WINSOR PROPERTIES HOLDINGS LIMITED
Incorporated in the Cayman Islands with limited liability
南聯地產控股有限公司
開曼群島註冊成立之有限公司

(Stock Code: 1036)

Announcement of Unaudited Results for the six months ended 30 June 2008

INTERIM RESULTS

The Directors are pleased to present the unaudited condensed consolidated income statement of Winsor Properties Holdings Limited ("the Company") for the six months ended 30 June 2008 and the unaudited condensed consolidated balance sheet of the Company as at 30 June 2008.

In order to align the financial year end of the Company with that of USI Holdings Limited ("USI"), the Directors resolved in July 2007 to change the financial year end of the Company from 31 March to 31 December. Accordingly, this set of interim results covers the six-month period from 1 January 2008 to 30 June 2008 ("the Period"). The comparative amounts for the condensed consolidated income statement and related notes cover the six-month period from 1 April 2007 to 30 September 2007 ("the Comparative Period") and, as such, may not be entirely comparable.

Condensed Consolidated Income Statement
For the six months ended 30 June 2008

		Unaudited Six months ended	
	Note	**30 June 2008 HK$'000**	30 September 2007 HK$'000
Revenue	*3*	**110,515**	77,241
Cost of sales		**(31,852)**	(23,995)
Gross profit		**78,663**	53,246
Other income	*3*	**40,907**	23,829
Selling expenses		**(2,246)**	(938)
Administrative expenses		**(18,688)**	(17,743)
Increase in fair value of investment properties		**195,341**	209,529
Other gains, net	*4*	**25,076**	127,859
Other operating expenses		**(783)**	(588)
		318,270	395,194
Finance income		**1,647**	15,860
Finance costs	*5*	**(15,689)**	(98)
Operating profit	*6*	**304,228**	410,956
Share of profits less losses of associated companies		**1,622**	23,792
Profit before taxation		**305,850**	434,748
Taxation credit / (charge)	*7*	**5,782**	(66,037)
Profit for the period		**311,632**	368,711
Attributable to:			
Shareholders of the Company		**308,693**	365,408
Minority interests		**2,939**	3,303
		311,632	368,711
		HK$	HK$
Earnings per share	*8*	**1.19**	1.41
		HK$'000	HK$'000
Dividend	*9*	**31,162**	31,162

Condensed Consolidated Balance Sheet
At 30 June 2008

	Note	**Unaudited At 30 June 2008 HK$'000**	Audited At 31 December 2007 HK$'000
Non-current assets			
Property, plant and equipment		**2,674**	32,194
Investment properties		**8,588,230**	6,660,890
Properties under development		**—**	921,717
Associated companies		**349,623**	332,648
Available-for-sale financial assets		**405,758**	442,382
Deferred tax assets		**5,488**	6,042
Goodwill		**57,807**	61,092
		9,409,580	8,456,965
Current assets			
Trade and other receivables	*10*	**51,245**	49,142
Financial assets at fair value through profit or loss		**5,264**	14,850
Derivative financial instruments		**—**	164
Bank balances and cash		**168,694**	146,864
		225,203	211,020
Current liabilities			
Trade and other payables and accruals	*11*	**390,597**	308,733
Derivative financial instruments		**1,751**	10,016
Bank loans and overdrafts		**68,424**	2,000
Tax payable		**58,296**	65,061
Interim dividend payable		**—**	31,162
		519,068	416,972
Net current liabilities		**(293,865)**	(205,952)
Total assets less current liabilities		**9,115,715**	8,251,013
Non-current liabilities			
Long term bank loans		**2,014,032**	1,341,700
Other long term loans		**32,498**	35,275
Derivative financial instruments		**21,252**	31,760
Deferred tax liabilities		**875,920**	892,385
		2,943,702	2,301,120
Net assets		**6,172,013**	5,949,893
Share capital		**2,596**	2,596
Other reserves		**1,036,674**	1,068,500
Retained earnings		**5,080,071**	4,802,540
Proposed final dividend		**—**	57,131
Interim dividend declared		**31,162**	—
Equity attributable to shareholders of the Company		**6,150,503**	5,930,767
Minority interests		**21,510**	19,126
Total equity		**6,172,013**	5,949,893

Notes

1. General information

The Company is a limited liability company incorporated under the laws of the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited ("the Stock Exchange"). The Board of Directors of the Company considers that the Company's ultimate holding company is USI, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange.

The Company and its subsidiaries (collectively "the Group") are principally engaged in property investment and management, warehousing and investment holding. The Group is also involved from time to time in property development activities.

The unaudited interim consolidated financial statements of the Group ("the Interim Accounts") are unaudited, but have been reviewed by PricewaterhouseCoopers, the external auditors of the Company, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants ("the HKICPA"). The Interim Accounts have also been reviewed by the Company's Audit Committee with no disagreement. The Interim Accounts were approved and authorised for issue by the Board of Directors of the Company on 10 September 2008.

2. Basis of preparation and accounting policies

The Interim Accounts have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the HKICPA and in compliance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities ("the Listing Rules") on the Stock Exchange.

The Interim Accounts should be read in conjunction with the Company's annual financial statements for the nine months ended 31 December 2007. The accounting policies and methods of computation used in the preparation of the Interim Accounts are consistent with those used in the Company's annual financial statements for the nine months ended 31 December 2007 except as described below.

In the Period, the Group has adopted, for the first time, the following new interpretations issued by the HKICPA, which are effective for the Group's financial year beginning on 1 January 2008:

HK(IFRIC) – Int 11	HKFRS 2 - Group and treasury share transactions
HK(IFRIC) – Int 12	Service concession arrangements
HK(IFRIC) – Int 14	HKAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction

The adoption of these interpretations has no material effect on the results and financial position of the Group in both periods.

Notes *(continued)*

2. Basis of preparation and accounting policies *(continued)*

The Group has not early adopted the following new or revised standards, amendments and interpretations that have been issued but are not yet effective for the Period:

		Effective for accounting periods beginning on or after
HKAS 1 (Revised)	Presentation of financial statements	1 January 2009
HKAS 23 (Revised)	Borrowing costs	1 January 2009
HKAS 27 (Revised)	Consolidated and separate financial statements	1 July 2009
HKAS 32 and HKAS 1 (Amendments)	Puttable financial instruments and obligations arising on liquidation	1 January 2009
HKFRS 2 (Amendment)	Share-based payment: vesting conditions and cancellations	1 January 2009
HKFRS 3 (Revised)	Business combinations	1 July 2009
HKFRS 8	Operating segments	1 January 2009
HK(IFRIC) – Int 13	Customer loyalty programmes	1 July 2008

The Directors anticipate that the adoption of these standards, amendments and interpretations will have no material effect on the results and financial position of the Group.

3. Revenue, other income and segment information

Revenue and other income recognised during the Period are as follows:

	Six months ended	
	30 June 2008	30 September 2007
	HK$'000	HK$'000
Revenue		
Rental and property management	**96,462**	60,313
Warehousing	**12,973**	16,928
Sale of investment properties	**1,080**	—
	110,515	77,241
Other income		
Dividend income from		
– an unlisted investment	**28,670**	8,921
– listed real estate investment trusts	**6,730**	6,140
Interest income on loans to associated companies	**5,033**	7,737
Others	**474**	1,031
	40,907	23,829
	151,422	101,070

3. Revenue, other income and segment information *(continued)*

Primary reporting format – business segments

Six months ended 30 June 2008

	Rental and property management HK$'000	Warehousing HK$'000	Sale of properties HK$'000	Investment HK$'000	Total HK$'000
Revenue	**96,462**	**12,973**	**1,080**	**—**	**110,515**
Segment results before change in fair value of investment properties	**71,426**	**1,694**	**—**	**38,515**	**111,635**
Increase in fair value of investment properties	**195,341**	**—**	**—**	**—**	**195,341**
Segment results	**266,767**	**1,694**	**—**	**38,515**	**306,976**
Unallocated income less expenses					**4,706**
Gain on disposal of a subsidiary	**—**	**6,588**	**—**	**—**	**6,588**
Operating profit before finance income and costs					**318,270**
Finance income					**1,647**
Finance costs					**(15,689)**
Operating profit					**304,228**
Share of profits less losses of associated companies	**116**	**178**	**1,328**	**—**	**1,622**
Profit before taxation					**305,850**
Taxation credit					**5,782**
Profit for the Period					**311,632**

Six months ended 30 September 2007

	Rental and property management HK$'000	Warehousing HK$'000	Sale of properties HK$'000	Investment HK$'000	Total HK$'000
Revenue	60,313	16,928	—	—	77,241
Segment results before change in fair value of investment properties	46,525	2,980	—	126,351	175,856
Increase in fair value of investment properties	209,529	—	—	—	209,529
Segment results	256,054	2,980	—	126,351	385,385
Unallocated income less expenses					9,809
Operating profit before finance income and costs					395,194
Finance income					15,860
Finance costs					(98)
Operating profit					410,956
Share of profits less losses of associated companies	(484)	—	24,276	—	23,792
Profit before taxation					434,748
Taxation charge					(66,037)
Profit for the period					368,711

Notes *(continued)*

3. Revenue, other income and segment information *(continued)*

Secondary reporting format – geographical segments

	Six months ended			
	Revenue		**Segment results**	
	30 June 2008 HK$'000	30 September 2007 HK$'000	**30 June 2008 HK$'000**	30 September 2007 HK$'000
Hong Kong	**104,754**	67,741	**267,210**	259,590
Singapore	**1,204**	1,798	**36,571**	118,490
Mainland China	**4,557**	7,702	**3,195**	7,305
	110,515	77,241	**306,976**	385,385
Unallocated income less expenses			**4,706**	9,809
Gain on disposal of a subsidiary			**6,588**	—
Operating profit before finance income and costs			**318,270**	395,194
Finance income			**1,647**	15,860
Finance costs			**(15,689)**	(98)
Operating profit			**304,228**	410,956

4. Other gains, net

	Six months ended	
	30 June 2008 HK$'000	30 September 2007 HK$'000
Financial assets at fair value through profit or loss		
– realised (losses) / gains	**(733)**	198
– fair value (losses) / gains	**(681)**	2,077
Realised gains on available-for-sale financial assets	**2,773**	109,893
Net foreign exchange gain	**4,620**	3,120
Fair value gain on derivative financial instruments	**12,509**	12,371
Gain on disposal of a subsidiary	**6,588**	—
Gain on disposal of plant and equipment	**—**	193
Others	**—**	7
	25,076	127,859

5. Finance costs

During the Period, the amount of finance costs capitalised in investment properties was HK$12,450,000 *(2007: HK$2,981,000)*.

Notes *(continued)*

6. Operating profit

Operating profit is stated after crediting and charging the following:

	Six months ended	
	30 June 2008	30 September 2007
	HK$'000	HK$'000
Crediting:		
Gross rental income from investment properties	**94,141**	58,586
Charging:		
Cost of sale of properties included in cost of sales	**1,080**	—
Depreciation of property, plant and equipment	**1,387**	1,762
Staff costs (including Directors' emoluments)	**19,126**	15,111
Direct operating expenses arising from investment properties generating rental income	**15,594**	13,921
Operating leases rentals in respect of land and buildings	**3,822**	3,512

7. Taxation credit / (charge)

	Six months ended	
	30 June 2008	30 September 2007
	HK$'000	HK$'000
Current taxation		
Hong Kong profits tax	**(6,014)**	(8,445)
Overseas taxation	**(833)**	(19,868)
	(6,847)	(28,313)
Deferred taxation		
Change in fair value of investment properties	**(32,231)**	(36,668)
Other temporary differences	**(2,608)**	(1,056)
Effect of tax rate change	**47,468**	—
	12,629	(37,724)
Taxation credit / (charge)	**5,782**	(66,037)

Hong Kong profits tax has been provided at the rate of 16.5% *(2007: 17.5%)* on the estimated assessable profits for the Period. Overseas taxation has been provided on the estimated assessable profits for the Period at rates prevailing in the countries in which the subsidiaries operate.

8. Earnings per share

The calculation of earnings per share is based on profit attributable to shareholders of the Company of HK$308,693,000 *(2007: HK$365,408,000)* and 259,685,288 *(2007: 259,685,288)* shares in issue during the Period.

Diluted earnings per share equals the basic earnings per share as the Company has no dilutive-potential shares in issue during the Period *(2007: Nil)*.

Notes *(continued)*

9. Dividend

	Six months ended 30 June 2008 HK$'000	Six months ended 30 September 2007 HK$'000
Interim dividend, declared, of HK$0.12 *(2007: HK$0.12)* per share	**31,162**	31,162

At a meeting held on 10 September 2008, the Directors declared an interim dividend of HK$0.12 per share for the year ending 31 December 2008. This interim dividend declared is not reflected as a dividend payable in the Interim Accounts, but will be reflected as an appropriation of reserves in the year ending 31 December 2008.

10. Trade and other receivables

	At 30 June 2008 HK$'000	At 31 December 2007 HK$'000
Trade receivables	**9,656**	11,524
Less: Provision for impairment of receivables	**(8)**	(382)
Trade receivables, net of provisions	**9,648**	11,142
Other receivables, deposits and prepayments	**41,597**	38,000
	51,245	49,142

Trade receivables represent mainly rent receivables from tenants of the Group's properties. The Group maintains a defined policy in respect of rent collection. The credit quality of new lease or customer is assessed based on a defined policy set by the Group. Reminders are issued half-monthly when rents are overdue for 15 days, and legal actions will be taken when rents are overdue for two months. The ageing analysis of trade receivables (net of provisions) is as follows:

	At 30 June 2008 HK$'000	At 31 December 2007 HK$'000
Current – 30 days	**5,744**	5,211
31 – 90 days	**2,763**	4,652
Over 90 days	**1,141**	1,279
	9,648	11,142

Notes *(continued)*

11. Trade and other payables and accruals

	At 30 June 2008	At 31 December 2007
	HK$'000	HK$'000
Trade payables	**82,980**	153,983
Other payables and accruals	**307,617**	154,750
	390,597	308,733

The ageing analysis of trade payables is as follows:

	At 30 June 2008	At 31 December 2007
	HK$'000	HK$'000
Current – 30 days	**81,662**	152,965
31 – 90 days	**819**	931
Over 90 days	**499**	87
	82,980	153,983

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group's unaudited revenue for the Period was HK$111 million, compared to HK$77 million for the Comparative Period. The increase in revenue was mainly due to the Group's enlarged portfolio of investment properties. The Group's unaudited profit after tax for the Period was HK$312 million, compared to HK$369 million for the Comparative Period. Excluding the fair value gain on investment properties net of deferred tax of HK$163 million (Comparative Period: HK$173 million) and the deferred tax credit of HK$48 million (Comparative Period: Nil) arising from the change in Hong Kong profits tax rate, the Group's unaudited profit after tax for the Period was HK$101 million (Comparative Period: HK$196 million). The decrease was mainly due to a gain of HK$104 million recognised by the Group for the Draycott 8 project in the Comparative Period, which was non-recurring in nature.

Rental and property management

The acquisition of the entire Unimix Industrial Centre in San Po Kong, the entire Shui Hing Centre in Kowloon Bay and the remaining 70% interest in W Square in Wanchai ("the Newly Acquired Properties") was completed on 31 December 2007. The Newly Acquired Properties, in aggregate, contributed revenue of HK$32 million (Comparative Period: Nil) in the Period. The other rental properties, namely the Regent Centre in Kwai Chung, the Winner Godown Building in Tsuen Wan and the Lucky Industrial Building in Kwai Chung, have all performed well. These properties, benefiting from the upward rental reversion and improved occupancy, recorded an increase in revenue from HK$57 million to HK$61 million in the Period. Together with other property management income, total revenue from rental and property management was HK$96 million for the Period (Comparative Period: HK$60 million).

Refurbishment of W Square, a top-quality retail and Grade A office property in Wanchai, was completed in January 2008. The property was transferred to Investment Properties upon completion of refurbishment. The leasing progress of W Square has so far been satisfactory.

Excluding the increase in fair value of investment properties, segment profit for the rental and property management operation was HK$71 million (Comparative Period: HK$47 million) for the Period. The increase was mainly due to profit contribution from the Newly Acquired Properties. As at 30 June 2008, the overall occupancy rate of the Group's rental properties was 89%.

Warehousing

The combined results of the Group's warehousing operation in Hong Kong and the cold storage operation in Mainland China reported revenue of HK$13 million (Comparative Period: HK$17 million) and a segment profit of HK$1.7 million (Comparative Period: HK$3.0 million) for the Period. The drop in revenue and profit was mainly due to the disposal of a 65% interest in the Group's cold storage operation to the China Merchants Group ("China Merchants") on 30 April 2008. The cold storage business is now a 30/70 joint venture between the Group and China Merchants.

Sale of properties

There was no significant sale of properties during the Period (Comparative Period: Nil).

Investment

The Group's investment activities reported a segment profit of HK$39 million for the Period (Comparative Period: HK$126 million). Profit from this segment mainly comprised dividend income and realised and unrealised gains less losses on the Group's investments. The decrease was mainly due to a gain of HK$104 million before tax recognised in the Comparative Period for the Group's 15% interest in the Draycott 8 residential development in Singapore, which was non-recurring in nature.

Valuation of investment properties

The portfolio of the Group's investment properties at 30 June 2008 consisted of Landmark East, the unsold portion of Regent Centre, Winner Godown Building, Lucky Industrial Building, Unimix Industrial Centre, Shui Hing Centre and W Square. Their total valuation at 30 June 2008 was HK$8,588 million, compared to HK$6,661 million as at 31 December 2007. The value of the portfolio increased as a result of the land premium and costs capitalised for the development of Landmark East, the transfer of W Square to Investment Properties upon completion of refurbishment and an increase in fair value of the investment properties during the Period.

Finance income and finance costs

The Group acquired the Newly Acquired Properties for a cash consideration of HK$1,106 million on 31 December 2007. As a result, the Group turned from a net cash surplus position to a net borrowing position during the Period. Net finance costs amounted to HK$14 million in the Period, against net finance income of HK$16 million in the Comparative Period. Interest expenses on the construction loan for the development of Landmark East have been capitalised in both periods.

Interest income on loans to associated companies was reported as other income and amounted to HK$5 million for the Period, compared to HK$8 million for the Comparative Period. The decrease was mainly due to an associate of the Group becoming a subsidiary upon completion of the acquisition of the Newly Acquired Properties on 31 December 2007.

The Group held interest rate swap contracts ("IRS Contracts") to hedge its interest rate exposure. The outstanding notional principal amount of the IRS Contracts was HK$1,000 million as at 30 June 2008. The fair value changes of the IRS Contracts at period end had resulted in a write-back of prior year's loss amounting to HK$13 million as Other Gain in the Period.

Share of profits less losses of associated companies

There was no significant sale of properties in the associated companies during the Period (Comparative Period: profit of HK$24 million).

Taxation

Taxation accounted for during the Period comprised provision for Hong Kong profits tax of HK$6 million, overseas taxation of HK$1 million, deferred tax charge of HK$35 million mainly on fair value change of investment properties and write-back of deferred tax provision of HK$48 million as a result of the change in Hong Kong profits tax rate from 17.5% to 16.5% during the Period. As a result, there was an overall tax credit of HK$6 million for the Period, versus a tax charge of HK$66 million in the Comparative Period.

Changes in Group structure

Winsor Health Godown Limited ("Winsor Health") was a 95% subsidiary of the Group, which together with its subsidiaries engaged principally in the cold storage business in Mainland China. The Group disposed of a 65% interest in Winsor Health on 30 April 2008, which then became a 30% associate of the Group. Apart from the foregoing, there was no change in corporate structure of the Group during the Period.

PROJECT PROGRESS

Landmark East, Hong Kong

The Group has a 100% interest in this twin-tower Grade A office development in Kwun Tong, which is to be held for rental income. The project on completion will increase the rental portfolio of the Group by about 1.3 million square feet. Marketing efforts have been stepped up as the project progresses to its completion later this year. In July 2008, the negotiation with the Government regarding the lease modification premium was successfully concluded permitting maximum benefit be derived from the development.

2 Forfar Road, Hong Kong (previously known as 157 Argyle Street, Hong Kong)

The Group has a 20% interest in this luxury residential development which will provide about 100,000 square feet of saleable floor space upon its scheduled completion in late 2009. Superstructure work for the project is in progress.

Belle Vue Residences, Singapore

The Group has a 30% interest in this luxury residential development at 15-23 Oxley Walk, Singapore, having a site area of about 247,000 square feet and a maximum allowable gross floor area of about 347,000 square feet. The project is scheduled for completion in the first half of 2010.

EMPLOYEES

The Group employed 191 employees as at 30 June 2008 (31 December 2007: 248 employees). The decrease in headcount was mainly due to the disposal of the cold storage business in Mainland China. The Group aligns its remuneration and benefit packages with pay levels and practices prevailing in the market and recognises individual responsibility and performances. All eligible employees in Hong Kong are enrolled to a defined contribution mandatory provident fund scheme. Other benefits are awarded at the discretion of the Group. Staff training is provided as and when required.

FINANCIAL REVIEW

The Group's financing and treasury operations are centrally managed and controlled.

Liquidity and financial resources

The Group' shareholders' equity as at 30 June 2008 was HK$6,151 million (31 December 2007: HK$5,931 million). The increase was mainly due to profit attributable to shareholders for the Period of HK$309 million net of 2007 final dividend of HK$57 million distributed during the Period. The Group's total equity, including minority interests, was HK$6,172 million as at 30 June 2008 (31 December 2007: HK$5,950 million).

The Group's total bank borrowings as at 30 June 2008 were HK$2,082 million (31 December 2007: HK$1,344 million). The increase was mainly due to increase in bank borrowings to finance the development of Landmark East. After deducting the unutilised bank balances and cash of HK$169 million (31 December 2007: HK$147 million), the Group's net borrowings as at 30 June 2008 were HK$1,913 million (31 December 2007: HK$1,197 million).

The gearing ratio of the Group, as measured by the net borrowings of HK$1,913 million over the total equity of HK$6,172 million, was 31% as at 30 June 2008 (31 December 2007: 20%).

Bank borrowings

The Group's bank borrowings are all denominated in Hong Kong Dollars and bear interest at floating rate. About 97% of the total bank borrowings were repayable in periods beyond one year. The Group entered into the IRS Contracts to hedge partly the floating rate interest exposure. These IRS Contracts are carried as derivative financial instruments at fair value in the Group's balance sheet. According to the payment schedule for the IRS Contracts, the carrying amounts as at 30 June 2008 were HK$2 million under current liabilities and HK$21 million under non-current liabilities.

Foreign currencies

The Group principally operates in Hong Kong and, as a result, has minimal exposure to exchange rate fluctuation. The Group has certain investments in associates and financial assets which are denominated in Singapore Dollars and Renminbi. No forward exchange contracts have been entered to hedge for these foreign currency assets, which exposure will continue to be monitored by the Group and, if considered appropriate, hedged to the extent desirable.

Capital commitments

The Group's capital commitments in respect of investment properties amounted to HK$294 million as at 30 June 2008, which were all related to construction costs of Landmark East.

The Group's capital commitments in respect of investments in associated companies aggregated HK$533 million as at 30 June 2008. Such amount was calculated as the Group's attributable share of the acquisition and construction costs committed by the relevant associated companies in relation to property development projects less amounts already contributed by the Group. Given that these associated companies have all arranged banking facilities to finance the major part of the said costs, it is not expected that the Group will be called upon to make any disbursement in any significant amount under these capital commitments.

Contingent liabilities

Financial guarantees and completion undertakings given on a several basis and in proportion to the Group's respective equity interests to secure banking facilities granted to associated companies amounted to HK$564 million as at 30 June 2008. Apart from the financial guarantees and completion undertakings, the Group had no other significant contingent liabilities as at 30 June 2008.

Pledge of assets

At 30 June 2008, certain of the Group's investment properties and financial assets with a carrying value of HK$8,564 million and HK$183 million respectively were pledged to secure banking facilities of the Group.

OUTLOOK

The global economy remains uncertain in view of the slowdown of the United States economy caused by the subprime fallout, uncertain credit environment and increasing inflationary pressure. Although Hong Kong will be affected to some extent by the slowdown in global economic activity, the fundamentals of the Hong Kong economy and that of Mainland China remain strong. Against such a backdrop, it is expected that the commercial property market in Hong Kong will continue to be well supported.

Our investment properties are all located in Hong Kong. The Regent Centre and Lucky Industrial Building in Kwai Chung, the Winner Godown Building in Tsuen Wan, the Shui Hing Centre in Kowloon Bay and the Unimix Industrial Centre in San Po Kong all recorded high occupancy. The take-up of the Grade A office and retail space of W Square in Wanchai are on plan. Landmark East, our Grade A office development in Kwun Tong, is facing keen competition from new office buildings recently completed or in the pipeline in Kowloon East. The Group is dedicated to increasing its marketing and leasing efforts. It is expected that tenancies in Landmark East will have to be gradually built up over time to fully defray the interest expenses on its development expenditure which can no longer be capitalised upon completion of development. The completion of Landmark East will add 1.3 million square feet to the Group's existing rental portfolio of 2.2 million square feet and will significantly enhance the recurrent income base of the Group.

In view of the above and barring unforeseen circumstances, the Directors remain cautiously optimistic in respect of the Group's prospects.

DIVIDEND AND CLOSE OF REGISTER

In view of the profit for the Period and the financial position of the Group, the Directors have resolved to declare an interim dividend of HK$0.12 per share for the six months ended 30 June 2008, payable on 20 October 2008 to all shareholders whose names appear on the Register of Members of the Company on 10 October 2008. The Register of Members and the Transfer Books of the Company will be closed from 8 October 2008 to 10 October 2008, both days inclusive. In order to qualify for the interim dividend for the six months ended 30 June 2008, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Share Registrars and Transfer Office, Computershare Hong Kong Investor Services Limited, Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 6 October 2008. The Company's Hong Kong Share Registrars and Transfer Office will be closed on Tuesday, 7 October 2008, which is a public holiday in Hong Kong.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has observed the principles and complied with all code provisions and, to the extent possible having regard to circumstances pertaining to the Company, the recommended best practices of the Code on Corporate Governance Practices as set out in Appendix 14 to the Listing Rules throughout the Period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF THE COMPANY

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("the Model Code") set out in Appendix 10 to the Listing Rules as its own code of conduct for securities transactions by Directors of the Company.

The Company has made specific enquiry of all Directors regarding any non-compliance with the Model Code during the Period, and received confirmation from all Directors that they had fully complied with the required standard set out in the Model Code throughout the Period.

AUDIT COMMITTEE

The Audit Committee has reviewed with management and the auditors of the Company the accounting policies and practices adopted by the Group and discussed matters in relation to internal control and financial reporting including the review of the Interim Accounts.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company has not redeemed any of its shares during the Period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the Period.

PUBLICATION OF RESULTS AND INTERIM REPORT

This results announcement is published on the website of the Company at http://www.winsorprop.com and the website of the Stock Exchange at http://www.hkexnews.hk. The interim report of the Company will be despatched to shareholders and will be published on the aforesaid websites in due course.

BOARD OF DIRECTORS

As at the date of this Announcement, the directors of the Company are:-

Executive Directors:
Mr. Chow Wai Wai, John, Mrs. Chen Chou Mei Mei, Vivien, Mr. Chung Hon Sing, John, and Mr. Au Hing Lun, Dennis

Non-Executive Directors:
Mr. Cheng Wai Chee, Christopher* and Mr. Cheng Wai Sun, Edward*

Independent Non-Executive Directors:
Lord Sandberg, Mr. Christopher Patrick Langley, Dr. Lo Ka Shui and Mr. Haider Hatam Tyebjee Barma

* Alternate: Ms. Fung Ching Man, Janet

On behalf of the Board
Cheng Wai Chee, Christopher
Chairman

Hong Kong, 10 September 2008