Tsim Sha Tsui Properties Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 247)

CHAIRMAN'S STATEMENT

I am pleased to present my interim report to shareholders.

INTERIM RESULTS

The Group's unaudited net profit attributable to shareholders for the six months ended 31st December, 2008 (the "Interim Period") was HK$672.8 million (2007 : HK$ 3,642.6 million). Excluding revaluation deficit on investment properties net of deferred tax of HK$300.6 million, the underlying net profit from operations was HK$973.4 million for the Interim Period (2007 : HK$ 2,400.6 million).

The turnover of the Group for the Interim Period was HK$6,259.3 million, representing an increase of 35% compared with HK$ $4,620.5 million for the previous interim period. Earnings per share for the period was 46.3 cents.

The unaudited results for the Interim Period have been reviewed by the Company's auditors, Deloitte Touche Tohmatsu and they reflect the adoption of all Hong Kong Financial Reporting Standards applicable to the Group that are effective for the accounting period.

DIVIDEND

The Directors have declared an interim dividend of 10 cents per share payable on 15th May, 2009 to those shareholders whose names shall appear on the Register of Members of the Company on 20th April, 2009.

The interim dividend will be payable in cash but shareholders will be given the option of electing to receive the interim dividend in the form of new shares in lieu of cash in respect of part or all of such dividend. The new shares to be issued pursuant to the scrip dividend scheme are subject to their listing being granted by the Listing Committee of The Stock Exchange of Hong Kong Limited.

A circular containing details of the scrip dividend scheme will be despatched to shareholders together with the form of election for scrip dividend on or about 24th April, 2009. It is expected that the interim dividend warrants and share certificates will be despatched to shareholders on or about 15th May, 2009.

REVIEW OF OPERATIONS

The operations under Sino Land Company Limited ("Sino Land") represent a substantial portion of the operations of the Group as a whole. As at 31st December, 2008, Tsim Sha Tsui Properties Limited (the "Company") had 51.14% interest in Sino Land. Therefore, for discussion purposes, we have focused on the operations of Sino Land.

Sales Activities

Sino Land's earnings from sales of properties at subsidiary level for the Interim Period were mainly contributed from the sales of residential units in The Palazzo, the occupation permit of which was obtained in December 2008, and One Madison, the occupation permit of which was obtained in the financial year 2007/2008.

The Palazzo is conveniently located in the Shatin area overlooking panoramic views of the Shatin racecourse where equestrian events of the 2008 Olympics were held, the lush Penfold Park, Tolo Harbour as well as the Shing Mun River. The project is well served by several public transportation links and is next to the MTR Fo Tan Station on the East Rail. The railway line will also connect with the Shatin to Central Link currently under planning. Completed in December 2008, the project has a total of 1,375 luxurious residential units and an elegant clubhouse dividing into a number of thematic gardens. The Palazzo was launched for sale in May 2008 and market response was good with approximately 80% of the total units sold.

Located at New Kowloon West, One Madison is only a few minutes' walk to the MTR Cheung Sha Wan Station. The project offers a total of 126 residential units each with a balcony. One Madison was launched for sale in August 2008 with approximately one-third of the total units sold.

During the Interim Period, Sino Land also launched The Dynasty for sale. The Dynasty, a luxurious project consisting of 256 residential units, is located in the centre of Tsuen Wan in North-West New Territories and conveniently accessible to the two railway arteries MTR Tsuen Wan West Station on the West Rail and MTR Tsuen Wan Station on the MTR Tsuen Wan Line. All units in the project enjoy the panoramic views of both Victoria Harbour and

Rambler Channel. The exceptionally high ceiling height and top class kitchenwares in each unit are some of the key features of the project. The Dynasty was launched on the market in October 2008 with over 40% of its total units sold.

Earnings from property sales at associate level were mainly derived from completed residential units in Chengdu International Community in Chengdu, Sichuan and One HoneyLake, Shenzhen. Approximately 80% of the units launched to date in Chengdu International Community and almost all of the units in One HoneyLake have already been sold.

During the Interim Period, Sino Land completed 6 projects. Details of the completed projects are presented in the table below with a total attributable gross floor area of over 2.1 million square feet.

Location	**Usage**	**Sino Land's Interest**	**Attributable Gross Floor Area** *(Square feet)*
1. The Palazzo 28 Lok King Street, Shatin, New Territories, Hong Kong	Residential / Retail	Joint Venture	1,322,883
2. Exchange Tower 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong	Commercial	100%	609,027
3. Vista 188 Fuk Wa Street, Kowloon, Hong Kong	Residential / Retail	Joint Venture	134,043
4. The Hennessy, 256 Hennessy Road Wan Chai, Hong Kong	Commercial	100%	71,862
5. Goodwood Park 138 Hang Tau Road, Kwu Tung, Sheung Shui, New Territories Hong Kong	Residential	100%	23,638

Location	Usage	Sino Land's Interest	Attributable Gross Floor Area *(Square feet)*
6. Clifford Pier 80 Collyer Quay, Singapore 049326	Commercial	100%	11,178
			2,172,631

Subsequent to the Interim Period, Sino Land obtained the occupation permit for The Dynasty from the Building Authority of the HKSAR Government in January 2009.

Land Bank

As at 31st December, 2008, Sino Land has a land bank of approximately 43.9 million square feet of attributable gross floor area comprising a balanced portfolio of properties of which 68% is residential; 21% commercial; 5% industrial; 3% car parks and 3% hotels. In terms of breakdown of the land bank by status, 31.9 million square feet consist of properties under development, 10.6 million square feet of properties for investment/own use and 1.4 million square feet of properties held for sale. Sino Land will continue to selectively replenish its land bank, both in Hong Kong and in Mainland China, to optimise its earnings potential.

Sino Land did not acquire any new sites during the Interim Period.

Property Development

Sino Land expects to complete a total of 3 projects with an attributable gross floor area of approximately 2.4 million square feet in the second half of the financial year ending 30th June, 2009. Details of the projects are as follows:

Location	Usage	Sino Land's Interest	Attributable Gross Floor Area *(Square feet)*
1. Lake Silver STTL 530, MTR Wu Kai Sha Station, Ma On Shan, New Territories, Hong Kong	Residential / Retail	Joint Venture	1,858,405

Location	Usage	Sino Land's Interest	Attributable Gross Floor Area *(Square feet)*
2. The Dynasty 18 Yeung Uk Road, Tsuen Wan, New Territories, Hong Kong	Residential / Retail	Joint Venture	479,728
3. Park Place 130 Jia He Lu, Xiamen, PRC	Residential / Retail	100%	144,720
			2,482,853

Rental Activities

Sino Land's gross rental revenue, including the attributable share of its associates, increased by 25.2% to HK$1,116.8 million for the Interim Period compared with HK$891.4 million in the previous interim period. The growth in rental revenue during the Interim Period was mainly due to positive rental increase for lease renewals across all sectors of the rental portfolio as well as newly added rental properties including Citywalk in Tsuen Wan and the addition of the remaining interests in the development companies of Olympian City 1 and 2 shopping malls.

During the Interim Period, Sino Land completed three main new projects for investment purposes, namely Exchange Tower in Kowloon Bay, Kowloon, The Hennessy, 256 Hennessy Road in Wan Chai on Hong Kong Island, and Clifford Pier in Singapore (part of The Fullerton Heritage).

Conveniently located in the heart of Kowloon East, Exchange Tower is easily accessible by the Mass Transit Railway system and other public transport. The building incorporates a number of environmentally friendly features including a Sky Garden of approximately 28,000 square feet with a 16 feet floor-to-ceiling height and recreational facilities, vertical greening in the main atrium, landscaped public spaces, an innovative green balcony on every office floor and alfresco dining areas with panoramic seaviews. Leasing of Exchange Tower has commenced attracting a good mix of tenants, including local and multinational corporations.

The Hennessy, 256 Hennessy Road is located in bustling Wan Chai, a few minutes' walk from the MTR Wan Chai Station. The commercial building is just minutes away from the Causeway Bay and Central entertainment hubs. The first three retail floors are covered by a 15-metre-high glass curtain that provides excellent visibility from the street. The unique podium garden with a floor-to-ceiling height of over 24 feet on the second level and the Sky Garden of over 19 feet of floor-to-ceiling height on the twenty-third floor provide an urban oasis for lifestyle entertainment tenants. Every floor has over 15 feet floor-to-ceiling height and a flexible layout, making it a differentiated and sought-after product amongst the city's commercial buildings. Leasing of The Hennessy, 256 Hennessy Road is in progress. The project has attracted a well diversified mix of tenants, including local and international food and beverage operators.

Officially opened on 3rd June, 1933, the neo-classical inspired Clifford Pier is named after Sir Hugh Charles Clifford, Governor of the Straits Settlements (1927 – 1929), and is defined by its notable architecture as a quintessential column-free Victorian wrought-iron pier. The Pier is a historic landmark and was the key landing point for visitors and immigrants arriving by ships in the early days of Singapore. The revitalized Pier has kept its original architectural characteristics and charm. Now part of The Fullerton Heritage, the makeover of the Pier is complete and it was opened in December 2008. The view from the Pier offers a spectacular panorama of the glittering Marina Bay developments, Singapore's first integrated resort. The Pier affords over 10,000 square feet of commercial space, and has been leased to a stylish modern Chinese establishment making it one of Singapore's top tourist and dining destinations.

In addition to the above three commercial projects, Sino Land completed the residential and retail project located in TWTL394 Yeung Uk Road subsequent to the Interim Period. The residential part of the project is named The Dynasty whereas the retail part is named Citywalk 2. As the project is adjacent to the Citywalk shopping mall and linked by convenient walkway bridges, Citywalk 2 will complement Citywalk's attractions in terms of design and tenant mix. Combined, the two malls totalling half a million square feet, and the coordinated positioning of the two retail malls represent a complete array of shopping, dining and entertainment choices for customers and local residents.

Citywalk 2 is a contemporary three-storey technologically innovative mall with approximately 200,000 square feet of space accommodating brand-name shops, cinemas, lifestyle stores, restaurants and supermarkets. It includes a distinctive feature of a giant pixilated wall with thousands pieces of LED discs integrated into the exterior of the building as an electronic façade. Citywalk 2 is a dynamic and fashionable destination for shopping, dining and entertainment.

Apart from the completion of new investment properties, Sino Land continues to implement asset enhancement initiatives to make its investment properties more appealing. These include developing compelling marketing and promotional events, raising service quality and ensuring the right tenant mix. Such initiatives help to sustain shopper flow as well as enhancing the value of the rental properties.

As at 31st December, 2008, Sino Land has approximately 10.6 million square feet of attributable gross floor area of properties for investment/own use, compared to 9.8 million square feet over the previous financial year. Of this portfolio, commercial developments (retail and office) account for 62%, industrial developments 15%, car parks 14%, hotels 6%, and residential 3%. Sino Land expects to complete a total of approximately 2.2 million square feet of attributable gross floor area of investment properties in the next few years which will further increase its recurrent income base.

Hotels

The Fullerton Hotel Singapore

Singapore tourism industry recorded growth in both tourism receipts and number of visitor days. Based on year-on-year comparison, tourism receipts grew at 5% to S$14.8 billion whereas visitor days increased by 6.9% to 39.8 million days in 2008 although visitor arrivals showed a decrease of 2% mainly due global economic downturn. Average length of stay further increased from 3.69 days for 2007 to 4.07 days for 2008.

For the 6 months from July to December 2008, both tourism receipts and visitor days grew at approximately 9.4% and 2.4% respectively whereas visitor arrivals decreased by approximately 6.1%. Average length of stay increased to 4.11 days for the 6 months, representing a 9.3% increase over the corresponding period last year. We are also delighted to have learnt that Singapore has been ranked the "Top International Meeting City" in 2007 in the Union of International Associations (UIA) 2007 Global Rankings announced in August 2008 and fourth in Euromonitor International's Top City Destinations Ranking in 2007, released in December 2008. These encouraging results demonstrate that Singaporean Government has made significant efforts in promoting Singapore as a city for MICE and the Fullerton Hotel Singapore will benefit from the growth of this sector.

During the Interim Period, The Fullerton Hotel Singapore experienced growth in average room rate and RevPAR mainly boosted by the 2008 Formula One SingTel Singapore Grand Prix despite the global economic slowdown.

The Fullerton has received a number of awards from the following respected organisations and magazines in recognition of its standards of service during the Interim Period. These awards were as follows:-

- 'One of the Top Hotels in Asia' by *Condé Nast Traveler - Readers' Choice Awards (2008)*
- Ranked 3rd in 'Best Business Hotel in Asia-Pacific' by *Business Traveller Asia-Pacific (2008)*
- Ranked 3rd in 'Top 25 Business Hotels, Asia' and 2nd in 'Top 25 Conference Hotels, Asia' by *SmartTravelAsia.com - Best in Travel Poll (2008)*
- '101 Top Hotel Suites of the Year' by *Elite Traveler 2008*

In view of the current economic situation, both business and leisure travelers are expected to be more cost-conscious. In response to the slowdown and upcoming challenging outlook in tourism and hospitality industries, the Singaporean Government has taken steps in introducing measures including financial assistance scheme and subsidies to help businesses. These are positive towards the economy as a whole. In addition to these immediate measures, the international events including 2009 Formula One Singapore Grand Prix, Singapore 2010 Youth Olympic Games and a number of key conferences such as BioMedical Asia and BroadcastAsia 2009 as well as the new infrastructure developments namely the two-berth International Cruise Terminal at Marina South, transformation of Marina Bay area into a world class city; Gardens by the Bay and Singapore Sports Hub will also be positive for The Fullerton.

The Fullerton places an emphasis on providing high quality products and services to the discerning guests. During the Interim Period, Sino Land implemented a number of measures in terms of marketing and operations aiming at improving both business and operational efficiency. In terms of operational efficiency, cost containment initiatives have also been implemented. Management makes continuous efforts to strengthen the competitiveness of the Hotel and work hard on its business and operations during the challenging time ahead.

Conrad Hong Kong

Visitor arrivals in Hong Kong grew at 4.7% to 29.5 million in 2008, slightly lower than the projected figure of 30 million by the Hong Kong Tourism Board mainly due to the international financial turmoil intensified in the second half of 2008 resulting in slowdown in business activities and leisure travel. However, tourist spending per capita increased by 4.6%. Despite the current economic situation, growth in visitor arrivals could be seen in short-haul markets namely Mainland China and South and Southeast Asia.

During the Interim Period, overall performance of Conrad Hong Kong slowed down compared with the corresponding period last year due to challenging global economic situation. To lessen the impact of the global economic climate, Sino Land has put together a combination of actions to enhance its marketing capability and operational efficiency. With regard to renovation, following the completion of the renovation of all its guest rooms, Nicholini's (the Italian restaurant) and Pacific Bar in financial year 2007/2008, the renovation work for Golden Leaf Chinese restaurant and The Shop were completed in the Interim Period. Management continues to put substantial efforts in increasing revenue and at the same time optimise the operational efficiency during the present tough time.

In recognition of the quality of service of Conrad Hong Kong, it has received the following awards from the following respected organisations and magazines during the Interim Period :-

- 'The World's Best Hotels 2008' by *Institutional Investor (2008)*
- 'Top 50 Hotels in Asia' in the World's Best Awards by *Travel + Leisure (2008)*
- One of the 'Top 25 Business Hotels' in the Best in Travel Poll 2008 by *SmartTravelAsia.com*
- One of the 5 top hotels in Hong Kong and 400 The World's Very Best Hotels & Resort *by Forbes Traveler.com (2008)*

Mainland Business

Mainland China, as one of the major trading partners of the United States and other major economies, has inevitably been affected by the global economic slowdown. As a result, Sino Land has not yet acquired any new sites for property development since August 2007.

However, Mainland China was quick to introduce a number of measures to stimulate its economic growth in view of the global economic downturn. There are early signs that these measures are having a positive effect and management believes the economic growth of China will continue despite some adjustments in the short-term. In addition, the leadership appears to be monitoring the situation closely and have also indicated that additional stimulus will be introduced if needed. Sino Land's commitment to building quality properties and providing after-sales professional property management services have been the key factors in achieving customer satisfaction and we are committed to doing the same for projects in Mainland China.

As at 31st December, 2008, Sino Land has a total of 27.3 million square feet of land bank in China, of which 26.8 million square feet are development land bank and the remaining are completed properties for investment and for sale purposes.

Other than the matters mentioned above, there has been no material change from the information published in the report and accounts for the financial year ended 30th June, 2008.

FINANCE

As at 31st December, 2008, the Group's gearing ratio was at approximately 29.3%, expressed as a percentage of total borrowings to the total assets. Of the total borrowings, 37% was repayable within one year, 28% repayable between one and two years and 35% repayable between two and five years. The Group, including the attributable share of its associates, had cash resources of approximately HK$12,388 million, comprising cash on hand of approximately HK$6,012 million together with committed undrawn facilities of approximately HK$6,376 million. All the cash on hand is in the form of deposits in banks of high credit ratings.

There was no material change in foreign currency borrowings and the capital structure of the Group for the Interim Period. Foreign exchange exposure has been prudently kept at a minimal level. The Group's borrowings are subject to floating interest rates. The Group has maintained a prudent and sound financial management policy and has not entered into any transaction relating to derivatives and/or any other form of accumulators, swap transactions and options.

CORPORATE GOVERNANCE

The Group places great significance on corporate integrity, business ethics and good governance. With the objective of achieving best practice of corporate governance, the Group has established an Audit Committee, a Compliance Committee and a Remuneration Committee. Sino Land is committed to maintaining good corporate transparency as well as good communication with investors and shareholders by various channels such as non-deal roadshows, investor conferences, results briefing, site visits and corporate website to disseminate information on the Sino Land’s latest developments.

CUSTOMER SERVICE

Sino Land reaffirms its commitment to building quality projects. In keeping with its mission to enhance customer satisfaction, the Group will wherever possible ensure that attractive design concepts and features, which are also environmentally friendly, are integral elements of its developments. Management continues to conduct regular reviews of its properties and where necessary makes improvements to maintain its reputation for the highest standards of quality and service.

Delivering high-quality customer service has long been one of the Sino Land’s key business objectives. During the period under review, Sino Property Services received a number of awards from HKSAR Government and renowned organisations in recognition of its quality of service, management capability, contributions in community and charity services, and promotion of environmental protection. Sino Land will continue to make improvement in its quality of service so as to ensure customer satisfaction and enhance branding.

CORPORATE CITIZENSHIP

To further the Group's commitment to good corporate citizenship, the Community Care Committee (the "Committee") works closely with different charitable and voluntary organisations to arrange various community services for the needy.

On the environmental protection side, the Group has collaborated with a number of international organisations from promoting environmental protection to co-organising activities to inspire public interest in protecting our natural resources and encourage the concept of green living.

It is also the Group's belief that supporting local arts and cultural activities is important to foster creativity, reinforce public awareness and fulfill Hong Kong people's artistic appreciation. The Group’s efforts in this respect may make a small but relevant contribution to build a better Hong Kong for the community. The Committee will continue to roll out activities for staff participation as well as to serve the community in the years to come.

PROSPECTS

The global markets have changed significantly in 2008. In the second half of 2008, the impact of tighter liquidity in US and European financial markets spilled over to other industries and swept across the globe, undermining business confidence and market sentiment. However, the governments of over 50 countries speedily took unprecedented and coordinated action using fiscal and monetary measures to tackle the situation, with the objective of ameliorating the effects of economic contagion while stimulating their economies. It is encouraging to see that the US Congress recently passed the US Government's economic stimulus plan in an attempt to restore confidence as well as stabilise financial and property markets. The recently announced US housing plan that aims to stem the surge in home foreclosures and set a common standard for mortgage modifications in the US will certainly help alleviate the problems in the property market and protect the livelihoods of millions of US households. This action should be welcomed as it is critical to resolve the root cause of the current economic situation.

In response to the global economic downturn, the Central Government of the PRC and the HKSAR Government have proactively implemented economic stimulus packages that aim to restore the confidence of businesses and individuals, and mitigate negative short term impact. In the medium to long term, the economic and financial reforms introduced by the Central Government will be beneficial to the property market. These include fourteen key initiatives, such as an early start on the Hong Kong-Zhuhai-Macao Bridge, the Guangzhou-Shenzhen-Hong Kong Express Rail Link, the development of a world-class metropolis in the Pearl River Delta, as well as the support of more mainland firms listing in Hong Kong. The Central Government's support of Hong Kong's economic growth will stimulate local job opportunities, benefiting the economy as a whole.

The economic and financial support pledged by the HKSAR Government include the guarantee of bank deposits, which provides confidence in the banking system as well as developing fiscal policy aimed at mitigating the impact of external economic setbacks, stimulating domestic demand and creating jobs. The recently announced 2009-10 Budget by HKSAR Government unveils an expansion of government spending on measures to strengthen the employment and infrastructure developments. The measures will be instrumental in reviving the economy.

2009 will present challenges but it is believed that the situation will be manageable as nations have already responded decisively to restore confidence in financial systems, and collectively address problems. Importantly, the abrupt downturn has encouraged policy makers around the world to work together to improve their respective economies and infrastructure to prevent the current situation from recurring.

The property market in Hong Kong is fundamentally healthy. Banks are adequately capitalised with prudent capital adequacy ratio. Financial institutions have been positively providing mortgage loans to facilitate home purchases. Mortgage terms are favourable to home buyers with mortgage rates remaining low and under the structure of prime minus a credit spread. In terms of policy, HKSAR Government reiterates their stance on upholding the present system. We are positive of the property market in Hong Kong in the medium to long term.

We, like others, believe that crisis also presents opportunities because it leads to more focused efforts and stronger teamwork to improve productivity and operational efficiency. Despite the current economic situation, we face these challenges with confidence as we move forward. The Group continues to be prudently positioned to benefit from future opportunities that will arise, and will strive to optimise its earnings, improve the quality of properties and services, and enhance customers' lifestyles which will ultimately lead us to serve our customers better. As the Group has a healthy financial position with strong liquidity, management will continue to deliver value for shareholders. The Group will maintain a policy of selectively and continuously replenishing its land bank both in Hong Kong and China, which will enable it to strengthen earnings and profitability. The Directors are indeed confident in the medium to long term prospects of the Group.

STAFF AND MANAGEMENT

On behalf of the Board, I would like to take this opportunity to express my sincere appreciation to all staff for their commitment, dedication and continuing support. I would also like to express my gratitude to my fellow Directors for their guidance and wise counsel.

Robert NG Chee Siong
Chairman

Hong Kong, 18th March, 2009

Tsim Sha Tsui Properties Limited

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INTERIM RESULTS

The unaudited results of the Group for the six months ended 31st December, 2008 are as follows:

Consolidated Income Statement

	Notes	Six months ended 31st December, 2008 HK$ (Unaudited)	31st December, 2007 HK$ (Unaudited)
Turnover	2	**6,259,359,088**	4,620,566,131
Cost of sales		**(1,561,214,274)**	(1,834,235,822)
Direct expenses		**(715,544,065)**	(667,413,246)
		3,982,600,749	2,118,917,063
Other income		**81,976,817**	214,794,377
(Decrease) increase in fair value of investment properties		**(25,596,159)**	2,433,816,905
(Decrease) increase in fair value of trading securities		**(741,925,434)**	824,109,754
Loss on disposal of available-for-sale investments		**(25,097,108)**	-
Impairment loss on equity securities		**(190,000,000)**	-
Other gains and losses	3	**88,377,862**	976,124,827
Administrative expenses		**(460,251,341)**	(389,215,442)
Finance income		**133,522,840**	235,290,687
Finance costs		**(375,826,082)**	(395,930,676)
Net finance costs		**(242,303,242)**	(160,639,989)
Share of results of associates	4	**(361,505,248)**	920,666,027
Profit before taxation	5	**2,106,276,896**	6,938,573,522
Income tax expense	6	**(438,688,038)**	(907,595,966)
Profit for the period		**1,667,588,858**	6,030,977,556
Attributable to :			
Equity holders of the Company		**672,847,602**	3,642,696,877
Minority interests		**994,741,256**	2,388,280,679
		1,667,588,858	6,030,977,556
Interim dividend at HK10 cents *(2007– HK10 cents)* per share		**146,553,967**	144,599,453
Earnings per share	7		
Basic		**46.30 cents**	254.20 cents

Consolidated Balance Sheet
At 31st December, 2008

	Notes	**31st December, 2008 HK$ (Unaudited)**	30th June, 2008 HK$ (Audited)
Non-current assets			
Investment properties		**35,824,336,834**	32,869,587,643
Hotel property		**879,393,244**	940,436,535
Property, plant and equipment		**87,546,494**	89,101,477
Goodwill		**758,072,448**	759,025,809
Prepaid lease payments – non-current		**432,095,304**	461,706,289
Interests in associates		**5,115,604,739**	6,400,660,327
Available-for-sale investments		**949,303,667**	1,803,885,954
Advances to associates		**10,943,823,227**	10,467,082,995
Advances to investee companies		**16,119,218**	18,030,643
Long-term loans receivable		**29,182,040**	37,219,378
		55,035,477,215	53,846,737,050
Current assets			
Properties under development		**20,575,379,734**	25,239,750,206
Stocks of unsold properties		**2,638,448,491**	1,228,386,946
Hotel inventories		**23,107,498**	24,501,559
Prepaid lease payments – current		**4,966,609**	5,276,645
Trading securities		**1,337,320,963**	2,093,103,695
Amounts due from associates		**833,614,837**	933,660,729
Accounts and other receivables	8	**5,056,361,872**	930,463,722
Current portion of long-term loans receivable		**2,687,655**	3,082,818
Taxation recoverable		**146,290,343**	280,231,328
Restricted bank deposits		**411,387,183**	332,228,662
Time deposits, bank balances and cash		**5,220,546,358**	3,586,902,620
		36,250,111,543	34,657,588,930
Current liabilities			
Accounts and other payables	9	**4,265,749,668**	4,101,700,741
Amounts due to associates		**536,195,523**	1,420,298,993
Taxation payable		**702,827,426**	786,539,874
Current portion of long-term bank borrowings		**319,652,438**	424,293,045
Bank loans			
– secured		**8,822,132,284**	5,157,288,262
– unsecured		**200,000,000**	598,625,776
Other loans			
– secured		**587,446,623**	460,931,803
– unsecured		**54,244,532**	210,362,340
Bank overdrafts		**-**	965,260
Financial guarantee contracts – current		**4,039,119**	6,509,932
		15,492,287,613	13,167,516,026
Net current assets		**20,757,823,930**	21,490,072,904
Total assets less current liabilities		**75,793,301,145**	75,336,809,954

Consolidated Balance Sheet - continued
At 31st December, 2008

	31st December, 2008 HK$ (Unaudited)	30th June, 2008 HK$ (Audited)
Capital and reserves		
Share capital	**293,107,933**	290,187,562
Share premium and reserves	**24,868,897,983**	24,461,383,732
Equity attributable to equity holders of the Company	**25,162,005,916**	24,751,571,294
Minority interests	**28,935,127,641**	29,257,946,975
Total equity	**54,097,133,557**	54,009,518,269
Non-current liabilities		
Long-term bank borrowings – due after one year	**13,152,071,537**	12,433,957,277
Other secured loans – due after one year	**275,167,950**	412,344,750
Other unsecured loans – due after one year	**3,333,339,256**	3,549,226,730
Financial guarantee contracts – non-current	**7,677,070**	10,478,165
Deferred taxation	**2,892,528,184**	2,923,637,129
Advances from associates	**2,034,621,963**	1,990,863,531
Advances from minority shareholders	**761,628**	6,784,103
	21,696,167,588	21,327,291,685
	75,793,301,145	75,336,809,954

Notes:

1. Basis of preparation

The unaudited interim financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Hong Kong Accounting Standard ("HKAS") 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The accounting policies used in the unaudited interim financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30th June, 2008.

In the current period, the Group has applied, for the first time, the following new amendments and interpretations ("new HKFRSs") issued by the HKICPA, which are effective for the Group's financial year beginning 1st July, 2008.

HKAS 39 & HKFRS 7 (Amendments)	Reclassification of Financial Assets
HK(IFRIC) – Int 12	Service Concession Arrangements
HK(IFRIC) – Int 13	Customer Loyalty Programmes
HK(IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The adoption of the new HKFRSs had no material effect on the results or financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been recognised.

2. Segment information

Business segments

Six months ended 31st December, 2008

	Property HK$	Investments in securities HK$	Financing HK$	Hotel HK$	Property management, services and others HK$	Elimination HK$	Consolidated HK$
Turnover							
Property rental	**899,865,763**	**-**	**-**	**-**	**-**	**-**	**899,865,763**
Property sales	**4,752,080,984**	**-**	**-**	**-**	**-**	**-**	**4,752,080,984**
Hotel operations	**-**	**-**	**-**	**254,497,554**	**-**	**-**	**254,497,554**
Management services	**-**	**-**	**-**	**-**	**297,344,731**	**-**	**297,344,731**
Dividend income from equity investments	**-**	**53,832,845**	**-**	**-**	**-**	**-**	**53,832,845**
Financing	**-**	**-**	**1,737,211**	**-**	**-**	**-**	**1,737,211**
	5,651,946,747	**53,832,845**	**1,737,211**	**254,497,554**	**297,344,731**	**-**	**6,259,359,088**
Inter-segment sales*	**-**	**-**	**-**	**-**	**16,880,952**	**(16,880,952)**	**-**
Segment revenue	**5,651,946,747**	**53,832,845**	**1,737,211**	**254,497,554**	**314,225,683**	**(16,880,952)**	**6,259,359,088**
Other income	**19,336,364**	**25,724,730**	**70,446**	**258,608**	**16,586,669**	**-**	**61,976,817**
	5,671,283,111	**79,557,575**	**1,807,657**	**254,756,162**	**330,812,352**	**(16,880,952)**	**6,321,335,905**
SEGMENT RESULT	**3,560,755,410**	**(877,518,579)**	**1,807,657**	**85,515,781**	**55,388,002**	**-**	**2,825,948,271**
Unallocated other income							**20,000,000**
Unallocated corporate expenses							**(224,240,747)**
Unallocated other gains and losses							**88,377,862**
Net finance costs							**(242,303,242)**
Share of results of associates							**(361,505,248)**
Profit before taxation							**2,106,276,896**
Income tax expense							**(438,688,038)**
Profit for the period							**1,667,588,858**

Six months ended 31st December, 2007

	Property HK$	Investments in securities HK$	Financing HK$	Hotel HK$	Property management, services and others HK$	Elimination HK$	Consolidated HK$
Turnover							
Property rental	654,848,510	-	-	-	-	-	654,848,510
Property sales	3,359,005,818	-	-	-	-	-	3,359,005,818
Hotel operations	-	-	-	231,491,459	-	-	231,491,459
Management services	-	-	-	-	284,373,577	-	284,373,577
Dividend income from equity investments	-	85,359,011	-	-	-	-	85,359,011
Financing	-	-	5,487,756	-	-	-	5,487,756
	4,013,854,328	85,359,011	5,487,756	231,491,459	284,373,577	-	4,620,566,131
Inter-segment sales*	-	-	-	-	12,529,550	(12,529,550)	-
Segment revenue	4,013,854,328	85,359,011	5,487,756	231,491,459	296,903,127	(12,529,550)	4,620,566,131
Other income	21,475,890	2,332,340	1,201,528	1,560,160	10,742,682	-	37,312,600
	4,035,330,218	87,691,351	6,689,284	233,051,619	307,645,809	(12,529,550)	4,657,878,731
SEGMENT RESULT	4,273,218,269	910,195,213	6,689,284	81,460,538	51,978,953	-	5,323,542,257
Unallocated other income							177,481,777
Unallocated corporate expenses							(298,601,377)
Unallocated other gains and loss							976,124,827
Net finance costs							(160,639,989)
Share of results of associates							920,666,027
Profit before taxation							6,938,573,522
Income tax expense							(907,595,966)
Profit for the period							6,030,977,556

* Inter-segment sales were charged at costs plus margin basis as agreed between both parties.

3. Other gains and losses

During the six months ended 31st December, 2008, a listed subsidiary of the Group carried out issuance of scrip dividend and repurchase of shares. It gave rise to a deemed disposal and acquisition of partial interest in the listed subsidiary held by the Group. The resultant loss of approximately HK$6,000,000 from issuance of scrip dividend and a negative goodwill of approximately HK$94,000,000 from repurchase of shares *(six month ended 31st December, 2007: approximately HK$900,000,000 gain on deemed disposal arising from placement of shares of the listed subsidiary)* have been reported as other gains and losses in the income statement.

4. Share of results of associates

Share of results of associates included Group's share of a decrease in fair value of investment properties of the associates of HK$546,041,264 *(six months ended 31st December, 2007: Group's share of an increase of $516,117,851)* recognised in the income statements of the associates.

5. Profit before taxation

	Six months ended	
	31st December, 2008 HK$	31st December, 2007 HK$
Profit before taxation has been arrived at after charging:		
Release of prepaid lease payments	**2,560,812**	2,462,004
Cost of properties sold recognised	**1,556,828,088**	1,830,171,604
Cost of hotel inventories recognised	**30,486,521**	22,950,320
Depreciation of owner-operated hotel property	**5,156,910**	4,844,819
Depreciation of property, plant and equipment	**13,135,557**	10,424,868
Provision for doubtful trade receivables	**139,683,071**	-
Loss on disposal of property, plant and equipment	**144,894**	30,125

6. Income tax expense

	Six months ended	
	31st December, 2008	31st December, 2007
	HK$	HK$
The charge comprises:		
Taxation attributable to the Company and its subsidiaries		
Hong Kong Profits Tax	**437,774,016**	433,244,639
Other jurisdictions	**20,611,630**	24,425,461
	458,385,646	457,670,100
Deferred taxation	**(19,697,608)**	449,925,866
	438,688,038	907,595,966

On 26th June, 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 which includes the reduction in corporate profits tax rate by 1% to 16.5% effective from the year of assessment 2008/09.

Hong Kong Profits Tax is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual tax rate used is 16.5% *(six months ended 31st December, 2007: 17.5%)*.

Taxes on profits assessable in Singapore and elsewhere are recognised based on management's best estimate of the weighted average annual income tax rates prevailing in the countries and the regions in which the Group operates. The estimated average annual tax rate used is 18% *(six months ended 31st December, 2007: 18%)*.

7. Earnings per share

The calculation of the basic earnings per share attributable to the equity holders of the Company is based on the following data:

	Six months ended	
	31st December, 2008	31st December, 2007
	HK$	HK$
Earnings for the purpose of basic earnings per share	**672,847,602**	3,642,696,877
	Number of shares	Number of shares
Weighted average number of ordinary shares for the purposes of basic earnings per share	**1,453,080,472**	1,432,989,560

8. Accounts and other receivables

Included in accounts and other receivables are trade receivables of HK$3,323,790,313 *(30th June, 2008: HK$483,285,976)* mainly comprising rental receivables, which are billed in advance and settlements are expected upon receipt of billings, and property sales proceeds receivables.

The following is an aged analysis of trade receivables (net of allowance for doubtful debts) at the reporting date:

	31st December, 2008 HK$	30th June, 2008 HK$
0-30 days	**3,273,544,465**	429,687,621
31-60 days	**21,861,482**	17,470,928
61-90 days	**2,442,089**	6,296,745
Over 90 days	**25,942,277**	29,830,682
	3,323,790,313	483,285,976

Trade receivables over 90 days amounting to HK$25,942,277 *(30th June, 2008: HK$29,830,682)* are sufficiently covered by rental deposits received from the respective tenants and no allowance is required for these receivables under the Group's allowance policy.

9. Accounts and other payables

Included in accounts and other payables are trade payables of HK$156,499,936 *(30th June, 2008: HK$562,669,631).*

The following is an aged analysis of trade payables at the reporting date:

	31st December, 2008 HK$	30th June, 2008 HK$
0-30 days	**125,514,421**	204,218,461
31-60 days	**14,558,747**	20,797,624
61-90 days	**1,423,045**	1,952,953
Over 90 days	**15,003,723**	335,700,593
	156,499,936	562,669,631

10. Pledge of assets

(a) At 31st December, 2008, the aggregate facilities of bank loans, overdrafts and other loans amounting to approximately HK$25,147,305,000 *(30th June, 2008: HK$23,592,723,000)* were secured by certain of the Group's listed investments, properties, restricted bank deposits, shares of Sino Land Company Limited and floating charges on bank balances amounting to a total of approximately HK$54,401,000,000 *(30th June, 2008: HK$59,758,000,000).* At that date, the facilities were utilised to the extent of approximately HK$22,201,339,000 *(30th June, 2008: HK$18,420,996,000).*

(b) At 31st December, 2008, investments in and advances to certain associates amounting to approximately HK$6,431,766,000 *(30th June, 2008: HK$6,164,802,000),* in addition to certain assets pledged by the associates, were pledged to or assigned to secure loan facilities made available by banks or financial institutions to such associates.

11. Commitments and contingent liabilities

(a) At the balance sheet date, the Group had commitments and contingent liabilities as follows :

	31st December, 2008 HK$	30th June, 2008 HK$
(i) Commitments in respect of land premium payable	**-**	835,100,000
(ii) Guarantees in respect of banking facilities of:		
Associates		
- Utilised	**7,233,050,000**	7,191,850,000
- Unutilised	**3,121,100,000**	3,223,600,000
Total guarantee	**10,354,150,000**	10,415,450,000

In relation to the financial guarantee amounts provided to associates at 31st December, 2008, HK$11,716,189 *(30th June, 2008: HK$16,988,097)* was recognised in the financial statements as financial guarantee contracts.

(b) At the balance sheet date, share of commitments and contingent liabilities of associates are as follows:

	31st December, 2008 HK$	30th June, 2008 HK$
(i) Share of commitments in respect of land premium payable	**931,301,350**	1,290,211,250
(ii) Share of contingent liabilities arising from tax affairs of associates	**46,359,000**	46,359,000

CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from Thursday, 16th April, 2009 to Monday, 20th April, 2009, both dates inclusive, during which period no transfers of shares will be effected. The record date for the interim dividend is at the close of business on Monday, 20th April, 2009.

In order to qualify for the interim dividend, shareholders should ensure that all transfers, accompanied by the relevant share certificates are lodged with the Company's Registrars, Tricor Friendly Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 15th April, 2009.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the interim period.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

During the six months ended 31st December, 2008, the Company had complied with all code provisions of the Code on Corporate Governance Practices as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") for the relevant period, except that there was no separation of the roles of the chairman and the chief executive officer, both of the roles are currently undertaken by the Chairman of the Board.

The Board is of the view that the current management structure has been effective in facilitating the Company's operation and business development and that necessary checks and balances consistent with sound corporate governance practices are in place. The implementation of strategies and policies of the Board and the operations of each business unit are overseen and monitored by designated responsible Executive Directors. The Board found that the current arrangement had worked effectively in enabling it to discharge its responsibilities satisfactorily. In addition, the three Independent Non-Executive Directors have contributed valuable independent views and proposals for the Board's deliberation and decisions. The Board will review the management structure regularly to ensure it continues to meet these objectives and is in line with industry practices.

REVIEW OF INTERIM RESULTS

The unaudited interim results of the Group for the six months ended 31st December, 2008 have been reviewed by the Audit Committee and the auditor of the Company, Deloitte Touche Tohmatsu.

2008-2009 INTERIM REPORT

The 2008-2009 interim report containing all the information required by the Listing Rules will be published on the website of The Stock Exchange of Hong Kong Limited and the Company's website www.sino.com while printed copies will be sent to shareholders on or about 31st March, 2009.

By order of the Board
Eric IP Sai Kwong
Secretary

Hong Kong, 18th March, 2009

As at the date of this announcement, the Executive Directors of the Company are Mr. Robert Ng Chee Siong, Mr. Raymond Tong Kwok Tung and Mr. Daryl Ng Win Kong, the Non-Executive Director is The Honourable Ronald Joseph Arculli and the Independent Non Executive Directors are Dr. Allan Zeman, Mr. Adrian David Li Man-kiu and Mr. Steven Ong Kay Eng.