

財務報表附註

Notes to the Financial Statements

以港幣為單位 Expressed in Hong Kong dollars

1 主要會計政策

a. 遵例聲明

本財務報表是按照香港會計師公會頒佈的所有適用的《香港財務報告準則》(「HKFRSs」)(此統稱包含所有適用的個別《香港財務報告準則》、《香港會計準則》(「HKASs」)和詮釋)、香港公認會計原則和香港《公司條例》的規定編製。此外，本財務報表亦已符合《香港聯合交易所有限公司證券上市規則》有關之披露規定。本集團採用之主要會計政策概述如下。

香港會計師公會已發出多項新訂及經修訂HKFRSs，並於二零零五年一月一日或之後開始之會計期間生效或開始採納。開始應用這些新訂和經修訂的HKFRSs所引致當前和以往會計期間的會計政策變動已於本財務報表內反映，有關資料載列於附註2。

b. 財務報表編製基準

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。

編製符合HKFRSs之財務報表，管理層於採用政策及列報資產負債及收支時，作出判斷、估計及假設。有關估計及相關之假設根據過往經驗，以及多項在此情況下相信屬合理之其他因素而作出，有關之結果構成對未能明顯地從其他資料來源取得之資產及負債賬面值作出判斷的基礎。實際之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。

1 Principal Accounting Policies

a. Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ('HKFRSs'), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ('HKASs') and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ('HKICPA'), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. A summary of the principal accounting policies adopted by the Group is set out below.

The HKICPA has issued a number of new and revised HKFRSs that are effective or available for adoption for accounting periods beginning on or after 1 January 2005. Information on the changes in accounting policies resulting from initial application of these new and revised HKFRSs for the current and prior accounting periods reflected in these financial statements is provided in note 2.

b. Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is the historical cost basis except where stated otherwise 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 recognised 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.

1 主要會計政策 (續)

c. 綜合賬目之編製基準

截至二零零六年六月三十日止年度之綜合財務報表包括本公司及其附屬公司(統稱「本集團」)及本集團於合營公司之權益。年內購入或出售之附屬公司，自開始控制起或至失去控制權當日止之業績已包括於綜合收益表內。集團內部往來之結餘和交易，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。

d. 附屬公司及受控制公司

根據香港《公司條例》，附屬公司乃本集團直接或間接持有其一半以上之已發行股本、或控制其一半以上之投票權、或控制其董事局組成之公司。當本公司有權直接或間接支配附屬公司的財務及經營政策，並藉此從其活動中取得利益，均視為受本公司控制。

綜合資產負債表內之少數股東權益包括外界股東所佔之附屬公司資產淨值部份，於綜合資產負債表及綜合權益變動表內被視為權益之一部份處理。本集團業績內之少數股東權益以年內溢利分配披露。

在本公司之資產負債表內，附屬公司之投資乃按成本值減去任何減值虧損列賬。本公司按於結算日已收及應收附屬公司之股息確認附屬公司之業績。

e. 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，最初乃以成本作記錄，其後按本集團應佔合營公司之淨資產於收購後之改變作出調整。綜合收益表包括本集團應佔合營公司於收購後及除稅後之年度業績。

在本公司之資產負債表內，合營公司之權益乃按成本值減任何減值虧損列賬。本公司按於結算日已收及應收合營公司之股息確認合營公司之業績。

1 Principal Accounting Policies (Continued)

c. Basis of consolidation

The consolidated financial statements for the year ended 30 June 2006 comprise the Company and its subsidiaries (together referred to as the 'Group') and the Group's interest in jointly controlled entities. The results of subsidiaries acquired or disposed of during the year are dealt with in the consolidated income statement from the date that control commences until the date that control ceases. Intra-group balances and transactions and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

d. Subsidiaries and controlled entities

A subsidiary, in accordance with the Hong Kong Companies Ordinance, is a company in which the Group, directly or indirectly, holds more than half of the issued share capital, or controls more than half of the voting power, or controls the composition of the board of directors. Subsidiaries are considered to be controlled if the Company has the power, directly or indirectly, to govern the financial and operating policies, so as to obtain benefits from their activities.

Minority interests in the consolidated balance sheet comprise the outside shareholders' proportion of the net assets of subsidiaries and are treated as a part of equity in the consolidated balance sheet and statement of changes in equity. Minority interests in the results of the Group are disclosed as an allocation of the profit for the year.

In the Company's balance sheet, investments in subsidiaries are stated at cost less any impairment losses. The results of subsidiaries are recognised by the Company to the extent of dividends received and receivable at the balance sheet date.

e. Jointly controlled entities

A jointly controlled entity is an entity which operates under a contractual arrangement between the Group or Company and other parties, where the contractual arrangement establishes that the Group or Company and one or more of the other parties share joint control over the economic activity of the entity.

The Group's interests in jointly controlled entities are accounted for in the consolidated financial statements under the equity method and are initially recorded at cost and adjusted thereafter for the post-acquisition change in the Group's share of the jointly controlled entities' net assets. The consolidated income statement includes the Group's share of the post-acquisition, post-tax results of the jointly controlled entities for the year.

In the Company's balance sheet, interests in jointly controlled entities are stated at cost less any impairment losses. The results of jointly controlled entities are recognised by the Company to the extent of dividends received and receivable at the balance sheet date.

1 主要會計政策(續)

f. 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。商譽會定期接受減值測試。

本集團在被收購方之可辨別資產、負債和或然負債之公平值中所佔部份，超過企業合併之成本部份，會即時在綜合收益表中確認。

當出售一間公司時，任何應佔購入商譽均包括在出售項目之損益內。

g. 物業

1. 投資物業

投資物業是持有用作賺取租金收益或資本增值(或兩者皆是)的物業。投資物業以公平值列賬，即各方於知情且自願並按公平交易之原則下就一項資產進行交易之款額，並由外界合資格估值師評估。公平值之任何變動於收益表確認。持作上述用途的營業租約物業權益按投資物業分類及列賬。

2. 發展中投資物業

興建或發展中用作日後投資物業的物業列作發展中投資物業，並按成本(包括資本化之借貸支出(如有)及專業服務費)減任何減值虧損列賬。當工程或發展完成時，物業會按公平值重新分類為投資物業。於轉讓當日，公平值與成本的差額於收益表列賬。

3. 發展中可供出售物業

發展中可供出售物業皆列入流動資產內，並以成本值及可變現淨值兩者中較低者列賬。成本包括發展成本、資本化之借貸支出及其他直接開支之總和。可變現淨值乃估計物業售價減估計落成成本及出售物業涉及之費用。

4. 待售已建成物業

待售已建成物業皆列入流動資產，並以成本值及可變現淨值之較低者入賬。成本乃按未出售單位應佔之比例攤分總發展成本，包括資本化借貸支出而釐定。可變現淨值乃按管理層參照目前市況而決定之估計物業售價減出售物業涉及之費用。

1 Principal Accounting Policies (Continued)

f. 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. Goodwill is tested regularly for impairment.

Any excess of the Group's interest in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of a business combination is recognised immediately in the consolidated income statement.

On disposal of an entity, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

g. Properties

1. Investment properties

Investment properties are those which are held either to earn rental income or for capital appreciation or for both. They are stated at fair value, representing the amount for which an asset could be exchanged between knowledgeable, willing parties in arm's length transaction, assessed by external qualified valuers. Any changes in fair values are recognised in the income statement. A property interest under an operating lease which is held for the above purposes is classified and accounted for as an investment property.

2. Investment properties under development

Property that is being constructed or developed for future use as investment property is classified as investment property under development and stated at cost, including borrowing costs capitalised, if any, and professional fees, less any impairment loss. When the construction or development is complete, it is reclassified as investment property at fair value. At the date of transfer, the difference between fair value and cost is recorded in the income statement.

3. Properties under development for sale

Properties under development for sale are classified under current assets and stated at the lower of cost and net realisable value. Costs include the aggregate costs of development, borrowing costs capitalised and other direct expenses. Net realisable value represents the estimated selling price less estimated costs of completion and costs to be incurred in selling the property.

4. Completed properties for sale

Completed properties for sale are classified under current assets and stated at the lower of cost and net realisable value. Cost is determined by apportionment of the total development costs, including borrowing costs capitalised, attributable to unsold units. Net realisable value represents the estimated selling price as determined by reference to management estimates based on prevailing market conditions, less costs to be incurred in selling the property.

1 主要會計政策 (續)

h. 其他固定資產

1. 其他固定資產按成本值減累計折舊及任何減值虧損列賬。

2. 租賃資產

(i) 租予本集團之資產分類

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，會按照每項物業之基準劃歸為投資物業；及
- 以營業租約持作自用，但無法在租賃開始時將其公平值與建於其上之建築物之公平值分開計量之土地，是按以融資租約持有方式入賬；但清楚地以營業租約持有之建築物除外。就此而言，租賃之開始時間是指本集團首次訂立租賃時，或自前承租人接收建築物時，或有關建築物之施工日（如為較遲之時間）。

(ii) 根據融資租約購買之資產

本集團根據融資租約而購買供使用之資產，乃按其公平值或最少應付租金之現值較低者計入固定資產內，而相應之負債在扣除融資費用後，則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所有權）內撇銷資產成本或估值之比率計提；有關之資產可使用年期載列於附註1(i)。包含在租金內之融資費用於租約期內在收益表內扣除，使每個會計期間之融資費用佔承擔餘額的比率大致相同。或然租金在其產生之會計期間作為開支撇銷。

(iii) 經營租賃費用

如果本集團是以營業租約獲得資產之使用權，則根據租賃作出之付款在租約期內所涵蓋之會計期間內，以等額在收益表中列支；但如有其他基準能更清楚地反映租賃資產所產生之收益模式則除外。租賃所涉及之激勵措施均在收益表中確認為租賃淨付款總額之組成部份。或然租金在其產生之會計期間內在收益表中列支。

1 Principal Accounting Policies (Continued)

h. Other fixed assets

1. Other fixed assets are stated at cost less accumulated depreciation and any impairment losses.

2. Leased assets

(i) Classification of assets leased to the Group

Leases of assets under which the lessee assumes substantially all the risks and benefits of ownership are classified as finance leases. Leases of assets under which the lessor has not transferred all the risks and benefits of ownership are classified as operating leases, with the following exceptions:

- property held under operating leases that would otherwise meet the definition of an investment property is classified as an investment property on a property-by-property basis; and
- land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the Group, or taken over from the previous lessee, or at the date of construction of those buildings, if later.

(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 Group will obtain ownership of the asset, the life of the asset, as set out in note 1(i). Finance charges implicit in the lease payments are charged to the income statement over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are written off as an expense of the accounting period in which they are incurred.

(iii) Operating leases charges

Where the Group has the use of assets held under operating leases, payments made under the leases are charged to the income statement in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in the income statement as an integral part of the aggregate net lease payments made. Contingent rental are charged to the income statement in the accounting period in which they are incurred.

1 主要會計政策(續)

i. 折舊

1. 投資物業

投資物業及發展中投資物業毋須提撥折舊撥備。

2. 其他固定資產

其他固定資產之折舊乃按下列預計可使用年期以直線折舊法撇銷其成本值：

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

j. 衍生金融工具

衍生金融工具先以公平值列賬。衍生工具之公平值變動於收益表內確認，惟當衍生工具於已承諾未來交易之現金流量中作對沖工具持有除外，在該情況下，公平值變動乃按實際對沖程度於權益項下確認。

k. 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，乃於資產負債表內按成本減減值虧損確認。其他證券投資分類為可供出售投資，並以公平值加上交易成本後初始確認。本集團會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直接在權益中確認；但減值虧損則除外。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綜合收益表中確認。

l. 資產減值

本集團於每個結算日均會進行評估，決定投資物業以外之資產是否出現任何減值跡象。倘出現減值跡象時，則估計資產之可收回金額(以售價淨值或使用價值較高者為準)，並在適當時把資產賬面值減至其可收回金額。減值虧損於收益表內確認。

撥回減值虧損僅限於在過往年度確認且並無減值虧損的資產賬面值。減值虧損乃於撥回確認的年度於收益表入賬。商譽之減值虧損不獲撥回。

1 Principal Accounting Policies (Continued)

i. 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 provided so as to write off the cost 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

j. Derivative financial instruments

Derivative financial instruments are initially stated at fair value. Changes in the fair value of derivatives are recognised in the income statement, except where the derivatives are held as hedging instruments in a cash flow hedge of committed future transactions in which case the changes in the fair value are recognised in equity to the extent that the hedge is effective.

k. Other investments in equity securities

Investments in equity securities that do not have a quoted market price in active market and whose fair value cannot be reliably measured are recognised in the balance sheet at cost less impairment losses. Other investments in securities are classified as available-for-sale securities and are initially recognised at fair value plus transaction costs. At each balance sheet date the fair value is remeasured, with any resultant gain or loss being recognised directly in equity, except for impairment losses. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in the income statement.

l. Impairment of assets

An assessment is carried out at each balance sheet date to determine whether there is any indication that assets other than investment properties are impaired. If any such indication exists, the recoverable amount of the asset, being the greater of its net selling price or value in use, is estimated. The carrying amount of the asset is reduced to its recoverable amount where appropriate. Such impairment loss is recognised in the income statement.

A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the income statement in the year in which the reversals are recognised. An impairment loss in respect of goodwill is not reversed.

1 主要會計政策 (續)

m. 應收賬款及其他應收款

應收賬款及其他應收款先按公平值確認，其後按攤銷成本減去呆壞賬減值虧損後入賬；但如應收款為免息貸款或其貼現影響並不重大則除外。在此情況下，應收款會按成本減去呆壞賬減值虧損後入賬。

n. 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投資。就編製綜合現金流量表而言，現金及現金等價物包括須按求償還及為本集團現金管理中之銀行透支。

o. 應付賬款及其他應付款

應付賬款及其他應付款先按公平值確認，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。

p. 一家附屬公司之可換股累積優先股

一家附屬公司之可換股累積優先股具負債屬性的部份於資產負債表內確認為一項負債。支付予優先股東之相應股息於收益表內確認為財務費用。於發行可換股累積優先股時，負債部份之公平值使用非可換股債券等值項目之市場利率釐定；該數額按攤銷成本為基準列作負債，直至轉換或贖回時註銷。所得款項餘額分配至換股權，並計入少數股東權益予以確認。

q. 計息借貸

計息借貸先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計量，成本與贖回價值間之差額以實際利率法按借貸年期於收益表內確認。

1 Principal Accounting Policies (Continued)

m. Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost less impairment losses for bad and doubtful debts, except where the receivables are interest-free loans or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

n. 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.

o. Trade and other payables

Trade and other payables are initially recognised at fair value and thereafter stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

p. Convertible cumulative preference shares of a subsidiary

The component of the convertible cumulative preference shares of a subsidiary that exhibits characteristics of a liability is recognised as a liability in the balance sheet. The corresponding dividends paid to the preference shareholders are recognised as finance costs in the income statement. On issuance of the convertible cumulative preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond; and this amount is carried as a liability on the amortised cost basis until extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in minority interests.

q. Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between costs and redemption value being recognised in the income statement over the period of the borrowings using the effective interest method.

1 主要會計政策(續)

r. 借貸支出

除收購、興建或製造之資產因需較長時間方可供所擬用途或供出售而將有關借貸支出资本化外，借貸支出於產生期間在收益表列支。

在合資格資產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進行期間，即開始將借貸成本資本化，作為合資格資產成本一部份。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。

s. 撥備及或然負債

倘若本公司或本集團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經濟效益的流出，並可作出可靠的估計，則需就未能確定時間或數額的負債確認撥備。

倘若不大可能涉及經濟效益流出，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，惟倘若流出經濟效益的可能性極低則除外。

t. 收入確認

於經濟效益會流入本集團及收入跟適當之成本能可靠地計算時，收入乃按以下方法於收益表內確認：

1. 銷售物業

建成物業之銷售收入乃於簽訂買賣協議時確認。

預售發展中物業之收入則按二零零五年一月一日前訂立的協議中有關物業之建築完成比率、預售物業之付款方式及其他適用之或然預備作參考，而完成方式則根據香港會計師公會發出的香港詮釋第三號「收益 — 出售發展物業之未完成合約」於二零零五年一月一日或之後訂立的協議採納。

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入賬。或然租金乃於其賺取之會計期內確認為收入。

3. 利息收入

銀行存款之利息於產生時按實際利率法計算。

4. 股息

股息收入於收款權確立時確認。

1 Principal Accounting Policies (Continued)

r. Borrowing costs

Borrowing costs are expensed in the income statement in the period in which they are incurred, except to the extent that they are capitalised as being 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.

The capitalisation of borrowing costs as part 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. Capitalisation 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.

s. Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Company or the Group 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.

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.

t. Revenue recognition

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 recognised in the income statement as follows:

1. Sale of properties

Revenue from sale of completed properties is recognised upon the signing of sale and purchase agreements.

Revenue from pre-sale of properties under development is recognised by reference to the degree of completion of the development and the terms of payment for properties pre-sold, with due allowance for contingencies where appropriate in respect of agreements entered into before 1 January 2005, while the completion method is adopted for agreements entered into on or after 1 January 2005 pursuant to Hong Kong Interpretation 3 'Revenue-Pre-completion Contracts for the Sale of Development Properties' issued by the HKICPA.

2. Rental income

Rental income under operating leases is recognised on a straight line basis over the terms of the respective leases. Contingent rentals are recognised as income in the accounting period in which they are earned.

3. Interest income

Interest on bank deposits is recognised as it accrues using the effective interest method.

4. Dividends

Dividends are recognised when the right to receive payment is established.

1 主要會計政策 (續)

u. 稅項

本年度所得稅包括是期稅項、遞延稅項資產及負債的變動。除某些在權益內直接入賬的項目，其相關的稅項亦應記入權益外，其他是期稅項及遞延稅項資產及負債的變動則於收益表確認。

是期稅項為年內對應課稅收入按結算日已生效或基本上已生效的稅率計應付稅項，並已包括以往年度的應付稅項的任何調整。

遞延稅項資產及負債是因納稅基礎計算的資產及負債與其賬面值之間的差異而分別產生的可扣稅及應課稅的暫時差異。遞延稅項資產也包括未使用的稅項虧損額及稅項抵免。

除若干有限的特別情況外，所有遞延稅項負債及未來可能有應課稅盈利予以抵銷的遞延稅項資產均予確認。確認遞延稅項資產及負債之有限特別情況，包括由不可扣稅的商譽及於開始確認資產或負債時對會計盈利及應課稅溢利皆無影響所產生的暫時差異。

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結算的方式，按在結算日已生效或基本上已生效的稅率計算。遞延稅項資產及負債不作折讓。

於各結算日，本集團將重新審閱有關的遞延稅項資產的賬面金額，對預期不再有足夠的應課稅溢利以實現相關稅務利益予以扣減。被扣減的遞延稅項資產若於預期將來出現足夠的應課稅溢利時，則予以轉回。

v. 外幣換算

年內之外幣交易按交易日匯率換算。貨幣資產及負債則按資產負債表結算日之匯率換算。換算收益及虧損均計入收益表。

海外業務之業績按接近交易日當日之匯率換算。資產負債表項目則按結算日之匯率換算為港元。所產生之匯兌差額於權益之個別項目下直接確認。

於出售海外業務時，於權益項下確認與海外業務有關之累計匯兌差額乃計算入出售損益內。

1 Principal Accounting Policies (Continued)

u. Taxation

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in the income statement except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet 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.

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 utilised, are recognised. 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.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted.

The carrying amount of a deferred tax asset is reviewed at each balance sheet 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 utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

v. Translation of foreign currencies

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the balance sheet date. Exchange gains and losses are recognised in the income statement.

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. Balance sheet items are translated into Hong Kong dollars at the foreign exchange rates ruling at the balance sheet date. The resulting exchange differences are recognised directly in a separate component of equity.

On disposal of a foreign operation, the cumulative amount of the exchange differences recognised in equity which relate to that foreign operation is included in the calculation of the profit or loss on disposal.

1 主要會計政策(續)

w. 關連人士

如本集團有權直接或間接監控另一方人士或對另一方人士的財務及經營決策作出重要影響，或另一方人士有權直接或間接監控本集團或對本集團的財務及經營決策作出重要影響，又或本集團與另一方人士均受制於共同的監控或共同的重要影響下，另一方人士將被視為關連人士。關連人士可為個別人士(即主要管理層人員成員、主要股東及/或彼等之近親家族成員)或其他公司，及包括受本集團關連人士(該等人士為個別人士)重大影響之公司，及為本集團或為本集團關連人士之任何公司之僱員利益而設立之退休福利計劃。

x. 分部報告

分部指本集團內可明顯區分之組成部份，可分為提供產品或服務(業務分部)，或在某一特定經濟環境內提供產品或服務(地區分部)。不同分部承受不同於其他分部之風險及回報。

根據本集團之內部財務報告方式，本集團決定把業務分部作為主要之報告方式，地區分部則作為次要之報告方式。

分部收入、支出、業績、資產及負債包括直接屬於該分部及按合理基準分配至該分部之項目。分部收入、支出、資產及負債需包含在編製綜合賬項過程中已抵銷之集團內部往來結餘及交易，惟倘該等內部結餘和交易同屬一個分部則除外，分部之間之交易定價是按與其他外界人士相若之條款釐定。

分部資本開支指期內添置預計將可使用超過一個會計期間之分部資產(包括有形及無形資產)，所產生之成本總額。

1 Principal Accounting Policies (Continued)

w. Related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals, and post-employment benefit plans which are for the benefit of employees of the Group or of any entity that is a related party of the Group.

x. Segment reporting

A segment is a distinguishable component of the Group that is engaged in providing products or services (business segment), or in providing products, or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

In accordance with the Group's internal financial reporting, the Group has determined that business segment be presented as the primary reporting format and geographical segment as the secondary reporting format.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. Segment revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions which are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group companies within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

Segment capital expenditure is the total cost incurred during the period on additions of segment assets (both tangible and intangible) that are expected to be used for more than one period.

1 主要會計政策 (續)

y. 僱員福利

1. 定額供款退休計劃供款

本集團對界定供款計劃之供款，包括根據香港《強制性公積金計劃條例》之供款，均於產生時在收益表列支。

2. 股權支付

授予僱員之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。

倘選擇行使期權，則相關資本儲備連同行使價一併轉撥至股本及股份溢價。倘期權失效，則相關資本儲備直接轉撥至保留溢利。

2 會計政策變動

香港會計師公會已頒佈多項新訂及經修訂HKFRSs，並於本集團二零零五年七月一日或之後開始之會計期間生效。

本集團已於編製截至二零零五年六月三十日止年度之財務報表時提早採納下列HKFRSs：

- 《香港會計準則》第四十號(「HKAS 40」) — 投資物業
- 《香港詮釋常務委員會詮釋》第二十一號(「HKSIC-Int 21」) — 所得稅 — 收回經重估之不可折舊資產

採納HKAS 40及HKSIC-Int 21引起之財務影響概述於本集團二零零五年年報附註1(b)。

本集團於採納該等於本年度財務報表首次應用之新訂及經修訂HKFRSs後之會計政策已概述於附註1。下文載列財務報表中反映之本會計期間及過往會計期間會計政策之重大變動資料。

1 Principal Accounting Policies (Continued)

y. Employee benefits

1. Contributions to defined contribution retirement schemes

Obligation for contributions to defined contribution retirement schemes, including those payable under the Hong Kong Mandatory Provident Fund Schemes Ordinance, are expensed in the income statement as incurred.

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).

At the time when the share options are exercised, the related capital reserve is transferred to share capital and share premium, together with the exercise price. If the options lapse, the related capital reserve is transferred directly to retained profits.

2 Changes in Accounting Policies

The HKICPA has issued a number of new and revised HKFRSs that are effective for the Group's accounting periods beginning on or after 1 July 2005.

The Group adopted in advance the following HKFRSs in the preparation of the financial statements for the year ended 30 June 2005:

- Hong Kong Accounting Standard 40 ('HKAS 40') – Investment Property
- Hong Kong (SIC) Interpretation 21 ('HKSIC-Int 21') – Income Taxes – Recovery of Revalued Non-Depreciable Assets

The financial impact as a result of the adoption of HKAS 40 and HKSIC-Int 21 was summarised in note 1(b) of the 2005 annual report of the Group.

The accounting policies of the Group after the adoption of the new and revised HKFRSs first applied in current year's financial statements have been summarised in note 1. The following sets out information on the significant changes in accounting policies for the current and prior accounting periods reflected in the financial statements.

2 會計政策變動(續)

a. HKFRS 3「業務合併」

於過往年度，於二零零一年七月一日或其後產生之正商譽乃按其估計可使用年期以直線法攤銷，並於有跡象顯示出現減值時進行減值測試。於二零零一年七月一日或其後產生之負商譽按所購入之可折舊 / 可攤銷之非貨幣性資產之加權平均可使用年期進行攤銷，惟與購入當日已確定之預計未來虧損有關之負商譽則除外。在此情況下，負商譽於有關預計虧損產生時在收益表內確認。於二零零一年七月一日前產生之正負商譽乃根據《會計實務準則》第三十號「業務合併」所載之過渡性條文直接撥入資本儲備。

由二零零五年七月一日起，根據HKFRS 3「業務合併」及HKAS 36「資產減值」，本集團不再攤銷正商譽。有關商譽會進行減值測試。減值虧損於已獲分配商譽之現金產生單位之賬面值高於其可收回金額時確認。負商譽於產生時隨即在收益表內確認。

本集團已於二零零五年七月一日起採納此項會計政策變動。本集團先前撥入編製綜合賬目而產生之資本儲備及其他資本儲備之負商譽十四億八千萬已轉撥至保留溢利。上述轉撥增加保留溢利十四億八千萬及分別減少編製綜合賬目而產生之資本儲備及其他資本儲備十億五千八百四十萬元及四億二千一百六十萬元。

b. HKAS 32「金融工具：披露及報列」以及 HKAS 39「金融工具：確認及計量」

1. 股本證券投資

於過往年度，按持續基準長期持有之股權投資分類為非流動資產，並按成本減撥備列賬。所有其他投資乃按公平值列賬，而公平值變動於收益表中處理。由二零零五年七月一日起，根據HKAS 39，所有投資均按公平值入賬，而其公平值變動則於權益中確認，除持作買賣用途的投資於收益表內確認。

本集團透過增加於二零零五年七月一日投資重估儲備之年初結餘二千七百六十萬元採納此項變動。由於HKAS 39之過渡性安排禁止重列比較數字，故並無重列比較數字。鑑於此項政策，已於權益內記錄本年度未變現收益一千四百萬元。

2 Changes in Accounting Policies (Continued)

a. HKFRS 3 'Business Combinations'

In prior years, positive goodwill arising on or after 1 July 2001 was amortised on a straight line basis over its estimated useful life and was subject to impairment testing when there were indications of impairment. Negative goodwill which arose on or after 1 July 2001 was amortised over the weighted average useful life of the depreciable/amortisable non-monetary assets acquired, except to the extent it related to identified expected future losses as at the date of acquisition. In such cases it was recognised in the income statement as those expected losses were incurred. Positive and negative goodwill which arose prior to 1 July 2001, were taken directly to capital reserves in accordance with the transitional provisions set out in the Statement of Standard Accounting Practice 30 'Business Combinations'.

With effect from 1 July 2005, in accordance with HKFRS 3 'Business Combinations' and HKAS 36 'Impairment of Assets', the Group no longer amortises positive goodwill. Such goodwill is tested for impairment. Impairment losses are recognised when the carrying amount of the cash generating units to which the goodwill has been allocated exceeds its recoverable amount. Negative goodwill is recognised immediately in the income statement as it arises.

This change in accounting policy has been adopted prospectively from 1 July 2005. The Group's negative goodwill of \$1,480.0 million previously credited to capital reserve on consolidation and other capital reserves has been transferred to retained profits. The net effect of the above transfer has increased retained profits by \$1,480.0 million and reduced capital reserve on consolidation and other capital reserves by \$1,058.4 million and \$421.6 million respectively.

b. HKAS 32 'Financial instruments: Disclosure and Presentation', and HKAS 39 'Financial instruments: Recognition and Measurement'

1. Investment in equity securities

In prior years, equity investments held on a continuing basis for long-term purpose were classified as non-current assets and stated at cost less provision. All other investments are stated at fair value with the changes in fair value being dealt with in the income statement. With effect from 1 July 2005, and in accordance with HKAS 39, all investments are carried at fair value with their changes in fair value are recognised in equity except for investments held for trading purposes which are recognised in the income statement.

This change was adopted by increasing the opening balance of the investment revaluation reserve as at 1 July 2005 by \$27.6 million. Comparative amounts have not been restated as this is prohibited by the transitional arrangements in HKAS 39. As a result of this policy, an unrealised gain of \$14.0 million for current year was recorded in equity.

2 會計政策變動 (續)

b. HKAS 32「金融工具：披露及報列」以及 HKAS 39「金融工具：確認及計量」 (續)

2. 衍生工具及對沖

於過往年度，本集團主要用作管理其利率風險之衍生金融工具乃按累計基準確認。

由二零零五年七月一日起，根據HKAS 39，所有由本集團訂立之衍生金融工具均按公平值列賬。持作未來交易現金流量對沖用途之衍生工具之公平值變動，僅將有效之對沖在權益中確認。衍生工具公平值變動之無效部份，乃於收益表內確認。

本集團以減少於二零零五年七月一日保留溢利及少數股東權益之年初結餘分別一千一百萬元及九百八十萬元之方式採納此項變動。由於HKAS 39之過渡性安排禁止重列比較數字，故並無重列比較數字。鑑於此項政策，本年度純利增加一千一百四十萬元。

3. 一家附屬公司之可換股累積優先股之 重新分類

於過往年度，一家附屬公司之可換股累積優先股按其法定形式分類為少數股東權益。支付予優先股股東之股息呈列為向少數股東作出之分派。

由二零零五年七月一日起，根據HKAS 32，可換股累積優先股按合約性協議之內容進行分類。於發行可換股累積優先股時，負債部份之公平值使用非可換股優先股等值項目之市場利率釐定；該數額按攤銷成本為基準列作長期負債，直至轉換或贖回時註銷。所得款項餘額分配至換股權，並計入權益予以確認。換股權之賬面值不會於其後年度重新計量。本年度支付予優先股股東之股息一千七百二十萬元(二零零五年：二千七百五十萬元)在綜合收益表內確認為財務費用。

本集團已透過減少於二零零五年七月一日少數股東權益之年初結餘三億五千五百萬元(二零零四年：四億六千零六十萬元)，追溯採納此項會計政策變動。

2 Changes in Accounting Policies (Continued)

b. HKAS 32 'Financial instruments: Disclosure and Presentation' and HKAS 39 'Financial instruments: Recognition and Measurement' (Continued)

2. Derivatives and hedging

In prior years, the Group's derivative financial instruments which were mainly used to manage the Group's exposure to interest rate fluctuation were recognised on an accrual basis.

With effect from 1 July 2005, and in accordance with HKAS 39, all derivative financial instruments entered into by the Group are stated at fair value. Changes in the fair value of derivatives held as hedging instruments in a cash flow hedge of committed future transactions are recognised in equity to the extent that the hedge is effective. Any ineffective portion of the changes in fair value of the derivatives is recognised in the income statement.

This change was adopted by reducing the opening balance of the retained profits and minority interests as at 1 July 2005 by \$11.0 million and \$9.8 million respectively. Comparative amounts have not been restated as this is prohibited by the transitional arrangements in HKAS 39. As a result of this policy, net profit for the current year increased by \$11.4 million.

3. Reclassification of convertible cumulative preference shares of a subsidiary

In prior years, convertible cumulative preference shares of a subsidiary were classified as minority interests based on their legal form. Dividends paid to the preference shareholders were presented as a distribution to minority shareholders.

With effect from 1 July 2005, in accordance with HKAS 32, the classification of convertible cumulative preference shares is based on the substance of the contractual agreement. On the issue of the convertible cumulative preference shares, the fair value of the liability component is determined using a market rate for an equivalent non-convertible preference share; and this amount is carried as a long term liability on the amortised cost basis until extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in shareholders' equity. The carrying amount of the conversion option is not remeasured in subsequent years. The dividends paid to the preference shareholders of \$17.2 million for the year (2005: \$27.5 million) are recognised as finance costs in the consolidated income statement.

The change in accounting policy has been adopted retrospectively by reducing the opening balance of minority interests at 1 July 2005 by \$355.0 million (2004: \$460.6 million).

2 會計政策變動(續)

c. HKFRS 2「股權支付」

於過往年度，本集團不會於僱員獲授涉及本公司股份之股份期權時作任何確認。倘僱員選擇行使期權，則僅會將股本之面值及股份溢價計入至所收取期權之行使價。

由二零零五年七月一日起，本集團為符合HKFRS 2，於收益表內確認該等股份期權之公平值為費用或確認為資產(倘根據本集團之會計政策有關成本符合確認為資產)。相應之增加於權益中確認為資本儲備。

倘僱員須符合歸屬條件方可享有期權，則本集團於歸屬期間經考慮期權歸屬之可能性確認所授出期權之公平值。否則，本集團於授出期權時確認公平值。

倘僱員選擇行使期權，則相關資本儲備連同行使價一併轉撥至股本及股份溢價。倘期權失效，則相關資本儲備直接轉撥至保留溢利。

本集團已追溯採納新會計政策，並重列比較數字，惟本集團採用HKFRS 2之過渡性條文則除外，據此並無對於二零零二年十一月七日或之前授出之所有期權應用新確認及計量政策。政策變動導致於二零零五年七月一日保留溢利之年初結餘減少三千七百八十萬元(二零零四年：四百萬元)，而本集團於本年度之除稅後溢利則減少二千零五十萬元(二零零五年：三千三百八十萬元)，有關數額已轉撥資本儲備。

d. 呈列變動

為使財務報表更容易明白，若干資產負債表項目已重新分類，並按照新分類重列若干比較數字。應用新HKFRSs亦導致財務報表之呈列方式有追溯性變動，比較數字已作重列以符合本年度之呈列方式，詳情載列如下：

1. 於過往年度，少數股東權益於綜合資產負債表內與負債分開呈列，並作扣減資產淨值處理。少數股東權益應佔之財務業績於綜合收益表內獨立呈列，作為計算股東應佔溢利前之扣減。

由二零零五年七月一日起，為符合HKAS 1「財務報表之呈報」及HKAS 27「綜合及個別財務報表」，少數股東權益於綜合資產負債表內之權益項下呈列，與本公司股東應佔權益分開，而少數股東權益應佔業績於綜合收益表內賬面呈列為少數股東權益與本公司股東之間應佔溢利之分配。

2 Changes in Accounting Policies (Continued)

c. HKFRS 2 'Share-based payment'

In prior years, no amounts were recognised when employees were granted share options over shares in the Company. If the employees chose to exercise the options, the nominal amount of share capital and share premium were credited only to the extent of the option's exercise price received.

With effect from 1 July 2005, in order to comply with HKFRS 2, the Group recognises the fair value of such share options as an expense in the income statement, or as an asset, if the cost qualifies for recognition as an asset under the Group's accounting policies. A corresponding increase is recognised in a capital reserve within equity.

Where the employees are required to meet vesting conditions before they become entitled to the options, the Group recognises the fair value of the options granted over the vesting period taking into account the probabilities that the options will vest. Otherwise, the Group recognises the fair value in the period in which the options are granted.

If an employee chooses to exercise the options, the related capital reserve is transferred to share capital and share premium, together with the exercise price. If the options lapse, the related capital reserve is transferred directly to retained profits.

The new accounting policy has been applied retrospectively with comparatives restated, except that the Group has taken advantage of the transitional provisions set out in HKFRS 2, under which the new recognition and measurement policies have not been applied to all options granted on or before 7 November 2002. The opening balance of retained profits as of 1 July 2005 as a result of the change of the policy decreased by \$37.8 million (2004: \$4.0 million) and the Group's profit after taxation for the current year decreased by \$20.5 million (2005: \$33.8 million), with the corresponding amounts credited to the capital reserve.

d. Presentational changes

In order to enhance the understandability of the financial statements, some items on the balance sheets have been reclassified and certain comparative figures have been restated according to the new classification. The application of the new HKFRSs has also resulted in changes in the presentation of the financial statements retrospectively with comparatives restated to conform to the current year's presentation, in respect of the following:

1. In prior years, minority interests were presented in the consolidated balance sheet separately from liabilities and as a deduction from net assets. Financial results shared by minority interests were separately presented in the consolidated income statement as a deduction before arriving at the profit attributable to shareholders.

With effect from 1 July 2005, in order to comply with HKAS 1 'Presentation of Financial Statements' and HKAS 27 'Consolidated and Separate Financial Statements', minority interests are presented in the consolidated balance sheet within equity, separately from the equity attributable to the shareholders of the Company, and the results shared by minority interests are presented on the face of the consolidated income statement as an allocation of the attributable profit between the minority interests and the shareholders of the Company.

2 會計政策變動 (續)

d. 呈列變動 (續)

2. 於過往年度，應佔合營公司稅項於收益表內呈列為稅項部份。採納HKAS 1後，應佔合營公司稅項於扣除應佔合營公司溢利後呈列。

e. 會計政策變動之影響概要

1. 對二零零五年七月一日及二零零四年七月一日之總權益年初結餘之影響

2 Changes in Accounting Policies (Continued)

d. Presentational changes (Continued)

2. In prior years, share of jointly controlled entities' taxation was presented as a component of taxation in the income statement. On adoption of the HKAS 1, share of jointly controlled entities' taxation is presented net of the share of jointly controlled entities' profit.

e. Summary of the effect of changes in the accounting policies

1. Effect on opening balance of total equity at 1 July 2005 and 1 July 2004

以港幣百萬元計算 in HK\$ million		股東權益 Shareholders' equity			合計 Total
		保留溢利 Retained profits	資本及其他儲備 Capital and other reserves	少數股東權益 Minority interests	
於二零零五年七月一日	At 1 July 2005				
前期調整	Prior period adjustments				
HKAS 32	HKAS 32	-	-	(355.0)	(355.0)
HKFRS 2	HKFRS 2	(37.8)	37.8	-	-
		(37.8)	37.8	(355.0)	(355.0)
年初調整	Opening adjustments				
HKAS 39	HKAS 39	(11.0)	27.6	(9.8)	6.8
HKFRS 3	HKFRS 3	1,480.0	(1,480.0)	-	-
權益增加/(減少)總額	Total increase/(decrease) in equity	1,431.2	(1,414.6)	(364.8)	(348.2)
於二零零四年七月一日	At 1 July 2004				
前期調整	Prior period adjustments				
HKAS 32	HKAS 32	-	-	(460.6)	(460.6)
HKFRS 2	HKFRS 2	(4.0)	4.0	-	-
權益增加/(減少)總額	Total increase/(decrease) in equity	(4.0)	4.0	(460.6)	(460.6)

2. 對股東應佔純利之影響

2. Effect on net profit attributable to shareholders

以港幣百萬元計算 in HK\$ million		2006	2005
HKAS 39	HKAS 39	11.4	-
HKFRS 2	HKFRS 2	(20.5)	(33.8)
股東應佔純利減少總額	Total decrease in net profit attributable to shareholders	(9.1)	(33.8)

2 會計政策變動(續)

f. 本集團並無提早採納下列由香港會計師公會頒佈惟尚未生效之新準則或詮釋。採納該等準則或詮釋將不會對本集團之會計政策造成重大變動。

HK(IFRIC)-Int 4，釐定安排是否包含租賃

HKFRS 7，金融工具：披露

HKAS 39之修訂，金融工具：確認及計量：

- 預測集團內公司間交易之現金流量對沖會計法
- 財務擔保合約

因香港《二零零五年公司條例(經修訂)》而對下列各項作出修訂：

- HKAS 1，財務報表之呈列
- HKAS 27，綜合及個別財務報表
- HKFRS 3，業務合併

HKAS 1之修訂，財務報表之呈列：資本披露

3 營業額及分部資料

本公司在香港註冊成立。主要業務為控股投資，並透過其附屬公司從事物業發展以供銷售、物業租賃以獲取租金收入及其他投資。本集團亦從事停車場管理及物業管理，並透過合營公司經營乾洗服務。

2 Changes in Accounting Policies (Continued)

f. No early adoption has been applied for the following new Standards or Interpretations which have been issued by the HKICPA but are not yet effective. The adoption of such Standards or Interpretations will not result in substantial changes to the Group's accounting policies.

HK(IFRIC)-Int 4, Determining whether an arrangement contains a lease

HKFRS 7, Financial instruments: disclosures

Amendments to HKAS 39, Financial instruments: Recognition and measurement:

- Cash flow hedge accounting of forecast intragroup transactions
- Financial guarantee contracts

Amendments, as a consequence of the Hong Kong Companies (Amendment) Ordinance 2005, to:

- HKAS 1, Presentation of financial statements
- HKAS 27, Consolidated and separate financial statements
- HKFRS 3, Business combinations

Amendments to HKAS 1, Presentation of financial statements: capital disclosures

3 Turnover and Segment Information

The principal activities of the Company, which is incorporated in Hong Kong, are investment holding and, through its subsidiaries, property development for sale, property leasing for rental income and other investments. The Group also operates in car park management and property management, and through its jointly controlled entities, the Group is involved in the operation of dry-cleaning.

3 營業額及分部資料 (續)

營業額指物業租賃及銷售之收入。按業務及地區分部分析之營業額已載於下文。

a. 業務分部

1. 分部收入及業績

以港幣百萬元計算	in HK\$ million	分部收入 Segment revenue		分部業績 Segment results	
		2006	(重列) (restated) 2005	2006	(重列) (restated) 2005
物業租賃	Property leasing	2,969.8	2,572.6	2,240.5	1,941.4
物業銷售	Property sales	1,313.9	4,899.6	383.1	1,687.7
		4,283.7	7,472.2	2,623.6	3,629.1
其他收入	Other income			285.0	600.6
行政費用	Administrative expenses			(252.0)	(224.2)
營業溢利	Operating profit			2,656.6	4,005.5
投資物業之公平值增加	Increase in fair value of investment properties				
– 物業租賃	– property leasing			3,925.3	6,290.3
財務費用	Finance costs			(541.5)	(303.8)
應佔合營公司溢利	Share of profits of jointly controlled entities				
– 物業租賃	– property leasing			112.3	117.9
除稅前溢利	Profit before taxation			6,152.7	10,109.9

2. 分部資產及負債

3 Turnover and Segment Information (Continued)

Turnover represents revenue from property leasing and sales. An analysis of turnover by business and geographical segments is set out below.

a. Business segment

1. Segment revenue and results

2. Segment assets and liabilities

以港幣百萬元計算	in HK\$ million	資產 Assets		負債 Liabilities	
		2006	(重列) (restated) 2005	2006	(重列) (restated) 2005
物業租賃	Property leasing	47,508.1	41,934.7	1,829.3	1,849.7
物業銷售	Property sales	10,954.7	11,489.0	320.4	411.4
		58,462.8	53,423.7	2,149.7	2,261.1
於合營公司之權益	Interest in jointly controlled entities				
物業租賃	Property leasing	921.9	858.6	–	–
物業銷售	Property sales	385.5	385.8	–	–
未分類(附註)	Unallocated (Note)	6,738.2	4,036.1	18,032.4	12,477.0
		66,508.4	58,704.2	20,182.1	14,738.1

附註：

未分類之項目主要包括金融及共同資產，包括現金及銀行存款六十一億八千九百四十萬元(二零零五年：三十七億三千三百八十萬元)，投資一億一千九百六十萬元(二零零五年：六千五百七十萬元)，帶息借貸包括銀行貸款一百一十七億八千七百萬元(二零零五年：六十三億九千七百一十萬元)以及其他負債二十億七千零七十萬元(二零零五年重列：二十六億一千六百萬元)，另稅項四十二億六千六百一十萬元(二零零五年：三十五億九千五百六十萬元)。

Note:

Unallocated items mainly comprise financial and corporate assets including cash and deposits with banks of \$6,189.4 million (2005: \$3,733.8 million), investments of \$119.6 million (2005: \$65.7 million), interest-bearing borrowings including bank loans of \$11,787.0 million (2005: \$6,397.1 million), other liabilities of \$2,070.7 million (2005 restated: \$2,616.0 million), and taxation of \$4,266.1 million (2005: \$3,595.6 million).

3 營業額及分部資料(續)

- a. 業務分部(續)
3. 資本開支及折舊

以港幣百萬元計算	in HK\$ million	資本開支 Capital expenditure		折舊 Depreciation	
		2006	2005	2006	2005
物業租賃	Property leasing	1,508.6	1,184.7	10.8	9.8

3 Turnover and Segment Information (Continued)

- a. Business segment (Continued)
3. Capital expenditure and depreciation

- b. 地區分部
1. 分部收入及業績

以港幣百萬元計算	in HK\$ million	分部收入 Segment revenue		分部業績 Segment results	
		2006	2005	2006	(重列) (restated) 2005
香港	Hong Kong	3,150.4	6,501.4	1,877.7	3,124.4
中國內地	Mainland China	1,133.3	970.8	745.9	504.7
		4,283.7	7,472.2	2,623.6	3,629.1

- b. Geographical segment
1. Segment revenue and results

2. 分部資產

以港幣百萬元計算	in HK\$ million	2006	2005
		香港	Hong Kong
中國內地	Mainland China	12,264.6	10,011.1
		59,889.8	54,733.4

2. Segment assets

3. 資本開支

以港幣百萬元計算	in HK\$ million	2006	2005
		香港	Hong Kong
中國內地	Mainland China	1,392.6	1,108.4
		1,508.6	1,184.7

3. Capital expenditure

4 除稅前溢利

4 Profit Before Taxation

以港幣百萬元計算	in HK\$ million	集團 Group	
		2006	(重列) (restated) 2005
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	287.6	114.5
須於五年後償還之銀行貸款利息	Interest on bank loans repayable after 5 years	190.1	69.0
融資租約費用	Finance lease charges	47.5	51.6
一家附屬公司之可換股累積 優先股股息(附註i)	Dividend on convertible cumulative preference shares of a subsidiary (Note i)	17.2	27.5
其他輔助借貸支出	Other ancillary borrowing costs	59.7	61.4
借貸支出總額	Total borrowing costs	602.1	324.0
減：借貸支出資本化(附註ii)	Less: Borrowing costs capitalised (Note ii)	(60.6)	(20.2)
財務費用	Finance costs	541.5	303.8
核數師酬金	Auditors' remuneration		
— 核數服務	— audit services	6.5	6.8
— 其他服務	— other services	0.6	2.1
折舊	Depreciation	10.8	9.8
已出售物業之成本：	Cost of properties sold:		
發展物業	Development properties	737.5	2,727.7
投資物業	Investment properties	152.6	304.9
存貨撥備	Provision for inventories	—	4.2
營業租約費用，包括或然租金二千三百五十萬元 (二零零五年：一千六百九十萬元)	Operating lease charges, including contingent rents of \$23.5 million (2005: \$16.9 million)	100.2	92.8
職工成本，包括僱員股權費用二千九百九十萬元 (二零零五年：四千九百一十萬元)	Staff costs, including employee share-based payment expenses of \$29.9 million (2005: \$49.1 million)	282.6	317.0
並已計入：	and after crediting:		
配售一家上市附屬公司股份之設定 溢利(附註iii)	Deemed profit on placement of a listed subsidiary's shares (Note iii)	—	478.0
來自上市投資股息收入	Dividend income from listed investments	2.6	2.3
利息收入	Interest income	263.9	120.3
出售投資物業溢利	Profit on disposal of investment properties	85.9	52.8
出售上市投資溢利	Profit on disposal of listed investments	18.5	—
租金收入，已扣除直接支出七億一千八百五十萬元 (二零零五年：六億二千八百七十萬元)，包括或然租 金一億一千萬元(二零零五年：八千四百六十萬元)	Rental income less direct outgoings of \$718.5 million (2005: \$628.7 million), including contingent rentals of \$110.0 million (2005: \$84.6 million)	2,244.5	1,944.2

附註：

(i) 本公司之上市附屬公司恒隆地產有限公司(「恒隆地產」)於一九九三年十一月發行每股面值七千五百元之可換股累積優先股，並可參照每股一千美元之款項收取股息年利率五點五厘。該優先股息乃支付至截至二零零六年六月二十六日止，即強制轉換所有尚未轉換之可換股累積優先股之日。

(ii) 發展中物業之借貸支出按每年百分之五(二零零五年：百分之一點八)之平均率資本化。

(iii) 二零零五年設定溢利來自恒隆地產有限公司於二零零四年十一月配售三億七千萬股新股份。

Notes:

(i) The convertible cumulative preference shares were issued by Hang Lung Properties Limited ('HLP'), the Company's listed subsidiary, of \$7,500 each issued in November 1993 bearing dividend at 5.5% per annum on a reference amount of US\$1,000 each. The preference dividend was paid up to 26 June 2006, the date of compulsory conversion of all the outstanding convertible cumulative preference shares.

(ii) The borrowing costs have been capitalised at an average rate of 5.0% (2005: 1.8%) per annum for properties under development.

(iii) The deemed profit for 2005 arose from the placement of 370 million new shares by Hang Lung Properties Limited in November 2004.

5 董事及高級管理層之酬金

提名及薪酬委員會包括四名獨立非執行董事。該委員會向董事會提供有關董事薪酬福利及僱傭條款的建議。董事的酬金乃按照負責及問責的範圍、個別董事的表現，經考慮本公司的表現及盈利、市場慣例及現行的業務條件而釐定。

a. 董事酬金

根據香港《公司條例》第一百六十一條及一百六十一甲條所列報之董事酬金如下：

以港幣百萬元計算	in HK\$ million	袍金	薪金、津貼及實物利益 Salaries, allowances and benefits in kind	酌定花紅 Discretionary bonuses	股權補償 Share-based compensation	本集團對退休金計劃之供款 Group's contributions to retirement scheme	合計 Total
姓名	Name	Fees					
陳啟宗	Ronnie C. Chan	0.4	7.6	5.2	6.0	0.8	20.0
殷尚賢	S.S. Yin	0.3	–	–	–	–	0.3
袁偉良	Nelson W.L. Yuen	0.3	7.3	5.0	6.0	0.9	19.5
陳樂宗	Gerald L. Chan	0.1	–	–	–	–	0.1
陳樂怡	Laura L.Y. Chen	0.3	–	–	–	–	0.3
鄭漢鈞	H.K. Cheng	0.4	–	–	–	–	0.4
何世良(附註)	Wilfred S.L. Ho (Note)	0.3	0.5	–	4.7	2.0	7.5
葉錫安	Simon S.O. Ip	0.2	–	–	–	–	0.2
廖約克	York Liao	0.2	–	–	–	–	0.2
吳士元	Terry S. Ng	0.3	3.8	2.3	2.7	0.2	9.3
二零零六年	2006	2.8	19.2	12.5	19.4	3.9	57.8
陳啟宗	Ronnie C. Chan	0.4	4.4	6.6	11.5	0.4	23.3
殷尚賢	S.S. Yin	0.2	–	–	–	–	0.2
袁偉良	Nelson W.L. Yuen	0.3	4.2	6.3	11.4	1.6	23.8
陳樂宗	Gerald L. Chan	0.1	–	–	–	–	0.1
陳樂怡	Laura L.Y. Chen	0.3	–	–	–	–	0.3
鄭漢鈞	H.K. Cheng	0.4	–	–	–	–	0.4
何世良	Wilfred S.L. Ho	0.3	1.9	2.9	5.2	0.2	10.5
葉錫安	Simon S.O. Ip	0.2	–	–	–	–	0.2
廖約克	York Liao	0.2	–	–	–	–	0.2
吳士元	Terry S. Ng	0.3	2.2	3.3	5.2	0.1	11.1
二零零五年(重列)	2005 (restated)	2.7	12.7	19.1	33.3	2.3	70.1

附註：
何世良先生已於二零零五年九月一日退任。

Note:
Mr Wilfred S.L. Ho retired on 1 September 2005.

5 Emoluments of Directors and Senior Management

The Nomination and Remuneration Committee consists of four Independent Non-Executive Directors. The Committee makes recommendation to the Board on the Directors' remuneration packages and terms of employment. The emoluments of Directors are determined by the scope of responsibility and accountability, and individual performance of directors, taking into consideration of the Company's performance and profitability, market practice and prevailing business conditions.

a. Directors' emoluments

Directors' emoluments disclosed pursuant to Sections 161 and 161A of the Hong Kong Companies Ordinance are as follows:

5 董事及高級管理層之酬金

(續)

a. 董事酬金 (續)

截至六月三十日止財政年度完結時應付予執行董事的花紅，一般於下一財政年度八月/九月間派付並反映於該財政年度之財務報表。

除上述酬金外，若干董事根據本公司的股份期權計劃獲授股份期權，詳情在財務報表附註28披露。

b. 最高薪僱員酬金

五名最高薪人士包括二零零六年四名董事(二零零五年：四名董事)的酬金如下：

5 Emoluments of Directors and Senior Management

(Continued)

a. Directors' emoluments (Continued)

Payment of bonus to Executive Directors, due at the end of a financial year ending 30 June, is normally made in August/September of the following financial year and is reflected in the latter year's financial statements.

In addition to the above emoluments, certain directors were granted share options under the Company's share option scheme, details of which are disclosed in note 28 to the financial statements.

b. Emoluments of the highest paid employees

The emoluments of the five highest paid individuals in the Group, including 4 directors for 2006 (2005: 4 directors), are as follows:

		集團 Group	
		(重列) (restated)	
以港幣百萬元計算	in HK\$ million	2006	2005
袍金	Fees	1.3	1.2
薪金、津貼及實物利益	Salaries, allowances and benefits in kind	20.9	14.2
酌定花紅	Discretionary bonuses	13.1	19.2
股權補償	Share-based compensation	21.0	33.3
本集團對退休金計劃的供款	Group's contributions to retirement scheme	4.1	3.9
		60.4	71.8

以上酬金介乎下列範圍：

The above emoluments fall within the following bands:

		人數 Number of individuals	
		(重列) (restated)	
		2006	2005
\$3,000,001 — \$3,500,000		—	1
\$4,000,001 — \$4,500,000		1	—
\$7,000,001 — \$7,500,000		1	—
\$9,000,001 — \$9,500,000		1	—
\$10,000,001 — \$10,500,000		—	1
\$11,000,001 — \$11,500,000		—	1
\$19,000,001 — \$19,500,000		1	—
\$19,500,001 — \$20,000,000		1	—
\$23,000,001 — \$23,500,000		—	1
\$23,500,001 — \$24,000,000		—	1
		5	5

c. 截至二零零五年六月三十日及二零零六年六月三十日止年度，概無向上述董事及高級行政人員支付款項作為離職補償或吸引其加盟本集團。

c. During the years ended 30 June 2005 and 30 June 2006, there were no amounts paid to directors and senior executives above for compensation of loss of office and inducement for joining the Group.

6 綜合收益表內之稅項

a. 綜合收益表內之稅項為：

		集團 Group	
			(重列) (restated)
以港幣百萬元計算	in HK\$ million	2006	2005
是年稅項	Current tax		
本年度香港利得稅	Hong Kong Profits Tax for the year	150.7	408.3
過往年度之撥備少提/(多提)	Under/(Over)-provision in prior years	0.7	(9.8)
		151.4	398.5
本年度中國所得稅	PRC Income Tax for the year	87.4	14.2
遞延稅項	Deferred tax		
源自及撥回暫時性差額(附註17(b))	Origination and reversal of temporary differences (Note 17(b))	912.3	1,491.5
		1,151.1	1,904.2

香港利得稅及中國所得稅稅項撥備乃按年內之估計應課稅溢利分別乘以稅率百分之十七點五及百分之三十三計算。

b. 截至二零零六年六月三十日止年度之應佔合營公司稅項二千一百萬元(二零零五年：二千五百一十萬元)已計入應佔合營公司溢利內。

c. 稅項支出與會計溢利以適用稅率計算之調節：

6 Taxation in the Consolidated Income Statement

a. Taxation in the consolidated income statement represents:

Provision for Hong Kong Profits Tax and PRC Income Tax is calculated at 17.5% and 33% respectively of the estimated assessable profits for the year.

b. Share of jointly controlled entities' taxation for the year ended 30 June 2006 of \$21.0 million (2005: \$25.1 million) is included in the share of profits of jointly controlled entities.

c. Reconciliation between tax expense and accounting profit at applicable tax rates:

		集團 Group	
			(重列) (restated)
以港幣百萬元計算	in HK\$ million	2006	2005
除稅前溢利	Profit before taxation	6,152.7	10,109.9
按除稅前溢利以適用稅率計算之稅項	Tax on profit before taxation at applicable rates	1,268.6	2,053.6
應佔合營公司溢利之稅項影響	Tax effect of share of profits of jointly controlled entities	(21.0)	(25.1)
非應課稅收入之稅項影響	Tax effect of non-taxable income	(108.6)	(127.0)
非扣減支出之稅項影響	Tax effect of non-deductible expenses	19.7	25.4
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 utilised and other deductible temporary differences	(22.4)	(40.3)
未確認之稅務虧損之稅項影響	Tax effect of unrecognised tax losses	23.2	15.6
其他	Others	(9.1)	11.8
過往年度之撥備少提/(多提)	Under/(Over)-provision in prior years	0.7	(9.8)
實際稅項支出	Actual tax expense	1,151.1	1,904.2

7 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為九億三千一百九十萬元(二零零五年重列：三千八百二十萬元)。

8 股息

a. 本年度股息

以港幣百萬元計算	in HK\$ million	2006	2005
宣佈及已派中期股息每股十四點五仙 (二零零五年：十四點五仙)	Interim dividend declared and paid of 14.5 cents (2005: 14.5 cents) per share	193.1	192.6
於結算日後擬派末期股息每股四十一仙 (二零零五年：四十仙)	Final dividend of 41 cents (2005: 40 cents) per share proposed after the balance sheet date	546.3	532.7
		739.4	725.3

於結算日後擬派之末期股息，並無確認為結算日之負債。

b. 上一財政年度之股息於年內批准及派發

以港幣百萬元計算	in HK\$ million	2006	2005
上一財政年度末期股息於年內 批准及派發每股四十仙 (二零零五年：三十六仙)	Final dividend in respect of the previous financial year, approved and paid during the year of 40 cents (2005: 36 cents) per share	532.7	478.0

7 Net Profit Attributable to Shareholders

Net profit attributable to shareholders includes a profit of \$931.9 million (2005 restated: \$38.2 million) which has been dealt with in the financial statements of the Company.

8 Dividends

a. Dividends attributable to the year

The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

b. Dividends attributable to the previous financial year, approved and paid during the year

9 每股盈利

a. 每股基本盈利乃按本年度之股東應佔純利二十八億三千二百六十萬元(二零零五年重列：四十六億四千三百七十萬元)及年內已發行股份之加權平均數十三億三千一百三十萬股(二零零五年：十三億二千七百九十萬股)計算。

b. 每股攤薄盈利乃按經調整之股東應佔純利二十八億三千二百六十萬元(二零零五年重列：四十六億四千三百七十萬元)及計入所有潛在攤薄盈利股份之影響後之加權平均數十三億四千零四十萬股(二零零五年：十三億三千六百三十萬股)計算。

c. 調節

9 Earnings Per Share

a. The calculation of basic earnings per share is based on the net profit attributable to shareholders of \$2,832.6 million (2005 restated: \$4,643.7 million) and the weighted average number of 1,331.3 million (2005: 1,327.9 million) shares in issue during the year.

b. The calculation of diluted earnings per share is based on the adjusted net profit attributable to shareholders of \$2,832.6 million (2005 restated: \$4,643.7 million) and the weighted average number of 1,340.4 million (2005: 1,336.3 million) shares after adjusting for the effects of all dilutive potential shares.

c. Reconciliations

		2006	2005
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	1,331,295,762	1,327,944,545
具攤薄作用之潛在股份之 影響－股份期權	Effect of dilutive potential shares – share options	9,152,260	8,324,090
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	1,340,448,022	1,336,268,635

d. 每股基本及攤薄盈利(不包括已扣除遞延稅項及少數股東權益之投資物業公平值變動)乃根據以下經調整之溢利計算：

d. The calculation of basic and diluted earnings per share excluding changes in fair value of investment properties net of deferred tax and minority interests is based on the profit adjusted as follows:

以港幣百萬元計算	in HK\$ million	2006	(重列) (restated) 2005
股東應佔純利	Net profit attributable to shareholders	2,832.6	4,643.7
投資物業公平值變動之影響	Effect of changes in fair value of investment properties	(2,356.9)	(3,244.3)
相應遞延稅項之影響	Effect of corresponding deferred tax	474.1	469.8
用以計算每股基本/攤薄盈利之 經調整盈利	Adjusted earnings for calculation of basic/diluted earnings per share	949.8	1,869.2

10 固定資產－集團

10 Fixed Assets – Group

以港幣百萬元計算	in HK\$ million	投資物業 Investment properties	發展中 投資物業 Investment properties under development	其他 Others	合計 Total
成本值或估值：	Cost or valuation:				
於二零零四年七月一日	At 1 July 2004	32,226.9	2,274.4	308.6	34,809.9
添置	Additions	69.7	1,106.8	8.2	1,184.7
轉入/(轉出)	Transfer	782.8	(782.8)	–	–
出售	Disposals	–	(304.9)	(0.1)	(305.0)
公平值增加	Increase in fair value	6,290.3	–	–	6,290.3
於二零零五年六月三十日 及二零零五年七月一日	At 30 June 2005 and 1 July 2005	39,369.7	2,293.5	316.7	41,979.9
添置	Additions	122.0	1,374.1	12.5	1,508.6
轉入/(轉出)	Transfer	336.3	(336.3)	–	–
出售	Disposals	–	(152.6)	(2.3)	(154.9)
公平值增加	Increase in fair value	3,925.3	–	–	3,925.3
於二零零六年六月三十日	At 30 June 2006	43,753.3	3,178.7	326.9	47,258.9
累計折舊：	Accumulated depreciation:				
於二零零四年七月一日	At 1 July 2004	–	–	239.6	239.6
本年度折舊	Charge for the year	–	–	9.8	9.8
因出售撥回	Written back on disposals	–	–	(0.1)	(0.1)
於二零零五年六月三十日 及二零零五年七月一日	At 30 June 2005 and 1 July 2005	–	–	249.3	249.3
本年度折舊	Charge for the year	–	–	10.8	10.8
因出售撥回	Written back on disposals	–	–	(1.7)	(1.7)
於二零零六年六月三十日	At 30 June 2006	–	–	258.4	258.4
賬面淨值：	Net book value:				
於二零零六年六月三十日	At 30 June 2006	43,753.3	3,178.7	68.5	47,000.5
於二零零五年六月三十日	At 30 June 2005	39,369.7	2,293.5	67.4	41,730.6
固定資產於六月三十日之成本值 或估值如下：	Cost or valuation of the fixed assets at 30 June is made up as follows:				
二零零六年	2006				
估值	Valuation	43,753.3	–	–	43,753.3
成本值	Cost	–	3,178.7	326.9	3,505.6
		43,753.3	3,178.7	326.9	47,258.9
二零零五年	2005				
估值	Valuation	39,369.7	–	–	39,369.7
成本值	Cost	–	2,293.5	316.7	2,610.2
		39,369.7	2,293.5	316.7	41,979.9

10 固定資產－集團(續)

物業之賬面淨值分析如下：

10 Fixed Assets – Group (Continued)

An analysis of net book value of properties is as follows:

以港幣百萬元計算	in HK\$ million	投資物業		發展中投資物業	
		Investment properties		Investment properties under development	
		2006	2005	2006	2005
香港長期地契	Long leases in Hong Kong	23,882.3	21,679.5	678.5	678.0
香港以外地區長期地契	Long leases outside Hong Kong	734.0	677.0	1,136.7	371.1
香港中期地契	Medium term leases in Hong Kong	10,264.0	9,143.2	-	-
香港以外地區中期地契	Medium term leases outside Hong Kong	8,683.0	7,670.0	1,363.5	1,244.4
香港短期地契	Short lease in Hong Kong	190.0	200.0	-	-
		43,753.3	39,369.7	3,178.7	2,293.5

a. 本集團所有以公平值列賬之投資物業均於二零零六年六月三十日經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)陳超國先生按公開市值，參考租金總值，並計入租約屆滿續租時租值升幅後之可能收益而進行之估值釐定。

本集團投資物業之賬面淨值四百三十七億五千三百三十萬元(二零零五年：三百九十三億六千九百七十萬元)內包括根據融資租約而持有之資產，其賬面淨值為二十九億一千九百萬元(二零零五年：二十五億九千二百萬元)。

本集團其他固定資產之賬面淨值六千八百五十萬元(二零零五年：六千七百四十萬元)內包括分別位於香港及香港以外地區以長期地契持有的土地及建築物分別為一千零三十萬元(二零零五年：一千零四十萬元)及五百七十萬元(二零零五年：五百八十萬元)。

a. Investment properties of the Group carried at fair value were revalued as at 30 June 2006 by Mr Charles C.K. Chan, Registered Professional Surveyor (General Practice), of Savills Valuation and Professional Services Limited, on an open market value basis with reference to the total rental income after taking into account reversionary income potential.

The net book value of investment properties of the Group of \$43,753.3 million (2005: \$39,369.7 million) includes an amount of \$2,919.0 million (2005: \$2,592.0 million) in respect of an asset held under a finance lease.

The net book value of other fixed assets of the Group of \$68.5 million (2005: \$67.4 million) includes amounts of \$10.3 million (2005: \$10.4 million) and \$5.7 million (2005: \$5.8 million) in respect of land and buildings held in and outside Hong Kong respectively on long leases.

10 固定資產－集團 (續)

b. 本集團根據營業租約出租及按融資租約分租其投資物業。該等租約一般初步為期兩至五年，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，並參考物業之收入而釐定。

於六月三十日，根據不可撤銷之營業租約最少應收之未來租金總額如下：

10 Fixed Assets – Group (Continued)

b. The Group leases out its investment properties under operating leases and subleases under finance lease. Leases typically run for an initial period of two to five years, with some having the option to renew, at which time all terms are renegotiated. Long term leases contain rent review or adjustment clauses and the Group has a regular proportion of its leases up for renewal each year. Certain leases include contingent rentals calculated with reference to the revenue of tenants.

At 30 June, the Group's total future minimum lease income under non-cancellable operating leases 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
二零零六年	2006			
一年內	Within 1 year	193.5	2,242.8	2,436.3
一年後但五年內	After 1 year but within 5 years	319.8	1,908.2	2,228.0
五年後	After 5 years	70.3	41.1	111.4
		583.6	4,192.1	4,775.7
二零零五年	2005			
一年內	Within 1 year	161.9	1,850.8	2,012.7
一年後但五年內	After 1 year but within 5 years	221.3	1,862.5	2,083.8
五年後	After 5 years	83.8	123.3	207.1
		467.0	3,836.6	4,303.6

11 附屬公司權益

11 Interest in Subsidiaries

以港幣百萬元計算	in HK\$ million	公司 Company	
		2006	2005
非上市股份，成本值	Unlisted shares, at cost	165.7	165.7
應收附屬公司款項減撥備	Amounts due from subsidiaries less provision	12,101.8	11,847.0
		12,267.5	12,012.7

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/應付附屬公司款項為無抵押、免息，而因預期該等款項於未來十二個月內不可收回/無需償還，故列作非流動資產/負債。

Amounts due from/to subsidiaries are unsecured, non-interest bearing and classified as non-current as these are not expected to be recoverable/repayable within the next twelve months.

12 合營公司權益

12 Interest in Jointly Controlled Entities

以港幣百萬元計算	in HK\$ million	集團 Group		公司 Company	
		2006	2005	2006	2005
非上市股份，成本值	Unlisted shares, at cost	-	-	5.4	5.4
應佔資產淨值	Share of net assets	211.7	134.2	-	-
		211.7	134.2	5.4	5.4
應收合營公司款項	Amounts due from jointly controlled entities	1,108.0	1,122.2	6.1	5.8
應付合營公司款項	Amounts due to jointly controlled entities	(12.3)	(12.0)	(7.1)	(7.1)
		1,307.4	1,244.4	4.4	4.1

應收合營公司款項包括六千七百一十萬元(二零零五年：六千七百一十萬元)撥備。

Amounts due from jointly controlled entities included a provision of \$67.1 million (2005: \$67.1 million).

主要合營公司之詳細資料載於附註35。本集團合營公司權益之財務資料概述如下：

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

以港幣百萬元計算	in HK\$ million	2006	2005
非流動資產	Non-current assets	1,367.6	1,190.3
流動資產	Current assets	232.2	287.9
非流動負債	Non-current liabilities	(1,209.1)	(1,195.5)
流動負債	Current liabilities	(179.0)	(148.5)
資產淨值	Net assets	211.7	134.2
收入	Revenue	91.8	81.9
溢利	Profit	112.3	117.9

13 貸款及投資

13 Loans and Investments

以港幣百萬元計算	in HK\$ million	集團 Group	
		2006	2005
非上市投資	Unlisted investments	0.2	0.6
貸款予非上市投資公司減撥備	Advances to unlisted investee companies less provision	16.1	17.5
		16.3	18.1
於香港之上市投資，按市值 (二零零五年：按成本值)	Listed investments in Hong Kong at market value (2005: at cost)	103.3	47.6
按揭貸款	Mortgage loans	52.0	82.3
		171.6	148.0
上市證券之市值	Market value of listed securities	103.3	75.2

由於非上市投資並無交投活躍市場上之市場報價以釐定其公平值，按成本扣除減值(如有)入賬。

Unlisted investments are carried at cost less impairment, if any, as they do not have a quoted market price in an active market to determine their fair value.

14 存貨

14 Inventories

以港幣百萬元計算	in HK\$ million	集團 Group	
		2006	2005
位於香港之待售已建成物業－中期地契	Completed properties for sale located in Hong Kong – medium leases	10,214.5	10,757.3

按可變現淨值列賬之存貨額(包括在上表之總額內)為三千一百萬元(二零零五年:四千三百萬元)。

The amount of inventories (included above) carried at net realisable value is \$31.0 million (2005: \$43.0 million).

15 應收賬款及其他應收款

15 Trade and Other Receivables

以港幣百萬元計算	in HK\$ million	集團 Group		公司 Company	
		2006	2005	2006	2005
按揭貸款	Mortgage loans	2.6	4.3	–	–
應收款、按金及預付款	Debtors, deposits and prepayments	1,545.1	991.2	0.2	0.2
		1,547.7	995.5	0.2	0.2

已計入應收賬款及其他應收款之應收款,其賬齡分析如下:

Included in trade and other receivables are trade debtors with the following ageing analysis:

以港幣百萬元計算	in HK\$ million	集團 Group	
		2006	2005
一個月內	Within 1 month	376.4	438.7
一至三個月	1–3 months	3.0	3.7
三個月以上	Over 3 months	0.6	2.3
		380.0	444.7

本集團設有特定之信貸政策,並定期編製應收賬款之賬齡分析及作出密切監察,以便把任何與應收賬款有關之信貸風險減至最低。

The Group maintains a defined credit policy. An ageing analysis of trade debtors is prepared on a regular basis and is closely monitored to minimise any credit risk associated with receivables.

16 應付賬款及其他應付款

16 Trade and Other Payables

以港幣百萬元計算	in HK\$ million	集團 Group		公司 Company	
		2006	2005	2006	2005
應付款及應計費用(附註i)	Creditors and accrued expenses (Note i)	945.8	1,102.1	5.4	34.5
已收按金(附註ii)	Deposits received (Note ii)	1,035.2	932.7	-	-
		1,981.0	2,034.8	5.4	34.5

附註：

(i) 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二千九百七十萬元(二零零五年：三千八百三十萬元)。

(ii) 已收按金包括汀蘭居之買方所付訂金三億二千一百萬元。然而買方終止購買，並向本集團追討三億二千一百萬元訂金及賠償損失。本集團則以違反協議而向買方提出反索償。於二零零四年八月二日，法庭判本集團勝訴，而買方則向上訴法庭提出上訴。於二零零五年十二月三十日，上訴法庭再判本集團勝訴。買方再次向終審法院提出上訴，聆訊排期於二零零七年進行。

已收之七億一千四百二十萬元(二零零五年：六億一千一百七十萬元)按金預期於一年內不會償付。

已計入應付賬款及其他應付款之應付款其賬齡分析如下：

Notes:

(i) Creditors and accrued expenses include retention money payable of \$29.7 million (2005: \$38.3 million) which is not expected to be settled within one year.

(ii) Included in deposits received was an amount of \$321.0 million related to a down payment from the purchaser of The Bay Bridge where the purchaser terminated the purchase and claimed against the Group for return of the deposit of \$321.0 million and for damages. The Group, in return, counterclaimed against the purchaser for breach of the agreement. On 2 August 2004, the Court ruled in favour of the Group in this litigation and the purchaser lodged an appeal to the Court of Appeal. On 30 December 2005, the Court of Appeal ruled in favour of the Group again. The purchaser lodged a further appeal to the Court of Final Appeal scheduled for hearing in 2007.

Deposits received of \$714.2 million (2005: \$611.7 million) are not expected to be settled within one year.

Included in trade and other payables are trade creditors with the following ageing analysis:

以港幣百萬元計算	in HK\$ million	集團 Group	
		2006	2005
一個月內到期	Due within 1 month	692.5	683.9
三個月以後到期	Due over 3 months	83.3	67.7
		775.8	751.6

17 於資產負債表上之稅項

17 Taxation in the Balance Sheets

a. 於資產負債表上之現時稅項：

a. Current taxation in the balance sheet represents:

以港幣百萬元計算	in HK\$ million	集團 Group	
		2006	2005
本年度香港利得稅撥備	Provision for Hong Kong Profits Tax for the year	150.7	408.3
本年度中國所得稅撥備	Provision for PRC Income Tax for the year	39.0	4.5
以往年度之香港利得稅撥備	Provision for Hong Kong Profits Tax relating to prior years	194.2	212.9
		383.9	625.7

b. 遞延稅項

於綜合資產負債表上確認之遞延稅項負債/(資產)部份及年內之變動如下：

b. Deferred taxation

The components of deferred tax liabilities/(assets) recognised in the consolidated balance sheet and the movements during the year are as follows:

以港幣百萬元計算	in HK\$ million	折舊免稅額 多於相關 的折舊	物業重估	因稅務虧損 產生之 將來得益	資本化 之利息	總數
		Depreciation allowances in excess of related depreciation	Revaluation of properties	Future benefit of tax losses	Interest capitalised	Total
遞延稅項產生於：	Deferred tax arising from:					
於二零零四年七月一日	At 1 July 2004	490.6	1,087.3	(58.0)	(41.5)	1,478.4
於綜合收益表內扣除/(撥入) (附註6(a))	Charged/(Credited) to consolidated income statement (Note 6(a))	153.6	1,333.0	(5.7)	10.6	1,491.5
於二零零五年六月三十日及 二零零五年七月一日	At 30 June 2005 and 1 July 2005	644.2	2,420.3	(63.7)	(30.9)	2,969.9
於綜合收益表內扣除 (附註6(a))	Charged to consolidated income statement (Note 6(a))	97.3	797.7	17.3	-	912.3
於二零零六年六月三十日	At 30 June 2006	741.5	3,218.0	(46.4)	(30.9)	3,882.2

c. 未確認之遞延稅項資產

本集團尚未就若干附屬公司營運期間出現的二十一億六千三百萬元(二零零五年：十八億二千六百九十萬元)稅務虧損所產生的遞延稅項資產作出確認，因為於二零零六年六月三十日，可用作抵銷有關資產的日後應課稅溢利仍不存在。此等香港業務的稅務虧損於現時稅務法規上並未逾時，而中國內地業務的稅務虧損則於相關會計年結日五年後逾時。

c. Deferred tax assets not recognised

The Group has not recognised deferred tax assets in respect of tax losses of \$2,163.0 million (2005: \$1,826.9 million) sustained in the operations of certain subsidiaries as the availability of future taxable profits against which the assets can be utilised is not probable at 30 June 2006. The tax losses arising from Hong Kong operations do not expire under current tax legislation. The tax losses arising from mainland China operations expire five years after the relevant accounting year end date.

18 銀行貸款

於六月三十日無抵押銀行貸款之還款期如下：

18 Bank Loans

At 30 June, bank loans were unsecured and repayable as follows:

以港幣百萬元計算 <i>in HK\$ million</i>		集團 Group	
		2006	2005
一年後但兩年內	After 1 year but within 2 years	795.2	–
兩年後但五年內	After 2 years but within 5 years	4,253.8	302.2
五年後	After 5 years	6,814.3	6,188.5
		11,863.3	6,490.7
減：未攤銷之財務費用	Less: unamortised front end fees	(76.3)	(93.6)
		11,787.0	6,397.1

所有上述銀行貸款均按三點六厘至五點一厘（二零零五年：零點四厘至三點七厘）年利率計息。利息於一年（二零零五年：一年）之內重新釐定。本集團銀行貸款之公平值概約為相應之賬面值。

All the above bank loans are interest-bearing at rates ranging from 3.6% to 5.1% (2005: 0.4% to 3.7%) per annum. Interest is repriced within one (2005: one) year. The fair values of the Group's bank loans were approximate to the corresponding carrying amounts.

19 二零零九年到期之浮息票據

浮息票據由本公司之附屬公司發行。恒隆地產有限公司保證該等浮息票據之本金及利息，按年利率三點四厘至五厘（二零零五年：零點六厘至三點四厘）計息，須於二零零九年十二月悉數償還及沒有權利轉換成本公司或其他公司之股份。利息於一年（二零零五年：一年）之內重新釐定。

本集團浮息票據之公平值概約為於結算日之賬面值。

於二零零六年六月三十日，除以上浮息票據之外，集團並無任何其他未償還的定息或浮息票據或可換股債券。

19 Floating Rate Notes Due 2009

The floating rate notes were issued by the Company's subsidiary. These notes are guaranteed as to principal and interest by Hang Lung Properties Limited, bear interest ranging from 3.4% to 5.0% (2005: 0.6% to 3.4%) per annum, repayable in full in December 2009 and have no rights of conversion into shares of the Company or any other body corporate. The interest is repriced within one (2005: one) year.

The fair value of the Group's floating rate notes was approximately the carrying amount at the balance sheet date.

At 30 June 2006, except for the above floating rate note, the Group has no other outstanding fixed or floating rate notes or convertible bonds.

20 其他長期負債

20 Other Long Term Liabilities

集團 Group	以港幣百萬元計算 <i>in HK\$ million</i>		(重列) (restated)	
			2006	2005
融資租約承擔(附註21)	Finance lease obligations (Note 21)		570.0	642.6
一間附屬公司之五點五厘可換 股累積優先股(附註)	5.5% convertible cumulative preference shares of a subsidiary (Note)		–	355.0
遞延收入	Deferred income		–	117.7
須補地價	Land premium		0.7	0.7
			570.7	1,116.0

附註：

於二零零六年六月二十六日，本集團一間附屬公司完成將所有其尚未被行使之可換股累積優先股轉換為該附屬公司之股份，故有關可換股優先股於香港聯交所及盧森堡證券交易所之上市地位已被撤銷。

Note:

On 26 June 2006, a subsidiary of the Group has completed the conversion of all of its outstanding convertible cumulative preference shares into shares of the subsidiary and listing of such convertible preference shares on the Hong Kong Stock Exchange and Luxembourg Stock Exchange has been withdrawn accordingly.

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:

以港幣百萬元計算	in HK\$ million	最少應付之 租金總額之現值 Present value of minimum lease payments	集團 Group 將於未來年度 計入之利息費用 Interest expenses relating to future periods	最少應付之 租金總額 Total minimum lease payments
二零零六年	2006			
應付金額	Amounts payable			
一年內	Within 1 year	72.6	42.7	115.3
一年後但五年內	After 1 year but within 5 years	402.0	109.2	511.2
五年後	After 5 years	168.0	7.9	175.9
		570.0	117.1	687.1
		642.6	159.8	802.4
二零零五年	2005			
應付金額	Amounts payable			
一年內	Within 1 year	63.6	47.5	111.1
一年後但五年內	After 1 year but within 5 years	355.4	135.5	490.9
五年後	After 5 years	287.2	24.3	311.5
		642.6	159.8	802.4
		706.2	207.3	913.5

融資租約承擔之實際利率為每年七厘(二零零五年：七厘)。

The effective interest rate of the finance lease obligations is 7% (2005: 7%) per annum.

22 股本

22 Share Capital

		2006		2005	
		股份數目 (千股) No. of shares ('000)	港幣百萬元 HK\$ million	股份數目 (千股) No. of shares ('000)	港幣百萬元 HK\$ million
法定	Authorised				
每股面值一元	Shares of \$1 each	2,000,000	2,000.0	2,000,000	2,000.0
已發行及繳足	Issued and fully paid				
於七月一日	At 1 July	1,328,150	1,328.1	1,327,530	1,327.5
根據股份期權計劃發行之股份	Shares issued under share option scheme	4,266	4.3	620	0.6
於六月三十日	At 30 June	1,332,416	1,332.4	1,328,150	1,328.1

23 儲備

23 Reserves

		集團 Group		公司 Company	
			(重列) (restated)		(重列) (restated)
以港幣百萬元計算	in HK\$ million	2006	2005	2006	2005
資本儲備	Capital reserves				
股份溢價	Share premium	2,228.8	2,197.3	2,228.8	2,197.3
編製綜合賬目而產生之資本儲備	Capital reserve on consolidation	-	1,058.4	-	-
應佔合營公司之資本儲備	Share of capital reserves of jointly controlled entities	16.5	16.5	-	-
資本贖回儲備	Capital redemption reserve	26.1	26.1	26.1	26.1
投資重估儲備	Investment revaluation reserve	26.1	-	-	-
其他資本儲備	Other capital reserves	4.4	421.6	-	-
		2,301.9	3,719.9	2,254.9	2,223.4
僱員股份補償儲備	Employee share-based compensation reserve	50.2	37.8	23.3	18.2
普通儲備金	General reserve	275.0	275.0	861.6	861.6
保留溢利	Retained profits	21,053.6	17,477.8	7,552.3	7,346.2
		21,378.8	17,790.6	8,437.2	8,226.0
		23,680.7	21,510.5	10,692.1	10,449.4
資本儲備變動	Movements in capital reserves				
於七月一日	At 1 July				
- 上年度報告	- as previously reported	3,719.9	3,717.3	2,223.4	2,220.2
- 因採納以下各項所產生之年初調整	- opening adjustments arising from adoption of				
HKAS 39	HKAS 39	27.6	-	-	-
HKFRS 3	HKFRS 3	(1,480.0)	-	-	-
		2,267.5	3,717.3	2,223.4	2,220.2
股份溢價	Share premium				
- 根據股份期權計劃發行股份所產生之股份溢價	- share premium arising on shares issued under share option scheme	27.5	3.2	27.5	3.2
- 僱員股份期權福利	- employee share option benefits	4.0	-	4.0	-
投資重估儲備	Investment revaluation reserve				
- 出售上市投資變現	- realised on disposal of listed investments	(15.5)	-	-	-
- 上市投資公平值增加	- increase in fair value of listed investments	14.0	-	-	-
其他資本儲備	Other capital reserves				
- 匯兌差額	- exchange difference	4.4	(0.6)	-	-
於六月三十日	At 30 June	2,301.9	3,719.9	2,254.9	2,223.4
僱員股份補償儲備變動	Movements in employee share-based compensation reserve				
於七月一日	At 1 July				
- 上年度報告	- as previously reported	-	-	-	-
- 因採納HKFRS 2所產生之前期調整	- prior period adjustments arising from adoption of HKFRS 2	37.8	4.0	18.2	2.0
- 重列	- as restated	37.8	4.0	18.2	2.0
僱員股份補償儲備	Employee share-based compensation reserve				
- 僱員股權費用	- employee share-based payment expenses	20.5	33.8	9.1	16.2
- 轉撥至股份溢價	- transfer to share premium	(4.0)	-	(4.0)	-
- 轉撥至少數股東權益	- transfer to minority interests	(4.1)	-	-	-
於六月三十日	At 30 June	50.2	37.8	23.3	18.2
保留溢利變動	Movements in retained profits				
於七月一日	At 1 July				
- 上年度報告	- as previously reported	17,515.6	13,508.7	7,364.4	7,980.6
- 因採納HKFRS 2所產生之前期調整	- prior period adjustments arising from adoption of HKFRS 2	(37.8)	(4.0)	(18.2)	(2.0)
- 重列	- as restated	17,477.8	13,504.7	7,346.2	7,978.6
- 因採納以下各項所產生之年初調整	- opening adjustments arising from adoption of				
HKAS 39	HKAS 39	(11.0)	-	-	-
HKFRS 3	HKFRS 3	1,480.0	-	-	-
		18,946.8	13,504.7	7,346.2	7,978.6
本年度純利	Net profit for the year	2,832.6	4,643.7	931.9	38.2
去年度末期股息	Final dividend in respect of previous year	(532.7)	(478.0)	(532.7)	(478.0)
本年度中期股息	Interim dividend in respect of current year	(193.1)	(192.6)	(193.1)	(192.6)
於六月三十日	At 30 June	21,053.6	17,477.8	7,552.3	7,346.2

23 儲備 (續)

23 Reserves (Continued)

以港幣百萬元計算	in HK\$ million	集團 Group	
		2006	(重列) (restated) 2005
保留溢利報表：	Statement of retained profits:		
集團公司	Group companies	20,757.3	17,233.8
合營公司	Jointly controlled entities	296.3	244.0
		21,053.6	17,477.8

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條監管。投資重估儲備包括結算日所持可供出售證券公平值之累計變動淨額，並根據附註1(k)及1(l)之會計政策處理。普通儲備金來自保留溢利，且可供分派。其他資本儲備包括換算海外附屬公司財務報表產生之匯兌差額。誠如附註1(y)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。

The application of the share premium account and the capital redemption reserve are governed by Section 48B and Section 49 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 balance sheet date and is dealt with in accordance with the accounting policies in note 1(k) and 1(l). The general reserve was derived from retained profits and is distributable. The other capital reserve comprises the exchange differences arising from the translation of the financial statements of overseas subsidiaries. The employee share-based compensation reserve comprises the fair value of share options granted which are yet to be exercised, as explained in note 1(y).

於二零零六年六月三十日，本公司可供分派予股東之儲備金總額為八十四億一千三百九十萬元（二零零五年重列：八十二億零七百八十萬元）。

The aggregate amount of the Company's reserves available for distribution to shareholders at 30 June 2006 was \$8,413.9 million (2005 restated: \$8,207.8 million).

24 少數股東權益

24 Minority Interests

以港幣百萬元計算	in HK\$ million	集團 Group	
		2006	2005
於七月一日	At 1 July		
– 上年度報告	– as previously reported	21,482.5	15,638.0
– 因採納HKAS 32所產生之前期調整	– prior period adjustments arising from adoption of HKAS 32	(355.0)	(460.6)
– 重列	– as restated	21,127.5	15,177.4
因採納HKAS 39所產生之年初調整	Opening adjustments arising from adoption of HKAS 39	(9.8)	–
本年度少數股東權益應佔溢利	Profit attributable to minority interests for the year	2,169.0	
– 上年度報告	– as previously reported		3,604.8
– 因採納HKAS 32所產生之前期調整	– prior period adjustments arising from adoption of HKAS 32		(27.5)
– 因採納HKFRS 2所產生之前期調整	– prior period adjustments arising from adoption of HKFRS 2		(15.3)
– 重列	– as restated		3,562.0
已派少數股東股息	Dividends paid to minority interests	(830.2)	(780.6)
償還予少數股東款項	Repayment to minority interests	(131.6)	(31.4)
一家附屬公司少數股東權益變動	Change in minority interests in a subsidiary	(1,025.2)	3,184.8
應佔儲備	Share of reserves	13.5	15.3
於六月三十日	At 30 June	21,313.2	21,127.5

25 綜合現金流量表附註

a. 來自經營業務之現金

以港幣百萬元計算	in HK\$ million	2006	(重列) (restated) 2005
除稅前溢利	Profit before taxation	6,152.7	10,109.9
調整：	Adjustments for:		
投資物業之公平值之增加	Increase in fair value of investment properties	(3,925.3)	(6,290.3)
利息及其他輔助借貸支出	Interest and other ancillary borrowing costs	476.8	224.7
融資租約費用	Finance lease charges	47.5	51.6
僱員股權費用	Employee share-based payment expenses	29.9	49.1
折舊	Depreciation	10.8	9.8
一間附屬公司之可換股累積優先股之股息	Dividend on convertible cumulative preference shares of a subsidiary	17.2	27.5
利息收入	Interest income	(263.9)	(120.3)
配售一間上市附屬公司股份之設定溢利	Deemed profit on placement of a listed subsidiary's shares	-	(478.0)
應佔合營公司溢利	Share of profits of jointly controlled entities	(112.3)	(117.9)
出售固定資產之溢利	Profit on disposal of fixed assets	(86.0)	(47.0)
出售上市投資之溢利	Profit on disposal of listed investments	(18.5)	-
出售非上市投資之溢利	Profit on disposal of unlisted investments	-	(1.3)
匯兌差額	Exchange difference	4.4	(2.3)
存貨之減少	Decrease in inventories	449.4	1,359.2
按揭貸款之減少	Decrease in mortgage loans	32.0	46.4
應收款、按金及預付款之(增加)/減少	(Increase)/Decrease in debtors, deposits and prepayments	(323.0)	1,085.8
應付款及應計費用之減少	Decrease in creditors and accrued expenses	(101.7)	(337.4)
已收按金增加	Increase in deposits received	102.5	80.8
來自經營業務之現金	Cash generated from operations	2,492.5	5,650.3

b. 現金及現金等價物

以港幣百萬元計算	in HK\$ million	2006	2005
綜合資產負債表的現金及銀行存款	Cash and deposits with banks in the consolidated balance sheet	6,189.4	3,733.8
減：於三個月後到期的銀行存款	Less: Bank deposits with maturity greater than three months	(699.5)	(699.5)
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	5,489.9	3,034.3

綜合資產負債表之現金及銀行存款按市場利率計息。利息根據當前市場利率於一年(二零零五年：一年)之內重新釐定。

b. Cash and cash equivalents

Cash and deposits with banks in the consolidated balance sheet are interest bearing at market rates. The interest rates are repriced within one (2005: one) year based on prevailing market rates.

26 或然負債

於六月三十日之或然負債如下：

26 Contingent Liabilities

At 30 June, contingent liabilities were as follows:

以港幣百萬元計算	in HK\$ million	公司 Company	
		2006	2005
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 for subsidiaries	3,350.2	2,303.2

27 承擔

a. 於六月三十日尚未於財務報表撥備之資本承擔如下：

27 Commitments

a. At 30 June, capital commitments not provided for in the financial statements were as follows:

以港幣百萬元計算	in HK\$ million	集團 Group	
		2006	2005
已簽約	Contracted for	1,033.1	764.0
已授權但尚未簽約	Authorised but not contracted for	2,976.8	2,931.2
		4,009.9	3,695.2

上述承擔包括本集團擴展其物業投資業務至中國內地多個城市之承擔。

The above commitments include those in respect of the Group's expansion of its property investment operations into various cities in mainland China.

此外，本集團應佔合營公司之資本承擔如下：

In addition, the Group's share of capital commitments of the jointly controlled entities is as follows:

以港幣百萬元計算	in HK\$ million	集團 Group	
		2006	2005
已簽約	Contracted for	-	58.3
已授權但尚未簽約	Authorised but not contracted for	-	21.2
		-	79.5

b. 本集團根據十年內屆滿之不可撤銷營業租約租用若干物業。若干租約包括參考物業收入而釐定之或然租金。於六月三十日，未來最少應付之租金總額如下：

b. The Group leases certain properties under non-cancellable operating leases expiring within ten years. Certain leases include contingent rentals calculated with reference to revenue from the properties. At 30 June, total future minimum lease payments were as follow:

以港幣百萬元計算	in HK\$ million	集團 Group	
		2006	2005
一年內	Within 1 year	78.3	75.9
一年後但五年內	After 1 year but within 5 years	322.9	317.1
五年後	After 5 years	51.2	130.0
		452.4	523.0

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釐定。當僱員於可全數獲得本集團供款前退出該計劃，其遭沒收之供款乃撥入計劃基金之儲備內。本集團可視乎儲備的水平而指示受託人將股息自基金之儲備撥入基金成員賬戶。本集團可將沒收之供款減少其供款；但年度內本集團並無以此方式削減供款。本集團於年度內之供款總額為一千六百萬元（二零零五年：一千四百五十萬元），而撥入儲備金之沒收供款金額總數為五十萬元（二零零五年：五十萬元）。根據本集團之退休福利計劃條款，本集團於年內之供款總額包括為二名（二零零五年：二名）高級行政人員所支付的二百二十萬元（二零零五年：二百八十萬元）特別供款。

一項集成信託強制性公積金計劃（「強積金計劃」）已成立，並交由一獨立服務機構營辦。僱主及僱員分別按僱員之每月有關收入（上限為二萬元）之百分之五作出強制性供款。本集團之供款會全數及即時歸屬於僱員之賬戶並列為僱員在計劃內之累算權益。本集團於本年度內作出之強積金供款總額為一百三十萬元（二零零五年：一百萬元）。

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。

本公司在中華人民共和國（「中國」）上海市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。該等中國附屬公司於本年度內作出之供款總額為六百二十萬元（二零零五年：七百三十萬元）。

28 Employee Benefits

a. Retirement benefits

The Group operates a defined contribution provident fund scheme for its employees. The assets of this scheme are held separately from those of the Group by an independent corporate trustee and managed by professional fund managers.

Contributions are made by both the employer and the employees at a certain percentage of employees' basic salaries, the percentage varying with their length of service. When an employee leaves the scheme prior to his or her interest in the Group's contributions being fully vested, forfeited contributions are credited to reserves of the fund. Depending on the level of reserves, the Group may direct the trustee to credit dividends to members' accounts out of the reserves of the fund. The Group's contributions may be reduced by the forfeited contributions, but there was no such reduction of the Group's contributions during the year. Total contributions made by the Group for the year amounted to \$16.0 million (2005: \$14.5 million) and forfeited sums credited to reserves amounted to \$0.5 million (2005: \$0.5 million). Total contributions made by the Group for the year included a special contribution of \$2.2 million (2005: \$2.8 million) made in respect of 2 (2005: 2) senior executives in accordance with the provisions of the Group's retirement scheme.

A master trust Mandatory Provident Fund Scheme (the 'MPF Scheme') is operated by an independent service provider. Mandatory contributions are made by both the employer and the employees at 5% of the employees' monthly relevant income, up to a limit of \$20,000. The Group's contributions will be fully and immediately vested in the employees' accounts as their accrued benefits in the scheme. Total MPF contributions made by the Group for the year amounted to \$1.3 million (2005: \$1.0 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 Shanghai, the People's Republic of China ('PRC'), are members of a retirement benefits scheme (the 'PRC RB Scheme') operated by the local municipal government in the PRC. The only obligation of the PRC subsidiaries is to contribute a certain percentage of their payroll to the PRC RB Scheme to fund the retirement benefits. The local municipal government in the PRC undertakes to assume the retirement benefits obligations of all existing and future retired employees of the PRC subsidiaries. Total contribution made by the PRC subsidiaries for the year amounted to \$6.2 million (2005: \$7.3 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設立一份股份期權計劃。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董事)授予股份期權認購本公司股份。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授予前五個交易日之平均收市價三者中之最高價。股份期權之歸屬期、行使期及每個股份期權可認購股份之數目均由董事局於授予當日決定。

恒隆地產有限公司

本公司之附屬公司，恒隆地產有限公司(「恒隆地產」)於二零零二年十一月二十二日設立一份股份期權計劃。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董事)授予股份期權認購恒隆地產之股份。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授予前五個交易日之平均收市價三者中之最高價。股份期權之有效期、行使期及每個股份期權可認購股份之數目均由恒隆地產董事局於授予當日決定。

28 Employee Benefits (Continued)

b. Equity compensation benefits

The Company

The Company has a share option scheme which was adopted on 24 November 2000, whereby the Board of Directors (the 'Board') of the Company are authorised to grant options to selected participants, including directors of any company in the Group, to subscribe for shares of the Company. 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 vesting period, the exercisable period and the number of shares subject to each option are determined by the Board at the time of grant.

Hang Lung Properties Limited

The Company's subsidiary, Hang Lung Properties Limited ('HLP') has a share option scheme which was adopted on 22 November 2002, whereby the Board of HLP are authorised to grant options to selected participants, including directors of any company in the HLP group, to subscribe for shares of HLP. 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 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.

28 僱員福利(續)

b. 股份補償福利(續)

年內本公司股份期權之變動如下：

28 Employee Benefits (Continued)

b. Equity compensation benefits (Continued)

The movements of share options of the Company during the year are as follows:

	期權數目 Number of share options				於二零零六年 六月三十日 尚未被行使 Outstanding on 30 June 2006	授出日期 Date granted	股份期權 之行使期 Period during which options are exercisable	行使價 (港元) Exercise price (HK\$)
	於二零零五年 七月一日 尚未被行使 Outstanding on 1 July 2005	年內授出 Granted during the year	年內 已被行使 Exercised during the year	年內失效 Lapsed during the year				
董事 Directors	3,750,000	-	(1,250,000)	-	2,500,000	24/02/2000	24/02/2001- 23/02/2010	6.12
	1,250,000	-	-	-	1,250,000	01/11/2001	01/11/2002- 31/10/2011	5.87
	10,866,000	-	(1,388,000)	-	9,478,000	20/05/2004	20/05/2005- 19/05/2014	9.45
僱員 Employees	2,390,000	-	(1,110,000)	-	1,280,000	24/02/2000	24/02/2001- 23/02/2010	6.12
	100,000	-	(100,000)	-	-	01/12/2000	30/11/2001- 29/11/2010	5.49
	75,000	-	(75,000)	-	-	10/07/2001	10/07/2002- 09/07/2011	6.87
	120,000	-	-	-	120,000	07/12/2001	07/12/2002- 06/12/2011	6.83
	500,000	-	-	-	500,000	12/05/2004	12/05/2005- 11/05/2014	10.17
	3,058,000	-	(343,500)	(61,500)	2,653,000	20/05/2004	20/05/2005- 19/05/2014	9.45
	-	77,000	-	-	77,000	01/11/2005	01/11/2006- 31/10/2015	14.70
總計 Total	22,109,000	77,000	(4,266,500)	(61,500)	17,858,000			

28 僱員福利(續)

b. 股份補償福利(續)

1. 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：

		2006		2005	
		加權平均 每股行使價 (港元) Weighted average exercise price per share (HK\$)	股份期權數目 Number of options	加權平均 每股行使價 (港元) Weighted average exercise price per share (HK\$)	股份期權數目 Number of options
於七月一日尚未被行使	Outstanding at 1 July	8.30	22,109,000	8.25	22,866,000
已授出	Granted	14.70	77,000	-	-
已行使	Exercised	7.47	(4,266,500)	6.19	(619,500)
已失效	Lapsed	9.45	(61,500)	9.45	(137,500)
於六月三十日尚未被行使	Outstanding at 30 June	8.52	17,858,000	8.30	22,109,000
於六月三十日可予行使	Exercisable at 30 June	7.95	11,465,500	7.16	11,266,000

於年內行使之股份期權行使當日之加權平均股價為十五元六角八仙(二零零五年：十二元七角八仙)。

2. 本年終本公司尚未被行使之股份期權之剩餘合約年期及行使價如下：

		2006		2005	
		剩餘合約年期 (年) Remaining contractual life (years)	股份期權 之數目 Number of options	剩餘合約年期 (年) Remaining contractual life (years)	股份期權 之數目 Number of options
行使價 Exercise price					
\$5.49		-	-	5.4	100,000
\$5.87		5.3	1,250,000	6.3	1,250,000
\$6.12		3.7	3,780,000	4.7	6,140,000
\$6.83		5.4	120,000	6.4	120,000
\$6.87		-	-	6.0	75,000
\$9.45		7.9	12,131,000	8.9	13,924,000
\$10.17		7.8	500,000	8.8	500,000
\$14.70		9.0	77,000	-	-
於六月三十日尚未被行使	Outstanding at 30 June	6.8	17,858,000	7.5	22,109,000

28 Employee Benefits (Continued)

b. Equity compensation benefits (Continued)

1. Movements in the number of share options of the Company outstanding and their related weighted average exercise prices are as follows:

The weighted average share price at the dates of exercise for shares options during the year was \$15.68 (2005: \$12.78).

2. Share options of the Company outstanding at the end of the year have the following remaining contractual lives and exercise prices:

28 僱員福利(續)

b. 股份補償福利(續)

年內恒隆地產股份期權變動如下：

28 Employee Benefits (Continued)

b. Equity compensation benefits (Continued)

The movements of share options of HLP during the year are as follows:

	期權數目 Number of share options						授出日期 Date granted	股份期權 之行使期 Period during which options are exercisable	行使價 (港元) Exercise price (HK\$)
	於二零零五年 七月一日 尚未被行使 Outstanding on 1 July 2005	重新分類* Reclassified during the year*	年內授出 Granted during the year	年內 已被行使 Exercised during the year	年內失效 Lapsed during the year	於二零零六年 六月三十日 尚未被行使 Outstanding on 30 June 2006			
董事 Directors	18,694,000	2,422,000	–	(3,239,000)	–	17,877,000	20/05/2004	20/05/2005– 19/05/2014	9.20
	–	–	1,000,000	–	–	1,000,000	01/09/2005	01/09/2006– 31/08/2015	12.35
僱員 Employees	10,267,000	(2,422,000)	–	(953,000)	(247,000)	6,645,000	20/05/2004	20/05/2005– 19/05/2014	9.20
	400,000	–	–	–	–	400,000	03/05/2005	03/05/2006– 02/05/2015	11.85
	–	–	400,000	–	–	400,000	01/09/2005	01/09/2006– 31/08/2015	12.35
	–	–	306,000	–	–	306,000	01/11/2005	01/11/2006– 31/10/2015	11.40
總計 Total	29,361,000	–	1,706,000	(4,192,000)	(247,000)	26,628,000			

* 此乃年內兩名獲擢升為恒隆地產董事之股份期權

* These represented the options of two directors of HLP promoted during the year

3. 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：

3. Movements in the number of share options of HLP outstanding and their related weighted average exercise prices are as follows:

		2006		2005	
		加權平均行使價 (港元) Weighted average exercise price per share (HK\$)	股份期權數目 Number of options	加權平均行使價 (港元) Weighted average exercise price per share (HK\$)	股份期權數目 Number of options
於七月一日尚未被行使	Outstanding at 1 July	9.24	29,361,000	9.20	29,561,000
已授出	Granted	12.18	1,706,000	11.85	400,000
已被行使	Exercised	9.20	(4,192,000)	9.20	(50,000)
已失效	Lapsed	9.20	(247,000)	9.20	(550,000)
於六月三十日尚未被行使	Outstanding at 30 June	9.43	26,628,000	9.24	29,361,000
於六月三十日可予行使	Exercisable at 30 June	9.22	12,361,000	9.20	7,240,250

於年內行使之股份期權行使當日之加權平均股價為十二元二角八仙(二零零五年：十一元一角)。

The weighted average share price at the dates of exercise for shares options during the year was \$12.28 (2005: \$11.10).

28 僱員福利(續)

b. 股份補償福利(續)

4. 本年終尚未被行使之恒隆地產股份期權之剩餘合約年期及行使價如下：

	2006		2005	
	剩餘合約年期 (年) Remaining contractual life (years)	股份期權數目 Number of options	剩餘合約年期 (年) Remaining contractual life (years)	股份期權數目 Number of options
行使價 Exercise price				
\$9.20	7.9	24,522,000	8.9	28,961,000
\$11.40	9.3	306,000	–	–
\$11.85	8.8	400,000	9.8	400,000
\$12.35	9.2	1,400,000	–	–
於六月三十日尚未被行使 Outstanding at 30 June	8.0	26,628,000	8.9	29,361,000

5. 年內授出之股份期權按於授出日期採用「柏力克—舒爾斯」期權定價模式而估計之每份股份期權之加權平均價值為三元。所採用之加權平均假設如下：

28 Employee Benefits (Continued)

b. Equity compensation benefits (Continued)

4. Share options of HLP outstanding at the end of the year have the following remaining contractual lives and exercise prices:

5. The weighted average value per share option granted during the year estimated at the date of grant using a Black-Scholes pricing model was \$3. The weighted average assumptions used are as follows:

	本公司 The Company	恒隆地產 HLP		
		於以下日期授出之股份期權 Share options granted on		
		二零零五年九月一日 1 September 2005	二零零五年十一月一日 1 November 2005	
授出日期之股價	Share price at grant date	\$14.70	\$12.35	\$11.25
行使價	Exercise price	\$14.70	\$12.35	\$11.40
無風險利率	Risk-free interest rate	4%	4%	4%
預期使用年期(年)	Expected life (in years)	6	6	6
波幅	Volatility	0.4	0.3	0.3
預期每股股息	Expected dividend per share	\$0.40	\$0.40	\$0.40

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。預期每股股息根據過往股息而定。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.

29 關連人士交易

本集團一間合營公司參與地鐵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。於二零零六年六月三十日，本集團已向該合營公司合共墊款十億一千五百三十萬元（二零零五年：十億一千五百三十萬元）。所有墊款均為免息、無抵押及無固定償還期。

主要管理層酬金已於附註5披露。

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。本集團之財務風險管理政策及慣例如下。

1. 利率風險

本集團之利率風險來自現金、銀行存款及借貸。本集團對於利率風險管理之政策包括監察利率變動，以及於有利定價機會來臨時替換及訂立新銀行融資。

計息財務資產及負債之利率及重新釐定/到期日於附註18、19、21及25(b)予以披露。

2. 流動資金風險

本集團集中管理本公司及其附屬公司在集團層面上之流動資金風險。本集團監察現時及預期流動資金需求，以及定期監察其符合借款契諾規定，確保其維持充裕之現金儲備及自主要銀行取得充足而穩定之資金來源，以滿足其流動資金需求。

3. 信貸風險

本集團之信貸風險主要由於應收賬款所致。本集團推行明確之信貸政策。本集團定期編製應收賬款之賬齡分析，並加以嚴格監察，將任何與該等應收款有關之信貸風險減至最低。

對信貸風險之承擔上限指綜合資產負債表內各財務資產之賬面值。本集團並無重大集中信貸風險。

4. 貨幣風險

倘已確認資產及負債以非本集團功能貨幣之某種貨幣列值，則產生貨幣風險。本集團借入當地貨幣之貸款，使之相等於相應付款貨幣，藉此監察貨幣風險承擔，以便緩和匯兌波動。

29 Related Party Transactions

The Group has a 20% interest in a jointly controlled entity which participated in the development of Package One of the MTRC Tung Chung Station Development Project. At 30 June 2006, the Group advanced to this jointly controlled entity a total of \$1,015.3 million (2005: \$1,015.3 million). All advances are interest-free, unsecured and have no fixed settlement dates.

Key management compensation has been disclosed in note 5.

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's financial risk management policies and practices are described below.

1. Interest rate risk

The Group's interest rate risk arises from cash and deposits with banks and borrowings. The Group's policy on interest rate risk management involves monitoring of interest rate movements and replacing and entering into new bank facilities when favourable pricing opportunities arise.

The interest rates of interest-bearing financial assets and liabilities and repricing/maturity dates are disclosed in notes 18, 19, 21 and 25(b).

2. Liquidity risk

The Group manages centrally the liquidity risk of the Company and its subsidiaries at the Group level. The Group monitors the current and expected liquidity requirements and its compliance with lending covenants regularly, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major banks to meet its liquidity requirements.

3. Credit risk

The Group's credit risk is primarily attributable to trade receivables. The Group maintains a defined credit policy. An ageing analysis of trade receivables is prepared on a regular basis and is closely monitored to minimise any credit risk associated with these receivables.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated balance sheet. There are no significant concentrations of credit risk within the Group.

4. Currency risk

Currency risk arises when recognised assets and liabilities are denominated in a currency that is not the Group's functional currency. The Group monitors currency exposure by designating the borrowings in local currencies to match the corresponding payment currencies to mitigate exposure on exchange rate fluctuations.

30 財務風險管理目標及政策

(續)

5. 公平值

倘非上市投資之公平值未能可靠計量，則按成本值列賬。

應收款、應付款、現金及銀行存款、銀行貸款及浮息票據之公平值被視為與其賬面值相若。

31 重要會計估計及判斷

估計不確定性之主要原因

附註28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：

1. 投資物業之估值

於結算日，獨立合資格估值師按公開市值，參考租金總值，並計入租約屆滿續租時租值升幅後之可能收益而進行之估值釐定。

於物業估值時採用之假設乃根據結算日之當時市況，參考目前市場售價及適當之資本化率而定。

2. 待售物業及發展中投資物業

管理層以最近銷售交易及獨立物業估值師提供之市場調查報告等當時之市場數據釐定持作銷售物業可變現淨值。

管理層對發展中投資物業之可收回金額作出之評估，須採用已調整風險貼現率，估計未來現金流量之現值，而有關現金流量將衍生自發展中投資物業。該等估計須涉及參照附近地點之最近租賃交易、市場推廣成本及落成物業之預期成本、法律與規管架構及一般市況，對預期租金作出判斷。

32 比較數字

由於會計政策出現變動，若干比較數字已作出調整，詳情載於附註2。

33 核准財務報表

董事局於二零零六年八月二十一日核准並許可刊發財務報表。

30 Financial Risk Management Objectives and Policies

(Continued)

5. Fair value

Unlisted investments for which their fair values cannot be reliably measured are stated at cost.

The fair values of receivables, payables, cash and deposits with banks, bank loans and floating rate notes are considered to approximate their carrying amounts.

31 Significant Accounting Estimates and Judgments

Key sources of estimation uncertainty

Note 28 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:

1. Valuation of investment properties

Investment properties of the Group are revalued as at the balance sheet date by independent qualified valuers, on an open market value basis with reference to the total rental income after taking into account reversionary income potential.

The assumptions adopted in the property valuations are based on the market conditions existing at the balance sheet date, with reference to current market sales prices and the appropriate capitalisation rate.

2. Properties for sale and investment properties under development

Management determines the net realisable value of properties held for sale by using the prevailing market data such as most recent sale transactions and market survey reports available from independent property valuers.

Management's assessments of the recoverable amount of investment properties under development requires the application of a risk-adjusted discount rate to estimate the present value of future cash flows to be derived from the investment properties under development. These estimates require judgment as to the anticipated rents by reference to recent leasing transactions in nearby locations, marketing costs and the expected costs to completion of the properties, the legal and regulatory framework and general market conditions.

32 Comparative Figures

Certain comparative figures have been re-classified due to changes in accounting policies, details of which are set out in note 2.

33 Approval of Financial Statements

The financial statements were approved and authorised for issue by the Board of Directors on 21 August 2006.

34 主要附屬公司

於二零零六年六月三十日

34 Principal Subsidiaries

At 30 June 2006

公司 Company	已發行股本 (港元) Issued Share Capital (HK\$)	集團所佔權益 百分率 Held by The Group %	公司所佔 權益百分率 Held by The Company %	業務 Activity	註冊及營業地點 Place of Incorporation and Operations
Akihiro Company Limited	2	100	100	物業發展 Property development	香港 Hong Kong
Antonis Limited*	10,000	55.9	–	物業租賃 Property leasing	香港 Hong Kong
AP City Limited	2	55.9	–	物業租賃 Property leasing	香港 Hong Kong
AP Joy Limited	2	55.9	–	物業發展 Property development	香港 Hong Kong
AP Properties Limited 「A」股 'A' shares	34	55.9	–	物業發展 Property development	香港 Hong Kong
「B」股 'B' shares	6	–	–		
AP Star Limited*	2	55.9	–	控股投資 Investment holding	香港 Hong Kong
AP Success Limited	2	55.9	–	物業租賃 Property leasing	香港 Hong Kong
AP Universal Limited*	2	55.9	–	物業租賃 Property leasing	香港 Hong Kong
AP Win Limited*	1,000,000	55.9	–	物業租賃 Property leasing	香港 Hong Kong
AP World Limited	2	55.9	–	物業發展 Property development	香港 Hong Kong
Bayliner Investment Ltd.*	8	100	100	控股投資 Investment holding	英屬維爾京群島 British Virgin Islands
Believecity Limited*	2	100	–	控股投資及證券買賣 Investment holding & securities trading	香港 Hong Kong
Bonna Estates Company Limited	1,000,000	55.9	–	物業租賃 Property leasing	香港 Hong Kong
基道企業有限公司* Caddo Enterprises, Limited*	4,000,000	55.9	–	物業租賃 Property leasing	香港 Hong Kong
嘉萬拿有限公司* Carmana Limited*	2	55.9	–	物業租賃 Property leasing	香港 Hong Kong
Cititop Limited	2	55.9	–	物業發展 Property development	香港 Hong Kong
Cokage Limited*	2	100	100	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 (港元) Issued Share Capital (HK\$)	集團所佔權益 百分率 Held by The Group %	公司所佔 權益百分率 Held by The Company %	業務 Activity	註冊及營業地點 Place of Incorporation and Operations
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	54.7	—		
「B」股 'B' share	1	55.9	—		
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	57.4	—	控股投資 Investment holding	香港 Hong Kong
Crest Incorporated*	16	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	55.9	—	物業租賃 Property leasing	香港 Hong Kong
怡傑發展有限公司 Ease Smart Development Limited				控股投資 Investment holding	香港 Hong Kong
「A」股 'A' share	1	100	—		
「B」股 'B' share	1	55.9	—		
怡冠企業有限公司 Easegood Enterprises Limited	2	55.9	—	控股投資 Investment holding	香港 Hong Kong
恆穎投資有限公司 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	55.9	—	物業租賃 Property leasing	香港 Hong Kong
璧玉有限公司* Gala Ruby Limited*	2	55.9	—	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	55.9	—	物業租賃 Property leasing	香港 Hong Kong
Grand Centre Limited	4	55.9	—	物業租賃 Property leasing	香港 Hong Kong
Grand Hotel Group Limited	10,200	55.9	—	服務式住宅經營及管理 Apartment operating & management	香港 Hong Kong

34 主要附屬公司(續)

34 Principal Subsidiaries (Continued)

公司 Company	已發行股本 (港元) Issued Share Capital (HK\$)	集團所佔權益 百分率 Held by The Group %	公司所佔 權益百分率 Held by The Company %	業務 Activity	註冊及營業地點 Place of Incorporation and Operations
格蘭酒店集團有限公司 Grand Hotel Holdings Limited				控股投資 Investment holding	香港 Hong Kong
「A」股 'A' shares	62,163,123	55.9	–		
「B」股 'B' shares	6,000,000	55.9	–		
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	55.9	–	物業租賃 Property leasing	香港 Hong Kong
Hang Far Company Limited*	2	55.9	–	控股投資 Investment holding	香港 Hong Kong
恒快有限公司 Hang Fine Company Limited	200	55.9	–	物業租賃 Property leasing	香港 Hong Kong
Hang Kwok Company Limited*	10,000	55.9	–	物業租賃 Property leasing	香港 Hong Kong
Hang Lick Company Limited*	10,000	55.9	–	物業租賃 Property leasing	香港 Hong Kong
恒隆(行政)有限公司 Hang Lung (Administration) Limited	10,000	55.9	–	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
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(濟南)有限公司 Hang Lung (Jinan) Limited	1	55.9	–	控股投資 Investment holding	香港 Hong Kong
Hang Lung Park-In Limited	2	55.9	–	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	55.9	–	物業發展策劃及管理 Project management	香港 Hong Kong
恒隆地產有限公司 Hang Lung Properties Limited	3,731,707,670	55.9	–	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	55.9	–	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	55.9	–	物業代理 Property agencies	香港 Hong Kong
恒隆(上海)地產發展有限公司 Hang Lung (Shanghai) Properties Limited	2	100	–	管理服務 Management 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 (港元) Issued Share Capital (HK\$)	集團所佔權益 百分率 Held by The Group %	公司所佔 權益百分率 Held by The Company %	業務 Activity	註冊及營業地點 Place of Incorporation and Operations
恒隆(瀋陽)有限公司 Hang Lung (Shenyang) Limited	2	55.9	-	控股投資 Investment holding	香港 Hong Kong
恒隆(天津)有限公司 Hang Lung (Tianjin) Limited	2	55.9	-	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
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
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
恒隆按揭(名賢居)有限公司* HL Mortgage (NV) 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	55.9	-	控股投資 Investment holding	香港 Hong Kong
恒隆地產融資有限公司 HLP Treasury Limited	2	55.9	-	財務 Financial services	香港 Hong Kong
HLP Treasury Services Limited*	2	55.9	-	控股投資 Investment holding	香港 Hong Kong
Hoi Sang Limited*	2	55.9	-	控股投資 Investment holding	香港 Hong Kong
Kindstock Limited*	2	100	-	控股投資 Investment holding	香港 Hong Kong
隆卓有限公司* Land Venture Limited*	2	100	-	物業發展 Property development	香港 Hong Kong
Levington Limited*	8	55.9	-	財務 Financial services	英屬維爾京群島 British Virgin Islands
樂古有限公司* Lockoo Limited*	1,000,002	55.9	-	物業發展 Property development	香港 Hong Kong
運生投資有限公司 Luckyson Investments Limited	10,000	100	-	物業發展 Property development	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

34 主要附屬公司(續)

34 Principal Subsidiaries (Continued)

公司 Company	已發行股本 (港元) Issued Share Capital (HK\$)	集團所佔權益 百分率 Held by The Group %	公司所佔 權益百分率 Held by The Company %	業務 Activity	註冊及營業地點 Place of Incorporation and Operations
Magic Modern International Limited*	1	55.9	–	廣告 Advertising	香港 Hong Kong
Mansita Limited*	2	55.9	–	物業租賃 Property leasing	香港 Hong Kong
Modalton Limited	2	55.9	–	物業租賃 Property leasing	香港 Hong Kong
Monafat Limited*	2	55.9	–	物業租賃 Property leasing	香港 Hong Kong
力奧有限公司 Nikco Limited	2	100	–	物業租賃 Property leasing	香港 Hong Kong
海麗投資有限公司* Ocean Time Investments Limited*	10,000	100	–	物業租賃 Property leasing	香港 Hong Kong
Ottringham Limited*	20	55.9	–	物業租賃 Property leasing	香港 Hong Kong
Palex Limited*	2	55.9	–	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	55.9	–	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	55.9	–	物業租賃 Property leasing	香港 Hong Kong
Rioloy Limited	2	55.9	–	物業租賃 Property leasing	香港 Hong Kong
Ronhero Limited*	2	55.9	–	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
山東恒隆地產有限公司* Shandong Hang Lung Properties Ltd*	295,026,798 [†]	55.9	–	物業發展 Property development	中華人民共和國 The People's Republic of China
瀋陽恒隆地產有限公司* Shenyang Hang Lung Properties Ltd*	751,822,110 [†]	55.9	–	物業發展 Property development	中華人民共和國 The People's Republic of China

34 主要附屬公司 (續)

34 Principal Subsidiaries (Continued)

公司 Company	已發行股本 (港元) Issued Share Capital (HK\$)	集團所佔權益 百分率 Held by The Group %	公司所佔 權益百分率 Held by The Company %	業務 Activity	註冊及營業地點 Place of Incorporation and Operations
敦汶置業有限公司 Stanman Properties Limited	20	100	100	物業發展 Property development	香港 Hong Kong
Stocket Limited	2	55.9	-	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	55.9	-	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	55.9	-	物業租賃 Property leasing	香港 Hong Kong
Williloy Limited*	2	55.9	-	物業租賃 Property leasing	香港 Hong Kong
Yangli Limited*	2	55.9	-	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	55.9	-	物業租賃 Property leasing	香港 Hong Kong

中華人民共和國中外合資企業 Equity Joint Venture in The People's Republic of China	註冊資本 (美元) Registered Capital (US\$)	集團所佔權益 百分率 Held by The Group %	公司所佔 權益百分率 Held by The Company %	業務 Activity	註冊及營業地點 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	54.4	-	物業發展及租賃 Property development & leasing	中華人民共和國 The People's Republic of 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	中華人民共和國 The People's Republic of China
上海港匯房地產開發有限公司 Shanghai Kong Hui Property Development Co., Ltd.	165,000,000	51.6	-	物業發展及租賃 Property development & leasing	中華人民共和國 The People's Republic of China

* 非經畢馬威會計師事務所審核

* Not audited by KPMG

† 註冊資本

† Registered Capital

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

於二零零六年六月三十日

35 Principal Jointly Controlled Entities

At 30 June 2006

公司 Company	已發行股本 (港元) Issued Share Capital (HK\$)	集團所佔權益 百分率 Held by The Group %	公司所佔 權益百分率 Held by The Company %	業務 Activity	註冊及營業地點 Place of Incorporation and Operations
日威發展有限公司 Daily Win Development Limited	400	25	–	物業租賃 Property leasing	香港 Hong Kong
恒興按揭(大興)有限公司 Hang Hing Mortgage (TH) Limited	2	50	–	財務 Financial services	香港 Hong Kong
恒隆白洋舍乾洗有限公司 Hang Lung-Hakuyosha Dry Cleaning Limited	519,000	50	–	乾洗及洗衣服務 Dry and laundry cleaning	香港 Hong Kong
Newfoundworld Finance Limited	100,000	20	–	財務 Financial services	香港 Hong Kong
Newfoundworld Holdings Limited	2,000,000	20	–	控股投資 Investment holding	香港 Hong Kong
Newfoundworld Investment Holdings Limited	8	20	–	控股投資 Investment holding	英屬維爾京群島 British Virgin Islands
Newfoundworld Limited	2,000,000	20	–	物業發展 Property development	香港 Hong Kong
Pure Jade Limited	1,000	20	–	物業發展 Property development	香港 Hong Kong
星際發展有限公司 Star Play Development Limited	3	18.6	–	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.