

中期業績

香港興業國際集團有限公司(「本公司」)董事會(「董事會」)欣然宣佈本公司及其附屬公司(「本集團」)截至二零零五年九月三十日止六個月之業績。

本集團截至二零零五年九月三十日止六個月之本公司股東應佔未經審核綜合溢利為330.1百萬港元，而去年同期之溢利為243.1百萬港元(重列)。每股盈利為28.52港仙，去年同期則為21.0港仙(重列)。

中期股息

董事會向於二零零六年一月四日名列本公司股東名冊總冊或分冊之股東宣派截至二零零五年九月三十日止六個月之中期股息每股3港仙。中期股息將於二零零六年一月二十三日(星期一)派發，而去年同期則向股東派付中期股息每股3港仙。

暫停辦理股份過戶登記手續

本公司將由二零零六年一月三日(星期二)至二零零六年一月四日(星期三)止(首尾兩天包括在內)期間暫停辦理股份過戶登記手續。為符合資格獲取所宣派之中期股息，所有股份過戶文件連同有關股票須於二零零五年十二月三十一日(星期五)下午四時正前交回本公司之香港股份過戶登記處香港中央證券登記有限公司，地址為香港皇后大道東183號合和中心17樓1712-1716室，以作登記。

INTERIM RESULTS

The board of directors (the "Board") of HKR International Limited (the "Company") is pleased to announce the results of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2005.

The Group's unaudited consolidated profit attributable to shareholders of the Company for the six months ended 30 September 2005 was HK\$330.1 million compared to HK\$243.1 million (restated) for the corresponding period last year. Earnings per share was HK¢28.52 compared to HK¢21.0 (restated) for the corresponding period last year.

INTERIM DIVIDEND

The Board has declared the payment of an interim dividend of HK¢3 per share for the six months ended 30 September 2005 to shareholders whose names appear on the main or branch register of members of the Company on 4 January 2006. The interim dividend will be paid on Monday, 23 January 2006. An interim dividend of HK¢3 per share was paid to shareholders for the corresponding period last year.

CLOSURE OF REGISTERS OF MEMBERS

The registers of members of the Company will be closed from Tuesday, 3 January 2006 to Wednesday, 4 January 2006 (both days inclusive), during which period no transfer of shares will be registered. In order to qualify for the declared interim dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrars, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on Friday, 30 December 2005.

業務回顧

愉景灣

於回顧期內，本集團售出海澄湖畔二段4個單位，平均樓面呎價為5,450港元，全期僅餘5個單位尚未售出。

正在興建中的愉景灣第十三期現名為尚堤，共有541個高座單位，設有豪華游泳池設施及酒店式服務，更坐擁迪士尼煙花盛景，預期定必成為愉景灣買家之新焦點。

儘管愉景廣場中有四分之一之租賃面積正在進行大型翻新工程，惟愉景廣場仍繼續為本集團帶來穩定收入。於二零零五年九月三十日，出租率達86%。隨著裝修工程於二零零六年第三季竣工後，將有更多地方可供出租，因而為本集團帶來可觀之租金收入。

愉景灣多間會所一直為會員及住客提供優質服務，並為本集團帶來理想及穩定之收入。於回顧期內，由於天氣不穩定，愉景灣高爾夫球會之使用率下跌，惟會籍轉讓情況良好，為本集團帶來貢獻。現有遊艇停泊處之新增及轉讓需求增加，有助愉景灣遊艇會停泊處租金收入之增加。由於愉景灣康樂會及海澄湖畔住客會所之月費及餐飲銷售額增加，兩所會所之收入亦因而錄得增長。

於愉景灣之酒店之地基工程已於二零零五年七月開展，並計劃於二零零六年三月底前竣工。預期酒店將於二零零八年落成，成為一個豪華渡假式物業，設有水療及大量的會議設施。

BUSINESS REVIEW

Discovery Bay

During the period under review, the Group sold 4 units of Siena Two at the average selling price of HK\$5,450 per square foot gross floor area, and there remains only 5 units before the whole phase is sold out.

Phase 13, now named as Chianti, comprising 541 high-rise units, is currently under construction. Equipped with its own deluxe swimming pool facilities and hotel-style concierge services with units offering panoramic views of Disneyland's fireworks, Chianti is expected to be a new area for Discovery Bay home seekers.

The DB Plaza continued to generate stable income for the Group though one-fourth of the leasing area is under major renovation. As at 30 September 2005, occupancy rate was 86%. Upon completion of the value improvement scheduled in third quarter 2006, more lettable space with attractive and considerable rental income will be brought to the Group.

The clubs in Discovery Bay continued to deliver high-quality services to members and residents and generate good and stable income for the Group. During the period under review, Discovery Bay Golf Club suffered a decline in traffic due to the inclement weather but active membership transfer brought back net positive contribution. The increase in demand for new and transfer of existing berthing from boat owners helped increase the berthing rental of Discovery Bay Marina Club. Increase in monthly subscription and food and beverage sales helped improve the contribution of Discovery Bay Residents Club and Club Siena.

Foundation works for the hotel in Discovery Bay commenced in July 2005 and is scheduled to complete by end of March 2006. The hotel expected to complete in 2008 is a deluxe resort property with a spa and extensive meeting facilities.

燃油價格於過去數月持續創新高，令渡輪及巴士營運成本上升，惟由於乘客量增加，帶來之收入得以抵銷營運成本增加之部份影響。往來愉景灣與欣澳地鐵站之巴士服務已於二零零五年九月中啟用，為前往九龍區之居民提供更方便及節省車費之交通選擇，因而深受歡迎。愉景灣隧道亦隨著愉景灣建築工程之增加而從中受惠。

除日常管理外，愉景灣之管理服務將繼續致力為愉景灣居民提升「愉景灣優質生活」計劃及建設和諧之客戶服務和社區關係。

本集團於愉景灣擁有50%權益。

其他物業發展及投資、屋苑管理及服務

東涌藍天海岸之銷售成績斐然。於回顧期內，已售出57個高座單位，平均樓面呎價為4,452港元，而水藍天30個花園洋房之銷售更錄得平均樓面呎價13,624港元之新高。本集團於整個項目中擁有31%權益。

於二零零五年九月三十日，位於荃灣之愉景新城購物商場及位於長沙灣之西港都會中心錄得分別為87%及97%的理想出租率，並將繼續為本集團帶來穩定收入。本集團分別於愉景新城及西港都會中心擁有50%及100%權益。本集團於期內將位於大埔之菁泉雅居商場出售予一名獨立第三方，作價88.2百萬港元，有關項目將於財政年度下半年入賬。

本集團於愉景新城之物業管理服務公司於期內表現持續理想。

The persistent record-high rises in fuel prices in the past few months had an adverse effect on the operating costs of the ferry and bus services, which was alleviated partly by the steady increase in patronages of these services. Bus service to Sunny Bay MTR Station was launched in mid September 2005 to provide a more convenient and cost-saving way for people to reach Kowloon area and becoming more popular. The Discovery Bay Tunnel benefited from the increased construction activities of Discovery Bay development.

Apart from the daily management duty, the management services for Discovery Bay continued to work towards the enhancement of DB Lifestyle Enhancement Programme and harmonization on customer service and community relations.

The Group has 50% interest in Discovery Bay.

Other Property Development and Investment, Estate Development and Services

The sales of Coastal Skyline in Tung Chung was remarkably successful. During the period under review, 57 high-rise units were sold at an average selling price of HK\$4,452 per square foot gross floor area. The sales of 30 garden houses of Le Bleu achieved a record-high average selling price of HK\$13,624 per square foot gross floor area. The Group has 31% interest in the entire project.

Discovery Park Commercial Centre in Tsuen Wan and West Gate Tower in Cheung Sha Wan also recorded satisfactory occupancy rate of 87% and 97% respectively as at 30 September 2005 and will continue to bring stable income to the Group. The Group has 50% and 100% interest in Discovery Park and West Gate Tower respectively. The Group has disposed of La Fontaine Commercial Podium in Tai Po to an independent third party at the consideration of HK\$88.2 million during the period, and the profit will be recorded in the second-half of the financial year.

The Group's property management services companies at Discovery Park continued to perform well during the period.

期內，本集團擁有49%權益之相聯集團興勝創建控股有限公司之營業額及溢利較去年同期錄得增長超過30%及約15%。

酒店業務

期內，位於曼谷之The Sukhothai酒店及Siri Sathorn服務式住宅以及新加坡聖淘沙百富酒店及Spa Botanica之營業額及經營毛利均錄得增長。

Siri Sathorn之業績顯著改善，乃由於翻新及提升項目經已完成。The Sukhothai酒店收益增加之同時，當地對餐飲之需求則輕微下跌。聖淘沙百富酒店及Spa Botanica之入住率保持穩定，而房租亦高於平均水平。隨著地區經濟改善及聖淘沙島之綜合渡假及賭場設施計劃宣佈後，預期酒店業務可維持強勁表現。

地區發展及投資

靜安

茲提述本公司於二零零三年一月十七日就於上海靜安之發展項目（「靜安項目」）所刊發之通函（「該通函」）。誠如該通函所載，將靜安項目發展成為一個綜合商住物業之財務承擔估算總額約為人民幣4,480百萬元，當中包括應付予靜安區政府之土地出讓金、拆遷安置費用及市政設施配套費用，根據本集團所訂立之有關約定承擔，當時之約定承擔為人民幣1,305.76百萬元。

Hanison Construction Holdings Limited, our 49% owned associated group, recorded increases of more than 30% in turnover and approximately 15% in profit during the period as compared to the same period of last year.

Hospitality

The Sukhothai Hotel and Siri Sathorn Serviced Apartments in Bangkok and The Sentosa Resort & Spa and Spa Botanica in Singapore recorded increases in turnover and gross operating profit during the period.

The substantial improvement in performance of Siri Sathorn came from the completion of the renovation and upgrading project. While there was an increase in the contribution of The Sukhothai Hotel, there were some softening in local food and beverage demand. The Sentosa Resort & Spa and Spa Botanica have maintained a steady occupancy and at better than average room rate. The performance is expected to stay strong following the economic improvement in the region and the announcement of Integrated Resorts with Casino facility go-ahead plan for Sentosa Island.

Regional Development and Investments

Jingan

Reference is made to the Company's circular dated 17 January 2003 (the "Circular") in relation to the re-development in Jingan, Shanghai (the "Jingan Project"). As stated in the Circular, the estimated total financial commitment for the complete re-development of the Jingan Project into a complex of commercial and residential properties was approximately RMB4,480 million. This included land use right costs, demolition and resettlement costs and urban utilities accommodation costs payable to the Jingan District Government which then, under relevant contractual commitments entered into by the Group, stood at RMB1,305.76 million.

為開展靜安項目拆遷安置及市政設施配套工程（「該工程」），本集團、靜安區政府及其指定的拆遷公司於二零零五年十二月一日就於二零零二年十一月及十二月簽訂之原委託拆遷安置及市政設施配套合同簽訂補充合同。根據該等補充合同，整個工程分為第一期及第二期兩個階段進行。第一期之規劃樓面面積約為200,000平方米，約佔整個發展項目總規劃樓面面積291,000平方米的三分之二。該工程第一期預計於核發《拆遷許可證》後二十六個月內完成。該工程第二期啟動日期尚待落實。按中國政府最新政策，本集團根據補充合同就整個靜安項目應支付的拆遷安置費用將根據實際的拆遷安置費用結算，以代替根據上述原委託拆遷安置及市政設施配套合同與靜安區政府的協議以包干價計算。估計根據有關合同（經補充）就第一期將予產生之拆遷安置及市政設施配套費用約為人民幣1,678百萬元，最終價格將根據中國有關法規釐定之市場價格予以調整。第二期拆遷安置及市政設施配套費用將另行決定。本集團欣見該工程得以開展。

To progress with the demolition, re-settlement and urban utilities accommodation works (the “Works”) on the Jingan Project, on 1 December 2005, the Group, the Jingan District Government and its nominated resettlement company entered into supplemental contracts to the original Demolition, Resettlement and Urban Utilities Accommodation Contracts entered into in November and December 2002. Pursuant to these supplemental contracts, the Works for the entire site will be divided into 2 phases, Phases I and II. The planned gross floor area for Phase I is approximately 200,000 square metres, representing approximately two-thirds of the total planned gross floor area of the overall development of 291,000 square metres. The Works for Phase I are scheduled to be completed within 26 months after the issuance of the Resettlement Permit. The commencement date for Works for Phase II is yet to be determined. In line with the latest PRC government policy, the relevant resettlement and demolition costs for the entire site payable by the Group under the supplemental contracts will be determined based on the actual costs of resettlement and demolition, instead of a lump sum basis as provided in the original contracts referred to above with the Jingan District Government. The estimated resettlement, demolition and urban utilities accommodation costs to be incurred under the relevant contracts, as supplemented, of Phase I is approximately RMB1,678 million, subject to adjustment by reference to market rates determined according to relevant regulations in the PRC. The resettlement, demolition and urban utilities accommodation costs for Phase II will be separately determined. The Group is pleased with the commencement of the Works.

本集團於訂立補充合同後，本公司董事謹此澄清本集團與靜安區政府及其指定的拆遷公司所訂立之財務承擔與本集團估計靜安項目各期發展工程之總費用(包括估計建築費用)之區分。特別的是，拆遷安置合同(經補充)項下之約定財務承擔乃與上市規則之交易分類相關。因此，於該通函內供參考之估計財務承擔總數人民幣4,480百萬元，不應作為按香港聯合交易所有限公司證券上市規則(「上市規則」)之交易分類相關的，本集團與靜安區政府的約定承擔之參考，當時的約定承擔為人民幣1,305.76百萬元，而現時根據實際費用及與靜安區政府及其指定的拆遷公司所訂立之財務承擔計算，第一期之估計拆遷安置及市政配套費用為人民幣1,678百萬元。第二期拆遷安置及市政配套費用尚待決定。本公司將就靜安項目之任何重大發展向投資者提供進一步資料。

嘉里華庭二座

於期內，服務式住宅之表現理想。尊尚住宅地區之供應有限而跨國公司對租賃物業之需求仍然強勁。嘉里華庭二座的租金水平及出租率於上海高檔服務式住宅中仍然保持其固有地位，並持續為本集團帶來穩定之租金收入。於期內，平均出租率達94%。

Following the entering by the Group into the supplemental contracts, the directors of the Company would like to clarify that the Group distinguishes between financial commitments under contracts with the Jingan District Government and its nominated resettlement company, on the one hand, and the Group's estimate of the total costs of re-developing each Phase, including estimated construction costs, on the other. In particular, financial commitments under the contracts for resettlement, demolition and urban utilities accommodation (as supplemented) are those that are relevant for the purposes of the classification of transactions under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). Accordingly, references in the Circular to an estimated total financial commitment of RMB4,480 million should not be taken to be a reference to the consideration to be paid under contractual commitments with the Jingan District Government relevant to Listing Rules classification of transactions, which then stood at RMB1,305.76 million. The estimated resettlement cost (based on actual cost together with contractual commitments with the Jingan District Government and its nominated resettlement company) for Phase I now stands at RMB1,678 million. The resettlement cost for Phase II has yet to be determined. The Company will provide investors with further information on the Jingan Project as and when there are any material developments.

Chelsea

The serviced apartment has been performing well during the period. Availability in prime residential areas remained quite limited. Leasing activities were still apparent from multinational companies. Chelsea has been maintaining its position in the high-end serviced apartment market in Shanghai, both in terms of rental level and occupancy rate and continued to generate stable rental income to the Group. During the period, the average occupancy rate was 94%.

津匯廣場

天津津匯廣場之第一期發展項目之北座辦公室大樓及購物中心，分別錄得出租率約95%及99%。第二期發展項目之建築工程，包括南座辦公室大樓及一間酒店，已於二零零五年七月動工。本集團於項目中擁有15%權益。

醫療及保健服務

健力保健業務所提供之醫療保健服務一直為本集團多元化業務組合之主要部份。於回顧期內，港安醫院的主要診所與安美癌科治療中心（「安美」）於中環開設門診診所擴張服務，以吸納市場上對私人癌症治療服務需求之增長。安美現正與上海瑞金醫院商討於其醫院大樓合作開辦一所癌病中心。

與香港中文大學合作成立之確進糖尿專科中心（「確進」）擴展業務，成立健脈心臟中心（「健脈」），該中心乃一所提供心血管治療之專科門診中心。一所醫學影像診斷中心瑞光放射診斷中心（「瑞光」）亦已於九月在中環開業，中心設有多斷層電腦掃描、電腦X-光造影、數碼X-光乳房造影及骨質密度量度等設備，將提供嶄新概念之影像篩查服務。預期安美、確進、健脈及瑞光四間診所將可於提供各類嶄新專科保健服務方面締造協同效益。

於回顧期內，牙科保健業務顯示出其具理想的發展潛力。北京之瑞爾齒科集團之收益及求診人數繼續穩定上升。上海之亞正齒科於去年在上海開設第三間診所後，已錄得收益增長。香港之恒健醫療集團於其診所網絡引進牙科專科保健服務，並正推出名為Novodontics之新設牙科專科門診服務及診所，令其收益持續增加。

The Exchange

Phase 1 of the development of The Exchange in Tianjin, which included the north office tower and a retail mall, recorded occupancy rates of approximately 95% and 99% respectively. Construction of Phase 2 of the development, comprising the south office tower and a hotel commenced in July 2005. The Group has 15% interest in the project.

Medical and Healthcare Services

Healthcare services under the GenRx Healthcare division continued to represent a major part of the Group's diversified business portfolio. During the period under review, the main Adventist Hospital clinic together with AmMed Cancer Center ("AmMed") has expanded through establishing an outpatient clinic in Central to capture an increasing market demand for private cancer treatment. AmMed is in discussion with the Ruijin Hospital in Shanghai to house a joint-venture cancer center in the hospital building.

Qualigenics Diabetes Centre ("Qualigenics"), a joint venture with The Chinese University of Hong Kong, has expanded in its operations with a new subsidiary, CardioMed Heart Centre ("CardioMed"), a speciality outpatient cardiovascular services centre. ImagingMed Cancer Center ("ImagingMed"), a new diagnostic imaging centre, was opened in September in Central. A 16-slice CT scanner together with the X-Ray, Mammogram and DEXA facility will establish a fresh new concept of imaging screening services. The four clinics, AmMed, Qualigenics, CardioMed and ImagingMed are expected to bring in synergy in the provision of innovative multi-speciality healthcare services.

The dental care business has shown a satisfactory growth potential in the period under review. The Beijing-based Arrail Group continued to grow steadily in its revenue and patient volume. The Shanghai-based Orthodontics Asia, after its third clinic opened in Shanghai last year, has experienced a positive growth in its revenue. The Hong Kong-based Health & Care Group also saw its growth in revenue by introducing speciality dental care services in its clinic network and is launching a new dental speciality brand and clinic called Novodontics.

Healthway Medical是位於菲律賓馬尼拉最大規模之多元專科診所網絡，透過不同類型之市場推廣及品牌建立，求診人數持續增長。而本集團減輕依賴當地醫療組織業務轉介之策略亦已取得成效。

製造業

由於能源成本上升，加上中國競爭激烈所帶來之價格壓力，英陶潔具產品業務處於艱難之營商環境。由於澳洲及英國市場著重市場推廣及新穎之產品設計，因此這兩個市場仍具發展潛力，加上市場情況穩定，本集團對下半年之營業額增長情況感到樂觀。美國市場亦錄得輕微增長。本公司於澳洲已引進可節省用水量之4.5/3升抽水馬桶雙衝裝置，此為於英國獲得英國水務局批准之首項產品。

證券投資

本集團之證券投資組合在過往六個月內錄得合理收益，主要是受惠於這段時間內全球股票普遍上升及借貸證券表現穩定。本集團於投資策略及分散風險之資產調配方面將繼續採取審慎態度，並集中透過內部投資人材及外聘資產管理專業人員管理其財務資產。

展望

香港地產及旅遊市道蓬勃發展，而中國經濟保持強勁及穩定，預期本集團各項業務將可繼續為集團帶來正面回報。本集團將繼續物色業務商機，並將業務多元化發展至不同行業，以提升整體資產基礎及盈利能力。

Healthway Medical, the largest network of multi-speciality clinics in Metro Manila, the Philippines, continued to grow in patient volume through a wide range of marketing and brand building effort. The strategy of diverting from dependence on Health Maintenance Organisation business has also proven to be successful.

Manufacturing

The Imperial bathroom products group had to cope with a tough period of increased energy costs and pressure on prices from fierce local competition in China. The Australian and UK markets still show potential as they focus on marketing services and new designs. The Group is optimistic that volume will increase in the second half of the year as there are signs of market stabilization in these countries. The US market has increased slightly. The company introduced the water saving concept of 4.5/3-liter dual flush with a number of suites in Australia and is the first to receive the British water authorities' approval in the UK.

Securities Investments

Benefited from an uptrend in global equity markets and a steady credit market for the last six months, the Group's securities investment portfolio reported a reasonable risk-adjusted profit. The Group will continue to maintain a cautious approach in the employment of investment strategies and asset allocation for risk diversification, and manage its financial assets through collective efforts of in-house investment personnel and external professional asset managers.

OUTLOOK

As Hong Kong's property and tourism markets continue to improve and the economy in China remains strong and steady, it is anticipated that all aspects of the Group's business will continue to bring positive contributions to the Group. The Group will continue to look for business opportunities and diversification in other aspects to build up its asset base and profits as a whole.

人力資源

於二零零五年九月三十日，本集團於香港及海外聘用3,192名員工。本集團之薪酬政策為吸引、栽培及挽留出色之人才，並獎勵有良好表現之員工。薪津組合乃參考市場水平及個別員工對本集團的貢獻而製定。

為提升客戶服務水平、僱員關係及社區服務，本集團於期內曾舉辦多項活動，並於年內成立名為「*HKR Care & Share*」之公司義工隊伍，為僱員提供回饋社會之機會。於過去數月，由員工及居民組成之義工隊曾多次舉辦活動，為兒童、青少年及老人提供服務。

資訊科技

為進一步令業務更有效運作及為客戶提供更佳服務，本集團於期間實施多項有關資訊科技之措施，包括為項目管理編寫新的工作流程系統及於財務會計上應用Microsoft Axapta。本集團亦對能夠成為首家公司於亞洲之渡輪上為乘客免費提供船上無線互聯網寬頻服務而感到自豪。

HUMAN RESOURCES

As at 30 September 2005, the total number of employees of the Group was 3,192 in Hong Kong and overseas. Our remuneration policy is to attract, develop and retain the most competent people and to reward good performance. Remuneration packages are structured with consideration of market level and individual contribution.

To enhance the customer service standard, the employee relations and the community services, the Group has organized various programmes and functions during the period. A corporate volunteer team "*HKR Care & Share*" was formed this year for our employees to demonstrate our love and care to the needed in the community. Services for the children, youth and elderly were organized in the past few months with volunteers from our staff members and residents.

INFORMATION TECHNOLOGY

To further optimize the operation efficiency and provide better services to customers, there were several initiatives on information technology throughout the period including the deployment of a new workflow system in project management and the employment of Microsoft Axapta in financial accounting. The Group is also proud to offer its ferry passengers for free the first on board wireless internet broadband service on ferries in Asia.

財務回顧

股東資金

於二零零五年九月三十日，本集團之股東資金上升266.4百萬港元至6,716.3百萬港元(二零零五年三月三十一日：6,449.9百萬港元(重列))。股東資金增加主要由於來自經營業務之溢利及物業估值之正面影響。整體而言，經營業務部門普遍錄得盈利，而整體之毛利率為32.5%(二零零五年三月三十一日：27.4%(重列))。

來自融資活動／投資活動／營運業務之主要現金流量

於二零零五年四月，本集團發行本金總額1,410.0百萬港元最高年期為五年於二零一零年到期之零息可換股債券。發行債券之所得款項淨額乃主要用作為本集團就上海靜安項目提供資金，以及作為一般營運資金。

於財務回顧期間，本集團支付收購位於香港仔之一幢工業大廈載思中心之餘額117.8百萬港元，該項收購之總代價為122.8百萬港元，而愉景灣之物業銷售為本集團帶來現金貢獻21.0百萬港元。

流動資金

本集團之財務狀況仍然強勁，現金及投資證券總額為3,307.2百萬港元(二零零五年三月三十一日：3,383.7百萬港元)，而銀行借貸總額於期內償還若干銀行貸款後減少1,232.9百萬港元至1,480.5百萬港元(二零零五年三月三十一日：2,713.4百萬港元)。

資本負債比率

本集團維持資本負債比率於18.3%(二零零五年三月三十一日：15.4%(重列))之低水平，此比率乃按本集團之綜合借貸淨額除以股東資金計算。

FINANCIAL REVIEW

Shareholder's Funds

As at 30 September 2005, the shareholders' funds of the Group increased by HK\$266.4 million to HK\$6,716.3 million (31.3.05: HK\$6,449.9 million (restated)). The increase in shareholders' funds mainly reflected the profits from operations and positive impact of property valuation. Operating business units in general were profitable and overall gross profit margin was 32.5% (31.3.05: 27.4% (restated)).

Major Cash Flows From Financing/Investing/Operating Activities

In April 2005, the Group issued zero coupon convertible bonds in an aggregate nominal amount of HK\$1,410.0 million for a maximum tenor of five years maturing in 2010. The net proceeds from the issue of the bonds is used primarily for financing the Group's commitment in relation to the Jingan Project in Shanghai and general working capital.

During the financial period under review, the Group made a balance payment of HK\$117.8 million to acquire, Joyce Building, an industrial building located in Aberdeen, at a gross consideration of HK\$122.8 million. The property sales in Discovery Bay made a cash contribution of HK\$21.0 million to the Group.

Financial Liquidity

The Group had a strong financial position with total cash and investment in securities amounting to HK\$3,307.2 million (31.3.05: HK\$3,383.7 million) whilst total bank borrowings reduced by HK\$1,232.9 million to HK\$1,480.5 million (31.3.05: HK\$2,713.4 million) after repayment of certain bank loans during the period.

Gearing

The Group's continued to have low financial leverage with gearing ratio at 18.3% (31.3.05: 15.4% (restated)) as calculated by the Group's consolidated net borrowings to the shareholders' funds.

銀行信貸

於二零零五年九月三十日，本集團具備充裕之現金及有抵押與無抵押之銀行信貸，為其發展項目及日常營運提供資金。於二零零五年九月三十日，本集團未動用之信貸額為3,842.5百萬港元（二零零五年三月三十一日：2,588.6百萬港元）。

於二零零五年九月三十日，銀行借貸組合之還款期為須於一年內償還的佔29%（二零零五年三月三十一日：15%），須於一至兩年內償還的佔71%（二零零五年三月三十一日：70%），及並無須於兩至五年內償還的借貸（二零零五年三月三十一日：15%）。

財務政策

本集團集中其財務管理職能，及對財務管理採取保守之策略。其資產及負債大部份以港元及美元計算，因而限制外匯風險。本集團亦已訂立若干貨幣掉期安排以作出對沖。

本集團之銀行融資主要按浮動息率計息，並在合適時為中短期之借貸安排利率掉期，藉以管理其利率風險。

本集團之政策為嚴禁使用金融衍生工具作為投機用途。

Banking Facilities

As at 30 September 2005, the Group had sufficient internal cash and banking facilities, both secured and unsecured, to finance its development projects and operations. As at 30 September 2005, the Group had HK\$3,842.5 million (31.3.05: HK\$2,588.6 million) of unutilized credit facilities.

The maturity profile of bank borrowings were 29% (31.3.05: 15%) falling within one year, 71% (31.3.05: 70%) falling between one to two years, and nil (31.3.05: 15%) falling between two to five years as at 30 September 2005.

Treasury Policy

The Group centralizes its treasury functions and adopts a conservative approach for its treasury management. The majority of assets and liabilities are denominated in HK and US dollars and have limited exposure to foreign currencies. The Group also entered into certain currency swap arrangement for hedging purpose.

The Group's banking facilities are principally on floating rate basis and interest rate swaps were employed to manage the interest rate risk for its short to medium term borrowings when appropriate.

It is the policy of the Group to restrict the use of financial derivatives for speculative purpose.

資產抵押

於二零零五年九月三十日，本集團將賬面值為472.3百萬港元(二零零五年三月三十一日：472.0百萬港元)之若干物業及59.7百萬港元(二零零五年三月三十一日：81.9百萬港元)之銀行存款抵押，作為授予本集團銀行信貸之擔保。

於二零零五年九月三十日，本集團連同本公司一家聯營公司Tung Chung Station Development Company Limited(「TCSDDL」)之其他合營夥伴(統稱「擔保人」)就銀行向TCSDDL提供之融資簽訂共同及個別承諾，以促使其或擔保人(如適用)將履行及遵守與地鐵有限公司所訂立之發展協議項下之責任，並完成香港大嶼山東涌站上蓋第二期物業發展項目。本集團於TCSDDL之投資額310.0港元已用作抵押，而給予TCSDDL之墊款(扣除撥備前)約值2,379.3百萬港元(二零零五年三月三十一日：2,373.1百萬港元)已提供予銀行作為後償保證，用以擔保授予TCSDDL之銀行信貸。

本公司之其中一家附屬公司香港興業(物業)有限公司亦同時將其應收一家附屬公司之公司間欠款24.0百萬港元(二零零五年三月三十一日：22.8百萬港元)作後償保證，用以擔保授予該附屬公司之若干一般銀行信貸。

或然負債

於二零零五年九月三十日，有關於本集團以股權比例為限就銀行及其他信貸(或有抵押之債項，如適用)作出公司擔保之或然負債減少17.7百萬港元至153.0百萬港元(二零零五年三月三十一日：170.7百萬港元)。

Pledge of Assets

As at 30 September 2005, the Group had pledged certain properties with a carrying value of HK\$472.3 million (31.3.05: HK\$472.0 million) and bank deposits of HK\$59.7 million (31.3.05: HK\$81.9 million) to secure certain banking facilities granted to the Group.

As at 30 September 2005, the Group, together with other joint venture partners of an associate of the Company, Tung Chung Station Development Company Limited (“TCSDDL”), (collectively the “Guarantors”), had executed a joint and several undertaking in favour of banks providing finance to TCSDDL to procure that it or the Guarantors, as appropriate, will perform and observe obligations under the development agreement with MTR Corporation Limited and to achieve completion of the Tung Chung Station Development Package II Project in Lantau Island, Hong Kong. The Group’s investment in TCSDDL in the amount of HK\$310.0 was pledged and the loan to TCSDDL (before provision) amounting to approximately HK\$2,379.3 million (31.3.05: HK\$2,373.1 million) was subordinated to banks to secure the banking facilities granted to TCSDDL.

HKR Properties Limited, one of the Company’s subsidiaries, also subordinated an inter-company debt of HK\$24.0 million (31.3.05: HK\$22.8 million) due from one of its subsidiaries to secure certain general banking facilities granted to that subsidiary.

Contingent Liabilities

As at 30 September 2005, the Group’s contingent liabilities in respect of corporate guarantee 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\$17.7 million to HK\$153.0 million (31.3.05: HK\$170.7 million).