under finance leases. Lease payments are accounted for as described in note 1(g).

2. Properties under development for sale

Properties under development for sale are classified under current assets and stated at the lower of cost and net realizable value. Costs include the acquisition cost of land, aggregate cost of development, borrowing costs capitalized and other direct expenses. Net realizable value represents the estimated selling price less estimated costs of completion and costs to be incurred in selling the property.

3. Completed properties for sale

Completed properties for sale are classified under current assets and stated at the lower of cost and net realizable value. Cost is determined by apportionment of the total development costs, including borrowing costs capitalized, attributable to unsold properties. Net realizable value represents the estimated selling price as determined by reference to management estimates based on prevailing market conditions, less costs to be incurred in selling the property.

1 主要會計政策 (續)

(g) 其他固定資產

1. 其他固定資產按成本值減累計折舊及任何減值虧損列賬。

2. 租賃資產

(i) 租予本集團之資產分類

分類乃評估有關安排的實質內容後釐定，而不論有關安排是否具備租約的法律形式。由承租人承擔資產擁有權之絕大部份風險及利益之資產租約均列為融資租約，而租賃人未有把資產擁有權之全部風險及利益轉移之資產租約則列為營業租約，但下列情況除外：

- 以營業租約持有但在其他方面均符合投資物業定義之物業會逐項劃歸為投資物業；及
- 以營業租約持作自用，但無法在租賃開始時將其公平值與建於其上之建築物之公平值分開計量之土地，是按以融資租約持有方式入賬；但清楚地以營業租約持有之建築物除外。就此而言，租賃之開始時間是指本集團首次訂立租約時，或自前承租人接收建築物時。

(ii) 根據融資租約購入之資產

如本集團根據融資租約購入資產之使用權，則所租賃資產之公平值或有關資產之最少應付租金之現值兩者之較低者計入固定資產，而相應之負債在扣除融資費用後，列作融資租約承擔入賬。折舊是在相關之租約期內或資產之可使用年期（如本公司或本集團可能取得資產之擁有權）內撇銷資產成本或估值之比率計提；有關之資產可使用年期載列於附註1(h)。包含在租金內之融資費用於租約期內在收益表內扣除，使每個會計期間之融資費用佔承擔餘額的比率大致相同。或然租金在其產生之會計期間作為開支撇銷。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(g) Other fixed assets

1. Other fixed assets are stated at cost less accumulated depreciation and any impairment losses.

2. Leased assets

(i) Classification of assets leased to the Group

The classification is determined based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease. Leases of assets under which the lessee assumes substantially all the risks and benefits of ownership are classified as finance leases. Leases of assets under which the lessor has not transferred all the risks and benefits of ownership are classified as operating leases, with the following exceptions:

- property held under operating leases that would otherwise meet the definition of an investment property is classified as an investment property on a property-by-property basis; and
- land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee.

(ii) Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are included in fixed assets and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost or valuation of the assets over the term of the relevant lease or, where it is likely the Company or the Group will obtain ownership of the asset, the life of the asset, as set out in note 1(h). Finance charges implicit in the lease payments are charged to the income statement over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are written off as an expense of the accounting period in which they are incurred.

1 主要會計政策 (續)

(g) 其他固定資產 (續)

2. 租賃資產 (續)

(iii) 營業租約費用

如果本集團是以營業租約獲得資產之使用權，則根據租約作出之付款在租約期內所涵蓋之會計期間內，以等額在收益表中列支；但如有其他基準能更清楚地反映租賃資產所產生之收益模式則除外。所獲之租金優惠在收益表中確認為淨租金總額之不可分割組成部份。或然租金在其產生之會計期間內在收益表中列支。

(h) 折舊

1. 投資物業

投資物業及發展中投資物業毋須計提折舊撥備。

2. 其他固定資產

其他固定資產之折舊乃將成本值減其估計剩餘價值（如有），按下列預計可使用年期以直線法撇銷：

| | |
|-------|------------------|
| 樓宇 | 五十年或地契尚餘年期（取較短者） |
| 傢俬及設備 | 四至二十年 |
| 車輛 | 五年 |

(i) 金融資產

1. 持至到期日投資

持至到期日投資項目乃非衍生金融資產，具固定或可釐定之付款及固定到期日，以及本集團管理層具有積極意向及能力持至到期日為止。持至到期日投資項目按公平值加交易成本初始確認，其後按實際利率法以攤銷成本並減去任何可識別減值撥備入賬。當有客觀證據證明資產已減值時，減值撥備經確認並計入損益。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(g) Other fixed assets (Continued)

2. Leased assets (Continued)

(iii) Operating leases charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to the income statement in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognized in the income statement as an integral part of the aggregate net lease payments made. Contingent rentals are charged to the income statement in the accounting period in which they are incurred.

(h) Depreciation

1. Investment properties

No depreciation is provided for investment properties and investment properties under development.

2. Other fixed assets

Depreciation on other fixed assets is calculated to provide so as to write off the cost, less their estimated residual value, if any, on a straight line basis over their estimated useful lives as follows:

| | |
|-------------------------|--|
| Buildings | 50 years or unexpired lease term, whichever is shorter |
| Furniture and equipment | 4-20 years |
| Motor vehicles | 5 years |

(i) Financial assets

1. Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity which the Group's management has the positive intention and ability to hold to maturity. Held-to-maturity investments are initially recognized in the statement of financial position at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any identified impairment loss. Any impairment loss is recognized in profit or loss when there is objective evidence that the asset is impaired.

1 主要會計政策 (續)

(i) 金融資產 (續)

2. 其他股本證券投資

於交投活躍市場上並無所報市價及其公平值未能可靠地計量之股本證券投資，乃於財務狀況表內按成本扣除減值虧損確認。其他證券投資分類為可供出售證券，初步按公平值加上交易成本確認。本集團在每個結算日重新計量公平值，由此產生之任何收益或虧損均在其他全面收益確認，以及於權益中累計，惟減值虧損除外。當終止確認這些投資時，以往直接在權益中確認之累計收益或虧損會在收益表中確認。

在本集團承諾購買／出售投資或投資到期當日確認／終止確認有關的投資。

(j) 資產減值

本集團於每個結算日均對流動或非流動資產（以重估值列賬之物業除外）進行評估，決定是否有任何客觀證據顯示減值跡象。如屬可供出售股權投資，於釐定投資是否減值時，會考慮該投資之公平值是否重大或長時間低於其成本值。

如有任何此類證據存在，減值虧損則會按以下方式釐定及確認：

- 就以攤銷成本列賬之流動應收款而言，當貼現之影響重大時，減值虧損按客觀減值證據確認及以資產之賬面值與以金融資產初始實際利率貼現之預計未來現金流量現值之間之差額計量。減值之客觀證據包括本集團所注意到有關對資產之預計未來現金流量有影響之事件（例如債務人之重大財政困難）之可觀察數據。倘減值虧損在其後期間減少，則減值虧損會於綜合收益表撥回。減值虧損之撥回不應使資產之賬面值超過其在以往年度並無確認任何減值虧損而釐定之數額。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(i) Financial assets (Continued)

2. Other investments in equity securities

Investments in equity securities that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are recognized in the statement of financial position at cost less impairment losses. Other investments in securities are classified as available-for-sale securities and are initially recognized at fair value plus transaction costs. At each reporting date the fair value is remeasured, with any resultant gain or loss being recognized in other comprehensive income and accumulated separately in equity, except for impairment losses. When these investments are derecognized, the cumulative gain or loss previously recognized directly in equity is recognized in the income statement.

Investments are recognized/derecognized on the date the Group commits to purchase/sell the investments or they expire.

(j) Impairment of assets

An assessment is carried out at each reporting date to determine whether there is objective evidence that a current or non-current asset, other than properties carried at revalued amounts, is impaired. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the investment below its cost is considered in determining whether the investments are impaired.

If any such indication exists, any impairment loss is determined and recognized as follows:

- For current receivables carried at amortized cost, the impairment loss is recognized when there is objective evidence of impairment and measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective rate where the effect of discounting is material. Objective evidence of impairment includes observable data that comes to the attention of the Group about events that have an impact on the asset's estimated future cash flows such as significant financial difficulty of the debtor. If in a subsequent period the amount of impairment loss decreases, the impairment loss is reversed through the consolidated income statement. A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognized in prior years.

1 主要會計政策 (續)

(j) 資產減值 (續)

— 就可供出售投資，已於投資重估儲備中確認之累計虧損轉至綜合收益表。於綜合收益表中確認之累計虧損是以收購成本（扣除任何本金償還及攤銷）與當時公平值之差額，並減去以往就該資產於綜合收益表中確認的任何減值虧損後計算。就可供出售投資於綜合收益表中確認之減值虧損不會透過綜合收益表撥回。該等資產公平值其後之任何增加會於其他全面收益中確認。

— 就其他非流動資產，可收回金額為其淨銷售價與使用價值兩者中較高之金額。凡賬面值高於可收回金額，減值虧損於綜合收益表中確認為開支。倘用作釐定可收回金額之預計數據有任何有利變動時，減值虧損即予撥回。所撥回的減值虧損以在過往年度沒有確認任何減值虧損而釐定的資產賬面金額為限。減值虧損之撥回乃於確認撥回金額之年度計入收益表。有關商譽之減值虧損將不予撥回。

(k) 應收賬款及其他應收款

應收賬款及其他應收款初步按公平值確認，其後按攤銷成本減去呆壞賬減值虧損後入賬；但如應收款為免息貸款或其貼現影響並不重大則除外。在此情況下，應收款會按成本減去呆壞賬減值虧損後入賬。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(j) Impairment of assets (Continued)

— For available-for-sale investments, the cumulative loss that has been recognized in investment revaluation reserve is reclassified to the consolidated income statement. The amount of the cumulative loss that is recognized in the consolidated income statement is the difference between the acquisition cost (net of any principal repayment and amortization) and current fair value, less any impairment loss on that asset previously recognized in the consolidated income statement. Impairment loss recognized in consolidated income statement in respect of available-for-sale investments is not reversed through consolidated income statement. Any subsequent increase in the fair value of such assets is recognized in other comprehensive income.

— For other non-current assets, the recoverable amount is the greater of its net selling price and value in use. An impairment loss is recognized as an expense in the consolidated income statement whenever the carrying amount exceeds the recoverable amount. An impairment loss is reversed if there has been a favorable change in the estimates used to determine the recoverable amount. A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognized in prior years. Reversals of impairment losses are credited to the income statement in the year in which the reversals are recognized. An impairment loss in respect of goodwill is not reversed.

(k) Trade and other receivables

Trade and other receivables are initially recognized at fair value and thereafter stated at amortized cost less impairment losses for bad and doubtful debts, except where the receivables are interest-free loans or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

1 主要會計政策 (續)

(l) 現金及現金等價物

現金及現金等價物包括銀行及手頭之現金、於銀行及其他財務機構之活期存款，及短期而高流動性之投資，即在沒有涉及重大價值轉變之風險下可以即時轉換為已知數額之現金的投資。就編製綜合現金流量表而言，現金及現金等價物包括即期償還及構成本集團現金管理之不可分割組成部份之銀行透支。

(m) 應付賬款及其他應付款

應付賬款及其他應付款初步按公平值確認，其後按攤銷成本入賬；但如貼現影響並不重大，則按成本入賬。

(n) 計息借貸

計息借貸初步按公平值減應佔交易成本確認。初次確認後，計息借貸按攤銷成本列賬，成本與贖回價值間之差額以實際利率法按借貸年期於綜合收益表內確認。

(o) 借貸成本

收購、興建或製造之資產因需較長時間方可用作擬定用途或可供出售之直接相關借貸成本資本化為該資產成本之一部分。其他借貸成本於產生期間列支。

在合資格資產之開支及借貸支出開始產生時，以及將該資產投入擬定用途或出售所需之籌備工作正在進行，即開始將借貸支出资本化，作為合資格資產的成本之一部份。當將合資格資產投入擬定用途或出售所需之大部份籌備工作被中斷或完成時，借貸支出资本化則被暫停或終止。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(l) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement.

(m) Trade and other payables

Trade and other payables are initially recognized at fair value and thereafter stated at amortized cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(n) Interest-bearing borrowings

Interest-bearing borrowings are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortized cost with any difference between costs and redemption value being recognized in the consolidated income statement over the period of the borrowings using the effective interest method.

(o) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalization of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalization of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying assets for its intended use or sale are interrupted or complete.

1 主要會計政策 (續)

(p) 已發出財務擔保、撥備及或然負債

1. 已發出財務擔保

財務擔保乃要求發行人(即擔保人)就擔保受益人(「持有人」)因特定債務人未能根據債務工具的條款於到期時付款而蒙受的損失，而向持有人支付特定款項的合約。

當本集團發出財務擔保，該擔保的公平價值(即交易價格，除非該公平價值能確實地估計)最初確認為應付貿易及其他賬項內的遞延收入。倘在發行該擔保時收取或可收取代價，該代價則根據適用於該類資產的本集團政策而予確認。倘沒有有關尚未收取或應予收取之代價，則於最初確認任何遞延收入時，即時於損益內確認開支。

最初以遞延收入入賬的擔保金額按擔保條文於損益內攤銷，作為提供財務擔保之收入。此外，倘若(i)擔保合約持有人很可能要求本集團履行擔保合約；及(ii)向本集團索償的款項預期超過現時列於應付賬款及其他應付款內的擔保金額(即最初確認的金額減累計攤銷)，則須按附註1(p)(2)方法計提撥備。

2. 其他撥備及或然負債

倘若本集團或本公司須就過往事件承擔法律或推定責任，而且履行責任可能涉及付出經濟利益，並可作出可靠的估計，則須就未能確定時間或數額的負債確認撥備。如果貨幣時間值重大，則按預計所需支出的現值計提準備。

倘若不大可能涉及付出經濟利益，或無法對有關數額作出可靠估計，則會將責任披露為或然負債，惟付出經濟利益的可能性極低時則除外。如果本集團的責任須視乎某宗或多宗未來事件是否發生才能確定是否存在，亦會披露為或然負債，但資源外流的可能性極低則除外。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(p) Financial guarantees issued, provisions and contingent liabilities

1. Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Where the Company issues a financial guarantee, the fair value of the guarantee (being the transaction price, unless the fair value can otherwise be reliably estimated) is initially recognized as deferred income within trade and other payables. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognized in accordance with the Company's policies applicable to that category of asset. When no such consideration is received or receivable, an immediate expense is recognized in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognized as deferred income is amortized in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognized in accordance with note 1(p)(2) if and when (i) it becomes probable that the holder of guarantee will call upon the company under the guarantee, and (ii) the amount of that claim on the Company is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognized, less accumulated amortization.

2. Other provisions and contingent liabilities

Provisions are recognized for liabilities of uncertain timing or amount when the Group or the Company has a legal or constructive obligation arising as a result of past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. When the time value of the money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

1 主要會計政策 (續)

(q) 收入確認

收入按已收或應收款之代價之公平值計算。於經濟利益可能會流入本集團，而收入及成本（如適用）能可靠地計算時，收入乃按以下方式於收益表內確認：

1. 銷售物業

建成物業之銷售收入乃於簽訂買賣協議或相關政府部門發出入伙紙（以較遲者為準）時確認，其時該物業擁有權之風險及回報已轉至買方。

2. 租金收入

營業租約所得租金收入乃按個別租約之年期以直線法確認。所給予之租賃獎勵按其作為組成應收租賃淨付款總額之組成部分於損益中確認。或然租金乃於賺取之會計期間內確認為收入。

3. 利息收入

利息收入於產生時按實際利率法確認。

4. 股息

股息於收款權確立時確認。

(r) 稅項

本年度所得稅包括本年稅項、遞延稅項資產及負債的變動。除某些在其他全面收益確認或在權益內直接確認的項目之相關的稅項亦應分別記入其他全面收益或在權益內直接確認外，其他本年度稅項及遞延稅項資產及負債的變動則於綜合收益表確認。

本年稅項指年內就應課稅收入按結算日已生效或實質上已生效的稅率計算之預期應付稅項，並已包括以往年度應付稅項的任何調整。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(q) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognized in the income statement as follows:

1. Sale of properties

Revenue from sale of completed properties is recognized upon the later of the signing of sale and purchase agreements or the issue of occupation permit by the relevant government authorities, which is taken to be the point in time when the risks and rewards of ownership of the property have passed to the buyer.

2. Rental income

Rental income under operating leases is recognized on a straight line basis over the terms of the respective leases. Lease incentives granted are recognized in profit or loss as an integral part of the aggregate net lease payment receivable. Contingent rentals are recognized as income in the accounting period in which they are earned.

3. Interest income

Interest income is recognized as it accrues using the effective interest method.

4. Dividends

Dividends are recognized when the right to receive payment is established.

(r) Taxation

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognized in the consolidated income statement except to the extent that they relate to items recognized in other comprehensive income or directly in equity, in which case the relevant amount of tax are recognized in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

1 主要會計政策 (續)

(r) 稅項 (續)

遞延稅項資產和負債分別由可扣稅及應課稅暫時差異產生，而暫時差異乃資產及負債在財務報表上的賬面值與這些資產及負債的納稅基礎兩者之差異。遞延稅項資產亦可來自未使用的稅項虧損及未使用的稅項抵免。

除若干有限的特別情況外，所有遞延稅項負債，以及未來可能有應課稅溢利可供抵免的相關遞延稅項資產均予確認。確認遞延稅項資產及負債的有限特別情況，包括不可扣稅的商譽所產生的暫時差異，以及不影響會計或應課稅溢利的資產及負債之初始確認，以及有關於附屬公司之投資之暫時差異（就可課稅差異而言，則本集團可控制撥回時間及差異於可見將來或不能撥回，或就可扣減差異而言，則除非差異可於未來撥回）。

當投資物業及發展中投資物業根據附註1(f)(1)所載按公平價值列賬，除該物業是可折舊及以一個商業模式所持有，而此模式並非透過出售形式而使用該物業所包含的大部份經濟利益，按投資物業之賬面值出售時所產生之稅項負債，計算其投資物業之任何遞延稅項。在其他情況下，確認遞延稅項的金額是根據該項資產及負債的賬面值之預期變現或償還方式，按在結算日已生效或實質上已生效的稅率計算。遞延稅項資產及負債均不貼現計算。

本集團於各結算日重新審閱遞延稅項資產的賬面值，對預期不再可能有足夠應課稅溢利以實現相關稅務利益的遞延稅項資產予以扣減。若日後可能出現足夠的應課稅溢利時，則有關扣減予以轉回。

因宣派股息所產生的額外所得稅於支付有關股息的責任確立時確認。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(r) Taxation (Continued)

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilized, are recognized. The limited exceptions to recognition of deferred tax assets and liabilities are those temporary differences arising from goodwill not deductible for tax purposes and the initial recognition of assets and liabilities that affect neither accounting nor taxable profits, and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the Group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

When investment properties and investment properties under development are carried at their fair value in accordance with the accounting policy set out in note 1(f)(1), the amount of deferred tax recognized is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognized is measured based on the expected manner of realization or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each reporting date and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognized when the liability to pay the related dividends is recognized.

1 主要會計政策 (續)

(s) 外幣換算

在本集團各公司之財務報表中之項目乃以最能反映與該公司相關的實質經濟狀況及事務之貨幣(「功能貨幣」)計算。本集團財務報表乃以港元列報。

年內之外幣交易按交易日之匯率換算。以外幣計值的貨幣資產及負債則按結算日之匯率換算。匯兌收益及虧損均於收益表確認。

外幣結餘之以歷史成本值列賬的非貨幣性資產及負債是按交易當日之兌換率折算。外幣結餘之以公平值列賬的非貨幣性資產及負債是按計算當日公平值之兌換率折算。

海外業務之業績按與交易日匯率相若之匯率換算為港元。財務狀況表之項目則按結算日之匯率換算為港元。所產生之匯兌差額於其他全面收益確認，以及於權益中之匯兌儲備累計。

於出售海外業務時，當出售損益確認時，該海外業務有關之累計匯兌差額將由權益項下重新分類至綜合收益表。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(s) Translation of foreign currencies

Items included in the financial statements of each entity in the Group are measured using the currency that best reflects the economic substance of the underlying events and circumstances relevant to the entity ("functional currency"). The financial statements of the Group are presented in Hong Kong dollars.

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the reporting date. Exchange gains and losses are recognized in the income statement.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rate ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair values are translated using the foreign exchange rates ruling at the dates the fair value was determined.

The results of foreign operations are translated in Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items are translated into Hong Kong dollars at the foreign exchange rates ruling at the reporting date. The resulting exchange differences are recognized in other comprehensive income and accumulated separately in equity in the exchange reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to consolidated income statement when the profit or loss on disposal is recognized.

1 主要會計政策 (續)

(t) 關連人士

就本財務報表而言，本集團的關連人士是指：

- (i) 該人士有能力直接或間接透過一名或多名中介人控制本集團或對本集團的財務及經營決策作出重大影響，或與他人共同控制本集團；
- (ii) 本集團與該人士均受共同控制；
- (iii) 該人士為本集團的聯營公司或本集團為出資方的合營公司；
- (iv) 該人士為本集團或本集團母公司的主要管理人員或該等人士的近親家庭成員，或受該等人士控制、共同控制或有重大影響的實體；
- (v) 該人士為(i)所指該人士的近親家庭成員或受該等人士控制、共同控制或有重大影響的實體；或
- (vi) 該人士為就本集團或屬於本集團關連人士的任何實體的僱員利益而制定的退休福利計劃。

某一人士之近親家庭成員指在與實體交易時，預期可影響或受該個人影響的家庭成員。

(u) 分部報告

經營分部的呈報形式與提供予本集團的最高執行管理層供其分配資源、評估本集團不同業務或地域分佈的表現而作出的內部財務報告一致。就披露資料而言，可呈報分部可由一個或多個經營分部（該等分部因具備相類似的經濟特點及規管環境的性質而可予合併），或單一經營分部（因不能合併或超逾數量限額而單獨披露）組成。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(t) Related parties

For the purposes of these financial statements, a party is considered to be related to the Group if:

- (i) the party has the ability, directly or indirectly through one or more intermediaries, to control the Group or exercise significant influence over the Group in making financial and operating policy decisions, or has joint control over the Group;
- (ii) the Group and the party are subject to common control;
- (iii) the party is an associate of the Group or a joint venture in which the Group is a venturer;
- (iv) the party is a member of key management personnel of the Group or the Group's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals; or
- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the Group or of any entity that is a related party of the Group.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

(u) Segment reporting

Operating segments are reported in a manner consistent with the Group's internal financial reporting to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of the Group's various lines of business and geographical locations. For disclosure purpose, a reportable segment comprises either one or more operating segments which can be aggregated together because they share similar economic characteristics and nature of the regulatory environment, or single operating segments which are disclosable separately because they cannot be aggregated or they exceed quantitative thresholds.

1 主要會計政策 (續)

(v) 僱員福利

1. 短期僱員福利及定額供款退休計劃供款

薪金、年終花紅、有薪年假、非貨幣性福利成本及對界定供款退休計劃之供款(包括於中國內地及香港根據有關法例應付之款項)乃於本集團僱員提供有關服務之年內計提。

2. 股權支付

授予僱員之股份期權之公平值乃計及授出期權之條款及條件於授出日期計算，並依據期權將歸屬的可能性根據歸屬期按直線法列作開支，相應增加乃於權益(僱員股份補償儲備)中予以確認。

本公司在歸屬期內檢討預期歸屬之股份期權數目。已於以往年度確認之累計公平價值之任何所產生調整會在檢討當年在綜合收益表中列支/計入(若原來之僱員支出符合確認為資產的資格除外)，並在僱員股份補償儲備作出相應調整。已確認為支出之數額會在歸屬日作出調整，以反映所歸屬股份期權之實際數目(同時對僱員股份補償儲備作出相應調整)。

倘股份期權獲行使，則相關僱員股份補償儲備連同行使價一併轉撥至股本及股份溢價。倘期權到期或於歸屬期後失效，則相關僱員股份補償儲備直接轉撥至保留溢利。

1 PRINCIPAL ACCOUNTING POLICIES (Continued)

(v) Employee benefits

1. Short term employee benefits and contributions to defined contribution retirement schemes

Salaries, annual bonuses, paid annual leave, the cost of non-monetary benefits and obligation for contributions to defined contribution retirement schemes, including those payables in mainland China and Hong Kong under relevant legislation, are accrued in the year in which the associated services are rendered by employees of the Group.

2. Share-based payments

The fair value of share options granted to employees is measured at grant date, taking into account the terms and conditions upon which the options were granted, and is expensed on a straight line basis over the vesting period taking into account the probability that the options will vest, with a corresponding increase in equity (employee share-based compensation reserve).

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognized in prior years is charged/credited to the consolidated income statement for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the employee share-based compensation reserve. On vesting date, the amount recognized as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the employee share-based compensation reserve).

At the time when the share options are exercised, the related employee share-based compensation reserve is transferred to share capital and share premium, together with the exercise price. If the options expire or lapse after the vesting period, the related employee share-based compensation reserve is transferred directly to retained profits.

2 會計政策之變動

香港會計師公會頒佈多項新訂及經修訂之HKFRSs、HKFRSs(修訂本)及詮釋。此等準則在當前年度開始生效。當中，與本集團之財務報表相關的是HK(Int) 5「財務報表的呈報」就借款人對包含可隨時要求償還條款的有期貨款的分類。因本集團已採用的政策與HK(Int) 5之結論是一致的，故此，HK(Int) 5之頒佈對本集團的財務報表並無重大影響。

除HKAS 12(經修訂)以外，本集團並無採用於當前會計期間尚未生效的新準則、修訂本或詮釋。該準則針對按照HKAS 40「投資物業」以公平價值列賬的投資物業進行遞延稅項確認。雖然該修訂於二零一二年一月一日或以後開始的各年度生效，但經該修訂之許可，本集團決定提前採用。

提早採用HKAS 12(經修訂)

採用HKAS 12(經修訂)是唯一對本期或比較期間構成重大影響之會計政策變動。由於此項政策之變動，除該物業是可折舊及以一個商業模式所持有，而此模式並非透過出售形式而使用該物業所包含的大部份經濟利益，本集團須參照如於結算日，按投資物業之賬面值出售時所產生之稅項負債，計算其投資物業之任何遞延稅項。修訂前，如該等物業是根據租賃權益持有，遞延稅項一般以該資產透過使用時收回其賬面值按適用的稅率計算。

2 CHANGES IN ACCOUNTING POLICIES

The HKICPA issued a number of new and revised HKFRSs, amendments to HKFRSs and interpretations that are effective in the current year. Of these, the issuance of HK(Int) 5, Presentation of financial statements – Classification by the borrower of a term loan that contains a repayment on demand clause, is relevant to the Group's financial statements. However, the issuance of HK(Int) 5 has had no material impact on the Group's financial statements as the Interpretation's conclusions were consistent with policies already adopted by the Group.

The Group has not applied any new standard, amendment or interpretation that is not yet effective for the current accounting period, with the exception of HKAS 12 (amended), in respect of the recognition of deferred tax on investment properties carried at fair value under HKAS 40, Investment property. The amendments are effective for annual periods beginning on or after 1 January 2012, but as permitted by the amendments, the Group has decided to adopt the amendments early.

Early adoption of HKAS 12 (amended)

The change in policy arising from HKAS 12 (amended) is the only change which has had a material impact on the current or comparative periods. As a result of this change in policy, the Group now measures any deferred tax liability in respect of its investment properties with reference to the tax liability that would arise if the properties were disposed of at their carrying amounts at the reporting date, unless the property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. Previously, where these properties were held under leasehold interests, deferred tax was generally measured using the tax rate that would apply as a result of recovery of the asset's value through use.

2 會計政策之變動 (續)

提早採用HKAS 12 (經修訂) (續)

此會計政策變動已追溯採用並重列於二零一零年七月一日及二零零九年七月一日之年初餘額及相應調整截至二零一零年六月三十日止年度之比較數字。此導致由重估收益產生之遞延稅項減少的影響如下：

2 CHANGES IN ACCOUNTING POLICIES (Continued)

Early adoption of HKAS 12 (amended) (Continued)

This change in policy has been applied retrospectively by restating the opening balances at 1 July 2010 and 1 July 2009, with consequential adjustments to comparatives for the year ended 30 June 2010. This has resulted in a reduction in the amount of deferred tax provided on valuation gains as follows:

| 以港幣百萬元計算 | in HK\$ million | 上年度報告 As previously reported | 採用 HKAS 12 (經修訂) 之影響 Effect of adoption of HKAS 12 (amended) | 重列 As restated |
|------------------------|--|------------------------------------|---|-------------------|
| 截至二零一零年六月三十日止年度之綜合收益表： | Consolidated income statement for the year ended 30 June 2010: | | | |
| 稅項支出 | Income tax expense | (6,438) | 1,319 | (5,119) |
| 應佔合營公司溢利 | Share of profits of jointly controlled entities | 262 | 34 | 296 |
| 應佔純利： | Profit for the year attributable to: | | | |
| 股東 | Shareholders | 12,404 | 735 | 13,139 |
| 非控股權益 | Non-controlling interests | 11,795 | 618 | 12,413 |
| 每股盈利 | Earnings per share | | | |
| 基本 | Basic | \$9.28 | \$0.55 | \$9.83 |
| 攤薄 | Diluted | \$9.17 | \$0.54 | \$9.71 |
| 於二零一零年六月三十日之綜合財務狀況表： | Consolidated statement of financial position as at 30 June 2010: | | | |
| 合營公司權益 | Interest in jointly controlled entities | 1,627 | 177 | 1,804 |
| 遞延稅項負債 | Deferred tax liabilities | 13,538 | (5,003) | 8,535 |
| 保留溢利 | Retained profits | 44,918 | 2,743 | 47,661 |
| 非控股權益 | Non-controlling interests | 46,935 | 2,437 | 49,372 |
| 於二零零九年七月一日之綜合財務狀況表： | Consolidated statement of financial position as at 1 July 2009: | | | |
| 合營公司權益 | Interest in jointly controlled entities | 1,500 | 143 | 1,643 |
| 遞延稅項負債 | Deferred tax liabilities | 8,562 | (3,684) | 4,878 |
| 保留溢利 | Retained profits | 33,487 | 2,008 | 35,495 |
| 非控股權益 | Non-controlling interests | 36,310 | 1,819 | 38,129 |

3 營業額及分部資料

本集團按其提供之服務及產品的性質來管理其業務。管理層已確定三個應列報的經營分部以計量表現及分配資源。三個分部分別是香港及中國內地的物業租賃，及香港的物業銷售。

物業租賃分部包括物業租賃營運。本集團之投資物業組合主要包括位於香港及中國內地的商鋪、寫字樓、住宅、服務式寓所及停車場。物業銷售分部包括發展及銷售本集團位於香港之銷售物業。

管理層主要根據除稅前溢利來評估表現。

分部資產主要包括直接屬於每個分部的全部非流動資產及流動資產，惟合營公司權益、其他資產、遞延稅項資產和現金及銀行存款除外。分部資產包括以公平值列賬之投資物業，但分部溢利並不包括投資物業之公平值變動。

3 TURNOVER AND SEGMENT INFORMATION

The Group manages its businesses according to the nature of services and products provided. Management has determined three reportable operating segments for the measurement of performance and the allocation of resources. The segments are property leasing in Hong Kong and mainland China and property sales in Hong Kong.

Property leasing segment includes property leasing operation. The Group's investment properties portfolio, which mainly consists of retail, office, residential, serviced apartments and carparks are primarily located in Hong Kong and mainland China. Property sales segment includes development and sale of the Group's trading properties in Hong Kong.

Management evaluates performance primarily based on profit before taxation.

Segment assets principally comprise all non-current assets and current assets directly attributable to each segment with the exception of interest in jointly controlled entities, other assets, deferred tax assets and cash and deposits with banks. The investment properties of the Group are included in segment assets at their fair values whilst the change in fair value of investment properties is not included in segment profits.

3 營業額及分部資料 (續)

(a) 分部營業額及業績

3 TURNOVER AND SEGMENT INFORMATION

(Continued)

(a) Turnover and results by segments

| | | 營業額 Turnover | | 除稅前溢利 Profit before taxation | |
|-----------------------------|--|-----------------|--------|---------------------------------|----------------------------|
| | | 2011 | 2010 | 2011 | 2010 (重列) (Restated) |
| 以港幣百萬元計算 in HK\$ million | | | | | |
| 分部 | Segment | | | | |
| 物業租賃 | Property leasing | | | | |
| — 香港 | — Hong Kong | 2,973 | 2,746 | 2,438 | 2,191 |
| — 中國內地 | — Mainland China | 2,738 | 2,323 | 2,136 | 1,905 |
| | | 5,711 | 5,069 | 4,574 | 4,096 |
| 物業銷售 | Property sales | | | | |
| — 香港 | — Hong Kong | 3 | 7,511 | 2 | 5,256 |
| 分部總額 | Segment total | 5,714 | 12,580 | 4,576 | 9,352 |
| 其他收入 | Other income | | | 252 | 43 |
| 行政費用 (附註) | Administrative expenses (Note) | | | (490) | (526) |
| 未計入投資物業之公平 價值變動的營業溢利 | Operating profit before change in fair value of investment properties | | | 4,338 | 8,869 |
| 投資物業之公平值增加 | Increase in fair value of investment properties | | | 3,504 | 21,626 |
| — 於香港之物業租賃 | — property leasing in Hong Kong | | | 2,613 | 7,971 |
| — 於中國內地之物業租賃 | — property leasing in mainland China | | | 891 | 13,655 |
| 財務費用 | Finance costs | | | (139) | (120) |
| 應佔合營公司溢利 | Share of profits of jointly controlled entities | | | 290 | 296 |
| 除稅前溢利 | Profit before taxation | | | 7,993 | 30,671 |

附註：行政費用包括股權費用一億一千三百萬元（二零一零年：一億三千四百萬元）。股權費用為授予僱員的股份期權於歸屬期內之公平值的攤銷，本集團沒有因此產生現金流出。

Note: Administrative expenses included share-based payments of \$113 million (2010: \$134 million) representing the amortization of the fair value of options granted to employees over the vesting period and which do not involve any cash outflow for the Group.

財務報表附註
NOTES TO THE FINANCIAL STATEMENTS

3 營業額及分部資料 (續)

(b) 分部總資產

| | | 總資產 Total assets | | |
|-----------|---|------------------|------------|------------|
| | | 2011 | 2010 | 2009 |
| | | | (重列) | (重列) |
| 以港幣百萬元計算 | in HK\$ million | | (Restated) | (Restated) |
| 分部 | Segment | | | |
| 物業租賃 | Property leasing | | | |
| – 香港 | – Hong Kong | 56,165 | 53,331 | 45,204 |
| – 中國內地 | – Mainland China | 60,774 | 51,090 | 32,703 |
| | | 116,939 | 104,421 | 77,907 |
| 物業銷售 | Property sales | | | |
| – 香港 | – Hong Kong | 5,997 | 7,126 | 8,162 |
| 分部總額 | Segment total | 122,936 | 111,547 | 86,069 |
| 合營公司權益 | Interest in jointly controlled entities | 1,982 | 1,804 | 1,643 |
| 其他資產 | Other assets | 2,130 | 1,269 | 1,271 |
| 遞延稅項資產 | Deferred tax assets | 45 | 40 | 61 |
| 現金及銀行存款 | Cash and deposits with banks | 28,274 | 11,852 | 9,632 |
| 總資產 | Total assets | 155,367 | 126,512 | 98,676 |

4 其他收入

4 OTHER INCOME

| | | 集團 Group | |
|----------------|--|------------|------|
| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 |
| 銀行利息收入 | Bank interest income | 213 | 38 |
| 非上市持至到期日投資利息收入 | Interest income from unlisted held-to-maturity investments | 11 | – |
| 其他利息收入 | Other interest income | 2 | 2 |
| 上市投資項目之股息收入 | Dividend income from listed investments | 3 | 3 |
| 匯兌收益淨額 | Net exchange gain | 21 | – |
| 其他 | Others | 2 | – |
| | | 252 | 43 |

5 除稅前溢利

5 PROFIT BEFORE TAXATION

| | | 集團 Group | |
|---|---|--------------|-------|
| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 |
| 除稅前溢利已扣除下列各項： | Profit before taxation is arrived at after charging: | | |
| 須於五年內償還之銀行貸款 及其他借貸之利息 | Interest on bank loans and other borrowings repayable within 5 years | 153 | 145 |
| 須於五年後償還之銀行貸款利息 | Interest on bank loans repayable over 5 years | 69 | 2 |
| 融資租約費用 | Finance lease charges | 17 | 24 |
| 其他借貸支出 | Other borrowing costs | 52 | 136 |
| 借貸支出總額 | Total borrowing costs | 291 | 307 |
| 減：借貸支出资本化（附註） | Less: Borrowing costs capitalized (Note) | (152) | (187) |
| 財務費用 | Finance costs | 139 | 120 |
| 已出售物業成本 | Cost of properties sold | – | 1,865 |
| 職工成本，包括僱員股權費用 一億一千三百萬元（二零 一零年：一億三千四百萬元） | Staff costs, including employee share-based payments of \$113 million (2010: \$134 million) | 773 | 609 |
| 折舊 | Depreciation | 27 | 24 |
| 營業租約費用，包括或然租金 二千五百萬元（二零一零年： 二千八百萬元） | Operating lease charges, including contingent rentals of \$25 million (2010: \$28 million) | 113 | 115 |
| 核數師酬金 | Auditors' remuneration | | |
| – 核數服務 | – audit services | 10 | 9 |
| – 稅務及其他服務 | – tax and other services | 3 | 1 |
| 並已計入： | and after crediting: | | |
| 投資物業之租金收入總額，已扣 除直接支出十一億三千七百萬 元（二零一零年：九億七千 三百萬元），包括或然租金 三億一千萬元（二零一零年： 一億九千一百萬元） | Gross rental income from investment properties less direct outgoings of \$1,137 million (2010: \$973 million), including contingent rentals of \$310 million (2010: \$191 million) | 4,574 | 4,096 |

附註：發展中物業之借貸支出已按每年百分之一點八（二零一零年：百分之二點三）之平均率資本化。

Note: The borrowing costs have been capitalized at an average rate of 1.8% (2010: 2.3%) per annum for properties under development.

6 董事及高級管理層之酬金

提名及薪酬委員會包括四名獨立非執行董事。該委員會向董事會提供有關董事薪酬福利及僱傭條款的建議。董事的酬金乃按照職責及問責範圍、董事的個別表現，經考慮本公司的表現及盈利、市場慣例及現行的業務狀況而釐定。

(a) 董事酬金

董事酬金詳列如下：

6 EMOLUMENTS OF DIRECTORS AND SENIOR MANAGEMENT

The Nomination and Remuneration Committee consists of four Independent Non-Executive Directors. The Committee makes recommendation to the Board on the Directors' remuneration packages and terms of employment. The emoluments of Directors are determined by the scope of responsibility and accountability, and individual performance of directors, taking into consideration of the Group's performance and profitability, market practice and prevailing business conditions.

(a) Directors' emoluments

Details of directors' emoluments are summarized below:

| 以港幣百萬元計算 | in HK\$ million | 薪金、津貼 及實物利益 | 袍金 | 酌定花紅 | 本集團對退休 金計劃之供款 | | |
|----------------|--|--|-------------|--------------------------|---|-------------|-------------|
| 姓名 | Name | Salaries, allowances and benefits in kind | Fees | Discretionary bonuses | Group's contributions to retirement scheme | 2011 | 2010 |
| 執行董事 | Executive Directors | | | | | | |
| 陳啟宗 | Ronnie C. Chan | 0.6 | 21.1 | 7.9 | 2.1 | 31.7 | 32.9 |
| 陳南祿 (附註(c)) | Philip N.L. Chen (Note (c)) | 0.4 | 19.1 | 6.3 | 0.9 | 26.7 | – |
| 高伯道 | William P.Y. Ko | 0.4 | 9.0 | 3.8 | 0.9 | 14.1 | 6.1 |
| 何孝昌 (附註(d)) | H.C. Ho (Note (d)) | 0.4 | 3.0 | 1.4 | 0.2 | 5.0 | – |
| 袁偉良 (附註(e)) | Nelson W.L. Yuen (Note (e)) | – | 0.7 | – | 0.1 | 0.8 | 30.5 |
| 吳士元 (附註(f)) | Terry S. Ng (Note (f)) | – | 0.6 | – | – | 0.6 | 16.6 |
| 非執行董事 | Non-Executive Director | | | | | | |
| 陳樂宗 | Gerald L. Chan | 0.2 | – | – | – | 0.2 | 0.2 |
| 獨立非執行董事 | Independent Non-Executive Directors | | | | | | |
| 殷尚賢 | S.S. Yin | 0.4 | – | – | – | 0.4 | 0.4 |
| 陳樂怡 | Laura L.Y. Chen | 0.7 | – | – | – | 0.7 | 0.6 |
| 鄭漢鈞 | H.K. Cheng | 0.8 | – | – | – | 0.8 | 0.7 |
| 葉錫安 | Simon S.O. Ip | 0.4 | – | – | – | 0.4 | 0.3 |
| 廖約克 (附註(g)) | York Liao (Note (g)) | 0.2 | – | – | – | 0.2 | 0.3 |
| 二零一一年 | 2011 | 4.5 | 53.5 | 19.4 | 4.2 | 81.6 | 88.6 |
| 二零一零年 | 2010 | 4.4 | 52.0 | 27.3 | 4.9 | 88.6 | |

6 董事及高級管理層之酬金 (續)

(b) 最高薪人士

在五名最高薪人士中，三名（二零一零年：四名）為本公司董事及一名（二零一零年：無）為本公司之前任董事。其餘一名人士之酬金如下：

6 EMOLUMENTS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

(b) Individuals with highest emoluments

Of the five individuals with the highest emoluments, three (2010: four) are directors of the Company and one (2010: Nil) is an ex-director of the Company. The emoluments in respect of the other individual are as follows:

| | | 集團 Group | |
|--------------|--|----------|------|
| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 |
| 袍金 | Fees | 0.2 | 0.2 |
| 薪金、津貼及實物利益 | Salaries, allowances and benefits in kind | 5.8 | 2.8 |
| 酌定花紅 | Discretionary bonuses | 2.6 | 2.1 |
| 本集團對退休金計劃之供款 | Group's contributions to retirement scheme | 0.6 | 0.3 |
| | | 9.2 | 5.4 |

(c) 陳南祿先生於二零一零年七月十五日獲委任為執行董事。

(c) Mr. Philip N.L. Chen was appointed as executive director on 15 July 2010.

(d) 何孝昌先生於二零一零年九月二十九日獲委任為執行董事。

(d) Mr. H.C. Ho was appointed as executive director on 29 September 2010.

(e) 袁偉良先生於二零一零年七月十四日退休。截至二零一一年六月三十日止年度，支付予袁偉良先生之酬金總額為八千五百三十萬元，其中包括於載於附註6(a)之酬金、一筆八千萬元之特惠款項作為他對本集團之貢獻及他作為本集團顧問期間之酬金四百五十萬元。

(e) Mr. Nelson W.L. Yuen retired on 14 July 2010. Total emoluments paid to Mr. Nelson W.L. Yuen of \$85.3 million for the year ended 30 June 2011 included the emoluments set out in note 6(a), an ex-gratia payment of \$80 million in recognition of his contribution to the Group, and \$4.5 million for the period he acted as an advisor to the Group.

(f) 吳士元先生於二零一零年七月二十一日辭去執行董事職務。

(f) Mr. Terry S. Ng resigned as executive director with effect from 21 July 2010.

(g) 廖約克先生於二零一一年一月一日辭去獨立非執行董事職務。

(g) Mr. York Liao resigned as independent non-executive director with effect from 1 January 2011.

(h) 除以上酬金外，若干董事及僱員根據本公司及恒隆地產有限公司（「恒隆地產」）的股份期權計劃獲授予股份期權。本公司及恒隆地產授出之股份期權詳情於附註28(b)披露。

(h) In addition to the above emoluments, certain directors and employees of the Company and Hang Lung Properties Limited ("HLP") were granted share options under the share option schemes of the Company and HLP. Details of the share options granted by the Company and HLP to the individuals are disclosed in note 28(b).

財務報表附註
NOTES TO THE FINANCIAL STATEMENTS

6 董事及高級管理層之酬金 (續)

(i) 截至二零一一年及二零一零年六月三十日止年度，概無向上述董事及高級行政人員支付款項作為離職補償或招攬彼等加盟本集團。

7 綜合收益表內之稅項

(a) 綜合收益表內之稅項為：

6 EMOLUMENTS OF DIRECTORS AND SENIOR MANAGEMENT (Continued)

(i) During the years ended 30 June 2011 and 2010, there were no amounts paid to directors and senior executives above for compensation of loss of office and inducement for joining the Group.

7 TAXATION IN THE CONSOLIDATED INCOME STATEMENT

(a) Taxation in the consolidated income statement represents:

| | | 集團 Group | |
|----------------|---|----------|----------------------------|
| | | 2011 | 2010 (重列) (Restated) |
| 以港幣百萬元計算 | in HK\$ million | | |
| 本年稅項 | Current tax | | |
| 香港利得稅 | Hong Kong Profits Tax | 269 | 1,034 |
| 過往年度撥備之(多提)/少提 | (Over)/Under-provision in prior years | (1) | 28 |
| | | 268 | 1,062 |
| 中國所得稅 | China Income Tax | 487 | 416 |
| | | 755 | 1,478 |
| 遞延稅項 | Deferred tax | | |
| 投資物業之公平值變動 | Change in fair value of investment properties | 222 | 3,414 |
| 其他源自及撥回暫時性差額 | Other origination and reversal of temporary differences | 140 | 227 |
| 合計(附註20(b)) | Total (Note 20(b)) | 362 | 3,641 |
| 稅項支出總計 | Total income tax expense | 1,117 | 5,119 |

香港利得稅稅項撥備乃按期內之估計應課稅溢利以百分之十六點五(二零一零年：百分之十六點五)計算。中國所得稅主要為中國企業所得稅按百分之二十五(二零一零年：百分之二十五)計算及中國預提所得稅按適用稅率計算。就香港公司從中國內地之外商投資企業獲取由二零零八年一月一日起產生之盈利所派發之股息均須按百分之五繳納預提所得稅。

(b) 截至二零一一年六月三十日止年度之應佔合營公司稅項一千五百萬元(二零一零年(重列)：六百萬元)已計入應佔合營公司溢利內。

Provision for Hong Kong Profits Tax is calculated at 16.5% (2010: 16.5%) of the estimated assessable profits for the year. China Income Tax mainly represents China Corporate Income Tax calculated at 25% (2010: 25%) and China withholding income tax at the applicable rates. A withholding tax of 5% is levied on the Hong Kong companies in respect of dividend distributions arising from profits of foreign investment enterprises in mainland China earned after 1 January 2008.

(b) Share of jointly controlled entities' taxation for the year ended 30 June 2011 of \$15 million (2010 (restated): \$6 million) is included in the share of profits of jointly controlled entities.

7 綜合收益表內之稅項 (續)

(c) 稅項支出與除稅前溢利以適用稅率計算之調節：

7 TAXATION IN THE CONSOLIDATED INCOME STATEMENT (Continued)

(c) Reconciliation between actual tax expense and profit before taxation at applicable tax rates:

| | | 集團 Group | |
|---------------------------|--|----------|----------------------------|
| | | 2011 | 2010 (重列) (Restated) |
| 以港幣百萬元計算 | in HK\$ million | | |
| 除稅前溢利 | Profit before taxation | 7,993 | 30,671 |
| 按除稅前溢利以適用稅率計算之稅項 | Tax on profit before taxation at applicable rates | 1,634 | 6,462 |
| 應佔合營公司溢利之稅項影響 | Tax effect of share of profits of jointly controlled entities | (15) | (6) |
| 非應課稅收入之稅項影響 | Tax effect of non-taxable income | (515) | (1,368) |
| 非扣減支出之稅項影響 | Tax effect of non-deductible expenses | 30 | 35 |
| 因已使用之稅務虧損及其他可扣減暫時性差異之稅項影響 | Tax effect of tax losses utilized and other deductible temporary differences | (80) | (85) |
| 未確認之稅務虧損之稅項影響 | Tax effect of unrecognized tax losses | 62 | 45 |
| 其他 | Others | 2 | 8 |
| 過往年度撥備之(多提)/少提 | (Over)/Under-provision in prior years | (1) | 28 |
| 實際稅項支出 | Actual tax expense | 1,117 | 5,119 |

(d) 年內，在其他全面收益下所示的項目均無稅務影響。

(d) There is no tax effect relating to the components of the other comprehensive income for the year.

8 股東應佔純利

股東應佔純利包括本公司財務報表內之溢利十四億五千五百萬元(二零一零年：十四億零三百萬元)。

8 NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS

Net profit attributable to shareholders includes a profit of \$1,455 million (2010: \$1,403 million) which has been dealt with in the financial statements of the Company.

9 股息

(a) 本年度股息

9 DIVIDENDS

(a) Dividends attributable to the year

| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 |
|---------------------------------------|---|-------|-------|
| 已宣佈及已派發中期股息 每股十九仙 (二零一零年：十九仙) | Interim dividend declared and paid of 19 cents (2010: 19 cents) per share | 256 | 254 |
| 於結算日後擬派末期股息 每股五十七仙 (二零一零年：五十七仙) | Final dividend of 57 cents (2010: 57 cents) per share proposed after the reporting date | 769 | 763 |
| | | 1,025 | 1,017 |

於結算日後擬派之末期股息，並無確認為結算日之負債。

The final dividend proposed after the reporting date has not been recognized as a liability at the reporting date.

(b) 二零一零年財政年度之七億六千七百萬元末期股息於二零一一年財政年度批准及派發(二零一零年：七億二千二百萬元)。

(b) The final dividend of \$767 million for financial year 2010 was approved and paid in financial year 2011 (2010: \$722 million).

財務報表附註
NOTES TO THE FINANCIAL STATEMENTS

10 每股盈利

(a) 每股基本及攤薄盈利乃按以下數據計算：

| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 (重列) (Restated) |
|---------------------------|--|-------|----------------------------|
| 用以計算每股基本及攤薄盈利之盈利(即股東應佔純利) | Earnings for calculation of basic and diluted earnings per share (net profit attributable to shareholders) | 3,529 | 13,139 |

10 EARNINGS PER SHARE

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

| 以百萬股計算 | in million | 2011 | 2010 股份數目 Number of shares |
|--------------------|--|-------|----------------------------------|
| 用以計算每股基本盈利之股份加權平均數 | Weighted average number of shares used in calculating basic earnings per share | 1,346 | 1,337 |
| 具攤薄作用之潛在股份之影響－股份期權 | Effect of dilutive potential shares – share options | 11 | 16 |
| 用以計算每股攤薄盈利之股份加權平均數 | Weighted average number of shares used in calculating diluted earnings per share | 1,357 | 1,353 |

(b) 股東應佔基本純利(不包括投資物業公平值變動, 並扣除相關遞延稅項及非控股權益)之計算如下：

(b) The underlying net profit attributable to shareholders which excluded changes in fair value of investment properties net of related deferred tax and non-controlling interests, is calculated as follows:

| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 (重列) (Restated) |
|--------------------|---|---------|----------------------------|
| 股東應佔純利 | Net profit attributable to shareholders | 3,529 | 13,139 |
| 投資物業之公平值變動之影響 | Effect of changes in fair value of investment properties | (3,504) | (21,626) |
| 相關遞延稅項之影響 | Effect of corresponding deferred tax | 222 | 3,414 |
| 合營公司的投資物業之公平值變動之影響 | Effect of changes in fair value of investment properties of jointly controlled entities | (191) | (207) |
| 非控股權益 | Non-controlling interests | (3,473) | (18,419) |
| | | 1,677 | 8,975 |
| | | (1,796) | (9,444) |
| 股東應佔基本純利 | Underlying net profit attributable to shareholders | 1,733 | 3,695 |

根據股東應佔基本純利計算之每股盈利為：

The earnings per share based on underlying net profit attributable to shareholders are:

| | | 2011 | 2010 |
|----|---------|--------|--------|
| 基本 | Basic | \$1.29 | \$2.76 |
| 攤薄 | Diluted | \$1.28 | \$2.73 |

11 固定資產 – 集團

11 FIXED ASSETS – GROUP

| 以港幣百萬元計算 | in HK\$ million | 投資物業 Investment properties | 發展中 投資物業 Investment properties under development | 其他 Others | 合計 Total |
|---------------------------|--|----------------------------------|---|--------------|----------------|
| 成本值或估值： | Cost or valuation: | | | | |
| 於二零零九年七月一日 | At 1 July 2009 | 69,958 | 7,570 | 414 | 77,942 |
| 匯兌調整 (附註) | Exchange adjustment (Note) | 212 | 62 | – | 274 |
| 收購一家附屬公司所得 | Acquired on acquisition of a subsidiary | 36 | – | – | 36 |
| 添置 | Additions | 147 | 4,348 | 69 | 4,564 |
| 出售 | Disposals | – | – | (4) | (4) |
| 公平值增加 | Increase in fair value | 14,261 | 7,365 | – | 21,626 |
| 轉入／(轉出) | Transfer | 4,019 | (4,019) | – | – |
| 於二零一零年六月三十日 及二零一零年七月一日 | At 30 June 2010 and 1 July 2010 | 88,633 | 15,326 | 479 | 104,438 |
| 匯兌調整 (附註) | Exchange adjustment (Note) | 1,741 | 750 | 3 | 2,494 |
| 添置 | Additions | 166 | 5,407 | 68 | 5,641 |
| 出售 | Disposals | – | – | (2) | (2) |
| 公平值增加 | Increase in fair value | 3,463 | 41 | – | 3,504 |
| 於二零一一年六月三十日 | At 30 June 2011 | 94,003 | 21,524 | 548 | 116,075 |
| 累計折舊： | Accumulated depreciation: | | | | |
| 於二零零九年七月一日 | At 1 July 2009 | – | – | 289 | 289 |
| 本年度折舊 | Charge for the year | – | – | 24 | 24 |
| 因出售撥回 | Written back on disposals | – | – | (4) | (4) |
| 於二零一零年六月三十日 及二零一零年七月一日 | At 30 June 2010 and 1 July 2010 | – | – | 309 | 309 |
| 匯兌調整 (附註) | Exchange adjustment (Note) | – | – | 1 | 1 |
| 本年度折舊 | Charge for the year | – | – | 27 | 27 |
| 因出售撥回 | Written back on disposals | – | – | (2) | (2) |
| 於二零一一年六月三十日 | At 30 June 2011 | – | – | 335 | 335 |
| 賬面淨值： | Net book value: | | | | |
| 於二零一一年六月三十日 | At 30 June 2011 | 94,003 | 21,524 | 213 | 115,740 |
| 於二零一零年六月三十日 | At 30 June 2010 | 88,633 | 15,326 | 170 | 104,129 |
| 固定資產於六月三十日 之成本值或估值如下： | Cost or valuation of the fixed assets at 30 June is made up as follows: | | | | |
| 二零一一年： | 2011: | | | | |
| 估值 | Valuation | 94,003 | 21,524 | – | 115,527 |
| 成本值 | Cost | – | – | 548 | 548 |
| | | 94,003 | 21,524 | 548 | 116,075 |
| 二零一零年： | 2010: | | | | |
| 估值 | Valuation | 88,633 | 15,326 | – | 103,959 |
| 成本值 | Cost | – | – | 479 | 479 |
| | | 88,633 | 15,326 | 479 | 104,438 |

附註：根據附註1(s)所載之本集團會計政策，本集團之中國內地業務之財務狀況表項目（包括固定資產）乃按結算日之匯率換算為港元。有關固定資產之匯兌差額已計入匯兌儲備。

Note: In accordance with the Group's accounting policy in note 1(s), statement of financial position items in operations of the Group in mainland China, including fixed assets, are translated into Hong Kong dollars at the foreign exchange rates ruling at the reporting date. The exchange difference relating to fixed assets has been dealt with in the exchange reserve.

財務報表附註
NOTES TO THE FINANCIAL STATEMENTS

11 固定資產－集團 (續)

物業之賬面淨值分析如下：

11 FIXED ASSETS – GROUP (Continued)

An analysis of net book value of properties is as follows:

| | | 投資物業 Investment properties | | 發展中投資物業 Investment properties under development | |
|----------|---|-------------------------------|--------|---|--------|
| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 | 2011 | 2010 |
| 香港長期地契 | Long leases in Hong Kong | 33,897 | 31,943 | – | – |
| 香港境外長期地契 | Long leases outside Hong Kong | 1,201 | 1,136 | 3,348 | 5,948 |
| 香港中期地契 | Medium term leases in Hong Kong | 21,938 | 21,088 | – | – |
| 香港境外中期地契 | Medium term leases outside Hong Kong | 36,946 | 34,406 | 18,176 | 9,378 |
| 香港短期地契 | Short lease in Hong Kong | 21 | 60 | – | – |
| | | 94,003 | 88,633 | 21,524 | 15,326 |

(a) 本集團之投資物業及發展中投資物業均於二零一一年六月三十日由第一太平戴維斯估值及專業顧問有限公司之註冊專業測量師(產業測量)陳超國先生按市場價值基準進行估值。

年內，本集團錄得投資物業及發展中投資物業之公平值增加三十五億零四百萬元(二零一零年：二百一十六億二千六百萬元)，其中包括於中國內地之發展中物業的增值四千一百萬元(二零一零年：七十三億六千五百萬元)。

本集團投資物業之賬面淨值內包括根據融資租約持有之資產，其賬面淨值為五十八億九千九百萬元(二零一零年：五十四億三千三百萬元)。

本集團其他固定資產之賬面淨值包括位於香港以長期地契持有之土地及建築物一千萬元(二零一零年：一千萬元)以及香港境外以中期地契持有之土地及建築物八百萬元(二零一零年：九百萬元)及以長期地契持有之土地及建築物三千四百萬元(二零一零年：二千四百萬元)。

(a) The investment properties and investment properties under development of the Group were revalued as at 30 June 2011 by Mr. Charles C.K. Chan, Registered Professional Surveyor (General Practice), of Savills Valuation and Professional Services Limited, on a market value basis.

During the year, an increase in fair value of investment properties and those under development of \$3,504 million (2010: \$21,626 million), including \$41 million (2010: \$7,365 million) contributed by properties under development in mainland China, is recorded.

The net book value of investment properties of the Group includes an amount of \$5,899 million (2010: \$5,433 million) in respect of an asset held under a finance lease.

The net book value of other fixed assets of the Group included long leases of \$10 million (2010: \$10 million) in respect of land and building held in Hong Kong, medium term leases of \$8 million (2010: \$9 million) and long leases of \$34 million (2010: \$24 million) in respect of land and buildings held outside Hong Kong respectively.

11 固定資產 – 集團 (續)

(a) (續)

物業租賃收益包括投資物業之租金收入總額五十七億一千一百萬元 (二零一零年：五十億零六千九百萬元)。

- (b) 本集團根據營業租約出租及按融資租約分租其物業。該等租約一般初步為期二至五年，其中部份有權選擇續約，屆時重新協商所有條款。長期租約通常會訂明重新檢討或調整租金之條款，而本集團每年均有一定比例的租約期滿續約。若干租約包括或然租金，乃參照租戶之收入而釐定。

於六月三十日，本集團就投資物業及發展中投資物業，根據不可撤銷之營業租約最少應收之未來租金總額如下：

11 FIXED ASSETS – GROUP (Continued)

(a) (Continued)

Property leasing revenue includes gross rental income from investment properties of \$5,711 million (2010: \$5,069 million).

- (b) The Group leases out its properties under operating leases and subleases under finance lease. Leases typically run for an initial period of two to five years, with some having the option to renew, at which time all terms are renegotiated. Long term leases contain rent review or adjustment clauses and the Group has a regular proportion of its leases up for renewal each year. Certain leases include contingent rentals calculated with reference to the revenue of tenants.

At 30 June, the Group's total future minimum lease income under non-cancellable operating leases in respect of investment properties and investment properties under development were as follows:

| 以港幣百萬元計算 | in HK\$ million | 分租 Subleases | 其他租約 Other leases | 總計 Total |
|-------------|---------------------------------|-----------------|----------------------|---------------|
| 2011 | | | | |
| 一年內 | Within 1 year | 244 | 4,114 | 4,358 |
| 一年後但五年內 | After 1 year but within 5 years | 46 | 6,826 | 6,872 |
| 五年後 | After 5 years | – | 2,512 | 2,512 |
| | | 290 | 13,452 | 13,742 |
| 2010 | | | | |
| 一年內 | Within 1 year | 365 | 3,923 | 4,288 |
| 一年後但五年內 | After 1 year but within 5 years | 283 | 5,191 | 5,474 |
| 五年後 | After 5 years | – | 554 | 554 |
| | | 648 | 9,668 | 10,316 |

12 附屬公司權益

12 INTEREST IN SUBSIDIARIES

| | | 公司 Company | |
|-------------|--|---------------|--------|
| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 |
| 非上市股份，成本值 | Unlisted shares, at cost | 181 | 181 |
| 應收附屬公司款項減撥備 | Amounts due from subsidiaries less provision | 13,952 | 13,443 |
| | | 14,133 | 13,624 |

主要附屬公司之詳細資料載於附註35。

Details of principal subsidiaries are set out in note 35.

應收附屬公司款項為無抵押、免息及無限定還款期，而因預期該等款項於未來十二個月內不會收回，故列作非流動資產。

Amounts due from subsidiaries are unsecured, interest free with no fixed terms of repayment and classified as non-current assets as they are not expected to be recoverable within the next twelve months.

13 合營公司權益

13 INTEREST IN JOINTLY CONTROLLED ENTITIES

| | | 集團 Group | | | 公司 Company | |
|-----------|--|--------------|----------------------------|----------------------------|------------|------|
| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 (重列) (Restated) | 2009 (重列) (Restated) | 2011 | 2010 |
| 非上市股份，成本值 | Unlisted shares, at cost | – | – | – | 5 | 5 |
| 應佔資產淨值 | Share of net assets | 1,285 | 1,032 | 784 | – | – |
| 應收合營公司款項 | Amounts due from jointly controlled entities | 1,285 | 1,032 | 784 | 5 | 5 |
| | | 704 | 779 | 872 | 2 | 2 |
| 應付合營公司款項 | Amounts due to jointly controlled entities | (7) | (7) | (13) | (7) | (7) |
| | | 1,982 | 1,804 | 1,643 | – | – |

應收合營公司款項包括六千七百萬元（二零一零年：六千七百萬元）撥備。除六千七百萬元（二零一零年：七百萬元）的應收合營公司款項按市場利率計息外，應收／(付)合營公司款項均為無抵押、免息及無固定還款期，而因預期該等款項不會於未來十二個月內收回／償還，故列作非流動資產／負債。

Amounts due from jointly controlled entities included a provision of \$67 million (2010: \$67 million). Except for the amount due from a jointly controlled entity of \$67 million (2010: \$7 million) which is interest-bearing at market rate, amounts due from/(to) jointly controlled entities are unsecured, non-interest bearing with no fixed terms of repayment and classified as non-current assets/liabilities as they are not expected to be recoverable/repayable within the next twelve months.

13 合營公司權益 (續)

合營公司之詳細資料載於附註36。本集團於合營公司之權益的相關財務資料概述如下：

| | | 2011 | 2010 (重列) (Restated) | 2009 (重列) (Restated) |
|----------|-------------------------|-------|----------------------------|----------------------------|
| 以港幣百萬元計算 | in HK\$ million | | | |
| 非流動資產 | Non-current assets | 2,004 | 1,868 | 1,632 |
| 流動資產 | Current assets | 144 | 129 | 123 |
| 非流動負債 | Non-current liabilities | (804) | (910) | (921) |
| 流動負債 | Current liabilities | (59) | (55) | (50) |
| 資產淨值 | Net assets | 1,285 | 1,032 | 784 |

| | | 2011 | 2010 (重列) (Restated) |
|----------|---------------------|------|----------------------------|
| 以港幣百萬元計算 | in HK\$ million | | |
| 營業額 | Turnover | 200 | 183 |
| 本年度溢利 | Profit for the year | 290 | 296 |

14 其他資產

14 OTHER ASSETS

| | | 集團 Group | |
|-------------------------|--|----------|-------|
| | | 2011 | 2010 |
| 以港幣百萬元計算 | in HK\$ million | | |
| 於香港之上市投資，按市值 | Listed investments in Hong Kong at market value | 74 | 77 |
| 香港非上市持至到期日投資 (附註(a)) | Unlisted held-to-maturity investments in Hong Kong (Note (a)) | 863 | – |
| 香港非上市投資 (附註(b)) | Unlisted investments in Hong Kong (Note (b)) | – | – |
| 貸款予非上市投資公司減撥備 | Advances to unlisted investee companies less provision | 11 | 10 |
| 無形資產 (附註(c)) | Intangible assets (Note (c)) | 1,182 | 1,182 |
| | | 2,130 | 1,269 |

附註：

(a) 於二零一一年六月三十日，本集團持有非上市債券投資；此投資將於二零一二年九月至二零一三年十二月到期。此債券按每年一點六厘至二點九厘（二零一零年：無）之有效收益率計息，每季度或半年派息。

(b) 由於非上市投資並無交投活躍市場以取得市場報價來釐定其公平值，因此按成本扣除減值（如有）入賬。

(c) 無形資產為本集團於二零零九年七月一日之前於其附屬公司恒隆地產之股本權益而產生之商譽。於年結時，本集團曾比較商譽與可收回金額作為減值測試，並無錄得減值。

Notes:

(a) At 30 June 2011, the Group held investments in unlisted bonds which will mature from September 2012 to December 2013. The effective yield of the bonds ranged from 1.6% to 2.9% (2010: Nil) per annum, payable quarterly or semi-annually.

(b) Unlisted investments are carried at cost less impairment, if any, as they do not have a quoted market price in an active market to determine their fair value.

(c) Intangible assets represent goodwill arising from the Group's additions in equity interests in its subsidiary, HLP for transactions before 1 July 2009. As at year end, an impairment test was performed by comparing the goodwill with its recoverable amount and no impairment was recorded.

15 現金及銀行存款

15 CASH AND DEPOSITS WITH BANKS

| | | 集團 Group | |
|------------------|--|----------|--------|
| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 |
| 定期存款 | Time deposits | 25,848 | 9,773 |
| 銀行存款 | Cash at banks | 2,426 | 2,079 |
| 綜合財務狀況表的現金及銀行存款 | Cash and deposits with banks in the consolidated statement of financial position | 28,274 | 11,852 |
| 減：於三個月後到期的銀行存款 | Less: Bank deposits with maturity greater than three months | (7,478) | – |
| 綜合現金流量表的現金及現金等價物 | Cash and cash equivalents in the consolidated cash flow statement | 20,796 | 11,852 |

由於附屬公司恒隆地產於二零一零年十一月的股份配售帶來淨收入一百零八億九千六百萬元，現金及銀行存款大大增加至二百八十二億七千四百萬元。於二零一一年六月三十日，本集團之現金及銀行存款按平均利率每年零點九厘（二零一零年：零點三厘）計息，其貨幣分佈如下：

Following the placement of shares of a subsidiary, HLP in November 2010 which generated net proceeds of \$10,896 million, cash and deposits with banks increased substantially to \$28,274 million. At 30 June 2011, the Group's cash and deposits with banks were interest-bearing at an average rate of 0.9% (2010: 0.3%) per annum with currency denominated in:

| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 |
|----------|-----------------------|--------|--------|
| 人民幣 | Renminbi | 23,731 | 1,848 |
| 港元 | Hong Kong Dollars | 3,075 | 6,831 |
| 美元 | United States Dollars | 1,468 | 3,173 |
| | | 28,274 | 11,852 |

本集團手持人民幣銀行存款以應付其於中國內地的發展項目持續的付款責任。

The Group holds Renminbi bank deposits to meet its ongoing payment obligations in relation to its development projects in mainland China.

16 應收賬款及其他應收款

(a) 已計入應收賬款及其他應收款之應收賬款其結賬期分析如下：

16 TRADE AND OTHER RECEIVABLES

(a) Included in trade and other receivables are trade receivables with the following terms:

| | | 集團 Group | |
|----------|----------------------------|----------|-------|
| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 |
| 現期及一個月內 | Current and within 1 month | 29 | 1,258 |
| 一至三個月 | 1 – 3 months | 11 | 5 |
| 三個月以上 | Over 3 months | 3 | 1 |
| | | 43 | 1,264 |

於二零一一年及二零一零年六月三十日，呆壞賬債務餘額並不重大。

The balance of bad and doubtful debts as at 30 June 2011 and 2010 is insignificant.

(b) 本集團之其他應收款包括七億九千八百萬元（二零一零年：無）於中國內地購買土地之押金。

(b) Included in other receivables of the Group is deposit of land acquisition in mainland China of \$798 million (2010: \$Nil).

17 待售物業

17 PROPERTIES FOR SALE

| | | 集團 Group | |
|---------------------|---|----------|-------|
| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 |
| 待售發展中物業 – 長期地契 – 香港 | Properties under development for sale – long leases – Hong Kong | 905 | 800 |
| 待售已建成物業 – 中期地契 – 香港 | Completed properties for sale – medium term leases – Hong Kong | 5,085 | 5,082 |
| – 香港境外 | – Outside Hong Kong | 4 | 4 |
| | | 5,089 | 5,086 |
| | | 5,994 | 5,886 |

待售發展中物業預期在一年後變現。

The properties under development for sale are expected to be recovered after more than one year.

18 銀行貸款

於六月三十日無抵押銀行貸款之還款期如下：

18 BANK LOANS

At 30 June, bank loans were unsecured and repayable as follows:

| | | 集團 Group | |
|------------|----------------------------------|-----------------|---------------|
| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 |
| 一年內或即期 | Within 1 year or on demand | 7,500 | 3,180 |
| 一年後但二年內 | After 1 year but within 2 years | – | 6,500 |
| 兩年後但五年內 | After 2 years but within 5 years | 11,838 | 962 |
| 五年以上 | Over 5 years | 1,671 | 214 |
| 減：未攤銷之財務費用 | Less: unamortized front end fees | 13,509 (108) | 7,676 (66) |
| | | 13,401 | 7,610 |
| | | 20,901 | 10,790 |

年內，所有銀行貸款均按零點三厘至六點六厘（二零一零年：零點三厘至五點九厘）年利率計息。

All bank loans are interest-bearing at rates ranging from 0.3% to 6.6% (2010: 0.3% to 5.9%) per annum during the year.

本集團之若干借貸受到財務契約限制，該等財務契約要求本集團於任何時間之綜合有形資產淨值不得低於及借貸佔綜合有形資產淨值之比率不得高於規定水平。年內，本集團已完全遵守該等契約的要求。

Certain of the Group's borrowings are attached with financial covenants which require that at any time, the Group's consolidated tangible net worth is not less than and the ratio of borrowings to consolidated tangible net worth is not more than certain required levels. During the year, all these covenants have been complied with by the Group.

於二零一一年六月三十日，本集團擁有一百一十九億四千四百萬元（二零一零年：一百七十一億九千一百萬元）未動用的銀行承諾信貸。

At 30 June 2011, the Group had \$11,944 million (2010: \$17,191 million) committed undrawn banking facilities.

此外，年內，恒隆地產之一間全資擁有的附屬公司設立一個價值二十億美元之中期票據計劃（「計劃」）。於二零一一年六月三十日，本集團並未在此計劃下發行任何票據。

In addition, during the year, a wholly-owned subsidiary of HLP established a US\$2 billion Medium Term Note Programme ("the Programme"). At 30 June 2011, the Group has not issued any note under the Programme.

19 應付賬款及其他應付款

19 TRADE AND OTHER PAYABLES

| | | 集團 Group | | 公司 Company | |
|---------------------|--|--------------|-------|------------|------|
| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 | 2011 | 2010 |
| 應付款及應計費用 (附註(a)) | Creditors and accrued expenses (Note (a)) | 2,339 | 2,247 | 7 | 6 |
| 已收按金(附註(b)) | Deposits received (Note (b)) | 1,370 | 1,236 | - | - |
| | | 3,709 | 3,483 | 7 | 6 |

附註：

(a) 應付款及應計費用包括預期於一年內不會償付之保留款項二億三千七百萬元(二零一零年：一億八千三百萬元)。

(b) 已收按金七億九千八百萬元(二零一零年：七億九千一百萬元)預期於一年內不會償付。

Notes:

(a) Creditors and accrued expenses include retention money payable of \$237 million (2010: \$183 million) which is not expected to be settled within one year.

(b) Deposits received of \$798 million (2010: \$791 million) are not expected to be settled within one year.

已計入應付賬款及其他應付款之應付賬款其賬齡分析如下：

Included in trade and other payables are trade creditors with the following ageing analysis:

| | | 集團 Group | |
|----------|--------------------|--------------|-------|
| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 |
| 一個月內到期 | Due within 1 month | 1,467 | 1,461 |
| 三個月後到期 | Due after 3 months | 250 | 191 |
| | | 1,717 | 1,652 |

財務報表附註
NOTES TO THE FINANCIAL STATEMENTS

20 於財務狀況表上之稅項

(a) 本年稅項

| | | 集團 Group | |
|--------------|---|--------------|-------|
| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 |
| 香港利得稅撥備 | Provision for Hong Kong Profits Tax | 269 | 1,034 |
| 中國所得稅撥備 | Provision for China Income Tax | 124 | 116 |
| 以往年度之應付香港利得稅 | Hong Kong Profits Tax payable relating to prior years | 838 | 41 |
| | | 1,231 | 1,191 |

20 TAXATION IN THE STATEMENT OF FINANCIAL POSITION

(a) Current taxation

(b) 遞延稅項

(b) Deferred taxation

| | | 集團 Group | | |
|----------|------------------------------|--------------|----------------------------|----------------------------|
| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 (重列) (Restated) | 2009 (重列) (Restated) |
| 遞延稅項負債 | Deferred tax liabilities | 9,294 | 8,535 | 4,878 |
| 遞延稅項資產 | Deferred tax assets | (45) | (40) | (61) |
| 遞延稅項負債淨額 | Net deferred tax liabilities | 9,249 | 8,495 | 4,817 |

20 於財務狀況表上之稅項 (續)

(b) 遞延稅項 (續)

於綜合財務狀況表上確認之遞延稅項負債／(資產)的組成及年內之變動如下：

| 以港幣百萬元計算 | in HK\$ million | 折舊免稅額 多於相關 折舊 | 物業重估 | 因稅務虧損產 生之將來得益 | 其他 | 總數 |
|--------------------------------|---|---|---------------------------------|------------------------------------|--------|---------|
| 遞延稅項產生於： | Deferred tax arising from: | Depreciation allowances in excess of related depreciation | Revaluation of properties | Future benefit of tax losses | Others | Total |
| 於二零零九年七月一日， 上年度報告 | At 1 July 2009, as previously reported | 1,006 | 7,556 | (31) | (30) | 8,501 |
| 會計政策變動之影響(附註2) | Impact of change in accounting policy (Note 2) | - | (3,684) | - | - | (3,684) |
| 於二零零九年七月一日，重列 | At 1 July 2009, restated | 1,006 | 3,872 | (31) | (30) | 4,817 |
| 於匯兌儲備內扣除 | Charged to exchange reserve | 2 | 35 | - | - | 37 |
| 於綜合收益表內扣除／(撥入) (重列)(附註7(a)) | Charged/(Credited) to consolidated income statement (restated) (Note 7(a)) | 137 | 3,414 | (9) | 99 | 3,641 |
| 於二零一零年六月三十日 | At 30 June 2010 | 1,145 | 7,321 | (40) | 69 | 8,495 |
| 於二零一零年七月一日， 上年度報告 | At 1 July 2010, as previously reported | 1,145 | 12,324 | (40) | 69 | 13,498 |
| 會計政策變動之影響(附註2) | Impact of change in accounting policy (Note 2) | - | (5,003) | - | - | (5,003) |
| 於二零一零年七月一日，重列 | At 1 July 2010, restated | 1,145 | 7,321 | (40) | 69 | 8,495 |
| 於匯兌儲備內扣除 | Charged to exchange reserve | 39 | 353 | - | - | 392 |
| 於綜合收益表內扣除／(撥入) (附註7(a)) | Charged/(Credited) to consolidated income statement (Note 7(a)) | 124 | 222 | (5) | 21 | 362 |
| 於二零一一年六月三十日 | At 30 June 2011 | 1,308 | 7,896 | (45) | 90 | 9,249 |

(c) 未確認之遞延稅項資產

本集團尚未就若干附屬公司營運期間出現的二十九億二千五百萬元(二零一零年：二十四億二千三百萬元)稅務虧損所產生的遞延稅項資產作出確認，因為於二零一一年六月三十日，可用作抵銷有關資產的日後應課稅溢利仍不存在。此等香港業務的稅務虧損於現時稅務法規上並未逾時，而中國內地業務的稅務虧損則於相關會計年結日五年後逾時。

20 TAXATION IN THE STATEMENT OF FINANCIAL POSITION (Continued)

(b) Deferred taxation (Continued)

The components of deferred tax liabilities/(assets) recognized in the consolidated statement of financial position and the movements during the year are as follows:

(c) Deferred tax assets not recognized

The Group has not recognized deferred tax assets in respect of tax losses of \$2,925 million (2010: \$2,423 million) sustained in the operations of certain subsidiaries as the availability of future taxable profits against which the assets can be utilized is not probable at 30 June 2011. The tax losses arising from Hong Kong operations do not expire under current tax legislation. The tax losses arising from operations in mainland China expire five years after the relevant accounting year end date.

21 融資租約承擔

融資租約最少應付之租金總額及其現值如下：

21 FINANCE LEASE OBLIGATIONS

Total minimum lease payments under finance lease and their present values are as follows:

| | | 集團 Group | | |
|-----------------------------|---------------------------------|--|---|--|
| | | 最少應付 之租金額 之現值 Present value of minimum lease payments | 將於未來 年度計入 之利息 Interest expenses relating to future periods | 最少應付 之租金 總額 Total minimum lease payments |
| 以港幣百萬元計算 in HK\$ million | | | | |
| 2011 | | | | |
| 應付金額 | Amounts payable | | | |
| 一年內 | Within 1 year | 133 | 8 | 141 |
| 一年後但五年內 | After 1 year but within 5 years | 35 | - | 35 |
| | | 168 | 8 | 176 |
| 2010 | | | | |
| 應付金額 | Amounts payable | | | |
| 一年內 | Within 1 year | 119 | 17 | 136 |
| 一年後但五年內 | After 1 year but within 5 years | 168 | 8 | 176 |
| | | 287 | 25 | 312 |

融資租約承擔之實際年利率為七厘（二零一零年：七厘）。

The effective interest rate of the finance lease obligations is 7% (2010: 7%) per annum.

22 股本

22 SHARE CAPITAL

| | | 2011 | | 2010 | |
|-------------------|--|---|---|---|---|
| | | 股份數目 Number of shares (百萬股) (Million) | 股本金額 Amount of share capital (百萬元) (\$Million) | 股份數目 Number of shares (百萬股) (Million) | 股本金額 Amount of share capital (百萬元) (\$Million) |
| 法定 每股面值一元 | Authorized Shares of \$1 each | 2,000 | 2,000 | 2,000 | 2,000 |
| 已發行及繳足 於七月一日 | Issued and fully paid At 1 July | 1,339 | 1,339 | 1,334 | 1,334 |
| 根據股份期權計劃 發行之股份 | Shares issued under share option scheme | 9 | 9 | 5 | 5 |
| 於六月三十日 | At 30 June | 1,348 | 1,348 | 1,339 | 1,339 |

23 儲備
(a) 集團

23 RESERVES
(a) The Group

| | | 其他儲備 Other reserves | | | | | | | | | | | |
|--|--|---------------------|---------|--------------------------------------|-----------------------|--------------------------------------|---------|--|---------|--------------------------|-------|----------|----------|
| | | 應佔合營公司 之資本儲備 | | | | 僱員股份 補償儲備 | | | | | 保留溢利 | 總儲備 | |
| | | 附註 | Share | Share of | 資本贖回儲備 | 投資重估儲備 | 匯兌儲備 | Employee | 普通儲備金 | 其他資本儲備 | 總計 | Retained | Total |
| 以港幣百萬元計算 | in HK\$ million | Note | premium | of jointly controlled entities | redemption reserve | Investment revaluation reserve | reserve | share-based compensation reserve | reserve | Other capital reserve | Total | profits | reserves |
| 於二零零九年七月一日， 上年度報告 | At 1 July 2009, as previously reported | | 2,248 | 1 | 26 | 8 | 1,025 | 228 | 275 | - | 3,811 | 33,487 | 37,298 |
| 會計政策變動之影響 | Impact of change in accounting policy | 2 | - | - | - | - | - | - | - | - | - | 2,008 | 2,008 |
| 於二零零九年七月一日， 重列 | At 1 July 2009, restated | | 2,248 | 1 | 26 | 8 | 1,025 | 228 | 275 | - | 3,811 | 36,495 | 39,306 |
| 本年度溢利(重列) | Profit for the year (restated) | | - | - | - | - | - | - | - | - | - | 13,139 | 13,139 |
| 上市投資公平值之增加 | Increase in fair value of listed investments | | - | - | - | 7 | - | - | - | - | 7 | - | 7 |
| 換算海外附屬公司 賬項產生之 匯兌差異 | Exchange difference arising from translation of overseas subsidiaries | | - | - | - | - | 101 | - | - | - | 101 | - | 101 |
| 本年度全面收益 總額(重列) | Total comprehensive income for the year (restated) | | - | - | - | 7 | 101 | - | - | - | 108 | 13,139 | 13,247 |
| 去年度末期股息 | Final dividends in respect of previous year | | - | - | - | - | - | - | - | - | - | (722) | (722) |
| 本年度中期股息 | Interim dividends in respect of current year | | - | - | - | - | - | - | - | - | - | (254) | (254) |
| 發行股份 | Issue of shares | | 26 | - | - | - | - | - | - | - | 26 | - | 26 |
| 僱員股權費用 | Employee share-based payments | | 1 | - | - | - | - | 52 | - | - | 53 | 3 | 56 |
| 因本集團在一間附屬 公司之股權減少 而產生非控 股權益變動 | Change in non-controlling interests arising from decrease of the Group's shareholding in a subsidiary | | - | - | - | - | - | - | - | (25) | (25) | - | (25) |
| 於二零一零年六月三十日 | At 30 June 2010 | | 2,275 | 1 | 26 | 15 | 1,126 | 280 | 275 | (25) | 3,973 | 47,661 | 51,634 |

財務報表附註
NOTES TO THE FINANCIAL STATEMENTS

23 儲備 (續)
(a) 集團 (續)

23 RESERVES (Continued)
(a) The Group (Continued)

| | | 其他儲備 Other reserves | | | | | | | | | | | | | |
|--|--|---------------------|------------------|---|----------------------------------|--------------------------------------|-----------------------------|--|-----------------------------|------------------------------------|--------------|-----------------------------|--------------------------|--|--|
| | | 應佔合營公司 之資本儲備 | | | 資本贖回儲備 | | | 投資重估儲備 | | | 僱員股份 補償儲備 | | | | |
| | | 附註 | Share premium | Share of capital reserves of jointly controlled entities | Capital redemption reserve | Investment revaluation reserve | 匯兌儲備 Exchange reserve | Employee share-based compensation reserve | 普通儲備金 General reserve | 其他資本儲備 Other capital reserve | 總計 Total | 保留溢利 Retained profits | 總儲備 Total reserves | | |
| 以港幣百萬元計算 | in HK\$ million | Note | | | | | | | | | | | | | |
| 於二零一零年七月一日， 上年度報告 | At 1 July 2010, as previously reported | | 2,275 | 1 | 26 | 15 | 1,126 | 280 | 275 | (25) | 3,973 | 44,918 | 48,891 | | |
| 會計政策變動之影響 | Impact of change in accounting policy | 2 | - | - | - | - | - | - | - | - | - | 2,743 | 2,743 | | |
| 於二零一零年七月一日， 重列 | At 1 July 2010, restated restated | | 2,275 | 1 | 26 | 15 | 1,126 | 280 | 275 | (25) | 3,973 | 47,661 | 51,634 | | |
| 本年度溢利 | Profit for the year | | - | - | - | - | - | - | - | - | - | 3,529 | 3,529 | | |
| 上市投資公平值 之減少 | Decrease in fair value of listed investments | | - | - | - | (3) | - | - | - | - | (3) | - | (3) | | |
| 上市投資重分類致 損益之減值虧損 | Impairment losses on listed investments reclassified to profit or loss | | - | - | - | 2 | - | - | - | - | 2 | - | 2 | | |
| 換算海外附屬公司 賬項產生之匯兌差異 | Exchange difference arising from translation of overseas subsidiaries | | - | - | - | - | 1,377 | - | - | - | 1,377 | - | 1,377 | | |
| 本年度全面收益總額 | Total comprehensive income for the year | | - | - | - | (1) | 1,377 | - | - | - | 1,376 | 3,529 | 4,905 | | |
| 去年度末期股息 | Final dividends in respect of previous year | | - | - | - | - | - | - | - | - | - | (767) | (767) | | |
| 本年度中期股息 | Interim dividends in respect of current year | | - | - | - | - | - | - | - | - | - | (256) | (256) | | |
| 發行股份 | Issue of shares | | 124 | - | - | - | - | - | - | - | 124 | - | 124 | | |
| 僱員股權費用 | Employee share-based payments | | 35 | - | - | - | - | (39) | - | - | (4) | 2 | (2) | | |
| 一間附屬公司配售 股份而產生非控 股權益變動 | Change in non-controlling interests arising from placement of a subsidiary's shares | 24 | - | - | - | - | - | - | - | 2,067 | 2,067 | - | 2,067 | | |
| 因本集團在一間附屬 公司之股權減少 而產生非控 股權益變動 | Change in non-controlling interests arising from decrease of the Group's shareholding in a subsidiary | | - | - | - | - | - | - | - | (81) | (81) | - | (81) | | |
| 於二零一一年六月三十日 | At 30 June 2011 | | 2,434 | 1 | 26 | 14 | 2,503 | 241 | 275 | 1,961 | 7,455 | 50,169 | 57,624 | | |

23 儲備 (續)
(b) 公司

23 RESERVES (Continued)
(b) The Company

| | | 其他儲備 Other reserves | | | | | | | |
|---------------------------|---|---------------------|----------------------------------|--|--------------------|--------------|---------------------|-------------------|--|
| | | 股份溢價 | 資本 贖回儲備 | 僱員股份 補償儲備 | 普通 儲備金 | 總計 | 保留溢利 | 總儲備 | |
| 以港幣百萬元計算 | in HK\$ million | Share premium | Capital redemption reserve | Employee share-based compensation reserve | General reserve | Total | Retained profits | Total reserves | |
| 於二零零九年七月一日 | At 1 July 2009 | 2,248 | 26 | 77 | 862 | 3,213 | 8,299 | 11,512 | |
| 本年度溢利 | Profit for the year | - | - | - | - | - | 1,403 | 1,403 | |
| 去年度末期股息 | Final dividends in respect of previous year | - | - | - | - | - | (722) | (722) | |
| 本年度中期股息 | Interim dividends in respect of current year | - | - | - | - | - | (254) | (254) | |
| 發行股份 | Issue of shares | 26 | - | - | - | 26 | - | 26 | |
| 僱員股權費用 | Employee share-based payments | 1 | - | 8 | - | 9 | - | 9 | |
| 於二零一零年六月三十日 及二零一零年七月一日 | At 30 June 2010 and 1 July 2010 | 2,275 | 26 | 85 | 862 | 3,248 | 8,726 | 11,974 | |
| 本年度溢利 | Profit for the year | - | - | - | - | - | 1,455 | 1,455 | |
| 去年度末期股息 | Final dividends in respect of previous year | - | - | - | - | - | (767) | (767) | |
| 本年度中期股息 | Interim dividends in respect of current year | - | - | - | - | - | (256) | (256) | |
| 發行股份 | Issue of shares | 124 | - | - | - | 124 | - | 124 | |
| 僱員股權費用 | Employee share-based payments | 35 | - | (33) | - | 2 | - | 2 | |
| 於二零一一年六月三十日 | At 30 June 2011 | 2,434 | 26 | 52 | 862 | 3,374 | 9,158 | 12,532 | |

本集團於二零一一年六月三十日的保留溢利包括九千七百萬元(二零一零年：五千八百萬元)的中國內地附屬公司之盈餘公積。

The retained profits for the Group at 30 June 2011 included \$97 million (2010: \$58 million) in respect of statutory reserves of the subsidiaries in mainland China.

23 儲備 (續)

(b) 公司 (續)

股份溢價賬及資本贖回儲備之用途分別受香港《公司條例》第四十八乙條及第四十九辛條監管。投資重估儲備包括於結算日所持可供出售證券公平值之累計變動淨額，並根據附註1(i)(2)之會計政策處理。匯兌儲備包括換算海外附屬公司財務報表產生之匯兌差額。誠如附註1(v)所述，僱員股份補償儲備包括已授出但尚未被行使之股份期權之公平值。普通儲備金來自保留溢利，且可供分派。其他資本儲備指在從非控股權益購入一家現有附屬公司之權益時，新增投資的成本與當日收購資產之賬面淨值之差額。

於二零一一年六月三十日，本公司可供分派予股東之儲備金總額為一百億零二千萬元（二零一零年：九十五億八千八百萬元）。

資本管理

本集團的資本管理政策之首要目標為保障本集團能持續營運，以為股東提供回報及為其他持份者提供利益，同時以合理成本取得融資。

本集團積極及定期檢討及管理其資本結構，以在維持較高借貸水平可能帶來的較高股東回報與雄厚資本所帶來的優勢及保障之間取得平衡，並因應本集團之業務組合及經濟環境之變動對資本結構作出調整。

本集團透過檢討負債率及現金流量的需求，並考慮到其未來的財務承擔來監察其資本結構。負債率指淨債項與股權加淨債項之比例。淨債項指銀行貸款及融資租約承擔，減現金及銀行存款。股權包括股東權益及非控股權益。

23 RESERVES (Continued)

(b) The Company (Continued)

The application of the share premium account and the capital redemption reserve are governed by Section 48B and Section 49H of the Hong Kong Companies Ordinance respectively. The investment revaluation reserve comprises the cumulative net change on the fair value of available-for-sale securities held at the reporting date and is dealt with in accordance with the accounting policies in note 1(i)(2). The exchange reserve represents the exchange differences arising from the translation of the financial statements of overseas subsidiaries. The employee share-based compensation reserve comprises the fair value of share options granted which are yet to be exercised, as explained in note 1(v). The general reserve was derived from retained profits and is distributable. The other capital reserve represents any difference between the cost of the additional investment and the carrying amount of the net assets acquired at the date of exchange when acquiring an additional non-controlling interest in a existing subsidiary.

The aggregate amount of the Company's reserves available for distribution to equity shareholders of the Company at 30 June 2011 was \$10,020 million (2010: \$9,588 million).

Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits to other stakeholders, and to secure access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholders' returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in the light of changes in the Group's business portfolio and economic conditions.

The Group monitors its capital structure by reviewing its gearing ratio and cash flow requirements, taking into account its future financial obligations and commitments. The gearing ratio represents the proportion of net debt to equity plus net debt. Net debt represents bank loans and finance lease obligations, less cash and deposits with banks. Equity comprises shareholders' equity and non-controlling interests.

23 儲備 (續)

(b) 公司 (續)

資本管理 (續)

於二零一一年及二零一零年六月三十日，本集團處於淨現金水平。本公司或其任何附屬公司並無受到外間實施資本需求之規限。

24 非控股權益

非控股權益為外部股東於本集團（於六月三十日）非全資擁有的附屬公司的股本權益及應佔溢利或虧損。非全資擁有附屬公司主要指恒隆地產有限公司及若干持有上海投資物業之附屬公司。非控股權益之變動詳情載於綜合權益變動表。

一間附屬公司配售股份而產生非控股權益變動

由於恒隆地產在二零一零年十一月配售二億九千四百萬股股份，本集團於恒隆地產之有效股本權益由百分之五十二點四減少至百分之四十九。儘管持股量減少，董事認為本集團繼續掌管恒隆地產之財務及營運決策。因此，恒隆地產繼續為本集團之附屬公司，而恒隆地產之財務業績亦繼續計入本集團之財務業績內。恒隆地產配售股份後，本集團於恒隆地產之股本權益之變動已直接計入本集團之權益內。

23 RESERVES (Continued)

(b) The Company (Continued)

Capital management (Continued)

The Group has a net cash position as at 30 June 2011 and 2010. Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

24 NON-CONTROLLING INTERESTS

Non-controlling interests represent the equity interests and the share of profit or loss attributable to outside shareholders in respect of its various subsidiaries that were not wholly-owned by the Group as at 30 June which are mainly Hang Lung Properties Limited and certain of its subsidiaries that hold investment properties in Shanghai. Details of movement of non-controlling interests are set out in the consolidated statement of changes in equity.

Change in non-controlling interests arising from placement of a subsidiary's shares

As a result of the placement of 294 million shares by HLP in November 2010, the Group's effective equity interests in HLP decreased from 52.4% to 49.0%. Notwithstanding the reduction in the shareholdings, the directors are of the view that the Group continued to control the financial and operating decisions of HLP. In this regard, HLP continues to be a subsidiary of the Group and the financial results of HLP continues to be consolidated into those of the Group. The changes in the Group's equity interests in HLP after the placement of shares of HLP is directly dealt with in equity of the Group.

財務報表附註
NOTES TO THE FINANCIAL STATEMENTS

25 來自經營業務之現金

25 CASH GENERATED FROM OPERATIONS

| | | 2011 | 2010 (重列) (Restated) |
|------------------------|--|---------|----------------------------|
| 以港幣百萬元計算 | in HK\$ million | | |
| 除稅前溢利 | Profit before taxation | 7,993 | 30,671 |
| 調整： | Adjustments for: | | |
| 銀行利息收入 | Bank interest income | (213) | (38) |
| 非上市持至到期日投資利息收入 | Interest income from unlisted held-to-maturity investments | (11) | – |
| 其他利息收入 | Other interest income | (2) | (2) |
| 財務費用 | Finance costs | 139 | 120 |
| 折舊 | Depreciation | 27 | 24 |
| 上市投資之減值虧損 | Impairment losses on listed investments | 2 | – |
| 投資物業之公平值之增加 | Increase in fair value of investment properties | (3,504) | (21,626) |
| 應佔合營公司溢利 | Share of profits of jointly controlled entities | (290) | (296) |
| 僱員股權費用 | Employee share-based payments | 113 | 134 |
| 待售物業之(增加)/減少 | (Increase)/Decrease in properties for sale | (147) | 1,798 |
| 按揭貸款之減少 | Decrease in mortgage loans | 1 | 11 |
| 應收賬款及其他應收款之 減少/(增加) | Decrease/(Increase) in trade and other receivables | 1,142 | (849) |
| 應付款及應計費用之增加 | Increase in creditors and accrued expenses | 253 | 365 |
| 已收按金之增加 | Increase in deposits received | 117 | 93 |
| 來自經營業務之現金 | Cash generated from operations | 5,620 | 10,405 |

26 或然負債

於六月三十日之或然負債如下：

26 CONTINGENT LIABILITIES

At 30 June, contingent liabilities were as follows:

| | | 公司 Company | |
|-------------------------|--|------------|-------|
| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 |
| 就附屬公司所獲得之銀行信貸 而提供之擔保 | Guarantees given to banks to secure credit facilities drawn by subsidiaries | 4,201 | 4,361 |

本公司並無就附屬公司之借貸及其他銀行信貸提供之擔保確認任何遞延收入，因該等借貸及銀行信貸之公平值無法可靠地計量及無成交價（二零一零年：無）。

The Company has not recognized any deferred income for the guarantees given in respect of borrowings and other bank facilities for subsidiaries as their fair value cannot be reliably measured and their transaction price was \$Nil (2010: \$Nil).

27 承擔

(a) 於六月三十日尚未於財務報表撥備之資本承擔如下：

27 COMMITMENTS

(a) At 30 June, capital commitments not provided for in the financial statements were as follows:

| | | 集團 Group | |
|----------|-----------------------------------|---------------|--------|
| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 |
| 已簽約 | Contracted for | 3,276 | 4,167 |
| 已授權但尚未簽約 | Authorized but not contracted for | 32,201 | 16,454 |
| | | 35,477 | 20,621 |

上述承擔主要包括就本集團於中國內地多個城市發展之投資物業將產生之土地成本及建築相關成本。

The above commitments include mainly the land costs and construction related costs to be incurred in respect of the Group's development of its investment properties in various cities in mainland China.

(b) 本集團根據十年內屆滿之不可撤銷營業租約租用若干物業。若干租約包括參考物業收入而釐定之或然租金。於六月三十日，未來最少應付之租金總額如下：

(b) The Group leases certain properties under non-cancellable operating leases expiring within ten years. Certain leases include contingent rentals calculated with reference to revenue from the properties. At 30 June, total future minimum lease payments were as follows:

| | | 集團 Group | |
|----------|---------------------------------|-----------|------|
| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 |
| 一年內 | Within 1 year | 46 | 92 |
| 一年後但五年內 | After 1 year but within 5 years | – | 46 |
| | | 46 | 138 |

28 僱員福利

(a) 退休福利

本集團已為其僱員設立界定供款退休金計劃，該計劃下之資產由一間獨立之公司受託人掌管，並由專業基金經理管理，與本集團之資產分開處理。

僱主及僱員均按僱員之基本薪金之若干百分比供款，有關百分比按服務年資而有所不同。當僱員於可全數獲得本集團供款前退出該計劃，其遭沒收之供款乃撥入計劃基金之儲備內。本集團可視乎儲備的水平而指示受託人將股息自基金之儲備撥入基金成員賬戶。本集團可將沒收之供款減少其供款，但年內本集團並無以此方式削減供款。本集團於年內之供款總額為二千萬元（二零一零年：一千九百萬元），而撥入儲備金之沒收供款金額總數為六十萬元（二零一零年：四十萬元）。

一項集成信託強制性公積金計劃（「強積金計劃」）已成立，並交由獨立服務機構營辦。僱主及僱員分別按僱員之每月有關收入（上限為二萬元）之百分之五作出強制性供款。本集團之供款會全數及即時歸屬於僱員之賬戶並列為僱員在計劃內之累算權益。本集團於本年度內作出之強積金供款總額為三百萬元（二零一零年：三百萬元）。

由於本集團之退休金計劃乃一項獲豁免於強積金條例的職業退休計劃（「職業退休計劃」），職業退休計劃與強積金計劃之成員資格相同，而新僱員可一次性選擇參與職業退休計劃或強積金計劃。

28 EMPLOYEE BENEFITS

(a) Retirement benefits

The Group operates a defined contribution provident fund scheme for its employees. The assets of the scheme are held separately from those of the Group by an independent corporate trustee and managed by professional fund managers.

Contributions are made by both the employer and the employees at a certain percentage of employees' basic salaries, the percentage varying with their length of service. When an employee leaves the scheme prior to his or her interest in the Group's contributions being fully vested, forfeited contributions are credited to reserves of the fund. Depending on the level of reserves, the Group may direct the trustee to credit dividends to members' accounts out of the reserves of the fund. The Group's contributions may be reduced by the forfeited contributions, but there was no such reduction of the Group's contributions during the year. Total contributions made by the Group for the year amounted to \$20 million (2010: \$19 million) and forfeited sums credited to reserves amounted to \$0.6 million (2010: \$0.4 million).

A master trust Mandatory Provident Fund Scheme (the "MPF Scheme") is operated by an independent service provider.

Mandatory contributions are made by both the employer and the employees at 5% of the employees' monthly relevant income, up to a limit of \$20,000. The Group's contributions will be fully and immediately vested in the employees' accounts as their accrued benefits in the scheme. Total MPF contributions made by the Group for the year amounted to \$3 million (2010: \$3 million).

As the Group's provident fund scheme is an MPF Exempted Occupational Retirement Scheme (the "ORSO Scheme"), eligibility for membership of the ORSO and MPF schemes is identical. New employees are offered a one-off option to join either the ORSO or the MPF scheme.

28 僱員福利 (續)

(a) 退休福利 (續)

本公司在中國內地經營業務之附屬公司，其僱員乃中國當地市政府所營辦之退休福利計劃（「中國退休福利計劃」）之成員。該等中國內地附屬公司所需承擔之唯一責任，乃按僱員之支薪金額之某個百分比，向中國退休福利計劃作出供款以作為退休福利資金，而中國當地市政府則承擔該等中國內地附屬公司之所有現職及將來退休之僱員之退休福利責任。該等中國內地附屬公司於本年度內作出之供款總額為一千八百萬元（二零一零年：一千三百萬元）。

(b) 股份補償福利

本公司

本公司於二零零零年十一月二十四日採納股份期權計劃。此計劃授權本公司董事局（「董事局」）向被揀選人士（包括本集團內任何公司之僱員及董事）授予股份期權認購本公司之股份，作為彼等對本集團貢獻之鼓勵或獎賞。股份期權行使價由董事局於授予股份期權時決定，並必須為股份面值、於授予當日股份之收市價及緊接授予前五個營業日之平均收市價三者中之最高價。可接納期權之期間及其應付之款項、歸屬期、行使期及每份期權可認購股份之數目均由董事局於授予之時決定。此計劃於其採納日期起計十年內有效，並已於二零一零年十一月二十三日屆滿。

28 EMPLOYEE BENEFITS (Continued)

(a) Retirement benefits (Continued)

Staff in the Company's subsidiaries operating in mainland China, are members of a retirement benefits scheme (the "Mainland RB Scheme") operated by the local municipal government in mainland China. The only obligation of the subsidiaries in mainland China is to contribute a certain percentage of their payroll to Mainland RB Scheme to fund the retirement benefits. The local municipal government in mainland China undertakes to assume the retirement benefits obligations of all existing and future retired employees of subsidiaries in mainland China. Total contributions made by subsidiaries in mainland China for the year amounted to \$18 million (2010: \$13 million).

(b) Equity compensation benefits

The Company

The Company has a share option scheme which was adopted on 24 November 2000, whereby the Board of Directors (the "Board") of the Company is authorized to grant options to selected participants, including employees and directors of any company in the Group, to subscribe for shares of the Company as incentives or rewards for their contributions to the Group. The exercise price of the options is determined by the Board at the time of grant, and shall be the highest of the nominal value of the shares, the closing price of the shares at the date of grant and the average closing price of the shares for the five business days immediately preceding the date of grant. The period open for acceptance of the option and amount payable thereon, the vesting period, the exercisable period and the number of shares subject to each option are determined by the Board at the time of grant. The scheme has remained in force for a period of 10 years commencing on its adoption date and has expired on 23 November 2010.

28 僱員福利 (續)

(b) 股份補償福利 (續)

恒隆地產有限公司

本公司附屬公司恒隆地產有限公司(「恒隆地產」)於二零零二年十一月二十二日採納股份期權計劃。此計劃授權本公司董事局(「董事局」)向被揀選人士(包括本集團內任何公司之僱員及董事)授予股份期權認購本公司之股份，作為彼等對本集團貢獻之鼓勵或獎賞。股份期權行使價由董事局於授予股份期權時決定，並必須為股份面值、於授予當日股份之收市價及緊接授予前五個營業日之平均收市價三者中之最高價。可接納期權之期間及其應付之款項、歸屬期、行使期及每份期權可認購股份之數目均由董事局於授予之時決定。此計劃於其採納日期起計十年內有效，並將於二零一二年十一月二十一日屆滿。

年內本公司股份期權之變動如下：

28 EMPLOYEE BENEFITS (Continued)

(b) Equity compensation benefits (Continued)

Hang Lung Properties Limited

The Company's subsidiary, Hang Lung Properties Limited ("HLP") has a share option scheme which was adopted on 22 November 2002, whereby the Board of HLP is authorized to grant options to selected participants, including employees and directors of any company in the HLP group, to subscribe for shares of HLP as incentives or rewards for their contributions to HLP group. The exercise price of the options is determined by the Board of HLP at the time of grant, and shall be the highest of the nominal value of the shares, the closing price of the shares at the date of grant and the average closing price of the shares for the five business days immediately preceding the date of grant. The period open for acceptance of the option and amount payable thereon, the vesting period, the exercisable period and the number of shares subject to each option are determined by the Board of HLP at the time of grant. The scheme remains in force for a period of 10 years commencing on its adoption date and will expire on 21 November 2012.

The movements of share options of the Company during the year are as follows:

| 授出日期 Date granted | 股份期權數目 Number of share options | | | | | 股份期權 之行使期 Period during which options are exercisable | 行使價 (港元) Exercise price (HK\$) |
|---------------------------------|--|----------------|------------------|-------------------------------------|--|--|--|
| | 於二零一零年 七月一日 尚未被行使 Outstanding on 1 July 2010 | 已授出 Granted | 已行使 Exercised | 已沒收/ 已失效 Forfeited/ Lapsed | 於二零一一年 六月三十日 尚未被行使 Outstanding on 30 June 2011 | | |
| 二零零一年十二月七日 7 December 2001 | 120,000 | - | (120,000) | - | - | 二零零二年十二月七日至 二零一一年十二月六日 7 December 2002 to 6 December 2011 | 6.83 |
| 二零零四年五月二十日 20 May 2004 | 10,865,000 | - | (4,715,000) | - | 6,150,000 | 二零零五年五月二十日至 二零一四年五月十九日 20 May 2005 to 19 May 2014 | 9.45 |
| 二零零五年十一月一日 1 November 2005 | 77,000 | - | (77,000) | - | - | 二零零六年十一月一日至 二零一五年十月三十一日 1 November 2006 to 31 October 2015 | 14.70 |
| 二零零六年十一月二十日 20 November 2006 | 11,400,000 | - | (4,200,000) | - | 7,200,000 | 二零零七年十一月二十日至 二零一六年十一月十九日 20 November 2007 to 19 November 2016 | 20.52 |
| 總計 Total | 22,462,000 | - | (9,112,000) | - | 13,350,000 | | |

28 僱員福利 (續)

(b) 股份補償福利 (續)

上述所有股份期權可於授出日期起計一至五年後歸屬，並可於授出日期十年屆滿期前行使，此後股份期權將告失效。年內並無股份期權被註銷。

- (i) 尚未被行使之本公司股份期權數目及其有關加權平均行使價之變動如下：

28 EMPLOYEE BENEFITS (Continued)

(b) Equity compensation benefits (Continued)

All the above options may vest after one to five years of the grant date and are exercisable up to the tenth anniversary of the date of grant, after which they will lapse. No options were cancelled during the year.

- (i) Movements in the number of share options of the Company outstanding and their related weighted average exercise prices are as follows:

| | | 2011 | | 2010 | |
|-------------|------------------------|--|----------------------|--|----------------------|
| | | 加權平均 行使價 (港元) | 股份 期權數目 | 加權平均 行使價 (港元) | 股份 期權數目 |
| | | Weighted average exercise price (HK\$) | Number of options | Weighted average exercise price (HK\$) | Number of options |
| 於七月一日尚未被行使 | Outstanding at 1 July | 15.07 | 22,462,000 | 13.51 | 27,357,000 |
| 已行使 | Exercised | 14.56 | (9,112,000) | 6.35 | (4,895,000) |
| 於六月三十日尚未被行使 | Outstanding at 30 June | 15.42 | 13,350,000 | 15.07 | 22,462,000 |
| 於六月三十日可予行使 | Exercisable at 30 June | 15.42 | 13,350,000 | 13.68 | 19,430,000 |

於年內僱員行使之股份期權在緊接期權行使日期之前的加權平均收市價為及四十六元四角四仙(二零一零年：三十七元五角九仙)。本公司董事在其出任董事期間內並沒有行使股份期權。

The weighted average closing prices of the shares immediately before the dates of exercise by the employees during the year was \$46.44 (2010: \$37.59). No directors exercised their options during the period of their employment as directors of the Company.

於年內行使之股份期權行使當日之加權平均股價為四十六元三角四仙(二零一零年：三十八元一角)。

The weighted average share price at the dates of exercise for share options during the year was \$46.34 (2010: \$38.10).

- (ii) 於結算日尚未被行使之股份期權之加權平均剩餘合約期為四點二年(二零一零年：五點二年)。

- (ii) The weighted average remaining contractual life of options outstanding at the reporting date was 4.2 years (2010: 5.2 years).

財務報表附註
NOTES TO THE FINANCIAL STATEMENTS

28 僱員福利 (續)

(b) 股份補償福利 (續)

年內恒隆地產股份期權之變動如下：

28 EMPLOYEE BENEFITS (Continued)

(b) Equity compensation benefits (Continued)

The movements of share options of HLP during the year are as follows:

| 授出日期 Date granted | 股份期權數目 Number of share options | | | | | 股份期權 之行使期 Period during which options are exercisable | 行使價 (港元) Exercise price (HK\$) |
|--|--|----------------|------------------|-------------------------------------|--|---|--|
| | 於二零一零年 七月一日 尚未被行使 Outstanding on 1 July 2010 | 已授出 Granted | 已行使 Exercised | 已沒收/ 已失效 Forfeited/ Lapsed | 於二零一一年 六月三十日 尚未被行使 Outstanding on 30 June 2011 | | |
| 二零零四年五月二十日 20 May 2004 | 9,395,000 | - | (1,793,500) | - | 7,601,500 | 二零零五年五月二十日至 二零一四年五月十九日 20 May 2005 to 19 May 2014 | 9.20 |
| 二零零五年九月一日至 二零零五年十一月一日 1 September 2005 to 1 November 2005 | 806,000 | - | (306,000) | - | 500,000 | 二零零六年九月一日至 二零一五年十月三十一日 1 September 2006 to 31 October 2015 | 11.40 – 12.35 |
| 二零零六年十一月十四日至 二零零七年三月十九日 14 November 2006 to 19 March 2007 | 23,134,000 | - | (12,050,000) | - | 11,084,000 | 二零零七年十一月十四日至 二零一七年三月十八日 14 November 2007 to 18 March 2017 | 16.75 – 22.60 |
| 二零零七年七月三日至 二零零八年十二月三十一日 3 July 2007 to 31 December 2008 | 79,680,000 | - | (4,633,000) | (13,427,000) | 61,620,000 | 二零零八年七月三日至 二零一八年十二月三十一日 3 July 2008 to 30 December 2018 | 17.36 – 27.90 |
| 二零零九年十一月三十日至 二零一零年六月一日 30 November 2009 to 1 June 2010 | 25,650,000 | - | - | (4,200,000) | 21,450,000 | 二零一一年十一月三十日至 二零二零年五月三十一日 30 November 2011 to 31 May 2020 | 26.46 – 28.88 |
| 二零一零年七月二十九日至 二零一一年六月十三日 29 July 2010 to 13 June 2011 | - | 47,330,000 | - | (140,000) | 47,190,000 | 二零一二年七月二十九日至 二零二一年六月十二日 29 July 2012 to 12 June 2021 | 30.79 – 36.90 |
| 總計 Total | 138,665,000 | 47,330,000 | (18,782,500) | (17,767,000) | 149,445,500 | | |

上述所有股份期權可於授出日期起計一至五年後歸屬，並可於授出日期十年屆滿期前行使，此後股份期權將告失效。年內並無股份期權被註銷。

All the above options may vest after one to five years of the grant date and are exercisable up to the tenth anniversary of the date of grant, after which they will lapse. No options were cancelled during the year.

28 僱員福利 (續)

(b) 股份補償福利 (續)

(iii) 尚未被行使之恒隆地產股份期權數目及其有關加權平均行使價之變動如下：

28 EMPLOYEE BENEFITS (Continued)

(b) Equity compensation benefits (Continued)

(iii) Movements in the number of share options of HLP outstanding and their related weighted average exercise prices are as follows:

| | | 2011 | | 2010 | |
|-------------|------------------------|--|------------------------------------|--|------------------------------------|
| | | 加權平均 行使價 (港元) | | 加權平均 行使價 (港元) | |
| | | Weighted average exercise price (HK\$) | 股份 期權數目 Number of options | Weighted average exercise price (HK\$) | 股份 期權數目 Number of options |
| 於七月一日尚未被行使 | Outstanding at 1 July | 15.84 | 138,665,000 | 18.30 | 127,744,000 |
| 已授出 | Granted | 31.59 | 47,330,000 | 26.51 | 25,650,000 |
| 已行使 | Exercised | 17.84 | (18,782,500) | 10.16 | (13,519,000) |
| 已沒收／已失效 | Forfeited/Lapsed | 21.83 | (17,767,000) | 20.32 | (1,210,000) |
| 於六月三十日尚未被行使 | Outstanding at 30 June | 24.28 | 149,445,500 | 15.84 | 138,665,000 |
| 於六月三十日可予行使 | Exercisable at 30 June | 18.05 | 33,472,500 | 16.22 | 30,161,400 |

恒隆地產股份在緊接期權授出日期之前的收市價介乎三十元一角五仙至三十五元六角五仙(二零一零年：二十五元九角五仙至二十七元六角)。

於年內本公司董事於其出任董事期間並沒有行使恒隆地產之股份期權。截止二零一零年六月三十日止年度，董事行使之股份期權在緊接期權行使日期之前的加權平均收市價為二十七元五角三仙。於年內僱員行使之股份期權在緊接期權行使日期之前的恒隆地產加權平均收市價為及三十四元九角三仙(二零一零年：二十八元四角二仙)。

於年內行使之股份期權行使當日之恒隆地產加權平均股價為三十四元八角七仙(二零一零年：二十七元九角一仙)。

The closing prices of the shares of HLP immediately before the date of grant range from \$30.15 to \$35.65 (2010: \$25.95 to \$27.60).

No share options of HLP were exercised by the directors in the period of their employment as directors of the Company during the year. The weighted average closing price of the shares of HLP immediately before the date of exercise by the director during the year ended 30 June 2010 was \$27.53. The weighted average closing prices of the shares of HLP immediately before the dates of exercise by the employees during the year was \$34.93 (2010: \$28.42).

The weighted average share price of HLP at the dates of exercise for share options during the year was \$34.87 (2010: \$27.91).

28 僱員福利 (續)

(b) 股份補償福利 (續)

- (iv) 於結算日尚未被行使之股份期權之加權平均剩餘合約期為七點七年 (二零一零年：七點六年)。
- (v) 年內授出之股份期權於授出日期採用「柏力克－舒爾斯」定價模式，經考慮授出期權之條款及條件而估計之每份股份期權之加權平均價值為十元一角。所採用之加權平均假設如下：

28 EMPLOYEE BENEFITS (Continued)

(b) Equity compensation benefits (Continued)

- (iv) The weighted average remaining contractual life of options outstanding at the reporting date was 7.7 years (2010: 7.6 years).
- (v) The weighted average value per share option granted during the year estimated at the date of grant using a Black-Scholes pricing model taking into account the terms and conditions upon which the options were granted was \$10.10. The weighted average assumptions used are as follows:

| | | 恒隆地產 HLP |
|----------|-----------------------------|-------------|
| 授出日期之股價 | Share price at grant date | \$31.10 |
| 行使價 | Exercise price | \$31.59 |
| 無風險利率 | Risk-free interest rate | 1.5% |
| 預計年期 (年) | Expected life (in years) | 6 |
| 波幅 | Volatility | 0.4 |
| 預期每股股息 | Expected dividend per share | \$0.71 |

按預期股價回報之標準差衡量之波幅，乃按緊接授出日期前一年內每日股價之統計分析為準。預期每股股息乃根據過往股息而釐定。更改輸入項目假設可對公平值估計造成重大影響。

The volatility measured at the standard deviation of expected share price returns is based on statistical analysis of daily share prices over the one year immediately preceding the grant date. Expected dividend per share is based on historical dividend. Changes in the input assumptions could materially affect the fair value estimate.

- (vi) 就本公司及恒隆地產授予本公司及恒隆地產的董事之股份期權，依據附註1(v)(2)所載之本集團會計政策估計，於截至二零一一年六月三十日止年度確認之相關支出／(回撥)如下：

- (vi) In respect of share options of the Company and HLP granted to the directors of the Company and HLP, the related charge/ (credit) recognized for the year ended 30 June 2011, estimated in accordance with the Group's accounting policy in note 1(v)(2) was as follows:

- (a) 陳啟宗先生：三千萬元 (二零一零年：三千一百二十萬元)；
- (b) 陳南祿先生：二千五百五十萬元 (二零一零年：無)；
- (c) 高伯道先生：一千九百九十萬元 (二零一零年：二千零三十萬元，包括有關其出任本公司董事之費用七百九十萬元)；

- (a) Mr. Ronnie C. Chan, \$30.0 million (2010: \$31.2 million);
- (b) Mr. Philip N.L. Chen, \$25.5 million (2010: \$Nil);
- (c) Mr. William P.Y. Ko, \$19.9 million (2010: \$20.3 million, including the charge of \$7.9 million in relation to his employment as director of the Company);

28 僱員福利 (續)

(b) 股份補償福利 (續)

- (d) 何孝昌先生：五百六十萬元，包括有關其出任本公司董事之費用五百五十萬元；
- (e) 袁偉良先生：二千八百七十萬元（二零一零年：二千九百七十萬元），包括有關其出任本公司董事之費用一百六十萬元（二零一零年：二千九百七十萬元）；
- (f) 姚子賢先生：七百八十萬元（二零一零年：三百四十萬元）有關擔任本集團之僱員；及
- (g) 吳士元先生：回撥二千八百六十萬元，包括有關已沒收的未歸屬的股份期權的調整三千零八十萬元及有關其於二零一一年度出任本公司董事之費用二百二十萬元（二零一零年：二千四百二十萬元之費用）。

29 關連人士交易

- (a) 本集團一間合營公司參與香港鐵路有限公司東涌站第一期物業發展計劃，本集團持有該合營公司百分之二十權益。於二零一一年六月三十日，本集團已向該合營公司合共墊款六億七千三百萬元（二零一零年：七億四千萬元）。所有墊款均為無抵押、免息及無固定償還期。
- (b) 董事及主要管理層酬金已於附註6及28(b)披露。

28 EMPLOYEE BENEFITS (Continued)

(b) Equity compensation benefits (Continued)

- (d) Mr. H.C. Ho, \$5.6 million, including the charge of \$5.5 million in relation to his employment as director of the Company;
- (e) Mr. Nelson W.L. Yuen, \$28.7 million (2010: \$29.7 million), including the charge of \$1.6 million (2010: \$29.7 million) in relation to his employment as director of the Company;
- (f) Mr. Henry T.Y. Yiu, \$78 million (2010: \$3.4 million) in relation to his employment as employee of the Group; and
- (g) Mr. Terry S. Ng, (\$28.6) million, including adjustment to reverse amounts of \$30.8 million in relation to unvested share options which are forfeited and a charge of \$2.2 million in 2011 (2010: charge of \$24.2 million), in relation to his employment as director of the Company.

29 RELATED PARTY TRANSACTIONS

- (a) The Group has a 20% interest in a jointly controlled entity which participated in the development of Package One of the MTRC Tung Chung Station Development Project. At 30 June 2011, the Group advanced to this jointly controlled entity a total of \$673 million (2010: \$740 million). All advances are unsecured, non-interest bearing and have no fixed terms of repayment.
- (b) Emoluments to directors and key management has been disclosed in notes 6 and 28(b).

30 財務風險管理目標及政策

利率、流動資金、信貸及貨幣風險來自本集團之正常業務。本集團有以下經管理層批准之政策及方法以管理該等風險。

(a) 利率風險

本集團之利率風險來自銀行存款及浮息借貸。本集團密切監察利率變動，以及於有利定價機會來臨時（如適用）以新銀行融資替換原有借貸。此外，年內，本集團設立一個中期票據計劃以獲得固定利息之信貸，有關計劃並協助集團管理利率風險。

計息財務資產及負債之利率於附註15、18及21予以披露。

根據年終進行關於銀行存款及借貸之模擬分析，如所有其他變數維持不變，市場利率較年結日適用之利率增加一百個基點之影響將增加本集團之除稅後溢利及總權益約一千六百萬元（二零一零年：一千萬元）。

此分析乃根據假設情況而進行，因為實際上，市場利率很少單獨改變，故此不應被視作未來溢利或虧損之預測。這分析假定以下各項：

- 市場利率變化會影響浮息金融工具及銀行借貸之利息收入及支出；及
- 所有其他財務資產及負債維持不變。

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Exposure to interest rate, liquidity, credit and currency risks arises in the normal course of the Group's business. The Group has policies and practices approved by management as described below in managing these risks.

(a) Interest rate risk

The Group's interest rate risk arises primarily from deposits with banks and borrowings issued at floating rates. Interest rate trend and movements are closely monitored and, if appropriate, existing borrowings will be replaced with new bank facilities when favourable pricing opportunities arise. In addition, the Group established a Medium Term Note programme which provides fixed interest rate facilities to the Group and assists the Group to manage its interest rate risk.

The interest rates of interest-bearing financial assets and liabilities are disclosed in notes 15, 18 and 21.

Based on the simulations performed at year end in relation to the Group's bank deposits and borrowings, it was estimated that the impact of a 100 basis-point increase in market interest rates from the rates applicable at the year end date, with all other variables held constant, would increase the Group's profit after taxation and total equity by approximately \$16 million (2010: \$10 million).

This analysis is based on a hypothetical situation, as in practice market interest rates rarely change in isolation, and should not be considered a projection of likely future profits or losses. The analysis assumes the following:

- changes in market interest rates affect the interest income and interest expenses of floating rate financial instruments and bank borrowings; and
- all other financial assets and liabilities are held constant.

30 財務風險管理目標及政策 (續)

(b) 流動資金風險

本集團在集團層面集中管理本公司及其附屬公司之盈餘現金及流動資金風險，旨在確保其維持充裕之現金及穩定之銀行融資，以應付其全部資金之需求。本集團透過不同來源之穩定信貸額維持資金高度流動性，以掌握未能預見之機會及事項。

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Liquidity risk

The Group manages its surplus cash centrally and the liquidity risk of the Company and its subsidiaries at the corporate level. The objective is to ensure that an adequate amount of cash and committed bank facilities are available to meet all funding requirements. Significant flexibility is maintained through diverse sources of committed credit lines to respond to unforeseeable opportunities and events.

| | | 合約未折現現金流量 Contractual undiscounted cash flow | | | | | |
|-------------|---------------------------------------|---|---------------|----------------------|--------------------------------|--------------------------------|----------------------|
| | | 賬面值 Carrying amount | 總計 Total | 一年內 Within 1 year | 一至兩年內 Between 1 and 2 years | 二至五年內 Between 2 and 5 years | 五年以上 Over 5 years |
| 以港幣百萬元計算 | in HK\$ million | | | | | | |
| 銀行貸款 | Bank loans | 20,901 | 22,686 | 7,834 | 299 | 12,481 | 2,072 |
| 非流動融資租約承擔 | Non-current finance lease obligations | 35 | 35 | – | 35 | – | – |
| 應付賬款及其他應付款 | Trade and other payables | 3,709 | 3,717 | 2,682 | 585 | 400 | 50 |
| 於二零一一年六月三十日 | At 30 June 2011 | 24,645 | 26,438 | 10,516 | 919 | 12,881 | 2,122 |

| | | 合約未折現現金流量 Contractual undiscounted cash flow | | | | | |
|-------------|---------------------------------------|---|---------------|----------------------|--------------------------------|--------------------------------|----------------------|
| | | 賬面值 Carrying amount | 總計 Total | 一年內 Within 1 year | 一至兩年內 Between 1 and 2 years | 二至五年內 Between 2 and 5 years | 五年以上 Over 5 years |
| 以港幣百萬元計算 | in HK\$ million | | | | | | |
| 銀行貸款 | Bank loans | 10,790 | 11,251 | 3,311 | 6,594 | 1,075 | 271 |
| 非流動融資租約承擔 | Non-current finance lease obligations | 168 | 176 | – | 141 | 35 | – |
| 應付賬款及其他應付款 | Trade and other payables | 3,483 | 3,500 | 2,526 | 566 | 272 | 136 |
| 於二零一零年六月三十日 | At 30 June 2010 | 14,441 | 14,927 | 5,837 | 7,301 | 1,382 | 407 |

30 財務風險管理目標及政策 (續)

(c) 信貸風險

本集團之信貸風險主要來自應收賬款及存於信譽良好的銀行及金融機構之存款及債券。

本集團推行明確之信貸政策，其中涵蓋對租戶之嚴謹信貸評估及對租賃按金的支付規定。來自物業銷售的應收樓價乃按買賣協議的條款釐定。租客除支付租賃按金外亦需預繳有關租賃物業的月租。本集團定期監察應收款項及作出密切跟進，以便把信貸風險減至最低。除本集團所發展之物業銷售外，本集團並無就此等數額持有任何抵押品。本集團定期檢閱其應收款，並嚴格監控，藉以將任何相關之信貸風險減至最低。

本集團並無進行任何衍生工具交易。盈餘現金乃根據信貸評級及其他因素而預設之限額存放於聲譽良好之銀行及金融機構，以將集中信貸風險減至最低。

除本公司所作出之財務擔保外（如附註26所述），本集團並無提供其他擔保而導致本集團或本公司承擔任何重大信貸風險。

本集團並無重大集中信貸風險。

對信貸風險之承擔上限為綜合資產負債表內各財務資產之賬面值。

(d) 貨幣風險

倘已確認資產及負債以本集團有關個別公司功能貨幣以外之貨幣列值，則產生貨幣風險。本集團有若干美元銀行存款，金額達一億八千九百萬美元（二零一零年：四億零六百萬美元）。鑒於港元與美元掛鈎，該等存款所引致之貨幣風險並不重大。

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) Credit risk

The Group's credit risk is primarily attributable to trade receivables, deposits and bonds held with reputable banks and financial institutions.

It maintains a defined credit policy including stringent credit evaluation on and payment of a rental deposit from tenants. Proceeds from property sales are receivable pursuant to the terms of the sale and purchase agreements. In addition to the payment of rental deposits, tenants are required to pay monthly rents in respect of leased properties in advance. Except for sale of properties developed by the Group, it does not hold any collateral over the receivables. Receivables are regularly reviewed and closely monitored to minimize any associated credit risk.

The Group does not engage in any derivative transactions. Surplus cash is placed with reputable banks and financial institutions in accordance with pre-determined limits based on credit ratings and other factors to minimize concentration risk.

Except for the financial guarantees given by the Company as set out in note 26, the Group does not provide any other guarantee which would expose the Group or the Company to material credit risk.

There are no significant concentrations of credit risk within the Group.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statement of financial position.

(d) Currency risk

Currency risk arises when recognized assets and liabilities are denominated in a currency other than the functional currency of the Group's entities to which they related. The Group maintains certain bank deposits denominated in United States dollars amounting to US\$189 million (2010: US\$406 million). Given that Hong Kong dollars are pegged to United States dollars, the resulting currency risk on such deposits is considered insignificant.

30 財務風險管理目標及政策 (續)

(d) 貨幣風險 (續)

本集團亦透過其中國內地附屬公司在當地從事物業發展及投資，而該等附屬公司之淨資產承受外幣風險。本集團手持人民幣銀行存款及債券以應付其於中國內地的發展項目持續的付款責任。本集團（於適用時）尋求以人民幣借貸對沖在中國內地之投資。

管理層估計，人民幣兌港元匯率升值／貶值百分之一將不會對本集團之溢利造成重大影響，惟本集團之股東應佔權益將相應增加／減少三億一千萬元（二零一零年：二億一千萬元）。

上述分析乃假設匯率變動於結算日已發生，而所有其他變數（特別是利率）保持不變。

(e) 公平值

上市投資之公平值乃使用交投活躍市場之同類財務工具之市場報價（未經調整）計量。根據HKFRS 7金融工具：披露之定義，此上市投資分類為第一級。年內，級別之間概無任何公平值計量之轉換。

持至到期日工具、應收賬款及其他應收款、應付賬款及其他應付款、現金及銀行存款、銀行貸款及撥備之公平值被視為與彼等之賬面值相若。

倘非上市投資之公平值未能可靠計量，則按成本值扣除減值虧損列賬。

30 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(d) Currency risk (Continued)

The Group also engaged in property development and investments in mainland China through its local subsidiaries which net assets are exposed to foreign currency risk. In addition, the Group holds Renminbi deposits and bonds to meet its ongoing payment obligations in relation to its development projects in mainland China which is denominated in Renminbi. Where appropriate, the Group seeks to minimize its exposure to currency in mainland China through borrowings denominated in Renminbi.

Management estimated that a 1% appreciation/depreciation of Renminbi against Hong Kong dollar would not have a material effect on the Group's profit and the Group's equity attributable to shareholders would be increased/decreased by \$310 million (2010: \$210 million).

The above analysis has been determined assuming that the change in foreign exchange rates had occurred at the reporting date and that all other variables, in particular interest rates, remain constant.

(e) Fair value

The fair values of the listed investments of the Group are measured using quoted prices (unadjusted) in active markets for identical financial instruments which are categorized as level 1 defined in accordance with HKFRS 7, Financial Instruments: Disclosures. During the year, there were no transfers of fair value measurements between levels.

The fair values of held-to-maturity investments, trade and other receivables, trade and other payables, cash and deposits with banks, bank loans and provisions are considered to approximate their carrying amounts.

Unlisted investments for which their fair values cannot be reliably measured are stated at cost less impairment losses.

31 重要會計估計及判斷

估計不確定性之主要原因

附註28(b)載有與已授出股份期權公平值有關之假設及風險之資料。估計不確定性之其他主要原因如下：

(a) 投資物業及發展中投資物業之估值

於結算日，本集團之投資物業及發展中投資物業由獨立合資格估值師按公開市值進行重估。有關已完成之投資物業，估值師已參照市場實況並考慮物業租金收益作出估值。於物業估值時採用之假設乃根據結算日之當時市況，並參考於相同地點及狀態的同類型物業的當時市場售價及適當之資本化率而作出。對於發展中投資物業，估值師估值該等物業猶如已按照相關發展計劃完成興建並計入未來為完成發展所需的建築及其他相關成本，亦參照可比較的市場買賣交易，如適用。

(b) 待售物業

本集團參照獨立物業估值師提供之現行市場數據及市場調查報告，以估計未來銷售價減除銷售時產生之相關成本而釐定待售物業之可變現淨值。

(c) 資產減值

本集團定期進行減值測試，以確定商譽及其他可使用年期不確定之資產是否有任何減值跡象。其他資產之減值評估於有事件或情況之變動顯示有關資產之賬面值高於其可收回金額時進行。可收回金額以公平值減銷售成本或按使用價值計算法釐定（如適用）。該等計算方法需要使用估計數據。

31 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

Key sources of estimation uncertainty

Note 28(b) contains information about the assumptions and their risk relating to fair value of share options granted. Other key sources of estimation uncertainty are as follows:

(a) Valuation of investment properties and investment properties under development

The investment properties and investment properties under development of the Group were revalued at reporting date by independent professionally qualified valuers on a market value basis. For the completed investment properties, the valuers have valued such properties with reference to market evidence taking into account the rental income of the properties. The assumptions adopted are based on the market conditions existing at the reporting date, with reference to current market sale prices for similar properties in the same location and condition and the appropriate capitalization rate. For the investment properties under development, the valuers have valued such properties as if they were completed in accordance with the relevant development plan allowing for any future construction and other relevant costs required for completion of the development, and where appropriate, by reference to the comparable market sale and purchase transactions.

(b) Properties held for sale

The Group determines the net realizable value of unsold properties based on estimation of future selling price less costs to be incurred in relation to the sale, with reference to the prevailing market data and market survey reports available from independent property valuers.

(c) Impairment of assets

The Group tests regularly whether goodwill and other assets that have indefinite useful lives have suffered any impairment. Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is determined using fair value less costs to sell or value-in-use calculations as appropriate. These calculations require the use of estimates.

31 重要會計估計及判斷 (續)

估計不確定性之主要原因 (續)

(d) 所得稅

於日常業務過程中，由於若干交易及釐定最終稅項之計算方法未能確定而需要就所得稅撥備作出判斷。倘該等事項之最終稅項結果與最初記錄之金額不同，有關差額將會影響作出決定年度之所得稅及遞延稅項撥備。

(e) 遞延稅項資產確認

本集團資產負債表內之遞延稅項資產只會在未來應課稅溢利有可能用作抵銷暫時差異及未用稅項虧損可被使用時才會確認。本集團需作出判斷，或根據對未來財務表現、未來應課稅溢利金額及其變現時限之評估，來確認遞延稅項資產。

31 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS (Continued)

Key sources of estimation uncertainty (Continued)

(d) Income taxes

There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business and judgment is required in determining the provision for income taxes. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made.

(e) Recognition of deferred tax assets

The amount of the deferred tax assets included in the statement of financial position of the Group is recognized only to the extent that it is probable that future taxable profits will be available against which the temporary differences and unused tax losses can be utilized. The recognition of deferred tax assets requires the Group to make judgments or based on the assessment of future financial performance, the amount of future taxable profits and the timing of when these will be realized.

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32 會計政策之未來變動

本集團並無提早採用由香港會計師公會頒佈惟尚未生效之修訂、新準則或詮釋。採用以下修訂、準則或詮釋並不會對本集團之會計政策帶來重大變動。

32 FUTURE CHANGES IN ACCOUNTING POLICIES

The Group has not early applied the following amendments, new standards or interpretations which have been issued by the HKICPA but are not yet effective. The adoption of the following amendments, standards or interpretations will not result in substantial changes to the Group's accounting policies.

| | | 於以下日期或以後開始 之會計期間生效 Effective for accounting periods beginning on or after |
|---------------------------------------|---|--|
| HKFRSs (修訂本) HKFRSs (Amendments) | HKFRSs之2010修訂 Improvement to HKFRSs 2010 | 二零一一年一月一日 1 January 2011 |
| HKAS 24 (經重訂) HKAS 24 (Revised) | 關連人士披露 Related Party Disclosures | 二零一一年一月一日 1 January 2011 |
| HKFRS 8 (修訂本) HKFRS 8 (Amendments) | 經營分部 Operating Segments | 二零一一年一月一日 1 January 2011 |
| HKFRS 7 (修訂本) HKFRS 7 (Amendments) | 金融工具：披露 Financial Instruments: Disclosures | 二零一一年七月一日 1 July 2011 |
| HKAS 27 (2011) HKAS 27 (2011) | 獨立財務報表 Separate Financial Statements | 二零一三年一月一日 1 January 2013 |
| HKAS 28 (2011) HKAS 28 (2011) | 聯營公司及合營公司權益 Investments in Associates and Joint Ventures | 二零一三年一月一日 1 January 2013 |
| HKFRS 9 HKFRS 9 | 金融工具 Financial Instruments | 二零一三年一月一日 1 January 2013 |
| HKFRS 10 HKFRS 10 | 綜合財務報表 Consolidated Financial Statements | 二零一三年一月一日 1 January 2013 |
| HKFRS 11 HKFRS 11 | 聯合協議 Joint Arrangements | 二零一三年一月一日 1 January 2013 |
| HKFRS 12 HKFRS 12 | 其他組織權益披露 Disclosure of Interests in Other Entities | 二零一三年一月一日 1 January 2013 |

33 重列比較數字

由於採用HKAS 12 (經修訂)，若干比較數字已重新編列。有關詳情已於附註2內詳述。

33 RESTATEMENT OF COMPARATIVES

As a result of the adoption of HKAS 12 (amended), certain comparative figures have been restated. Further details of these changes in accounting policy are disclosed in note 2.

34 核准財務報表

董事局於二零一一年七月二十九日核准並許可刊發財務報表。

34 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorized for issue by the Board of Directors on 29 July 2011.

35 主要附屬公司

於二零一一年六月三十日

35 PRINCIPAL SUBSIDIARIES

At 30 June 2011

| 公司 Company | 已發行股本 (港元) Issued Share Capital (HK\$) | 集團所持 權益百分比 % Held by The Group | 公司所持 權益百分比 % Held by The Company | 業務 Activity | 註冊成立 及營業地點 Place of Incorporation and Operations |
|-------------------------|--|---|---|--|--|
| Akihiro Company Limited | 2 | 100 | 100 | 物業發展及租賃 Property development & leasing | 香港 Hong Kong |
| Antonis Limited* | 10,000 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| AP City Limited | 2 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| AP Joy Limited | 2 | 49.1 | – | 物業發展及租賃 Property development & leasing | 香港 Hong Kong |
| AP Properties Limited | | | | 物業發展及租賃 Property development & leasing | 香港 Hong Kong |
| 「A」股 'A' shares | 34 | 49.1 | – | | |
| 「B」股 'B' shares | 6 | 49.1 | – | | |
| AP Star Limited* | 2 | 49.1 | – | 控股投資 Investment holding | 香港 Hong Kong |
| AP Success Limited | 2 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| AP Universal Limited* | 2 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| AP Win Limited* | 1,000,000 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| AP World Limited | 2 | 49.1 | – | 物業發展 Property development | 香港 Hong Kong |

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35 主要附屬公司 (續)

35 PRINCIPAL SUBSIDIARIES (Continued)

| 公司 Company | 已發行股本 (港元) Issued Share Capital (HK\$) | 集團所持 權益百分比 % Held by The Group | 公司所持 權益百分比 % Held by The Company | 業務 Activity | 註冊成立 及營業地點 Place of Incorporation and Operations |
|---|--|---|---|---|--|
| Bayliner Investment Ltd.* | 1美元 US\$1 | 100 | 100 | 控股投資 Investment holding | 英屬維爾京群島 British Virgin Islands |
| Believecity Limited* | 2 | 100 | — | 控股投資及證券買賣 Investment holding & securities trading | 香港 Hong Kong |
| Bonna Estates Company Limited | 1,000,000 | 49.1 | — | 物業租賃 Property leasing | 香港 Hong Kong |
| 基道企業有限公司* Caddo Enterprises, Limited* | 4,000,000 | 49.1 | — | 物業租賃 Property leasing | 香港 Hong Kong |
| 嘉萬拿有限公司* Carmana Limited* | 2 | 49.1 | — | 物業租賃 Property leasing | 香港 Hong Kong |
| Cititop Limited | 2 | 49.1 | — | 物業發展及租賃 Property development & leasing | 香港 Hong Kong |
| Cokage Limited* | 2 | 100 | 100 | 控股投資 Investment holding | 香港 Hong Kong |
| 港邦發展有限公司 Country Bond Development Limited | | | | 控股投資 Investment holding | 香港 Hong Kong |
| 「A」股 'A' shares | 990 | 49.3 | — | | |
| 「B」股 'B' share | 1 | 49.1 | — | | |
| 港豐企業有限公司 Country First Enterprises Limited | 2 | 100 | — | 控股投資 Investment holding | 香港 Hong Kong |
| 港興企業有限公司 Country Link Enterprises Limited | 5,000,000 | 54.9 | — | 控股投資 Investment holding | 香港 Hong Kong |
| Crest Incorporated* | 2美元 US\$2 | 100 | — | 控股投資 Investment holding | 英屬維爾京群島 British Virgin Islands |
| Curicao Company Limited* | 2 | 100 | — | 控股投資 Investment holding | 香港 Hong Kong |

35 主要附屬公司 (續)

35 PRINCIPAL SUBSIDIARIES (Continued)

| 公司 Company | 已發行股本 (港元) Issued Share Capital (HK\$) | 集團所持 權益百分比 % Held by The Group | 公司所持 權益百分比 % Held by The Company | 業務 Activity | 註冊成立 及營業地點 Place of Incorporation and Operations |
|---|--|---|---|---|--|
| Dokay Limited* | 2 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| Dynamia Company Limited | 2 | 100 | 100 | 物業發展及租賃 Property development & leasing | 香港 Hong Kong |
| 怡傑發展有限公司 Ease Smart Development Limited | | | | 控股投資 Investment holding | 香港 Hong Kong |
| 「A」股 'A' share | 1 | 100 | – | | |
| 「B」股 'B' share | 1 | 49.1 | – | | |
| 怡冠企業有限公司 Easegood Enterprises Limited | 2 | 49.1 | – | 控股投資 Investment holding | 香港 Hong Kong |
| 恒穎投資有限公司 Ever Brilliant Investment Limited | 2 | 100 | 100 | 控股投資 Investment holding | 香港 Hong Kong |
| Folabs Limited* | 2 | 100 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| Fu Yik Company Limited* | 3 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| 璧玉有限公司* Gala Ruby Limited* | 2 | 49.1 | – | 控股投資 Investment holding | 香港 Hong Kong |
| 恒景置業有限公司* Glory View Properties Limited* | 2 | 100 | 100 | 物業租賃 Property leasing | 香港 Hong Kong |
| Gowily Limited | 2 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| Grand Centre Limited | 4 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| Grand Hotel Group Limited | 10,200 | 49.1 | – | 服務式住宅經營及管理 Apartment operating & management | 香港 Hong Kong |

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35 主要附屬公司 (續)

35 PRINCIPAL SUBSIDIARIES (Continued)

| 公司 Company | 已發行股本 (港元) Issued Share Capital (HK\$) | 集團所持 權益百分比 % Held by The Group | 公司所持 權益百分比 % Held by The Company | 業務 Activity | 註冊成立 及營業地點 Place of Incorporation and Operations |
|--|--|---|---|------------------------------|--|
| 格蘭酒店集團有限公司 Grand Hotel Holdings Limited | | | | 控股投資 Investment holding | 香港 Hong Kong |
| 「A」股 'A' shares | 62,163,123 | 49.1 | — | | |
| 「B」股 'B' shares | 6,000,000 | 49.1 | — | | |
| 恒宜發展有限公司 Great Cheer Development Limited | 2 | 100 | 100 | 物業發展 Property development | 香港 Hong Kong |
| Hang Chui Company Limited | 2 | 49.1 | — | 物業租賃 Property leasing | 香港 Hong Kong |
| Hang Far Company Limited* | 2 | 49.1 | — | 控股投資 Investment holding | 香港 Hong Kong |
| 恒快有限公司 Hang Fine Company Limited | 200 | 49.1 | — | 物業租賃 Property leasing | 香港 Hong Kong |
| Hang Kwok Company Limited* | 10,000 | 49.1 | — | 物業租賃 Property leasing | 香港 Hong Kong |
| Hang Lick Company Limited* | 10,000 | 49.1 | — | 物業租賃 Property leasing | 香港 Hong Kong |
| 恒隆(行政)有限公司 Hang Lung (Administration) Limited | 10,000 | 49.1 | — | 管理服務 Management services | 香港 Hong Kong |
| 恒隆(中國)有限公司 Hang Lung (China) Limited | 2 | 100 | 100 | 控股投資 Investment holding | 香港 Hong Kong |
| 恒隆(大連)有限公司 Hang Lung (Dalian) Limited | 1 | 49.1 | — | 控股投資 Investment holding | 香港 Hong Kong |
| 恒隆企業有限公司* Hang Lung Enterprises Limited* | 2 | 100 | 100 | 控股投資 Investment holding | 香港 Hong Kong |
| 恒隆財務管理有限公司 Hang Lung Financial Services Limited | 2 | 100 | 100 | 財務 Financial services | 香港 Hong Kong |
| 恒隆投資有限公司* Hang Lung Investments Limited* | 2 | 100 | 100 | 控股投資 Investment holding | 香港 Hong Kong |
| 恒隆(江蘇)有限公司 Hang Lung (Jiangsu) Limited | 1 | 49.1 | — | 控股投資 Investment holding | 香港 Hong Kong |

35 主要附屬公司 (續)

35 PRINCIPAL SUBSIDIARIES (Continued)

| 公司 Company | 已發行股本 (港元) Issued Share Capital (HK\$) | 集團所持 權益百分比 % Held by The Group | 公司所持 權益百分比 % Held by The Company | 業務 Activity | 註冊成立 及營業地點 Place of Incorporation and Operations |
|--|--|---|---|------------------------------|--|
| 恒隆(濟南)有限公司 Hang Lung (Jinan) Limited | 1 | 49.1 | – | 控股投資 Investment holding | 香港 Hong Kong |
| 恒隆(遼寧)有限公司 Hang Lung (Liaoning) Limited | 1 | 49.1 | – | 控股投資 Investment holding | 香港 Hong Kong |
| Hang Lung Park-In Limited | 2 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| 恒隆工程策劃有限公司* Hang Lung Project Management Limited* | 10,000 | 49.1 | – | 工程項目管理 Project management | 香港 Hong Kong |
| 恒隆地產有限公司 Hang Lung Properties Limited | 4,471,814,170 | 49.1 | – | 控股投資 Investment holding | 香港 Hong Kong |
| 恒隆物業管理有限公司* Hang Lung Property Management Limited* | 100,000 | 49.1 | – | 物業管理 Property management | 香港 Hong Kong |
| 恒隆地產代理有限公司* Hang Lung Real Estate Agency Limited* | 2 | 49.1 | – | 物業代理 Property agencies | 香港 Hong Kong |
| 恒隆(瀋陽)有限公司 Hang Lung (Shenyang) Limited | 2 | 49.1 | – | 控股投資 Investment holding | 香港 Hong Kong |
| 恒隆(天津)有限公司 Hang Lung (Tianjin) Limited | 2 | 49.1 | – | 控股投資 Investment holding | 香港 Hong Kong |
| 恒隆集團融資有限公司 Hang Lung Treasury Limited | 2 | 100 | 100 | 財務 Financial services | 香港 Hong Kong |
| 恒隆(無錫)有限公司 Hang Lung (Wuxi) Limited | 1 | 49.1 | – | 控股投資 Investment holding | 香港 Hong Kong |
| Hang Wise Company Limited* | 200 | 100 | 100 | 物業租賃 Property leasing | 香港 Hong Kong |
| Hantak Limited | 2 | 100 | 100 | 控股投資 Investment holding | 香港 Hong Kong |
| Hebo Limited | 2 | 100 | 100 | 物業發展 Property development | 香港 Hong Kong |

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35 主要附屬公司 (續)

35 PRINCIPAL SUBSIDIARIES (Continued)

| 公司 Company | 已發行股本 (港元) Issued Share Capital (HK\$) | 集團所持 權益百分比 % Held by The Group | 公司所持 權益百分比 % Held by The Company | 業務 Activity | 註冊成立 及營業地點 Place of Incorporation and Operations |
|--|--|---|---|------------------------------|--|
| HL Enterprises Limited* | 2 | 100 | 100 | 控股投資 Investment holding | 香港 Hong Kong |
| 恒隆按揭(恒豐園)有限公司* HL Mortgage (HTG) Limited* | 2 | 100 | 100 | 財務 Financial services | 香港 Hong Kong |
| 恒隆按揭(名逸居)有限公司* HL Mortgage (NH) Limited* | 2 | 100 | 100 | 財務 Financial services | 香港 Hong Kong |
| 恒隆按揭(景峰豪庭)有限公司* HL Mortgage (NP) Limited* | 2 | 100 | 100 | 財務 Financial services | 香港 Hong Kong |
| 恒隆地產(中國)有限公司 HLP (China) Limited | 2 | 49.1 | — | 控股投資 Investment holding | 香港 Hong Kong |
| HLP Finance Limited | 1美元 US\$1 | 49.1 | — | 財務 Financial services | 英屬維爾京群島 British Virgin Islands |
| 恒隆地產財務管理有限公司 HLP Financial Services Limited | 人民幣1元 RMB1 | 49.1 | — | 財務 Financial services | 香港 Hong Kong |
| HLP Fortune Limited | 1 | 49.1 | — | 物業發展 Property development | 香港 Hong Kong |
| 恒隆地產融資有限公司 HLP Treasury Limited | 2 | 49.1 | — | 財務 Financial services | 香港 Hong Kong |
| HLP Treasury Services Limited* | 2 | 49.1 | — | 控股投資 Investment holding | 香港 Hong Kong |
| Hoi Sang Limited* | 2 | 49.1 | — | 控股投資 Investment holding | 香港 Hong Kong |
| Kindstock Limited* | 2 | 100 | — | 控股投資 Investment holding | 香港 Hong Kong |
| 樂古有限公司* Lockoo Limited* | 1,000,002 | 49.1 | — | 物業發展 Property development | 香港 Hong Kong |
| 運生投資有限公司 Luckyson Investments Limited | 10,000 | 100 | — | 控股投資 Investment holding | 香港 Hong Kong |
| 隆新按揭(帝欣苑)有限公司* Lungsun Mortgage (PV) Limited* | 20 | 89.7 | — | 財務 Financial services | 香港 Hong Kong |

35 主要附屬公司 (續)

35 PRINCIPAL SUBSIDIARIES (Continued)

| 公司 Company | 已發行股本 (港元) Issued Share Capital (HK\$) | 集團所持 權益百分比 % Held by The Group | 公司所持 權益百分比 % Held by The Company | 業務 Activity | 註冊成立 及營業地點 Place of Incorporation and Operations |
|--|--|---|---|------------------------------|--|
| Magic Modern International Limited* | 1 | 49.1 | – | 廣告 Advertising | 香港 Hong Kong |
| Mansita Limited* | 2 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| Modalton Limited | 2 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| Monafat Limited* | 2 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| 力奧有限公司 Nikco Limited | 2 | 100 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| 海麗投資有限公司* Ocean Time Investments Limited* | 10,000 | 100 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| Ottringham Limited* | 20 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| Palex Limited* | 2 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| Paradot Limited* | 2 | 100 | 100 | 物業發展 Property development | 香港 Hong Kong |
| Pocaliton Limited | 2 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| Promax Limited | 2 | 89.7 | – | 物業發展 Property development | 香港 Hong Kong |
| 恒旺有限公司 Prosperland Housing Limited | 1,560,000 | 100 | 100 | 控股投資 Investment holding | 香港 Hong Kong |
| Purotat Limited* | 2 | 100 | 100 | 控股投資 Investment holding | 香港 Hong Kong |
| Rago Star Limited | 2 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| Rioly Limited | 2 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |

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35 主要附屬公司 (續)

35 PRINCIPAL SUBSIDIARIES (Continued)

| 公司 Company | 已發行股本 (港元) Issued Share Capital (HK\$) | 集團所持 權益百分比 % Held by The Group | 公司所持 權益百分比 % Held by The Company | 業務 Activity | 註冊成立 及營業地點 Place of Incorporation and Operations |
|---|--|---|---|---|--|
| Ronhero Limited* | 2 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| Scotat Limited | 2 | 89.7 | – | 控股投資 Investment holding | 香港 Hong Kong |
| 敦汶置業有限公司 Stanman Properties Limited | 20 | 100 | 100 | 物業發展及租賃 Property development & leasing | 香港 Hong Kong |
| Stooket Limited | 2 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| Style Giant Limited | 2 | 89.7 | – | 物業發展 Property development | 香港 Hong Kong |
| 恒豪發展有限公司* Success Cosmos Development Limited* | 2 | 100 | 100 | 物業發展 Property development | 香港 Hong Kong |
| Tegraton Limited | 2 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| Topnic Limited | 2 | 100 | 100 | 物業租賃 Property leasing | 香港 Hong Kong |
| Velan Limited* | 2 | 100 | 100 | 物業發展 Property development | 香港 Hong Kong |
| 偉聯置業有限公司* Wai Luen Investment Company, Limited* | 100,000 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| Williloy Limited* | 2 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| Yangli Limited* | 2 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| 愉快置業有限公司* Yee Fly Investment Limited* | 1,000 | 100 | 100 | 控股投資及證券買賣 Investment holding & securities trading | 香港 Hong Kong |
| Zarat Limited* | 2 | 49.1 | – | 物業租賃 Property leasing | 香港 Hong Kong |

35 主要附屬公司 (續)

35 PRINCIPAL SUBSIDIARIES (Continued)

| 中國內地外商獨資企業 Wholly Foreign Owned Enterprises in mainland China | 註冊資本 Registered Capital | 集團所持 權益百分比 % Held by The Group | 公司所持 權益百分比 % Held by The Company | 業務 Activity | 註冊成立 及營業地點 Place of Incorporation and Operations |
|---|---------------------------------------|---|---|--|--|
| 大連恒隆地產有限公司 Dalian Hang Lung Properties Ltd. | 人民幣2,031,877,355元 RMB2,031,877,355 | 49.1 | – | 物業發展 Property development | 中國內地 Mainland China |
| 遼寧恒隆地產有限公司 Liaoning Hang Lung Properties Ltd. | 401,500,000美元 US\$401,500,000 | 49.1 | – | 物業發展 Property development | 中國內地 Mainland China |
| 山東恒隆地產有限公司 Shandong Hang Lung Properties Ltd. | 340,000,000美元 US\$340,000,000 | 49.1 | – | 物業發展 Property development | 中國內地 Mainland China |
| 瀋陽恒隆地產有限公司 Shenyang Hang Lung Properties Ltd. | 349,990,000美元 US\$349,990,000 | 49.1 | – | 物業發展及租賃 Property development & leasing | 中國內地 Mainland China |
| 天津恒隆地產有限公司 Tianjin Hang Lung Properties Ltd. | 1,650,000,000港元 HK\$1,650,000,000 | 49.1 | – | 物業發展 Property development | 中國內地 Mainland China |
| 無錫恒隆地產有限公司 Wuxi Hang Lung Properties Ltd. | 2,282,350,000港元 HK\$2,282,350,000 | 49.1 | – | 物業發展 Property development | 中國內地 Mainland China |
| 無錫恒穎地產有限公司 Wuxi Hang Ying Properties Ltd. | 509,000,000港元 HK\$509,000,000 | 49.1 | – | 物業發展 Property development | 中國內地 Mainland China |

| 中國內地中外合資企業 Equity Joint Venture in mainland China | 註冊資本 (美元) Registered Capital (US\$) | 集團所持 權益百分比 % Held by The Group | 公司所持 權益百分比 % Held by The Company | 業務 Activity | 註冊成立 及營業地點 Place of Incorporation and Operations |
|---|--|---|---|--|--|
| 上海恒邦房地產開發有限公司 Shanghai Hang Bond Property Development Co., Ltd. | 167,004,736 | 48.9 | – | 物業發展及租賃 Property development & leasing | 中國內地 Mainland China |
| 上海恒城房地產有限公司 Shanghai Heng Cheng Real Estate Development Co., Ltd. | 17,766,000 | 70 | – | 物業發展 Property development | 中國內地 Mainland China |
| 上海港匯房地產開發有限公司 Shanghai Kong Hui Property Development Co., Ltd. | 165,000,000 | 51.6 | – | 物業發展及租賃 Property development & leasing | 中國內地 Mainland China |

* 非經畢馬威會計師事務所審核

* Not audited by KPMG

上表列出董事局認為對本集團之溢利及資產有重大影響之主要附屬公司。

The above list gives the principal subsidiaries of the Group which in the opinion of the directors, principally affect the profit and assets of the Group.

財務報表附註
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36 主要合營公司

於二零一一年六月三十日

36 PRINCIPAL JOINTLY CONTROLLED ENTITIES

At 30 June 2011

| 公司 Company | 已發行股本 (港元) Issued Share Capital (HK\$) | 集團所持 權益百分比 % Held by The Group | 公司所持 權益百分比 % Held by The Company | 業務 Activity | 註冊成立 及營業地點 Place of Incorporation and Operations |
|--|---|---|---|--|--|
| 日威發展有限公司 Daily Win Development Limited | 400 | 25 | – | 物業租賃 Property leasing | 香港 Hong Kong |
| 恒興按揭(大興)有限公司 Hang Hing Mortgage (TH) Limited | 2 | 50 | – | 財務 Financial services | 香港 Hong Kong |
| 恒隆白洋舍乾洗有限公司 Hang Lung-Hakuyosha Dry Cleaning Limited | 519,000 | 50 | – | 乾洗及洗衣服務 Dry and laundry cleaning | 香港 Hong Kong |
| Newfoundworld Finance Limited | 100,000 | 20 | – | 財務 Financial services | 香港 Hong Kong |
| Newfoundworld Holdings Limited | 2,000,000 | 20 | – | 控股投資 Investment holding | 香港 Hong Kong |
| Newfoundworld Investment Holdings Limited | 8 | 20 | – | 控股投資 Investment holding | 英屬維爾京群島 British Virgin Islands |
| Newfoundworld Limited | 2,000,000 | 20 | – | 物業發展 Property development | 香港 Hong Kong |
| Pure Jade Limited | 1,000 | 20 | – | 物業發展 Property development | 香港 Hong Kong |
| 星際發展有限公司 Star Play Development Limited | 3 | 16 | – | 物業租賃 Property leasing | 香港 Hong Kong |

上列公司並非經畢馬威會計師事務所審核。

The above companies are not audited by KPMG.

上表列出董事局認為對本集團之溢利及資產有重大影響之主要合營公司。

The above list gives the principal jointly controlled entities of the Group which in the opinion of the directors, principally affect the profit and assets of the Group.

十年財務概覽

TEN-YEAR FINANCIAL SUMMARY

| 以港幣百萬元計算 | in HK\$ million | 2011 | 2010 重列 (restated) | 2009 重列 (restated) | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 |
|------------------------|--|----------------|--------------------------|--------------------------|--------|--------|--------|--------|--------|--------|--------|
| 總資產 (附註1) | Total assets (Note 1) | 155,367 | 126,512 | 98,676 | 93,489 | 76,222 | 66,508 | 58,704 | 52,004 | 46,416 | 48,921 |
| 投資物業 | Investment properties | 94,003 | 88,633 | 69,958 | 66,136 | 52,539 | 43,753 | 39,370 | 32,227 | 28,658 | 28,461 |
| 待售物業 | Properties for sale | | | | | | | | | | |
| – 已建成 | – Completed | 5,089 | 5,086 | 6,954 | 6,805 | 9,706 | 10,215 | 10,757 | 7,078 | 542 | 284 |
| – 發展中 | – Under development | 905 | 800 | 760 | 43 | 41 | – | – | 5,018 | 10,914 | 9,688 |
| 現金及銀行存款 | Cash and deposits with banks | 28,274 | 11,852 | 9,632 | 10,738 | 7,092 | 6,189 | 3,734 | 1,959 | 1,684 | 3,673 |
| 總負債 (附註1) | Total liabilities (Note 1) | 35,170 | 24,167 | 19,907 | 21,432 | 17,733 | 20,182 | 14,738 | 17,538 | 17,185 | 16,540 |
| 銀行貸款 | Bank loans | 20,901 | 10,790 | 9,966 | 9,040 | 8,482 | 11,787 | 6,397 | 11,319 | 9,759 | 9,473 |
| 浮息票據 | Floating rate notes | – | – | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 | 540 | 540 | 540 |
| 可換股債券 | Convertible bonds | – | – | – | – | – | – | – | – | 3,414 | 3,390 |
| 股東權益 (附註1) | Shareholders' equity (Note 1) | 58,972 | 52,973 | 40,640 | 36,782 | 29,095 | 25,013 | 22,839 | 18,829 | 16,888 | 18,160 |
| 資產淨值 (包括非控股權益) (附註1) | Net assets (including non-controlling interests) (Note 1) | 120,197 | 102,345 | 78,769 | 72,056 | 58,490 | 46,326 | 43,966 | 34,467 | 29,231 | 32,381 |
| 營業額 | Turnover | 5,714 | 12,580 | 4,696 | 10,553 | 4,778 | 4,200 | 7,472 | 5,449 | 3,421 | 3,254 |
| 股東應佔純利 (附註1) | Net profit attributable to shareholders (Note 1) | 3,529 | 13,139 | 2,559 | 7,516 | 4,786 | 2,833 | 4,644 | 2,544 | 387 | 692 |
| 基本純利 (附註2) | Underlying net profit (Note 2) | 1,733 | 3,695 | 1,454 | 2,555 | 1,996 | 950 | 1,869 | 987 | 387 | 692 |
| 股息 | Dividends | 1,025 | 1,017 | 941 | 941 | 813 | 739 | 725 | 637 | 584 | 582 |
| 每股資料 | Per share data | | | | | | | | | | |
| 盈利 (附註1) | Earnings (Note 1) | | | | | | | | | | |
| – 基本 | – Basic | \$2.62 | \$9.83 | \$1.92 | \$5.64 | \$3.59 | \$2.13 | \$3.50 | \$1.92 | \$0.29 | \$0.52 |
| – 攤薄 | – Diluted | \$2.60 | \$9.71 | \$1.90 | \$5.56 | \$3.56 | \$2.11 | \$3.48 | \$1.91 | \$0.29 | \$0.52 |
| 基本盈利 (附註2) | Underlying earnings (Note 2) | | | | | | | | | | |
| – 基本 | – Basic | \$1.29 | \$2.76 | \$1.09 | \$1.92 | \$1.50 | \$0.71 | \$1.41 | \$0.74 | \$0.29 | \$0.52 |
| – 攤薄 | – Diluted | \$1.28 | \$2.73 | \$1.08 | \$1.89 | \$1.48 | \$0.71 | \$1.40 | \$0.74 | \$0.29 | \$0.52 |
| 股息 | Dividends | | | | | | | | | | |
| – 中期 | – Interim | 19¢ | 19¢ | 16.5¢ | 16.5¢ | 14.5¢ | 14.5¢ | 14.5¢ | 12¢ | 12¢ | 12¢ |
| – 末期 | – Final | 57¢ | 57¢ | 54¢ | 54¢ | 46.5¢ | 41¢ | 40¢ | 36¢ | 32¢ | 32¢ |
| – 全年 | – Total for the year | 76¢ | 76¢ | 70.5¢ | 70.5¢ | 61¢ | 55.5¢ | 54.5¢ | 48¢ | 44¢ | 44¢ |
| 股東權益 (附註1及4) | Shareholders' equity (Notes 1 & 4) | \$43.7 | \$39.6 | \$30.5 | \$27.6 | \$21.8 | \$18.8 | \$17.2 | \$14.2 | \$12.7 | \$13.7 |
| 資產淨值 (包括非控股權益) (附註1及4) | Net assets (including non-controlling interests) (Notes 1 & 4) | \$89.2 | \$76.4 | \$59.0 | \$54.0 | \$43.9 | \$34.8 | \$33.1 | \$26.0 | \$22.1 | \$24.5 |
| 負債率 (附註3) | Gearing ratio (Note 3) | 0% | 0% | 3% | 0.4% | 6% | 14% | 10% | 24% | 31% | 25% |
| 派息比率 (附註1) | Pay-out ratio (Note 1) | 29% | 8% | 37% | 13% | 17% | 26% | 16% | 25% | 151% | 84% |
| 基本派息比率 (附註2) | Underlying pay-out ratio (Note 2) | 59% | 28% | 65% | 37% | 41% | 78% | 39% | 65% | 151% | 84% |
| 已發行股數 (百萬股) | Number of shares issued (in million) | 1,348 | 1,339 | 1,334 | 1,334 | 1,334 | 1,332 | 1,328 | 1,328 | 1,325 | 1,324 |

附註：

- 由於本年度開始提早採用HKAS 12 (修訂本)「稅項」之政策，二零一零年及二零零九年之有關數字已作出調整。二零零八年及以前之年度並未重列。
- 為加強對本集團營運業績的理解，上述之基本純利、每股盈利及派息比率均已撇除投資物業及發展中投資物業之公平值變動及其有關遞延稅項及非控股權益的影響。
- 負債率為淨債項與股權加淨債項之比較。淨債項指銀行貸款、可換股債券、浮息票據及融資租約承擔，扣除現金及銀行存款。股權則包括股東權益及非控股權益。
- 根據於結算日之股東權益／資產淨值除已發行股數。

Notes:

- Figures for 2010 and 2009 have been restated due to the early adoption of the amendments to HKAS 12, Income taxes starting from the current year. For year 2008 and before, no restatements are made.
- To facilitate better understanding of the Group's operational results, the underlying net profit, earnings per share and pay-out ratio are presented by excluding the effect of changes in fair value of investment properties and investment properties under development and their related deferred tax and non-controlling interests.
- Gearing ratio represents net debt over equity plus net debt. Net debt represents bank loans, convertible bonds, floating rate notes and finance lease obligations, less cash and deposits with banks. Equity comprises shareholders' equity and non-controlling interests.
- Based on shareholders' equity/net assets divided by number of shares issued on the reporting date.

公司資料

CORPORATE INFORMATION

董事

陳啟宗 (董事長)
殷尚賢 (副董事長)*
陳南祿 (董事總經理)
陳樂宗#
鄭漢鈞 金紫荊星章、OBE、太平紳士*
陳樂怡*
葉錫安 CBE、太平紳士*
高伯道
何孝昌

非執行董事
* 獨立非執行董事

Directors

Ronnie C. Chan (Chairman)
S.S. Yin (Vice Chairman)*
Philip N.L. Chen (Managing Director)
Gerald L. Chan #
H.K. Cheng, GBS, OBE, JP*
Laura L.Y. Chen*
Simon S.O. Ip, CBE, JP*
William P.Y. Ko
H.C. Ho

Non-Executive Director
* Independent Non-Executive Director

審核委員會

葉錫安 CBE、太平紳士 (主席)
鄭漢鈞 金紫荊星章、OBE、太平紳士
陳樂怡

Audit Committee

Simon S.O. Ip, CBE, JP (Chairman)
H.K. Cheng, GBS, OBE, JP
Laura L.Y. Chen

提名及薪酬委員會

鄭漢鈞 金紫荊星章、OBE、太平紳士 (主席)
陳樂怡
葉錫安 CBE、太平紳士

Nomination and Remuneration Committee

H.K. Cheng, GBS, OBE, JP (Chairman)
Laura L.Y. Chen
Simon S.O. Ip, CBE, JP

授權代表

陳南祿
蔡碧林

Authorized Representatives

Philip N.L. Chen
Bella P.L. Chhoa

公司秘書

蔡碧林

Company Secretary

Bella P.L. Chhoa

註冊辦事處

香港中環德輔道中四號
渣打銀行大廈二十八樓
電話：2879 0111
傳真：2868 6086

Registered Office

28th Floor, Standard Chartered Bank Building
4 Des Voeux Road Central, Hong Kong
Tel: 2879 0111
Fax: 2868 6086

互聯網網址

網址：<http://www.hanglunggroup.com>
電郵地址：HLGroup@hanglung.com

Internet Address

Website: <http://www.hanglunggroup.com>
Email address: HLGroup@hanglung.com

核數師

畢馬威會計師事務所
執業會計師

Auditors

KPMG
Certified Public Accountants

上市資料

LISTING INFORMATION

於二零一一年六月三十日 At June 30, 2011

| | |
|--|--|
| 1,348,318,242股每股面值港幣1.00元 之股份在香港聯合交易所有限公司上市 | 1,348,318,242 shares of HK\$1.00 each listed on The Stock Exchange of Hong Kong Limited |
| 股份代號 | Stock Code |
| 香港聯合交易所 | Hong Kong Stock Exchange 00010 |
| 路透社 | Reuters 0010.HK |
| 彭博 | Bloomberg 10HK |
| 每手買賣單位 (股份) | Board Lot Size (Share) 1,000 |
| 美國預託證券 | American Depositary Receipt |
| 第一級保薦 (櫃台交易) | Sponsored Level-1 (Over the Counter) |
| 證券識別統一號碼 / 票據代號 | CUSIP Number / Ticker Symbol 41043E102/HNLGY |
| 預託證券對股份之比率 | ADR: Underlying Share Ratio 1:5 |
| 存託銀行: 紐約梅隆銀行 | Depository Bank: The Bank of New York Mellon |
| 網址: | Website: http://www.adrbnymellon.com |
| 股票過戶及登記處 | Share Registrars |
| 香港中央證券登記有限公司 | Computershare Hong Kong Investor Services Limited |
| 香港皇后大道東一百八十三號 | 17th Floor, Hopewell Centre |
| 合和中心十七樓 | 183 Queen's Road East, Hong Kong |
| 電話: | Tel: 2862 8628 |
| 傳真: | Fax: 2529 6087 |
| 投資者關係聯絡 | Investor Relations Contact |
| 關則輝 | C.F. Kwan |
| 電郵地址: | Email address: ir@hanglung.com |

股份資料 SHARE INFORMATION

| | 股價 Price | | | 總成交額 Total Trading Volume | 股價 Price | | | 總成交額 Total Trading Volume |
|---|----------------------------------|------------|-----------------------------------|---|----------------------------------|-----------|-----------------------------------|---------------------------------|
| | 最高 High | 最低 Low | 股份數目 (千股) No. of Shares ('000) | | 最高 High | 最低 Low | 股份數目 (千股) No. of Shares ('000) | |
| | 港幣 HK\$ | 港幣 HK\$ | | 港幣 HK\$ | 港幣 HK\$ | | | |
| 2010 | | | | | | | | |
| 第三季 Third quarter | 51.75 | 40.90 | 59,120 | 41.50 | 31.85 | 62,497 | | |
| 第四季 Fourth quarter | 54.50 | 46.75 | 52,068 | 42.20 | 36.50 | 78,061 | | |
| 2011 | | | | | | | | |
| 第一季 First quarter | 54.95 | 44.00 | 47,270 | 42.95 | 32.85 | 74,368 | | |
| 第二季 Second quarter | 54.70 | 46.40 | 54,591 | 43.60 | 35.20 | 54,568 | | |
| 於二零一一年六月三十日之股價: Share Price as at June 30, 2011: | 港幣 49.30 元 HK\$49.30 | | | 於二零一零年六月三十日之股價: Share Price as at June 30, 2010: | 港幣 42.30 元 HK\$42.30 | | | |
| 於二零一一年六月三十日之市值: Market Capitalization as at June 30, 2011: | 港幣 664.7 億元 HK\$66.47 billion | | | 於二零一零年六月三十日之市值: Market Capitalization as at June 30, 2010: | 港幣 566.5 億元 HK\$56.65 billion | | | |



市府恒隆廣場 • 瀋陽
二零一二年隆重開幕

Forum 66 • Shenyang
Opening in 2012

股份代號
10 HK
Stock Code

