

A man with a beard, wearing a brown ribbed sweater, is shown in profile from the chest up, looking towards the left. He has his arms crossed and is leaning forward. The background features a clear blue sky, a range of rugged mountains with patches of snow, a dense green forest, and a calm blue lake in the foreground. The overall scene is peaceful and scenic.

Financial Review

財務回顧

Life is a reflection. We view it not as what
it is but as what we are.

生活如鏡，貴乎坦然面對。

• **集團之財務資源及流動資金**

股東資金

於二零零三年三月三十一日，本集團之股東資金共達5,605.7百萬港元。主要投資撥備來自聯營公司Tung Chung Station Development Company Limited(「TCS DCL」)及計入本集團投資物業組合重估減值淨虧損96.6百萬港元。

營運／投資活動所得現金流量

於本財政年度，銷售海澄湖畔一段及海澄湖畔二段為本集團帶來約15億港元現金流量。本集團於二零零二年七月出售東京汐留項目之10%權益以及於二零零三年三月向興勝創建集團出售本集團於多項物業發展項目之權益，分別為本集團帶來280.3百萬港元及180.0百萬港元現金。

本集團於二零零二年五月贖回部份Broad Base Fund投資而收取約269.0百萬港元現金收入。

集團流動資金

本集團持有現金及證券投資合共3,275.4百萬港元，而銀行借貸總額為3,172.6百萬港元。

資本負債比率

本集團繼續保持資本負債比率於低水平，按本集團借貸淨額除以股東資金計算，資本負債比率為25%。

• **Financial Resources & Liquidity**

Shareholders' Funds

As at 31 March 2003, the shareholder's funds of the Group totalled HK\$5,605.7 million. This was mainly attributable to the provision made for the Group's investment in an associate, Tung Chung Station Development Company Limited ("TCS DCL"), and the inclusion of a net revaluation deficit of HK\$96.6 million arising from the downward revaluation of the Group's investment property portfolio.

Cashflow from Operating/Investing Activities

During the financial year, the sale of Siena One and Siena Two had contributed approximately HK\$1.5 billion to the cash flow of the Group. The disposal of the Group's 10% interest in Shiodome project in July 2002 and the sale of the Group's interest in a number of property development projects in March 2003 to Hanison Group also brought in HK\$280.3 million and HK\$180.0 million cash to the Group respectively.

The Group received approximately HK\$269.0 million cash proceeds from the partial redemption of its investments in Broad Base Fund in May 2002.

Group Liquidity

Total cash and investment securities was HK\$3,275.4 million and total bank borrowings was HK\$3,172.6 million.

Gearing Ratio

The Group continued to maintain a low gearing ratio, calculated by the Group's net borrowings to the shareholder's funds, at 25%.

銀行信貸

本集團成功以更低息差和更有利之條款將部份信貸融資進行再融資。在再融資安排中，本集團於二零零二年十一月籌措了一筆為數1,320.0百萬港元之五年銀團營運資金信貸融資。於二零零三年三月三十一日，本集團之銀行借貸組合中，一年內到期佔14%、一至兩年內到期佔9%，約在二至五年內到期佔77%。本集團仍未動用之信貸融資則合共為2,421.0百萬港元。

憑藉處於合理水平之現金及備用信貸融資，本集團之流動資金充裕，足以撥付經營業務所需。

- **財資政策**

本集團之銀行借貸主要是按浮動息率計息。回顧財政年度，本集團安排了部份以香港銀行最優惠借貸利率計息之貸款進行掉期。除使用利率掉期外，本集團亦將海外項目以當地貨幣進行融資以作一般對沖。

於二零零三年三月三十一日，由於本集團之現金、證券投資及借貸主要以美元及港元計值，因此面對的匯兌風險極少。

本集團於適當時間以衍生工具作對沖用途，惟嚴格禁制任何投機活動。

Banking Facilities

The Group had refinanced part of its credit facilities at lower interest margins and on more favourable terms. Amongst the refinancing activities, the Group arranged in November 2002 a 5-year syndicated working capital loan facility of HK\$1,320.0 million. As at 31 March 2003, the maturity profile of the Group's bank borrowings falling due within one year was 14%, between one to two years was 9% and in around two to five years was 77%. And the Group had a total of HK\$2,421.0 million credit facilities remained unutilised.

Maintaining a reasonable level of cash and stand-by credit facilities, the Group has the liquidity sources of funds to facilitate its business activities.

- **Treasury Policy**

The Group's bank borrowings were principally on floating rate basis. In the financial year under review, the Group made arrangement to swap part of its exposure to Hong Kong Inter-bank Offer Rate on which the loans were based. Other than the use of interest rate swaps, the Group also adopted an approach of financing its overseas projects in local currencies as natural hedging.

As at 31 March 2003, the Group had minimal currency exposure as its cash, investment in securities and bank borrowings were denominated mainly in US dollars and HK dollars.

The Group made use of derivative instruments for hedging purposes if and when appropriate and speculation was strictly prohibited.

- **資產抵押**

於二零零三年三月三十一日，本集團已經將賬面值為696.3百萬港元之若干物業及91.1百萬港元之銀行存款予以抵押，以作為授予本集團銀行信貸之擔保。

本集團將聯營公司TCSDCL之投資作為抵押，及集團應收TCSDCL之貸款(扣除撥備前)合計約2,258.4百萬港元已作後償保證予銀行，作為TCSDCL取得銀行信貸之擔保。

香港興業(物業)有限公司(本公司其中一家附屬公司)亦將另一家同系附屬公司所欠18.6百萬港元之公司間債項作後償保證，作為該附屬公司取得一般銀行信貸之擔保。

HKR Asia-Pacific Pte Ltd(本公司其中一家附屬公司)已將另一家附屬公司所欠131.5百萬港元之公司間債項作後償保證，作為該附屬公司取得一般銀行信貸之擔保。

- **或然負債**

本集團以股權比例為限，而取得銀行及其他信貸(或有抵押之債項，如適用)而作出之擔保已減少515.9百萬港元至1,151.4百萬港元。

- **Pledge of Assets**

As at 31 March 2003, the Group had pledged certain properties with a carrying value of HK\$696.3 million and bank deposits of HK\$91.1 million to secure banking facilities granted to the Group.

The Group's investment in an associate, TCSDCL, was pledged, and the loan to TCSDCL (before provision) amounting to approximately HK\$2,258.4 million were subordinated to banks to secure the banking facilities granted to TCSDCL.

HKR Properties Limited, one of the Company's subsidiaries, was also subordinated an intercompany debt due from one of its fellow subsidiaries of HK\$18.6 million to secure certain general banking facilities granted to that fellow subsidiary.

HKR Asia-Pacific Pte Ltd, one of the Company's subsidiaries, was also subordinated an intercompany debt due from one of its subsidiaries of HK\$131.5 million to secure certain general banking facilities granted to that subsidiary.

- **Contingent Liabilities**

The Group's contingent liabilities in respect of guarantees given, to the extent of the Group's proportionate share, in respect of banking and other facilities (or secured indebtedness if appropriate) granted, were reduced by HK\$515.9 million to HK\$1,151.4 million.