

拓展版圖
Expanding
Horizons





樹葉之美既在於其形 — 中圓頂尖、青綠養目；亦在於其神 — 無限生機、繁茂處處。位於瀋陽的市府恒隆廣場正是在恒隆這棵大樹上最新萌芽的一片綠葉。封面所見的葉脈是瀋陽市的地圖，印證了本年報的命題 — 「拓展版圖」，也同時呼應著我們「開創前景」的願景。

Leaves are beautiful not only because of their unique shapes and refreshing colors, but also because of their unlimited energy and growth. Our new shopping center, Forum 66 in Shenyang, forms the newest leaf in our Hang Lung tree of development as we continue to grow our “expanding horizons” and ever “soaring perspectives”. On the cover of this annual report, Forum 66 is shown at the heart of the city center, surrounded by the streets of Shenyang.



Forum 66
Shenyang
市府恒隆廣場 · 瀋陽









二零一二年第四季，集團的另一世界級建築 — 市府恒隆廣場將落戶瀋陽，延續恒隆在內地的拓展步伐，亦標誌著集團邁向成為全國性企業的嶄新里程。

坐落於被譽為「金廊」的瀋陽青年大街，市府恒隆廣場是集團最大型的發展中項目。率先落成啟用的購物商場將定位為高端時尚購物中心，網羅多個世界領先的奢侈品牌。憑著卓爾不群的建築設計、優秀的租戶組合及高質素的服務，市府恒隆廣場勢將成為市內的矚目的地標，為追求時尚生活品味的顧客締造前所未有的全新體驗。

In the fourth quarter of 2012, Forum 66, another world-class project of the Group, is set to open in Shenyang. The opening of Forum 66 not only extends our footprint on the Mainland, it also marks a major milestone in our transition into a leading national corporation.

Situated at Qingnian Da Jie, Shenyang's "Golden Corridor", Forum 66 is the Group's largest project under development. The first phase of the mega complex to be completed will consist of a high-end shopping center housing an impressive array of world-leading luxury brands. Boasting the ultimate in architectural design, excellent tenant mix and top-level services, this iconic landmark will create a brand new shopping experience for customers seeking quality lifestyle.





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公司簡介

Corporate Profile

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逾五十年經驗。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，涵蓋大型商場、辦公樓與住宅物業，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、辦公樓和住宅於一身的港匯恒隆廣場，以及結合商場和辦公樓功能的恒隆廣場，並分別在瀋陽與濟南擁有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、大連和昆明等主要城市，發展同類的物業項目。

我們不僅繼續拓展內地的版圖，亦會投資於香港市場的物業組合，矢志發展成為一家最出類拔萃、極具規模的全國性企業。

Hang Lung Group Limited

(stock code: 10) is one of the most established listed companies in Hong Kong with more than 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 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 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, Dalian and Kunming.

We will continue not only to expand our horizons on the Mainland, but also to invest in our portfolio in Hong Kong, as we aim to become a mega national enterprise of the highest quality in the market.

財務摘要

Financial Highlights

業績

Results

截至十二月三十一日止六個月 For the six-month period ended December 31

以港幣百萬元計算	in HK\$ million	2011	2010
營業額	Turnover		
物業租賃	Property leasing		
香港	Hong Kong	1,564	1,458
中國內地	Mainland China	1,604	1,328
物業銷售	Property sales	193	3
營業額總計	Total turnover	3,361	2,789
股東應佔純利	Net profit attributable to shareholders	1,578	1,901
股息	Dividends	512	256
每股資料	Per share data		
盈利	Earnings	\$1.17	\$1.41
股息	Dividends		
中期	Interim	–	\$0.19
末期	Final	\$0.38	–
總計	Total	\$0.38	\$0.19
股東權益	Shareholders' equity	\$44.9	\$42.2
資產淨值	Net assets	\$89.9	\$86.6
股東權益	Shareholders' equity	60,510	56,952
派息比率	Payout ratio	32%	13%
負債率 ^{附註 1}	Gearing ratio ^{Note 1}	1%	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}	1,000	790
每股盈利 ^{附註 3}	Earnings per share ^{Note 3}	\$0.74	\$0.59
派息比率 ^{附註 3}	Payout ratio ^{Note 3}	51%	32%

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損益中入賬。
- 有關計算乃根據股東應佔基本純利計算。

Notes:

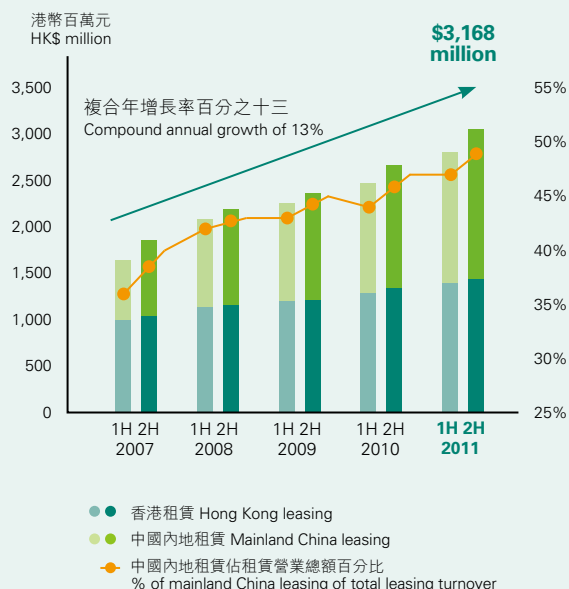
- Gearing ratio represents net debt over equity plus net debt. Net debt represents bank loans and finance lease obligations, less cash and deposits with banks. Equity comprises shareholders' equity and non-controlling interests.
- To facilitate better understanding of the Group's operational results, the underlying net profit attributable to shareholders are 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 profit or loss.
- The relevant calculations are based on the underlying net profit attributable to shareholders.

核心業務的收入和溢利持續增長

Sustainable Income and Profit Growth in Core Business

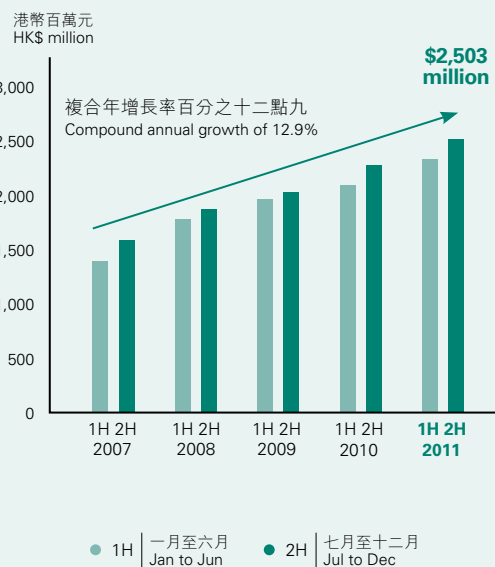
租賃營業額 Rental Turnover

截至十二月三十一日止年度
For the years ended December 31



租賃溢利 Rental Profit

截至十二月三十一日止年度
For the years ended December 31

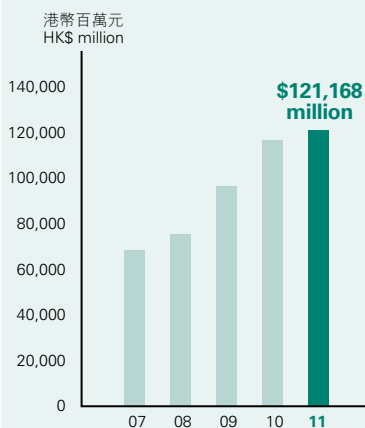


財務實力雄厚以掌握商機

Strong Financial Capability to Capture Business Opportunities

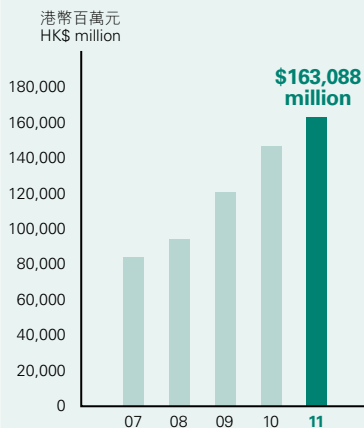
總權益 Total Equity

於十二月三十一日
As at December 31



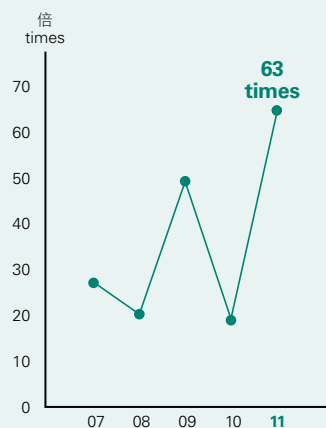
資產總值 Total Assets

於十二月三十一日
As at December 31



盈利對利息倍數* Interest Cover*

截至十二月三十一日止年度
For the years ended December 31



* 盈利對利息倍數指未計入投資物業和發展中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。

* Interest cover represents operating profit before changes in fair value of investment properties and investment properties under development 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

與去年同期比較，本期截至二零一一年十二月三十一日止六個月的營業額上升百分之二十一，至港幣三十三億六千一百萬元；股東應佔純利下降百分之十七，至港幣十五億七千八百萬元；每股盈利為港幣一元一角七仙，下跌幅度相同。

倘扣除重估收益影響，股東應佔基本純利增長百分之二十七，至港幣十億元；每股基本盈利上升百分之二十五，至港幣七角四仙。

董事局已議決把本集團的財政年度結算日由六月三十日更改為十二月三十一日。因此，本財政期涵蓋二零一一年七月一日至二零一一年十二月三十一日之六個月。此項更改是為了與於中國內地成立的附屬公司的財政年度結算日一致。內地法律規定財政年度結算日必須為十二月三十一日。

董事局建議派發末期股息每股港幣三角八仙。截至二零一零年十二月三十一日的半年度股息為每股港幣一角九仙，而六個月後於該財政年度完結時則派發股息每股港幣五角七仙，故全年度股息為每股港幣七角六仙，亦即每六個月平均為每股港幣三角八仙，是為本期建議派發的股息金額的基礎，此金額有待股東於即將舉行的股東大會上批准作實。

Results and Dividend

Compared to the last corresponding period, turnover for the six months ended December 31, 2011 increased by 21% to HK\$3,361 million. Net profit attributable to shareholders fell 17% to HK\$1,578 million, and earnings per share was HK\$1.17 representing a drop of the same magnitude.

When excluding the effect of revaluation gains, the underlying net profit attributable to shareholders increased 27% to HK\$1,000 million and the underlying earnings per share advanced 25% to HK\$0.74.

The Board has resolved to change its financial year end from June 30 to December 31. As such, the current financial period covers the six-month period from July 1, 2011 to December 31, 2011. The change is to align with fiscal year end of subsidiaries incorporated in Mainland China. There, by law, fiscal year end must be December 31.

The Board recommends a final dividend of HK\$0.38 per share. For the half year to December 31, 2010 we paid HK\$0.19 per share and six months later, HK\$0.57 per share at then fiscal year end, making a full-year payout of HK\$0.76 per share. That means on average we paid HK\$0.38 per share for each six-month period, hence the present recommendation. This amount is subject to approval at the forthcoming general meeting of shareholders.



業務回顧

香港物業租賃市場保持平穩。受惠於內地旅客增長及其他原因，商舖業務表現理想。由於環球經濟疲弱，辦公樓租金面對一定壓力乃意料中事。歐洲為債台高築而苦戰，美國仍須解決樓市和失業問題，而與環球經濟日益相關的中國亦難以獨善其身。這對作為香港重要產業的金融服務業構成影響，因該行業非常倚重內地公司客戶。很多銀行裁員，租賃活動放緩，辦公樓租金亦隨之而下調。唯一的亮點是旅遊服務業，並讓一些如集團旗下的服務式寓所受惠。

在這情況下，本集團旗下香港投資物業的整體租金收入，仍能錄得百分之七的升幅，商舖增長百分之七、辦公樓百分之四、其他物業百分之十四。在辦公樓市道疲弱的時候，集團去年初仍能以頗佳條款跟總部大樓的現有多層租戶續簽十年新租約，此舉對我們作為業主來說誠屬美事。

如過往所述，上海的商舖租金表現近數月轉弱，其中一個原因也許是樓市疲弱所致。加上股市呆滯，帶來「貧窮效應」（與「財富效應」相反）或「不快因素」，人們因而減低消

Business Review

Hong Kong rental market remained steady. Partly benefitting from increased Mainland visitors, the retail sector performed well. Office rents came under some pressure which was not surprising since the global economy was weak. Europe is fighting a mountain of debt while the U.S. has to work out its real estate problems and unemployment. China's economy, increasingly intertwined with that of the world, cannot remain unaffected. That in turn impacts Hong Kong's all-important financial services industry which relies heavily on Mainland corporates. As many banks are cutting staff, leasing activities slowed and office rent has nowhere to go but down. The only bright spot is in the hospitality industry which also positively affects certain serviced apartments like ours.

With that background, our Hong Kong investment portfolio produced a 7% increase in overall rents -- 7% for retail, 4% for offices and 14% for the rest. Given the weakening office market, it is fortuitous that early last year we renewed the lease to the sitting tenant for a majority of the floors at our headquarters building. It is for ten years and has terms quite favorable to us as the landlord.

As previously reported, Shanghai's retail rents have shown signs of softness in the past several months. One cause may be the weakness in the residential market. That together with the lackluster stock market might have given people a "poverty effect" (as opposed

費意欲。不過本人相信此乃短暫現象，消費增長仍是中國大勢所趨。

集團在上海的兩個購物商場—恒隆廣場和港匯恒隆廣場，租金收入增長分別達百分之十四及百分之十五，以上海這個成熟市場而言堪稱不俗。旗下辦公樓租賃業務沉寂多年後，租金收入出現起色，但增幅尚未顯著。港匯恒隆廣場的住宅單位表現出色，租金收入上升百分之十三。以上三類物業均能保持穩定的租金邊際利潤，而恒隆廣場和港匯恒隆廣場這兩個項目基本上全部租出。

集團的兩個新項目—瀋陽的皇城恒隆廣場和濟南的恒隆廣場，其表現為人關注。前者捎來喜訊，後者業績亮麗。如本人過往所述，皇城恒隆廣場不僅在施工期間面對很多突如其來的問題，以致出現超支，並令初期收益率只有百分之四；即使開業後仍未見起色，情況到現在才好轉。周邊的修路工程已達至尾聲，人流現正差不多回復至修路前的水平，租戶生意額更勝從前。因此，該項目的租金營業額增長百分之十五，租金邊際利潤遞增，溢利升幅達百分之六十二，但此乃比較

to “wealth effect”) or a “feel-bad factor.” With that, people tend to consume less. I trust that it is a transient phenomenon, for the systematic trend in China is still the rise of domestic consumption.

Our two Shanghai malls Plaza 66 and Grand Gateway 66 reported growth in rent at 14% and 15% respectively. For a maturing market, this is not bad. Our offices have finally produced some rent increase after several years of stagnation. The amount however is not yet significant. The residential units in Grand Gateway 66 have fared well and brought in 13% more revenue. Rental margins of all three product types remain steady and both locations are basically fully let.

What is of interest to many is the performance of the two new facilities, Shenyang Palace 66 and Jinan Parc 66. The former has encouraging news and the latter, a glowing report. As I have previously written, not only did Palace 66 encounter many unexpected troubles during construction that blew the budget, resulting in a lower initial yield of 4%, even after inauguration luck still escaped us until perhaps now. The road work surrounding our site has finally been resolved. Footfall is approaching pre-road work levels while sales of our tenants have surpassed the previous mark. As a result, our rental turnover grew 15% and rental margin improved. Profit has jumped 62% but it is from a very low base. Occupancy was 94% with the vacancy due



董事長致股東函
Chairman's Letter to Shareholders



上海的恒隆廣場
Plaza 66



基數甚低所致。因重組租戶組合而略有空置舖位，故租出率為百分之九十四。新租約租金平均增加百分之十，令人欣喜。雖然挑戰重重，但所有數據均顯示復甦在望。

濟南的恒隆廣場情況截然不同——由於未見激烈競爭，項目表現超卓；租金邊際利潤於二零一一年八月開業後四個月已銳增。其面積雖只超出皇城恒隆廣場五成六，但租戶銷售額和項目營業溢利均是其一倍，租出率達百分之一百。

受市況所限，本集團主要附屬公司恒隆地產只出售君臨天下兩個單位，但邊際利潤高達百分之七十八。該頂層複式單位每平方呎售價達港幣五萬元，此乃個別情況，正常情況下項目的邊際利潤約為百分之六十。

過去六個月，香港和內地住宅市場均出現許多轉變，兩者的成交量及價格皆未如理想。諷刺的是，集團雖然只在香港出售單位，但香港住宅市道對集團本地業務的影響，低於內地住房市場對集團內地商用物業租賃業務的影響。

香港房地產業分為一般住宅與豪宅兩大陣營。集團早在一九九五年已決定棄前者取後者；這與我們只在內地興建世界級商用物業項目的理

to tenant remix. It is gratifying that new leases are on average 10% higher. All numbers seem to point to a recovery, although challenges still abound.

Parc 66 is a different story -- in the absence of serious competition, it has done superbly. Rental margin has improved quickly in the four months since the August 2011 opening. Although it is only 56% bigger than Palace 66, tenants' sales as well as our operating profit are doubled. It is 100% occupied.

Due to market conditions, our major subsidiary Hang Lung Properties only sold two units of The HarbourSide. Profit margin however was phenomenal at 78%. This should be considered a one-off situation when a penthouse was sold for HK\$50,000 per square foot. A margin percentage in the 60's is more the norm for this development.

In the past six months, both the Hong Kong and Mainland residential markets have seen much change. Volume and prices have not done well in both markets. Ironically, although only in Hong Kong do we have flats to sell, the housing market here probably affects our local business less than the Mainland residential market affects our commercial property rental there.

Hong Kong's housing industry is altogether bifurcated into mass residential and luxury. Back in 1995, we made a decision not to be in the former; we only do the latter. This is similar in philosophy to our building only

董事長致股東函
Chairman's Letter to Shareholders



瀋陽的皇城恒隆廣場
Palace 66



念相若。集團不願鬥快鬥多，只在邊際利潤和質量方面取勝。

回顧期內六個月，香港一般住宅成交量約為去年同期一半，而價格則持平；此乃經過連續兩年漲價後，於去年夏季後開始出現的境況。同一期間，豪宅市道頗為沉寂；自本集團於二零零九年八月售出可觀數量的單位後，價格便原地踏步，成交量低企。非豪宅單位的價格往往由於市場氣氛轉弱而下跌；但豪宅價格卻甚具韌力，成交縱然萎縮但價格依然堅挺，原因之一是供應緊張，另一原因是許多豪宅項目確實有獨特吸引之處。以君臨天下及浪澄灣為例，尤其前者的海港美景罕有，令人嚮往。換句話說，一般住宅與豪宅的買家心態有別。

內地情況迥異。雖然本集團現時未有內地住宅銷售，但該市場對我們的商用物業租賃業務構成直接影響。正如本人過往所述，當房價飆升時，部分房地產商便進軍商用物業市場，這情況在過去五年最少出現兩次，分別為二零零七年和二零零八年初，以及二零零九年底至二零一一年夏季。此等房地產商每每推高價格，令本集團難以買地。如今房價下跌成交萎縮，內地發展商

world-class commercial properties on the Mainland. We do not want to play the speed and quantity game; we only compete on profit margin and quality.

In the six months under review, transaction volume for Hong Kong mass residential units was about half that of the previous period while prices went sideways. This followed a fairly active period of rising prices that lasted about two years to this past summer. In the same period, the luxury market was rather quiet -- since August 2009 when we last sold a healthy amount of flats, prices have not moved and volume was low. For the less expensive flats, weak sentiment can quickly send prices down, but for their high-end cousins, they are much more resilient -- volume can suddenly shrink but prices tend to hold up. Tighter supply is one cause, and the fact that many luxury projects have their somewhat unique attraction, is another. In the case of The HarbourSide and to a lesser extent The Long Beach, the beautiful harbor view is rare and highly desirable. In other words, the psychology of purchasers in each category varies.

The story on the Mainland is quite different. Although we do not have residential units to sell -- at least not now -- what happens in that market can directly impact our commercial rental business. As I had previously reported, at least twice in the past five years -- in 2007 and early 2008, and again from end 2009 to summer 2011 -- as home prices got very high, some of those developers delved into commercial properties. On each occasion, they bid up prices which adversely affected our ability to buy land. Now that residential prices are down and volume contracted, Mainland developers



無錫的恒隆廣場(一期)
Center 66 (Phase 1)



只能掙扎求存，應該暫時未會染指商用物業市場。這解釋了集團於去年九月為何能一舉購入昆明市中心一幅黃金地塊，皆因內地競爭對手全部銷聲匿跡。

去年八月，恒隆地產於香港金鐘廊的租約及續訂管理合約招標中沒有中標。我們自一九八一年政府首次推出該項熱點物業開始，一直負責有關的物業管理。就財政而言，該物業帶來的收益對本集團微不足道。加上項目已老化，需斥資作出大量維修及翻新；而政府是次定出的合約租期乃歷來最短，並不值得我們冒險和花功夫。

展望

讓我首先論述內地情況。雖然本集團迄今仍未直接參與內地住房市場，但我們無法再次迴避這個問題。要在此時有信心地預測市場走勢談何容易。最佳的猜測是：價格基本持平、成交量將回升；相比過去兩年，內地發展商會較容易獲得銀行貸款，但住房需求方面的規限不會完全撤銷。這個評估建基於一個信念：中央政府於今年換班之際並不希望出亂子。

have to fight for survival and so will leave us alone. This explains why last September we were able to buy an excellent plot of land in the heart of Kunming. We did not have a single competitor from the Mainland.

Last August, Hang Lung Properties lost a bid to continue leasing and running Queensway Plaza in Admiralty, Hong Kong. We have managed this high profile property since the government first made it available in 1981. Financially speaking, it is altogether insignificant to us and we know how old and tired the facility is. Much maintenance and indeed capital expenditure are required to rejuvenate it, yet the latest tenure dictated by the government is shorter than ever. It was just not worth the risk and our effort.

Prospects

Let me first address the situation on the Mainland. Again we cannot avoid its residential market although we do not yet directly participate in it. At this juncture, it is not easy to say with any degree of confidence where it will go. The best guess is that prices will basically move sideways while volume picks up. Bank lending to local developers will be easier to come by than in the past two years but certain restrictions on housing demand will not be withdrawn altogether. This assessment is based on the belief that the Central Government does not want to rock the boat especially in this year of changing administration.



大連的恒隆廣場
Olympia 66



然而，數個因素的影響會在今年浮現，並有可能對住房市場和發展商帶來衝擊。舉例說，自從保障房這項涉及數以百萬個單位的政策落實後，首批單位將於今年稍後落成，雖然數量並非原先所想般大，但亦非小數目。其推出市場的時間可能稍延，但仍是早晚的事。此項政府建屋計劃將導致民營房地產業收縮。

再者，部分城市現正施行房產稅試點方案，倘全國落實推行，對住房價格的影響屬未知之數；但基於大部分人均視置業為基本要求，因此房產稅對交易量的影響不會持久。

基於上述種種原因，最有可能出現的情況是：現時那些負債纍纍的內地發展商仍可苟延殘喘，可望他們大部分都不再染指商用物業市場，令集團在購置地塊方面減少競爭。至於我們最終會否買地當然是取決於價格，而價格則取決於市政府的急切性，中央政府最終有可能協助資金緊絀的市政府紓困。

倘本集團決定增置地塊，多會在二線城市進行；這是我們自二零零零年代中期的專注點。我們相信，這些城市的租金增長率，將高於一線

Nevertheless there are a few factors whose effects may surface this year. They all tend to negatively impact the residential market and so the developers. Take for example subsidized housing. The first batch of millions of homes since this policy initiative was implemented may come on stream later this year. Although the number of units will not be as large as originally thought, neither will it be inconsequential. There may be a delay in their coming to the market but sooner or later they will. Such a government building program will have the effect of shrinking the private sector housing industry.

Also consider the property tax on homes which is undergoing a trial run in certain cities. If it takes hold and is practiced nationwide, the impact on residential prices will have to be seen. Any impact on volume will however be short-lived since to most people, home purchase is a necessity.

The most likely outcome in light of all of the above is that local developers presently in heavy debt will survive the latest downturn, but it will not be easy. If so, then hopefully most if not all of them will stay out of commercial properties thus minimizing competition for us in land acquisitions. Whether we will eventually buy will of course depend on pricing which in turn will depend on how desperate city governments are. There is always the possibility that the Central Government will bail out the cash-strapped municipalities.

And if we were to acquire more land, they will likely be in secondary cities like those we have focused on since the mid 2000's. It is our belief that the rental growth rate there may be greater than that in first-tier cities like



濟南的恒隆廣場
Parc 66



城市如北京或上海。可以肯定，兩者均是無可取代的中國城市；除香港外，兩地的商用物業租金將有可能置身國內最高之列。但基於多個原因，其租金增長率未必最高。

首先，一線城市的零售市場較為飽和；其商舖供應量充裕，租金亦已處於頗高水平。約六至八年前，許多來自鄰近或偏遠城市的人均會前來購物；如今，幾乎所有主要品牌均隨處可見，導致一線城市的部分需求正在流失。

另一方面，本集團現時專注的二線城市雖仍落後於北京和上海，但正急速地迎頭趕上。其本地生產總值及工資增長率均較快，但其零售銷量則從較低基數起步，因而有巨大的增長空間。倘若一九九零年代和二零零零年代是北京和上海的天下，那麼二零一零年代將是二線城市的天下。集團現正興建的項目均位於該等城市，其零售銷量增長將置身最高之列。當然，以絕對值計算，除香港外亦再沒有其他中國城市能與北京和上海看齊。

以濟南為例，山東是中國最富裕的三大省份之一，但作為山東省省會，濟南市於恒隆廣場去年八月開業前並沒有像樣的購物商場。我們的質量與其他人相比，高下立見。

Beijing or Shanghai. To be sure, there are no Chinese cities like those two. Apart from Hong Kong, they will likely have the highest commercial rents in the country. But for several reasons, their rate of increase may no longer be the highest as they once were.

First, first-tier metropolises have more mature retail markets. Supply of shops is plentiful and rents are already quite high. Six or eight years ago, many people from nearby or not-so-nearby towns converged on them to shop. Now almost all major brands are ubiquitous thus partially diverting demand from those cities.

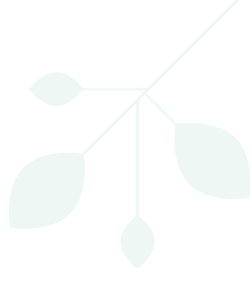
On the other hand, the secondary cities on which we now focus and which are economically behind Beijing and Shanghai are quickly catching up. Their GDP as well as salary increases are faster. With retail starting at a lower base, there is much room for advancement. If the 1990's and 2000's belonged to Beijing and Shanghai, then the 2010's belong to the secondary cities. All the places in which we are building fall within that category. Their rates of growth in retail sales will be among the highest, although in absolute terms, no Chinese city, again excepting Hong Kong, will likely match Beijing and Shanghai.

Take for example Jinan. Although it is the capital of Shandong, one of the three richest provinces in the country, there were no shopping centers to speak of until Parc 66 opened last August. The differential in quality between our facility and others is huge. In fact, in most

董事長致股東函
Chairman's Letter to Shareholders



上海的港匯恒隆廣場
Grand Gateway 66



而事實上，在我們現正興建項目的城市當中，其絕大部分的購物商場在規模或質量上均無法與我們相比。這個情況對於我們的業務發展甚為有利。我們固然重視北京和上海，但倘若數年前我們沒有進軍該等優秀的二線城市，今天的增長便很有限。此外，這些城市在中國為數頗多，足夠讓多個與恒隆規模相若的發展商分一杯羹。這意味著內地有無限商機。

香港的情況截然不同。雖然我們在內地和香港均採取同一投資理念，但兩地的市場環境不同，運作模式迥異。

要成功買地，我們需要兩大先決條件配合。首個條件是絕大部分潛在競爭對手（倘為全部更佳）皆欠缺資金，又無法或不敢借貸。由於大部分內地發展商均財政緊絀，這個條件實際上較易達到。出現此條件的最近兩次例子為二零零八年第四季至二零零九年第二季，以及二零一一年下半年至今。

同一條件應用於香港，能達到的可能性遠遠較低。最後一次為一九九八年至二零零零年亞洲金融風暴爆發後，亦是我們最後一次在香港購置地塊。

if not all of the cities where we are constructing, there are simply no existing malls of our size or quality. This condition is very favorable to our business. Inasmuch as we like Beijing and Shanghai, if we had not entered these excellent secondary cities years ago, our growth today may be limited. Moreover, the number of such metropolises in China is large -- certainly large enough for many players the size of Hang Lung. That means opportunities on the Mainland are practically limitless.

Hong Kong is quite a different story. Although we apply the same investment philosophy in both places, local conditions can make operational dynamics very different.

There are two conditions which must be met before we can successfully acquire land. The first is that substantially all -- of course it is best if all -- of our potential competitors are out of money and cannot or dare not borrow. Because most Mainland players are heavily leveraged, this condition can be met easier than it appears. The last two incidents were from the fourth quarter of 2008 to the second quarter of 2009, and again from the second half of 2011 until now.

The likelihood of the same condition being fulfilled in Hong Kong is much slimmer. The last time was 1998 to 2000 in the wake of the Asian Financial Crisis and so that was the last time that we bought land in our home city.

第二個條件是土地賣方必須求財若渴。在二零零八年底至二零零九年第二季期間，內地多個市政府便是處於這個境況。除賣地外，他們另一個主要的資金來源是中央政府，而今趟中央政府亦有可能向他們施以援手。

在本港，香港政府乃最大地主，但基於政治原因，決不可予人有廉價賣地之嫌，故經常把申請售賣土地表內土地的底價無理抬高，以至發展商許多年來均無法成功申請土地。只有在特殊情況如亞洲金融風暴爆發後，本集團方有機會買地。當時為一九九九年至二零零零年，亦是競爭對手欠缺資金之時，故兩大先決條件俱備。經此一役，本地發展商經歷過瀕臨破產的經驗後，應已汲取教訓。因此，於二零零八年和二零零九年的另一輪金融危機時，大部分發展商均財政穩健。由於缺乏首個條件配合，本集團在這些年來未能成功在香港買地。

鑑於內地市場往往較大，可提供更多買地機會，加上其經濟增長遠遠較快，本人實在不能理解為何未有更多香港發展商專注發展內地市場。除了開拓新項目外，把低收益及成熟的香港投資物業出售，並

The second condition is that the land sellers must be on their knees. Chinese municipalities were in that posture from 2008 year end to the second quarter of 2009. Besides selling land, their other major source of funding is the Central Government. There is a possibility that this time the Central Government will somehow extend a life-saver to them.

In Hong Kong, the government is the biggest landlord. For political reasons it dares not to appear to sell land cheaply. This is why it has always kept the reserved price for land application unreasonably high. So much so that for years no developer was successful in applying for land. Only in exceptional circumstances such as right after the Asian Financial Crisis did we have a chance to buy. It happened in 1999 to 2000. That was also the time when all our competitors were out of money, thus fulfilling also the first condition. Through that episode which to many local developers was a near-bankruptcy experience, they must have somehow learned. So in the next big crisis of 2008 and 2009, most of them were financially sound. In the absence of the first condition, we were unable to acquire land in those years in Hong Kong.

Since the possibility of purchasing land on the much bigger Mainland market is greater, and given much faster economic growth, I do not understand why not more Hong Kong developers would focus their efforts there. Besides greenfield projects, it even makes eminent sense to sell low-yielding and mature Hong





把所得資金投放在高收益及擴展中的內地市場，更是合情合理的審慎之舉。

不論在內地增購土地的機會如何，我們手頭上的項目足以令我們忙得不可開交。未來數年，我們致力確保現有項目能順利完成。在這方面，我們慶幸陳南祿先生於十八個月前加盟，出任董事總經理一職。他來自營運密集的航空界，現已成功建立並強化本集團各項管理系統，有助我們面對未來挑戰。

未來一年，我們預期租金收入升幅將與過去六個月相若，並將繼續成為集團的主要收益來源。預計瀋陽的皇城恒隆廣場及濟南的恒隆廣場的收入增幅將持續向上，故集團營業額可望有較大增長。瀋陽的市府恒隆廣場預計於九月下旬開幕，以抓緊冬天消費旺季；其首幢辦公樓低層區於明年落成，其餘層數亦可望於後年啟用；另外，無錫的恒隆廣場購物商場亦預計於二零一三年開業。集團的未來確實令人振奮！

董事長

陳啟宗

香港，二零一二年一月十九日

Kong investment properties and redeploy resources to higher yielding and dynamically expanding markets on the Mainland. It seems a prudent thing to do.

Irrespective of the opportunity to buy more land on the Mainland, we will already have our hands full. In the coming years, our effort will to a good extent be focused on the satisfactory build-out of the existing projects. The coming on board of Mr Philip Chen eighteen months ago as Managing Director is fortuitous in this regard. Coming from the airline industry which is operationally intensive, he has already built up or has strengthened many of our management systems. All that will help us meet the challenges ahead.

For the coming year, we expect the increase in rents to be similar to that of the past six months. This will again be the mainstay of our profit. A higher percentage of top line growth can be expected as Palace 66 and Parc 66 continue to contribute more and more. The next project to open will be the shopping center at Shenyang Forum 66. It is scheduled for late September, for we want to catch the winter fashion season. The low zone of the first office tower will be ready next year, with the rest of the floors open the year after. In 2013, we also expect to inaugurate the mall at Wuxi Center 66. Indeed the Company will have many exciting days ahead!

Ronnie C. Chan

Chairman

Hong Kong, January 19, 2012

拓展內地市場 Extending our Reach on the Mainland

隨著未來數年更多物業竣工投入營運，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.




昆明 KUNMING



瀋陽 SHENYANG

大連 DALIAN

天津 TIANJIN

濟南 JINAN

無錫 WUXI

上海 SHANGHAI

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



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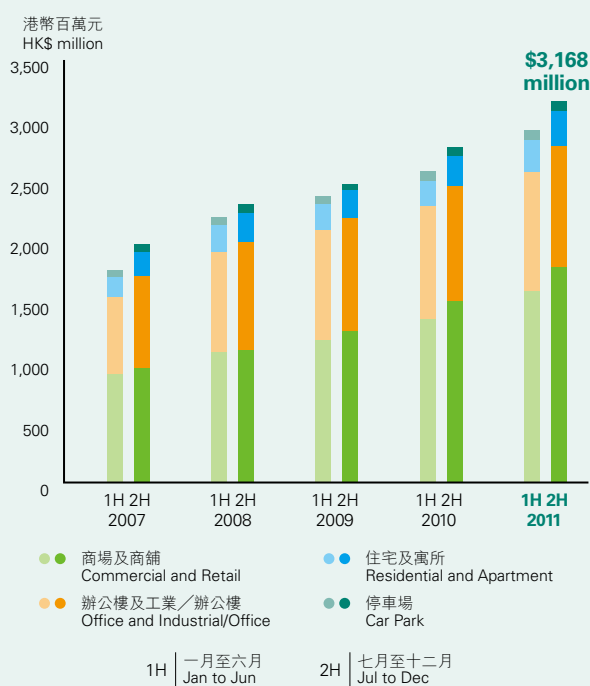
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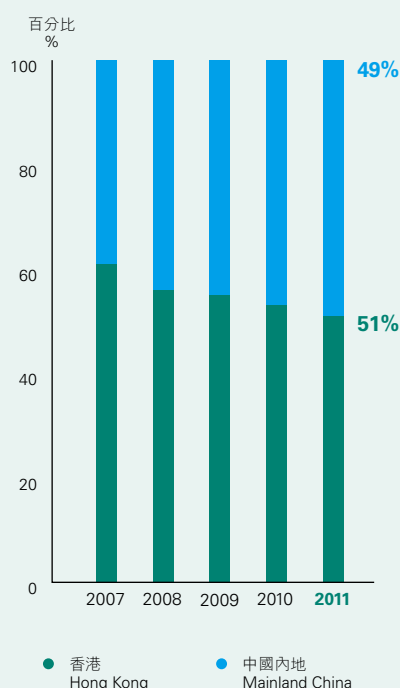
租金收入 Rental Revenue

截至十二月三十一日止年度
For the years ended December 31



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

截至十二月三十一日止年度
For the years ended December 31



二零一一年十一月二十七日，恒隆集團有限公司(恒隆集團)及恒隆地產有限公司(恒隆地產)之董事局通過決議案，將兩家公司的財政年度年結日由六月三十日更改為十二月三十一日。因此，本年報之財政期涵蓋二零一一年七月一日至二零一一年十二月三十一日的六個月。這項更改是為了使恒隆集團及恒隆地產與它們在中國內地業務的企業財政年度年結日一致，後者的業績在恒隆集團及恒隆地產的賬目內綜合入賬。根據內地法規，企業的財政年度年結日必須定為十二月三十一日。

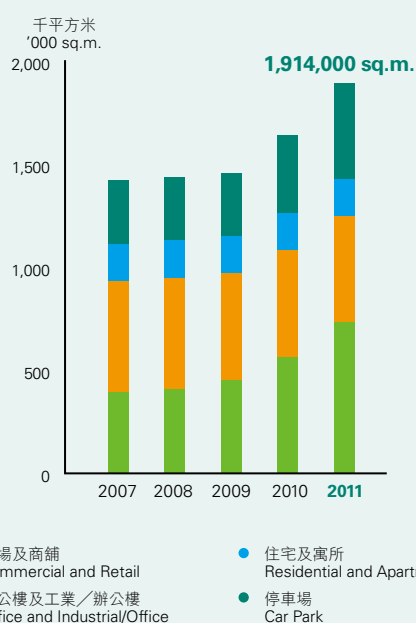
在六個月財政期內，儘管環球出現政治和金融不穩定因素，各國政府和財經機構戮力抵禦歐債危機，但恒隆集團仍享有良好表現。秉持集團「拓展版圖」的

On November 27, 2011, the Board of Directors of Hang Lung Group Limited (HLG) and Hang Lung Properties Limited (HLP) passed a resolution to change the financial year-end of the two companies from June 30 to December 31. This Annual Report therefore covers the current financial period for the six months from July 1, 2011 to December 31, 2011. This change aligns both HLG and HLP with the financial year, and year-end date, of the Group's businesses in mainland China, as their financial results are consolidated into both HLG's and HLP's accounts. Mainland statutes require that all business accounts are closed on the financial year-end date of December 31.

During the six-month reporting period, HLG enjoyed a positive performance despite the political and financial uncertainties experienced around the world as governments and financiers battled with the European sovereign debt crisis. Hand-in-hand with our "expanding

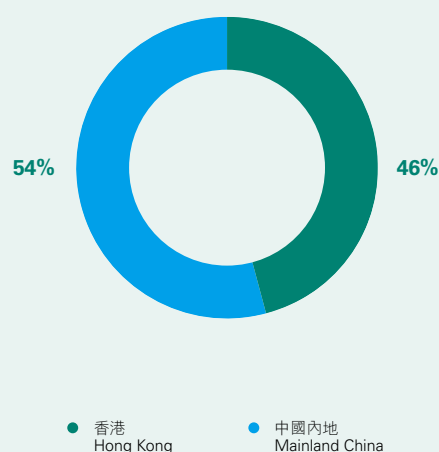
投資物業面積之業務分類 Area of Investment Properties by Business Segment

於十二月三十一日
At December 31



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

於二零一一年十二月三十一日
At December 31, 2011



策略，我們繼續在內地擴展業務，更多項目陸續落成；加上內地地產業興旺，訪港旅客人數飆升，故集團旗下所有核心業務均錄得強勁增長。因此，集團於截至二零一一年十二月三十一日止六個月期內表現理想，營業總額上升百分之二十一至港幣三十三億六千一百萬元，股東應佔基本純利增長百分之二十七至港幣十億元。整體而言，按租金收入計算，內地物業銳升百分之二十一，香港物業組合則增長百分之七。

horizons” and growing footprint on the Mainland, as our developments increase and more and more of them come on line; the property boom on the Mainland; as well as the strong inflow of visitors to Hong Kong, we saw robust growth in all our core businesses. In the six-month period ended December 31, 2011, we thus achieved highly satisfactory performances with total turnover growing by 21% to HK\$3,361 million. Underlying net profit attributable to shareholders for the period also rose by 27% to HK\$1,000 million. Overall rental income generated by our Mainland properties grew by an encouraging 21% while the Hong Kong portfolio rose by 7%.

業務概覽

Business Overview



香港物業組合的租金收入保持穩定增長
Rental income of Hong Kong property portfolio grows steadily

物業租賃

在物業租賃市場強勁及新開業的地標項目濟南的恒隆廣場帶動下，集團物業租賃業務繼續表現出色，收入和溢利均錄得增長。二零一一年下半年的租金收入總額和經營溢利總額分別上升百分之十四及百分之十一，至港幣三十一億六千八百萬元及港幣二十五億零三百萬元。

香港

儘管香港難免受到歐洲的不穩因素影響，但集團的物業組合坐擁地利，故在二零一一年下半年仍持續上半年度的強勁需求，業務保持穩定增長。旗下商舖物業和辦公樓的租出率分別達百分之九十四及百分之九十三；租金收入總額增至港幣十五億六千四百萬元，較去年六個月同期上升百分之七；經營溢利亦有百分之八的理想升幅，至港幣十二億九千萬元。

截至二零一一年十二月三十一日止六個月期內，香港租賃物業佔本集團整體租金收入百分之四十九。

Property Leasing

Buoyed by the strong leasing market as well as the opening of Parc 66, our iconic new development in Jinan, our property leasing operations continued to perform well, delivering both income and profit growth. As a result, total rental turnover and rental operating profits in the second half of 2011 grew a positive 14% and 11% to HK\$3,168 million and HK\$2,503 million respectively during the second half of 2011.

Hong Kong

While Hong Kong was not immune to the uncertainties that swept across Europe, the strong demand for our strategically located portfolio experienced in the first half of 2011 carried over into the second half of the year, and we were able to maintain steady growth. With occupancy rates of 94% among our commercial and 93% among our office premises, total rental income rose to HK\$1,564 million, showing growth of 7% over the six-month period. The operating profit in our leasing portfolio also grew a satisfactory 8% to HK\$1,290 million.

During the six-month period ended December 31, 2011, our leasing properties in Hong Kong made a 49% contribution to the Group's total rental income.

中國內地

截至二零一一年十二月三十一日止六個月內，中國內地業務的租金收入總額達港幣十六億零四百萬元，增長百分之二十一；溢利上升百分之十四至港幣十二億一千三百萬元。集團現時在國內有四個營運中的大型項目，預期有關業務未來將有更可觀的表現。旗下最新的購物商場及商業項目是濟南的恒隆廣場，於二零一一年八月盛大開幕，從開業起已取得高達百分之一百的卓越租出率，故短短四個月的營運期內便帶來高達港幣一億二千三百萬元的租金收入。位於瀋陽的皇城恒隆廣場自二零一零年六月開業以來日益暢旺，錄得租金收入港幣八千五百萬元。此外，我們兩項位於上海大都會的中堅物業——恒隆廣場和港匯恒隆廣場，亦繼續表現出色。憑藉其領先地位、優越的品牌形象及穩固的市場基礎，兩項物業於財政期內均享有高達百分之九十九的租出率，租金收入合共港幣十三億九千六百萬元。截至二零一一年十二月三十一日止六個月期內，內地租賃物業佔本集團整體租金收入百分之五十一。

Mainland China

Total rental income in mainland China amounted to HK\$1,604 million, up 21%, while profits rose by 14% to HK\$1,213 million in the six-month period ended December 31, 2011. With four major leasing developments now in operation in the country, we expect this picture to become even more positive in the future. Parc 66 in Jinan, our latest shopping mall and commercial development, celebrated its grand opening in August 2011, commencing operations with an exceptional 100% occupancy rate. As such, in little over four months of operation, it generated a rental turnover of HK\$123 million. Palace 66 in Shenyang, gathering further momentum since its opening in June 2010, achieved a rental turnover of HK\$85 million. Our two established properties, Plaza 66 and Grand Gateway 66, in the bustling city of Shanghai also continued to do well. In view of our leading presence, outstanding brand image and mature foothold in the market, occupancy levels remained at a high of 99% for both developments. Plaza 66 and Grand Gateway 66 therefore brought in a total rental contribution of HK\$1,396 million during the reporting period. During the six-month period ended December 31, 2011, our leasing properties on the Mainland made a contribution of 51% to the Group's total rental income.



濟南的恒隆廣場租出率達百分之一百
Parc 66 in Jinan achieved an 100% occupancy rate

業務概覽 Business Overview

物業發展

我們在內地的物業項目正按部就班地進行發展，整體進度良好。下一個落成的項目是瀋陽的市府恒隆廣場，施工計劃如期進行，一期購物商場將於二零一二年最後一季落成。這是繼二零一零年開業的皇城恒隆廣場後，我們在瀋陽的第二個大型項目。瀋陽是中國東北地區的經濟中心，其經濟正在快速發展和增長。市府恒隆廣場落成後，其功能和設施與皇城恒隆廣場相得益彰，可加強「恒隆」品牌在瀋陽市的尊崇地位，為這個發展迅速的城市帶來更豐富的生活體驗和休閒選擇。

我們在中國內地的其他物業項目包括無錫的恒隆廣場、天津的恒隆廣場、大連的恒隆廣場及昆明的恒隆廣場。位於大連的恒隆廣場地標物業，在世界知名的二零一一年度國際房地產大獎中，勇奪世界最佳大獎，反映了我們旗下物業項目的質量，以及我們不斷追求卓越的精神。於二零一一年底在倫敦舉行的頒獎禮上，大連的恒隆廣場以獨特的建築風格，展示出中國文化中太極雙鯉魚的吉祥寓意和恒隆「66」品牌的流線型設計，擊敗來自世界各地的頂級項目，贏得「二零一一年度國際最佳零售建築項目」大獎。該項目先前已在國際房地產大獎中奪得「亞太區最佳零售建築項目」和「中國區五星級最佳零售建築項目」獎項，以及在二零一一年度亞洲國際房地產大獎中奪得「中國最佳未來項目組別」銅獎。

財務

本集團資本雄厚，於二零一一年十二月三十一日的現金及銀行存款達港幣二百六十一億四千九百萬元。扣除銀行借貸港幣二百七十六億九千四百萬元，以及全數付清昆明項目之地價後，負債率仍處於百分之一之甚低水平。集團財政穩健及現金充裕，足可掌握未來的擴張機遇。

Property Development

Our property developments on the Mainland remain on track and are progressing well. The next project to come on stream will be Forum 66 in Shenyang. Construction work on the project is proceeding as scheduled and Phase 1, which consists of a shopping complex, is due for completion in the final quarter of 2012. Forum 66 will be our second major development in Shenyang as Palace 66 opened in the city in 2010. As the economic center of northeastern China, Shenyang is experiencing rapid economic growth and development. When completed, Forum 66 will complement the features and facilities offered by Palace 66, reinforcing our prestigious Hang Lung “66” brand and offering greater leisure and lifestyle options for the fast expanding city.

Other property projects in mainland China include Center 66 in Wuxi, Riverside 66 in Tianjin, Olympia 66 in Dalian and Spring City 66 in Kunming. Reflecting the quality of these developments and our ongoing quest for excellence, we were delighted to receive the “best of the best” award in the prestigious International Property Awards 2011 for our landmark Olympia 66 project in Dalian. At the awards presentation held in London at the end of 2011, Olympia 66’s unique architectural style, reflecting both the concept of the auspicious Chinese Tai Chi twin dancing carps and our well-established “66” brand, outperformed top projects from around the world to win the title of “Best International Retail Architecture 2011”, the ultimate world’s best architectural award. Highlighting the culture of quality that pervades the development, Olympia 66 took the “Best Retail Architecture in Asia Pacific” and “Five-star Best Retail Architecture in China” titles also presented under the International Property Awards, in addition to winning the Bronze Award in the category of the “Best Chinese Futura Projects” in the MIPIM Asia Awards 2011.

Finance

As of December 31, 2011, we held a strong balance sheet with cash and deposits of HK\$26,149 million. Deducting bank borrowings of HK\$27,694 million, the net gearing ratio stayed at a low level of 1% after full payment of the land costs for our new project in Kunming. With this ample war chest, the Group is fully equipped to capture future opportunities for expansion.

展望

展望未來，憑藉雄厚的財政實力、豐裕的儲備，以及深富經驗的專業人才，我們擁有立足優勢和所需能力，不僅能順利落實現有的發展項目，並能有效推動未來的增長。我們會繼續在中國內地進行長期投資計劃，掌握每一個機會建立土地儲備以策動未來增長，同時繼續投資於香港本土市場。

於回顧期內，我們秉持恒隆的一貫策略，購入昆明市一幅面積五萬六千零四十二平方米的黃金地塊作商業物業發展。該地塊符合「恒隆模式」的成功準則，不僅位於昆明市中心商業區的心臟地帶，待連接地鐵網絡後將享有更大人流。作為雲南省的省會，昆明是中國西南地區的中心城市之一，亦是雲南的政治、文化、經濟、科技及交通中心，人口超過六百四十萬。是項購置有利我們拓展版圖，亦能擴闊本集團的資產及盈利基礎。

在香港，我們正積極提升旗下所有核心商業物業的品牌。我們不僅優化租戶組合，亦透過有效的市場推廣及宣傳活動，大力促進顧客人流及租金增長。物業銷售方面，我們繼續密切監察市場，在適當時候進一步推售住宅單位。藍塘道的新發展項目預期在二零一三年落成，對香港的銷售業務將有推動作用。

踏入新的一年，於二零一一年八月在濟南開幕的恒隆廣場，將進一步推動我們內地租金收入的增長。其開業是我們拓展內地的重要里程碑，標誌著我們以優質的「恒隆」品牌在中國增添另一項世界級購物商場，逐步成為一家全國性企業。未來數年，隨著更多按照「恒隆模式」打造而成，並作為長期投資的世界級商業綜合物業項目陸續落成，這個全國性拓展計劃將快速落實。因此，內地物業組合將成為集團未來持續增長的重要動力。

Outlook

Looking forward, our strong balance sheet and abundant reserves, hand-in-hand with our skilled and experienced staff, stand us in good stead and equip us with the necessary tools not only to deliver satisfactory progress on our current development projects, but also to drive our future growth and momentum. We continue to maintain our long-term investment plans in mainland China, capturing every opportunity to build up our land bank and fuel our ongoing growth in the future. At the same time, we will continue to invest in our home market, Hong Kong.

During the period under review, building on the committed strategy of Hang Lung, we acquired a prime 56,042 square-meter site, zoned for commercial property development, in Kunming. In line with our successful “Hang Lung Model”, the site is located in the heart of Kunming’s business district and will attract even greater pedestrian flows as mass transit railway links are completed. Kunming, the capital of Yunnan Province, is a key city in southwestern China, serving as the political and cultural as well as the economic, technological and transportation hub in the region. With a population of more than 6.4 million people, this new acquisition will expand our horizons while broadening the Group’s asset and earning bases.

In Hong Kong, a brand enhancement exercise is being carried out in all our core commercial properties. Not only is the tenant mix being refined, effective marketing and promotional activities are greatly increasing customer traffic and enhancing rentals in turn. With regard to our property sales in the territory, we continue to monitor the market closely and will release further residential units for sale as and when appropriate. The completion of our new development on Blue Pool Road, expected in 2013, will further buoy these activities in Hong Kong.

As we move forward into the new year, Parc 66, which opened in Jinan in August 2011, will provide further impetus to the growth of our rental income on the Mainland. The inauguration of Parc 66 marked a milestone in our development on the Mainland. With the launch of another world-leading shopping facility under our quality “66” brand, it highlights our growth into a nationwide enterprise. This national development will broaden and speed up as further projects, based on our “Hang Lung Model” to build world-class commercial complexes for long-term investment, come on line over the next few years. Our Mainland property portfolio is thus set to become an important driving force for the sustainable growth of the Group in the future.

香港物業租賃

Hong Kong -- Property Leasing

儘管西方出現歐債危機及金融動盪，但集團的香港業務在二零一一年下半年仍能持續上半年度的暢旺勢頭。香港和內地經濟均錄得增長，而大量旅客來港亦帶旺了香港經濟。根據香港旅遊發展局的官方數字，二零一一年的訪港旅客人次較去年上升約百分之十六點四，創下四千一百九十二萬人次的新高，有利我們的商場和商舖以及酒店和服務式寓所業務。加上我們採取有效的策略性的規劃和有效的成本監控，故香港物業租賃業務增長理想，租金收入達港幣十五億六千四百萬元。

商場及商舖

二零一一年來自內地的訪港旅客總數約為二千八百一十萬人次，較去年上升百分之二十三點九。受內地旅客歡迎的零售行業，例如金飾珠寶店、手錶店、護膚品及化妝品店，以及時尚奢侈品店等，帶動這些商舖的營業額增長。因此，我們位於旺角及銅鑼灣等主要購物區及山頂廣場等旅遊熱點的物業均能受惠，在需求上升帶動下，其租金水漲船高。集團旗下商場及商舖物業的租出率達百分之九十四，租金收入上升百分之七。

集團其他物業租賃地區亦表現理想。由於新公司及國際零售品牌來港尋找地方開展業務，港島中區商舖物業的需求強勁，位於中區心臟地帶如都爹利街的物業因而受惠。此外，由於本地消費靠穩，故集團的地區商場如淘大商場和康怡廣場等的營業額及租金均表現良好。

加強恒隆品牌

為提高顧客人流及提供最佳的購物體驗，我們為旗下各項核心商業物業進行品牌提升計劃，並且不斷優化租戶組合。

作為香港的旅遊熱點和購物地標，山頂廣場舉辦多類型市場推廣活動，有助它成為香港的文化活動樞紐。作為一項反映香港特色和文化的物業，山頂廣場舉

Our operations in Hong Kong remained positive as the momentum generated in the first half of 2011 carried over into the second half of the year, despite the European sovereign debt crisis and the financial uncertainties suffered in the West. Rather, echoing the economic boom experienced on the Mainland, Hong Kong's economy not only remained buoyant, it was also boosted by the high influx of visitors which, according to official figures of the Hong Kong Tourism Board, rose to a record-high of 41.92 million in 2011, an increase of some 16.4% over the previous year. This drives our commercial and retail activities as well as our hotel and serviced apartment sector. Coupled with our strategic planning and effective cost controls, we were able to achieve satisfactory growth with rental income of HK\$1,564 million.

Commercial and Retail

With a total of approximately 28.10 million tourists arriving from the Mainland in 2011, an increase of 23.9% over the previous year, the boost in retail sales, particularly in favored merchandise areas such as gold and jewelry, watches, skin care and cosmetics, as well as luxury fashion items, benefited our properties in the primary shopping areas of Mongkok and Causeway Bay and tourist locations such as The Peak Galleria. With this rising demand boosting rental levels, our commercial and retail sector enjoyed an occupancy level of 94%, bringing in rental income growth of 7%.

Our other leasing areas also performed well. Hong Kong's Central District experienced strong demand for retail space as new organizations and international retail brands sought to establish their businesses in the territory. Properties at Duddell Street in the heart of Central thus benefited from this move. With local consumption also remaining stable, we saw fair sales and rental performances in our regional malls such as Amoy Plaza and Kornhill Plaza.

Enhancing the Hang Lung Brand

Maximizing traffic flows and offering the best possible shopping experience to customers, we carried out brand enhancement exercises at our core commercial properties while our tenant mix continues to be refined.

Versatile marketing at The Peak Galleria has helped to establish this busy tourist destination and shopping complex as a Hong Kong icon and cultural hub for key events in the city. The development, which reflects the local style and culture, was the venue for our mega promotional



山頂廣場舉辦的「情繫香港在山頂」
“The Peak of Love Wedding 11.11.11” organized by The Peak Galleria

辦了大型推廣活動「情繫香港在山頂」，十一對新人於二零一一年十一月十一日在山頂廣場的Green Terrace共締良盟。有關活動獲得公眾熱烈迴響及傳媒廣泛報導，加強了山頂廣場作為婚禮和其他重要活動舉辦場所的獨特形象。

山頂廣場亦正調整租戶組合以平衡本地居民和遊客的需求。因此，該物業除了引入更多受遊客歡迎的品牌店外，亦計劃改善其娛樂和休閒設施以切合本地人和遊客的喜好。

位於香港繁盛之地銅鑼灣的名店坊，繼續加強其作為主要時尚休閒熱點的品牌地位，將世界上最知名的品牌與最優質的餐飲設施匯聚一堂。為增進該區的活力，我們舉辦了多項嘉年華式活動，包括「銅鑼灣啤酒節」和「Crystal Christmas」聖誕活動等，引起了公眾的熱烈興趣，並為該處帶來龐大人流。

event, “The Peak of Love Wedding 11.11.11;” when 11 couples tied the knot on our Green Terrace at The Peak Galleria on the auspicious 11th day of the 11th month of 2011. The event generated massive interest and media coverage, reinforcing the mall’s image as a unique and memorable venue for weddings and other important functions.

The Peak Galleria is also fine-tuning its tenant mix to balance the needs and requirements of both local residents and visitors. Thus, in addition to offering more popular tourist brands within the complex, we are also planning to improve our entertainment and leisure facilities to appeal to locals and tourists alike.

Fashion Walk in Hong Kong’s busy and bustling Causeway Bay continued to enhance its branding as a primary fashion and leisure hub with a full range of the world’s most well-known brands together with top quality dining facilities. Contributing to the area’s vibrancy, we organized a number of carnival type occasions including “Oktoberfest” celebrations as well as a “Crystal Christmas” event, which drew strong interest of the public as well as heavy crowds to the area.

香港物業租賃
Hong Kong Property Leasing



「Crystal Christmas」聖誕活動
“Crystal Christmas” event

位於香港繁盛之地銅鑼灣的名店坊，繼續加強其作為主要時尚休閒熱點的品牌地位，將世界上最知名的品牌與最優質的餐飲設施匯聚一堂。為增強該區的活力，我們舉辦了多項嘉年華式活動，包括「銅鑼灣啤酒節」和「Crystal Christmas」聖誕活動等，引起了公眾的熱烈興趣，並為該處帶來龐大人流。

恒隆中心亦於二零一一年八月舉行了全港首次大型超感官戶外投射表演，一場由光影、色彩與配樂互為融合、極具震

Fashion Walk in Hong Kong’s busy and bustling Causeway Bay continued to enhance its branding as a primary fashion and leisure hub with a full range of the world’s most well-known brands together with top-quality dining facilities. Contributing to the area’s vibrancy, we organized a number of carnival-type occasions including “Oktoberfest” celebrations as well as the “Crystal Christmas” event, which drew strong interest from the public as well as heavy crowds to the area.

Hang Lung Centre also provided the venue for Hong Kong’s first-ever ultra sensory 3D outdoor projection event in August 2011, mesmerizing the thousands of passers-by who were fascinated by the stunning visual

主題式租賃策略

我們為其他租賃物業進行了類似計劃。康怡廣場為中樓和三樓樓層引入了全新的餐飲主題區，令每月租金總額顯著上升，多元化的美食選擇亦帶動了顧客流量及吸引新的顧客光臨。

我們旗下六個商場，包括山頂廣場、恒隆中心、名店坊、康怡廣場、家樂坊及淘大商場，繼二零一一年初與Groupon 香港聯合舉辦的餐飲推廣活動取得成功後，再接再厲在《開飯喇》網站開設《嚟「恒隆」開飯喇！》網頁。我們的目標不僅為了提升公眾注意，亦替不同物業的多類型食肆招徠生意。

Themed Leasing Strategies

Similar programs were carried out at our other rental developments. Kornhill Plaza has introduced new food-and-beverage themed areas to its mezzanine and third floors. This move grew monthly rents significantly. The diversity of cuisines has also increased patronage and attracted additional customers to the venue.

Building on the successful dining promotion offered in conjunction with Groupon Hong Kong and six of our shopping malls earlier in 2011, we launched our “Come and Dine at Hang Lung” website at Openrice.com for The Peak Galleria, Hang Lung Centre, Fashion Walk, Kornhill Plaza, Gala Place and Amoy Plaza. Our aim is not only to raise public awareness but also to generate interest in the many diverse food and beverage outlets available in our various properties.



位處旺角心臟地帶的家樂坊
Gala Place in the heart of Mongkok



淘大商場
Amoy Plaza

香港物業租賃
Hong Kong -- Property Leasing



渣打銀行大廈
Standard Chartered Bank Building

全球經濟不穩對我們的租賃業務會有影響，但我們發現這對必需品的需求及大眾消費也有推動作用，相信可利好我們旗下的地區商場如淘大商場、麗港城商場及康怡廣場等。我們並期望隨著淘大商場進行大型的租戶重組，加上雅蘭中心一期計劃於二零一二年大幅更改租戶組合，其租金收入可望提高。

辦公樓及工業／辦公樓

鑑於歐元區危機引發經濟動盪，許多國際機構均對二零一二年的業務前景採取較審慎的態度，導致香港辦公樓租金於二零一一年底進入調整期，中環甲級辦公樓的需求自二零一一年第三季起開始放緩。然而，來自本地服務行業的需求相對穩定，這從我們位於香港各區管理完善的多元化辦公樓組合的高租出率可見一斑。我們在銅鑼灣、尖沙咀及旺角的辦公樓，例如恒隆中心、格蘭中心、雅蘭中心一期和二期、栢裕商業中心，以及位於鰂魚涌的康怡廣場 — 辦公大樓等，均由於採取特

While the uncertainties in the global economy will have some effect on our leasing operations, we see the situation drive demand for necessities and greater mass consumption, which will benefit our regional shopping malls such as Amoy Plaza, Laguna Plaza and Kornhill Plaza. We also expect to raise rental incomes with large-scale tenant reorganization at Amoy Plaza as well as a major change in the tenant mix, planned for 2012, at One Grand Tower.

Office and Industrial/Office

As the economic turmoils experienced in light of the Eurozone crisis took hold, a number of international organizations take a cautious business outlook for 2012. Hong Kong therefore entered a correction phase in rental levels for office space. Demand for Grade A office in Central has softened since the third quarter of 2011. However, demand from local servicing trades has been relatively stable as evidenced by the high occupancy rate of our well-managed diversified office portfolio located at various districts of Hong Kong. Our specially designed "themed floor" strategy in our office buildings in Causeway Bay, Tsim Sha Tsui and Mongkok, such as Hang Lung Centre, Grand Centre, One and Two Grand Towers, and Park-In Commercial Centre, as well as our Kornhill Plaza - - Office Tower in Quarry Bay, benefited from this

色「主題樓層」策略，故能在該市場中受惠，取得較高的單位租金。因此，我們的辦公樓及工業／辦公樓的租金收入總額增長百分之四，租出率達百分之九十三。

我們將進一步為旗下辦公樓開拓租戶類型及擴大租戶和行業組合，以提升租金收益及加強抗風險能力，抵禦市場波動。

住宅及服務式寓所

由於訪港旅客大量湧入，集團的住宅及服務式寓所業務表現強勁，租金收入總額達港幣二億零四百萬元，較去年同期增長百分之十七。我們將擴大營銷活動以保持及提升租出率，對象不僅限於企業客戶、外籍人士及海外遊客，亦包括本地企業和家庭。

market, to achieve higher unit rentals. Our office and industrial/office sector thus brought in an increase of 4% in total rental income, based on an occupancy rate of 93%.

Looking forward, we will further diversify the trade sectors and broaden the tenant and trade mix in our office properties to increase rental yields and create greater risk resistance to possible fluctuations in the market.

Residential and Serviced Apartment

With the high inflow of visitors, our residential and serviced apartment sector performed strongly, achieving a total rental turnover of HK\$204 million, a growth of 17% over the previous reporting period. Maintaining and enhancing these levels, we will broaden our marketing activities, targeting not only corporate accounts, expatriates and overseas visitors but also to local businesses and households.



汀蘭居
The Bay Bridge

香港物業租賃 Hong Kong -- Property Leasing

集團旗下的住宅物業包括御峯及濱景園。前者位於港島半山區，可飽覽香港和九龍半島景觀；後者位於南灣，擁有迷人海景。由於多個單位於年初時以較高的租金續約，因此對下半年的租金收入持續帶來裨益。截至二零一一年十二月三十一日止六個月內，該兩項物業的租金收入達港幣七千九百萬元。

展望未來，我們抱持謹慎態度。由於跨國公司削減開支，預期豪宅租金將有所下調。加上部分行業例如銀行業和金融業減聘外籍員工，故租賃需求出現放緩，高檔住宅租賃市場的租出率已明顯受到影響。一些發展商已開始降低租金叫價，而我們為了對應不利環境，現正進行大規模翻新計劃，改善空置單位的質素，提高其價值和競爭能力，藉此提升租賃價值。我們並致力擴闊租戶組合，把經濟放緩對集團租金收入的影響減至最小。

Our residential properties consist of The Summit as well as Burnside Villa in scenic South Bay. The former is located in the fashionable Mid-Levels district of Hong Kong Island with sweeping views both of Hong Kong and the Kowloon Peninsula, while the latter is located by the beach in the suburban south side of Hong Kong. With a number of leases being renewed in the early part of the year at higher rental levels, the second half of the year continued to see a positive effect on rental incomes. In the six-month period ended December 31, 2011, the two developments achieved a rental income of HK\$79 million.

Looking forward, we are regarding the future with caution. Average rentals from the luxury residential market are expected to undergo some downward adjustment as multinationals cut back on their expenses. Together with the slower inflow of expatriate staff, in banking and finance sector for example, there has been a slowdown in leasing demand and the impact on occupancy rates in the high-end residential leasing market has become visible. While a number of developers have begun to lower their asking rents, we are countering this negative picture with large-scale renovations, upgrading our vacant units to enhance their value and competitiveness, and thus their rental value. We are also diversifying our tenant profiles to minimize any impact caused by the economic downturn on our rental income.



御峯
The Summit



御峯坐擁遼闊景觀
The Summit enjoys panoramic views

香港投資物業之按地域分析
Geographical Analysis of Hong Kong Investment Properties

		樓面面積* (千平方米) Gross Floor Area* ('000 sq. m.)	
		於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011
港島	Hong Kong Island		
中環及金鐘	Central and Admiralty	58	58
銅鑼灣及灣仔	Causeway Bay and Wan Chai	112	112
康山及鯉魚涌	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	Tsim Sha Tsui 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

香港投資物業之按類分析
Segmental Analysis of Hong Kong Investment Properties

截至十二月三十一日止六個月 For the six-month period ended December 31

		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	777	724	94	97
辦公樓及工業/辦公樓	Office and Industrial/Office	291	291	521	501	93	94
住宅及寓所	Residential and Apartment	99	99	204	177	82	82
停車場	Car Park	210	210	62	56	N/A	N/A
總計	Total	887	887	1,564	1,458	91	93

香港物業發展及銷售

Hong Kong -- Property Development and Sales



高檔住宅項目 — 浪澄灣
High-end residential complex -- The Long Beach

住宅銷售市場於二零一一年上半年暢旺，但在下半年度由於港府推出緊縮措施，樓市因而出現整固。市場情緒亦受到經濟不穩及金融市場疲弱所影響，買家採取審慎觀望態度。然而，這些因素對我們過去六個月在香港的物業發展及銷售業務影響輕微。我們的一貫策略是在黃金地點興建具有強大升值潛力的優質住宅項目，並採取嚴謹銷售策略以掌握最佳時機，務求為股東和置業人士提供最大價值和最佳回報。過去六個月期內，我們以每平方呎平均價格約港幣四萬四千元售出君臨天下兩個單位，獲利港幣一億五千萬元。

浪澄灣

這個高檔住宅項目位於九龍西南區，八座波浪型住宅大樓臨海而建，提供一千八百二十九個住宅單位及四層高的住客會所，享有遼闊海景、豪華設施及頂級康樂服務。

The booming residential sales market in the first half of 2011 witnessed consolidation in the second half of the year as tightening measures brought in by the Hong Kong government took hold. The economic uncertainties and weak financial markets also took their toll as buyers adopted a more cautious wait-and-see attitude. These factors however had little effect on our property development and sales activities in the past six months in Hong Kong. It is our strategy to develop top-quality residential projects in prime locations with strong upside potential, supported by a highly-disciplined sales approach which will catch the best opportunity to optimize value and returns, both for shareholders and the end-users. During the six-month period, two units at The HarbourSide were sold at an average unit price of approximately HK\$44,000 per square foot, to record a profit of HK\$150 million.

The Long Beach

This high-end residential complex is located in southwestern Kowloon. Its unique wave-like design echoes its superb location and spectacular sea views. Consisting of 1,829 residential units in eight residential towers, the development also includes a four-story clubhouse with luxury facilities and superior recreational services.



巍峨矗立在西南九龍的君臨天下
The HarbourSide towers majestically in southwestern Kowloon

君臨天下

君臨天下聳立於九龍西南區港鐵九龍站上蓋，三座相連住宅大廈，提供一千一百二十二個豪宅單位。項目置身於西九龍翠綠開揚之地，臨海而建，坐擁一百八十度維港全海景，加上外型時尚獨特，現代生活設施一應俱全，令它成為香港著名的地標，是香港最尊貴的豪宅項目之一。

藍塘道

位於跑馬地藍塘道的豪宅項目，地盤面積七千八百五十平方米。施工進度理想，預期可於二零一三年落成。項目雖然仍未完成，但已成為美國綠色建築協會二零一零年年底推出的「能源及環境設計先鋒獎」住宅國際試點計劃的全球首個註冊項目。

The HarbourSide

Soaring above Kowloon Station in southwestern Kowloon, The HarbourSide consists of three connected residential towers offering 1,122 residential units. Its outstanding location in the green and open West Kowloon area by the sea provides residents with outstanding 180-degree views of Victoria Harbour. The stunning views, its unique design and contemporary lifestyle facilities, all come together to create a landmark in Hong Kong while also making The HarbourSide one of the most elegant and prestigious residential addresses in Hong Kong.

Blue Pool Road

The luxury development being built on the 7,850 square-meter site on Blue Pool Road in Happy Valley is proceeding as scheduled and is due for completion in 2013. Though the property is as yet unfinished, it became the world's first project to be registered under the Leadership in Energy and Environmental Design (LEED) for Homes' International Pilot Scheme launched by the U.S. Green Building Council at the end of 2010.

中國內地物業租賃 Mainland China -- Property Leasing

我們秉持「恒隆模式」策略，在中國內地主要城市建設世界級商業項目作為長期投資。集團於九十年代初在上海打造了兩項物業，分別是恒隆廣場及港匯恒隆廣場。其後，瀋陽的皇城恒隆廣場於二零一零年六月開業，濟南的恒隆廣場於二零一一年八月開業。這個模式甚為成功，不僅令「恒隆」在內地成為家喻戶曉的尊貴品牌，亦成為優質生活的代名詞。截至二零一一年十二月三十一日止六個月期內，內地物業租賃業務錄得租金收入總額港幣十六億零四百萬元，上升百分之二十一。

期內一項主要盛事是濟南的恒隆廣場盛大開幕，帶來兩重可喜意義。它標誌著集團業務朝著全國性版圖邁進，並由於其在八月開幕時已全部租出，故能為集團於財政期內提供港幣一億二千三百萬元的租金收入貢獻。

展望未來，隨著瀋陽的市府恒隆廣場第一期的購物商場於二零一二年第四季開幕，我們預期集團的租金收入可進一步上升。市府恒隆廣場是我們在瀋陽的第二個世界級購物商場，將與皇城恒隆廣場創造協同效益，突出「恒隆」品牌的形象，並鞏固我們在瀋陽的地位。

隨著發展中項目陸續完成，我們的版圖將更為擴大。除現有的發展中項目外，我們新近購置一幅土地，首次進軍中國西南部的核心地區。該幅面積五萬六千零四十二平方米的黃金地塊，可發展為四十萬一千三百平方米的物業，乃集團於二零一一年九月購入。昆明市是雲南省的省會，中國西南地區的中心城市之一，亦是雲南的政治、文化、經濟、科技及交通中心。該地塊位於昆明市商業區心臟地帶，當連接地鐵網絡後，價值會進一步提升。

Based on our “Hang Lung Model,” our strategy in mainland China is to build world-class commercial developments in leading cities for long-term investment. Starting with two properties, Grand Gateway 66 and Plaza 66, in Shanghai in the early 1990s, followed by Palace 66 which opened in Shenyang in June 2010, and Parc 66 in Jinan in August 2011, this model has proven to be highly successful. Not only has it cemented our prestigious Hang Lung “66” brand into the Mainland consciousness, the brand has also become synonymous with a luxury lifestyle. In the six-month period ended December 31, 2011, our Mainland property leasing sector thus achieved a total rental turnover of HK\$1,604 million, up 21%.

A major highlight during this period was the grand opening of Parc 66, which provided dual causes for celebration. Broadening our activities on the Mainland and giving us a national presence, the development was fully leased when it opened its doors for business in August, making a contribution of HK\$123 million to rental revenues during the reporting period.

Looking forward, we expect our rental figures to escalate yet again as Phase 1 of Forum 66, the shopping complex, opens in Shenyang in the fourth quarter of 2012. The second of our world-class shopping complexes to open in the city, Forum 66 will create synergy with Palace 66 to highlight our “66” brand and cement our foothold in the city.

Our horizons will be expanding even further as projects currently under development come on stream. In addition to our existing projects under development, we also acquired a new site, extending our footprint into the core region of southwestern China for the first time. The prime 56,042 square-meter site, with a development potential of 401,300 square meters, was acquired in September 2011. One of the key cities in southwestern China, Kunming is not only the political, cultural and economic capital of Yunnan Province, but also acts as a technical and transportation hub in the region. Located in the very heart of the business and commercial center of Kunming, the value of this key site is set to rise as links to the mass transit railway are completed.



上海的恒隆廣場

上海的恒隆廣場是中國最成功的商業項目之一及上海市的尊貴地標。其購物商場於六個月期內的租賃營業額上升百分之十四，租出率達百分之九十九，被譽為上海其中一個最豪華的購物中心，租戶包括路易威登 (Louis Vuitton)、愛馬仕 (Hermès)、香奈兒 (Chanel)、迪奧 (Dior) 及普拉達 (Prada) 等，不能盡錄。由於其租戶名單仿如一本「品牌名人錄」，加上有多家主要租戶在新的一年在此開設旗艦店，同時我們不斷提升租戶組合，因此上海的恒隆廣場持續吸引更多高端奢侈品租戶的興趣。除作為上海時尚休閒生活中心外，上海的恒隆廣場亦為顧客提供多元化的餐飲選擇。

Plaza 66, Shanghai

One of China's most successful commercial developments and an admired landmark in Shanghai, our Plaza 66 shopping mall achieved a rental turnover increase of 14%, over the six-month period, based on an occupancy rate of 99%. With tenants ranging from Louis Vuitton and Hermès to Chanel, Dior and Prada, to name just a few, the complex has earned a well-deserved reputation as one of the most luxurious shopping centers in Shanghai. With a tenant list that reads like a who's who of the world's top brands, the opening of a number of flagship stores of anchor tenants in the coming year, as well as the continuing refinement of our tenant mix, we continue to see increasing tenant interest from the high-end luxury market. Cementing Plaza 66's role as a leading leisure and lifestyle center in Shanghai, a delicious and diverse range of fine dining options is also available to customers.

中國內地物業租賃 Mainland China -- Property Leasing



上海的恒隆廣場以匯聚世界頂尖品牌著稱
Plaza 66 in Shanghai is renowned for its collection of the world's top brands

上海的恒隆廣場兩座辦公樓亦繼續吸引本地和國際的領先商企前來落戶。項目的優質設施及卓越的辦公樓管理服務，使我們獲得大量租戶續約，並令租金水平回復到接近二零零八年金融風暴爆發前的高位。此外，上海市甲級辦公樓供應過裕的情況獲得舒緩，故該兩座辦公樓亦從中受惠，租金收入上升百分之八。在利好的環境中，我們致力鞏固競爭優勢，來年繼續提升設施及租戶組合。

上海的港匯恒隆廣場

上海的港匯恒隆廣場購物商場租出率達百分之九十九，租金收入錄得百分之十五的雙位數增長。其表現勝過徐家匯任何一個購物中心，並位居於上海市的前列。

該項目原稱為「港匯廣場」，於二零一一年三月易名為「港匯恒隆廣場」以統一發揮「恒隆」品牌的強大效益。「恒隆」品牌已成為內地家喻戶曉的國際奢侈品和高尚生活的代名詞，不僅提升恒隆的名聲和形象，也貫徹我們作為長期投資者為中國創造優質生活的承諾。

The two office towers within the Plaza 66 complex continue to attract leading local and international business tenants. The quality of the development coupled with excellent office management services that we offer have resulted in a high level of rental renewals, taking us almost back to the high rental levels achieved before the outbreak of the financial turmoils of 2008. We also benefited from the healthier environment that has seen the absorption of the city's plentiful supply of Grade A office premises, leading to an increase of 8% in the rental turnover of the two office towers. Maintaining our competitive edge in this positive environment, we will continue to upgrade our facilities and tenant profile in the year to come.

Grand Gateway 66, Shanghai

With an occupancy rate of 99%, the shopping mall at Grand Gateway 66 in Shanghai experienced double-digit rental income growth of 15%. Grand Gateway 66's performance ranks above any of the shopping centers in Xujiahui and is among the top performers in Shanghai.

Previously known as The Grand Gateway, the development was unified under our powerful and successful "66" brand to become Grand Gateway 66 in March 2011. The brand, synonymous with international luxury goods and high-end lifestyle across the Mainland, not only drives awareness of the Hang Lung name, it also reinforces our image as a long-term investor who is committed to driving a quality lifestyle in the country.



港匯恒隆廣場為上海消費者帶來獨特時尚生活品味
Grand Gateway 66 brings unique lifestyle to consumers in Shanghai

為進一步提升港匯恒隆廣場的形象，我們為項目採取多項優化措施。配合我們的主題租賃策略，商場一樓已重新定位為「世界級名品薈萃區」，提升了租戶組合及匯聚更多奢侈品牌，包括國際著名時裝品牌如登喜路 (Dunhill)、Chloé、愛斯卡達 (Escada) 和 Vivienne Westwood，以及於十二月開業的洛伊 (Loewe) 概念店；還有高檔化妝品零售商如迪奧 (Dior) 和紀梵希 (Givenchy) 等。除銷售奢侈品和網羅最知名的國際品牌外，港匯恒隆廣場亦提供最優質的餐飲和休閒設施以保持領先地位。一級食肆如鼎泰豐及蘇浙匯等相繼開業，不僅豐富了顧客的購物體驗，也吸引更多食客光顧及增加了租賃營業額。上海最著名的戲院永華電影院亦提升設施，加設4D影院，為港匯恒隆廣場錦上添花。

Highlighting the Grand Gateway 66 image, we carried out a number of initiatives and improvements throughout the complex. In line with our themed leasing strategy, Level 1 within the mall has been repositioned as a "World-Class Brand Zone" leading to an upgrade in the tenant mix with a plethora of new luxury names. From internationally renowned fashion brands such as Dunhill, Chloé, Escada and Vivienne Westwood, as well as a Loewe concept store which opened in December, to luxury cosmetics retailers such as Dior and Givenchy, Grand Gateway 66 continues to lead its way - - both with the sale of luxuries and the most well-known international brands as well as the provision of quality dining and leisure facilities. The opening of top quality restaurants such as the Din Tai Fung Restaurant and the Jade Garden Restaurant not only enhanced the shopping experience for customers, but also brought in interested diners while growing our rental sales. Contributing to this dynamic picture, the Yonghua Cinema World box office, Shanghai's best-known cinema, was also upgraded with the inclusion of a 4D-movie theater.

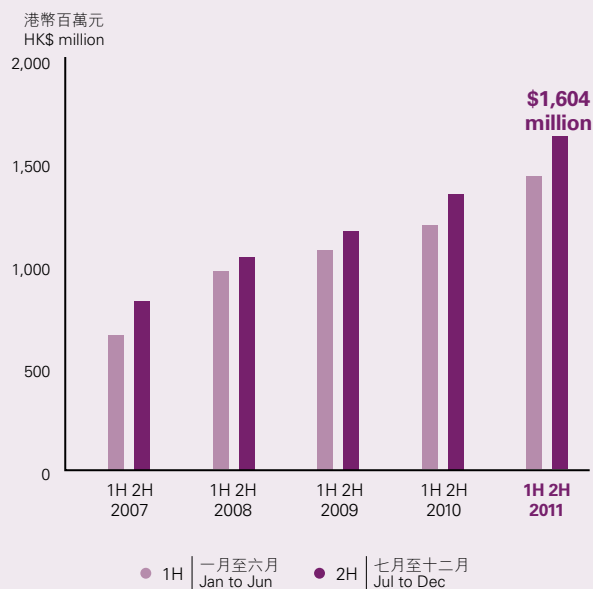
中國內地物業租賃
Mainland China -- Property Leasing

儘管上海市場競爭激烈，但港匯恒隆廣場因坐擁黃金地利而卓爾不群。它位處上海徐家匯商業區最大和最繁忙的地鐵站的上蓋，除了身處地鐵一號線和九號線的交匯點外，更可因地鐵十一號線將於二零一二年底通車而享有更多客流。同時，我們早作籌劃掌握市場趨勢及引入更多豪華時尚品牌，並專注於頂級牌子及重新配置現有租戶佈局，致力為顧客創造一個高素質的品牌組合和頂級的豪華購物體驗；這令我們在競爭對手中能別樹一幟、突圍而出。憑藉這些競爭策略，我們預期港匯恒隆廣場未來可繼續享有雙位數字增長。

Increasing our edge in this highly competitive market, Grand Gateway 66's prime location above Shanghai's largest and busiest metro station in the Xujiahui commercial district with the intersection of metro lines 1 and 9, as well as the opening of metro line 11, which is due for completion at the end of 2012, brings in high customer flows. At the same time, we are planning ahead, riding on market trends to bring in more luxury and up-to-the-minute brands while also focusing on top names and relocating existing tenants to create an efficient brand mix and a top-of-the-line luxury shopping experience for customers. With these competitive strategies, which will help to differentiate us and outperform our competitors, we expect to continue our double-digit growth in the future.

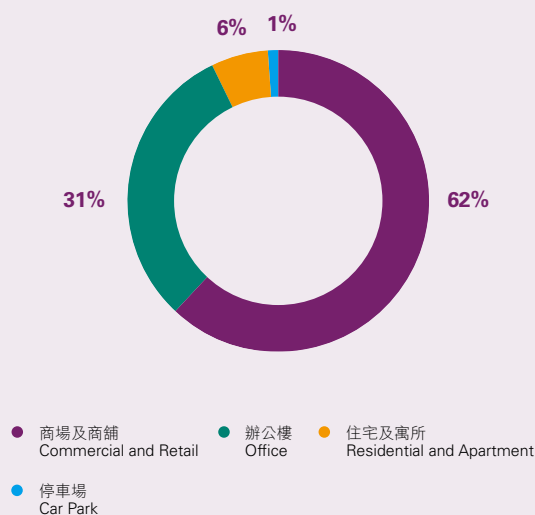
中國內地租金收入
Mainland China Rental Revenue

截至十二月三十一日止年度
For the years ended December 31



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

截至二零一一年十二月三十一日止年度
For the year ended December 31, 2011





瀋陽的皇城恒隆廣場

截至二零一一年十二月三十一日止六個月期內，瀋陽的皇城恒隆廣場租賃營業額達港幣八千五百萬元，較去年同期增長百分之十五。皇城恒隆廣場位於瀋陽市的商業及文化樞紐——瀋河區中街路，於二零一零年六月開業，引入國際和國內時尚品牌，匯聚時尚服飾、美容及化妝品和優質食府。皇城恒隆廣場亦舉辦多項特色活動，為當地帶來活力氣息和新的生活方式，例如舉辦街舞比賽吸引了大量年青和時尚購物者，以及利用在宏偉中庭裝置的全市最大LED顯示屏舉辦互動遊戲等，均甚受歡迎。其「聖誕傳情達意送祝福」活動，讓顧客將祝福短訊瞬即發佈到商場的LED大屏幕上，為摯愛親朋即時送上甜蜜驚喜。這項創意活動大受顧客歡迎，商場更在平安夜當日收到超過二千個短訊，客流量顯著增加。

Palace 66, Shenyang

During the six-month period ended December 31, 2011, the rental turnover at Palace 66 in Shenyang reached HK\$85 million, up 15% compared to the same period last year. Located at Zhongjie Lu in the busy Shenhe District, the commercial and cultural heart of Shenyang, Palace 66 commenced operations in June 2010 with an inviting mix of international and local brands, encompassing fashion and accessories, beauty and cosmetics, and gourmet and quality cuisine. With a host of special lifestyle events, the shopping mall has also brought added vitality to the area. A Street Dance Competition attracted a number of young and trendy shoppers while interactive games using the city's largest LED screen at grand atrium of Palace 66, have proven to be highly popular. Our Christmas initiative, for example, enabling customers to display their SMS messages to their loved ones on Palace 66's huge LED screen, drew significant pedestrian traffic -- on Christmas Eve alone, over 2,000 SMS messages were received for display, to the delight of the recipients.

中國內地物業租賃 Mainland China Property Leasing

雖然面對當地的激烈競爭，但我們相信瀋陽的皇城恒隆廣場憑藉努力不懈地提升服務和租戶組合，並定位為一個年輕時尚、富有優質生活品味的熱點，再配合世界級的設計和頂級的設施，發揮「恒隆」品牌的強大效益，以及舉辦深受歡迎的推廣活動，定可繼續吸引更多高購買力的客群惠臨。皇城恒隆廣場的發展遠見和精心策劃深獲認同，於二零一一年十一月在國際購物中心協會舉辦的二零一一年度亞太區購物中心大獎中，奪得「全新商業零售物業項目－革新設計與發展組別」銀獎。獎項旨在為亞洲商業零售房地產行業訂下新的標準，表揚業界從視野、革新和創意等多角度設計、發展和推廣商業零售物業的卓越表現。

Despite keen competition in the area, we believe that with our constant efforts to refine services and tenant mix to position Palace 66 as a young and trendy destination which brings quality lifestyle, hand-in-hand with our world-class design and state-of-the-art facilities, Hang Lung's powerful "66" brand, as well as our popular promotional initiatives, we will continue to attract a strong inflow of customers with high purchasing power to the complex. Reflecting the vision and care that have gone into the development of Palace 66, in November 2011 it won the Silver Award in the 2011 Asia Pacific Shopping Center Awards in the category of "Innovative Design and Development of a New Retail Project". Presented by the International Council of Shopping Centers (ICSC) to recognize standards of excellence in the Asian retail real estate industry, these coveted awards honor industry practitioners for outstanding design, development and marketing of retail properties in terms of vision, innovation and creativity.



瀋陽的皇城恒隆廣場不斷推出創新的推廣活動
Palace 66 in Shenyang introduces an array of innovative promotional events



濟南的恒隆廣場盛大開幕
Grand opening of Parc 66 in Jinan

濟南的恒隆廣場

濟南的恒隆廣場於二零一一年八月二十六日隆重開幕，為濟南城市生活開創新姿采，躍身成為濟南市的最新地標及最大的購物中心。濟南的恒隆廣場樓高七層，總樓面面積達十七萬一千平方米，集餐飲、購物、休閒和娛樂於一體；於開幕時已全部租出，網羅接近三百五十家商戶，當中超過半數為國際時尚品牌，其中不少更是初次進駐濟南，如Bang & Olufsen、蔻馳(Coach)、愛斯卡達(Escada)、芙拉(Furla)、萬國錶(IWC)、無印良品(Muji)、優衣庫(UNIQLO)和范思哲牛仔褲(Versace Jeans)等。項目帶來的全新生活體驗，吸引了市內和鄰近地區的大量客流，開業四個月內的租金收入已高達港幣一億二千三百萬元。

該座購物商場坐落於被譽為「金街」的泉城路，是明代以來的政治、文化及商業核心地帶，故項目深受本地和全國各地重視。濟南的恒隆廣場繼過去獲頒「2009年MIPIM Architerctural Review

Parc 66, Jinan

Bringing a new dimension to life in Jinan, Parc 66 celebrated its grand opening on August 26, 2011, emerging as Jinan's latest landmark as well as the largest shopping center in the city. Providing a gross floor area of 171,000 square meters over seven stories, the shopping center offers comprehensive facilities from premium dining and superlative shopping to the latest leisure, entertainment and lifestyle services. Reflecting this unique quality environment, Parc 66 secured an 100% occupancy rate upon operational, with close to 350 tenants, more than half of whom being international brand names. Many of these brands, from Bang & Olufsen to Coach, Escada, Furla, IWC, Muji, UNIQLO and Versace Jeans, are being seen for the first time in Jinan. In view of this new lifestyle experience, there has been a strong inflow of customer traffic both from the city and the surrounding neighborhood. In the four months since the mall's opening, its rental turnover reached HK\$123 million.

Located on Quancheng Lu, the city's "Golden Avenue" and its political, cultural and commercial hub since the Ming Dynasty, the shopping mall has attracted considerable attention both locally and throughout the country. In September, almost immediately after its opening, Parc 66 won the "Mall China Golden Mall Awards 2011 -- City Advancement

中國內地物業租賃
Mainland China -- Property Leasing



目大獎 — 零售及消閒組別」表揚證書及「2009亞太區商業物業大獎 — 建築大獎 (五星)」後，即於甫開幕後的九月榮獲「2011中購聯中國購物中心年度城市推動獎」。

瀋陽的市府恒隆廣場

瀋陽的市府恒隆廣場一期將於二零一二年第四季開業，進一步推動集團中國內地租賃業務的增長。這個頂級購物商場將包括超過一百五十家商店和二千多個車位。憑藉「恒隆」品牌的尊崇地位，加上我們與租戶的緊密夥伴關係，許多奢侈品牌已選定市府恒隆廣場作為它們在瀋陽的首家店舖落戶點，並有其他品牌將在這裏開設它們在瀋陽和中國東北地區的旗艦店。項目並設有優質娛樂和超市餐飲配套設施，集購物、高級娛樂和休閒於一體，為市內高消費力的顧客創造新的生活體驗。

Award”; in addition to the “MIPIM Architectural Review Future Project Awards 2009 - - Retail & Leisure” Commended Certificate and “Asia Pacific Commercial Property Awards 2009 - - The Architecture Award (Five Star)” received in the past.

Forum 66, Shenyang

Fuelling the momentum of our leasing activities in mainland China even further, Phase 1 of Forum 66 in Shenyang, consisting of a high-end shopping complex featuring over 150 shops and more than 2,000 car parking spaces, is scheduled for completion in the fourth quarter of 2012. Benefiting from our prestigious “66” brand and our close tenant partnerships, a number of luxury brands have chosen Forum 66 as the home for their first store in Shenyang while others will be locating their flagship stores, both for the city and for northeastern China, in the development. Together with its premium entertainment, supermarket and quality restaurant facilities, Forum 66 will blend shopping, luxury entertainment and enjoyment to create a new lifestyle experience for the city’s most well-off consumers.

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

截至十二月三十一日止六個月 For six-month period ended December 31

		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	454	283	1,017	782	98	97
辦公樓	Office	227	227	477	450	99	98
住宅及寓所	Residential and Apartment	83	83	88	77	97	97
停車場	Car Park	263	176	22	19	N/A	N/A
總計	Total	1,027	769	1,604	1,328	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

於二零一一年十二月三十一日 At December 31, 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)	181
濟南	Jinan	258
發展中投資物業	Investment Properties Under Development	
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
昆明	Kunming	401
總計	Total	3,035

* 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

1 瀋陽的市府恒隆廣場

我們在瀋陽的第二個項目市府恒隆廣場，將於二零一二年第四季起分期落成。這是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，樓高達三百五十米，包括頂級購物商場、辦公樓、酒店及服務式寓所。

市府恒隆廣場坐落貫通瀋陽市中心有「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，交通更為便捷。市府恒隆廣場不僅與皇城恒隆廣場所提供的設施和服務相得益彰，所產生的協同效益和知名度也可鞏固「恒隆」品牌的尊崇地位。

Forum 66, Shenyang

Forum 66, our second project in Shenyang, is coming on stream in the fourth quarter of 2012. Being the largest of our current projects under construction, this prime landmark complex, consisting of 855,100 square meters of space and rising 350 meters high, will include premium shopping facilities, offices, hotels and serviced apartments.

Forum 66 is ideally located on Qingnian Da Jie, the “Golden Corridor” which runs through the city center. It is also sited among Shenyang’s most well-known landmarks, the Liaoning Grand Theater, the Liaoning Provincial Museum, the Municipal Government Building, as well as City Plaza. Boosting traffic flows even further, not only is a new metro line currently being built along the “Golden Corridor”, it will also provide direct internal access from the station to our development. Forum 66 will complement the facilities and service provided by Palace 66 while the synergy and awareness generated will also strengthen the prestige of our well-known “66” brand.



2

2 無錫的恒隆廣場（一期）

無錫的恒隆廣場坐落在無錫市中心商圈崇安區人民中路，車水馬龍，佔盡地利，未來的地鐵一號線及二號線將進一步增加項目的人流。項目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，預期於二零一三年起落成。無錫的恒隆廣場的購物商場及一期辦公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，表揚項目的優質環保設計。



3

3 無錫的恒隆廣場（二期）

無錫的恒隆廣場（二期）集商場、辦公樓、酒店及服務式寓所於一身，落成後一期和二期的總樓面面積將達三十七萬六千八百平方米，成為無錫市核心商業區內最大最新的零售和商業地標。二期坐落於健康路及後西溪交界，位於人民中路即一期所在地的南面。

Center 66 - - Phase 1, Wuxi

Located on Renmin Zhong Lu in Chong'an District, Center 66 enjoys a prime location in the very heart of Wuxi's central business district. In addition to the heavy pedestrian flows in the area, Center 66 will also benefit from the busy traffic that the metro lines 1 and 2, currently under construction, will bring. Due for completion from 2013 onwards, Phase 1 of Center 66 will consist of 263,800 square meters of premium shopping space and Grade A office towers. Attesting to the quality of the development as well as the many environmental initiatives that have been included in its design, the shopping mall and Phase 1 office facilities obtained their "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.

Center 66 - - Phase 2, Wuxi

Phase 2 of Center 66 will consist of commercial and office facilities as well as hotel and serviced apartments. When completed, it will bring the total gross floor area of Center 66, Phases 1 and 2 to an impressive 376,800 square meters, making it the largest retail and commercial landmark in the central business district of Wuxi. The Phase 2 site is situated at the intersection of Jiankang Lu and Hou Xixi, adjacent to and immediately to the south of Renmin Zhong Lu where Phase 1 is located.

中國內地物業發展
Mainland China Property Development



4

4 天津的恒隆廣場

天津的恒隆廣場位於市內的優越地段——「全國十大著名商業街」之一的和平路，除提供十五萬二千八百平方米的世界級商場和商舖外，這座地標物業亦將成為中國最長的購物商場之一。其建築設計亦甚具特色，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。這個優秀的設計，獲美國建築師聯合會紐約分會頒發「二零一零年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。項目亦獲頒「2007年MIPIM Architectural Review未來項目大獎——零售及消閒組別」，並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。項目預期於二零一四年落成。

Riverside 66, Tianjin

Located in the heart of Tianjin on a prime site in Heping Lu, one of the "Ten Most Famous Commercial Streets in China," Riverside 66 will not only provide 152,800 square meters of world-class commercial and retail facilities, it will also create an iconic landmark for the city as one of the longest shopping malls in China. Specially designed to integrate both Riverside 66's internal elements and its external surroundings, the development boasts a unique glass shell design, which enables an external view into the shops and activities within the mall. This innovative design has won Riverside 66 a host of awards including the prestigious "2010 AIA New York Chapter's Design Awards, Unbuilt Category" from the American Institute of Architects (AIA) New York Chapter. We are probably the first Hong Kong developer operating on the Mainland to receive this well-known award. It also won the "MIPIM Architectural Review Future Project Awards 2007 - - Retail and Leisure". In 2009, Riverside 66 received its "Precertification under Leadership in Energy and Environmental Design (LEED) for Core and Shell Development - - Gold Level", which is issued by the U.S. Green Building Council. The project is due for completion in 2014.



5

5 大連的恒隆廣場

大連的恒隆廣場預期於二零一五年落成，提供二十二萬一千九百平方米的優質購物、飲食及消閒設施，為大連帶來新的消閒和生活體驗。項目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。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。這種創新和精巧的設計，令項目榮獲知名的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」獎項，並擊敗世界其他頂級項目，贏得「二零一一年度國際最佳零售建築項目」大獎。大連的恒隆廣場擁有多項環保和可持續設施，項目亦於二零一一年八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。

6 昆明的恒隆廣場

我們於二零一一年九月投得昆明市盤龍區東風路一幅黃金地塊，並計劃將其發展為總樓面面積達四十萬一千三百平方米之世界級購物中心暨辦公樓及服務式寓所作為長期投資，預期於二零一七年起分期落成。

Olympia 66, Dalian

Upon its completion, expected in 2015, Olympia 66 will offer a new leisure and lifestyle center in Dalian with 221,900 square meters of prime shopping, dining and entertainment space. Centrally located at Wusi Lu, one of the city's leading commercial avenues and adjacent to Olympic Square, Olympia 66's grand indoor plaza will connect the complex's vibrant atrium spaces, bringing them all together under a crystalline skylight. Attesting to the innovation and sophistication of this design, Olympia 66 won the highly coveted "Best Retail Architecture in Asia Pacific" and the "Five-star Best Retail Architecture in China" titles in the distinctive International Property Awards 2011. Even more significantly, our project outperformed top projects from across the world to bring home the ultimate "Best International Retail Architecture 2011" Award. In view of its environmental and sustainability features, Olympia 66 also received its "Precertification under Leadership in Energy and Environmental Design (LEED) for Core and Shell Development - - Gold level" from the U.S. Green Building Council in August 2011.

Spring City 66, Kunming

In September 2011, we acquired a prime site on Dongfeng Lu of Panlong District in Kunming. The land plot will be developed into world class shopping center, office towers and serviced apartments with total gross floor area of 401,300 square meters for long term investment. The project is due for completion in phases from 2017.

集團主要物業 Major Group Properties

A 主要發展中物業 Major Properties Under Development

於二零一一年十二月三十一日 At December 31, 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	50.7	建築上蓋 Superstructure	2013
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	50.7	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	50.7	建築上蓋 Superstructure	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	50.7	計劃中 Planning	
天津 TIANJIN							
恒隆廣場， 和平路， 和平區	Riverside 66, Heping Lu, Heping District	42,697	C	152,800	50.7	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	50.7	地基工程 Foundation	2015
昆明 KUNMING							
恒隆廣場， 東風路， 盤龍區	Spring City 66, Dongfeng Lu, Panlong District	56,042	C/O/S	401,300	50.7	計劃中 Planning	2017 起 onwards

C : 商場 Commercial
 H : 酒店 Hotel
 O : 辦公樓 Office
 R : 住宅 Residential
 S : 服務式寓所 Serviced Apartment

B 已建成待售物業 Properties Completed for Sale

於二零一一年十二月三十一日 At December 31, 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 Unit	未售出 車位數目 No. of Unsold Carparking Space
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	37,080	50.7	282	265
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	50.7	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	50.7	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	50.7	2	16

R : 住宅 Residential

集團主要物業
Major Group Properties



主要投資物業
Major Investment Properties

於二零一一年十二月三十一日 At December 31, 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	辦公樓及 工業／辦公樓 Office and Industrial/ Office	住宅及寓所 Residential and Apartment	車位數目 No. of Carparking Space
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 WAN CHAI					
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



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

於二零一一年十二月三十一日 At December 31, 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	辦公樓及 工業/辦公樓 Office and Industrial/ Office	住宅及寓所 Residential and Apartment	車位數目 No. of Carparking Space
香港(續)	HONG KONG (Continued)					
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
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

集團主要物業
Major Group Properties

C 主要投資物業(續)
Major Investment Properties (Continued)
於二零一一年十二月三十一日 At December 31, 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	辦公樓及 工業/辦公樓 Office and Industrial/ Office	住宅及寓所 Residential and Apartment	車位數目 No. of Carparking Space
香港(續)	HONG KONG (Continued)					
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



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

於二零一一年十二月三十一日 At December 31, 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	辦公樓及 工業/辦公樓 Office and Industrial/ Office	住宅及寓所 Residential and Apartment	車位數目 No. of Carparking Space
香港(續)		HONG KONG (Continued)				
尖沙咀及西九龍		TSIM SHATSUI 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	—	—
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	—	—
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
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
牛頭角及觀塘		NGAU TAU KOK AND KWUN TONG				
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

集團主要物業
Major Group Properties

C 主要投資物業 (續)
Major Investment Properties (Continued)
於二零一一年十二月三十一日 At December 31, 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	辦公樓及 工業／辦公樓 Office and Industrial/ Office	住宅及寓所 Residential and Apartment	車位數目 No. of Carparking Space
香港 (續)	HONG KONG (Continued)					
長沙灣、葵涌及荃灣	CHEUNG SHA WAN, KWAI CHUNG AND TSIEN 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
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



主要投資物業(續)

Major Investment Properties (Continued)

於二零一一年十二月三十一日 At December 31, 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 Space
			商場及商舖 Commercial and Retail	辦公樓及 工業/辦公樓 Office and Industrial/ Office	住宅及寓所 Residential and Apartment	
香港(續)	HONG KONG (Continued)					
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辦公樓之租金收入，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.

集團主要物業
Major Group Properties



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

於二零一一年十二月三十一日 At December 31, 2011

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 Space
			商場及商舖 Commercial and Retail	辦公樓及 工業/辦公樓 Office and Industrial/ Office	住宅及寓所 Residential and Apartment		
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	53,700	159,600	–	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	
濟南	JINAN						
恒隆廣場， 泉城路 188 號， 歷下區	Parc 66, 188 Quancheng Lu, Lixia District	2059	171,000	–	–	785	

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

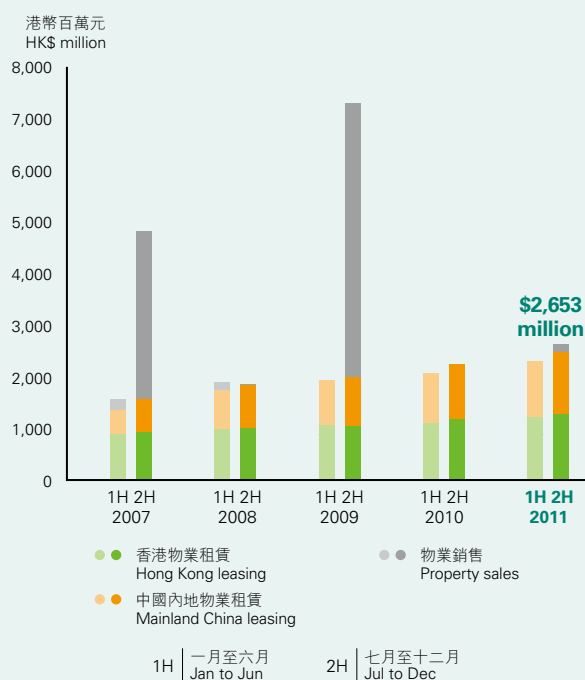
截至十二月三十一日止年度
For the years ended December 31



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

截至十二月三十一日止年度
For the years ended December 31



截至二零一一年十二月三十一日止 六個月期內的財務業績回顧

營業總額上升百分之二十一，至港幣三十三億六千一百萬元。股東應佔基本純利，即不計重估收益淨額的稅後溢利，增長百分之二十七至港幣十億元。

集團繼續以香港和中國內地物業租賃作為核心業務。在租賃活動強勁帶動下，下半年度物業租賃業務的租金收入及經營溢利分別增長百分之十四及百分之十一，至港幣三十一億六千八百萬元及港幣二十五億零三百萬元。

Review of Financial Results for Six-month Period Ended December 31, 2011

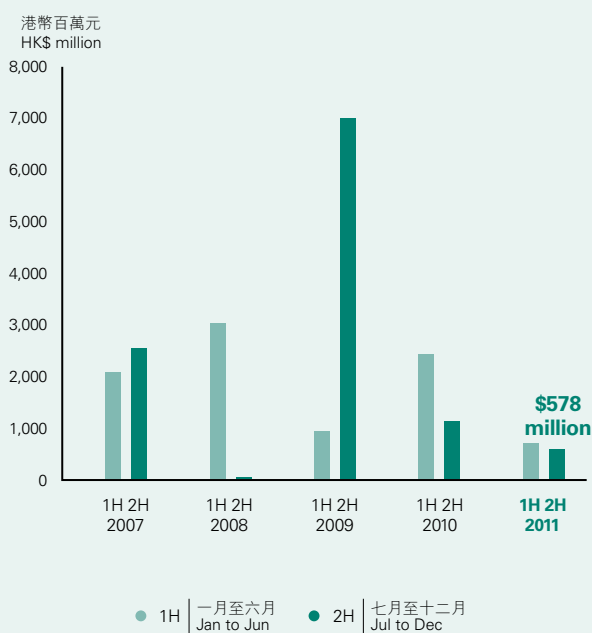
Total turnover increased by 21% to HK\$3,361 million and underlying net profit attributable to shareholders, being profit after taxation without taking into account the net revaluation gain, increased by 27% to HK\$1,000 million.

Property leasing in Hong Kong and mainland China remains our core business. Boosted by strong leasing activities, rental turnover and operating profit for property leasing increased by 14% and 11% in the second half of the year to HK\$3,168 million and HK\$2,503 million, respectively.

財務回顧
Financial Review

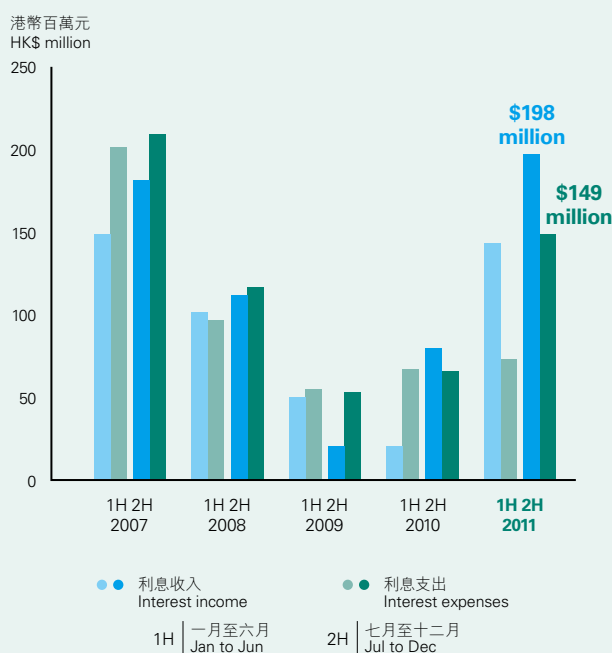
投資物業之公平值增加
Change in Fair Value of Investment Properties

截至十二月三十一日止年度
For the years ended December 31



利息收入及支出
Interest Income and Expenses

截至十二月三十一日止年度
For the years ended December 31



來自香港投資物業的租金收入及經營溢利分別增長百分之七及百分之八，至港幣十五億六千四百萬元及港幣十二億九千萬。

Rental income and operating profit generated from Hong Kong investment properties grew by 7% and 8% to HK\$1,564 million and HK\$1,290 million, respectively.

中國內地物業繼續提供可觀增長，租金收入及經營溢利分別上升百分之二十一及百分之十四，至港幣十六億零四百萬元及港幣十二億一千三百萬元。上海的恒隆廣場和港匯恒隆廣場，其購物商場錄得兩位數字增長。濟南的恒隆廣場已於二零一一年八月開幕，租出率達百分之一百。

Mainland China properties continued to deliver impressive growth as rental income and operating profit increased by 21% and 14% to HK\$1,604 million and HK\$1,213 million, respectively. The shopping malls at Plaza 66 and Grand Gateway 66 in Shanghai recorded a double-digit growth. In August 2011, Parc 66 in Jinan was opened with 100% occupancy rate.

我們以每平方呎平均價格港幣四萬四千元售出君臨天下兩個單位，錄得除稅前溢利港幣一億五千萬元。

期內投資物業公平值的增幅為港幣九億五千三百萬元，低於去年同期的港幣二十三億五千七百萬元。

由於重估收益淨額減少，計入投資物業公平值變動的營業溢利下降百分之十九，至港幣三十五億二千五百萬元。

本集團持有相當數量的現金結餘，主要包括人民幣存款以應對內地施工費之用。受惠於人民幣較港幣為高的利息，期內錄得利息收入淨額港幣四千九百萬元，較去年同期的港幣一千五百萬元超過兩倍。

由於租賃溢利上升，本財政期的稅項支出增加百分之五至港幣五億八千萬元。

鑑於重估收益淨額大幅減少，股東應佔純利下降百分之十七至港幣十五億七千八百萬元。每股盈利由港幣一元四角一仙下降至港幣一元一角七仙。董事局已建議派付末期股息每股港幣三十八仙。

We sold two flats at The HarbourSide at an average unit price of HK\$44,000 per square foot, generating a profit before tax of HK\$150 million.

The increase in fair value of investment properties recorded for the period amounted to HK\$953 million which was lower than HK\$2,357 million of the corresponding period last year.

As a smaller net revaluation gain was recognized, operating profit after change in fair value of investment properties decreased by 19% to HK\$3,525 million.

The Group held significant cash balances which mainly included Renminbi deposits matching with construction payments on the Mainland. Benefiting from the higher interest rates of Renminbi than Hong Kong dollars, a net interest income of HK\$49 million recorded for the period, more than doubled that of HK\$15 million in the corresponding period.

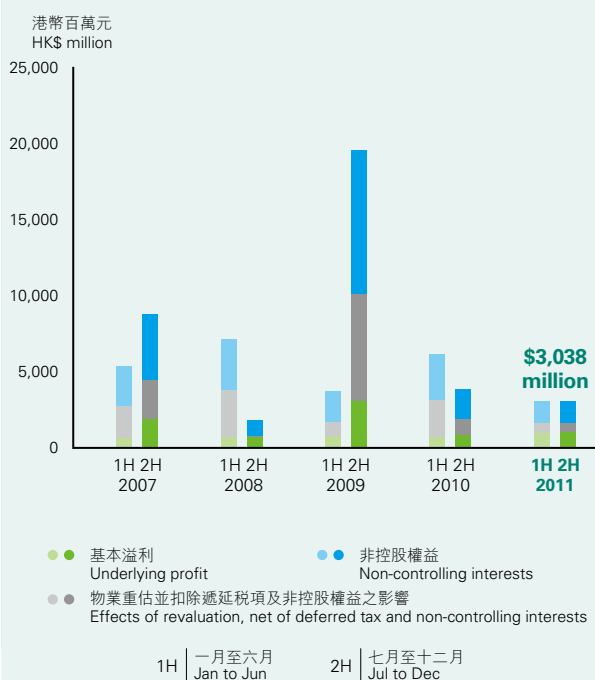
Taxation charges increased by 5% in this period to HK\$580 million, in line with the higher rental profit.

With a much lower net revaluation gain on investment properties, the net profit attributable to shareholders fell by 17% to HK\$1,578 million. The earnings per share decreased from HK\$1.41 to HK\$1.17. The Board has proposed a final dividend of HK\$0.38 per share.

財務回顧
Financial Review

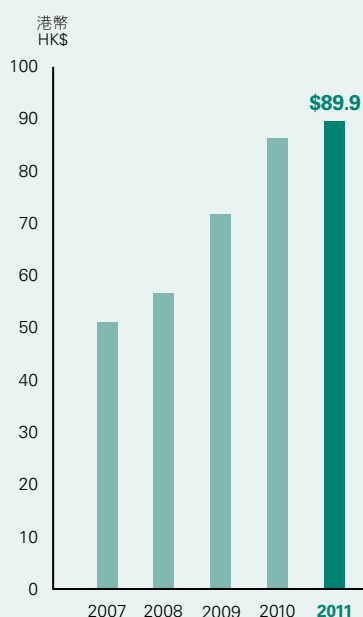
年度溢利
Profit for the Year

截至十二月三十一日止年度
For the years ended December 31



每股資產淨值
Net Assets per Share

於十二月三十一日
At December 31



二零一一年財政狀況回顧

本集團繼續保持雄厚資本，擁有充裕的財務資源和有適當外匯組合的現金流量，以便於到期時履行各項義務。

計入二零一一年八月開業的濟南的恒隆廣場以及租賃物業組合溫和的重估收益後，投資物業增加百分之八至港幣一千零一十八億三千三百萬元。

Review of 2011 Financial Position

The Group continued to maintain a strong balance sheet with sufficient financial resources and liquidity to meet all obligations as they fall due.

Investment properties rose by 8% to HK\$101,833 million due to inclusion of Parc 66 upon its completion in August 2011 and moderate gains on revaluation of the leasing portfolio.

二零一一年九月，我們以人民幣三十四億九千七百萬元投得昆明市一幅黃金地塊。該地塊的地盤面積為五萬六千零四十二平方米，將發展為總樓面面積達四十萬一千三百平方米的世界級購物中心暨辦公樓及服務式寓所作為長期投資。於二零一一年十二月三十一日，昆明項目的地價已全數付清。

計入昆明土地購置、其他內地項目的施工進度，以及將濟南的恒隆廣場轉撥至已落成的投資物業後，發展中物業由港幣二百一十五億二千四百萬元增加至港幣二百三十六億一千三百萬元。

於二零一一年十二月三十一日，本集團尚未在財務報表撥備的資本承擔為港幣三百四十億一千五百萬元，主要與未來數年在中國內地落成的物業發展項目有關。

本集團繼續保持審慎水平的流動資金及銀行信貸以滿足未來的承擔需求。截至二零一一年十二月三十一日，本集團持有現金及銀行存款港幣二百六十一億四千九百萬元，以滿足內地各個項目規定的注資及施工付款計劃的要求，以及其他營運資金所需。經扣除總借貸(無抵押)港幣二百七十六億九千四百萬元，本集團截至二零一一年十二月三十一日的負債率仍處於百分之一的甚低水平。

In September 2011, we successfully acquired a prime site in Kunming at a price of RMB3,497 million. With a site area of 56,042 square meters, the plot of land will be developed into a world class shopping mall, office towers and serviced apartments for long term investment. The properties will cover a total gross floor area of 401,300 square meters upon completion. The land price of the Kunming project has been fully paid as at December 31, 2011.

With the land acquisition in Kunming and construction progress of other mainland projects, properties under development increased from HK\$21,524 million to HK\$23,613 million, after transferring out the Parc 66 to completed investment properties.

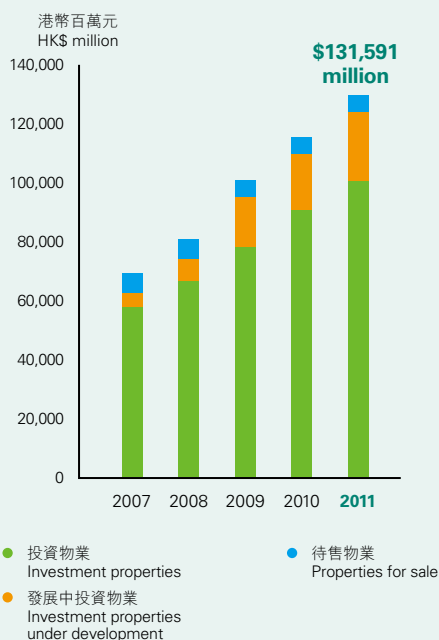
As at December 31, 2011, the Group had capital commitments amounting to HK\$34,015 million not provided for in the financial statements. Those commitments are predominantly related to the property development projects in mainland China to be completed over the next few years.

The Group continued to position itself with a prudent level of liquid funds and banking facilities to meet future commitments. As at December 31, 2011, the Group had cash and bank deposits of HK\$26,149 million 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\$27,694 million, the Group had a low gearing ratio of 1% as at December 31, 2011.

財務回顧
Financial Review

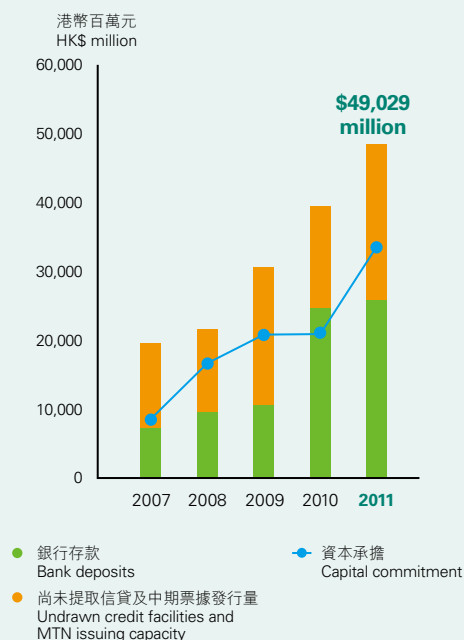
投資物業、發展中投資物業及待售物業
Investment Properties, Investment Properties
Under Development and Properties for Sale

於十二月三十一日
At December 31



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

於十二月三十一日
At December 31



憑藉雄厚的創造現金能力及充裕的財務資源，本集團配備完善可應對突如其來的市場動盪或把握各項符合我們增長策略並具吸引力的投資機會。

With robust cash generation capability and ample financial resources, we are well-equipped to tackle unexpected market turbulence or 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

本集團的長期拓展策略是建立土地儲備以供物業發展。於進行任何發展項目或土地購置前，均會先就其相關風險和回報作出周詳評估，包括考慮及評核有關的政府政策、當地政府的支持程度、各項經濟數據和周邊的基建配套設施等。若條件符合我們的整體要求，亦須先獲董事局批准才可進行購置或項目發展。

由於我們在中國內地的投資項目是以長期商業用途作為規劃，因此短期的市場波動和政府政策對我們的發展策略影響甚小。

我們認真地管理和監察每個項目。指導委員會負責監察每項計劃的進展，對設計和施工過程中的任何重大變更作出評估和審批。管理層亦密切參與和積極監察項目，透過定期進度審查以清楚掌握情況及迅速作出決定。具備專才和經驗的專責團隊負責跟進項目，定期向指導委員會及董事局提交詳盡的進度報告。

內部監控環境

清晰的指引及完善的監控環境，為良好的內部監控奠定基調。我們簡而有效的監控機制包括各項基本要素，例如經常性和定期性的管理檢討、職責分工、預算監控、對各種權限級別設定的明確清晰的規限、告密機制、全體員工和交易夥伴的行為準則，以及為員工發展提供適當的培訓。

Land Bank Acquisition and Property Development

The Group's long-term expansion strategy is to build up a land bank for property development. Before any development project or land acquisition goes ahead, a thorough evaluation of the related risks and returns, including consideration and assessment of relevant government policies, the level of local government support, various economic data as well as the adequacy of the infrastructure development in the surrounding area, is carried out. If the conditions satisfy our overall requirements, Board approval is then required before the purchase or project can proceed.

Short-term market fluctuations and government policies have minimal impact on our development strategies as our investment projects in mainland China are planned for the long-term with ongoing commercial usage.

Each project is carefully managed and monitored. A steering committee monitors the progress of each scheme, evaluating and approving any important changes in the design and construction process. Management are also closely involved -- projects are actively supervised with regular progressive reviews so that they have a clear picture of the situation and decisions can be made promptly. The designated team of skilled and experienced professionals, who are responsible for the project, is also charged with keeping the steering committee and the Board fully informed of developments through regular and comprehensive status reports.

Internal Control Environment

Clear guidelines and a well-established control environment set the tone for good internal controls. Our simple yet effective control mechanisms include such fundamentals as close and regular management reviews, the segregation of duties, budgetary controls, clear, well defined and specific limits for the various levels of authority, whistle blowing mechanisms, codes of conduct for both our staff and trading partners, as well as the provision of appropriate training for staff development.

風險管理 Risk Management

財務風險

本集團的業務規模和範疇使我們面對各類財務風險。我們致力把這些風險減至最低，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，故須面對利率的變動。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有關風險，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的到期日，盡量減少錯配及／或重新定價風險。本集團審慎管理其內地投資的匯率風險，以求在中國現有的貨幣機制下取得最大程度的保障。香港方面，由於港元與美元掛鈎，故我們認為美元存款的匯率風險不高。

(b) 現金管理、融資及流動資金

本集團於企業層面管理和監控其融資需求，以取得最優惠借貸條件及方便財務風險管理。所有現金均由中央匯集管理，以取得規模效益，並確保常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的到期日，把還款或再融資風險減至最低。

(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，以及存放在銀行的存款等。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，我們持有相關物業作為抵押，藉此保障應收的款項。存放在銀行的盈餘資金均設有限額，避免過度集中所帶來的風險，並且只存放在擁有高度信貸評級和信譽良好的銀行。

Treasury Risk

The scale and scope of the Group's activities expose us to a variety of treasury risks. Every effort has been made to minimize these risks, which are managed in accordance with the Group's treasury policies and approved by management.

(a) Interest Rate and Foreign Exchange

The Group is exposed to interest rate movements as most borrowings are issued at floating rates. Interest rate risks are thus closely monitored and, as and when appropriate, the Group may adopt relevant measures to manage associated risks, including but not limited to the issuance of fixed interest bonds. The maturity of monetary assets and liabilities is also planned and managed with care to minimize any mismatch and/or repricing risk. Exchange rate risks arising from the Group's investments on the Mainland are prudently managed to provide maximum protection under China's existing currency regime. In Hong Kong, as Hong Kong dollars are pegged to United States dollars, exchange rate risks relating to United States dollar deposits are not considered significant.

(b) Cash Management, Funding and Liquidity

The Group's funding requirements are managed and controlled at the corporate level, which optimizes borrowing terms and facilitates financial risk management. All ready cash is also pooled and centrally managed. This move achieves both economies of scale and ensures that sufficient funds and banking facilities are always available and in place to meet obligations well before they fall due. Bank facility maturity dates are distributed evenly 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. The credit risks with regard to rents receivable are managed through credit assessments of the prospective tenants, the payment of rental deposits as well as close monitoring of any outstanding rental. Receivables related to property sales are protected with collateral on the properties in question. Bank deposits of surplus funds have assigned exposure limits to mitigate concentration risks and are only made with reputable banks that have sound credit ratings.

(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

我們密切監察市場趨勢和營商環境，確保旗下物業保持市場最高標準和競爭優勢，並定期為物業進行保養翻新，保持物業的安全性和質量。我們已為物業購買充足保險，以確保發生意外及／或其他損失時獲得保障，並維持內部監控機制，以保護本集團的資產及防止不當行為發生。

獨立內部審計部定期進行審查及檢測，確保所有監控機制及政策均充足無缺、符合成本效益及獲得切實依循。我們已設定有效的備份程序，確保各類資料，例如電腦資料，不會遺失，並設有電腦系統獨立後備中心作為集團業務持續計劃的一部分。

我們繼續提升旗下的環保設施方案，不僅為竭盡環球企業公民的責任，更力求保持領先市場預期的優勢。

人才風險

提名及薪酬委員會致力確保董事及高級管理層的薪酬水平保持競爭力。我們亦根據市場薪酬趨勢來評核員工的薪酬待遇，確保吸引並且保留專業人才。我們鼓勵員工發揮最大潛能及提升知識技能，並資助他們修讀認可的專業課程。我們與員工保持對話，並為各級員工提供明確的溝通及申訴渠道。此外，我們亦會進行離職面談，以收集相關資料供作進一步改善。

(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

We follow market trends and business environments closely to make sure that our properties continue to maintain both the highest market standards and their competitive edge. Maintenance and renovation are carried out regularly to upgrade the facilities and uphold the safety and quality of our properties while adequate insurance measures are in place to protect our properties against accidental losses and/or other hazards. Established internal control systems also safeguard our assets and protect the Group from potential malpractices, if any.

An independent internal audit team carries out frequent reviews and tests to ensure that all internal control systems and policies are adequate, cost effective and fully adhered to. As part of the Group's business continuity plan, proper back-up procedures have also been put into place to safeguard against any potential loss - - our computer data for example. A separate back-up site for our computer systems has thus been established.

We continue to upgrade our environmental conservation measures, aiming not only to act responsibly as a global citizen but also to meet and stay ahead of market expectations.

People Risk

The Nomination and Remuneration Committee works to ensure that remuneration levels for Group directors and senior management are competitive. Employee remuneration packages are also evaluated and monitored against market trends to make sure we not only attract, but retain, a professional and able team. Maximizing potential and encouraging staff to improve their knowledge and skills, we provide financial support to further their training with relevant and recognized professional programs. Maintaining a dialogue with staff, we provide clear channels of communication together with an accessible grievance reporting system for staff of all levels. Exit interviews are also conducted to gather relevant information for future improvement.

可持續發展報告 Sustainability Report





恒隆致力在環境、社會及人才
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
community and our people.





恒隆作為香港和內地一家頂尖的地產發展商，在擴展業務之餘，更在可持續發展和企業社會責任方面，致力展現卓越的領導地位。為確保我們的業務活動在經濟上、社會上及環境上均可持續發展，我們的可持續發展目標主要圍繞環境、社會及人才，旨在：

- 建造環保及可持續發展的物業，為社區帶來更多重大和實質的價值；
- 提倡綠色的工作及營運環境；
- 確保員工享有互相尊重、和諧及安全的工作環境，為他們提供所需培訓和事業發展機會，務使集團繼續成為理想僱主的首選；以及
- 參與及贊助一系列的社會及慈善活動，以回饋社區對集團的支持。

As a top-tier and expanding property developer in Hong Kong and mainland China, Hang Lung is committed to showing exceptional leadership in the areas of sustainability and corporate social responsibility. In order to ensure that all our activities are sustainable economically, socially and environmentally, our strategies for sustainable development specifically address to our environment, our community and our people. They aim to:

- construct environmentally friendly and sustainable buildings that add significant and tangible values to the communities we serve;
- promote a green environment wherever we work and in our operational practices;
- maintain our role as “the employer of choice” by ensuring a respectful, harmonious and safe work environment, providing necessary training and career development opportunities for our people; and
- acknowledge the immense support we receive from the communities we serve by making meaningful contributions to them through participation in, and sponsorship of, a broad spectrum of social and charitable initiatives.

長期以來，集團一直致力在環境保護、社會和人才方面積極推廣可持續發展，因而連續兩年獲選為「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」成分股之一，同時亦躋身新設的「恒生可持續發展企業基準指數」。該指數系列是本港首創的同類指數，作為社會責任投資及追蹤成份股公司股價表現的基準，為投資界和公眾提供重要的參考價值。

可持續業務發展

我們在業務營運過程中，致力追求可持續發展。恒隆貫徹最高水平的業務管理、問責性和透明度，為客戶、員工、社群及所有其他持份者提供長遠價值和可持續增長。我們相信，良好的企業管治應由最高層面的董事局開始推動。集團董事局積極主動，董事們勤於指導、敏於監察，肩負領導和管控集團的重任。主席、董事和管理層均積極參與和指導可持續發展策略及實務的制訂和貫徹執行。有關的企業管治政策，詳載於本年報的「企業管治」篇章。

防範風險及保障業務的持續性

可持續業務發展策略的另一個重點，是專注防範風險及確保業務的持續性。

在回顧期內，我們優化了危機管理計劃，除採取新措施保障顧客、租戶及員工外，當一旦發生危機或緊急事件時，亦能維持業務的正常運作，把任何損害或損失減至最低。

我們亦在香港和內地進行應急演習，藉以提高員工的防患意識。

On the basis of our ongoing and long-standing commitment to promoting sustainability by enhancing our environment, our community and our people, the Group was listed on the Hang Seng Corporate Sustainability Index and the Hang Seng (Mainland and Hong Kong) Corporate Sustainability Index for the second consecutive year. We also joined the new Hang Seng Corporate Sustainability Benchmark Index. The index series is the first of its kind in Hong Kong and will be a vital reference tool for the investment community and the general public as a benchmark for socially responsible investments and for tracking the stock price performance of constituent companies.

Business Sustainability

The drive for sustainability is an essential part of all our business operations. In order to deliver long-term value and sustainable growth to our customers, employees, communities and all other stakeholders, Hang Lung is committed to the highest standards of business management, accountability and transparency throughout our operations. We believe that good corporate governance starts at the top with the Board of Directors. Our Board is proactive, with Directors that are highly diligent in their guidance and monitoring. The Board assumes responsibility for leadership and control of the Group. Chairman, Directors and management actively participate in and guide the formulation and detailed application of our sustainability strategy and practices. Further details of our proactive corporate governance policies are set out in the Corporate Governance section of this report.

Risk Vigilance and Business Continuity

Our focus on risk vigilance and ensuring business continuity is another vital element of our business sustainability strategy.

During the period under review, we enhanced our crisis management plan with new measures to protect customers, tenants and staff while making sure that business continuity is maintained and that the impact of any damage or loss to our business is mitigated should a crisis or emergency occur.

In order to heighten overall awareness and staff readiness in the event of an unfolding crisis, we carried out special drills and emergency exercises, both in Hong Kong and on the Mainland.

集團在香港總部成立危機管理委員會，並在多個內地城市設立工作小組。除了在香港進行桌面演習外，來自上海、瀋陽和濟南的委員會成員亦就香港及中國內地不同的危機處理手法交流意見。

企業價值及紀律守則

我們在集團內推廣恒隆四大核心價值：昭明、權操、誠信、忠貞，並透過各個溝通平台推動和傳揚企業文化，提高員工的真誠、誠信及歸屬感。

The Group also established a Crisis Management Team at our headquarters in Hong Kong and set up sub-teams in Mainland cities. In addition to carrying out a desktop drill in Hong Kong, Crisis Management Team members from Shanghai, Shenyang and Jinan linked together to exchange views on the different approaches of crisis management strategies in Hong Kong and on the Mainland.

Corporate Values and Code of Conduct

Our core values of Simplicity, Authority, Integrity and Loyalty (SAIL) are strongly promoted throughout the Hang Lung family. We use a variety of platforms to communicate and diffuse our culture while reinforcing the values of sincerity, honesty and solidarity as part of the Hang Lung family.

四大核心價值 Our SAIL Values

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

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

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

忠貞 **Loyalty**

- 歸屬感：團隊精神及共同目標，為集團爭取最佳利益
- Sense of belonging: teamwork and shared goals to work in the best interests of the Group



我們優化紀律守則，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，列明員工調往集團不同地方工作時的政策和程序。

多管齊下強化核心價值

為了捍衛和落實集團各項核心價值，我們為員工制定相關的培訓及溝通計劃。舉例說，為彰顯誠信的價值，我們透過內部月刊《連繫恒隆》和電子學習平台「學問網」分享有關誠信的守則和新知。集團更夥拍廉政公署，舉行講座向員工講解公司期望他們達到的崇高道德標準，並加強他們對防止賄賂條例的認識。我們採用量身訂造的培訓模式，為內地辦事處設計防貪倡廉的培訓課程。

愛護環境

集團深信，我們有責任為未來世代開創更美好的環境。在香港和內地，恒隆於可持續物業發展項目的設計和建造方面，一直是業界翹楚。作為這個領域的先驅，集團在邁進業務高速增長期之時，已將可持續發展理念深深植根於所有業務運作內。

有鑑於此，我們向員工、租戶和客戶推廣綠色教育，並支持不同領域的環保團體。

Our enhanced Code of Conduct further supports these values, establishing firm guidelines and rules regarding the professional and ethical behavior of our people in Hong Kong and mainland China. In April 2011, we launched a Secondment Policy to ensure that staff seconded to different locations with the Group would be provided with clear policies and procedures.

Reinforcement via Different Channels

In order to uphold and strengthen these core values within the Group, we have developed a variety of relevant staff training and engagement programs. As a means of underlining the value of integrity, for example, we publicize practices and news related to integrity through our internal newsletter *Connections* and e-learning platform "Learning Zone" on our Intranet. We also conducted a series of seminars in Hong Kong together with the Independent Commission Against Corruption to educate our staff about the high standards of ethics expected of them and to upgrade their knowledge of the Prevention of Bribery Ordinance. Similarly, year-round anti-corruption training sessions have been developed for our Mainland offices using specially tailored training modules.

Our Environment

The Group strongly believes in our responsibility to help create a better environment for future generations. Hang Lung has long been an industry leader in the design and building of sustainable property developments both in Hong Kong and on the Mainland. As a pioneer in this field, the concept of sustainability is deeply ingrained in all our business operations as we move forward into an era of robust growth.

That is why we promote green education among our staff, tenants and customers and support green organizations on various fronts.



可持續發展建築

我們相信，可持續建築發展是一個清晰的商業理念，對保育全球資源及保護環境的影響至為深遠。簡言之，可持續性是建築項目的必要條件，能為我們的物業增值，又可節約能源及其他營運成本。

我們以最高的國際標準作為衡量環保表現的基準，尤其是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。

我們為內地的發展中商業項目訂立了嚴格的環保節能目標：

Building for Sustainability

We believe that sustainable building development has a clear business rationale as well as broader implications for the preservation of global resources and for the protection of the environment. Simply put, sustainability as a component of building helps to support the value of our properties while lessening energy and other operational costs.

Our environmental performance is benchmarked against the highest international standards, in particular the gold rating certification under the Leadership in Energy and Environmental Design (LEED) for Core and Shell Development issued by the U.S. Green Building Council.

For commercial projects under development on the Mainland, we have set high environmental saving targets:

	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
耗電量減幅 Reduction of Energy Consumption	商場 (Retail): 節省逾 21% Saving over 辦公樓 (Office): 節省逾 17.5% Saving over	商場 (Retail): 節省逾 14% Saving over 辦公樓 (Office): 節省逾 14% Saving over	節省逾 14% Saving over	節省逾 14% Saving over
耗水量減幅 Reduction of Water Consumption	商場 (Retail): 節省逾 30% Saving over 辦公樓 (Office): 節省逾 40% Saving over	商場 (Retail): 節省逾 40% Saving over 辦公樓 (Office): 節省逾 40% Saving over	節省逾 40% Saving over	節省逾 40% Saving over
建築廢物回收 Construction Waste Recycling	逾 75% Over	逾 75% Over	逾 75% Over	逾 75% Over
LEED 目標 Target	金獎 Gold	金獎 Gold	金獎 Gold	金獎 Gold



我們所有的內地項目，在規劃、設計、建築和運作方面，均以取得LEED金獎為最終目標，並往往超越國際建築要求，包括採用多項創新設計：如地源熱泵和太陽能電池板等可再生能源設施；高效能建築物外牆，以減少空調和供暖量，從而節省能源，以及進行廣泛的廢物回收和循環再用。

我們的可持續發展計劃相繼獲得多項LEED獎項的肯定。二零一一年十一月，濟南的恒隆廣場獲頒發「能源及環境設計先鋒獎—核心及外殼組別」金獎認證，是繼二零一零年瀋陽的皇城恒隆廣場獲金獎認證後，恒隆第二項獲此殊榮的物業。皇城恒隆廣場也是內地首個獲得金獎認證的商場。二零一一年八月，大連的恒隆廣場獲頒發「能源及環境設計先鋒獎—核心及外殼組別」金獎的預認證。上海的恒隆廣場和港匯恒隆廣場的金獎預認證申請亦正在進行中。

All our projects on the Mainland have been planned, designed, constructed and operated with the LEED gold rating as the ultimate target. Our developments on the Mainland often surpass international building requirements, incorporating a number of innovative features: renewable energy products such as geothermal ground source heat pumps and solar panels; high performance building envelopes that save cooling and heating loads, and hence energy used; and extensive recycling and reuse of waste materials.

The benefits of this proactive sustainability program continue to be recognized in a number of LEED awards. In November 2011, Parc 66 in Jinan achieved "Certification Under the Leadership in Energy and Environment Design (LEED) for Core and Shell Development, Gold Level"; the second Hang Lung property to obtain such a recognition following the gold level award to Palace 66 in Shenyang in 2010. Palace 66 was the first shopping mall on the Mainland to achieve such gold status. In August 2011, Olympia 66 in Dalian gained "Precertification under the Leadership in Energy and Environment Design (LEED) for Core and Shell Development, Gold Level". LEED pre-certification applications for Plaza 66 and Grand Gateway 66 in Shanghai are in progress.

在香港，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於二零一零年底推出的「能源及環境設計先鋒獎」住宅國際試點計劃的全球首個註冊項目。此外，為反映香港項目的可持續性，我們正繼續致力爭取「建築環保評估標準」(BEAM Plus) 認證。這個認證計劃旨在透過提升效能、建築評估，以及認證和標籤，提高建築物生命週期和表現。恒隆亦自二零一一年九月起成為香港綠色建築協會的Patron白金會員。

環保管理專責小組

環境保育是全面的承擔，超越設計範疇，並把建築發展的可持續概念融入節能、回收再造和綠色教育等廣泛的環保計劃中。我們設有環保管理專責小組，由香港和內地不同部門的代表組成，專責在集團不同層面推廣切實可行的環保措施，身體力行。

此外，我們委任了十七位環保物業管理大使，經接受香港特區政府環境保護署的培訓後，在營運層面推動環保措施。

In Hong Kong, our new residential development on Blue Pool Road became the first project in the world to be registered under the LEED for Homes' International Pilot Scheme, which was launched by the U.S. Green Building Council at the end of 2010. As a reflection of the sustainability of our Hong Kong projects, we also continue to aspire to BEAM plus (Building Environment Assessment Method) certification. This scheme aims to enhance the life performance of structures through upgraded performance, careful assessment of the building, award of certification and recognizable labeling. Hang Lung has also become a Patron Platinum Member of the Hong Kong Green Building Council since September 2011.

Environmental Project Team

The preservation of the environment is a holistic undertaking that goes beyond design initiatives and integrates sustainable concepts in building development into a wide range of energy saving, recycling and eco-education initiatives. We have established an Environmental Project Team that includes representatives from different departments in Hong Kong and on the Mainland with the aim of reaching out to all levels of the Group with appropriate and practicable green initiatives that can be integrated into our daily lives.

In addition, the responsibility for making these and similar efforts at the operational level has been allocated to 17 Environmental Ambassadors who have completed an environmental training course at the Environmental Protection Department of the HKSAR government.



在中國內地的節能省水措施

集團現時在物業規劃、設計和建造中融入創新的可持續發展特色，濟南的恒隆廣場正是典型例子。其可持續建築設計包括：

節能

再生能源 — 設有總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的停車場，即約六百五十個停車位。

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和T5熒光燈。

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，能於酷熱及嚴寒天氣下保持商場室溫，從而減低項目對空調和暖氣的需求。

變頻製冷機組 — 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）。

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。

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。

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。

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。

Energy and Water Saving on the Mainland

Our development at Parc 66 in Jinan is a prime example of the innovative sustainability features, which the Group now includes in the planning, design and construction of our properties. Sustainability building features at Parc 66 include:

Energy Saving

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

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

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.

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

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.

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.

Water Saving

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

Grey 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.





在上海，恒隆的地標項目——港匯恒隆廣場及恒隆廣場，繼續以可持續管理作為重點特色。港匯恒隆廣場在節能方面處於領導地位，因而連續五年獲徐匯區人民政府評為「節能標竿企業」，並獲撥付人民幣四百萬元的節能獎勵金，以助制定環保計劃。最近，商場第三期改用新水泵，耗電量因而降低五成。港匯恒隆廣場亦獲上海市水務局評為「水平衡企業」，以表揚其節約用力的努力。

上海的恒隆廣場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項目管理合同」後，推行一系列節能措施，更於二零一一年獲上海市政府頒發「上海市節能技改示範項目」稱號，並喜獲市政府和區政府共人民幣二百一十萬元節能獎勵金。於回顧期內，辦公大樓的空調系統經過改裝，而停車場和公眾地方的照明系統均換上節能照明。此外，公司不斷為員工提供新式節能科技方面的訓練，使他們更能配合上海的恒隆廣場的節能措施。

In Shanghai, committed sustainability management continued to be a significant feature of our Hang Lung signature properties, Grand Gateway 66 and Plaza 66. As a renowned leader in the field of energy-saving, Grand Gateway 66 has been named as a “Model Enterprise in Energy Saving” for five consecutive years by the Xuhui District People’s Government and has received incentive awards totaling RMB4 million from the authorities to develop its environmental programs. Recently the water pumps in Phase 3 of the shopping mall were replaced, thereby reducing electricity consumption by some 50%. In recognition of its efforts in water saving, Grand Gateway 66 was awarded the title of “Water Balance Enterprise” by the Shanghai Water Authority.

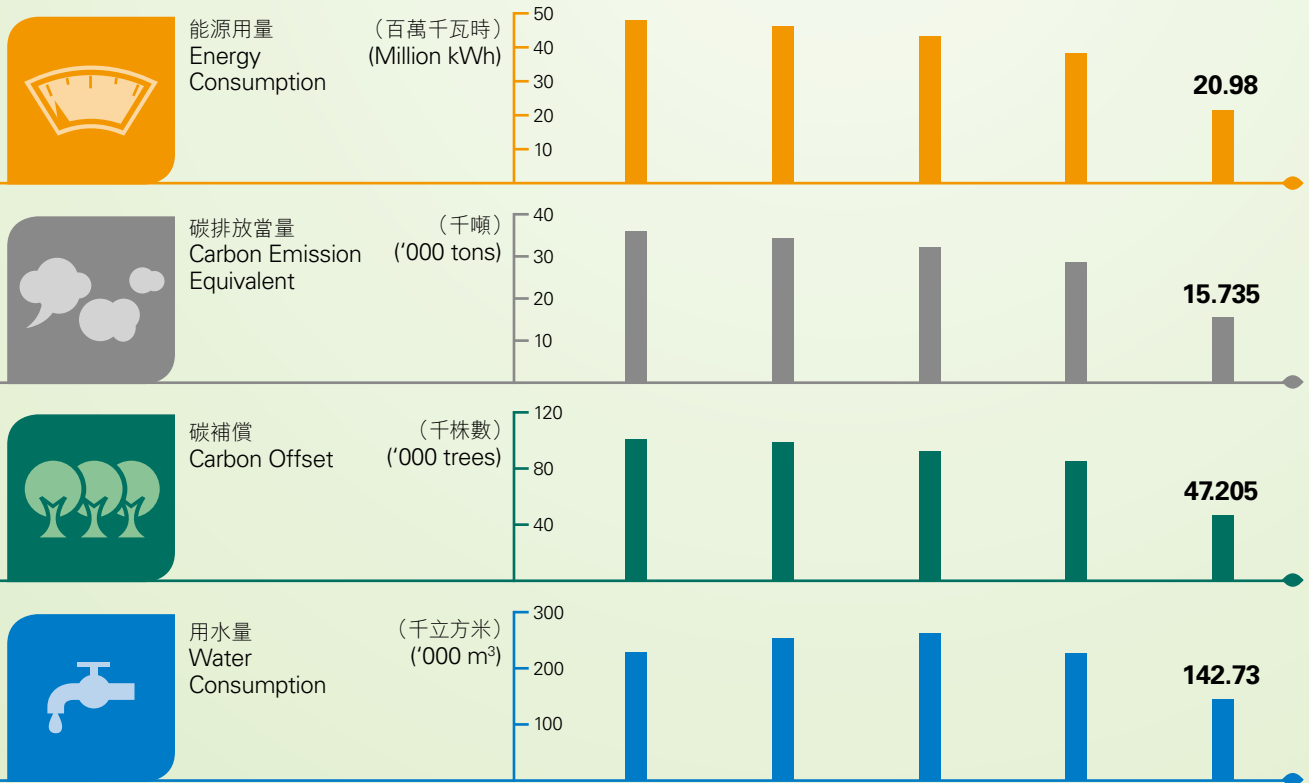
Ever since it signed the Shanghai Energy Saving Improvement Measures Management Agreement with the Shanghai Energy Saving Services Center in 2008, Plaza 66 has carried out a series of energy-reduction measures. In 2011, Plaza 66 has been recognized as the “Model Project in Shanghai on Energy Savings” by the Shanghai government and received RMB2.1 million incentive award from the municipal and district governments. During the period under review, the air-conditioning system of the office tower was revamped and the lighting system in the car park and public areas was replaced by a high energy-efficiency model. In addition, continuous training is provided to staff on the new technologies involved in energy saving, so that they can further implement related measures at Plaza 66.

恒隆於上海物業實施節能省水的持續努力

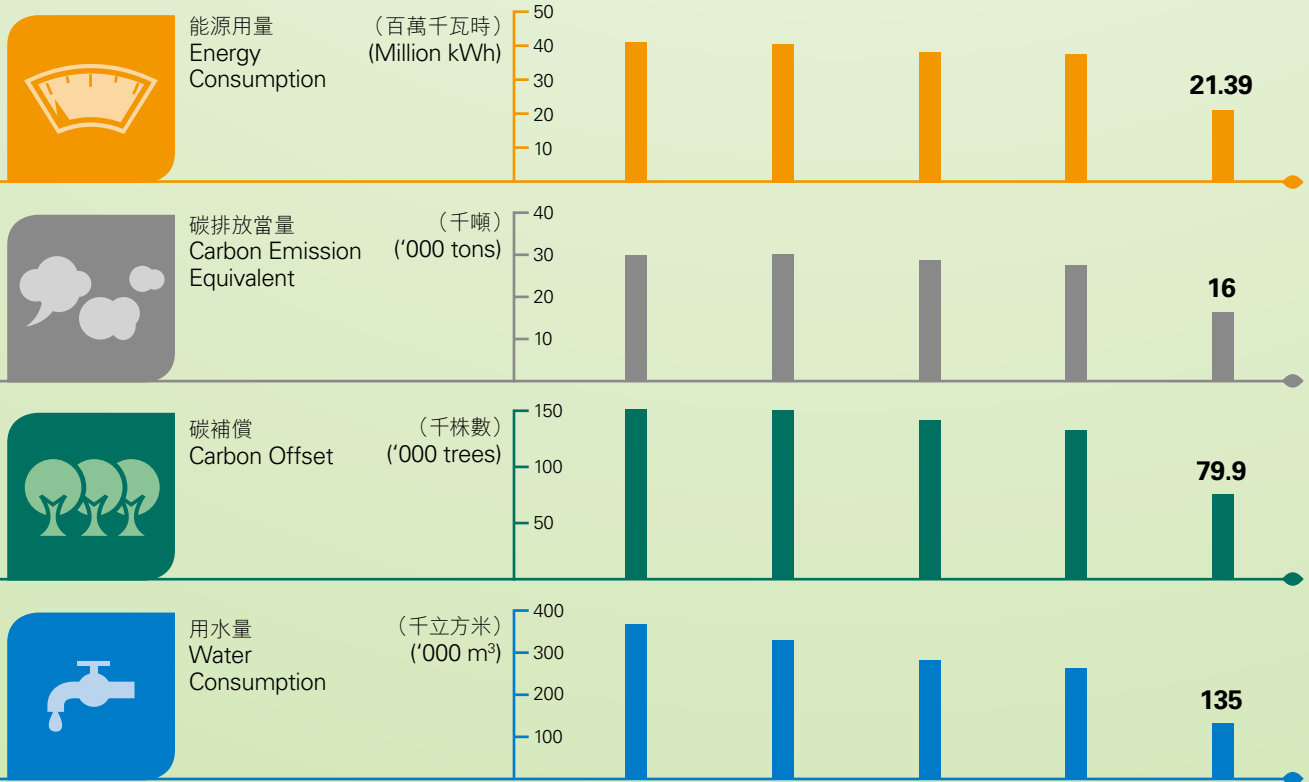
Hang Lung's Continued Effort in Energy and Water Saving in Shanghai

二零一一年
七月至十二月
Jul to Dec 11

港匯恒隆廣場
Grand Gateway 66



恒隆廣場
Plaza 66





在香港的環保措施

在香港，集團不少物業於二零一一年因節能減廢的措施而獲得表揚。二零一一年九月，集團在香港的主要物業幾乎全部獲得香港環保卓越計劃頒發「卓越級別」減廢標誌。山頂廣場、樂基中心、御峯和濱景園獲得「卓越級別」節能標誌，而栢裕商業中心、家樂坊、印刷行和樂成行則獲「良好級別」標誌。山頂廣場和都爹利街一號更獲清新室內空氣標誌「良好級別」獎，以及由水務署頒發的「大廈優質食水認可計劃證書」。

回收措施

循環再用仍然是我們最優先的環保目標之一。於回顧期內，雅蘭中心一期繼續參與仁愛堂的「膳油行善」計劃，由仁愛堂每周定時收集參加租戶的廢食油，再將其轉化成生物柴油。

我們去年為香港的前線員工換上新形象和制服，並將舊制服捐贈適合的非牟利機構。第一批舊制服已捐予救世軍，並已轉贈有需要的人士或在其家品店以折扣價出售，為香港和內地的社區項目籌款。

二零一一年十月，為減少電腦廢物，香港辦事處將約二百台電腦捐贈予香港明



Green Measures in Hong Kong

A number of the Group's properties in Hong Kong received recognition in 2011 for their energy saving and waste reduction measures. Nearly all of our major investment sites in Hong Kong were awarded the Wastewi\$e Label "Class of Excellence" by the Hong Kong Awards for Environmental Excellence (HKAEE) in September 2011. The Peak Galleria, Stanhope House, The Summit and Burnside Villa were awarded the Energywi\$e Label "Class of Excellence" by HKAEE while Park-in Commercial Centre, Gala Place, Printing House and Baskerville House obtained a "Class of Good" distinction. The Peak Galleria and 1 Duddell Street achieved an IQAwis\$e Label "Class of Good" award, as well as a "Quality Water Recognition Scheme for Buildings Certificate" presented by the Water Supplies Department.

Recycling Measures

Recycling of all kinds remains one of our top environmental priorities. During the period under review, One Grand Tower continued to participate in Yan Oi Tong's "Oil for Charity" program, in which Yan Oi Tong collects waste oil from participating tenants at a scheduled time each week and converts the oil into biodiesel.

We adopted a new image and uniform for frontline colleagues in Hong Kong last year. Old uniforms were donated to suitable non-profit-making organizations. The first batch of clothing was donated to the Salvation Army, which distributed the uniforms to people in need or sold them at discounted prices at their Family Stores to raise funds for community projects in Hong Kong and mainland China.

In October 2011, to protect the environment and reduce computer dumping, the Hong Kong office donated about 200 computers to

愛電腦工場。這批電腦經過重新修整和升級後，按成本價出售。此舉既可延長電腦壽命以減少污染，又可向低收入人士提供可負擔的電腦，打破數碼隔膜。收集自服務式住宅的七百五十部舊式電視機亦已循環再用，而御峯則捐出棄置家具予十字路口基金會，並已轉贈有需要人士。

環保教育和推廣

山頂廣場「環保探索」之旅

「環保探索」之旅每逢星期日從山頂廣場出發，活動的目的是鼓勵年青一代珍惜地球的寶貴資源和愛護環境。「環保探索」之旅邀請六至十二歲的兒童參加，帶領他們認識各項環保設施，例如太陽能電池板、風力渦輪機、雨水收集系統等。另外亦設工作坊，讓兒童學習如何自製太陽能車。自二零一一年十二月起，「環保探索」之旅更招待普羅大眾參加，獲得了正面評價。自二零零九年推出以來，「環保探索」之旅已吸引近一千二百人參加。

to Caritas-HK Computer Workshop. Donated computers were refurbished, upgraded and sold to the deprived at cost, thereby not only preventing pollution by prolonging the computers' lifecycle but also bridging digital barriers by producing computers that are affordable for those less fortunate. 750 sets of old cathode-ray-tube televisions from our serviced apartments were also recycled and The Summit donated disused furniture to the Crossroads Foundation, which was given to those in need.

Green Education and Promotion

Eco-Discovery Tour at The Peak Galleria

An Eco-Discovery Tour sets out at The Peak Galleria every Sunday with the aim of encouraging the younger generation to treasure the planet's valuable resources and to preserve the environment. Children aged 6-12 are invited to join the tour to explore the environmentally friendly facilities such as solar panel system, wind turbine and rainwater collection system. Workshops are also organized to teach the children how to make their own eco-cars powered by solar panels. Since December 2011, the Tour has been open to the general public and positive feedback has been received. Since its launch in 2009, the Tour has attracted a total of around 1,200 participants.





推廣電動汽車

集團發揚節能精神，在香港推廣電動汽車，並繼續在旗下停車場安裝充電設施。二零一一年九月，淘大商場和康怡廣場均安裝了新式充電裝置。

恒隆旗下多項物業攜手推出全港首創的環保車泊車優惠，讓駕駛者全面體驗綠色駕駛的樂趣。凡獲環境保護署確認的環保車型號，又或擁有由該署所簽發的《環保私家車證明書》之車輛，其車主均可享十二個月的特別泊車優惠。

香港生活館 @2030

由二零一一年十二月一日至二零一二年二月十四日，山頂廣場與嘉道理農場暨植物園合辦「香港生活館@2030」展覽，連同一系列低碳DIY工作坊，以鼓勵香港市民奉行環保生活。該展覽和工作坊旨在讓市民認識石油供應緊絀對香港的影響，以及如何建立可持續發展模式，以減少對石油的過度依賴，而轉用其他發電燃料。

「放駕一天」減碳行動

香港和上海的同事均承諾減少使用汽車，以紓緩氣候變化的影響。香港辦事處參加了由地球之友舉辦的「放駕一天」減碳行動——企業綠色駕駛獎勵計劃，並獲得「燃油效益改善金獎」。活動旨在鼓

Promoting the Use of Electric Vehicles

In the same spirit of energy conservation, the Group promotes the use of Electrical Vehicles (EVs) in Hong Kong and continues to set up charging facilities for EVs at its carparks. In September 2011, new EV chargers were installed at carparks in Kornhill Plaza and Amoy Plaza.

An offer entitled “The First Ever Environment Friendly Car Parking Privilege” was launched by a number of the Group’s properties to encourage eco-driving. Under the scheme, car owners with vehicles approved by the Environmental Protection Department, or with a valid Environment Friendly Private Car Certificate issued by the Department, can enjoy parking privileges for 12 months.

LOHAS Museum@2030

From December 1, 2011 to February 14, 2012, The Peak Galleria partnered with Kadoorie Farm and Botanic Garden to hold an exhibition entitled “LOHAS Museum@2030” along with a series of low-carbon DIY workshops with the objective of encouraging Hong Kong people to lead a more environmentally friendly life. The exhibition and workshops allow the general public to have a better understanding of the impact of restricted oil supplies in Hong Kong and how a sustainable production model can be created to partially replace our over-dependence on oil with other forms of energy generation.

Take a “Brake” Low Carbon Action

Hong Kong and Shanghai colleagues have taken action to fight against climate change by pledging to reduce their use of motor vehicles. The Hong Kong office has joined the Take a “Brake” Low Carbon Action -- Corporate Green Driving Award Scheme launched by Friends of the Earth, which aims to reduce exhaust emissions by company



勵企業和員工減少使用汽車來減低碳排放。上海的恒隆廣場的恒隆微公益亦在二零一一年八月參與同一行動，作出減碳承諾。

關愛社群

集團管理層和員工積極參與各種慈善和義工活動，照顧弱勢社群和有需要人士的福祉。身為良好企業公民的恒隆，對此深感自豪。

集團於二零一一年獲香港社會服務聯會嘉許為「商界展關懷」公司，再度肯定我們對社區、員工及其家人，以至對環境的關愛精神。該獎項旨在表揚具高度企業公民精神和社會責任的商業機構。

義工服務

為回饋客戶和社群的大力支持，我們鼓勵員工參與社區服務。恒隆致力發揚企業公民精神，員工因而自發組成義工隊。在二零一一年七月至十二月期間，義工隊投入的服務時數達一千四百三十八小時。

and employee vehicles. The Group has attained Gold Tier in the Fuel Efficiency Improvement category. Meanwhile, the CSR Group of Plaza 66 made a similar pledge on carbon reduction in August 2011.

Our Community

As a good corporate citizen, Hang Lung is proud of the commitment shown by management and employees to a broad range of charitable and volunteering programs that support the well-being of the disadvantaged and needy in society.

In reaffirmation of our dedication to nurturing our community, our employees and their families and our environment, once again the Hong Kong Council of Social Service named us a “Caring Company” in 2011. This recognition is given to those in the business sector that have shown high standards of corporate citizenship and social responsibility.

Staff Volunteering

In return for the tremendous support we receive from our customers and the community, we encourage our staff to engage in community service. This dedication to corporate citizenship has led to the formation of a staff-initiated volunteer team. Between July and December 2011, the number of volunteering hours of the team was 1,438.

鑑於弱勢兒童缺乏教育機會，義工隊聯同成長希望基金會在二零一一年延續「海陸空活動教室」系列，透過富啟發性的戶外活動，讓兒童學習有關保護環境和氣候變化的知識。義工更帶同自製曲奇餅，與小朋友分享。

暑期實習計劃

每年夏天，恒隆都會招收香港和海外大學的實習生，讓年輕人打破思考框框和汲取寶貴的工作經驗，定下未來事業發展的正确路向。

支持社會企業

集團積極支持社會企業，以幫助有需要人士。自二零一一年六月起，我們選用匡智會的郵件處理服務來寄發公司刊物《連繫恒隆》。匡智會是非牟利機構，為智障人士提供特殊教育服務和職業訓練。

重視人才

人才是恒隆最寶貴的資產，也是我們的成功之本。員工以專注態度、專業精神及貼心服務，推動集團向前發展。為配合擴展業務版圖的需要，恒隆繼續投入龐大資源，培育團隊的專長和技能，同時以具競爭力的薪酬福利，招攬最優秀的人才。我們更致力在同事間營造「恒隆一心」的歸屬感及團隊精神。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。於二零一一年十二月底，集團僱用合共二千九百五十三名員工，包括香港一千零八十五人及內地一千八百六十八人。截至二零一一年十二月三十一日止六個月期間，員工的薪酬總額逾港幣四億一千九百萬元。

In order to meet the educational needs of underprivileged children, the Volunteer Team joined hands with The Changing Young Lives Foundation to continue with its “360-degree Outdoor Learning Series” in 2011. This enabled children to learn about environmental care and climate change through a number of stimulating outdoor activities. Our volunteers also brought hand-made cookies to share with the youngsters.

Summer Internships

Each year in summer, Hang Lung receives intern students from universities in Hong Kong and abroad. These internships allow young people to think beyond the confines of the known and familiar and to gain valuable working experience, setting them on the right path for future career development.

Supporting Social Enterprises

The Group is dedicated to assisting people in need through our support to social enterprises. Since June 2011, we have hired Hong Chi Association for their lettershop services for our publication *Connections*. Hong Chi Association is a non-profit organization providing special education services and work training for those with intellectual disabilities.

Our People

Our people are the most precious asset of the Hang Lung family and the key to our success. They drive forward our development through their commitment, professionalism and caring services. As we extend our business horizons, we continue to devote significant resources and energy to developing the expertise and skills of our outstanding team. At the same time, we are committed to promoting the sense of belongings and team spirit of “Hang Lung as One” among our colleagues. We offer a competitive package of benefits to attract the best people. In line with our “pay for performance” principles, we award outperforming employees with additional bonuses in addition to their regular package while directors and executives also receive share options as incentives and rewards. At the end of December 2011, there were a total of 2,953 employees, of which 1,085 are in Hong Kong and 1,868 on the Mainland. Total remuneration for the six-month period ended December 31, 2011 amounted to HK\$419 million.



屢獲嘉許

集團希望創造和諧及高效率的工作環境，並兼顧員工的家庭。二零一一年十一月，我們在家庭議會舉辦的家庭友善僱主獎勵計劃中，獲嘉許為「傑出家庭友善僱主」。我們培養重視家庭生活的文化和環境，並推行家庭友善的僱傭政策和措施，因而獲得此項嘉許。該計劃表揚彰顯家庭友善精神的僱主，並鼓勵推行相關措施，希望令商界更加關注核心家庭價值的重要性。

在中國內地，瀋陽的皇城恒隆廣場在北京大學、中國教育電視臺一台《職來職往》和招聘網站智聯招聘合辦的「中國年度最佳僱主(2011)」評選中，獲評為「瀋陽年度最佳僱主(2011)」，以表揚其關顧員工的政策。

培育人才

為維持機構的卓越表現和穩定的擴展步伐，人力資源團隊以提升員工才能和建立策略性的企業能力為最終目標，與各業務部門緊密配合，了解其工作要求，並確定員工的培訓需要。恒隆推出個人培訓和發展計劃，協助培養不斷學習的企業文化，

Continuous Recognition

The Group aims to create a harmonious and productive work environment that includes the families of our employees. In November 2011, we were named a “Distinguished Family-Friendly Employer” in the Family-Friendly Employers Award Scheme organized by the Family Council. This award recognizes our efforts towards fostering a pro-family culture and environment, and in implementing family-friendly employment policies and practices. The award scheme cherishes employers that demonstrate a family-friendly spirit and encourages them to implement family-friendly measures for their employees with the aim of raising awareness of the importance of core family values in the business sector.

On the Mainland, Palace 66 in Shenyang has been named the “Shenyang Best Employer 2011” in the “China Best Employer Award 2011”, an event organized by the Peking University, the TV program “Zhi Lai Zhi Wang” on China Education Television Channel 1, and the website Zhilian Zhaopin, in recognition of its staff caring policy.

People Development

In order to sustain a high-performing and steadily expanding organization, Human Resources teams work closely with each of our business divisions to understand their work requirements and to identify training needs with the ultimate aim of growing employees’ talent and building strategic organizational competency. An individual training and development plan has been launched to assist with the

並鼓勵員工對持續學習和知識分享承擔個人責任。集團亦鼓勵每位員工善用培訓津貼，以達致其學習和發展目標。在二零一一年七月至十二月期間，總培訓時數達四萬二千八百七十四小時。

「恒隆全接觸」行政人員交流計劃

「恒隆全接觸」行政人員交流計劃為香港和內地辦事處管理人員而設，已於二零一一年九月首次舉行並順利完成。計劃為期五天，包括一系列的行政人員發展活動，例如與董事總經理及高級行政人員會面、外展活動、專題報告等。這些活動加強了香港和內地同事的團隊精神，並增進了他們有關現代領導技巧的實用知識。

管理培訓生計劃

恒隆的業務日益壯大，人才需求殷切，因而希望栽培出類拔萃的年青人作為集團的未來領袖。為期二十二個月的管理培訓生計劃讓培訓生透徹了解恒隆的業務，而透過獲分派到香港及內地辦事處的不同部門和崗位工作，培訓生更可增進對業務營運的認識。此外，他們更有機會參與領袖訓練、項目工作、每月檢討和經驗分享會等活動，使他們有全方位的學習體驗。

推動學習文化

恒隆致力推動員工的學習文化。年內，香港和內地辦事處均舉辦員工培訓計劃，並因應不同部門和崗位而有不同的重點。每項課程都配合機構不斷發展的需要，其主題涵蓋客戶服務、提升工作技能、職業安全及健康、壓力管理、人際關係技巧、危機管理、團隊精神、環保、語文和電腦技能等。

自二零一一年十一月起，恒隆舉辦「Learn@Lunch」午餐講座系列，邀請各行各業的專業人士與恒隆員工分享其知識和經驗，以擴闊同事的視野和提升創意。

building of a continuous learning culture throughout the organization and to encourage staff ownership of their ongoing learning and sharing. Every employee is encouraged to make good use of company training sponsorships to help them attain their learning and development objectives. A total of 42,874 hours of training were conducted from July to December 2011.

Executive Exchange Program

The first Executive Exchange Program for managerial staff from our Hong Kong and Mainland offices was held in September 2011. The five-day program included a series of executive development activities such as meeting the Managing Director and senior executives, an Outward Bound program, and a project presentation. By participating in these activities, Hong Kong and Mainland colleagues strengthened their teamwork spirit and gained practical knowledge of modern leadership skills.

Management Trainee Program

To meet the needs of our rapid growth, Hang Lung aims at attracting and nurturing outstanding young talents to be our future leaders. During our 22 month-long Management Trainee Program, the trainees gain a thorough understanding of our business and strengthen their operational knowledge through job attachment to various departments and functions in our Hong Kong and Mainland offices. In addition, they are given opportunities to attend leadership training and to participate in project assignment, monthly review and experience sharing sessions, in order to provide them with all-round exposure.

Learning Culture

Hang Lung strives to promote a learning culture among staff members. During the year, structured training programs were organized in Hong Kong and Mainland offices with a varying focus for staff from different positions and departments. The theme of each course ranged from customer service and upgrading work skills to occupational health and safety, stress management, interpersonal skills, crisis management, team building, environmental protection, languages and computer skills within a growing organization.

Since November 2011, Hang Lung has organized a “Learn@Lunch” series of talks, inviting experts from various sectors to share their knowledge and experience with Hang Lung staff. The aim is to broaden staff horizons and stimulate creativity.

我們重新打造於內聯網的網上學習平台「學問網」，使其內容更豐富、主題更多元化。「學問網」提供集團以及內地各辦事處的詳細要聞及資訊。

工作與生活平衡

我們相信，維持工作與生活的平衡，對員工的健康和生產力，以至集團的不斷發展都十分重要。恒隆康體會繼續擔當重要角色，提供各種社交和康樂活動，營造守望相助的工作環境。二零一一年七月，上海的恒隆廣場成立樂尚俱樂部，提供同類的社交和康樂活動。

輕鬆時光 緊密聯繫

恒隆康體會舉行各種社交活動，包括電影欣賞會、Funky Dance興趣班、「同心同創Art Jamming繪畫派對」、「精『齡』Fun & Jump」保齡球比賽等。上海的恒隆廣場及瀋陽的市府恒隆廣場則為員工舉辦羽毛球比賽，並吸引大連和天津的同事參加。集團十分鼓勵員工家人參與集團的社交和康樂活動，以加強員工的歸屬感和營造一個家庭友善的工作環境。

在眾多員工比賽中，攝影比賽饒富趣味，極具創意。香港和內地辦事處的員工以日常工作為素材，共提交近百張參賽相片。最佳的十二張相片已製成公司的二零一二年月曆。

We have revamped our e-learning platform “Learning Zone” on the Intranet to enrich content and coverage. “Learning Zone” features detailed highlights and convenient information at the Group level as well as from each of our Mainland offices.

Work-Life Balance

We believe that the maintenance and encouragement of a healthy work-life balance is essential for the well-being and productivity of our staff, and to support the Group’s sustained business momentum. The Hang Lung Social Club continues to play a crucial role in providing a supportive working environment for our staff through social and recreational activities. In July 2011, Club LAVIE was set up at Plaza 66, Shanghai, to provide a similar series of recreational activities.

Relaxation and Togetherness

The social activities held by the Hang Lung Social Club included Movie Appreciation, Funky Dance Interest Class, Art Jamming, Bowling Fun and Jump Day, etc. A Badminton Tournament held for staff at Plaza 66 in Shanghai and Forum 66 in Shenyang also attracted colleagues from Dalian and Tianjin. The Group highly encourages the participation of employees’ family members in our social and recreational activities with the aim of strengthening our employees’ sense of belonging and providing a family-friendly working environment.

Among various staff competitions was a highly enjoyable and creative photo competition, to which staff submitted photos of their working life at Hang Lung. Around 100 photo entries from both our Mainland and Hong Kong offices were received. The best 12 photos were selected for the production of a company calendar of 2012.



此外，「恒隆明星賽」極受同事歡迎，好評如潮。在香港舉行的周年晚宴上，香港的決賽選手和內地優勝者的精彩表演，獲得觀眾熱烈喝采。

為獎勵員工的辛勤工作，香港和內地各辦事處均於二零一一年十月和十一月舉行周年旅行，更鼓勵員工帶同家人參加。香港和上海辦事處員工暢遊濟南，並參觀濟南的恒隆廣場。內地其他辦事處亦有組織周年旅行，員工反應熱烈。

義工服務

我們大力鼓勵和推動員工融入業務所在地的社群。我們的義工隊約有一百五十位成員。二零一一年七月，集團舉辦義工嘉許儀式，以表揚義工對社區的貢獻。恒隆康體會全額贊助多位義工隊成員和義工委員會成員，參加社會福利署舉辦的「企業義工訓練課程」，進一步豐富員工在義工服務的知識和加強組織義工服務的能力。

集團各級行政及文職員工現已享有一天有薪假期，以在辦公時間內參加義工服務，支持香港的註冊非牟利機構。這項安排讓恒隆員工靈活配合自己和家人的時間，參加義工活動，以加深對慈善工作的了解。



In addition, a “Hang Lung’s Got Talent” company-wide competition met with an overwhelmingly enthusiastic response. The performances of the finalists from Hong Kong and winners from Mainland offices at the Annual Dinner held in Hong Kong earned several rounds of deserved applause.

To reward colleagues for their hard work, Hong Kong and various Mainland offices organized annual outings in October and November 2011 and encouraged staff to bring along their family members. For the Hong Kong and Shanghai offices, the destination was Jinan and Parc 66 in Jinan was one of the highlights of the trip. Other Mainland offices also organized their own annual outings for staff, which received a very positive response.

Staff Volunteering

We strongly encourage and motivate our staff to reach out to the communities in which we operate. Our Volunteer Team has about 150 members. In July 2011, a volunteer recognition ceremony was held to acknowledge the contribution of our volunteers to the community. To further develop our employees’ knowledge and skills in organizing voluntary services, the Group’s Social Club has fully sponsored our active volunteer and committee members to join the “Training Course for Corporate Volunteer Teams” organized by the Social Welfare Department of the HKSAR government.

One day of paid volunteer leave is granted to executives and administrative employees participating in voluntary activities during normal working hours, such activities being organized by non-profit making organizations registered in Hong Kong. This arrangement allows considerable flexibility for Hang Lung staff to adapt their schedule and that of their family members to voluntary activities, thereby helping families to educate themselves about charity work.



恒隆親友關愛到訪日

二零一一年十二月三十日，我們推出另一項家庭友善計劃「恒隆親友關愛到訪日」，讓集團接所有同事帶同親友到其工作間參觀，使他們對公司有更深入的了解，也進一步感受家人的工作環境。恒隆地產重視「恒隆一心」的團隊精神，這次活動不僅為同事和親友帶來溫馨氣氛，更可藉此促進集團、員工與家人之間的連繫，達致三贏的局面。

另外，集團位於大嶼山南部長沙海灘的麗濱別墅，讓同事及其家人享受度假休閒樂趣。自二零零八年開始，新為人父的恒隆員工都有兩天有薪侍產假，以達致工作與家庭生活的更佳平衡和讓其處理家事需要。

員工溝通

集團透過雙向溝通渠道，例如員工大會、部門與小組會議、大型會議和座談會，致力與各階層員工建立緊密關係。每月的員工通訊《連繫恒隆》報導集團的最新動向，並讓香港和內地的員工交流經驗。恒隆致力建立良好的企業管治，並與所有持份者保持緊密聯繫，因而在公佈業績後舉行員工匯報會，解釋集團的業務表現、增長前景和未來發展，員工踴躍參與。

Family Knows Your Workplace

On December 30, 2011, we launched another family-friendly initiative entitled the “Family Knows Your Workplace” program, encouraging all staff members from Hong Kong and Mainland offices to invite their family members to visit their workplace so as to learn more about the Group and their work. With emphasis on the team spirit of “Hang Lung as One,” the initiative not only brings harmony to staff and their families, but also promotes strong bonding between the Group, staff and their family members, achieving a triple-win situation.

Further relaxation and enjoyment for staff and their families is provided by the Group’s bungalow, Leyburn Villas, at Cheung Sha beach on south Lantau Island. Since 2008, proud new Hang Lung fathers are also given two days of paid paternity leave on the confinement of their spouse to achieve a better work-life balance and fulfill their domestic needs.

Staff Communication

The Group is committed to building close connections and fostering good relationships among different levels of staff through two-way communication channels such as town hall meetings, departmental and team meetings, conferences and focus groups. The monthly staff newsletter, *Connections*, keeps staff abreast of the latest developments within the Group and shares experiences between our Hong Kong and Mainland employees. As a Group devoted to good corporate governance and strong relations with all our stakeholders, we hold well-attended staff briefing sessions after all our results announcements to explain the Group’s performance, prospects for growth and future development.

持份者

我們透過定期、全面和互動的溝通，尋求與持份者建立互信而富有成果的夥伴關係。

在回顧期內，我們的財務報告繼續獲得獎項表揚。二零一一年十二月，恒隆地產於國際知名刊物《投資者關係雜誌》主辦的二零一一年度大中華區大獎中，贏得「香港公司最佳報告一年報和網上」獎項。我們亦在香港管理專業協會主辦的二零一一年度最佳年報獎比賽中，獲得工商企業組別銅獎。

Our Stakeholders

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

During the reporting period, we continued to garner recognitions for our financial reporting. In December 2011, Hang Lung Properties was honored with the award of the “Best Reporting (Annual Report and Online) by a Hong Kong Company” in the Greater China Awards 2011 presented by the prestigious *IR Magazine*. We also clinched the Bronze Prize in the General Category of the “2011 Best Annual Reports Awards” held by the Hong Kong Management Association.

持份者溝通計劃 Stakeholder Engagement Programs

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 Information releases, notices, interim and annual results announcements 投資者關係聯絡及資訊 Investor Relations mailbox and news 適時的電子資訊 Up-to-date electronic information 年報及中期報告 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 Analyst briefings, investor meetings and overseas roadshows 分析員及機構投資者會議和論壇 Analyst and institutional conferences and forums 股東週年大會 Annual general meeting
政府 Government	<ul style="list-style-type: none"> 向政府相關機構發放資料 Information notices to relevant government bodies 作為香港地產建設商會的會員，陳述地產發展商的意見 Presenting property developers' perspectives as a member of Real Estate Developers' Association of Hong Kong (REDA) 	<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 As a CCBF patron, working closely with the business community to share information on environmental issues 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 REDA member, helping to represent the interests of property developers 	



《連繫恒隆》為員工重要的溝通渠道
Connections serves as an important internal communication channel



2011年業績發佈會
2011 Results Announcement

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 Online "Tenants Log-on" platform 確保物業買家和物業管理公司妥善溝通 Ensuring effective communication between property buyers and the property management company 	<ul style="list-style-type: none"> 在各項物業設置客戶服務櫃台 Customer service counters at individual developments 管理人員與租戶定期開會 Regular meetings between management and tenants 為住戶舉行康樂活動 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 the 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 Proactive supplier and contractor program on our operational and environmental practices 妥善準備合同，避免混淆或爭議 Preparing contracts clearly to avoid possible confusion or dispute 與穩健的供應商和承包商建立夥伴關係 Forging partnerships with competent vendors and contractors 	<ul style="list-style-type: none"> 與顧問及承包商定期舉行進度會議 Regular progress meetings with consultants and contractors 與供應商保持緊密聯繫 Close contact with vendors 出席相關研討會及行業活動 Attending 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 Staff well-being programs formulated by the Social Club committee through a bottom-up approach 《連繫恒隆》內部月刊 Internal monthly newsletter <i>Connections</i> 收集員工對培訓課程的意見 Feedback on training from staff 	<ul style="list-style-type: none"> 內部操守準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 Briefings and media interviews, e.g. on results announcements, etc. 定期會晤傳媒及安排簡報會和訪問 Regular meetings, briefings and interviews with media

財務日誌

Financial Calendar

1月 JAN

公佈截至二零一一年十二月三十一日止六個月期間之業績
Results for the six-month period ended
December 31, 2011 announced

二零一二年一月十九日
January 19, 2012

4月 APR

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)

二零一二年四月十三日
下午四時三十分
4:30 p.m. on April 13, 2012

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)

二零一二年四月十六日至十八日
(首尾兩天包括在內)
April 16 to 18, 2012
(both days inclusive)

股東週年大會
(細節請參閱本報告書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 Report)

二零一二年四月十八日
上午十一時正
11:00 a.m. on April 18, 2012

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

二零一二年四月二十三日
下午四時三十分
4:30 p.m. on April 23, 2012

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

二零一二年四月二十四日
April 24, 2012

5月 MAY

派發建議之末期股息
Proposed final dividend payable

二零一二年五月八日
May 8, 2012

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。

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”).

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。

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 maintaining 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



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（「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 (the “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
✓ 董事局於截至二零一一年十二月三十一日止六個月期間（「該期間」）舉行了五次會議，其中四次是定期會議。	Five Board Meetings (including four regular Board Meetings) were held during the six-month period ended December 31, 2011 (the "Period").
✓ 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元素。	A strong independent element is maintained on the Board as almost half of the Board is represented by Independent Non-Executive Directors.
✓ 在適當情況下管理層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。	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 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.
✓ 審核委員會於該期間在沒有執行董事列席情況下，與外聘核數師舉行了兩次會議。	The Audit Committee met the external auditor two times during the Period without 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 auditor attends 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.
✓ 公司持續加強網站之使用，作為與持份者溝通的渠道，網站內亦載有主要的企業管治架構、公司刊物及網上廣播分析員簡報會，以供瀏覽。	The Company continuously enhances its corporate website as a means of communication with stakeholders. Principal corporate governance structures, newsletters and webcast of analyst briefing are available on its corporate website.
✓ 公司出版了一份可持續發展報告，刊載於二零一零／一一年年報內，並載列於公司網站，以供瀏覽。	The Company has published a separate Sustainability Report contained in Annual Report 2010/11 and is 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。

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。

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主要行政人員會面，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。

(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.

An updated list of Board members together with their biographical details are 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.

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 key executives, 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.

於該期間，董事局舉行了五次會議，包括四次定期會議，其中兩次董事局造訪行程中舉行了兩次董事局會議。董事局造訪拉斯維加斯以考察世界級購物商場，以及出席濟南恒隆廣場開幕典禮。

During the Period, five Board Meetings, including four regular Board Meetings were held. Two Board Meetings were held outside Hong Kong during two offsite Board trips. The Board visited Las Vegas for studying world-class malls, and Jinan for the opening ceremony of Parc 66.

董事於該期間的出席各類會議的記錄詳情如下：

Details of Directors' attendance records during the Period are set out below:

董事	Directors	出席／舉行會議 Meetings Attended/Held			
		董事局 Board	審核委員會 Audit Committee	提名及 薪酬委員會 Nomination & Remuneration Committee	二零一一年 週年大會 2011 AGM
獨立非執行董事	Independent Non-Executive Directors				
殷尚賢	S.S. Yin	5/5	不適用N/A	不適用N/A	1/1
鄭漢鈞	H.K. Cheng	5/5	2/2	1/1	1/1
陳樂怡	Laura L.Y. Chen	3/5	2/2	1/1	1/1
葉錫安	Simon S.O. Ip	4/5	2/2	1/1	1/1
非執行董事	Non-Executive Director				
陳樂宗	Gerald L. Chan	2/5	不適用N/A	不適用N/A	0/1
執行董事	Executive Directors				
陳啟宗	Ronnie C. Chan	5/5	不適用N/A	不適用N/A	1/1
陳南祿	Philip N.L. Chen	5/5	不適用N/A	不適用N/A	1/1
高伯道	William P.Y. Ko	5/5	不適用N/A	不適用N/A	1/1
何孝昌	H.C. Ho	5/5	不適用N/A	不適用N/A	1/1

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。董事局及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。

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.

企業管治 Corporate Governance

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，並可個別地聯絡管理層。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事項獲清楚之解釋。彼亦確保：

- 董事局有效地運作及履行責任；
- 董事局及時就所有重要及適當事項進行討論；
- 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到整個董事局。

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 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 them 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;
- 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。

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。

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：

- 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
- 確保本公司有足夠的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。

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，並就主要行政人員之委任及辭退向董事局作出建議。

3. 非執行董事之獨立性

我們已接獲每位獨立非執行董事按上市規則第3.13條所提交有關彼等於該期間之獨立性之確認書，故認為所有獨立非執行董事均繼續保持其獨立性。

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.

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.

Managing Director

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

- 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.

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 key executives.

3. Independence of Non-Executive Directors

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

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。

To further enhance accountability, any appointment of an Independent Non-Executive Director who has served the Board for more than nine 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）。於該期間內，審核委員會舉行了兩次會議。

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。

該期間內，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該期間業績之解釋，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；

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 auditor (in the absence of management) as and when required. The Audit Committee held two meetings in the Period.

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 Period, the Audit Committee has performed, inter alia, the following:

- reviewed and obtained explanation from management and the external auditor on the results for the Period, 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 auditor;
- considered and approved the procedures and guidelines in employing the external auditor to perform non-audit assignments for the Company;

- 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；
 - 與內部審計師另行開會以商討內部審計事宜；
 - 審批該期間之內部審計計劃；及
 - 審閱於該期間內本公司的內部監控機制，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。
- received and reviewed the internal audit reports from the Internal Auditor;
 - held meetings with the external auditor in the absence of management to discuss any audit issues;
 - held meetings with the Internal Auditor in private to discuss internal audit issues;
 - approved the internal audit program for the Period; and
 - carried out a review of the internal control system of the Company during the Period 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。於該期間內，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。

該期間內，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

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 the Period 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 Period 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

- 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。

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、以及與表現掛鈎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. 管理功能

高級管理人員只包括本公司之執行董事，彼等之職責已闡述於上述標題為「執行委員會」之段落。主要行政人員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、編製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。

- made recommendations to the Board on the remuneration of Non-Executive Director and Independent Non-Executive Directors.

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

- individual performance;
- skills 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. Management Functions

Senior management includes Executive Directors of the Company only. Their duties were explained in the paragraph headed "Executive Committee" above. Key executives are 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

於二零一一年十二月三十一日，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 December 31, 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	–	–	–	–
高伯道	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、股價敏感公佈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，作為所有員工依從之標準。

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及主要行政人員批准方可採納。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 auditor, 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 and key executives 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.

企業管治 Corporate Governance

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層職位、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。

於該期間內，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 auditor. The Audit Committee has the authority to have direct discussion with external auditor 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 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 Period, 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 auditor 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，本公司在該期間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。

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從標準。

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 Period. 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.

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。

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

二零一一年週年大會上，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，直至二零一二年週年大會為止。彼等之主要責任乃就年度綜合財務報表提供核數服務。

該期間內，付予外聘核數師服務之總酬金如下：

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.

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. Auditor's Remuneration

KPMG was re-appointed as our external auditor by shareholders at the 2011 AGM until the conclusion of the 2012 AGM. They are primarily responsible for providing audit services in connection with the annual consolidated financial statements.

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

		截至二零一一年十二月 三十一日止六個月期間 Six-month period ended December 31, 2011 港幣百萬元 HK\$M	截至二零一零年十二月 三十一日止六個月期間 Six-month period ended December 31, 2010 港幣百萬元 HK\$M
法定核數服務	Statutory audit services	5	4
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。

本公司上屆週年大會於二零一一年十月十八日在本公司之註冊辦事處舉行，合共有一百七十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。所有於二零一一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、再次給予一般授權及修改組織章程細則均以投票方式表決，投票表決結果於同日傍晚在本公司及聯交所之網頁刊登。

(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 auditor 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.

Our last AGM was held on October 18, 2011 at our registered office. The meeting was attended by 170 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 2011 AGM, inter alia, adoption of the financial statements, re-election of Directors, re-appointment of auditor, renewal of general mandates and amendments of articles of association 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



董事局確認毋須於二零一二年四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。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十二月三十一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七月底、二零一三年一月底、以及二零一三年四月舉行。

The Board confirms that there are no changes proposed to the articles of association of the Company at the forthcoming AGM to be held on April 18, 2012. 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 December 31, 2012 and the AGM, are expected to be held at around late July 2012, late January 2013 and April 2013 respectively.

2. 投資者

於二零一一年十二月三十一日之股東所屬地詳情如下：

2. Investors

Details of shareholders by domicile as at December 31, 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	2,194	97.86	965,057,357	71.57
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	0.05	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	16	0.71	110,525	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	382,939,828	28.40
總計	TOTAL	2,242	100.00	1,348,441,242	100.00

於二零一一年十二月三十一日之股東持股量組別詳情如下：

Details of shareholders by holding range as at December 31, 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	423	18.87	245,172	0.02
1,001 – 5,000股	1,001 – 5,000 shares	770	34.34	2,367,425	0.17
5,001 – 10,000股	5,001 – 10,000 shares	399	17.80	3,331,095	0.25
10,001 – 100,000股	10,001 – 100,000 shares	597	26.63	16,590,443	1.23
100,000股以上	Over 100,000 shares	53	2.36	1,325,907,107	98.33
總計	TOTAL	2,242	100.00	1,348,441,242	100.00

* 包括二百四十八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七億七千九百六十萬零五百四十六股股份

* incorporating, in their respective shareholdings range, 248 participants of Central Clearing and Settlement System holding a total of 779,600,546 shares registered in the name of HKSCC Nominees Limited

企業管治 Corporate Governance

截至本報告書日期，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。

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、公司秘書或適當之主要行政人員負責解答。

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。

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 report, the Company has maintained the prescribed public float under the Listing Rules.

We are committed to disclosing 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 key executives.

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



陳啟宗先生
Mr Ronnie Chichung Chan

董事長
Chairman

陳先生現年六十二歲，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。

Aged 62, 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 in Beijing. 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.



殷尚賢先生
Mr Shang Shing Yin

副董事長(獨立非執行董事)
Vice Chairman (Independent Non-Executive Director)

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。

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.

董事簡介 Profile of the Directors



陳南祿先生
Mr Philip Nan Lok Chen

董事總經理
Managing Director

陳先生現年五十六歲，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。

Aged 56, 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
Mr Gerald Lokchung Chan

非執行董事
Non-Executive Director

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。

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.



鄭漢鈞博士 金紫荊星章、OBE、太平紳士

Dr Hon Kwan Cheng GBS, OBE, JP

獨立非執行董事

Independent Non-Executive Director

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。

Aged 84, Dr Cheng joined the Group in 1993. Dr Cheng obtained an engineering degree from Tianjin University and a postgraduate 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
Ms Laura Lok Yee Chen

獨立非執行董事
Independent Non-Executive Director

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。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。

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. 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 nonprofit organizations. Ms Chen holds an MBA from the George Washington University in Washington, DC, USA, and a postgraduate certificate in International Banking from the University of Virginia, USA. Ms Chen is also an Independent Non-Executive Director of Hang Lung Properties Limited.



葉錫安先生 CBE、太平紳士
Mr Simon Sik On Ip CBE, JP

獨立非執行董事
Independent Non-Executive Director

葉先生現年六十三歲，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、香港賽馬會之副主席、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。

Aged 63, 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 the Founding Chairman of the Hong Kong Institute of Education, the Deputy Chairman 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.



高伯適先生
Mr William Pak Yau Ko

執行董事
Executive Director

高先生現年五十三歲，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項目發展。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。

Aged 53, 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 project planning 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.



何孝昌先生
Mr Hau Cheong Ho

執行董事
Executive Director

何先生現年五十二歲，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。

Aged 52, 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.

主要行政人員簡介

Profile of Key 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，於二零一一年加入集團為公司秘書、總法律顧問及助理董事 — 集團事務，負責管理本集團的公司秘書、法律及人力資源及培訓的職務。彼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。蔡女士為香港執業律師，並持有香港大學之法學學位及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 in 2011. She is responsible for overseeing the company secretarial, legal and human resources and training functions of the Group. Prior to joining the Group, she 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. Ms Chhoa is a solicitor qualified to practice in Hong Kong. She graduated from The University of Hong Kong with a Bachelor degree in law and holds a Master of Business Administration degree from The Chinese University of Hong Kong.

董事局報告

Report of the Directors

董事局欣然提呈由二零一一年七月一日至二零一一年十二月三十一日止六個月期間之董事局報告及已審核財務報表。

更改財政年度年結日

由於財政年度年結日最近已由六月三十日改為十二月三十一日，現提呈的財務報表及本董事局報告涵蓋二零一一年七月一日至二零一一年十二月三十一日止六個月期間（「該期間」）。

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。

該期間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，連同其營業及註冊地點、已發行股本／註冊資本等資料載於財務報表附註第三十四及三十五項內。

業績

本集團於該期間之溢利及本公司與本集團於二零一一年十二月三十一日之財務狀況載於財務報表第一百四十四至二百一十八頁內。

十年財務概覽

本集團過去九個財政年度及該期間之業績、資產及負債概要載於第二百零一十九頁內。

股息

董事現建議派發末期股息每股港幣三角八仙。擬派發之末期股息倘於二零一二年四月十八日舉行之股東週年大會中獲股東通過，將於二零一二年五月八日派發予二零一二年四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 six-month period from July 1, 2011 to December 31, 2011.

Change of Financial Year End Date

As a result of the recent change of the financial year end date from June 30 to December 31, the Financial Statements and this report of the directors now presented cover a six-month period from July 1, 2011 to December 31, 2011 (the "Period").

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 Period 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 34 and 35 on the Financial Statements.

Financial Results

The profit of the Group for the Period, and the state of affairs of the Company and of the Group at December 31, 2011 are set out in the Financial Statements on pages 140 to 218.

Ten-Year Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last nine financial years and the Period is set out on page 219.

Dividends

The directors now recommend a final dividend of HK38 cents per share. The proposed final dividend, if approved by the shareholders at the Annual General Meeting on April 18, 2012, will be paid on May 8, 2012 to shareholders whose names appear on the Register of Members on April 24, 2012.

主要供應商及客戶

該期間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

該期間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

該期間內本集團之捐款為港幣一百萬元（二零一一年六月三十日止年度：港幣一千八百萬元；於二零一零年十二月三十一日止六個月期間：港幣一千一百萬元）。

固定資產

該期間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十二月三十一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

該期間內本集團資本化之借貸支出款項為港幣九千七百萬元（二零一一年六月三十日止年度：港幣一億五千二百萬元；於二零一零年十二月三十一日止六個月期間：港幣五千六百萬元）。

集團主要物業

於二零一一年十二月三十一日本集團主要物業之詳情載於第六十至六十八頁內。

Major Suppliers and Customers

During the Period, both the percentage of purchases attributable to the Group's five largest suppliers combined and the percentage of turnover or sales attributable to the Group's five 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 Period are set out in Note 23 on the Financial Statements.

Donations

Donations made by the Group during the Period amounted to HK\$1 million (HK\$18 million for the year ended June 30, 2011 and HK\$11 million for the six-month period ended December 31, 2010).

Fixed Assets

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

Bank Loans

Particulars of bank loans of the Group as at December 31, 2011 are set out in Note 18 on the Financial Statements.

Borrowing Costs Capitalization

Borrowing costs capitalized by the Group during the Period amounted to HK\$97 million (HK\$152 million for the year ended June 30, 2011 and HK\$56 million for the six-month period ended December 31, 2010).

Major Group Properties

Details of major properties of the Group as at December 31, 2011 are set out on pages 60 to 68.

股本

於該期間內，因根據本公司股份期權計劃行使股份期權而發行了十二萬三千股（二零一一年六月三十日止年度：九百一十一萬二千股；於二零一零年十二月三十一日止六個月期間：八百八十六萬二千股）每股港幣一元之股份，總代價為港幣一百一十六萬二千三百五十元（二零一一年六月三十日止年度：港幣一億三千二百六十九萬二千二百五十元；於二零一零年十二月三十一日止六個月期間：港幣一億二千九百九十二萬五千五百元），從而增加已發行及繳足股本。

該期間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。

本公司之上市附屬公司之股本

於該期間內，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九十五萬五千八百七十五股（二零一一年六月三十日止年度：一千八百七十八萬二千五百股；於二零一零年十二月三十一日止六個月期間：一千五百三十萬零三千股）每股港幣一元之繳足股份，總代價為港幣一千五百八十五萬一千七百五十元（二零一一年六月三十日止年度：港幣三億三千五百一十一萬二千零六十元；於二零一零年十二月三十一日止六個月期間：港幣二億八千二百一十五萬五千三百二十元）。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九千九百八十一萬九千三百九十股，佔恒隆地產已發行股份百分之二點二三。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。

董事

於本報告日之本公司董事名單載於第二百二十頁內，而彼等之簡歷載於第一百二十三至一百二十七頁內。彼等之薪酬詳情載於財務報表附註第六項內。

Share Capital

During the Period, the issued and fully paid share capital was increased by an issue of 123,000 shares (9,112,000 shares for the year ended June 30, 2011 and 8,862,000 shares for the six-month period ended December 31, 2010) of HK\$1.00 each for total consideration of HK\$1,162,350 (HK\$132,692,250 for the year ended June 30, 2011 and HK\$129,925,500 for the six-month period ended December 31, 2010) 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 Period are set out in Note 22 on the Financial Statements.

Share Capital of the Company's Listed Subsidiary

During the Period, the Company's listed subsidiary, Hang Lung Properties Limited ("HLPL") issued 955,875 shares (18,782,500 shares for the year ended June 30, 2011 and 15,303,000 shares for the six-month period ended December 31, 2010) of HK\$1.00 each, fully paid, for total consideration of HK\$15,851,750 (HK\$335,112,060 for the year ended June 30, 2011 and HK\$282,155,320 for the six-month period ended December 31, 2010) 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 the HLPL's share option scheme is 99,819,390 shares, representing 2.23% 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.

Directors

The directors of the Company as at the date of this report are listed on page 220 and their brief biographical details are set out on pages 123 to 127. Details of their remuneration are set out in Note 6 on the Financial Statements.

董事局報告

Report of the Directors

遵照本公司組織章程細則第一百零三及一百零四條規定，殷尚賢先生、陳南祿先生及高伯邁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。

陳南祿先生與本公司訂立了一項無固定任期之服務合約，該合約將持續至任何合約一方預先給予書面通知終止為止。若本公司於二零一二年七月三十一日或之前終止該合約，陳先生將獲發一筆不逾一年酬金之特惠款項。

除以上所披露外，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

於該期間內任何時間或該期間年結日，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。

In accordance with Articles 103 and 104 of the Company's Articles of Association, Mr S.S. Yin, Mr Philip N.L. Chen and Mr William P.Y. Ko 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.

Mr Philip N.L. Chen has entered into a service contract with the Company without a specific length of service, and which shall continue until terminated by either party giving prior notice in writing. Mr Chen will also be entitled to an ex-gratia payment of less than one year's emoluments if the contract is terminated by the Company on or before July 31, 2012.

Save as disclosed above, 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 Period or at the end of the Period.

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十二月三十一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 December 31, 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)			恒隆地產有限公司 (好倉)		
				The Company (Long Position)			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	-	-	-	-	-	-	-
高伯道	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2011年 7月1日 As at Jul 1, 2011	該期間內行使 Exercised during the Period	於2011年 12月31日 As at Dec 31, 2011			
05/20/2004	陳啟宗 高伯道	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 高伯道	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
Movement 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2011年 7月1日 As at Jul 1, 2011	該期間內行使 Exercised during the Period	於2011年 12月31日 As at Dec 31, 2011			
05/20/2004	陳啟宗 高伯適	Ronnie C. Chan William P.Y. Ko	5,090,000 1,330,000	– –	5,090,000 1,330,000	\$9.20	05/20/2005: 25% 05/20/2006: 25% 05/20/2007: 25% 05/20/2008: 25%	05/19/2014
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 3,700,000	– –	2,000,000 3,700,000	\$17.14	11/20/2007: 10% 11/20/2008: 20% 11/20/2009: 30% 11/20/2010: 40%	11/19/2016
08/21/2007	陳啟宗 高伯適	Ronnie C. Chan William P.Y. Ko	3,640,000 2,600,000	– –	3,640,000 2,600,000	\$25.00	08/21/2008: 10% 08/21/2009: 20% 08/21/2010: 30% 08/21/2011: 40%	08/20/2017
08/21/2007	陳啟宗 高伯適	Ronnie C. Chan William P.Y. Ko	5,600,000 4,000,000	– –	5,600,000 4,000,000	\$25.00	08/21/2009: 10% 08/21/2010: 20% 08/21/2011: 30% 08/21/2012: 40%	08/20/2017
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 6,600,000 300,000	– – –	9,240,000 6,600,000 300,000	\$17.36	12/31/2010: 10% 12/31/2011: 20% 12/31/2012: 30% 12/31/2013: 40%	12/30/2018
02/08/2010	陳啟宗 高伯適	Ronnie C. Chan William P.Y. Ko	6,500,000 4,000,000	– –	6,500,000 4,000,000	\$26.46	02/08/2012: 10% 02/08/2013: 20% 02/08/2014: 30% 02/08/2015: 40%	02/07/2020
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 3,000,000 3,000,000	– – – –	4,500,000 4,500,000 3,000,000 3,000,000	\$30.79	06/13/2013: 10% 06/13/2014: 20% 06/13/2015: 30% 06/13/2016: 40%	06/12/2021

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十二月三十一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，於該期間內任何時間，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十二月三十一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 December 31, 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 Period 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 December 31, 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	–	36.96	–
Cole Enterprises Holdings Limited	Cole Enterprises Holdings Limited	1	498,428,580	–	36.96	–
Merssion Limited	Merssion Limited	1	498,428,580	–	36.96	–
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	188,865,454	–	14.00	–
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

除以上所披露外，於二零一一年十二月三十一日，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界定的須予披露關連交易。

管理合約

該期間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

該期間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。

企業管治

本公司之企業管治常規載於第一百零三至一百二十二頁之企業管治報告內。

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
蔡碧林

香港，二零一二年一月十九日

Save as disclosed above, as at December 31, 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.

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 Period.

Purchase, Sale or Redemption of Listed Securities

During the Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Corporate Governance

The Company's corporate governance practices are set out in the Corporate Governance Report on pages 103 to 122.

Auditor

A resolution for the re-appointment of KPMG as auditor 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
Bella Peck Lim Chhoa
Company Secretary
Hong Kong, January 19, 2012

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」)已審核列載於第一百四頁至第二百一十八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十二月三十一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六個月的綜合收益表、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 140 to 218, which comprise the consolidated and company statements of financial position as at December 31, 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 six-month period 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十二月三十一日的事務狀況及貴集團截至該日止六個月的利潤及現金流量，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

二零一二年一月十九日

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 December 31, 2011 and of the Group's profit and cash flows for the six-month period 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

January 19, 2012

財務報表

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綜合收益表

Consolidated Income Statement

截至二零一一年十二月三十一日止六個月 For the six-month period ended December 31, 2011

以港幣百萬元計算		附註	截至 二零一一年 十二月三十一日 止六個月 Period ended December 31, 2011	截至 二零一一年 六月三十日 止十二個月 Year ended June 30, 2011	截至 二零一零年 十二月三十一日 止六個月 Period ended December 31, 2010
in HK\$ million		Note			
營業額	Turnover	3(a)	3,361	5,714	2,789
其他收入	Other income	4	219	252	93
直接成本及營業費用	Direct costs and operating expenses		(708)	(1,138)	(528)
行政費用	Administrative expenses		(300)	(490)	(351)
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		2,572	4,338	2,003
投資物業之公平值增加	Increase in fair value of investment properties	11	953	3,504	2,357
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		3,525	7,842	4,360
財務費用	Finance costs	5	(149)	(139)	(66)
應佔合營公司溢利	Share of profits of jointly controlled entities	13	241	290	88
除稅前溢利	Profit before taxation	3(a) & 5	3,617	7,993	4,382
稅項	Taxation	7(a)	(580)	(1,117)	(552)
本期／年度溢利	Profit for the period/year		3,037	6,876	3,830
應佔純利：	Attributable to:				
股東	Shareholders	23	1,578	3,529	1,901
非控股權益	Non-controlling interests	24	1,459	3,347	1,929
			3,037	6,876	3,830
每股盈利	Earnings per share	10(a)			
基本	Basic		\$1.17	\$2.62	\$1.41
攤薄	Diluted		\$1.16	\$2.60	\$1.40

財務報表附註乃本財務報表之一部分。
期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 period are set out in note 9.

綜合全面收益表

Consolidated Statement of Comprehensive Income

截至二零一一年十二月三十一日止六個月 For the six-month period ended December 31, 2011

以港幣百萬元計算		in HK\$ million	附註 Note	截至 二零一一年 十二月三十一日 止六個月 Period ended December 31, 2011	截至 二零一一年 六月三十日 止十二個月 Year ended June 30, 2011	截至 二零一零年 十二月三十一日 止六個月 Period ended December 31, 2010
本期／年度溢利	Profit for the period/year			3,037	6,876	3,830
其他全面收益	Other comprehensive income		7(d)			
應佔合營公司之資本儲備 之減少	Decrease of share of capital reserves of jointly controlled entities			(1)	–	–
投資估值儲備變動淨額	Net movement in investment revaluation reserve			(16)	(1)	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			1,825	2,946	1,474
				1,808	2,945	1,476
本期／年度全面收益總額	Total comprehensive income for the period/year			4,845	9,821	5,306
應佔全面收益總額：	Total comprehensive income attributable to:					
股東	Shareholders			2,561	4,905	2,558
非控股權益	Non-controlling interests			2,284	4,916	2,748
				4,845	9,821	5,306

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.

綜合財務狀況表

Consolidated Statement of Financial Position

於二零一一年十二月三十一日 At December 31, 2011

以港幣百萬元計算	in HK\$ million	附註 Note	於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011	於二零一零年 十二月三十一日 December 31, 2010
非流動資產	Non-current assets				
固定資產	Fixed assets				
投資物業	Investment properties		101,833	94,003	91,903
發展中投資物業	Investment properties under development		23,613	21,524	19,056
其他固定資產	Other fixed assets		226	213	180
			125,672	115,740	111,139
合營公司權益	Interest in jointly controlled entities	11	2,152	1,982	1,832
其他資產	Other assets	13	1,697	2,130	2,119
遞延稅項資產	Deferred tax assets	14	45	45	39
		20(b)			
			129,566	119,897	115,129
流動資產	Current assets				
現金及銀行存款	Cash and deposits with banks	15	26,149	28,274	24,903
應收賬款及其他應收款	Trade and other receivables	16	779	1,202	380
其他資產	Other assets	14	449	-	-
待售物業	Properties for sale	17	6,145	5,994	5,930
			33,522	35,470	31,213
流動負債	Current liabilities				
銀行貸款	Bank loans	18	5,400	7,500	9,100
應付賬款及其他應付款	Trade and other payables	19	4,134	3,709	3,797
應付稅項	Taxation payable	20(a)	455	1,231	1,147
			9,989	12,440	14,044
流動資產淨值	Net current assets		23,533	23,030	17,169
資產總值減流動負債	Total assets less current liabilities		153,099	142,927	132,298
非流動負債	Non-current liabilities				
銀行貸款	Bank loans	18	22,294	13,401	6,462
融資租約承擔	Finance lease obligations	21	-	35	104
遞延稅項負債	Deferred tax liabilities	20(b)	9,637	9,294	8,933
			31,931	22,730	15,499
資產淨值	NET ASSETS		121,168	120,197	116,799
資本及儲備	Capital and reserves				
股本	Share capital	22	1,348	1,348	1,348
儲備	Reserves	23	59,162	57,624	55,604
股東權益	Shareholders' equity		60,510	58,972	56,952
非控股權益	Non-controlling interests	24	60,658	61,225	59,847
總權益	TOTAL EQUITY		121,168	120,197	116,799

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.

財務狀況表

Statement of Financial Position

於二零一一年十二月三十一日 At December 31, 2011

以港幣百萬元計算	in HK\$ million	附註 Note	於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011	於二零一零年 十二月三十一日 December 31, 2010
非流動資產	Non-current assets				
附屬公司權益	Interest in subsidiaries	12	14,721	14,133	12,963
流動資產	Current assets				
現金及銀行存款	Cash and deposits with banks		–	77	–
流動負債	Current liabilities				
應付賬款及其他應付款	Trade and other payables		6	7	5
流動(負債)/資產淨值	Net current (liabilities)/assets		(6)	70	(5)
資產總值減流動負債	Total assets less current liabilities		14,715	14,203	12,958
非流動負債	Non-current liabilities				
應付附屬公司款項	Amounts due to subsidiaries		443	323	300
資產淨值	NET ASSETS		14,272	13,880	12,658
資本及儲備	Capital and reserves				
股本	Share capital	22	1,348	1,348	1,348
儲備	Reserves	23	12,924	12,532	11,310
總權益	TOTAL EQUITY		14,272	13,880	12,658

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

截至二零一一年十二月三十一日止六個月 For the six-month period ended December 31, 2011

以港幣百萬元計算 in HK\$ million		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		
於二零一零年七月一日	At July 1, 2010	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
去年度末期股息	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	-	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及二零一一年七月一日	At June 30, 2011 and July 1, 2011	1,348	7,455	50,169	58,972	61,225	120,197
本期溢利	Profit for the period	-	-	1,578	1,578	1,459	3,037
應佔合營公司之資本儲備之減少	Decrease of share of capital reserves of jointly controlled entities	-	(1)	-	(1)	-	(1)
投資估值儲備變動淨額	Net movement in investment revaluation reserve	-	(16)	-	(16)	-	(16)
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	-	1,000	-	1,000	825	1,825
本期全面收益總額	Total comprehensive income for the period	-	983	1,578	2,561	2,284	4,845
去年度末期股息	Final dividends in respect of previous year	-	-	(769)	(769)	-	(769)
發行股份	Issue of shares	-	1	-	1	-	1
僱員股權費用	Employee share-based payments	-	53	4	57	49	106
因本集團在一間附屬公司之股權增加而產生非控股權益變動	Change in non-controlling interests arising from increase of the Group's shareholding in a subsidiary	-	(312)	-	(312)	(1,696)	(2,008)
已付非控股權益股息	Dividends paid to non-controlling interests	-	-	-	-	(1,191)	(1,191)
償還予非控股權益款項	Repayment to non-controlling interests	-	-	-	-	(13)	(13)
於二零一一年十二月三十一日	At December 31, 2011	1,348	8,180	50,982	60,510	60,658	121,168

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

截至二零一一年十二月三十一日止六個月 For the six-month period ended December 31, 2011

以港幣百萬元計算	in HK\$ million	附註 Note	截至二零一一年 十二月三十一日止六個月 Period ended December 31, 2011	截至二零一一年 六月三十日止十二個月 Year ended June 30, 2011	截至二零一零年 十二月三十一日止六個月 Period ended December 31, 2010
經營活動	Operating activities				
來自經營業務之現金	Cash generated from operations	25	2,297	5,620	3,661
已付稅項	Tax paid				
已付香港利得稅	Hong Kong Profits Tax paid		(1,064)	(236)	(236)
已付中國所得稅	China Income Tax paid		(176)	(479)	(189)
來自經營活動之現金淨額	Net cash generated from operating activities		1,057	4,905	3,236
投資活動	Investing activities				
購買固定資產	Payment for fixed assets		(6,960)	(6,324)	(3,515)
出售固定資產所得款項	Sale proceeds from disposals of fixed assets		3	1	-
購買持至到期日投資	Purchase of held-to-maturity investments		(13)	(827)	(827)
已收利息	Interest received		188	211	45
已收合營公司股息	Dividends received from jointly controlled entities		21	37	9
合營公司還款	Repayment from jointly controlled entities		49	75	52
已收非上市投資項目股息	Dividends received from unlisted investments		11	-	-
償還/(新增)非上市投資貸款	Repayment of advance from/(advance to) unlisted investments		1	(1)	1
於三個月後到期的銀行存款之減少/(增加)	Decrease/(Increase) in bank deposits with maturity greater than three months		2,811	(7,478)	(5,850)
用於投資活動之現金淨額	Net cash used in investing activities		(3,889)	(14,306)	(10,085)
融資活動	Financing activities				
新增銀行貸款所得款項	Proceeds from new bank loans		9,202	13,284	6,270
償還銀行貸款	Repayment of bank loans		(2,500)	(3,180)	(1,497)
行使股份期權所得款項	Proceeds from exercise of share options		1	133	129
已付利息及其他借貸費用	Interest and other borrowing costs paid		(218)	(306)	(117)
已付融資租約費用	Finance lease charges paid		(5)	(17)	(9)
已付股息	Dividends paid		(769)	(1,023)	(767)
已付非控股權益股息	Dividends paid to non-controlling interests		(1,191)	(1,489)	(1,076)
償還非控股權益款項	Repayment to non-controlling interests		(13)	(588)	(383)
附屬公司非控股權益(減少)/增加	(Decrease)/Increase in non-controlling interests in subsidiaries		(2,008)	(11)	282
附屬公司配售股份所得款項	Proceeds from placement of shares of a subsidiary		-	10,896	10,896
融資租約之資本部份	Capital element of finance lease		(64)	(119)	(57)
來自融資活動之現金淨額	Net cash generated from financing activities		2,435	17,580	13,671
現金及現金等價物之(減少)/增加	(Decrease)/Increase in cash and cash equivalents		(397)	8,179	6,822
匯率變動之影響	Effect of foreign exchange rate change		904	765	379
於七月一日之現金及現金等價物	Cash and cash equivalents at July 1		20,796	11,852	11,852
於十二月三十一日/六月三十日之現金及現金等價物	Cash and cash equivalents at December 31/June 30	15	21,303	20,796	19,053

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 更改財政年度年結日

根據本公司董事會於二零一一年十一月二十七日之決議，本公司之財政年度年結日由六月三十日更改為十二月三十一日。該更改是為了使本公司的財政年度年結日與其於中國內地成立之附屬公司的財政年度年結日一致；該等公司之財務業績每年均於綜合財務報表內入賬，並且其財政年度年結日根據法例須定為十二月三十一日。

由於財政年度年結日作出更改，本財務期間涵蓋二零一一年七月一日至二零一一年十二月三十一日止六個月（「截至二零一一年十二月三十一日止六個月」），而本財務報表之比較數字則涵蓋二零一零年七月一日至二零一一年六月三十日止十二個月（「截至二零一一年六月三十日止十二個月」）。由於比較數字無法與本期間的數字作出比較，根據《香港財務報告準則》（「HKFRSs」）編製之二零一零年七月一日至二零一零年十二月三十一日止六個月（「截至二零一零年十二月三十一日止六個月」）之財務資料將於綜合收益表、綜合全面收益表、綜合財務狀況表、財務狀況表、綜合現金流量表及若干選取之附註披露，以增加本財務報表之比較性。

2 主要會計政策

(a) 遵例聲明

本財務報表乃根據所有適用之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。

1 CHANGE OF FINANCIAL YEAR END DATE

Pursuant to a resolution of the Board of Directors of the Company dated November 27, 2011, the Company's financial year end date has been changed from June 30 to December 31. The change is to align with the financial year end date of the Company with that of its subsidiaries established in mainland China, the financial results of which are consolidated into its consolidated financial statements each year, and their financial statements are statutorily required to be closed with the financial year end date of December 31.

As a result of the change in financial year end date, the current financial period covers a six-month period from July 1, 2011 to December 31, 2011 (the "period ended December 31, 2011"), and the comparative figures in these financial statements covers a twelve-month period from July 1, 2010 to June 30, 2011 (the "year ended June 30, 2011"). As the comparative figures are not comparable with those of current period, financial information for the six-month period from July 1, 2010 to December 31, 2010 (the "period ended December 31, 2010"), prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"), has been disclosed for the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position, the statement of financial position, the consolidated cash flow statement and certain selected notes to enhance comparability.

2 PRINCIPAL ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable 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.

2 主要會計政策 (續)

(a) 遵例聲明 (續)

香港會計師公會頒佈了多項新訂和經修訂之HKFRSs。此等準則在本集團及本公司當前之會計期間生效或可供提早採用。此等新訂和經修訂之HKFRSs對本集團截至二零一一年十二月三十一日止六個月及二零一一年六月三十日止十二個月財務報表並無重大影響。

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(附註32)。

(b) 財務報表編製基準

截至二零一一年十二月三十一日止六個月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。

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。

2 PRINCIPAL ACCOUNTING POLICIES (Continued)

(a) Statement of compliance (Continued)

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. These new and revised HKFRSs have no significant impact on the financial statements of the Group for the period ended December 31, 2011 and the year ended June 30, 2011.

The Group has not applied any new standards, amendments or interpretations that is not yet effective for the current accounting period (note 32).

(b) Basis of preparation of the financial statements

The consolidated financial statements for the period ended December 31, 2011 comprise the Company and its subsidiaries (collectively 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.

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.

2 主要會計政策 (續)

(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，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。

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期內業績按非控股權益及股東權益應佔期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。

2 PRINCIPAL ACCOUNTING POLICIES (Continued)

(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, 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 into 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.

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 period between non-controlling interests and the equity shareholders of the Company.

2 主要會計政策 (續)

(c) 附屬公司及非控股權益 (續)

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。

當本集團失去一附屬公司之控制權，將按出售該附屬公司之所有權益入賬，而所產生的盈虧確認為損益。任何在喪失控制權日仍保留該前度附屬公司之權益按公平值確認，而此金額被視為初始確認為金融資產的公平值，或（如適用）按成本初始確認為聯營公司或合營公司投資。

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（附註2(j)）。

(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本期業績，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。

2 PRINCIPAL ACCOUNTING POLICIES (Continued)

(c) Subsidiaries and non-controlling interests (Continued)

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.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognized in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognized at fair value and this amount is regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or jointly controlled entity.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less any impairment losses (note 2(j)).

(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 period, 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.

2 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 (附註2(j))。

(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 (附註2(j))。

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。

2 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 (note 2(j)).

(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 (note 2(j)).

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.

2 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2(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2(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、資本化之借貸成本(附註2(o))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。

2 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 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 2(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 2(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 (note 2(o)) 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.

2 主要會計政策 (續)

(f) 物業 (續)

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，包括資本化借貸成本（附註2(o)）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。

(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（附註2(j)）。報廢或處置固定資產所產生的損益以處置所得款項淨額與資產賬面金額之間的差額釐定，並於報廢或處置日在損益中確認。

2. 租賃資產

本集團確定協議具有在協定期限內通過支付一筆或一系列款項而使用某一特定資產或多項資產之權利，則該協議（由一宗交易或一系列交易組成）為租賃或包括租賃。該釐定乃根據安排之內容評估而作出，而無論安排是否具備租賃之法律形式。

(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其入賬方式會如同以融資租約持有一致；及

2 PRINCIPAL ACCOUNTING POLICIES (Continued)

(f) Properties (Continued)

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 (note 2(o)), 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.

(g) Other fixed assets

1. Other fixed assets are stated at cost less accumulated depreciation and any impairment losses (note 2(j)). Gains or losses arising from the retirement or disposal of an item of other fixed assets are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognized in profit or loss on the date of retirement or disposal.

2. Leased assets

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(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 is accounted for as if held under a finance lease; and

2 主要會計政策 (續)

(g) 其他固定資產 (續)

2. 租賃資產 (續)

(i) 租予本集團之資產分類 (續)

- 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2(h)。包含在租金內之融資費用於租約期內在損益內扣除，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。

(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，以等額在損益中列支；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。所獲之租金優惠在損益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損益中列支。

2 PRINCIPAL ACCOUNTING POLICIES (Continued)

(g) Other fixed assets (Continued)

2. Leased assets (Continued)

(i) Classification of assets leased to the Group (Continued)

- 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 2(h). Finance charges implicit in the lease payments are charged to profit or loss 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.

(iii) Operating leases charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss 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 profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

2 主要會計政策 (續)

(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(附註2(j))。

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(附註2(j))。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損益中確認。

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。

2 PRINCIPAL ACCOUNTING POLICIES (Continued)

(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 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 (note 2(j)).

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 (note 2(j)). Other investments in equity securities are classified as available-for-sale equity 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 profit or loss.

Investments are recognized/derecognized on the date the Group commits to purchase/sell the investments or they expire.

2 主要會計政策 (續)

(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,則減值虧損會於損益撥回。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。
- 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損益。於損益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損益中確認的任何減值虧損後計算。就可供出售投資於損益中確認之減值虧損不會透過損益撥回。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。

2 PRINCIPAL ACCOUNTING POLICIES (Continued)

(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 profit or loss. 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.
- For available-for-sale investments, the cumulative loss that has been recognized in investment revaluation reserve is reclassified to profit or loss. The amount of the cumulative loss that is recognized in profit or loss 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 profit or loss. Impairment loss recognized in profit or loss in respect of available-for-sale investments is not reversed through profit or loss. Any subsequent increase in the fair value of such assets is recognized in other comprehensive income.

2 主要會計政策 (續)

(j) 資產減值 (續)

- 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。在評估使用價值時，預計未來現金流量會按照能反映當時市場對貨幣時間值和資產特定風險的評估的稅前折現率，折現至其現值。凡賬面值高於可收回金額，減值虧損於損益中確認為開支。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損益。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（附註2(j)）；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（附註2(j)）。

(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。

2 PRINCIPAL ACCOUNTING POLICIES (Continued)

(j) Impairment of assets (Continued)

- For other non-current assets, the recoverable amount is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognized as an expense in profit or loss 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 profit or loss 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 (note 2(j)), 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 (note 2(j)).

(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.

2 主要會計政策 (續)

(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損益內確認。

(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成本開始產生時，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，即開始將借貸成本資本化，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，借貸成本資本化則被暫停或終止。

(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。

當本公司發出財務擔保，該擔保的公平價值(即交易價格，除非該公平值能確實地估計)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公司政策而予確認。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。

2 PRINCIPAL ACCOUNTING POLICIES (Continued)

(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 profit or loss 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.

(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.

2 主要會計政策 (續)

(p) 已發出財務擔保、撥備及或然負債 (續)

1. 已發出財務擔保 (續)

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公司履行擔保合約；及(ii)向本公司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2(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。

(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損益內確認：

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 PRINCIPAL ACCOUNTING POLICIES (Continued)

(p) Financial guarantees issued, provisions and contingent liabilities (Continued)

1. Financial guarantees issued (Continued)

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 2(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.

(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 profit or loss 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 主要會計政策 (續)

(q) 收入確認 (續)

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，或按其他更能反映使用租賃資產所產生利益模式的方式予以確認。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損益確認。

本年稅項指期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。

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。

2 PRINCIPAL ACCOUNTING POLICIES (Continued)

(q) Revenue recognition (Continued)

2. Rental income

Rental income under operating leases is recognized on a straight line basis over the terms of the respective leases, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. 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 period comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognized in profit or loss except to the extent that they relate to items recognized in other comprehensive income or directly in equity, in which case the relevant amounts 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 period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

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.

2 主要會計政策 (續)

(r) 稅項 (續)

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2(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。

2 PRINCIPAL ACCOUNTING POLICIES (Continued)

(r) Taxation (Continued)

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 2(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.

2 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幣列報。

期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損益確認。

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幣。財務狀況表之項目則按結算日之匯率換算為港幣。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損益。

(t) 關連人士

1. 倘屬以下人士，即該人士或與該人士關係密切的家庭成員與本集團有關連：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團之主要管理層人員。

2 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 period 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 profit or loss.

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 profit or loss when the profit or loss on disposal is recognized.

(t) Related parties

1. A person, or a close member of that person's family, is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group.

2 主要會計政策 (續)

(t) 關連人士 (續)

2. 倘符合下列任何條件，即該實體與本集團有關連：
- (i) 該實體與本集團屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司彼此間有關連）。
 - (ii) 一間實體為另一實體的聯營公司或合營企業（或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業）。
 - (iii) 兩間實體均為同一第三方的合營企業。
 - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司。
 - (v) 該實體為本集團或與本集團有關連之實體就僱員利益設立的離職福利計劃。
 - (vi) 該實體受於2(t)(1)所述的人士控制或受共同控制。
 - (vii) 於2(t)(1)(i)所述的人士對該實體有重大影響力或屬該實體（或該實體的母公司）主要管理層成員。

與該人士關係密切的家庭成員是指他們在與實體進行交易時，預期可能會影響該人士或受該人士影響的家庭成員。

(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。

2 PRINCIPAL ACCOUNTING POLICIES (Continued)

(t) Related parties (Continued)

2. An entity is related to the Group if any of the following conditions applies:
- (i) The entity and the Group are members of the same Group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a Group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in note 2(t)(1).
 - (vii) A person identified in note 2(t)(1)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person 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.

2 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期內計提。

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損益中列支／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。

2 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 period 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 profit or loss for the period 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.

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舖、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		
		截至 二零一一年 十二月三十一日 止六個月 Period ended December 31, 2011	截至 二零一一年 六月三十日 止十二個月 Year ended June 30, 2011	截至 二零一零年 十二月三十一日 止六個月 Period ended December 31, 2010	截至 二零一一年 十二月三十一日 止六個月 Period ended December 31, 2011	截至 二零一一年 六月三十日 止十二個月 Year ended June 30, 2011	截至 二零一零年 十二月三十一日 止六個月 Period ended December 31, 2010
以港幣百萬元計算 in HK\$ million							
分部	Segment						
物業租賃	Property leasing						
– 香港	– Hong Kong	1,564	2,973	1,458	1,290	2,438	1,195
– 中國內地	– Mainland China	1,604	2,738	1,328	1,213	2,136	1,064
		3,168	5,711	2,786	2,503	4,574	2,259
物業銷售	Property sales						
– 香港	– Hong Kong	193	3	3	150	2	2
分部總額	Segment total	3,361	5,714	2,789	2,653	4,576	2,261
其他收入	Other income				219	252	93
行政費用 (附註)	Administrative expenses (Note)				(300)	(490)	(351)
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				2,572	4,338	2,003
投資物業之公平值增加	Increase in fair value of investment properties				953	3,504	2,357
– 於香港之物業租賃	– property leasing in Hong Kong				655	2,613	1,881
– 於中國內地之物業租賃	– property leasing in mainland China				298	891	476
財務費用	Finance costs				(149)	(139)	(66)
應佔合營公司溢利	Share of profits of jointly controlled entities				241	290	88
除稅前溢利	Profit before taxation				3,617	7,993	4,382

附註：行政費用包括股權費用一億零六百萬元（二零一零／一一年度：一億一千三百萬元；二零一零年：六千七百萬元）。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 \$106 million (2010/11: \$113 million; 2010: \$67 million) representing the amortization of the fair value of options granted to employees over the vesting period and do not involve any cash outflow for the Group.

3 營業額及分部資料 (續)

(b) 分部總資產

3 TURNOVER AND SEGMENT INFORMATION

(Continued)

(b) Total assets by segments

		總資產 Total assets		
		於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011	於二零一零年 十二月三十一日 December 31, 2010
以港幣百萬元計算	in HK\$ million			
分部	Segment			
物業租賃	Property leasing			
– 香港	– Hong Kong	56,857	56,165	55,295
– 中國內地	– Mainland China	69,554	60,774	56,204
		126,411	116,939	111,499
物業銷售	Property sales			
– 香港	– Hong Kong	6,185	5,997	5,950
分部總額	Segment total	132,596	122,936	117,449
合營公司權益	Interest in jointly controlled entities	2,152	1,982	1,832
其他資產	Other assets	2,146	2,130	2,119
遞延稅項資產	Deferred tax assets	45	45	39
現金及銀行存款	Cash and deposits with banks	26,149	28,274	24,903
總資產	Total assets	163,088	155,367	146,342

4 其他收入

4 OTHER INCOME

		集團 Group		
		截至 二零一一年 十二月三十一日 止六個月 Period ended December 31, 2011	截至 二零一一年 六月三十日 止十二個月 Year ended June 30, 2011	截至 二零一零年 十二月三十一日 止六個月 Period ended December 31, 2010
以港幣百萬元計算	in HK\$ million			
銀行利息收入	Bank interest income	188	213	78
非上市持至到期日投資利息收入	Interest income from unlisted held-to-maturity investments	10	11	2
其他利息收入	Other interest income	–	2	1
上市投資項目之股息收入	Dividend income from listed investments	–	3	–
非上市投資項目之股息收入	Dividend income from unlisted investments	11	–	–
匯兌(虧損)/收益淨額	Net exchange (loss)/gain	(2)	21	10
其他	Others	12	2	2
		219	252	93

5 除稅前溢利

5 PROFIT BEFORE TAXATION

		集團 Group		
		截至 二零一一年 十二月三十一日 止六個月 Period ended December 31, 2011	截至 二零一一年 六月三十日 止十二個月 Year ended June 30, 2011	截至 二零一零年 十二月三十一日 止六個月 Period ended December 31, 2010
以港幣百萬元計算	in HK\$ million			
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	152	153	77
須於五年後償還之銀行貸款利息	Interest on bank loans repayable over 5 years	67	69	12
融資租約費用	Finance lease charges	5	17	9
其他借貸成本	Other borrowing costs	22	52	24
借貸成本總額	Total borrowing costs	246	291	122
減：借貸成本資本化(附註)	Less: Borrowing costs capitalized (Note)	(97)	(152)	(56)
財務費用	Finance costs	149	139	66
已出售物業成本	Cost of properties sold	16	–	–
職工成本，包括僱員股權費用	Staff costs, including employee share-based payments of			
一億零六百萬元(二零一零/一一年度：一億一千三百萬元；二零一零年：六千七百萬元)	\$106 million (2010/11: \$113 million; 2010: \$67 million)	419	773	452
折舊	Depreciation	16	27	11
營業租約費用，包括或然租金	Operating lease charges, including contingent rentals of \$12 million			
一千二百萬元(二零一零/一一年度：二千五百萬元；二零一零年：一千三百萬元)	(2010/11: \$25 million; 2010: \$13 million)	56	113	56
核數師酬金	Auditors' remuneration			
– 核數服務	– audit services	5	10	4
– 稅務及其他服務	– tax and other services	3	3	1
並已計入：	and after crediting:			
投資物業之租金收入總額，已扣除直接支出六億六千五百萬元(二零一零/一一年度：十一億三千七百萬元；二零一零年：五億二千七百萬元)，包括或然租金一億七千六百萬元(二零一零/一一年度：三億一千元；二零一零年：一億四千七百萬元)	Gross rental income from investment properties less direct outgoings of \$665 million (2010/11: \$1,137 million; 2010: \$527 million), including contingent rentals of \$176 million (2010/11: \$310 million; 2010: \$147 million)	2,503	4,574	2,259

附註：發展中物業之借貸成本已按每年百分之一點九(二零一零/一一年度：百分之一點八；二零一零年：百分之一點五)之平均率資本化。

Note: The borrowing costs have been capitalized at an average rate of 1.9% (2010/11: 1.8%; 2010: 1.5%) per annum for properties under development.

6 董事及五名最高薪人士之酬金

提名及薪酬委員會包括三名獨立非執行董事。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 FIVE HIGHEST PAID INDIVIDUALS

The Nomination and Remuneration Committee consists of three 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 Company'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 Salaries, allowances and benefits in kind	袍金 Fees	酌定花紅 Discretionary bonuses	本集團對退休金計劃之供款 Group's contributions to retirement scheme	截至二零一一年十二月三十一日止六個月 Period ended December 31, 2011	截至二零一一年六月三十日止十二個月 Year ended June 30, 2011
執行董事	Executive Directors						
陳啟宗	Ronnie C. Chan	0.4	11.0	4.5	1.1	17.0	31.7
陳南祿	Philip N.L. Chen	0.3	10.3	4.0	0.5	15.1	26.7
高伯道	William P.Y. Ko	0.3	4.7	2.0	0.5	7.5	14.1
何孝昌	H.C. Ho	0.3	2.1	1.2	0.1	3.7	5.0
非執行董事	Non-Executive Director						
陳樂宗	Gerald L. Chan	0.1	-	-	-	0.1	0.2
獨立非執行董事	Independent Non-Executive Directors						
殷尚賢	S.S. Yin	0.3	-	-	-	0.3	0.4
陳樂怡	Laura L.Y. Chen	0.4	-	-	-	0.4	0.7
鄭漢鈞	H.K. Cheng	0.5	-	-	-	0.5	0.8
葉錫安	Simon S.O. Ip	0.2	-	-	-	0.2	0.4
前董事	Ex-Directors						
袁偉良 (於二零一零年七月十四日退休)	Nelson W.L. Yuen (Retired on July 14, 2010)	-	-	-	-	-	0.8
吳士元 (於二零一零年七月二十一日辭任)	Terry S. Ng (Resigned on July 21, 2010)	-	-	-	-	-	0.6
廖約克 (於二零一一年一月一日辭任)	York Liao (Resigned on January 1, 2011)	-	-	-	-	-	0.2
二零一一年十二月三十一日	December 31, 2011	2.8	28.1	11.7	2.2	44.8	81.6
二零一一年六月三十日	June 30, 2011	4.5	53.5	19.4	4.2	81.6	

6 董事及五名最高薪人士之酬金 (續)

(b) 五名最高薪人士之酬金

在五名最高薪人士中，三名(二零一零／一一年度：三名)為本公司董事、二名(二零一零／一一年度：一名)為恒隆地產有限公司(「恒隆地產」)董事，及無(二零一零／一一年度：一名)為本公司之前任董事。有關該其餘二名(二零一零／一一年度：一名)人士之酬金如下：

6 EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

(b) Five highest paid individuals' emoluments

Of the five individuals with the highest emoluments, three (2010/11: three) are directors of the Company, two (2010/11: one) are directors of Hang Lung Properties Limited ("HLP") and there is no (2010/11: one) ex-director of the Company. The emoluments in respect of the other two (2010/11: one) individuals are as follows:

		集團 Group	
		截至 二零一一年 十二月三十一日 止六個月 Period ended December 31, 2011	截至 二零一一年 六月三十日 止十二個月 Year ended June 30, 2011
以港幣百萬元計算	in HK\$ million		
袍金	Fees	0.2	0.2
薪金、津貼及實物利益	Salaries, allowances and benefits in kind	3.0	5.8
酌定花紅	Discretionary bonuses	1.5	2.6
本集團對退休金計劃之供款	Group's contributions to retirement scheme	0.3	0.6
		5.0	9.2

(c) 除以上酬金外，若干董事及僱員根據本公司及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。

(c) In addition to the above emoluments, certain directors and employees of the Company and 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).

(d) 截至二零一一年十二月三十一日止六個月及二零一一年六月三十日止十二個月，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。

(d) During the period ended December 31, 2011 and the year ended June 30, 2011, there were no amounts paid to directors and senior executives above for compensation of loss of office and inducement for joining the Group.

7 綜合收益表內之稅項

(a) 綜合收益表內之稅項為：

7 TAXATION IN THE CONSOLIDATED INCOME STATEMENT

(a) Taxation in the consolidated income statement represents:

		集團 Group		
		截至 二零一一年 十二月三十一日 止六個月 Period ended December 31, 2011	截至 二零一一年 六月三十日 止十二個月 Year ended June 30, 2011	截至 二零一零年 十二月三十一日 止六個月 Period ended December 31, 2010
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	191	269	111
過往年度撥備之多提	Over-provision in prior years	(2)	(1)	(1)
		189	268	110
中國所得稅	China Income Tax	275	487	271
		464	755	381
遞延稅項	Deferred tax			
投資物業之公平值變動	Change in fair value of investment properties	74	222	120
其他源自及撥回暫時性差額	Other origination and reversal of temporary differences	42	140	51
合計(附註20(b))	Total (Note 20(b))	116	362	171
稅項支出總計	Total income tax expense	580	1,117	552

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(二零一零/一一年度：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(二零一零/一一年度：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) 截至二零一一年十二月三十一日止六個月之應佔合營公司稅項九百萬元(二零一零/一一年度：一千五百萬元；二零一零年：七百萬元)已計入應佔合營公司溢利內。

Provision for Hong Kong Profits Tax is calculated at 16.5% (2010/11: 16.5%; 2010: 16.5%) of the estimated assessable profits for the period/year. China Income Tax mainly represents China Corporate Income Tax calculated at 25% (2010/11: 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 January 1, 2008.

(b) Share of jointly controlled entities' taxation for the period ended December 31, 2011 of \$9 million (2010/11: \$15 million; 2010: \$7 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		
		截至 二零一一年 十二月三十一日 止六個月 Period ended December 31, 2011	截至 二零一一年 六月三十日 止十二個月 Year ended June 30, 2011	截至 二零一零年 十二月三十一日 止六個月 Period ended December 31, 2010
以港幣百萬元計算	in HK\$ million			
除稅前溢利	Profit before taxation	3,617	7,993	4,382
按除稅前溢利以適用稅率計算之稅項	Tax on profit before taxation at applicable rates	742	1,619	893
非應課稅收入之稅項影響	Tax effect of non-taxable income	(150)	(515)	(337)
非扣減支出之稅項影響	Tax effect of non-deductible expenses	19	30	18
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	(55)	(80)	(69)
未確認之稅務虧損之稅項影響	Tax effect of unrecognized tax losses	22	62	47
其他	Others	4	2	1
過往年度撥備之多提	Over-provision in prior years	(2)	(1)	(1)
實際稅項支出	Actual tax expense	580	1,117	552

(d) 期／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 period/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十一億六千萬港元(二零一零／一一年度：十四億五千五百萬元)。

8 NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS

Net profit attributable to shareholders includes a profit of \$1,160 million (2010/11: \$1,455 million) which has been dealt with in the financial statements of the Company.

9 股息

(a) 本期／年度股息

9 DIVIDENDS

(a) Dividends attributable to the period/year

以港幣百萬元計算	in HK\$ million	截至 二零一一年 十二月三十一日 止六個月 Period ended December 31, 2011	截至 二零一一年 六月三十日 止十二個月 Year ended June 30, 2011	截至 二零一零年 十二月三十一日 止六個月 Period ended December 31, 2010
已宣佈及已派發中期股息 無(二零一零／一一年度： 每股十九仙)	Interim dividend declared and paid of \$Nil cent (2010/11: 19 cents) per share	-	256	256
於結算日後擬派末期股息 每股三十八仙(二零一零／ 一一年度：五十七仙)	Final dividend of 38 cents (2010/11: 57 cents) per share proposed after the reporting date	512	769	-
		512	1,025	256

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) 截至二零一一年六月三十日止年度之七億六千九百萬元末期股息於二零一一年十二月三十一日止期間批准及派發(二零一零／一一年度：七億六千七百萬元)。

(b) The final dividend of \$769 million for the year ended June 30, 2011 was approved and paid in financial period ended December 31, 2011 (2010/11: \$767 million).

10 每股盈利

(a) 每股基本及攤薄盈利乃按以下數據計算：

10 EARNINGS PER SHARE

(a) The calculation of basic and diluted earnings per share is based on the following data:

		截至 二零一一年 十二月三十一日 止六個月 Period ended December 31, 2011	截至 二零一一年 六月三十日 止十二個月 Year ended June 30, 2011	截至 二零一零年 十二月三十一日 止六個月 Period ended December 31, 2010
以港幣百萬元計算	in HK\$ million			
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)	1,578	3,529	1,901

		股份數目 Number of shares		
		截至 二零一一年 十二月三十一日 止六個月 Period ended December 31, 2011	截至 二零一一年 六月三十日 止十二個月 Year ended June 30, 2011	截至 二零一零年 十二月三十一日 止六個月 Period ended December 31, 2010
以百萬股計算	in million			
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	1,348	1,346	1,345
具攤薄作用之潛在股份之影響 – 股份期權	Effect of dilutive potential shares – share options	9	11	10
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	1,357	1,355

10 每股盈利 (續)

(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:

10 EARNINGS PER SHARE (Continued)

(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:

		截至 二零一一年 十二月三十一日 止六個月 Period ended December 31, 2011	截至 二零一一年 六月三十日 止十二個月 Year ended June 30, 2011	截至 二零一一年 十二月三十一日 止六個月 Period ended December 31, 2010
以港幣百萬元計算	in HK\$ million			
股東應佔純利	Net profit attributable to shareholders	1,578	3,529	1,901
投資物業之公平值變動之影響	Effect of changes in fair value of investment properties	(953)	(3,504)	(2,357)
相關遞延稅項之影響	Effect of corresponding deferred tax	74	222	120
合營公司的投資物業之公平值變動之影響	Effect of change in fair value of investment properties of jointly controlled entities	(172)	(191)	(40)
		(1,051)	(3,473)	(2,277)
非控股權益	Non-controlling interests	473	1,677	1,166
		(578)	(1,796)	(1,111)
股東應佔基本純利	Underlying net profit attributable to shareholders	1,000	1,733	790

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:

		截至 二零一一年 十二月三十一日 止六個月 Period ended December 31, 2011	截至 二零一一年 六月三十日 止十二個月 Year ended June 30, 2011	截至 二零一一年 十二月三十一日 止六個月 Period ended December 31, 2010
基本	Basic	\$0.74	\$1.29	\$0.59
攤薄	Diluted	\$0.74	\$1.28	\$0.58

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:				
於二零一零年七月一日	At July 1, 2010	88,633	15,326	479	104,438
匯兌調整	Exchange adjustment	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 及二零一一年七月一日	At June 30, 2011 and July 1, 2011	94,003	21,524	548	116,075
匯兌調整	Exchange adjustment	1,052	494	3	1,549
添置	Additions	110	7,310	30	7,450
出售	Disposals	–	–	(6)	(6)
公平值增加	Increase in fair value	945	8	–	953
轉入／(轉出)	Transfer	5,723	(5,723)	–	–
於二零一一年十二月三十一日	At December 31, 2011	101,833	23,613	575	126,021
累計折舊：	Accumulated depreciation:				
於二零一零年七月一日	At July 1, 2010	–	–	309	309
匯兌調整	Exchange adjustment	–	–	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 及二零一一年七月一日	At June 30, 2011 and July 1, 2011	–	–	335	335
匯兌調整	Exchange adjustment	–	–	1	1
本期折舊	Charge for the period	–	–	16	16
因出售撥回	Written back on disposals	–	–	(3)	(3)
於二零一一年十二月三十一日	At December 31, 2011	–	–	349	349
賬面淨值：	Net book value:				
於二零一一年十二月三十一日	At December 31, 2011	101,833	23,613	226	125,672
於二零一一年六月三十日	At June 30, 2011	94,003	21,524	213	115,740
固定資產之成本值或估值如下：	Cost or valuation of the fixed assets is made up as follows:				
二零一一年十二月三十一日：	December 31, 2011:				
估值	Valuation	101,833	23,613	–	125,446
成本值	Cost	–	–	575	575
		101,833	23,613	575	126,021
二零一一年六月三十日：	June 30, 2011:				
估值	Valuation	94,003	21,524	–	115,527
成本值	Cost	–	–	548	548
		94,003	21,524	548	116,075

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		
		於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011	於二零一零年 十二月三十一日 December 31, 2010	於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011	於二零一零年 十二月三十一日 December 31, 2010
以港幣百萬元計算	in HK\$ million						
香港長期地契	Long leases in Hong Kong	34,417	33,897	33,425	-	-	-
香港境外長期地契	Long leases outside Hong Kong	1,238	1,201	1,172	760	3,348	3,118
香港中期地契	Medium term leases in Hong Kong	22,135	21,938	21,554	-	-	-
香港境外中期地契	Medium term leases outside Hong Kong	44,040	36,946	35,710	22,853	18,176	15,938
香港短期地契	Short lease in Hong Kong	3	21	42	-	-	-
		101,833	94,003	91,903	23,613	21,524	19,056

(a) 本集團之投資物業及發展中投資物業均於二零一一年十二月三十一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。

期/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九億五千三百萬元(二零一零/一一年度：三十五億零四百萬元；二零一零年：二十三億五千七百萬元)，其中包括於中國內地之發展中物業的增值八百萬元(二零一零/一一年度：四千一百萬元；二零一零年：三千五百萬元)。

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，其賬面淨值為五十九億八千五百萬元(二零一一年六月三十日：五十八億九千九百萬元；二零一零年十二月三十一日：五十八億四千八百萬元)。

(a) The investment properties and investment properties under development of the Group were revalued as at December 31, 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 period/year, an increase in fair value of investment properties and those under development of \$953 million (2010/11: \$3,504 million; 2010: \$2,357 million), includes \$8 million (2010/11: \$41 million; 2010: \$35 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 \$5,985 million (June 30, 2011: \$5,899 million; December 31, 2010: \$5,848 million) in respect of an asset held under a finance lease.

11 固定資產 – 集團 (續)

(a) (續)

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九百萬元(二零一一年六月三十日：一千萬元；二零一零年十二月三十一日：一千一百萬元)以及香港境外以中期地契持有之土地及建築物八百萬元(二零一一年六月三十日：八百萬元；二零一零年十二月三十一日：九百萬元)及以長期地契持有之土地及建築物三千二百萬元(二零一一年六月三十日：三千四百萬元；二零一零年十二月三十一日：二千六百萬元)。

物業租賃收益包括投資物業之租金收入總額三十一億六千八百萬元(二零一零／一一年度：五十七億一千一百萬元；二零一零年：二十七億八千六百萬元)。

(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。

於結算日，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)

The net book value of other fixed assets of the Group included long leases of \$9 million (June 30, 2011: \$10 million; December 31, 2010: \$11 million) in respect of land and building held in Hong Kong, medium term leases of \$8 million (June 30, 2011: \$8 million; December 31, 2010: \$9 million) and long leases of \$32 million (June 30, 2011: \$34 million; December 31, 2010: \$26 million) in respect of land and buildings held outside Hong Kong respectively.

Property leasing revenue includes gross rental income from investment properties of \$3,168 million (2010/11: \$5,711 million; 2010: \$2,786 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 the reporting date, 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
於二零一一年十二月三十一日 December 31, 2011				
一年內	Within 1 year	185	4,763	4,948
一年後但五年內	After 1 year but within 5 years	856	6,194	7,050
五年後	After 5 years	1,401	931	2,332
		2,442	11,888	14,330

11 固定資產 – 集團 (續)
(b) (續)

11 FIXED ASSETS – GROUP (Continued)
(b) (Continued)

以港幣百萬元計算	in HK\$ million	分租 Subleases	其他租約 Other leases	總計 Total
於二零一一年六月三十日 June 30, 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

12 附屬公司權益

12 INTEREST IN SUBSIDIARIES

以港幣百萬元計算	in HK\$ million	公司 Company		
		於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011	於二零一零年 十二月三十一日 December 31, 2010
非上市股份，成本值	Unlisted shares, at cost	181	181	181
應收附屬公司款項減撥備	Amounts due from subsidiaries less provision	14,540	13,952	12,782
		14,721	14,133	12,963

主要附屬公司之詳細資料載於附註34。

Details of principal subsidiaries are set out in note 34.

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

以港幣百萬元計算	in HK\$ million	集團 Group			公司 Company		
		於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011	於二零一零年 十二月三十一日 December 31, 2010	於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011	於二零一零年 十二月三十一日 December 31, 2010
非上市股份，成本值	Unlisted shares, at cost	–	–	–	5	5	5
應佔資產淨值	Share of net assets	1,504	1,285	1,112	–	–	–
		1,504	1,285	1,112	5	5	5
應收合營公司款項	Amounts due from jointly controlled entities	655	704	727	2	2	2
應付合營公司款項	Amounts due to jointly controlled entities	(7)	(7)	(7)	(7)	(7)	(7)
		2,152	1,982	1,832	–	–	–

13 合營公司權益 (續)

應收合營公司款項包括六千七百萬元 (二零一一年六月三十日：六千七百萬元；二零一零年十二月三十一日：六千七百萬元) 撥備。除六千七百萬元 (二零一一年六月三十日：六千七百萬元；二零一零年十二月三十一日：六千七百萬元) 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。

主要合營公司之詳細資料載於附註35。本集團於合營公司之權益的相關財務資料概述如下：

13 INTEREST IN JOINTLY CONTROLLED ENTITIES

(Continued)

Amounts due from jointly controlled entities included a provision of \$67 million (June 30, 2011: \$67 million; December 31, 2010: \$67 million). Except for the amount due from a jointly controlled entity of \$67 million (June 30, 2011: \$67 million; December 31, 2010: \$67 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.

Details of principal jointly controlled entities are set out in note 35. The summary financial information related to the Group's interest in jointly controlled entities are as follows:

以港幣百萬元計算		於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011	於二零一零年 十二月三十一日 December 31, 2010
非流動資產	Non-current assets	2,176	2,004	1,910
流動資產	Current assets	161	144	145
非流動負債	Non-current liabilities	(768)	(804)	(892)
流動負債	Current liabilities	(65)	(59)	(51)
資產淨值	Net assets	1,504	1,285	1,112

以港幣百萬元計算		截至 二零一一年 十二月三十一日 止六個月 Period ended December 31, 2011	截至 二零一一年 六月三十日 止十二個月 Year ended June 30, 2011	截至 二零一零年 十二月三十一日 止六個月 Period ended December 31, 2010
營業額	Turnover	115	200	93
本期／年度溢利	Profit for the period/year	241	290	88

14 其他資產

14 OTHER ASSETS

		集團 Group		
		於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011	於二零一零年 十二月三十一日 December 31, 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	56	74	79
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))	898	863	849
貸款予非上市投資公司減撥備	Advances to unlisted investee companies less provision	10	11	9
無形資產 (附註(b))	Intangible assets (Note (b))	1,182	1,182	1,182
		2,146	2,130	2,119
減：到期日少於一年之香港 非上市持至到期日投資 (附註(a))	Less: Unlisted held-to-maturity investments in Hong Kong with maturity less than one year (Note (a))	(449)	-	-
		1,697	2,130	2,119

附註：

(a) 於二零一一年十二月三十一日，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（二零一一年六月三十日：一點六厘至二點九厘；二零一零年十二月三十一日：一點六厘至二點九厘）之有效收益率計息，每季度或半年派息。

(b) 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 December 31, 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% (June 30, 2011: 1.6% to 2.9%; December 31, 2010: 1.6% to 2.9%) per annum, payable quarterly or semi-annually.

(b) Intangible assets represent goodwill arising from the Group's additions in equity interests in its subsidiary, HLP for transactions before July 1, 2009. As at period 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		
		於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011	於二零一零年 十二月三十一日 December 31, 2010
以港幣百萬元計算	in HK\$ million			
定期存款	Time deposits	22,178	25,848	22,102
銀行存款	Cash at banks	3,971	2,426	2,801
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	26,149	28,274	24,903
減：於三個月後到期的銀行存款	Less: Bank deposits with maturity greater than three months	(4,846)	(7,478)	(5,850)
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	21,303	20,796	19,053

於結算日，本集團之現金及銀行存款按平均利率每年零點七厘（二零一一年六月三十日：零點九厘；二零一零年十二月三十一日：零點四厘）計算，其貨幣分佈如下：

At the reporting date, the Group's cash and deposits with banks were interest-bearing at an average rate of 0.7% (June 30, 2011: 0.9%; December 31, 2010: 0.4%) per annum with currency denominated in:

		於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011	於二零一零年 十二月三十一日 December 31, 2010
以港幣百萬元計算	in HK\$ million			
港幣等值：	Hong Kong Dollars equivalent of:			
人民幣	Renminbi	21,457	23,731	16,864
港幣	Hong Kong Dollars	3,531	3,075	5,578
美元	United States Dollars	1,161	1,468	2,461
		26,149	28,274	24,903

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		
		於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011	於二零一零年 十二月三十一日 December 31, 2010
以港幣百萬元計算	in HK\$ million			
現期及一個月內	Current and within 1 month	68	29	39
一至三個月	1 – 3 months	4	11	6
三個月以上	Over 3 months	3	3	2
		75	43	47

呆壞賬債務餘額並不重大。本集團之信貸政策詳情載列於附註30(c)。

The balance of bad and doubtful debts is insignificant. The details on the Group's credit policy are set out in note 30(c).

(b) 本集團之其他應收款包括三億零八百萬元（二零一一年六月三十日：七億九千八百萬元；二零一零年十二月三十一日：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 \$308 million (June 30, 2011: \$798 million; December 31, 2010: \$Nil).

17 待售物業

17 PROPERTIES FOR SALE

		集團 Group		
		於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011	於二零一零年 十二月三十一日 December 31, 2010
以港幣百萬元計算	in HK\$ million			
待售發展中物業 – 長期地契	Properties under development for sale – long leases			
– 香港	– Hong Kong	987	905	844
待售已建成物業 – 中期地契	Completed properties for sale – medium term leases			
– 香港	– Hong Kong	5,154	5,085	5,082
– 香港境外	– Outside Hong Kong	4	4	4
		5,158	5,089	5,086
		6,145	5,994	5,930

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

於結算日，無抵押銀行貸款之還款期如下：

18 BANK LOANS

At the reporting date, bank loans were unsecured and repayable as follows:

		集團 Group		
		於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011	於二零一零年 十二月三十一日 December 31, 2010
以港幣百萬元計算	in HK\$ million			
一年內或即期	Within 1 year or on demand	5,400	7,500	9,100
一年後但二年內	After 1 year but within 2 years	1,363	–	4,000
兩年後但五年內	After 2 years but within 5 years	18,997	11,838	1,396
五年以上	Over 5 years	2,035	1,671	1,130
		22,395	13,509	6,526
減：未攤銷之財務費用	Less: unamortized front end fees	(101)	(108)	(64)
		22,294	13,401	6,462
		27,694	20,901	15,562

期內，所有銀行貸款均按零點五厘至七點五厘（二零一零／一一年度：零點三厘至六點六厘；二零一零年：零點三厘至六點二厘）年利率計息。

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。期內，本集團已完全遵守該等契約的要求。

於二零一一年十二月三十一日，本集團擁有七十二億八千萬港元（二零一一年六月三十日：一百一十九億四千四百萬元；二零一零年十二月三十一日：一百五十億五千七百萬元）未動用的銀行承諾信貸。

此外，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」）。於二零一一年十二月三十一日，本集團並未在此計劃下發行任何票據（二零一一年六月三十日：無）。

All bank loans are interest-bearing at rates ranging from 0.5% to 7.5% (2010/11: 0.3% to 6.6%; 2010: 0.3% to 6.2%) per annum during the period.

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 period, all these covenants have been complied with by the Group.

At December 31, 2011, the Group had \$7,280 million (June 30, 2011: \$11,944 million; December 31, 2010: \$15,057 million) committed undrawn banking facilities.

In addition, a wholly-owned subsidiary of HLP has a US\$2 billion Medium Term Note Programme (the "Programme"). At December 31, 2011, the Group has not issued any note under the Programme (June 30, 2011: \$Nil).

19 應付賬款及其他應付款

19 TRADE AND OTHER PAYABLES

		集團 Group		
		於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011	於二零一零年 十二月三十一日 December 31, 2010
以港幣百萬元計算	in HK\$ million			
應付款及應計費用(附註(a))	Creditors and accrued expenses (Note (a))	2,608	2,339	2,524
已收按金(附註(b))	Deposits received (Note (b))	1,526	1,370	1,273
		4,134	3,709	3,797

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二億六千六百萬元(二零一一年六月三十日：二億三千七百萬元；二零一零年十二月三十一日：五億五千萬元)。

(b) 已收按金九億零七百萬元(二零一一年六月三十日：七億九千八百萬元(二零一零年十二月三十一日：七億三千六百萬元)預期於一年內不會償付。

Notes:

(a) Creditors and accrued expenses include retention money payable of \$266 million (June 30, 2011: \$237 million; December 31, 2010: \$550 million) which is not expected to be settled within one year.

(b) Deposits received of \$907 million (June 30, 2011: \$798 million; December 31, 2010: \$736 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 aging analysis:

		集團 Group		
		於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011	於二零一零年 十二月三十一日 December 31, 2010
以港幣百萬元計算	in HK\$ million			
一個月內到期	Due within 1 month	1,759	1,467	1,243
三個月後到期	Due after 3 months	287	250	557
		2,046	1,717	1,800

20 於綜合財務狀況表上之稅項

(a) 本年稅項

		集團 Group		
		於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011	於二零一零年 十二月三十一日 December 31, 2010
以港幣百萬元計算	in HK\$ million			
香港利得稅撥備	Provision for Hong Kong Profits Tax	191	269	111
中國所得稅撥備	Provision for China Income Tax	223	124	198
以往年度之應付香港利得稅	Hong Kong Profits Tax payable relating to prior years	41	838	838
		455	1,231	1,147

(b) 遞延稅項

		集團 Group		
		於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011	於二零一零年 十二月三十一日 December 31, 2010
以港幣百萬元計算	in HK\$ million			
遞延稅項負債	Deferred tax liabilities	9,637	9,294	8,933
遞延稅項資產	Deferred tax assets	(45)	(45)	(39)
遞延稅項負債淨額	Net deferred tax liabilities	9,592	9,249	8,894

20 於綜合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) 的組成及期／年內之變動如下：

20 TAXATION IN THE CONSOLIDATED 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 period/year are as follows:

以港幣百萬元計算	in HK\$ million	折舊免稅額 多於相關 折舊 Depreciation allowances in excess of related depreciation	物業重估 Revaluation of properties	因稅務虧損 產生之 將來得益 Future benefit of tax losses	其他 Others	總數 Total
遞延稅項產生於：	Deferred tax arising from:					
於二零一零年七月一日	At July 1, 2010	1,145	7,321	(40)	69	8,495
於匯兌儲備內扣除	Charged to exchange reserve	39	353	-	-	392
於損益內扣除／(撥入) (附註7(a))	Charged/(Credited) to profit or loss (Note 7(a))	124	222	(5)	21	362
於二零一一年六月三十日及 二零一一年七月一日	At June 30, 2011 and July 1, 2011	1,308	7,896	(45)	90	9,249
於匯兌儲備內扣除	Charged to exchange reserve	24	203	-	-	227
於損益內扣除 (附註7(a))	Charged to profit or loss (Note 7(a))	33	74	-	9	116
於二零一一年十二月三十一日	At December 31, 2011	1,365	8,173	(45)	99	9,592

(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三十億八千七百萬元 (二零一一年六月三十日：二十九億二千五百萬元；二零一零年十二月三十一日：二十六億一千六百萬元) 稅務虧損所產生的遞延稅項資產作出確認，因為於二零一一年十二月三十一日，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。

(c) Deferred tax assets not recognized

The Group has not recognized deferred tax assets in respect of tax losses of \$3,087 million (June 30, 2011: \$2,925 million; December 31, 2010: \$2,616 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 December 31, 2011. The tax losses arising from Hong Kong operations do not expire under current tax legislation. The tax losses arising from the 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
		於二零一一年十二月三十一日 December 31, 2011		
以港幣百萬元計算	in HK\$ million			
應付金額	Amounts payable			
一年內	Within 1 year	104	3	107
		於二零一一年六月三十日 June 30, 2011		
以港幣百萬元計算	in HK\$ million			
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
		於二零一零年十二月三十一日 December 31, 2010		
以港幣百萬元計算	in HK\$ million			
應付金額	Amounts payable			
一年內	Within 1 year	126	12	138
一年後但五年內	After 1 year but within 5 years	104	3	107
		230	15	245

融資租約承擔之實際年利率為七厘（二零一一年六月三十日：七厘；二零一零年十二月三十一日：七厘）。

The effective interest rate of the finance lease obligations is 7% (June 30, 2011: 7%; December 31, 2010: 7%) per annum.

22 股本

22 SHARE CAPITAL

		於二零一一年 十二月三十一日 December 31, 2011		於二零一一年 六月三十日 June 30, 2011		於二零一零年 十二月三十一日 December 31, 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)	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	2,000	2,000
已發行及繳足 於七月一日	Issued and fully paid At July 1	1,348	1,348	1,339	1,339	1,339	1,339
根據股份期權計劃 發行之股份	Shares issued under share option scheme	-	-	9	9	9	9
於十二月三十一日/ 六月三十日	At December 31/June 30	1,348	1,348	1,348	1,348	1,348	1,348

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 Share of capital reserves of jointly controlled entities		資本 贖回儲備 Capital redemption reserve	投資 重估儲備 Investment revaluation reserve	匯兌儲備 Exchange reserve	僱員股份 補償儲備 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	Share premium										
於二零一零年七月一日	At July 1, 2010	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	-	-	-	-	-	-	-	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及 二零一一年七月一日	At June 30, 2011 and July 1, 2011	2,434	1	26	14	2,503	241	275	1,961	7,455	50,169	57,624
本期溢利	Profit for the period	-	-	-	-	-	-	-	-	-	1,578	1,578
應佔合營公司之資本儲備 之減少	Decrease of share of capital reserves of jointly controlled entities	-	(1)	-	-	-	-	-	-	(1)	-	(1)
上市投資公平值之減少	Decrease in fair value of listed investments	-	-	-	(16)	-	-	-	-	(16)	-	(16)
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	-	-	-	-	1,000	-	-	-	1,000	-	1,000
本期全面收益總額	Total comprehensive income for the period	-	(1)	-	(16)	1,000	-	-	-	983	1,578	2,561
去年度末期股息	Final dividends in respect of previous year	-	-	-	-	-	-	-	-	-	(769)	(769)
發行股份	Issue of shares	1	-	-	-	-	-	-	-	1	-	1
僱員股權費用	Employee share-based payments	-	-	-	-	-	53	-	-	53	4	57
因本集團在一間附屬 公司之股權增加而 產生非控股權益變動	Change in non-controlling interests arising from increase of the Group's shareholding in a subsidiary	-	-	-	-	-	-	-	(312)	(312)	-	(312)
於二零一一年十二月三十一日	At December 31, 2011	2,435	-	26	(2)	3,503	294	275	1,649	8,180	50,982	59,162

23 儲備 (續)
(b) 公司

23 RESERVES (Continued)
(b) The Company

以港幣百萬元計算	in HK\$ million	其他儲備 Other reserves				總計 Total	保留溢利 Retained profits	總儲備 Total reserves
		股份溢價 Share premium	資本贖回儲備 Capital redemption reserve	僱員股份補償儲備 Employee share-based compensation reserve	普通儲備金 General reserve			
於二零一零年七月一日	At July 1, 2010	2,275	26	85	862	3,248	8,726	11,974
本年度溢利及全面收益總額	Profit and total comprehensive income 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 及二零一一年七月一日	At June 30, 2011 and July 1, 2011	2,434	26	52	862	3,374	9,158	12,532
本期溢利及全面收益總額	Profit and total comprehensive income for the period	-	-	-	-	-	1,160	1,160
去年度末期股息	Final dividends in respect of previous year	-	-	-	-	-	(769)	(769)
發行股份	Issue of shares	1	-	-	-	1	-	1
於二零一一年十二月三十一日	At December 31, 2011	2,435	26	52	862	3,375	9,549	12,924

本集團於二零一一年十二月三十一日的保留溢利包括一億二千萬元（二零一一年六月三十日：九千七百萬元）的中國內地附屬公司之盈餘公積。

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2(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2(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。

於二零一一年十二月三十一日，本公司可供分派予股東之儲備金總額為一百零四億一千一百萬元（二零一一年六月三十日：一百億零二千萬元）。

The retained profits for the Group at December 31, 2011 included \$120 million (June 30, 2011: \$97 million) in respect of statutory reserves of the subsidiaries in mainland China.

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 2(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 2(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 an existing subsidiary.

The aggregate amount of the Company's reserves available for distribution to equity shareholders of the Company at December 31, 2011 was \$10,411 million (June 30, 2011: \$10,020 million).

23 儲備 (續)

(b) 公司 (續)

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。

於二零一一年十二月三十一日，本集團之負債率為百分之一及於二零一一年六月三十日，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

非控股權益為其他股東於本集團（於十二月三十一日）非全資擁有的附屬公司的股本權益及應佔溢利或虧損。非控股權益之變動詳情載於綜合權益變動表。

23 RESERVES (Continued)

(b) The Company (Continued)

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.

The gearing ratio as at December 31, 2011 is 1% while the Group has a net cash position as at June 30, 2011. 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 other shareholders in respect of its various subsidiaries that were not wholly-owned by the Group as at December 31. Details of movement of non-controlling interests are set out in the consolidated statement of changes in equity.

25 來自經營業務之現金

25 CASH GENERATED FROM OPERATIONS

		集團 Group		
		截至 二零一一年 十二月三十一日 止六個月 Period ended December 31, 2011	截至 二零一一年 六月三十日 止十二個月 Year ended June 30, 2011	截至 二零一零年 十二月三十一日 止六個月 Period ended December 31, 2010
以港幣百萬元計算	in HK\$ million			
除稅前溢利	Profit before taxation	3,617	7,993	4,382
調整：	Adjustments for:			
銀行利息收入	Bank interest income	(188)	(213)	(78)
非上市持至到期日投資利息收入	Interest income from unlisted held-to-maturity investments	(10)	(11)	(2)
其他利息收入	Other interest income	–	(2)	(1)
非上市投資項目之股息收入	Dividend income from unlisted investments	(11)	–	–
財務費用	Finance costs	149	139	66
折舊	Depreciation	16	27	11
上市投資之減值虧損	Impairment losses on listed investments	2	2	–
投資物業之公平值之增加	Increase in fair value of investment properties	(953)	(3,504)	(2,357)
應佔合營公司溢利	Share of profits of jointly controlled entities	(241)	(290)	(88)
僱員股權費用	Employee share-based payments	106	113	67
待售物業之增加	Increase in properties for sale	(120)	(147)	(39)
按揭貸款之減少	Decrease in mortgage loans	–	1	–
應收賬款及其他應收款之 (增加)/減少	(Increase)/Decrease in trade and other receivables	(55)	1,142	1,188
應付款及應計費用之(減少)/ 增加	(Decrease)/Increase in creditors and accrued expenses	(153)	253	475
已收按金之增加	Increase in deposits received	138	117	37
來自經營業務之現金	Cash generated from operations	2,297	5,620	3,661

26 或然負債

於結算日之或然負債如下：

26 CONTINGENT LIABILITIES

At the reporting date, contingent liabilities were as follows:

		公司 Company	
		於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011
以港幣百萬元計算	in HK\$ million		
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	7,001	4,201

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（二零一一年六月三十日：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 (June 30, 2011: \$Nil).

27 承擔

(a) 於結算日尚未於財務報表撥備之資本承擔如下：

27 COMMITMENTS

(a) At the reporting date, capital commitments not provided for in the financial statements were as follows:

		集團 Group	
		於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011
以港幣百萬元計算	in HK\$ million		
已簽約	Contracted for	6,441	3,276
已授權但尚未簽約	Authorized but not contracted for	27,574	32,201
		34,015	35,477

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。於結算日，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 the reporting date, total future minimum lease payments were as follows:

		集團 Group	
		於二零一一年 十二月三十一日 December 31, 2011	於二零一一年 六月三十日 June 30, 2011
以港幣百萬元計算	in HK\$ million		
一年內	Within 1 year	18	46

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，但期內本集團並無以此方式削減供款。本集團於期內之供款總額為一千萬元（二零一零／一一年度：二千萬元），而撥入儲備金之沒收供款金額總數為四十萬元（二零一零／一一年度：六十萬元）。

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。本集團於期內作出之強積金供款總額為二百萬元（二零一零／一一年度：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。

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期內作出之供款總額為一千一百萬元（二零一零／一一年度：一千八百萬元）。

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 period. Total contributions made by the Group for the period amounted to \$10 million (2010/11: \$20 million) and forfeited sums credited to reserves amounted to \$0.4 million (2010/11: \$0.6 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 period amounted to \$2 million (2010/11: \$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.

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 the subsidiaries in mainland China for the period amounted to \$11 million (2010/11: \$18 million).

28 僱員福利 (續)

(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。

恒隆地產有限公司

本公司附屬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。此計劃授權恒隆地產董事局向被揀選人士(包括恒隆地產集團內任何公司之僱員及董事)授予股份期權認購恒隆地產之股份，作為彼等對恒隆地產集團貢獻之鼓勵或獎賞。股份期權行使價由恒隆地產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恒隆地產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。

28 EMPLOYEE BENEFITS (Continued)

(b) Equity compensation benefits

The Company

The Company has a share option scheme which was adopted on November 24, 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 November 23, 2010.

Hang Lung Properties Limited

The Company's subsidiary, HLP has a share option scheme which was adopted on November 22, 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 November 21, 2012.

28 僱員福利 (續)

(b) 股份補償福利 (續)

1. 期內本公司股份期權之變動如下：

28 EMPLOYEE BENEFITS (Continued)

(b) Equity compensation benefits (Continued)

1. The movements of share options of the Company during the period are as follows:

授出日期 Date granted	股份期權數目 Number of share options				已沒收/ 已失效 Forfeited/ Lapsed	於二零一一年 十二月三十一日 尚未被行使 Outstanding on December 31, 2011	股份期權之行使期 Period during which options are exercisable	行使價 (港幣) Exercise price (HK\$)
	於二零一一年 七月一日 尚未被行使 Outstanding on July 1, 2011	已授出 Granted	已行使 Exercised					
二零零四年五月二十日 May 20, 2004	6,150,000	-	(123,000)	-	6,027,000	二零零五年五月二十日至 二零一四年五月十九日 May 20, 2005 to May 19, 2014	9.45	
二零零六年十一月二十日 November 20, 2006	7,200,000	-	-	-	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 November 20, 2007 to November 19, 2016	20.52	
總計 Total	13,350,000	-	(123,000)	-	13,227,000			

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。期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 period.

28 僱員福利 (續)

(b) 股份補償福利 (續)

- (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)

- (i) Movements in the number of share options of the Company outstanding and their related weighted average exercise prices are as follows:

		截至二零一一年 十二月三十一日止六個月 Period ended December 31, 2011		截至二零一一年 六月三十日止十二個月 Year ended June 30, 2011	
		加權平均 行使價 (港幣) Weighted average exercise price (HK\$)	股份 期權數目 Number of options	加權平均 行使價 (港幣) 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 July 1	15.42	13,350,000	15.07	22,462,000
已行使	Exercised	9.45	(123,000)	14.56	(9,112,000)
於十二月三十一日/ 六月三十日尚未被行使	Outstanding at December 31/June 30	15.48	13,227,000	15.42	13,350,000
於十二月三十一日/ 六月三十日可予行使	Exercisable at December 31/June 30	15.48	13,227,000	15.42	13,350,000

於期／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三十九元三角五仙(二零一零／一一年度：四十六元四角四仙)。本公司董事在其出任董事期／年間內並沒有行使股份期權。

於期內行使之股份期權行使當日之加權平均股價為四十一元(二零一零／一一年度：四十六元三角四仙)。

- (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三點八年(二零一一年六月三十日：四點二年)。

The weighted average closing prices of the shares immediately before the dates of exercise by the employees during the period was \$39.35 (2010/11: \$46.44). No directors exercised their options during the period/year of their employment as directors of the Company.

The weighted average share price at the dates of exercise for share options during the period was \$41.00 (2010/11: \$46.34).

- (ii) The weighted average remaining contractual life of options outstanding at the reporting date was 3.8 years (June 30, 2011: 4.2 years).

28 僱員福利 (續)

(b) 股份補償福利 (續)

2. 期內恒隆地產股份期權之變動如下：

28 EMPLOYEE BENEFITS (Continued)

(b) Equity compensation benefits (Continued)

2. The movements of share options of HLP during the period are as follows:

授出日期 Date granted	股份期權數目 Number of share options				於二零一一年 十二月三十一日 尚未被行使 Outstanding on December 31, 2011	股份期權之行使期 Period during which options are exercisable	行使價 (港幣) Exercise price (HK\$)
	於二零一一年 七月一日 尚未被行使 Outstanding on July 1, 2011	已授出 Granted	已行使 Exercised	已沒收/ 已失效 Forfeited/ Lapsed			
二零零四年五月二十日 May 20, 2004	7,601,500	-	(169,875)	-	7,431,625	二零零五年五月二十日至 二零一四年五月十九日 May 20, 2005 to May 19, 2014	9.20
二零零五年九月一日至 二零零五年十一月一日 September 1, 2005 to November 1, 2005	500,000	-	-	-	500,000	二零零六年九月一日至 二零一五年十月三十一日 September 1, 2006 to October 31, 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 November 14, 2006 to March 19, 2007	11,084,000	-	(550,000)	-	10,534,000	二零零七年十一月十四日至 二零一七年三月十八日 November 14, 2007 to March 18, 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 July 3, 2007 to December 31, 2008	61,620,000	-	(236,000)	(1,476,000)	59,908,000	二零零八年七月三日至 二零一八年十二月三十日 July 3, 2008 to December 30, 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 November 30, 2009 to June 1, 2010	21,450,000	-	-	-	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 November 30, 2011 to May 31, 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 July 29, 2010 to June 13, 2011	47,190,000	-	-	(540,000)	46,650,000	二零一二年七月二十九日至 二零二一年六月十二日 July 29, 2012 to June 12, 2021	30.79 - 36.90
二零一一年十二月七日 December 7, 2011	-	1,350,000	-	-	1,350,000	二零一三年十二月七日至 二零二一年十二月六日 December 7, 2013 to December 6, 2021	24.10
總計 Total	149,445,500	1,350,000	(955,875)	(2,016,000)	147,823,625		

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。期內並無股份期權被註銷。

- (i) 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)

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 period.

- (i) Movements in the number of share options of HLP outstanding and their related weighted average exercise prices are as follows:

		截至二零一一年 十二月三十一日止六個月 Period ended December 31, 2011		截至二零一一年 六月三十日止十二個月 Year ended June 30, 2011	
		加權平均行使價 (港幣) Weighted average exercise price (HK\$)	股份 期權數目 Number of options	加權平均行使價 (港幣) 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 July 1	24.28	149,445,500	15.84	138,665,000
已授出	Granted	24.10	1,350,000	31.59	47,330,000
已行使	Exercised	16.58	(955,875)	17.84	(18,782,500)
已沒收/已失效	Forfeited/Lapsed	23.53	(2,016,000)	21.83	(17,767,000)
於十二月三十一日/ 六月三十日尚未被行使	Outstanding at December 31/June 30	24.34	147,823,625	24.28	149,445,500
於十二月三十一日/ 六月三十日可予行使	Exercisable at December 31/June 30	19.60	42,042,225	18.05	33,472,500

恒隆地產股份在緊接期權授出日期之前的收市價介乎二十三元九角五仙(二零一一年六月三十日：三十元一角五仙至三十五元六角五仙)。

於期/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。於期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二十六元九角六仙(二零一零/一一年度：三十四元九角三仙)。

於期內行使之股份期權行使當日之恒隆地產加權平均股價為二十六元五角二仙(二零一零/一一年度：三十四元八角七仙)。

The closing price of the shares of HLP immediately before the date of grant is \$23.95 (June 30, 2011: \$30.15 to \$35.65).

No share options of HLP were exercised by the directors in the period of their employment as directors of the Company during the period/year. The weighted average closing prices of the shares of HLP immediately before the dates of exercise by the employees during the period was \$26.96 (2010/11: \$34.93).

The weighted average share price of HLP at the dates of exercise for share options during the period was \$26.52 (2010/11: \$34.87).

28 僱員福利 (續)

(b) 股份補償福利 (續)

2. (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七點三年(二零一一年六月三十日：七點七年)。
- (iii) 期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七元三角三仙。所採用之加權平均假設如下：

授出日期之股價	Share price at grant date	\$24.10
行使價	Exercise price	\$24.10
無風險利率	Risk-free interest rate	0.7%
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.

3. 就本公司及恒隆地產授予本公司及恒隆地產的董事及前董事之股份期權，依據附註2(v)(2)所載之本集團會計政策估計，於截至二零一一年十二月三十一日止期間確認之相關支出／(回撥)如下：

- (a) 陳啟宗先生：一千八百三十萬元(二零一零／一一年度：三千萬元)；
- (b) 陳南祿先生：一千九百二十萬元(二零一零／一一年度：二千五百五十萬元)；
- (c) 高伯道先生：一千一百三十萬元(二零一零／一一年度：一千九百九十萬元)；

28 EMPLOYEE BENEFITS (Continued)

(b) Equity compensation benefits (Continued)

2. (ii) The weighted average remaining contractual life of options outstanding at the reporting date was 7.3 years (June 30, 2011: 7.7 years).
- (iii) The weighted average value per share option granted during the period 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 \$7.33. The weighted average assumptions used are as follows:

3. In respect of share options of the Company and HLP granted to the directors and an ex-director of the Company and HLP, the related charge/(credit) recognized for the period ended December 31, 2011, estimated in accordance with the Group's accounting policy in note 2(v)(2) was as follows:

- (a) Mr. Ronnie C. Chan, \$18.3 million (2010/11: \$30.0 million);
- (b) Mr. Philip N.L. Chen, \$19.2 million (2010/11: \$25.5 million);
- (c) Mr. William P.Y. Ko, \$11.3 million (2010/11: \$19.9 million);

28 僱員福利 (續)

(b) 股份補償福利 (續)

- (d) 何孝昌先生：七百一十萬元 (二零一零／一一年度：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) 姚子賢先生：七百四十萬元 (二零一零／一一年度：七百八十萬元) 有關擔任本集團之僱員；
- (f) 袁偉良先生：一千二百一十萬元 (二零一零／一一年度：二千八百七十萬元，包括有關其出任本公司董事之費用一百六十萬元)；及
- (g) 吳士元先生：無 (二零一零／一一年度：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)。

29 關連人士交易

除該等已於財務報表其他部分披露之交易及結餘外，期內，本集團於其日常業務過程中已訂立以下關連人士交易：

- (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。於二零一一年十二月三十一日，本集團已向該合營公司合共墊款六億三千一百萬元 (二零一一年六月三十日：六億七千三百萬元)。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, \$7.1 million (2010/11: \$5.6 million, including the charge of \$5.5 million in relation to his employment as director of the Company);
- (e) Mr. Henry T.Y. Yiu, \$7.4 million (2010/11: \$7.8 million) in relation to his employment as employee of the Group;
- (f) Mr. Nelson W.L. Yuen, \$12.1 million (2010/11: \$28.7 million, including the charge of \$1.6 million in relation to his employment as director of the Company); and
- (g) Mr. Terry S. Ng, \$Nil (2010/11: (\$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, in relation to his employment as director of the Company).

29 RELATED PARTY TRANSACTIONS

Except for the transactions and balances already disclosed elsewhere in the financial statements, the Group entered into the following related party transactions during the period in its ordinary course of business:

- (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 December 31, 2011, the Group advanced to this jointly controlled entity a total of \$631 million (June 30, 2011: \$673 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，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14、15、18及21予以披露。

根據期末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減少本集團之除稅後溢利及總權益約一千七百萬元（二零一零／一一年度：增加本集團之除稅後溢利及總權益一千六百萬元；二零一零年：增加本集團之除稅後溢利及總權益四千三百萬元）。

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 favorable pricing opportunities arise. In addition, the Group established the 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 14, 15, 18 and 21.

Based on the simulations performed at period 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 period end date, with all other variables held constant, would decrease the Group's profit after taxation and total equity by approximately \$17 million (2010/11: increase the Group's profit after taxation and total equity by \$16 million; 2010: increase the Group's profit after taxation and total equity by \$43 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.

		集團 Group					
		合約未折現現金流量 Contractual undiscounted cash flow					
		賬面值	總計	一年內	一至兩年內	二至五年內	五年以上
以港幣百萬元計算	in HK\$ million	Carrying amount	Total	Within 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
銀行貸款	Bank loans	27,694	30,075	5,884	1,828	19,888	2,475
應付賬款及其他應付款	Trade and other payables	4,134	4,137	2,964	700	421	52
於二零一一年十二月三十一日 At December 31, 2011		31,828	34,212	8,848	2,528	20,309	2,527

		合約未折現現金流量 Contractual undiscounted cash flow					
		賬面值	總計	一年內	一至兩年內	二至五年內	五年以上
以港幣百萬元計算	in HK\$ million	Carrying amount	Total	Within 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
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 June 30, 2011		24,645	26,438	10,516	919	12,881	2,122

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財務狀況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，金額達一億四千九百萬美元（二零一一年六月三十日：一億八千九百萬美元）。鑒於港幣與美元掛鈎，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 and 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\$149 million (June 30, 2011: US\$189 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，人民幣兌港幣匯率升值／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／減少三億六千二百萬元（二零一零／一一年度：三億一千萬元）。

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。期／年內，級別之間概無任何公平值計量之轉換。

於結算日，持至到期日工具、非上市投資、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。

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 whose 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 risk 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 after taxation and the Group's equity attributable to shareholders would be increased/decreased by \$362 million (2010/11: \$310 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 period/year, there were no transfers of fair value measurements between levels.

The fair values of held-to-maturity instruments, unlisted investments, trade and other receivables, trade and other payables, cash and deposits with banks, bank loans and finance lease obligations are considered approximate to their carrying amounts at the reporting date.

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)

(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

本集團綜合財務狀況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)

(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 consolidated 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.

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 or standards 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
HKAS 1 (修訂本) HKAS 1 (Amendments)	財務報表的呈報 Presentation of Financial Statements	二零一二年七月一日 July 1, 2012
HKAS 19 (經重訂) HKAS 19 (Revised)	僱員福利 Employee Benefits	二零一三年一月一日 January 1, 2013
HKAS 27 (2011) HKAS 27 (2011)	獨立財務報表 Separate Financial Statements	二零一三年一月一日 January 1, 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 January 1, 2013
HKFRS 10 HKFRS 10	綜合財務報表 Consolidated Financial Statements	二零一三年一月一日 January 1, 2013
HKFRS 11 HKFRS 11	聯合協議 Joint Arrangements	二零一三年一月一日 January 1, 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 January 1, 2013
HKFRS 13 HKFRS 13	公平值之量計 Fair Value Measurement	二零一三年一月一日 January 1, 2013
HKFRS 9 HKFRS 9	金融工具 Financial Instruments	二零一五年一月一日 January 1, 2015

33 核准財務報表

董事局於二零一二年一月十九日核准並許可刊發財務報表。

33 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorized for issue by the Board of Directors on January 19, 2012.

34 主要附屬公司

於二零一一年十二月三十一日

34 PRINCIPAL SUBSIDIARIES

At December 31, 2011

公司 Company	已發行股本 (港幣) 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	50.7	–	物業租賃 Property leasing	香港 Hong Kong
AP City Limited	2	50.7	–	物業租賃 Property leasing	香港 Hong Kong
AP Joy Limited	2	50.7	–	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	50.7	–		
「B」股 'B' shares	6	50.7	–		
AP Star Limited*	2	50.7	–	控股投資 Investment holding	香港 Hong Kong
AP Success Limited	2	50.7	–	物業租賃 Property leasing	香港 Hong Kong
AP Universal Limited*	2	50.7	–	物業租賃 Property leasing	香港 Hong Kong
AP Win Limited*	1,000,000	50.7	–	物業租賃 Property leasing	香港 Hong Kong
AP World Limited	2	50.7	–	物業發展 Property development	香港 Hong Kong
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

34 主要附屬公司 (續)

34 PRINCIPAL SUBSIDIARIES (Continued)

公司 Company	已發行股本 (港幣) 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
Bonna Estates Company Limited	1,000,000	50.7	–	物業租賃 Property leasing	香港 Hong Kong
基道企業有限公司* Caddo Enterprises, Limited*	4,000,000	50.7	–	物業租賃 Property leasing	香港 Hong Kong
嘉萬拿有限公司* Carmana Limited*	2	50.7	–	物業租賃 Property leasing	香港 Hong Kong
Cititop Limited	2	50.7	–	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	50.6	–		
「B」股 'B' share	1	50.7	–		
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	55.5	–	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
Dokay Limited*	2	50.7	–	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

34 主要附屬公司 (續)

34 PRINCIPAL SUBSIDIARIES (Continued)

公司 Company	已發行股本 (港幣) 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
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	50.7	–		
怡冠企業有限公司 Easegood Enterprises Limited	2	50.7	–	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	50.7	–	物業租賃 Property leasing	香港 Hong Kong
璧玉有限公司* Gala Ruby Limited*	2	50.7	–	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	50.7	–	物業租賃 Property leasing	香港 Hong Kong
Grand Centre Limited	4	50.7	–	物業租賃 Property leasing	香港 Hong Kong
Grand Hotel Group Limited	10,200	50.7	–	服務式住宅經營及管理 Apartment operating & management	香港 Hong Kong
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	50.7	–		
「B」股 'B' shares	6,000,000	50.7	–		

34 主要附屬公司 (續)

34 PRINCIPAL SUBSIDIARIES (Continued)

公司 Company	已發行股本 (港幣) 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	50.7	–	物業租賃 Property leasing	香港 Hong Kong
Hang Far Company Limited*	2	50.7	–	控股投資 Investment holding	香港 Hong Kong
恒快有限公司 Hang Fine Company Limited	200	50.7	–	物業租賃 Property leasing	香港 Hong Kong
Hang Kwok Company Limited*	10,000	50.7	–	物業租賃 Property leasing	香港 Hong Kong
Hang Lick Company Limited*	10,000	50.7	–	物業租賃 Property leasing	香港 Hong Kong
恒隆(行政)有限公司 Hang Lung (Administration) Limited	10,000	50.7	–	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	50.7	–	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	50.7	–	控股投資 Investment holding	香港 Hong Kong
恒隆(濟南)有限公司 Hang Lung (Jinan) Limited	1	50.7	–	控股投資 Investment holding	香港 Hong Kong
恒隆(昆明)有限公司 Hang Lung (Kunming) Limited	1	50.7	–	控股投資 Investment holding	香港 Hong Kong
恒隆(遼寧)有限公司 Hang Lung (Liaoning) Limited	1	50.7	–	控股投資 Investment holding	香港 Hong Kong

34 主要附屬公司 (續)

34 PRINCIPAL SUBSIDIARIES (Continued)

公司 Company	已發行股本 (港幣) 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
Hang Lung Park-In Limited	2	50.7	–	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	50.7	–	工程項目管理 Project management	香港 Hong Kong
恒隆地產有限公司 Hang Lung Properties Limited	4,472,770,045	50.7	–	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	50.7	–	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	50.7	–	物業代理 Property agencies	香港 Hong Kong
恒隆(瀋陽)有限公司 Hang Lung (Shenyang) Limited	2	50.7	–	控股投資 Investment holding	香港 Hong Kong
恒隆(天津)有限公司 Hang Lung (Tianjin) Limited	2	50.7	–	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	50.7	–	控股投資 Investment holding	香港 Hong Kong
恒隆(西安)有限公司 Hang Lung (Xian) Limited	1	50.7	–	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
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

34 主要附屬公司 (續)

34 PRINCIPAL SUBSIDIARIES (Continued)

公司 Company	已發行股本 (港幣) 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	50.7	–	控股投資 Investment holding	香港 Hong Kong
HLP Finance Limited [†]	1美元 US\$1	50.7	–	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	50.7	–	財務 Financial services	香港 Hong Kong
HLP Fortune Limited	1	50.7	–	物業發展 Property development	香港 Hong Kong
恒隆地產融資有限公司 HLP Treasury Limited	2	50.7	–	財務 Financial services	香港 Hong Kong
HLP Treasury Services Limited*	2	50.7	–	控股投資 Investment holding	香港 Hong Kong
Hoi Sang Limited*	2	50.7	–	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	50.7	–	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
Magic Modern International Limited*	1	50.7	–	廣告 Advertising	香港 Hong Kong
Mansita Limited*	2	50.7	–	物業租賃 Property leasing	香港 Hong Kong
Modalton Limited	2	50.7	–	物業租賃 Property leasing	香港 Hong Kong

34 主要附屬公司 (續)

34 PRINCIPAL SUBSIDIARIES (Continued)

公司 Company	已發行股本 (港幣) 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
Monafat Limited*	2	50.7	–	物業租賃 Property leasing	香港 Hong Kong
力奧有限公司 Nikko 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	50.7	–	物業租賃 Property leasing	香港 Hong Kong
Palex Limited*	2	50.7	–	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	50.7	–	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	50.7	–	物業租賃 Property leasing	香港 Hong Kong
Riolo Limited	2	50.7	–	物業租賃 Property leasing	香港 Hong Kong
Ronhero Limited*	2	50.7	–	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

34 主要附屬公司 (續)

34 PRINCIPAL SUBSIDIARIES (Continued)

公司 Company	已發行股本 (港幣) 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
Stocket Limited	2	50.7	–	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	50.7	–	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	50.7	–	物業租賃 Property leasing	香港 Hong Kong
Wililoy Limited*	2	50.7	–	物業租賃 Property leasing	香港 Hong Kong
Yangli Limited*	2	50.7	–	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	50.7	–	物業租賃 Property leasing	香港 Hong Kong

34 主要附屬公司 (續)

於二零一一年十二月三十一日

34 PRINCIPAL SUBSIDIARIES (Continued)

At December 31, 2011

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2,356,877,355元 RMB2,356,877,355	50.7	-	物業發展 Property development	中國內地 Mainland China
昆明恒穎地產有限公司 Kunming Hang Ying Properties Ltd.	港幣4,660,000,000元 HK\$4,660,000,000	50.7	-	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.	451,500,000美元 US\$451,500,000	50.7	-	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.	385,000,000美元 US\$385,000,000	50.7	-	物業發展及租賃 Property development & leasing	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	50.7	-	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.	港幣2,420,000,000元 HK\$2,420,000,000	50.7	-	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.	港幣2,282,350,000元 HK\$2,282,350,000	50.7	-	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.	港幣509,000,000元 HK\$509,000,000	50.7	-	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	50.2	-	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	52.2	-	物業發展及租賃 Property development & leasing	中國內地 Mainland China

在香港經營
* 非經畢馬威會計師事務所審核

Operated in Hong Kong
* 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.

35 主要合營公司

於二零一一年十二月三十一日

35 PRINCIPAL JOINTLY CONTROLLED ENTITIES

At December 31, 2011

公司 Company	已發行股本 (港幣) 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
Newfoundland Finance Limited	100,000	20	-	財務 Financial services	香港 Hong Kong
Newfoundland Holdings Limited	2,000,000	20	-	控股投資 Investment holding	香港 Hong Kong
Newfoundland Investment Holdings Limited	8	20	-	控股投資 Investment holding	英屬維爾京群島 British Virgin Islands
Newfoundland 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	17	-	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

		七至 十二月 Jul – Dec 2011	2011	2010	2009	截至六月三十日止十二個月 For the years ended June 30					2003
以港幣百萬元計算	in HK\$ million					2008	2007	2006	2005	2004	
總資產	Total assets	163,088	155,367	126,512	98,676	93,489	76,222	66,508	58,704	52,004	46,416
投資物業	Investment properties	101,833	94,003	88,633	69,958	66,136	52,539	43,753	39,370	32,227	28,658
待售物業	Properties for sale										
– 已建成	– Completed	5,158	5,089	5,086	6,954	6,805	9,706	10,215	10,757	7,078	542
– 發展中	– Under development	987	905	800	760	43	41	–	–	5,018	10,914
現金及銀行存款	Cash and deposits with banks	26,149	28,274	11,852	9,632	10,738	7,092	6,189	3,734	1,959	1,684
總負債	Total liabilities	41,920	35,170	24,167	19,907	21,432	17,733	20,182	14,738	17,538	17,185
銀行貸款	Bank loans	27,694	20,901	10,790	9,966	9,040	8,482	11,787	6,397	11,319	9,759
浮息票據	Floating rate notes	–	–	–	1,500	1,500	1,500	1,500	1,500	540	540
可換股債券	Convertible bonds	–	–	–	–	–	–	–	–	–	3,414
股東權益	Shareholders' equity	60,510	58,972	52,973	40,640	36,782	29,095	25,013	22,839	18,829	16,888
資產淨值 (包括 非控股權益)	Net assets (including non-controlling interests)	121,168	120,197	102,345	78,769	72,057	58,489	46,326	43,966	34,466	29,231
營業額	Turnover	3,361	5,714	12,580	4,696	10,553	4,778	4,200	7,472	5,449	3,421
股東應佔純利	Net profit attributable to shareholders	1,578	3,529	13,139	2,559	7,516	4,786	2,833	4,644	2,544	387
基本純利 (附註1)	Underlying net profit (Note 1)	1,000	1,733	3,695	1,454	2,555	1,996	950	1,869	987	387
股息	Dividends	512	1,025	1,017	941	941	813	739	725	637	584
每股資料	Per share data										
盈利	Earnings										
– 基本	– Basic	\$1.17	\$ 2.62	\$ 9.83	\$ 1.92	\$ 5.64	\$ 3.59	\$ 2.13	\$ 3.50	\$ 1.92	\$ 0.29
– 攤薄	– Diluted	\$1.16	\$ 2.60	\$ 9.71	\$ 1.90	\$ 5.56	\$ 3.56	\$ 2.11	\$ 3.48	\$ 1.91	\$ 0.29
基本盈利 (附註1)	Underlying earnings (Note 1)										
– 基本	– Basic	\$0.74	\$ 1.29	\$ 2.76	\$ 1.09	\$ 1.92	\$ 1.50	\$ 0.71	\$ 1.41	\$ 0.74	\$ 0.29
– 攤薄	– Diluted	\$0.74	\$ 1.28	\$ 2.73	\$ 1.08	\$ 1.89	\$ 1.48	\$ 0.71	\$ 1.40	\$ 0.74	\$ 0.29
股息	Dividends										
– 中期	– Interim	–	19¢	19¢	16.5¢	16.5¢	14.5¢	14.5¢	14.5¢	12¢	12¢
– 末期	– Final	38¢	57¢	57¢	54¢	54¢	46.5¢	41¢	40¢	36¢	32¢
– 全期/年	– Total for the period/year	38¢	76¢	76¢	70.5¢	70.5¢	61¢	55.5¢	54.5¢	48¢	44¢
股東權益 (附註3)	Shareholders' equity (Note 3)	\$44.9	\$43.7	\$39.6	\$30.5	\$27.6	\$21.8	\$18.8	\$17.2	\$14.2	\$12.7
資產淨值 (包括 非控股權益) (附註3)	Net assets (including non- controlling interests) (Note 3)	\$89.9	\$89.2	\$76.4	\$59.0	\$54.0	\$43.9	\$34.8	\$33.1	\$26.0	\$22.1
負債率 (附註2)	Gearing ratio (Note 2)	1%	0%	0%	3%	0.4%	6%	14%	10%	24%	31%
派息比率	Pay-out ratio	32%	29%	8%	37%	13%	17%	26%	16%	25%	151%
基本派息比率 (附註1)	Underlying pay-out ratio (Note 1)	51%	59%	28%	65%	37%	41%	78%	39%	65%	151%
已發行股數 (百萬股)	Number of shares issued (in million)	1,348	1,348	1,339	1,334	1,334	1,334	1,332	1,328	1,328	1,325

附註：

- 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／資產淨值除以發行股數。

Notes:

- 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 outstanding 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*
高伯適
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

Auditor

KPMG
Certified Public Accountants

上市資料

Listing Information

於二零一一年十二月三十一日 At December 31, 2011

1,348,441,242 股每股面值港幣 1.00 元 在香港聯合交易所有限公司上市之股份	1,348,441,242 shares of HK\$1.00 each listed on The Stock Exchange of Hong Kong Limited
股份代號 香港聯合交易所 路透社 彭博	Stock Code Hong Kong Stock Exchange 00010 Reuters 0010.HK Bloomberg 10HK
每手買賣單位 (股份)	Board Lot Size (Share) 1,000
美國預託證券 第一級保薦 (櫃台交易) 證券識別統一號碼 / 票據代號 預託證券對股份之比率 存託銀行: 紐約梅隆銀行 網址:	American Depositary Receipt Sponsored Level-1 (Over the Counter) CUSIP Number / Ticker Symbol 41043E102/HNLGY ADR: Underlying Share Ratio 1:5 Depository Bank: The Bank of New York Mellon Website: http://www.adrbnymellon.com
股票過戶及登記處 香港中央證券登記有限公司 香港皇后大道東一百八十三號 合和中心十七樓 電話: 傳真:	Share Registrars Computershare Hong Kong Investor Services Limited 17th Floor, Hopewell Centre 183 Queen's Road East, Hong Kong Tel: 2862 8628 Fax: 2529 6087
投資者關係聯絡 關則輝 電郵地址:	Investor Relations Contact C.F. Kwan Email address: ir@hanglung.com

股份資料 Share Information

2011				2010			
股價 Price		總成交額		股價 Price		總成交額	
最高	最低	Total Trading	Volume	最高	最低	Total Trading	Volume
High	Low	Volume	Volume	High	Low	Volume	Volume
港幣	港幣	股份數目 (千股)	股份數目 (千股)	港幣	港幣	股份數目 (千股)	股份數目 (千股)
HK\$	HK\$	No. of Shares ('000)	No. of Shares ('000)	HK\$	HK\$	No. of Shares ('000)	No. of Shares ('000)
54.95	44.00	47,270		42.95	32.85	74,368	
54.70	46.40	54,591		43.60	35.20	54,568	
51.80	37.95	49,374		51.75	40.90	59,120	
49.80	36.20	53,660		54.50	46.75	52,068	
於二零一一年十二月三十一日之股價:		港幣 42.55 元		於二零一零年十二月三十一日之股價:		港幣 51.10 元	
Share Price as at December 31, 2011:		HK\$42.55		Share Price as at December 31, 2010:		HK\$51.10	
於二零一一年十二月三十一日之市值:		港幣 573.8 億元		於二零一零年十二月三十一日之市值:		港幣 688.9 億元	
Market Capitalization as at December 31, 2011:		HK\$573.8 billion		Market Capitalization as at December 31, 2010:		HK\$688.9 billion	



恒隆廣場 • 無錫
一期於二零一三年隆重開幕

Center 66 • Wuxi
Opening of Phase 1 in 2013

股份代號
10 HK
Stock Code

