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方興地產

FRANSHION PROPERTIES (CHINA) LIMITED

方興地產（中國）有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00817)

**INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS
ENDED 30 JUNE 2012**

The Board is pleased to announce the unaudited interim results of the Company and its subsidiaries for the six months ended 30 June 2012. This announcement, which contains the full text of the 2012 Interim Report of the Company, complies with the disclosure requirements for interim results announcement as stipulated in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Printed versions of the Company's 2012 Interim Report will be despatched to the shareholders of the Company and available for viewing on the HKExnews website at www.hkexnews.hk and the Company's website at www.franshion.com on or before 31 August 2012.

2012中期

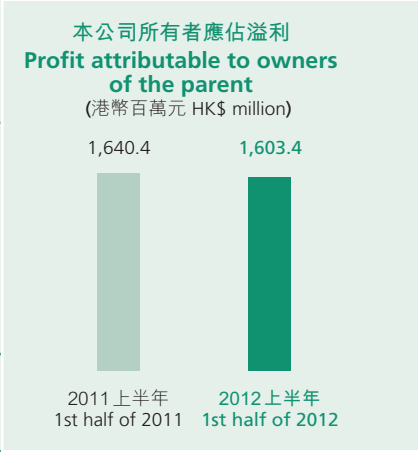
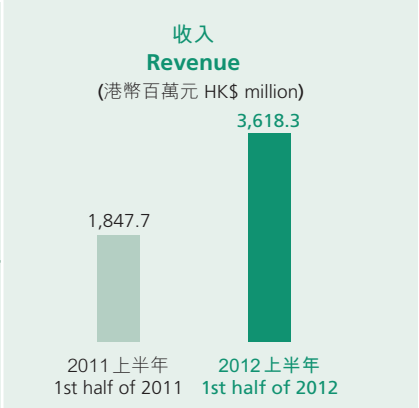
業績表現
Interim
Performance
Highlights

- 本公司所有者應佔溢利與去年同期基本持平
Profit attributable to owners of the parent remained at a similar level as compared with the same period of last year

-2%

財務摘要 FINANCIAL HIGHLIGHTS

		截至6月30日止六個月 For the six months ended 30 June		
		2012年 (未經審核) 港幣百萬元 2012 (Unaudited) HK\$ million	2011年 (未經審核) 港幣百萬元 2011 (Unaudited) HK\$ million	變動 百分比 Percentage change %
收入	Revenue	3,618.3	1,847.7	96%
本公司所有者應佔溢利	Profit attributable to owners of the parent	1,603.4	1,640.4	-2%
本公司所有者應佔溢利－ 扣除投資物業公平值收益 (已扣除遞延稅項)	Profit attributable to owners of the parent – net of fair value gains on investment properties (net of deferred tax)	592.5	1,050.9	-44%
每股基本盈利(港仙)	Basic earnings per share (HK cents)	17.50	17.91	-2%
每股基本盈利－扣除投資物業公平值 收益(已扣除遞延稅項)(港仙)	Basic earnings per share – net of fair value gains on investment properties (net of deferred tax) (HK cents)	6.47	11.47	-44%
		於2012年6月30日 (未經審核) 港幣百萬元 As at 30 June 2012 (Unaudited) HK\$ million	於2011年12月31日 (經審核) 港幣百萬元 As at 31 December 2011 (Audited) HK\$ million	變動 百分比 Percentage change %
資產總額	Total assets	76,914.4	69,711.0	10%
本公司所有者應佔權益	Equity attributable to owners of the parent	27,087.7	26,170.7	4%



集團概覽 GROUP AT A GLANCE

集團概況 GROUP DESCRIPTION	業績表現 (港幣百萬元) RESULTS PERFORMANCE (HK\$ million)	經營表現 OPERATIONAL PERFORMANCE	
— 物業銷售簽約額 — CONTRACT AMOUNT	20125,570.0 20115,376.1 +4% 物業開發 PROPERTY DEVELOPMENT	持續增長 CONTINUOUS GROWTH 期內北京廣渠金茂府項目銷售簽約額達港幣24.3億元，上海國際航運服務中心項目銷售簽約額達港幣28.7億元。 During the period, contract sales of Beijing Guangqu Jin Mao Palace Project amounted to HK\$2.43 billion, whereas contract sales of Shanghai International Shipping Service Center Project amounted to HK\$2.87 billion.	
— 物業租金收入 — RENTAL REVENUE	2012546.8 2011492.1 +11% 物業租賃 PROPERTY LEASING	大幅提升 SUBSTANTIAL GROWTH 期內北京凱晨世貿中心與中化大廈已達到或接近滿租，金茂大廈保持很高的出租率水平；三棟寫字樓期內租金水平大幅提升。 During the period, Beijing Chemsunny World Trade Centre and Sinochem Tower achieved an occupancy rate of 100% or nearly 100%, whereas Jin Mao Tower maintained a very high occupancy rate. Accordingly, the rental level of the three office buildings increased substantially during the period.	
— 酒店經營收入 — HOTEL REVENUE	20121,063.4 20111,084.4 -2% 酒店經營 HOTEL OPERATIONS	領先同業 INDUSTRY LEADING 位於三亞和上海的三家酒店盡管面臨不利的市場環境，但仍然在同區域競爭組合中保持領先地位；位於北京及深圳的兩家酒店業績較上年同期大幅提升。 Despite the unfavourable market environment, the three hotels in Sanya and Shanghai respectively remained their leading positions among their peers in the region. The results of the two hotels in Beijing and Shenzhen respectively grew substantially over the same period of last year.	

三大業務板塊
業績表現優異
Performance
of three major
business
segments was
remarkable

公司資料

CORPORATE INFORMATION

公司名稱 Company Name	方興地產（中國）有限公司	Franshion Properties (China) Limited
主要辦事處 Principal Office	香港灣仔 港灣道1號 會展廣場辦公大樓47樓 4702-4703室	Rooms 4702-4703 47th Floor, Office Tower, Convention Plaza No. 1 Harbour Road Wan Chai, Hong Kong
非執行董事 Non-executive Directors	羅東江先生（主席） 李雪花女士（副主席） 李昕先生	Mr. LUO Dongjiang (Chairman) Ms. LI Xuehua (Vice Chairman) Mr. LI Xin
執行董事 Executive Directors	何操先生（副主席及首席執行官） 李從瑞先生（副總裁） 賀斌吾先生（副總裁）	Mr. HE Cao (Vice Chairman and Chief Executive Officer) Mr. LI Congrui (Vice President) Mr. HE Binwu (Vice President)
獨立非執行董事 Independent Non-executive Directors	劉漢銓先生 蘇錫嘉先生 劉洪玉先生	Mr. LAU Hon Chuen, Ambrose Mr. SU Xijia Mr. LIU Hongyu
首席財務官 Chief Financial Officer	江南先生	Mr. JIANG Nan
合資格會計師 Qualified Accountant	廖繼勤先生	Mr. LIAO Chi Chiun
公司秘書 Company Secretary	廖繼勤先生	Mr. LIAO Chi Chiun
授權代表 Authorised Representatives	何操先生 李從瑞先生	Mr. HE Cao Mr. LI Congrui
法律顧問 Legal Advisors	瑞生國際律師事務所 香港中環康樂廣場8號 交易廣場第一座18樓	Latham & Watkins 18th Floor, One Exchange Square, 8 Connaught Place Central, Hong Kong
核數師 Auditor	北京市天元律師事務所 中華人民共和國 北京市西城區金融大街35號 國際企業大廈C座11樓	Tian Yuan Law Firm 11th Floor, Tower C, Corporate Square 35 Financial Street, Xicheng District Beijing, People's Republic of China
股份代碼 Stock Code	00817	00817
股份過戶登記處 Share Registrar and Transfer Office	香港中央證券登記有限公司 香港灣仔 皇后大道東183號 合和中心 17樓1712-1716室	Computershare Hong Kong Investor Services Limited Shops 1712-1716, 17th Floor Hopewell Centre, 183 Queen's Road East Wan Chai, Hong Kong
投資者聯絡方式 Investor Enquiry	電話：852-28299521 傳真：852-28240300 電子郵件：franshion@sinochem.com	Tel: 852-28299521 Fax: 852-28240300 Email: franshion@sinochem.com
公司網站 Website	www.franshion.com	www.franshion.com

主席致辭

CHAIRMAN'S STATEMENT

尊敬的各位股東：

本人欣然代表方興地產（中國）有限公司（「方興地產」、「本公司」）董事會（「董事會」）提呈本公司及其子公司（「本集團」、「我們」）截至2012年6月30日止六個月（「回顧期」、「上半年」）之中期業績報告，敬請各位股東審閱。

回顧期內，本公司所有者應佔溢利為港幣1,603.4百萬元，較2011年同期港幣1,640.4百萬元下降2%，其中本集團投資物業公允價值變動帶來稅後淨收益約港幣1,010.9百萬元。董事會建議不派發中期股息。

2012年中期業績較去年同期減少主要歸因於本集團計劃銷售物業交付結算主要集中在下半年，而截至2012年6月30日止六個月期間交付結算的銷售物業收益較去年同期為少。截至2012年8月20日，本集團之累計未交付結算的物業銷售簽約額已達131億港元。

2012年上半年，中央政府繼續執行2011年以來針對住宅市場的調控政策，鼓勵剛性需求，抑制投機行為；但伴隨國際經濟復蘇的不確定性增多和國內經濟增速下滑，為「穩增長」，央行多次下調存款準備金率和存貸款利率，貨幣政策已由穩健轉向適度寬松。受益於此，二季度樓市回暖跡象明顯，但中央「有保有壓」的房地產調控基調沒有改變，限購限貸等核心政策仍是不可觸碰的底線。在調控政策影響下，高端住宅、商用物業的稀缺性和投資價值得以進一步凸顯。本公司依托已建立起的物業開發、物業租賃及酒店經營為核心的業務組合，上半年三大板塊經營業績均有優異表現。

物業開發方面，本公司持續強化運營管理並加快施工進度，同時成功實現項目逆市熱銷。3月，位於上海北外灘的航運中心項目的14號樓順利簽約。4月，北京廣渠金茂府項目三期盛裝開盤，憑借其稀缺的黃金地段、高端的優質產品、有力的品牌保證，繼續延續行業低谷中的銷售奇跡，在不到一小時時間內推出房源全部售罄。青島藍海新港城項目引入高端優質教育配套青島新世紀學校，並於6月舉行樣板示範區開放儀式，其高端品質和強勢品牌獲得島城廣泛關注。

物業租賃方面，受益於實體經濟的穩健增長和京滬核心商務區供給的嚴重稀缺，兩地高端寫字樓市場上半年繼續保持供不應求的格局。本公司持有經營的物業均位於京滬兩城市的黃金地段，租金水平得到大幅提升，市場表現優異，市值也有大幅提升。目前位於北京的凱晨世貿中心、中化大廈兩棟寫字樓在期內均達到或接近滿租；上海金茂大廈寫字樓在週邊供應大幅增加的情況下，仍能夠保持很高的出租率水平，價格在區域內處於領先地位。

主席致辭
CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the board of directors (the "Board") of Franshion Properties (China) Limited ("Franshion Properties" or the "Company"), I am pleased to present the interim report of the Company and its subsidiaries (the "Group", "we" or "us") for the six months ended 30 June 2012 ("the period under review" or "the first half of the year") for your review.

During the period under review, profit attributable to owners of the parent amounted to HK\$1,603.4 million, representing a decrease of 2% as compared with HK\$1,640.4 million in the corresponding period of 2011, of which, net profit after tax arising from fair value change of investment properties of the Group amounted to approximately HK\$1,010.9 million. The Board does not recommend payment of interim dividend.

Decrease in the interim results for 2012 as compared with the same period of last year was mainly due to the fact that most of the properties sold by the Group were scheduled to be delivered and settled in the second half of the year, resulting in a decrease in profit from the properties sold which had been delivered and settled during the six months ended 30 June 2012 as compared with the same period of last year. As at 20 August 2012, the accumulated contract amount of the properties sold but not yet delivered and settled by the Group amounted to HK\$13.1 billion.

In the first half of 2012, the central government continued to implement austerity measures which were targeted at the residential market and promulgated since 2011 to drive rigid demand and curb speculations. However, given the increasing uncertainties over global economic recovery and the accelerating slowdown in domestic economy, the central bank cut down the reserve requirement ratio and the loan to deposit ratio a number of times to "stabilise growth", reflecting a change in the monetary policies from "prudent" to "moderate easing". Benefiting from this, there were signs of resurgence in the property market in the second quarter of 2012. Nevertheless, the government's austerity measures that "support and contain" the real estate industry remained unchanged, and core policies such as purchase restrictions and loan restrictions continued to be the untouchable bottomline. Under these austerity measures, the shortage and investment value of high-end residential and commercial properties became more significant. Leveraging on its established core business portfolio including property development, property leasing and hotel operations, the Company achieved remarkable performance in its three major segments during the first half of the year.

With respect to property development, the Company continued to strengthen operational management and speed up construction progress, and was successful in drawing overwhelming sales for its projects during the market downturn. In March, the Company secured a contract with respect to Building No.14 of Shanghai International Shipping Service Center Project located in the North Bund of Shanghai. In April, phase III of Beijing Guangqu Jin Mao Palace Project commenced its grand sales. Leveraging on its rare prime location, high-end quality products and strong brand assurance, it continued its sales miracles amid industry doldrums and all units launched were sold out in less than an hour. Qingdao Lanhai Xingang City Project introduced high-end quality educational facilities of Qingdao New Century School and the opening ceremony for model demonstration district was held in June. Its high-end quality and strong brands were gaining widespread attention in Qingdao.

As for property leasing, benefiting from the steady growth of real economy and the severe shortages in the core business districts in Beijing and Shanghai, the high-end office building market in both cities remained in short supply for the first half of the year. The properties held by the Company are located in the prime locations in Beijing and Shanghai where the rental level rose substantially with remarkable market performance and soaring market value. At present, occupancy rate of our two office buildings, Chemsunny World Trade Centre and Sinochem Tower in Beijing was full or nearly full during the period. Another office building, Jin Mao Tower, in Shanghai continued to maintain a very high occupancy rate with price topping its peers in the region despite the drastic increase in supply in the surrounding areas.

主席致辭
CHAIRMAN'S STATEMENT

酒店經營方面，受歐債危機等影響國際客流回升放緩，以及中國經濟增長速度放緩的影響，國內商旅及度假市場需求有所放緩。通過發揮多年的酒店經營優勢，積極應對不利的市場環境，靈活銷售策略，上半年酒店板塊在同區域競爭組合中保持了領先地位。本公司持有的金茂三亞麗思卡爾頓酒店和金茂三亞希爾頓大酒店，在新酒店大量入市的情況下，經營業績仍能繼續引領當地市場，金茂威斯汀大飯店和金茂君悅酒店也保持在京滬市場的領先優勢，位於深圳的金茂JW萬豪酒店當期業績亦有顯著提升。

本公司積極尋找把握投融資機會，加大土地、資金等關鍵資源的獲取力度。2012年上半年，本公司以底價成功竟得的梅溪湖國際廣場項目，將打造成涵括五星級酒店、購物中心、寫字樓、住宅為一體的高端大型城市綜合體，成為長沙大河西區的新地標。此外，本公司亦把握時機積極獲取優質旅遊資源，1月以底價新購麗江古城區核心位置200畝土地，該地塊位於麗江高端酒店、度假物業聚集的束河片區，為麗江城區最靠近玉龍雪山的珍稀地塊。4月又與海南蘭海實業集團有限公司（「蘭海集團」）訂立合作協議，有望獲取三亞崖州灣項目一級開發權，該項目定位為「國家文化海岸」核心區，將成為三亞市新生活方式和新旅遊方式的引領項目。在資金方面，公司繼續積極拓展多種渠道籌集資金，上半年總額2億美元的俱樂部貸款獲得銀行審批，另外，中國金茂（集團）有限公司成功發行人民幣7.5億短期融資券，獲得投資者近四倍的超額認購，成本鎖定低位，為後續項目開發及新項目投資提供了充足的資金保障。

上半年，本公司繼續大力推進綠色戰略和品牌提升戰略。本公司持有的凱晨世貿中心榮獲美國綠色建築協會總裁親自頒發的LEED-EB金級認證獎牌，成為目前國內獲此殊榮的建築體量最大的寫字樓項目。旗下另一開發項目上海國際航運中心（西塊）全部單體已通過該協會的LEED-CS金獎預認證，該項目其餘樓宇也計劃全部獲得國家綠標或LEED認證，屆時將建成亞洲最大規模的綠色建築商辦樓群。3月，本公司作為房地產企業代表第二次受邀參加中國綠色建築大會，並在會議期間與中國綠色建築專業委員會簽署戰略合作協議。同時，公司品牌的市場影響力得到進一步提升。在6月世界品牌實驗室發佈的2012年（第九屆）《中國500最具價值品牌排行榜》中，本公司持有的「金茂」品牌以59.61億元的品牌價值入選，已連續第8年榮登榜單。

2012下半年，預計中央政府將會繼續實施適度寬松的貨幣政策以抵抗經濟趨緩。在房地產領域，中央政府多次表態，將會繼續堅持當前的調控方向，嚴格執行限購及差別化信貸政策，加快落實保障性住房建設。本公司分析認為，房地產調控政策將會有利於房地產市場的持續健康發展。伴隨著城市化進程的不斷推進和市場需求結構的變化，中國房地產市場將會面臨長期持續的整合；本公司所專注的高端住宅、高檔寫字樓和高檔酒店等領域受益於一線城市改善性住宅需求的持續釋放和國內商業、商務空間需求的持續升級，將在新一輪的行業發展週期中擁有巨大的發展空間。

主席致辭
CHAIRMAN'S STATEMENT

With respect to hotel operations, given the slowing growth in overseas passengers due to the European debt crisis and the impacts of slowing economic growth in China, the domestic business travel and tourism market experienced a slowdown. Capitalising on its advantages in hotel operations over the years, the Group actively coped with the unfavourable market environment and flexibly adjusted its sales strategies, and therefore the hotel segment maintained its leading position among its peers in the region during the first half of the year. Facing the launch of many new hotels, the Ritz-Carlton, Sanya and Hilton Sanya Resort & Spa maintained their leading positions in the local market in terms of operating results, whereas Westin Beijing, Chaoyang and Grand Hyatt Shanghai also maintained their leading advantages in Beijing and Shanghai respectively, and the performance results of JW Marriott Shenzhen also grew remarkably during the period.

The Company actively sought investment and financing opportunities and stepped up its efforts in land requisition and fund raising. In the first half of 2012, the Company successfully won the bid for Meixi Lake International Plaza Project at bottom price, which is designed to be a high-end large-scale city complex consisting of 5-star hotels, shopping malls, office buildings and residence and to become the new landmark in Dahexi Pilot Zone, Changsha. In addition, the Company also captured the opportunity to acquire quality tourism resources actively. In January, it acquired a 200-mu land parcel in the core location in Gucheng District, Lijiang at bottom price. The land parcel is located in the Beam River area where Lijiang's high-end hotels and resort properties are gathered. It is a rare land parcel closest to Yulong Snow Mountain in Lijiang City. In April, the Group entered into a cooperation agreement with Hainan LongHigh Industrial Group Company Limited ("LongHigh Group"), expecting to acquire the primary development right to Sanya Yazhouwan Project. The project is positioned as the "state cultural waterfront" core area and will become the pioneer project regarding the new lifestyle and the new way of travel in Sanya City. In terms of funding, the Company continued to actively raise funds through many channels. In the first half of the year, the Company was granted a club loan totalling US\$200 million by banks. In addition, China Jin Mao (Group) Co., Ltd. successfully issued RMB750 million short-term financing notes and recorded an over-subscription of nearly 4 times by investors. By fixing the costs at a low level, this provided sufficient funding security for subsequent project development and new project investment.

In the first half of the year, the Company stepped up its efforts to promote its green strategy and brand building strategy. Beijing Chemsunny World Trade Centre was granted the LEED-EB Gold Certification by the president of U.S. Green Building Council and became the largest office building project in China in terms of size to have such a certification. All units in the western site of Shanghai International Shipping Service Center Project have passed the pre-certification requirements for the LEED-CS Gold Award, whereas all the remaining buildings of the project are expected to be granted the state's green standards or LEED certifications. By then, the project will become the largest green commercial and office building project in Asia. In March, the Company was invited the second time as representative of the real estate industry to attend the China Green Building Conference (中國綠色建築大會) and entered into a strategic cooperation agreement with the China Green Building Professional Committee (中國綠色建築專業委員會) at the conference. At the same time, the market influence of the Company's brands was further enhanced. In June, "Jin Mao" brand with its brand value of RMB5,961 million was recognised as one of "China's 500 Most Valuable Brands" in 2012 (the 9th session) by World Brand Lab for eight consecutive years.

In the second half of 2012, it is expected that the central government will continue to implement moderate easing monetary policies to curb slowdown in economy. With respect to the real estate area, the central government will continue to maintain its firm position to strictly implement the purchase restrictions and differentiated credit policies and accelerate the construction of affordable housing in adherence to the existing austerity measures. The Company considers that the austerity policies on the real estate sector are favourable to the sustainable and healthy development of the real estate market. With the progress of urbanisation in China and the structural changes in market demand, the real estate market in China will undergo a long period of ongoing integration. Benefiting from the release in demand for residential properties for living improvement in first-tier cities and the increasing demand for commercial and business space in China, the high-end residential, high-end office building and high-end hotel segments that the Company specialises in will see tremendous growth potentials in the new round of industry growth cycle.

主席致辭

CHAIRMAN'S STATEMENT

下半年及今後一段時期內，本公司將秉承既定發展戰略，堅持高端定位，走精品路線，以城市綜合體和高端住宅為開發重點，在一線城市和二線區域中心城市以及國家級旅游景區積極拓展，通過「銷售+持有」雙輪驅動，實現「快速增長」和「可持續發展」，成為中國領先的高端商業地產開發商和運營商。

在此，本人謹代表董事會，向本公司客戶、業務伙伴、股東以及全體員工致以誠摯的謝意。並希望繼續得到大家的鼎力支持，方興地產將持續創新，不斷前進，努力實現更加輝煌的業績，為全體股東創造更大價值！

羅東江
主席

香港，2012年8月23日

主席致辭
CHAIRMAN'S STATEMENT

Looking into the second half of the year and the future, the Company will adhere to its stated development strategies and strive to maintain its high-end positioning and premium branding. In addition, with the focus on urban complexes and high-end residential properties, the Group will actively expand its business in first-tier cities and second-tier regional core cities and the national scenic spots. Through its two-wheel driven strategy of both "property sales and holdings", the Group strives to achieve "fast growth" and "sustainable development", with a view to becoming the leading high-end commercial property developer and operator in China.

On behalf of the Board, I would like to take this opportunity to express my sincere gratitude to all the Company's customers, business partners, shareholders and staff, and hope we can continue to win your invaluable support. We will continue our innovation efforts and active pursuits to achieve even more splendid results for the Group with a view to maximising the returns for all our shareholders.

LUO Dongjiang
Chairman

Hong Kong, 23 August 2012

管理層討論與分析

MANAGEMENT DISCUSSION AND ANALYSIS

市場回顧

從宏觀經濟層面看，2012年上半年中國經濟運行總體平穩，經濟發展穩中有進。國內生產總值同比增長7.8%；全社會固定資產投資同比增長20.4%，其中房地產開發投資同比增長16.6%；社會消費品零售總額同比增長14.4%。

從地產行業層面看，在「限購」「限價」調控政策仍未放鬆、貨幣緊縮的影響無顯著改善的情況下，2012年上半年國房景氣指數持續回落，至2012年6月國房景氣指數已下降為94.71，較年初降低4.18點。政府的房地產調控取得了積極成效，前期房地產價格過快上漲的趨勢得到了遏制，大多數城市房地產的價格環比漲幅在繼續收窄。但一線城市住宅市場相對穩定，房地產市場長期向好的趨勢並未有明顯的改變，房地產投資額及房屋施工面積等開發指標仍有所增長。

從區域寫字樓市場層面看，雖然全球經濟復蘇乏力並且中國經濟增長速度有所放慢，但跨國企業和國內企業繼續保持了對一線城市商業寫字樓的巨大需求，有力促進了北京、上海等國際化大都市寫字樓租賃市場的強勁增長。北京金融街、CBD、上海浦東陸家嘴等高端商務區甲級寫字樓租金價格持續攀升、空置面積不斷下降，部份項目已經達到滿租。預計在產業經濟結構升級和轉型的要求下，企業獨棟、總部基地、綠色低碳寫字樓等新形態的寫字樓產品，將佔據相當的市場份額。

從區域酒店市場層面看，由於世界經濟復蘇乏力和中國經濟增長速度的放慢，全球商務活動和國內外旅遊市場的需求放緩，全國酒店行業面臨著不利的市場環境。同時，隨著酒店客房供應量的激增，北京、上海、深圳以及三亞的酒店市場競爭也日趨激烈。

MARKET REVIEW

From the macroeconomic perspective, the economy of China was sailing smoothly in general with steady advancement during the first half of 2012. GDP was up by 7.8% as compared with that in the same period of last year, whereas total fixed asset investment in China grew by 20.4% as compared with that in the same period of last year. In particular, the real estate development investment saw a growth of 16.6% as compared with that in the same period of last year. Total retail sales amount of consumer goods increased by 14.4% as compared with that in the same period of last year.

With respect to the real estate industry, as the austerity measures on purchase restrictions and price limits remained tense and the impacts of tightening monetary policies were not notably reduced, the Real Estate Climate Index continued to fall during the first half of 2012. In June 2012, the Real Estate Climate Index dropped to 94.71, 4.18 points lower than that at the beginning of the year. As the government's austerity measures on the real estate market began to take positive effect, the overly rapid increase in property prices in the prior period was effectively contained and the month-on-month rise in the property prices for most cities continued to slow down. However, residential property market in first-tier cities remained stable. The positive long-term prospect of the property market did not show any significant changes. Growth parameters such as real estate investment amount and area under construction continued to grow.

From the perspective of the regional office buildings market, despite the lack of recovery momentum in global economy and the slowdown in China's economic growth, multi-national companies and domestic enterprises continued to maintain a substantial demand for commercial office buildings in first-tier cities, which helped drive the strong growth in the office leasing market in international metropolitan cities such as Beijing and Shanghai. As the rentals for grade A office buildings continued to soar and the vacant office space continued to diminish in high-end business districts such as Beijing Financial Street, CBD and Lujiazui, Pudong, Shanghai, some of the projects have achieved an occupancy rate of 100%. It is expected that new forms of office buildings such as single corporate independent office buildings, headquarter bases and low-carbon green office buildings will account for a significant portion of the market share to satisfy the requirements from the economic structure upgrade and transformation.

In view of the regional hotel market, given the lack of momentum in global economic recovery and the slowdown in China's economic growth, demand from global business activities and domestic and overseas tourism markets decreased. The hotel industry faced an unfavourable market condition in China. At the same time, with the surging supply of hotel rooms, the hotel markets in Beijing, Shanghai, Shenzhen and Sanya were also in face of increasingly fierce competition.

業務回顧

綜述

回顧期內，本集團在業務運營及資源開拓方面均進展順利。

上海港國際客運中心地塊B項目實現了剩餘物業的交付和收入確認，成為本集團上半年整體利潤貢獻的重要部份；上海東灘金茂逸墅項目本期銷售進展順利並部份結轉收入，成為本集團重要的利潤來源；上海國際航運服務中心項目、北京廣渠金茂府項目、長沙梅溪湖項目等銷售工作也進展順利，為公司未來業績提供了可靠的保障。同時旗下各酒店業績穩健，在同類競爭組合中繼續保持領先地位；各項投資物業仍保持較高的出租率和租金水平，業績持續增長，三大板塊業務穩步協同發展。

本集團於2012年1月27日與麗江市國土資源局古城分局簽訂協議獲取古城區200畝土地。該地塊位於麗江高端酒店、度假物業聚集的束河片區，毗鄰本集團原「遺產公園」500畝土地北側，是通往玉龍雪山5A級景區的必經之地。

本集團於2012年4月25日與蘭海集團訂立合作協議，就三亞市崖城鎮土地一級開發達成合作。該項合作進一步拓展了本集團於中國核心城市（例如三亞）優越位置的物業開發業務。

本集團於2012年6月15日成功摘取了梅溪湖國際廣場地塊。該地塊位於梅溪湖國際新城北岸核心區域，規劃總建築面積逾37萬平方米，將打造成涵括五星級酒店、購物中心、寫字樓、住宅為一體的高端大型城市綜合體。

BUSINESS REVIEW

Overview

During the period under review, the Group had been successful in both business operation and resource exploration.

Site B of Shanghai Port International Cruise Terminal Project completed the delivery of the remaining units and revenue recognition, and became a significant driver of the Group's overall profit contribution for the first half of the year. During the period, sale of Shanghai Dongtan Jin Mao Noble Manor Project went well and a portion of revenue generated from the sale was recognised, which became a key source of profit for the Group. Sales of Shanghai International Shipping Service Center Project, Beijing Guangqu Jin Mao Palace Project and Changsha Meixi Lake Project also progressed well, providing reliable support to the future performance of the Company. Meanwhile, the hotel segment performed well and continued to maintain its leading position in peer competition. All investment properties maintained a relatively high occupancy rate and rental level with continuous growth in results performance, which in turn contributed to the steady coordinated development of the three major business segments.

On 27 January 2012, the Group entered into an agreement with the Land and Resources Bureau of Lijiang City, Gucheng Branch to acquire a 200-mu land parcel in Gucheng District. The land parcel is located in the Beam River area where Lijiang's high-end hotels and resort properties are gathered. Adjacent to the Group's former 500-mu Heritage Park to the north, it is the only access to Yulong Snow Mountain's 5A level scenic spot.

On 25 April 2012, the Group entered into a cooperation agreement with LongHigh Group with respect to the cooperation on the primary development of the land in Yacheng Town, Sanya City. The cooperation further enhanced the Group's property development business in prime locations in the core cities of China, such as Sanya.

On 15 June 2012, the Group successfully acquired the land parcel in Meixi Lake International Plaza. The land parcel is located in the core area on the north bank of Meixi Lake International New City, with a planned total gross floor area of over 370,000 square metres. The Group aims to develop the land parcel into a high-end large-scale city complex consisting of 5-star hotels, shopping malls, office buildings and residence.

業務回顧 (續)

物業開發板塊

回顧期內，本集團的物業開發項目銷售取得較好成績，在建的工程項目施工進展順利。

已竣工的上海港國際客運中心地塊B項目（位於上海虹口北外灘黃浦江西岸）回顧期內實現了剩餘物業的交付和收入確認，其中本集團自持國客項目11#樓地上部份。至此該項目的十一幢寫字樓已全部實現了交付。根據合約安排，本集團佔有上海港國際客運中心地塊B項目50%的權益。

發展中的上海國際航運服務中心項目（位於上海虹口北外灘黃浦江西岸）作為上海市重大工程，已成為上海城市發展戰略的重要組成部份。整個項目由東、中、西三幅地塊組成，預計整合開發後該項目總計建築面積約為530,933平方米。目前，該項目西地塊樓棟已經全部封頂，中東地塊施工進展順利。同時本集團積極拓展市場，西地塊部份樓棟已簽約，其他樓棟正在積極進行意向客戶的接洽。目前，本集團佔有上海國際航運服務中心項目50%的權益。

發展中的上海東灘金茂逸墅項目（位於上海崇明島陳家鎮）將被開發成為集會所、低密度住宅、酒店及酒店式公寓於一身的濱江高檔休閒、運動、度假中心，該項目預計總建築面積172,628平方米。目前該項目別墅產品已經全部竣工並達到交房條件，公寓產品正在積極進行室內裝修，酒店也正在積極施工中。回顧期內該項目銷售情況良好，在東灘地區同類產品中簽約額保持領先。本集團擁有上海東灘金茂逸墅項目100%的權益。

BUSINESS REVIEW (Continued)

Property development segment

During the period under review, the Group achieved satisfactory results from the sales of the property development projects while the construction progress of the projects under development was on schedule.

Site B of Shanghai Port International Cruise Terminal Project (situated on the west bank of the Huangpu River, North Bund of Hongkou District) has been completed. The Group delivered the remaining units and recognised revenue generated from these units during the period under review. In particular, the Group held the portion above ground of Building No.11 of Shanghai Port International Cruise Terminal Project. By now, all 11 office buildings in the project have been delivered. Pursuant to the contractual arrangement, the Group is entitled to 50% interests in Site B of Shanghai Port International Cruise Terminal Project.

Shanghai International Shipping Service Center Project (situated on the west bank of the Huangpu River, North Bund of Hongkou District), being a key project of Shanghai City, is currently under development. The project has been considered as a key integral part of the urban growth strategies in Shanghai. The entire project is composed of the eastern, central and western sites. It is expected that, after the consolidated development, the project will have a total gross floor area of approximately 530,933 square metres. At present, roof sealing of all buildings in the western site of the project has been completed, meanwhile the construction of the central and eastern sites progresses well. In the meantime, the Group is active in exploring market. The Group has secured contracts with respect to some of the buildings in the western site and is in active negotiation with potential buyers with respect to the remaining buildings. The Group currently owns 50% interests in Shanghai International Shipping Service Center Project.

Shanghai Dongtan Jin Mao Noble Manor Project (situated in Chenjia Town, Chongming Island, Shanghai) is currently under development and will be developed into a high-end integrated recreational, sports and resort centre along the riverbank, comprising clubhouses, low-density residential properties, hotels and serviced apartments. It is expected that the project will have a total gross floor area of 172,628 square metres. Currently, the construction of the villas in the project has been completed and the villas are ready for delivery. The serviced apartments are undergoing interior decoration. Construction of hotels is also carried on at full scale. During the period under review, sales of the project were satisfactory, maintaining its leading position amongst its peers in Dongtan in terms of contract sales. The Group owns 100% interests in Shanghai Dongtan Jin Mao Noble Manor Project.

業務回顧 (續)

物業開發板塊 (續)

發展中的北京廣渠金茂府項目(位於北京市朝陽區東四環內)將被開發成為集高端居住物業、高檔商業、體育公園、知名小學等在內的融合人文、休閒、教育和時尚功能為一體的城市地標級的高端居住綜合體。該項目預計建築總面積366,302平方米。回顧期內該項目三期開盤熱銷，上半年整體簽約額位列北京商品住宅市場成交亞軍。8月四期產品開盤再創銷售佳績。同時該項目工程進度良好，預期年內可實現部份樓棟精裝交付。本集團擁有北京廣渠金茂府項目100%的權益。

發展中的麗江金茂雪山語項目(位於雲南麗江世界遺產公園原址)將被開發成為綜合商業項目(其中至少包括一座五星級度假酒店)，旨在將納西文化與國際設計理念融為一體，在中國建造最具特色的高端度假酒店及低密度住宅，預計總建築面積約為282,943平方米。目前該項目正在積極進行前期銷售推廣、市場反響強烈。工程方面該項目已經進入全面施工階段，各項工作正在按照時間節點要求有序推進。本集團擁有麗江金茂雪山語項目100%的權益。

發展中的麗江雪山金茂逸墅項目(位於雲南麗江玉龍雪山甘海子)將被開發為五星級豪華酒店及低密度住宅，目標客戶為當地及外地的高級游客，預計總建築面積約為39,496平方米。回顧期內，項目正在推進前期規劃設計工作，整個項目將分期開發，逐步推向市場。目前，本集團擁有麗江雪山金茂逸墅項目100%的權益。

BUSINESS REVIEW (Continued)

Property development segment (Continued)

Beijing Guangqu Jin Mao Palace Project (situated at the inner side of East Fourth Ring Road in Chaoyang District, Beijing) is under development and will be developed into a high-end residential complex, consisting of high-end residential properties, high-end commercial areas, sports parks and renowned elementary schools. It will represent a metropolitan landmark with a hybrid of humanities, recreational, educational and fashionable elements. The project has an estimated total gross floor area of 366,302 square metres. During the period under review, phase III of the project has opened for sale and received overwhelming positive responses, ranking No.2 in the residential market in Beijing for the first half of the year in terms of overall contract sales. In August, phase IV of the project achieved remarkable sales performance. Meanwhile, construction of the project progressed well. It is expected that some buildings will be delivered in refined decoration during the year. The Group owns 100% interests in Beijing Guangqu Jin Mao Palace Project.

Lijiang Jin Mao Snow Mountain Whisper Project (situated at the former site of World Heritage Park in the Ancient Town of Lijiang, Yunnan) is under development and will be developed into an integrated commercial project, which consists of at least one 5-star resort hotel, and aims to combine the Naxi culture with international design concepts, building the most characteristic high-end resort hotel and low-density residential properties in China. The estimated total gross floor area is approximately 282,943 square metres. Currently, the Group is actively conducting preliminary sales promotion of the project and has received positive market responses. The project is under full construction and all construction works are conducted on schedule. The Group owns 100% interests in Lijiang Jin Mao Snow Mountain Whisper Project.

Lijiang Snow Mountain Jin Mao Noble Manor Project (situated at Ganhaizi in Lijiang Yulong Snow Mountain, Yunnan) is under development and will be developed into a 5-star luxury hotel and low-density residential properties targeting at high-end tourists both locally and abroad, with an estimated total gross floor area of approximately 39,496 square metres. During the period under review, the initial planning and design works for the project were underway. The entire project will be under phased development and launched to the market step by step. At present, the Group owns 100% interests in Lijiang Snow Mountain Jin Mao Noble Manor Project.

業務回顧 (續)

物業開發板塊 (續)

發展中的**青島藍海新港城項目**(位於青島市城區西部海岸中島組團)以打造濱海樂居綜合城為目標,堅持走高端地產開發路線,實踐綠色戰略,締造金茂品牌的新輝煌。該項目預計建築總面積524,374平方米。目前該項目已進入全面施工階段,各項工程正在有序進行中,同時一期推出樓盤蓄客情況良好,商業招商工作也已按期啟動。本集團擁有青島藍海新港城項目南區200畝地塊100%的權益。

發展中的**長沙梅溪湖項目**(位於湖南省長沙市大河西先導區中心地帶)佔地總面積為11,452畝,距長沙市中心區僅6公里。該項目將突出生態、節能、創新、科技的理念,被打造為中部地區最具競爭力的高端國際化商務、創新中心和山水交融的生態易居新城區,致力於成為中國中部「兩型社會」示範區。本集團將負責完成該項目土地範圍內的徵地拆遷、補償安置、前期市政基礎設施、城市公用(益)設施等全部工程建設以及其它相關後續開發工作。回顧期內,該項目工程進度良好,推地準備工作進展順利。本集團擁有長沙梅溪湖項目80%的權益。

發展中的**重慶職業技術學院項目**(位於重慶市九龍坡區奧體中心對面)將被開發成為中高端「快銷型」住宅項目,本集團將「綠色住宅、科技住宅、生態住宅」理念及長久以來積累的技術充分運用到該項目開發中。該項目預計建築總面積500,644平方米。目前該項目已開工建設。本集團擁有重慶職業技術學院項目100%的權益。

BUSINESS REVIEW (Continued)

Property development segment (Continued)

Qingdao Lanhai Xingang City Project (situated at Zhongdaozutuan (中島組團), west coast of the town area, Qingdao) is under development and targets at building itself as a harmonious living complex on the bund. In adherence to the principle of high-end property development, coupled with the green strategy, the Group aims to create a new and glorious chapter for “Jin Mao” brand. The project has an estimated gross floor area of 524,374 square metres. Currently, the project is under full construction and all construction works are conducted on schedule. At the same time, phase I of the project is doing well in securing customers, meanwhile tenant recruitment for commercial units has been kicked off as scheduled. The Group owns 100% interests in the 200-mu southern site of Qingdao Lanhai Xingang City Project.

Changsha Meixi Lake Project (situated at the core region of Dahexi Pilot Zone, Changsha City, Hunan Province) is under development. The project has an aggregate land area of 11,452 mu and is only 6 kilometres away from the city centre in Changsha. Featuring concepts of ecology, energy conservation, innovation and technology, the project is designed as the most competitive high-end international commercial and innovation centre, as well as an ecological new residential town with scenic landscape in the central region. The Group endeavours to develop the project into a “two-type community” model district in central China. The Group will be in charge of land requisition, compensation and resettlement, all preliminary municipal infrastructure and urban public facilities, and other related subsequent developments within the land area of the project. During the period under review, construction of the project progressed smoothly and the preparation for launching the land plots into market was well underway. The Group owns 80% interests in Changsha Meixi Lake Project.

Chongqing Vocational Technology Institute Project (opposite to Olympic Centre in Jiulongpo District, Chongqing City) is under development and will be developed into a mid-to-high-end “quick sales” residential project. The Group applies the concept of “green, technological and ecological living” and its skills accumulated over the years into the development of the project. The project has an estimated gross floor area of 500,644 square metres. Currently, the Group has commenced construction of the project. The Group owns 100% interests in Chongqing Vocational Technology Institute Project.

業務回顧 (續)

物業開發板塊 (續)

發展中的**北京來廣營項目**(位於北京北五環，緊鄰望京地區)將被開發成為高端住宅產品，本集團將綠色、生態、科技等理念和技術應用到該項目開發中，並引進優質教育資源，是本集團繼廣渠金茂府項目後、推進京津冀區域發展戰略的重點項目。該項目預計建築總面積395,831平方米。目前該項目已開工建設。本集團擁有北京來廣營項目51%的權益。

發展中的**金茂梅溪湖項目**(位於長沙梅溪湖板塊)定位為長沙國際濱湖示範區，涵蓋小高層、大平層及聯排等多種住宅產品形式。項目交通便捷，靠近長沙西二環、金星路等主干道，地鐵2號線近在咫尺。預計總建築面積約為515,077平方米。回顧期內，項目工程進度良好，各項工作正在按照時間節點有序推進。預計年內開始部分預售。本集團擁有金茂梅溪湖項目100%的權益。

物業租賃板塊

本集團物業租賃板塊的三處物業以其優異的質量、極佳的地理位置及高水平的物業服務，出租率及租金水平在同類別物業中繼續保持著較高水平。

位於北京金融區內復興門內大街上的**北京凱晨世貿中心**由於所處的黃金地段及優異的品質贏得了市場及客戶的廣泛認可，知名的國內外企業爭相入駐，其出租率及租金水平一直保持著較高的水平。截至2012年6月30日，北京凱晨世貿中心的出租率為99.2%(2011年6月30日：100%)。主要租戶為中國中化集團公司及其關聯公司，以及金融、諮詢等行業的優秀公司。目前，本集團擁有北京凱晨世貿中心100%的權益。

BUSINESS REVIEW (Continued)

Property development segment (Continued)

Beijing Laiguangying Project (located in North Fifth Ring Road, Beijing and adjacent to Wangjing area) is under development and will be developed into a high-end residential project. The Group will apply the concepts of greening, ecology and technology as well as technological skills into the project development, and introduce quality education resources. It is another key project of the Group following Beijing Guangqu Jin Mao Palace Project which promotes the strategic development of Beijing, Tianjin and Hebei. The project has an estimated gross floor area of 395,831 square metres. Currently, the Group has commenced construction of the project. The Group owns 51% interests in Beijing Laiguangying Project.

Jin Mao Meixi Lake Project (located in Meixi Lake area, Changsha) is under development. It is positioned as the international lakefront model demonstration district in Changsha, consisting of a multi-faceted range of residential properties from small high-rise buildings, large-floor buildings to townhouses. It offers great access to main transportation routes in Changsha such as West Second Ring Road and Jinxing Road as well as Metro Line No.2. It is expected to have a total gross floor area of approximately 515,077 square metres. During the period under review, the project progressed well and all construction works were conducted on schedule. It is expected that the Group will commence presales of some units during the year. The Group owns 100% interests in Jin Mao Meixi Lake Project.

Property leasing segment

The three properties under the property leasing segment of the Group continued to maintain a relatively high level of occupancy rate and rental level as compared with other similar properties, mainly due to their excellent quality, prime geographical location and high-quality property management services.

Within the financial district of Beijing and situated on Fuxingmen Nei Street, **Beijing Chemsunny World Trade Centre** is widely recognised by the clients throughout the market due to its prime location and ideal quality, and hence appealing to both renowned domestic and foreign enterprises, which results in a continuous high level of occupancy rate and rental level. As at 30 June 2012, the occupancy rate of Beijing Chemsunny World Trade Centre was 99.2% (30 June 2011: 100%). The primary tenants are Sinochem Group and its related companies, and some other eminent companies in finance and consulting industries. Currently, the Group owns 100% interests in Beijing Chemsunny World Trade Centre.

業務回顧 (續)

物業租賃板塊 (續)

位於北京金融街商圈復興門外大街上的**中化大廈**是集智能化辦公與人性化服務為一體的純寫字樓。回顧期內該項物業不斷提高硬件質量和服務品質，不僅有效提高了租金水平，而且出租率持續保持高位。截至2012年6月30日，中化大廈的出租率為100%（2011年6月30日：100%）。主要租戶為金融、軟件、諮詢等行業的優秀公司及本集團關聯公司。目前，本集團擁有中化大廈100%的權益。

位於上海浦東陸家嘴金融貿易區內的**金茂大廈**作為中國標誌性建築之一，卓越的地標效應和優質的服務水準使其一直成為國內外知名機構在滬辦公的首選場所之一。雖然同區域內新建寫字樓陸續推出，競爭日益加劇，但通過本集團的不斷努力，出租率明顯領先競爭對手，同時租金較去年同期大幅上升。截至2012年6月30日，金茂大廈的出租率為95.7%（2011年6月30日：96.9%）。主要租戶為財富500強公司或福布斯2000公司及本集團關聯公司。目前，本集團擁有金茂大廈100%的權益。

酒店經營板塊

今年上半年本集團酒店經營板塊面對不利的市場環境，通過不斷提高自身經營質量並積極開拓外部市場，在同區域競爭組合中保持了領先地位。

位於金茂大廈內的**上海金茂君悅大酒店**積極應對上海地區五星級酒店供應量放大的沖擊，仍然以其獨特的地標優勢和高品質的服務水準，保持了在同區域競爭組合中較高的出租率和平均房價。受部份客房更新改造影響，入住率和房價較上年同期有所下降，但與競爭對手相比仍然處於領先地位。截至2012年6月30日，上海金茂君悅大酒店客房平均入住率為58.9%，平均房價為人民幣1,730元（2011年6月30日：60.5%和人民幣1,780元）。目前，本集團擁有上海金茂君悅大酒店100%的權益。

BUSINESS REVIEW (Continued)

Property leasing segment (Continued)

Situated on Fuxingmen Wai Street, within the business circle of Beijing Financial Street, **Sinochem Tower** is an office building supported by intelligent office facilities and personalised services. During the period under review, by continuously enhancing the quality of facilities and services, the Group not only effectively increased the rental level but also maintained a high level of the occupancy rate. As at 30 June 2012, the occupancy rate of Sinochem Tower was 100% (30 June 2011: 100%). The principal tenants are eminent enterprises in finance, software, and consulting industries and the related companies of the Group. Currently, the Group owns 100% interests in Sinochem Tower.

Situated in the Lujiazui Finance and Trade Zone of Pudong, Shanghai, **Jin Mao Tower** is one of China's landmark buildings and has become one of the most preferred locations with superior service standards for domestic and overseas well-known institutions for their offices in Shanghai. Despite that various new office buildings were successively launched in the region and the competition has been fierce, with the Group's continued efforts, the occupancy rate was way ahead of its peers and the rental level rose significantly as compared with that in the same period of last year. As at 30 June 2012, the occupancy rate of Jin Mao Tower was 95.7% (30 June 2011: 96.9%). The primary tenants are the Fortune 500 companies, Forbes 2000 companies and the related companies of the Group. Currently, the Group owns 100% interests in Jin Mao Tower.

Hotel operations segment

In the first half of the year, in face of the unfavourable market conditions, the hotel operations segment of the Group continued to enhance its operating efficiency and actively expanded external markets, maintaining a leading position among its peers in the same region.

Situated inside Jin Mao Tower, **Grand Hyatt Shanghai** actively coped with challenges from the increasing supply of 5-star hotels in Shanghai. It maintained its unique landmark advantages and high standard of quality services and remained the leader in terms of occupancy rate and average room rate among its competitors in the region. The occupancy rate and room rate, though decreased as compared with the same period of last year due to renovation of some of the hotel rooms, continued to outperform its peers. As at 30 June 2012, the average occupancy rate and average room rate of Grand Hyatt Shanghai were 58.9% and RMB1,730 respectively (30 June 2011: 60.5% and RMB1,780 respectively). Currently, the Group owns 100% interests in Grand Hyatt Shanghai.

業務回顧 (續)

酒店經營板塊 (續)

本集團位於海南三亞亞龍灣內的金茂三亞麗思卡爾頓酒店和金茂三亞希爾頓大酒店面對海南市場需求急劇下滑的不利局面，積極調整營銷策略和價格策略，繼續保持其在亞龍灣的領先地位。雖然回顧期內兩家酒店入住率均有所下降，但金茂三亞麗思卡爾頓酒店平均房價同比上年同期大幅增長，而金茂三亞希爾頓大酒店平均房價同比上年同期保持相對穩定，使該兩家酒店仍保持了較高的業績水平。截至2012年6月30日，金茂三亞麗思卡爾頓酒店客房平均入住率為61.8%，平均房價為人民幣3,652元（2011年6月30日：84.2%和人民幣2,710元），金茂三亞希爾頓大酒店平均入住率為61.8%，平均房價為人民幣2,153元（2011年6月30日：72.0%和人民幣2,176元）。目前，本集團擁有金茂三亞麗思卡爾頓酒店100%的權益和金茂三亞希爾頓大酒店100%的權益。

位於北京朝陽區燕莎商圈內的金茂北京威斯汀大飯店2012年上半年平均入住率和平均房價較上年同期均有較大幅度的增長。該酒店自開業以來，充分利用其優勢的產品和地理位置，獲得穩定的優質客戶及政府團隊支持，依靠靈活的定價策略，逐漸擴展市場份額，目前該酒店已躋身於該區域同業競爭組合的前列，截至2012年6月30日，金茂北京威斯汀大飯店客房平均入住率為75.0%，平均房價為人民幣1,627元（2011年6月30日：73.4%和人民幣1,386元）。目前，本集團擁有金茂北京威斯汀大飯店100%的權益。

位於北京王府井大街上的王府井大飯店因其位置便利吸引了大量游客入住。為進一步提升酒店品質，回顧期內本集團啟動了對王府井大飯店的整體改造。改造後的酒店將秉承本集團高端酒店運營的宗旨，實現穩定的長期收益和品牌價值的提升。目前，本集團擁有王府井大飯店100%的權益。

BUSINESS REVIEW (Continued)

Hotel operations segment (Continued)

Situated at the enchanting Yalong Bay, Sanya, Hainan Province, the **Ritz-Carlton Sanya** and the **Hilton Sanya Resort & Spa** of the Group actively adjusted their marketing strategies and pricing policies in face of the drastic decrease in market demand in Hainan Province, and maintained their leading positions in Yalong Bay. Despite that the occupancy rate of the two hotels decreased during the period under review, the average room rate of the Ritz-Carlton Sanya increased substantially as compared with that in the same period of last year, whereas the average room rate of the Hilton Sanya Resort & Spa remained relatively stable as compared with that in the same period of last year. Accordingly, both hotels maintained a relatively high level of results performance. As at 30 June 2012, the average occupancy rate and average room rate of the Ritz-Carlton, Sanya were 61.8% and RMB3,652 respectively (30 June 2011: 84.2% and RMB2,710 respectively) while the average occupancy rate and average room rate of the Hilton Sanya Resort & Spa were 61.8% and RMB2,153 respectively (30 June 2011: 72.0% and RMB2,176 respectively). Currently, the Group owns 100% interests in the Ritz-Carlton Sanya and 100% interests in the Hilton Sanya Resort & Spa.

Situated at Yansha Business Circle, Chaoyang District, Beijing, **Westin Beijing, Chaoyang** achieved a relatively substantial growth in both average occupancy rate and average room rate for the first half of 2012 as compared with those in the corresponding period of last year. Since the inception of its operation, the hotel gained continued support from its stable and quality customers and government authorities by taking advantage of its product strength and favourable geographical location. Leveraging on the flexible pricing strategies and gradually enlarged market share, the hotel is currently among the best-performing hotels in the peer competition in the region. As at 30 June 2012, the average occupancy rate and average room rate of Westin Beijing, Chaoyang were 75.0% and RMB1,627 respectively (30 June 2011: 73.4% and RMB1,386 respectively). Currently, the Group owns 100% interests in Westin Beijing, Chaoyang.

Situated on Wangfujing Avenue in Beijing, **Wangfujing Grand Hotel** has attracted a large number of tourists due to its convenient location. In order to further enhance the quality of the hotel, during the period under review, the Group kicked off the complete revamp on Wangfujing Grand Hotel. After the revamp, the hotel will adhere to the Group's principle of high-end hotel operations to realise long-term gains and brand value uplifting. Currently, the Group owns 100% interests in Wangfujing Grand Hotel.

業務回顧 (續)

酒店經營板塊 (續)

位於深圳福田區內的金茂深圳JW萬豪酒店自開業以來，通過優化營銷團隊積極拓展市場份額，在協議市場和旅行社市場取得很大進展，商務團隊生意亦有不錯業績。截至2012年6月30日，金茂深圳JW萬豪酒店客房平均入住率為70.1%，平均房價為人民幣1,027元（2011年6月30日：72.7%和人民幣949元）。目前，本集團擁有金茂深圳JW萬豪酒店100%的權益。

儲備項目

本集團於2012年4月25日與蘭海集團訂立合作協議，就三亞市崖城鎮土地一級開發項目達成合作意向，有望成功取得三亞市崖州灣1500畝土地一級開發收益權。該土地地理位置優越，生態景觀豐富，是三亞市僅剩的一線海景優質土地資源，項目總體定位為「國家文化海岸」核心區，將成為三亞市新生活方式和新旅游方式的引領項目。同時，與蘭海集團及三亞市政府建立長期合作關係，有利於本公司進一步拓展在三亞的據點，有助本公司獲取機會參與土地的二級開發及三亞的其他項目。

梅溪湖國際廣場項目地塊位於梅溪湖國際新城北岸核心區域，緊鄰地鐵站口，地理位置優越，總建築面積逾37萬平方米。該項目將打造成涵括五星級酒店、購物中心、寫字樓、住宅為一體的高端大型城市綜合體，將成為長沙大河西區的地標建築。該城市綜合體將承載引領長沙大河西高端商業的歷史使命，借文化東風、攬毓秀山水、領時尚風潮，進一步鞏固梅溪湖作為未來城市中心的地位。

BUSINESS REVIEW (Continued)

Hotel operations segment (Continued)

Located in Futian District, Shenzhen, **JW Marriott Shenzhen** made huge progress both in the agreement market and travel agency market through optimising the marketing team to actively expand the market share. The business tour operation also achieved satisfactory performance. As at 30 June 2012, the average occupancy rate and average room rate of JW Marriott Shenzhen were 70.1% and RMB1,027 respectively (30 June 2011: 72.7% and RMB949 respectively). Currently, the Group owns 100% interests in JW Marriott Shenzhen.

Reserved projects

On 25 April 2012, the Group entered into a cooperation agreement with LongHigh Group with respect to the **primary land development project in Yacheng Town, Sanya City**, with an aim to acquire the primary development right of the 1,500-mu land parcel in Yazhouwan, Sanya City. The land parcel, which is situated in a favourable geographical location with rich natural resources and beautiful landscape, is the only remaining prime site in Sanya with a waterfront view. The project is generally positioned as the “state cultural waterfront” core area and will become the pioneer project regarding the new lifestyle and the new way of travel in Sanya City. In the meantime, the long-term cooperation with LongHigh Group and Sanya Municipal Government allows the Company to gain further foothold in Sanya, and provides the Company with the opportunity to participate in the secondary development of the land parcel and other projects in Sanya.

The land parcel of **Meixi Lake International Plaza Project** is located at the core region on the north bank of Meixi Lake International New City adjacent to a metro station, enjoying a favourable geographical location. Occupying a total gross floor area of more than 370,000 square metres, the project is designed to be a high-end large-scale city complex consisting of 5-star hotels, shopping malls, office buildings and residence and will become a landmark building in Dahexi Pilot Zone, Changsha. In adherence to the historical mission of high-end commerce in Dahexi Pilot Zone, Changsha, the city complex will further consolidate the position of Meixi Lake as the city centre in the future by capitalising on the eastern culture, magnificent scenic views and cutting edge trends.

未來展望

2012年上半年中國宏觀經濟增長速度放緩，穩健的貨幣政策逐步轉向適度寬松。但是，中央「有保有壓」的房地產調控基調沒有改變，限購限貸等核心政策仍是不可觸碰的底線。在這種宏觀調控的大背景下，商品房成交量雖有一定回暖、局部房價也出現了回調，但地產行業整體仍然在寒冬中謹慎前行。

但從中長期來看，本集團認為隨著中國城市化進程的推進，對住宅剛性需求這一支撐房地產市場持續增長的因素並未改變；同時房地產業作為國民經濟的支柱產業，關係著國民經濟的增長速度，其發展的速度直接影響到中國整體經濟的發展進度，因此我們對未來的房地產市場依然保持審慎的樂觀判斷。此外，隨著中國經濟的騰飛和全球經濟的回暖，以寫字樓、商業零售、綜合體等業態為主的商業地產投資在中國的發展潛力巨大，機遇難得。

本集團將繼續保持穩健的投資原則，在繼續深耕京、滬等一線城市的同時，關注核心的、有潛力的二線城市的優質地塊，甄選併購機會，持續增加土地儲備資源，為公司未來穩定及可持續的增長奠定基礎；對於開發物業，在保證工程質量及安全的前提下積極推進工程施工，採取靈活多樣的銷售措施加大營銷力度並加速已售物業的款項回流；同時不斷提升各個出租物業的經營質量、提高客戶滿意度；靈活調整酒店板塊經營策略和營銷措施，提升服務質量，穩定入住率，充分利用外部有利環境，實現業績的大幅提升。

本集團將繼續通過不懈努力，為股東創造更大價值和回報，為社會創造更大財富。

FUTURE OUTLOOK

In the first half of 2012, the macro economic growth of China saw a slowdown and the monetary policies gradually changed from “prudent” to “moderate easing”. However, the government’s austerity measures that “support and contain” the real estate industry remained unchanged, and core policies such as purchase restrictions and loan restrictions continued to be the untouchable bottomline. Under the backdrop of such macro control environment, despite that transaction of commercial properties regained some momentum and some of the property prices saw some support, the overall real estate environment remained severe and cautious.

For a medium-to-long term, the Group holds the view that, with the progress of urbanisation in China, there will be no change in the rigid demand for residential housing, which is a driving force for the sustainable growth of the property market. Also, as one of the key industries supporting the domestic economy, the development of the real estate sector is closely related to the growth rate of the domestic economy, thereby directly affecting the pace of growth in the overall China’s economy. As such, we remain prudent but optimistic about the future development of the property market. Besides, riding on China’s booming economy and recovery of the global economy, there are huge growth potentials in the investments in commercial properties targeting at the office buildings, commercial retailing and complex buildings in China, presenting golden opportunities.

In upholding its prudent principle of investment, the Group will, on the one hand continue to penetrate into first-tier cities such as Beijing and Shanghai, on the other hand keep a watchful eye on high-quality land parcels in core and potential second-tier cities and identify merger and acquisition opportunities so as to enrich the land bank and lay a foundation for a stable and sustainable development of the Company in the future. With respect to the property development, the Group will actively promote the construction progress of such projects provided that the quality and safety of construction are ensured. Besides, the Group will adopt flexible and diversified sales measures to enhance marketing efforts and accelerate receipt of sales proceeds for properties sold. In the meanwhile, the Group will also enhance the quality of operation and customers’ satisfaction for all leased properties. On the hotel operations segment, the Group will flexibly adjust the operating strategies and marketing measures with an aim to increase the quality of service and stabilise the occupancy rate by capitalising on the favourable external condition, and finally achieve a substantial growth in results.

The Group will continue its endeavours to create higher value and return for its shareholders and create more wealth for society.

財務回顧

一、 收入

截至2012年6月30日止六個月，本集團收入達港幣3,618.3百萬元（截至2011年6月30日止六個月：港幣1,847.7百萬元），較上年同期上升96%。主要為物業銷售收入上升所致。

按業務分佈劃分之收入

		截至6月30日止六個月 For the six months ended 30 June				
		2012年 2012		2011年 2011		
		(未經審核) (Unaudited) 港幣百萬元 HK\$ million	佔總收入之 百分比 (%) Percentage of the total revenue (%)	(未經審核) (Unaudited) 港幣百萬元 HK\$ million	佔總收入之 百分比 (%) Percentage of the total revenue (%)	變動百分比 (%) Percentage change (%)
物業開發	Property development	1,753.1	49	6.7	0	26,066
物業租賃	Property leasing	546.8	15	492.1	27	11
酒店經營	Hotel operations	1,063.4	29	1,084.4	59	-2
其他	Others	255.0	7	264.5	14	-4
總計	Total	3,618.3	100	1,847.7	100	96

2012年上半年，本集團物業銷售收入約為港幣1,753.1百萬元，較上年同期大幅上升，主要原因在於本集團上年同期交付及確認收入物業金額較少；物業租賃收入較上年同期增長11%，主要源自出租物業租金水平的提升；酒店經營收入較上年同期下降2%，下降主要源自不利的市場環境；其他收入主要包括金茂大廈88層觀光廳、物業管理、樓宇裝修等地產相關業務的收入，較上年同期略有下降。

FINANCIAL REVIEW

1. Revenue

For the six months ended 30 June 2012, revenue of the Group amounted to HK\$3,618.3 million (six months ended 30 June 2011: HK\$1,847.7 million), representing an increase of 96% as compared with the corresponding period of last year, which was mainly attributable to the increase in the revenue from the sales of properties.

Revenue by business segment

In the first half of 2012, revenue from property sales of the Group was approximately HK\$1,753.1 million, representing a substantial increase as compared with the corresponding period of last year, which was mainly attributable to the relatively less revenue from properties delivered and recognised in the corresponding period of last year. Revenue from property leasing grew by 11% as compared with that of the corresponding period of last year, primarily due to the increase in rental level of property leasing segment. Revenue from hotel operations decreased by 2% as compared with that of the corresponding period of last year, which was primarily attributable to the unfavourable market environment. Revenue from others (primarily including the property-related revenues arising from the observation deck on the 88th floor of Jin Mao Tower, property management and building decoration) decreased slightly as compared with that in the corresponding period of last year.

財務回顧 (續)

二、 銷售成本及毛利率

截至2012年6月30日止六個月，本集團之銷售成本約為港幣1,604.3百萬元（截至2011年6月30日止六個月：港幣732.3百萬元）。2012年上半年本集團整體銷售毛利率為56%，較2011年上半年之60%略有下降。

今年上半年物業銷售毛利率49%（上年同期57%）；本期物業租賃板塊出租率及租金水平有所上升，毛利率仍保持在92%的高位水平（上年同期91%）；酒店經營毛利率為56%（上年同期57%），與上年基本持平。

三、 其他收入和收益

截至2012年6月30日止六個月，本集團之其他收入和收益約為港幣1,512.3百萬元，較上年同期港幣2,128.7百萬元下降29%，主要在於本集團上年同期取得投資收益港幣1,137.5百萬元，而本期並無該類收益。本集團持有的投資物業所產生的投資物業公平值收益為港幣1,347.8百萬元，投資物業公平值收益較2011年同期港幣786.0百萬元增長71%。

四、 銷售和營銷開支

截至2012年6月30日止六個月，本集團之銷售和營銷開支為港幣120.4百萬元，與上年同期港幣122.8百萬元基本持平。銷售和營銷開支主要包括本集團日常經營中發生的廣告宣傳費用、支付給相關銷售代理機構的佣金以及其他與市場推廣相關的開支。

FINANCIAL REVIEW (Continued)

II. Cost of sales and gross profit margin

For the six months ended 30 June 2012, cost of sales of the Group was approximately HK\$1,604.3 million (for the six months ended 30 June 2011: HK\$732.3 million) and the overall gross profit margin of the Group slightly decreased from 60% in the first half of 2011 to 56% in the first half of 2012.

During the first half of the year, the gross profit margin of property development was 49% (corresponding period of last year: 57%). During the period, the occupancy rate and rental level of the property leasing segment increased, with the gross profit margin maintaining at the high level of 92% (corresponding period of last year: 91%). The gross profit margin of hotel operations was 56% (corresponding period of last year: 57%), which was substantially the same as last year.

III. Other income and gains

For the six months ended 30 June 2012, other income and gains of the Group decreased by 29% from HK\$2,128.7 million in the corresponding period of last year to approximately HK\$1,512.3 million. The decrease was mainly due to the Group's investment gains of HK\$1,137.5 million in the corresponding period of last year and no such gains were recorded during the period. The fair value gains on investment properties arising from the investment properties held by the Group amounted to HK\$1,347.8 million, which increased by 71% from HK\$786.0 million in the corresponding period of 2011.

IV. Selling and marketing expenses

For the six months ended 30 June 2012, selling and marketing expenses of the Group amounted to HK\$120.4 million, basically the same as HK\$122.8 million in the corresponding period of last year. Selling and marketing expenses comprise primarily the advertising expenses, commissions paid to the relevant sales agencies and other expenses in relation to market promotion incurred in the Group's daily operations.

財務回顧 (續)

五、 管理費用

截至2012年6月30日止六個月，本集團之管理費用為港幣431.1百萬元，較上年同期港幣346.6百萬元增長24%，主要在於本集團規模擴大、一般辦公開支增加所致。管理費用主要包括員工費用、諮詢費用、交際費用、一般辦公開支及物業的折舊。

六、 融資成本

截至2012年6月30日止六個月，本集團之融資成本為港幣486.9百萬元，較上年同期港幣448.5百萬元增長9%，主要在於今年上半年貸款增加及貸款利率上升所致。

七、 所得稅費用

截至2012年6月30日止六個月，本集團的所得稅費用支出為港幣680.5百萬元，較上年同期港幣612.3百萬元上升11%，主要在於今年上半年物業銷售收入的上升導致土地增值稅的上升。

八、 本公司所有者應佔溢利

截至2012年6月30日止六個月，本公司所有者應佔溢利為港幣1,603.4百萬元，較2011年同期港幣1,640.4百萬元下降2%；其中本集團投資物業公允價值變動帶來稅後淨收益約港幣1,010.9百萬元。

九、 投資物業

於2012年6月30日，投資物業主要包括北京凱晨世貿中心中座大樓和西座大樓及東座的部份樓層、金茂大廈(出租部份)、中化大廈及珠海每一間花園項目會所。投資物業由2011年12月31日的港幣14,889.7百萬元增至2012年6月30日的港幣16,199.5百萬元，主要是由於投資物業評估增值所致。

FINANCIAL REVIEW (Continued)

V. Administrative expenses

For the six months ended 30 June 2012, administrative expenses of the Group amounted to HK\$431.1 million, representing an increase of 24% from HK\$346.6 million in the corresponding period of last year. The increase was mainly attributable to the expansion of the Group's size and the increase in general office expenses. Administrative expenses mainly comprise staff costs, consulting fees, entertainment expenses, general office expenses and depreciation expenses.

VI. Finance costs

For the six months ended 30 June 2012, finance costs of the Group were HK\$486.9 million, representing an increase of 9% from HK\$448.5 million in the corresponding period of last year. The increase in finance costs was mainly attributable to the increase in loans and the increase in the lending rate in the first half of the year.

VII. Income tax expense

For the six months ended 30 June 2012, the Group had an income tax expense of HK\$680.5 million, representing an increase of 11% from HK\$612.3 million in the corresponding period of last year. The increase in income tax expense was primarily due to the increase in land appreciation tax resulting from the increase in revenue from the sales of properties in the first half of the year.

VIII. Profit attributable to owners of the parent

For the six months ended 30 June 2012, profit attributable to owners of the parent amounted to HK\$1,603.4 million, representing a decrease of 2% as compared with HK\$1,640.4 million in the corresponding period of 2011, of which, net profit after tax arising from fair value change of investment properties of the Group amounted to approximately HK\$1,010.9 million.

IX. Investment properties

As at 30 June 2012, investment properties comprise the Central and West Towers and some floors in the East Tower of Beijing Chemsunny World Trade Centre, Jin Mao Tower (the leased portion), Sinochem Tower and the clubhouse of Zhuhai Every Garden Project. Investment properties increased from HK\$14,889.7 million as at 31 December 2011 to HK\$16,199.5 million as at 30 June 2012. The increase was mainly due to the appreciation of investment properties.

財務回顧 (續)

十、發展中物業

於2012年6月30日，發展中物業的非流動部份包括北京廣渠金茂府項目、上海國際航運服務中心項目、青島藍海新港城項目、重慶職業技術學院項目、北京來廣營項目、麗江雪山金茂逸墅項目、麗江金茂雪山語項目、長沙梅溪湖項目二級開發的物業開發成本，而發展中物業的流動部份則為上海東灘金茂逸墅項目以及北京廣渠金茂府項目和上海國際航運服務中心項目部份的物業開發成本。

發展中物業（流動及非流動）由2011年12月31日的港幣18,874.4百萬元增至2012年6月30日的港幣24,895.7百萬元，主要在於北京廣渠金茂府項目、上海國際航運服務中心項目、青島藍海新港城項目、麗江雪山金茂逸墅項目、麗江金茂雪山語項目、重慶職業技術學院項目、北京來廣營項目的開發工作在穩步推進。

十一、持作出售物業

於2012年6月30日，持作出售物業主要包括珠海每一間花園項目車位未售部份、北京凱晨世貿中心車位未售部份以及上海東灘金茂逸墅項目。

於2012年6月30日，持作出售物業為港幣823.3百萬元，與2011年12月31日的港幣839.8百萬元基本持平。

十二、發展中土地

於2012年6月30日，發展中土地（流動及非流動）包括長沙梅溪湖項目投入的土地成本。

FINANCIAL REVIEW (Continued)

X. Properties under development

As at 30 June 2012, the non-current portion of properties under development comprised property development costs for Beijing Guangqu Jin Mao Palace Project, Shanghai International Shipping Service Center Project, Qingdao Lanhai Xingang City Project, Chongqing Vocational Technology Institute Project, Beijing Laiguangying Project, Lijiang Snow Mountain Jin Mao Noble Manor Project, Lijiang Jin Mao Snow Mountain Whisper Project and Changsha Meixi Lake Project (secondary development), whereas the current portion of properties under development was property development costs for Shanghai Dongtan Jin Mao Noble Manor Project, Beijing Guangqu Jin Mao Palace Project and a portion of Shanghai International Shipping Service Center Project.

Properties under development (including current and non-current) increased from HK\$18,874.4 million as at 31 December 2011 to HK\$24,895.7 million as at 30 June 2012. The increase was mainly driven by the steady development of Beijing Guangqu Jin Mao Palace Project, Shanghai International Shipping Service Center Project, Qingdao Lanhai Xingang City Project, Lijiang Snow Mountain Jin Mao Noble Manor Project, Lijiang Jin Mao Snow Mountain Whisper Project, Chongqing Vocational Technology Institute Project and Beijing Laiguangying Project.

XI. Properties held for sale

As at 30 June 2012, properties held for sale mainly included the unsold portion of parking spaces of Zhuhai Every Garden Project, unsold portion of parking spaces of the Beijing Chemsunny World Trade Centre and Shanghai Dongtan Jin Mao Noble Manor Project.

As at 30 June 2012, properties held for sale was HK\$823.3 million, which was basically the same as HK\$839.8 million as at 31 December 2011.

XII. Land under development

As at 30 June 2012, land under development (including current and non-current) included the land costs incurred in Changsha Meixi Lake Project.

財務回顧 (續)

十三、應收貿易賬款

於2012年6月30日，應收貿易賬款為港幣391.7百萬元，較2011年12月31日的港幣105.1百萬元增加273%，主要在於上海港國際客運中心地塊B項目銷售的應收款項增加。

十四、應付貿易賬款

於2012年6月30日，應付貿易賬款為港幣1,365.7百萬元，較2011年12月31日的港幣2,345.5百萬元下降42%，主要由於支付長沙梅溪湖項目應付土地款及工程款所致。

十五、計息銀行貸款及其他借款

於2012年6月30日，計息銀行貸款和其他借款（流動及非流動）為港幣26,914.9百萬元，較2011年12月31日的港幣25,199.4百萬元增加7%。計息銀行貸款和其他借款增加，主要是由於本集團用於新項目開發的對外貸款增加所致。

計息銀行貸款和其他借款分析

		2012年 6月30日 (未經審核) As at 30 June 2012 (Unaudited) (港幣百萬元) (HK\$ million)	2011年 12月31日 (經審核) As at 31 December 2011 (Audited) (港幣百萬元) (HK\$ million)	變動百分比 (%) Percentage change (%)
計息銀行貸款和其他借款 (流動及非流動)	Interest-bearing bank and other borrowings (including current and non-current)	26,914.9	25,199.4	7
扣除：以本集團銀行存款質押的 貸款	Less: loans pledged by bank deposits of the Group	(204.1)	(236.6)	-14
扣除銀行存款質押貸款後的 計息銀行貸款及其他借款	Interest-bearing bank and other borrowings after loans pledged by bank deposits	26,710.8	24,962.8	7

FINANCIAL REVIEW (Continued)

XIII. Trade receivables

As at 30 June 2012, trade receivables were HK\$391.7 million, representing an increase of 273% from HK\$105.1 million as at 31 December 2011. The increase in trade receivables was primarily due to the increase in receivables as a result of the sales of Site B of Shanghai Port International Cruise Terminal Project.

XIV. Trade payables

As at 30 June 2012, trade payables were HK\$1,365.7 million, representing a decrease of 42% from HK\$2,345.5 million as at 31 December 2011. The decrease was primarily due to the payment of land and construction costs payable for Changsha Meixi Lake Project.

XV. Interest-bearing bank and other borrowings

As at 30 June 2012, interest-bearing bank and other borrowings (including current and non-current) were HK\$26,914.9 million, representing an increase of 7% as compared with HK\$25,199.4 million as at 31 December 2011. The increase in interest-bearing bank and other borrowings was primarily due to the increase in external loans used for new project development by the Group.

Analysis of interest-bearing bank and other borrowings

財務回顧 (續)

十六、資產負債比率

本集團按淨債務與調整後資本比率的基準監控資本，該比率按淨債務除以調整後資本計算。淨債務按計息銀行貸款和其他借款總額扣除其他金融資產、限制性銀行結餘、已抵押存款及現金和現金等價物計算。調整後資本包括權益各組成部份和應付關聯方款項。本集團旨在維持合理的淨債務與調整後資本比率。於2012年6月30日及2011年12月31日的淨債務與調整後資本比率如下：

FINANCIAL REVIEW (Continued)

XVI. Gearing ratio

The Group monitors its capital on the basis of the net debt-to-adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Net debt is calculated as total interest-bearing bank and other borrowings less other financial assets, restricted bank balances, pledged deposits and cash and cash equivalents. Adjusted capital comprises all components of equity as well as the amounts due to related parties. The Group aims to maintain the net debt-to-adjusted capital ratio at a reasonable level. The net debt-to-adjusted capital ratio as at 30 June 2012 and 31 December 2011 were as follows:

		2012年 6月30日 (未經審核) As at 30 June 2012 (Unaudited) (港幣百萬元) (HK\$ million)	2011年 12月31日 (經審核) As at 31 December 2011 (Audited) (港幣百萬元) (HK\$ million)
計息銀行貸款和其他借款 (流動及非流動)	Interest-bearing bank and other borrowings (current and non-current)	26,914.9	25,199.4
扣除：現金和現金等價物	Less: cash and cash equivalents	(10,569.8)	(12,223.6)
限制性存款及抵押存款	restricted deposits and pledged deposits	(395.3)	(368.5)
其他金融資產	other financial assets	(878.3)	—
淨債務	Net debt	15,071.5	12,607.3
權益總額	Total equity	31,907.2	30,547.3
加：應付關聯方款項	Add: amount due to related parties	89.1	79.3
調整後資本	Adjusted capital	31,996.3	30,626.6
淨債務與調整後資本比率	Net debt-to-adjusted capital ratio	47%	41%

財務回顧 (續)

十七、流動資金與資本資源

本集團的現金主要用於支付資本開支、建築成本、土地成本（主要是支付土地出讓金和搬遷成本）、基建成本、支付給建築師和設計師的諮詢費用和融資成本，以及清償本集團的債務、償還應付關聯方款項及關聯方貸款，以及撥付營運資金和日常經常性開支。本集團主要通過內部資源、銀行及其他貸款、發行永續可換股證券、發行優先票據及發行新股滿足其流動資金需求。

於2012年6月30日，本集團有現金和現金等價物港幣10,569.8百萬元，主要以人民幣、港元及美元計值。（於2011年12月31日：港幣12,223.6百萬元）

於2012年6月30日，本集團有計息銀行貸款及其他借款合共港幣26,914.9百萬元（2011年12月31日：港幣25,199.4百萬元）。以下為本集團之計息銀行貸款及其他借款的分析：

		2012年 6月30日 (未經審核) As at 30 June 2012 (Unaudited) (港幣百萬元) (HK\$ million)	2011年 12月31日 (經審核) As at 31 December 2011 (Audited) (港幣百萬元) (HK\$ million)
一年內	Within 1 year	9,292.5	6,028.0
第二年	In the second year	3,107.7	5,238.6
第三年至第五年，包括首尾兩年	In the third to fifth years, inclusive	5,253.8	3,640.1
五年以上	Over five years	9,260.9	10,292.7
合計	Total	26,914.9	25,199.4

計息銀行貸款及其他借款約港幣9,292.5百萬元須於一年內償還，並列賬為流動負債。本集團所有借款以人民幣及美元計值，於2012年6月30日，本集團除計息銀行貸款及其他借款約港幣5,392.1百萬元按固定利率計息外，其他計息銀行貸款及其他借款按浮動利率計息。本集團的借款需求並無重大的季節性影響。

FINANCIAL REVIEW (Continued)

XVII. Liquidity and capital resources

The Group primarily uses its cash to pay for capital expenditure, construction costs, land costs (mainly for payment of land grant fee and relocation costs), infrastructure costs, consulting fees paid to architects and designers and finance costs, as well as to service the Group's indebtedness, repay amounts owing to and loans from related parties, and fund working capital and normal recurring expenses. The Group has financed its liquidity requirements primarily through internal resources, bank and other loans, issue of perpetual convertible securities, issue of senior notes and issue of new shares.

As at 30 June 2012, the Group had cash and cash equivalents of HK\$10,569.8 million, mainly denominated in RMB, HKD and USD (as at 31 December 2011: HK\$12,223.6 million).

As at 30 June 2012, the Group had total interest-bearing bank and other borrowings of HK\$26,914.9 million (as at 31 December 2011: HK\$25,199.4 million). An analysis of the interest-bearing bank and other borrowings of the Group is set out as follows:

Interest-bearing bank and other borrowings of approximately HK\$9,292.5 million were repayable within one year shown under current liabilities. All of the Group's borrowings are denominated in RMB and USD. As at 30 June 2012, apart from interest-bearing bank loans and other borrowings totalling approximately HK\$5,392.1 million that bore interest at fixed rates, other interest-bearing bank loans and other borrowings bore interest at floating rates. There is no material seasonal effect on the Group's borrowing requirements.

財務回顧 (續)

十七、流動資金與資本資源 (續)

於2012年6月30日，本集團有銀行信貸額度港幣33,072.2百萬元，全部以人民幣、港幣及美元計值，已動用銀行信貸額度為港幣22,136.1百萬元。

本集團截至2012年6月30日止六個月的現金流出淨額為港幣1,523.0百萬元，包括：

1. 經營活動現金流出淨額港幣1,589.1百萬元，主要是由於本集團支付土地成本、建築成本、營銷費用、管理費用、利息及稅費所致，部份因收到售樓款、物業租金及酒店經營收入而被抵銷。
2. 投資活動現金流出淨額港幣927.7百萬元，主要是由於本集團進行短期投資及購置固定資產支出所致。
3. 融資活動現金流入淨額港幣993.8百萬元，主要是由於本集團新增銀行貸款和其他借款所致，部份因償還銀行貸款和其他借款所抵銷。

十八、抵押資產

於2012年6月30日，本集團的計息銀行貸款及其他借款乃以本集團的酒店物業及樓宇港幣5,570.4百萬元、發展中物業港幣5,662.2百萬元、持作出售物業港幣148.1百萬元、土地使用權港幣392.4百萬元、投資物業港幣11,678.2百萬元及銀行存款港幣217.7百萬元作抵押。

FINANCIAL REVIEW (Continued)

XVII. Liquidity and capital resources (Continued)

As at 30 June 2012, the Group had banking facilities of HK\$33,072.2 million denominated in RMB, HKD and USD. The amount of banking facilities utilised was HK\$22,136.1 million.

The Group's net cash outflow of HK\$1,523.0 million for the six months ended 30 June 2012 consisted of:

1. A net cash outflow of HK\$1,589.1 million from operating activities, which was mainly attributable to the payment of land costs, construction costs, marketing expenses, administrative expenses, interests and taxes, and was partially offset by proceeds derived from the sales of properties, property rental and revenue from hotel operations.
2. A net cash outflow of HK\$927.7 million from investing activities, which was mainly attributable to the Group's short-term investments and the payment for purchase of fixed assets.
3. A net cash inflow of HK\$993.8 million from financing activities, which was mainly attributable to the increase of bank and other borrowings of the Group, and was partially offset by repayments of bank and other borrowings.

XVIII. Pledge of assets

As at 30 June 2012, the Group's interest-bearing bank and other borrowings were secured by the Group's hotel properties and buildings of HK\$5,570.4 million, properties under development of HK\$5,662.2 million, properties held for sale of HK\$148.1 million, land use rights of HK\$392.4 million, investment properties of HK\$11,678.2 million and bank deposits of HK\$217.7 million.

財務回顧 (續)

十九、或有負債

於2012年6月30日，本集團或有負債詳情載於簡明綜合中期財務報表附註17。

二十、資本承擔

於2012年6月30日，本集團的資本承擔詳情載於簡明綜合中期財務報表附註19。

二十一、市場風險

本集團的資產主要為土地使用權、發展中土地、發展中物業、持作出售物業及投資物業。倘國內物業市場嚴重回落，則該等資產未必可實時變現。

二十二、利率風險

本集團面臨因利率波動而產生的利率風險。本集團所面臨的市場利率變動風險主要與本集團的長期債務有關。利率上升會導致本集團尚未償還浮動利率借款的利息支出增加，並增加新增債務的成本。利率的波動還會導致本集團債務欠款公平值的大幅波動。本集團目前並沒有運用任何衍生工具控制利率風險。

二十三、外匯風險

本集團大部份營業收入和成本均以人民幣結算。本集團以港元呈報財務業績。因此，本集團面臨匯率波動的風險。本集團目前並沒有利用對沖控制貨幣風險。即使日後本集團決定進行對沖，但本集團無法保證任何未來的對沖活動可以使本集團免受匯率波動的影響。

FINANCIAL REVIEW (Continued)

XIX. Contingent liabilities

Details of the Group's contingent liabilities as at 30 June 2012 are set out in note 17 to the condensed consolidated interim financial statements.

XX. Capital commitments

Details of the Group's capital commitments as at 30 June 2012 are set out in note 19 to the condensed consolidated interim financial statements.

XXI. Market risk

The Group's assets are predominantly in the form of land use rights, land under development, properties under development, properties held for sale and investment properties. In the event of a severe downturn in the property market in Mainland China, these assets may not be readily realised.

XXII. Interest rate risk

The Group is exposed to interest rate risk resulting from fluctuations in interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations. Increase in interest rates will increase the interest expenses relating to the Group's outstanding floating rate borrowings and increase the cost of new debt. Fluctuations in interest rates may also lead to significant fluctuations in the fair value of the Group's debt obligations. The Group does not currently use any derivative instruments to manage the interest rate risk.

XXIII. Foreign exchange risk

Substantially all of the Group's revenue and costs are denominated in RMB. The Group reports its financial results in HKD. As a result, the Group is exposed to the risk of fluctuations in foreign exchange rates. The Group has not currently engaged in hedging to manage its currency risk. To the extent the Group decides to do so in the future, the Group cannot assure that any future hedging activities will protect the Group from fluctuations in exchange rates.

財務回顧 (續)

二十四、僱員及薪酬政策

於2012年6月30日，本集團合共有4,955名職員。本集團向僱員提供具競爭力的薪金和獎金，以及其他福利，包括退休計劃、醫療保險計劃、意外保險計劃、失業保險計劃、分娩保險計劃和房屋福利。本集團會定期按市場標準檢討本集團的薪金水平。

二十五、股票期權計劃

本公司於2007年11月22日已採納一項股票期權計劃（「計劃」），旨在加強參與者對本公司之承擔，以及努力實踐本公司之目標。根據計劃的規定，董事會有權自計劃批准日起10年內任何時間全權決定授予參與者按認購價認購一定數量的期權的權利。參與者，即期權授予的對象，包括任何本集團成員中現任的執行或非執行董事、任何集團成員中的高級管理人員、關鍵技術、專業人員、經理及員工，但不包括本公司的獨立非執行董事。在任何時候根據計劃和本公司其他股票期權計劃授予的所有期權在行權時配發的股票數量的總和不得超過本公司當時已發行股本的10%。根據本公司在本中期報告日期所發行的9,161,489,489股已發行股本，本公司可根據計劃向參與者發行最多916,148,948股股票。

FINANCIAL REVIEW (Continued)

XXIV. Employees and remuneration policies

As at 30 June 2012, the Group employed 4,955 staff in total. The Group provides competitive salaries and bonuses for its employees, as well as other benefits, including retirement schemes, medical insurance schemes, accident insurance schemes, unemployment insurance schemes, maternity insurance schemes and housing benefits. The Group's salary levels are regularly reviewed against market standards.

XXV. Share option scheme

On 22 November 2007, the Company adopted a share option scheme (the "Scheme"), the purpose of which is to increase the commitment of participants to the Company and encourage them to fulfill the objectives of the Company. According to the terms of the Scheme, the Board shall at its absolute discretion be entitled to grant to any participant the right to subscribe a certain number of options at a subscription price at any time within 10 years after the adoption date of the Scheme. Participants, i.e. recipients of the options granted, include any existing executive or non-executive directors of any member of the Group, any senior management, key technical and professional personnel, managers and employees of any member of the Group, but do not include any independent non-executive director of the Company. The number of shares to be issued at any time upon exercise of all options granted under the Scheme and other share option schemes of the Company shall not in aggregate exceed 10% of the issued share capital of the Company at that time. Based on the issued share capital of 9,161,489,489 shares of the Company in issue at the date of this interim report, up to 916,148,948 shares may be issued by the Company to participants under the Scheme.

財務回顧 (續)

二十六、期權的授出及行使

2008年5月5日，本公司向合資格參與者授出5,550,000份股票期權，行使價為本公司配發每股份港幣3.37元，乃為期權授予日前連續五個交易日本公司股票在香港聯合交易所有限公司（「聯交所」）的平均收市價。該等股票期權最早於被授予人股票期權授予日起算兩年後歸屬。

2010年4月30日，本公司董事會薪酬及提名委員會根據計劃、股票期權被授予人業績考核結果及外部獨立專業顧問提供的《方興地產2009年股票期權生效條件達成情況說明》，批准了公司於2008年5月5日授出股票期權按40%的比例歸屬被授予人。

2011年6月13日，本公司董事會薪酬及提名委員會根據計劃、公司管理層提供的《根據方興地產2010年業績測算是否達到行權條件的說明》，通過及確認因2010年度績效考核結果未達到預定績效表現目標，公司於2008年5月5日授出股票期權按30%的比例於2011年5月5日起失效並注銷。

2012年5月17日，本公司董事會薪酬及提名委員會根據計劃、公司管理層提供的《根據方興地產2011年業績測算是否達到行權條件的說明》，通過及確認因2011年度績效考核結果未達到預定績效表現目標，公司於2008年5月5日授出股票期權按30%的比例於2012年5月5日起失效並注銷。

FINANCIAL REVIEW (Continued)

XXVI. Grant and exercise of options

On 5 May 2008, 5,550,000 share options were granted to eligible participants at the exercise price of HK\$3.37 for each share of the Company to be allotted, which was the average closing price of the shares of the Company on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") for the five consecutive trading days immediately preceding the grant date in respect of such options. Such options shall vest the earliest after two years from the date on which the grantees are granted with the options.

On 30 April 2010, the Remuneration and Nomination Committee of the Board of the Company approved the vesting of 40% of the share options granted on 5 May 2008 by the Company according to the Scheme, the performance review results of the grantees of share options and the Explanation on the Fulfilment of Conditions of Share Options of Franshion Properties for 2009 provided by the independent professional advisor.

On 13 June 2011, the Remuneration and Nomination Committee of the Board of the Company approved and confirmed the lapse and cancellation of 30% of the share options granted on 5 May 2008 by the Company from 5 May 2011 according to the Scheme and the Explanation on the Fulfilment of Conditions of Share Options with reference to the Results of Franshion Properties for 2010 provided by the management of the Company, as the performance review results for 2010 did not meet the target performance results.

On 17 May 2012, the Remuneration and Nomination Committee of the Board of the Company approved and confirmed the lapse and cancellation of 30% of the share options granted on 5 May 2008 by the Company from 5 May 2012 according to the Scheme and the Explanation on the Fulfilment of Conditions of Share Options with reference to the Results of Franshion Properties for 2011 provided by the management of the Company, as the performance review results for 2011 did not meet the target performance results.

管理層討論與分析
MANAGEMENT DISCUSSION AND ANALYSIS

財務回顧 (續)

二十六、期權的授出及行使 (續)

回顧期內，並無根據計劃行使股票期權，以下為截至2012年6月30日止六個月根據計劃尚未行使的股票期權：

FINANCIAL REVIEW (Continued)

XXVI. Grant and exercise of options (Continued)

During the period under review, no options were exercised under the Scheme. The following share options were outstanding under the Scheme during the six months ended 30 June 2012:

被授予人 姓名或類別	Name or category of grantee	股票期權數目 Number of share options					2012年 6月30日	授出股票 期權日期	股票期權 行使期 (包括 首尾兩日)	股票期權 行使價	本公司股票 緊接期權 授出日期之 收市價 Closing price of the shares of the Company immediately preceding the grant date of share options (HK\$)
		2012年 1月1日	期內授出	期內行使	期內註銷	期內失效					
		As at 1 January 2012	Granted during the period	Exercised during the period	Cancelled during the period	Lapsed during the period	As at 30 June 2012	Grant date of share options	Exercise period of share options (both dates inclusive)	Exercise price of share options (HK\$)	
董事	Director										
潘正義先生 (附註一)	Mr. PAN Zhengyi (Note 1)	146,236	-	-	-	(146,236)	-	05.05.2008	2012年5月5日至 2015年5月4日 05.05.2012 to 04.05.2015	3.37	3.36
王紅軍先生 (附註二)	Mr. WANG Hongjun (Note 2)	124,659	-	-	-	(124,659)	-	05.05.2008	2012年5月5日至 2015年5月4日 05.05.2012 to 04.05.2015	3.37	3.36
李雪花女士	Ms. LI Xuehua	194,980	-	-	-	-	194,980	05.05.2008	2010年5月5日至 2015年5月4日 05.05.2010 to 04.05.2015	3.37	3.36
		146,236				(146,236)	-	05.05.2008	2012年5月5日至 2015年5月4日 05.05.2012 to 04.05.2015	3.37	3.36
賀斌吾先生	Mr. HE Binwu	194,980	-	-	-	-	194,980	05.05.2008	2010年5月5日至 2015年5月4日 05.05.2010 to 04.05.2015	3.37	3.36
		146,236				(146,236)	-	05.05.2008	2012年5月5日至 2015年5月4日 05.05.2012 to 04.05.2015	3.37	3.36
江南先生 (附註三)	Mr. JIANG Nan (Note 3)	168,610	-	-	-	-	168,610	05.05.2008	2010年5月5日至 2015年5月4日 05.05.2010 to 04.05.2015	3.37	3.36
		126,458				(126,458)	-	05.05.2008	2012年5月5日至 2015年5月4日 05.05.2012 to 04.05.2015	3.37	3.36
		1,248,395	-	-	-	(689,825)	558,570				
僱員合計	Employee in aggregate	733,573	-	-	-	(29,566)	704,007	05.05.2008	2010年5月5日至 2015年5月4日 05.05.2010 to 04.05.2015	3.37	3.36
		782,720				(782,720)	-	05.05.2008	2012年5月5日至 2015年5月4日 05.05.2012 to 04.05.2015	3.37	3.36
合計	Total	2,764,688	-	-	-	(1,502,111)	1,262,577				

財務回顧 (續)

二十六、期權的授出及行使 (續)

附註一：潘正義先生於2009年2月13日辭任本公司非執行董事兼公司主席、薪酬及提名委員會委員及投資委員會委員。其作為被授予人40%的股票期權自2010年5月5日起歸屬，至2010年11月4日未行使而失效；其作為被授予人30%的股票期權自2011年5月5日起失效注銷；其作為被授予人另外30%的股票期權自2012年5月5日起失效注銷。截至本報告日止該等股票期權已全部失效。

附註二：王紅軍先生作為本公司董事、審核委員會委員之任期於2011年6月17日召開之股東週年大會上屆滿，退任董事。其作為被授予人40%的股票期權自2010年5月5日起歸屬，至2011年12月16日未行使而失效；其作為被授予人30%的股票期權自2011年5月5日起失效注銷；其作為被授予人另外30%的股票期權自2012年5月5日起失效注銷。截至本報告日止該等股票期權已全部失效。

附註三：江南先生作為本公司董事、戰略及投資委員會委員之任期於2011年6月17日召開之股東週年大會上屆滿，退任董事同時留任本公司首席財務官。其作為被授予人40%的股票期權自2010年5月5日起歸屬，截至本報告日止仍可供行使；其作為被授予人30%的股票期權自2011年5月5日起失效注銷；其作為被授予人另外30%的股票期權自2012年5月5日起失效注銷。

FINANCIAL REVIEW (Continued)

XXVI. Grant and exercise of options (Continued)

Note 1: Mr. PAN Zhengyi resigned as a non-executive Director and the Chairman of the Company and a member of the Remuneration and Nomination Committee and the Investment Committee of the Company on 13 February 2009. The 40% of the options granted to him vested on 5 May 2010 and lapsed on 4 November 2010 due to non-exercise. The 30% of the options granted to him lapsed and were cancelled on 5 May 2011. The remaining 30% of the options granted to him lapsed and were cancelled on 5 May 2012. All such options lapsed as at the date of this report.

Note 2: The term of Mr. WANG Hongjun as a Director of the Company and a member of the Audit Committee expired at the annual general meeting held on 17 June 2011 and he retired as the Director of the Company. The 40% of the options granted to him vested on 5 May 2010 and lapsed on 16 December 2011 due to non-exercise. The 30% of the options granted to him lapsed and were cancelled on 5 May 2011. The remaining 30% of the options granted to him lapsed and were cancelled on 5 May 2012. All such options lapsed as at the date of this report.

Note 3: The term of Mr. JIANG Nan as a Director of the Company and a member of the Strategy and Investment Committee expired at the annual general meeting held on 17 June 2011 and he retired as the Director but remained as the Chief Financial Officer of the Company. The 40% of the options granted to him vested on 5 May 2010 and were still exercisable as at the date of this report. The 30% of the options granted to him lapsed and were cancelled on 5 May 2011. The remaining 30% of the options granted to him lapsed and were cancelled on 5 May 2012.

財務回顧 (續)

二十七、重大收購和出售

2012年4月25日，本公司與蘭海集團訂立合作協議，其中載列訂約雙方共同開發一幅位於中國海南省三亞市崖城鎮鹽灶河岸，佔地面積1,500畝的土地。據此，本公司、蘭海集團與三亞崖州灣經濟發展有限公司（「項目公司」）於2012年4月25日訂立注資協議。根據該協議，本公司須向項目公司注資人民幣1.5億元，以收購項目公司51%的股本權益。於注資完成後，項目公司將成為本公司的非全資附屬公司。根據蘭海集團與三亞市政府的若干先前安排，於土地一級開發完成後，項目公司有權分享土地銷售所產生的部份收益。項目公司亦將根據合作協議就土地的獨家一級開發權與三亞市政府進行積極協商。有關本次交易之詳情，請參見本公司於2012年4月25日發佈的題為「公告－有關合作協議的須予披露交易及有關蘭海貸款的關連交易」的公告。

二十八、未經審核中期業績

董事會欣然宣佈本集團截至2012年6月30日止六個月的未經審核中期簡明綜合業績連同比較數字如下。

本公司之核數師安永會計師事務所已審閱本集團截至2012年6月30日止六個月的中期簡明綜合業績，並出具相關的審閱報告，詳情載於本中期報告第34頁至第59頁。

FINANCIAL REVIEW (Continued)

XXVII. Material acquisitions and disposals

On 25 April 2012, the Company entered into a cooperation agreement with LongHigh Group in relation to the joint development of a parcel of land with a site area of 1,500 mu located on the bank of Yanzao River of Yacheng Town, Sanya, Hainan Province, China. In this connection, the Company, LongHigh Group and Sanya Yazhouwan Economic Development Company Limited (the "Project Company") entered into a capital injection agreement on 25 April 2012, pursuant to which the Company shall inject a sum of RMB150 million to the Project Company as consideration for the acquisition of 51% of the equity interest in the Project Company. Following completion of the capital injection, the Project Company will become a non-wholly owned subsidiary of the Company. According to certain prior arrangements between LongHigh Group and Sanya Municipal Government, the Project Company is entitled to a portion of proceeds from the sale of the land following completion of the primary land development. In addition, the Project Company has been actively negotiating with Sanya Municipal Government with respect to the grant of an exclusive primary development right of the land pursuant to the cooperation agreement. For details of this transaction, please refer to the announcement titled "Announcement – Discloseable Transaction in Relation to the Cooperation Agreement and Connected Transaction in Relation to the LongHigh Loans" published by the Company on 25 April 2012.

XXVIII. Unaudited interim results

The Board is pleased to present the unaudited condensed consolidated interim results of the Group for the six months ended 30 June 2012 together with comparative figures as follows.

The Company's auditor, Ernst & Young has reviewed the condensed consolidated interim results of the Group for the six months ended 30 June 2012, and issued relevant review report, the details of which are set out from pages 34 to 59 of this interim report.



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致方興地產（中國）有限公司董事會
（於香港註冊成立的有限公司）

To the board of directors of Franshion Properties (China) Limited
(Incorporated in Hong Kong with limited liability)

引言

我們已審閱刊載於第34頁至第59頁方興地產（中國）有限公司的中期財務資料，包括貴集團於2012年6月30日之簡明綜合財務狀況表，及截至該日止六個月期間的簡明綜合收益表、簡明綜合全面收益表、簡明綜合權益變動表及簡明綜合現金流量表以及解釋資料。香港聯合交易所有限公司證券上市規則要求須按照相關規定及香港會計師公會頒佈的香港會計準則第34號「中期財務報告」（「香港會計準則第34號」）的規定編製中期財務資料的報告。

董事須負責根據香港會計準則第34號編製並列報本中期財務資料。我們的責任是在實施審閱工作的基礎上對本中期財務資料作出結論。我們的報告僅就雙方所協議的審閱業務約定書條款向全體董事會報告，並不能做除此之外的其他用途。我們概不就本報告之內容，對任何其他人士負責或承擔任何責任。

審閱範圍

我們已按照香港會計師公會頒佈的香港審閱工作準則第2410號「實體之獨立核數師對中期財務數據之審閱」的規定進行審閱，審閱中期財務資料包括主要向負責財務會計事宜的人員進行詢問，並實施分析性覆核和其他審閱程序。該審閱工作範圍遠小於根據香港審計準則進行審計工作的範圍，我們因而無法保證能在審閱工作中發現若進行審計工作的情况下所能發現的所有重大事項。因此，我們不發表任何審計意見。

INTRODUCTION

We have reviewed the interim financial information set out on pages 34 to 59, which comprises the condensed consolidated statement of financial position of Franshion Properties (China) Limited as at 30 June 2012, and the related condensed consolidated income statement, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and explanatory information. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim Financial Reporting* ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants.

The directors are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

結論

根據我們的審閱，我們並無發現任何事項使我們相信中期財務資料未能在所有重大方面按照香港會計準則第34號的規定編製。

安永會計師事務所
執業會計師
香港

2012年8月23日

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Ernst & Young
Certified Public Accountants
Hong Kong

23 August 2012

簡明綜合收益表
CONDENSED CONSOLIDATED INCOME STATEMENT

截至2012年6月30日止六個月 For the six months ended 30 June 2012

		截至6月30日止六個月 For the six months ended 30 June		
		附註 Notes	2012年 (未經審核) 港幣千元 2012 (Unaudited) HK\$'000	2011年 (未經審核) 港幣千元 2011 (Unaudited) HK\$'000
收入	REVENUE	3	3,618,321	1,847,707
銷售成本	Cost of sales		(1,604,275)	(732,284)
毛利	Gross profit		2,014,046	1,115,423
其他收入和收益	Other income and gains	4	1,512,289	2,128,744
銷售和營銷開支	Selling and marketing expenses		(120,363)	(122,838)
管理費用	Administrative expenses		(431,140)	(346,568)
其他費用	Other expenses		(558)	(1,114)
融資成本	Finance costs	5	(486,911)	(448,531)
分佔合營公司利潤	Share of profits of joint ventures		1,301	1,878
稅前利潤	PROFIT BEFORE TAX	6	2,488,664	2,326,994
所得稅費用	Income tax expense	7	(680,508)	(612,322)
本期利潤	PROFIT FOR THE PERIOD		1,808,156	1,714,672
下列應佔部分：	Attributable to:			
母公司所有者	Owners of the parent		1,603,387	1,640,445
非控制權益	Non-controlling interests		204,769	74,227
			1,808,156	1,714,672
			港仙 HK cents	港仙 HK cents
母公司普通股權益持有人 應佔每股盈利	EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	9		
基本	Basic		17.50	17.91
攤薄	Diluted		14.84	15.18

簡明綜合全面收益表

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

截至2012年6月30日止六個月 For the six months ended 30 June 2012

		截至6月30日止六個月 For the six months ended 30 June	
		2012年 (未經審核) 港幣千元 2012 (Unaudited) HK\$'000	2011年 (未經審核) 港幣千元 2011 (Unaudited) HK\$'000
附註			
Note			
本期利潤	PROFIT FOR THE PERIOD	1,808,156	1,714,672
其他全面收益／(虧損)	OTHER COMPREHENSIVE INCOME/(LOSS)		
換算海外業務產生的 匯兌差額	Exchange differences on translation of foreign operations	(188,333)	606,613
重新分類調整因以下事宜 計入簡明綜合收益表 的收益：	Reclassification adjustments for gains included in condensed consolidated income statement in relation to:		
子公司取消註冊	de-registration of a subsidiary	4	(3,972)
出售子公司	disposal of a subsidiary	4	4,634
本期其他全面收益／ (虧損)，扣除稅項	OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX	(188,333)	607,275
本期全面收益總額	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,619,823	2,321,947
下列應佔部分：	Attributable to:		
母公司所有者	Owners of the parent	1,441,506	2,162,481
非控制權益	Non-controlling interests	178,317	159,466
		1,619,823	2,321,947

簡明綜合財務狀況表

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		附註	2012年 6月30日 (未經審核) 港幣千元 30 June 2012 (Unaudited) HK\$'000	2011年 12月31日 (經審核) 港幣千元 31 December 2011 (Audited) HK\$'000
非流動資產	NON-CURRENT ASSETS			
物業、廠房及設備	Property, plant and equipment	10	6,842,819	6,891,490
發展中物業	Properties under development		16,134,957	11,844,096
發展中土地	Land under development	11	9,057,083	9,222,684
投資物業	Investment properties		16,199,463	14,889,712
預付土地租賃款項	Prepaid land lease payments		1,680,815	1,714,549
無形資產	Intangible assets		23,468	26,796
於合營公司的投資	Investments in joint ventures		37,150	36,052
遞延稅項資產	Deferred tax assets		243,290	178,052
非流動資產總額	Total non-current assets		50,219,045	44,803,431
流動資產	CURRENT ASSETS			
發展中物業	Properties under development		8,760,788	7,030,281
持作出售物業	Properties held for sale		823,313	839,806
發展中土地	Land under development	11	3,320,282	2,623,209
存貨	Inventories		30,050	32,117
應收貿易賬款	Trade receivables	12	391,685	105,113
預付款項、按金和其他應收款	Prepayments, deposits and other receivables		1,226,210	1,605,992
應收關連方款項	Due from related parties		19,434	21,461
預付稅項	Prepaid tax		280,167	117,503
其他金融資產	Other financial assets	13	878,317	–
受限制銀行結餘	Restricted bank balances		177,622	131,878
已抵押存款	Pledged deposits		217,678	236,602
現金和現金等價物	Cash and cash equivalents	14	10,569,829	12,223,645
流動資產總額	Total current assets		26,695,375	24,967,607
流動負債	CURRENT LIABILITIES			
應付貿易賬款	Trade payables	15	1,365,714	2,345,492
其他應付款項和應計款項	Other payables and accruals		12,675,196	8,231,852
計息銀行貸款和其他借款	Interest-bearing bank and other borrowings	16	9,292,539	6,028,004
應付關連方款項	Due to related parties		89,093	79,295
應付稅項	Tax payable		397,827	442,048
土地增值稅撥備	Provision for land appreciation tax		405,339	483,717
應付股息	Dividends payable		366,460	–
流動負債總額	Total current liabilities		24,592,168	17,610,408
流動資產淨額	NET CURRENT ASSETS		2,103,207	7,357,199
總資產減流動負債	TOTAL ASSETS LESS CURRENT LIABILITIES		52,322,252	52,160,630

簡明綜合財務狀況表

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

		附註	2012年 6月30日 (未經審核) 港幣千元 30 June 2012 (Unaudited) HK\$'000	2011年 12月31日 (經審核) 港幣千元 31 December 2011 (Audited) HK\$'000
總資產減流動負債	TOTAL ASSETS LESS CURRENT LIABILITIES		52,322,252	52,160,630
非流動負債	NON-CURRENT LIABILITIES			
計息銀行貸款和其他借款	Interest-bearing bank and other borrowings	16	17,622,319	19,171,380
遞延稅項負債	Deferred tax liabilities		2,792,723	2,441,995
非流動負債總額	Total non-current liabilities		20,415,042	21,613,375
淨資產	Net assets		31,907,210	30,547,255
權益	EQUITY			
母公司所有者應佔權益	Equity attributable to owners of the parent			
已發行股本	Issued capital		9,161,489	9,161,489
永續可換股證券	Perpetual convertible securities		4,588,000	4,588,000
儲備	Reserves		13,338,206	12,054,800
擬派末期股息	Proposed final dividends		—	366,460
非控制權益	Non-controlling interests		27,087,695 4,819,515	26,170,749 4,376,506
權益總額	Total equity		31,907,210	30,547,255

簡明綜合權益變動表

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

截至2012年6月30日止六個月 For the six months ended 30 June 2012

		母公司所有者應佔												
		Attributable to owners of the parent												
		已發行股本 (未經審核) 港幣千元	股份溢價賬 (未經審核) 港幣千元	永續可換 股證券 (未經審核) 港幣千元	資本儲備 (未經審核) 港幣千元	中國法定 盈餘公積 (未經審核) 港幣千元	資產 重估儲備 (未經審核) 港幣千元	股票 期權儲備 (未經審核) 港幣千元	匯兌 波動儲備 (未經審核) 港幣千元	保留溢利 (未經審核) 港幣千元	擬派末期 股息 (未經審核) 港幣千元	總計 (未經審核) 港幣千元	非控制權益 (未經審核) 港幣千元	權益總額 (未經審核) 港幣千元
		PRC	Share Issued capital (Unaudited) HK\$'000	premium account (Unaudited) HK\$'000	Perpetual convertible securities (Unaudited) HK\$'000	Capital reserve (Unaudited) HK\$'000	statutory surplus reserve (Unaudited) HK\$'000	Assets revaluation reserve (Unaudited) HK\$'000	Share option reserve (Unaudited) HK\$'000	Exchange fluctuation reserve (Unaudited) HK\$'000	Retained profits (Unaudited) HK\$'000	Proposed final dividend (Unaudited) HK\$'000	Total (Unaudited) HK\$'000	Non- controlling interests (Unaudited) HK\$'000
於2012年1月1日	At 1 January 2012	9,161,489	6,109,789	4,588,000	(2,180,460)	581,991	112,044	3,410	3,096,121	4,331,905	366,460	26,170,749	4,376,506	30,547,255
本期利潤	Profit for the period	-	-	-	-	-	-	-	-	1,603,387	-	1,603,387	204,769	1,808,156
本期其他全面收益	Other comprehensive income for the period													
換算海外業務 產生的匯兌差額	Exchange differences on translation for foreign operations	-	-	-	-	-	-	-	(161,881)	-	-	(161,881)	(26,452)	(188,333)
取消註冊子公司收益	Gain on de-registration of subsidiaries	-	-	-	-	(4)	-	-	-	4	-	-	-	-
本期全面收益總額	Total comprehensive income for the period	-	-	-	-	(4)	-	-	(161,881)	1,603,391	-	1,441,506	178,317	1,619,823
永續可換股證券分派	Perpetual convertible securities' distributions	-	-	-	-	-	-	-	-	(158,479)	-	(158,479)	-	(158,479)
已宣派2011年末期股息	Final 2011 dividend declared	-	-	-	-	-	-	-	-	-	(366,460)	(366,460)	-	(366,460)
非控制股東注資	Capital contribution from non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	273,839	273,839
於子公司取消註冊時 向非控制股東 退還的資本	Capital returned to non-controlling shareholders upon de-registration of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(9,102)	(9,102)
向非控制股東 宣派的股息	Declaration of dividends to non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	(45)	(45)
以股份結算的股票期權 安排	Equity-settled share option arrangements	-	-	-	-	-	-	379	-	-	-	379	-	379
股票期權被沒收或到期時 轉撥股票期權儲備	Transfer of share option reserve upon the forfeiture or expiry of share options	-	-	-	-	-	-	(2,060)	-	2,060	-	-	-	-
於2012年6月30日	At 30 June 2012	9,161,489	6,109,789*	4,588,000	(2,180,460)*	581,987*	112,044*	1,729*	2,934,240*	5,778,877*	-	27,087,695	4,819,515	31,907,210

* 該等儲備賬目構成簡明綜合財務狀況表內的綜合儲備港幣13,338,206,000元(2011年12月31日:港幣12,054,800,000元)。

* These reserve accounts comprise the consolidated reserves of HK\$13,338,206,000 (31 December 2011: HK\$12,054,800,000) in the condensed consolidated statement of financial position.

簡明綜合權益變動表

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

截至2012年6月30日止六個月 For the six months ended 30 June 2012

		母公司所有者應佔 Attributable to owners of the parent											
		已發行股本 (未經審核) 港幣千元	股份 溢價賬 (未經審核) 港幣千元	永續 可換股證券 (未經審核) 港幣千元	資本儲備 (未經審核) 港幣千元	中國法定 盈餘公積 (未經審核) 港幣千元	股票 期權儲備 (未經審核) 港幣千元	匯兌 波動儲備 (未經審核) 港幣千元	保留溢利 (未經審核) 港幣千元	擬派 末期股息 (未經審核) 港幣千元	總計 (未經審核) 港幣千元	非控制權益 (未經審核) 港幣千元	權益總額 (未經審核) 港幣千元
						PRC							
		Issued capital (Unaudited) HK\$'000	Share premium account (Unaudited) HK\$'000	Perpetual convertible securities (Unaudited) HK\$'000	Capital reserve (Unaudited) HK\$'000	statutory surplus reserve (Unaudited) HK\$'000	Share option reserve (Unaudited) HK\$'000	Exchange fluctuation reserve (Unaudited) HK\$'000	Retained profits (Unaudited) HK\$'000	Proposed final dividend (Unaudited) HK\$'000	Total (Unaudited) HK\$'000	Non- controlling interests (Unaudited) HK\$'000	Total equity (Unaudited) HK\$'000
於2011年1月1日	At 1 January 2011	9,161,489	6,109,789	4,588,000	(2,134,134)	290,173	3,682	1,914,978	2,961,482	229,037	23,124,496	3,594,705	26,719,201
本期利潤	Profit for the period	-	-	-	-	-	-	-	1,640,445	-	1,640,445	74,227	1,714,672
本期其他全面收益	Other comprehensive income for the period												
換算海外業務產生的匯兌差額	Exchange differences on translation for foreign operations	-	-	-	-	-	-	521,374	-	-	521,374	85,239	606,613
取消註冊子公司收益	Gain on de-registration of a subsidiary	-	-	-	(711)	(2,838)	-	(3,261)	2,838	-	(3,972)	-	(3,972)
出售子公司收益	Gain on disposal of a subsidiary	-	-	-	-	-	-	4,634	-	-	4,634	-	4,634
本期全面收益總額	Total comprehensive income for the period	-	-	-	(711)	(2,838)	-	522,747	1,643,283	-	2,162,481	159,466	2,321,947
永續可換股證券分派	Perpetual convertible securities' distributions	-	-	-	-	-	-	-	(158,537)	-	(158,537)	-	(158,537)
已宣派2010年末期股息	Final 2010 dividend declared	-	-	-	-	-	-	-	-	(229,037)	(229,037)	-	(229,037)
收購非控制權益	Acquisition of non-controlling interests	-	-	-	(1,024)	-	-	-	-	-	(1,024)	(2,403)	(3,427)
以股份結算的股票期權安排	Equity-settled share option arrangements	-	-	-	-	-	870	-	-	-	870	-	870
股票期權被沒收或到期時 轉撥股票期權儲備	Transfer of share option reserve upon the forfeiture or expiry of share options	-	-	-	-	-	(1,486)	-	-	-	(1,486)	-	(1,486)
於2011年6月30日	At 30 June 2011	9,161,489	6,109,789	4,588,000	(2,135,869)	287,335	3,066	2,437,725	4,446,228	-	24,897,763	3,751,768	28,649,531

簡明綜合現金流量表

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

截至2012年6月30日止六個月 For the six months ended 30 June 2012

		截至6月30日止六個月 For the six months ended 30 June	
		2012年 (未經審核) 港幣千元 2012 (Unaudited) HK\$'000	2011年 (未經審核) 港幣千元 2011 (Unaudited) HK\$'000
經營活動所用的現金流量淨額	NET CASH FLOWS USED IN OPERATING ACTIVITIES	(1,589,084)	(6,518,528)
投資活動所用的現金流量淨額	NET CASH FLOWS USED IN INVESTING ACTIVITIES	(927,692)	(2,704,824)
籌資活動產生的現金流量淨額	NET CASH FLOWS FROM FINANCING ACTIVITIES	993,759	10,806,452
現金和現金等價物增加／(減少)淨額	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(1,523,017)	1,583,100
期初的現金和現金等價物	Cash and cash equivalents at beginning of period	12,137,439	11,229,509
匯率變動影響淨額	Effect of foreign exchange rate changes, net	(44,593)	117,673
期末的現金和現金等價物	CASH AND CASH EQUIVALENTS AT END OF PERIOD	10,569,829	12,930,282
現金和現金等價物結餘分析	ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
現金及銀行結餘	Cash and bank balances	7,156,885	7,448,911
於取得當日原定到期日少於三個月的非抵押定期存款	Non-pledged time deposits with original maturity of less than three months when acquired	2,973,428	3,888,633
於取得當日原定到期日超過三個月的非抵押定期存款，附有於要求時提取活期存款的選擇權	Non-pledged time deposits with original maturity of over three months when acquired with options to withdraw upon demand similar to demand deposits	439,516	1,592,738
現金流量表所列的現金和現金等價物	Cash and cash equivalents as stated in the statement of cash flows	10,569,829	12,930,282
於取得當日原定到期日超過三個月的非抵押定期存款，並無附有於要求時提取活期存款的選擇權	Non-pledged time deposits with original maturity of over three months when acquired without options to withdraw upon demand similar to demand deposits	—	718,428
財務狀況表所列的現金和現金等價物	Cash and cash equivalents as stated in the statement of financial position	10,569,829	13,648,710

NOTES TO CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. 公司資料

方興地產(中國)有限公司(「本公司」)為在香港註冊成立的有限公司。本公司的註冊辦事處位於香港灣仔港灣道1號會展廣場辦公大樓47樓4702-03室。

董事認為，本公司的直屬控股公司為於香港註冊成立的中化香港(集團)有限公司(「中化香港」)，而本公司的最終控股公司為於中華人民共和國(「中國」)成立的中國中化集團公司。中國中化集團公司為受中國國有資產監督管理委員會監督的國有企業。

本公司及其子公司(「本集團」)的主要業務載述於簡明綜合中期財務報表附註3。

2. 編製基準及會計政策

編製基準

簡明綜合中期財務報表乃根據香港會計師公會頒佈的香港會計準則(「香港會計準則」)第34號「中期財務報告」編製。

簡明綜合中期財務報表並不包括年度財務報表規定的所有資料及披露，且應與本集團截至2011年12月31日止年度的財務報表一併閱讀。

1. CORPORATE INFORMATION

Franshion Properties (China) Limited (the “Company”) is a limited liability company incorporated in Hong Kong. The registered office of the Company is located at Rooms 4702-03, 47/F, Office Tower, Convention Plaza, Harbour Road, Wanchai, Hong Kong.

In the opinion of the directors, the immediate holding company of the Company is Sinochem Hong Kong (Group) Company Limited (“Sinochem Hong Kong”), a company incorporated in Hong Kong, and the ultimate holding company of the Company is Sinochem Group, a company established in the People’s Republic of China (the “PRC”) and is a state-owned enterprise under the supervision of the State-owned Assets Supervision and Administration Commission in the PRC.

The principal activities of the Company and its subsidiaries (the “Group”) are described in note 3 to the condensed consolidated interim financial statements.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation

The condensed consolidated interim financial statements are prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants.

The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s financial statements for the year ended 31 December 2011.

2. 編製基準及會計政策 (續)**重大會計政策**

編製簡明綜合中期財務報表所採納的會計政策及基準與編製截至2011年12月31日止年度的年度財務報表所採納的會計政策及基準一致，惟影響本集團及於本財務報表期間內首次採納以下經修訂香港會計準則除外：

HKAS 12 Amendments
香港會計準則第12號修訂本

Amendments to HKAS 12 *Income Taxes – Deferred tax: Recovery of Underlying Assets*

對香港會計準則第12號「所得稅－遞延稅項：相關資產的可收回性」的修訂

香港會計準則第12號修訂本闡明以公平值計量的投資物業的遞延稅項的釐定。該等修訂引入可駁回推定，即以公平值計量的投資物業的遞延稅項，應以其賬面值藉出售而可收回的基礎而釐定。此外，該等修訂納入以往在香港（常務詮釋委員會）－詮釋第21號「所得稅－遞延稅項：重估非折舊資產的可收回性」的規定，即採用香港會計準則第16號的重估模式計量的非折舊資產的遞延稅項，應以出售基礎計量。

有關假定已被駁回，此乃由於本集團所有投資物業均按以下業務模式持有，其目的旨在隨時間（而非藉出售）消耗該等投資物業所實現的絕大部分經濟利益。因此，本集團投資物業的遞延稅項並非按出售基準釐定。採用香港會計準則第12號對會計政策及本集團的簡明綜合中期財務報表並無影響。

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (CONTINUED)**Significant accounting policies**

The accounting policies and basis of preparation adopted in the preparation of the condensed consolidated interim financial statements are the same as those used in the annual financial statements for the year ended 31 December 2011, except in relation to the following revised HKAS that affects the Group and is adopted for the first time for the current period's financial statements:

HKAS 12 Amendments clarify the determination of deferred tax for investment property measured at fair value. The amendments introduce a rebuttable presumption that deferred tax on investment property measured at fair value should be determined on the basis that its carrying amount will be recovered through sale. Furthermore, the amendments incorporate the requirement previously in HK(SIC) – Int 21 *Income Taxes – Recovery of Revalued Non-Depreciable Assets* that deferred tax on non-depreciable assets, measured using the revaluation model in HKAS 16, should always be measured on a sale basis.

Such presumption is rebutted because all of the Group's investment properties are held within a business model whose objective is to consume substantially all of the economic benefits in the investment properties over time, rather than through sale. Accordingly, deferred tax on the Group's investment properties is not determined on a sale basis. The adoption of HKAS 12 has no impact on the accounting policies and has no impacts on the Group's condensed consolidated interim financial statements.

3. 經營分部資料

就管理而言，本集團乃按其所提供的產品及服務劃分業務單位，分為四個可呈報經營分部如下：

- (a) 物業及土地開發分部：從事物業開發及銷售以及土地開發；
- (b) 物業租賃分部：提供寫字樓及商用物業租賃；
- (c) 酒店經營分部：提供酒店住宿及餐飲服務；及
- (d) 「其他」分部：主要提供物業管理、設計及裝修服務、經營觀光廳及貨物貿易。

管理層會就資源分配及表現評估的決策，分開監控本集團經營分部的業績。分部表現乃按可呈報分部溢利進行評估，此乃按照經調整稅前利潤計量。經調整稅前利潤的計量與本集團稅前利潤相符，惟於有關計算中並無計入利息收入、其他投資收益及融資成本以及總部及企業開支。

分部資產不包括遞延稅項資產、預付稅項、其他金融資產、已抵押存款、受限制銀行結餘、現金和現金等價物及其他未分配總部及企業資產，原因是以上資產按集團層面管理。

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on the products and services they provide and has four reportable operating segments as follows:

- (a) the property and land development segment develops and sells properties and develops land;
- (b) the property leasing segment leases office and commercial premises;
- (c) the hotel operations segment provides hotel accommodation services, food and beverage; and
- (d) the “others” segment mainly comprises the provision of property management, design and decoration services, the operation of an observation deck and the trading of goods.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that interest income, other investment income and finance costs as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude deferred tax assets, prepaid tax, other financial assets, pledged deposits, restricted bank balances, cash and cash equivalents, and other unallocated head office and corporate assets as these assets are managed on a group basis.

3. 經營分部資料 (續)

3. OPERATING SEGMENT INFORMATION (CONTINUED)

截至2012年6月30日止六個月

For the six months ended 30 June 2012

		物業及 土地開發 (未經審核) 港幣千元 Property and land development (Unaudited) HK\$'000	物業租賃 (未經審核) 港幣千元 Property leasing (Unaudited) HK\$'000	酒店經營 (未經審核) 港幣千元 Hotel operations (Unaudited) HK\$'000	其他 (未經審核) 港幣千元 Others (Unaudited) HK\$'000	總計 (未經審核) 港幣千元 Total (Unaudited) HK\$'000
分部收入：	Segment revenue:					
向外間客戶銷售	Sales to external customers	1,753,077	546,845	1,063,436	254,963	3,618,321
分部間銷售	Intersegment sales	-	1,698	3,136	224,669	229,503
		1,753,077	548,543	1,066,572	479,632	3,847,824
對賬：	Reconciliation:					
分部間銷售對銷	Elimination of intersegment sales					(229,503)
收入總額	Total revenue					3,618,321
分部業績	Segment results	822,369	1,840,576	294,615	42,341	2,999,901
對賬：	Reconciliation:					
分部間業績對銷	Elimination of intersegment results					(5,871)
銀行利息收入	Bank interest income					82,620
其他投資收益	Other investment income					16,602
總部及其他未分配開支	Corporate and other unallocated expenses					(117,677)
融資成本	Finance costs					(486,911)
稅前利潤	Profit before tax					2,488,664

3. 經營分部資料 (續)

3. OPERATING SEGMENT INFORMATION (CONTINUED)

截至2011年6月30日止六個月

For the six months ended 30 June 2011

		物業及 土地開發 (未經審核) 港幣千元 Property and land development (Unaudited) HK\$'000	物業租賃 (未經審核) 港幣千元 Property leasing (Unaudited) HK\$'000	酒店經營 (未經審核) 港幣千元 Hotel operations (Unaudited) HK\$'000	其他 (未經審核) 港幣千元 Others (Unaudited) HK\$'000	總計 (未經審核) 港幣千元 Total (Unaudited) HK\$'000
分部收入：	Segment revenue:					
向外間客戶銷售	Sales to external customers	6,709	492,141	1,084,372	264,485	1,847,707
分部間銷售	Intersegment sales	–	1,452	–	18,159	19,611
		6,709	493,593	1,084,372	282,644	1,867,318
對賬：	<i>Reconciliation:</i>					
分部間銷售對銷	Elimination of intersegment sales					(19,611)
收入總額	Total revenue					1,847,707
分部業績	Segment results	1,065,955	1,233,263	346,457	43,172	2,688,847
對賬：	<i>Reconciliation:</i>					
分部間業績對銷	Elimination of intersegment results					(4,460)
銀行利息收入	Bank interest income					142,511
其他投資收益	Other investment income					1,031
總部及其他未分配開支	Corporate and other unallocated expenses					(52,404)
融資成本	Finance costs					(448,531)
稅前利潤	Profit before tax					2,326,994

3. 經營分部資料 (續)

3. OPERATING SEGMENT INFORMATION (CONTINUED)

於2012年6月30日

At 30 June 2012

		物業及 土地開發 (未經審核) 港幣千元	物業租賃 (未經審核) 港幣千元	酒店經營 (未經審核) 港幣千元	其他 (未經審核) 港幣千元	總計 (未經審核) 港幣千元
		Property and land development (Unaudited) HK\$'000	Property leasing (Unaudited) HK\$'000	Hotel operations (Unaudited) HK\$'000	Others (Unaudited) HK\$'000	Total (Unaudited) HK\$'000
分部資產	Segment assets	47,350,005	17,264,625	10,178,866	757,234	75,550,730
對賬：	Reconciliation:					
分部間資產對銷	Elimination of intersegment assets					(10,464,630)
總部及其他未分配資產	Corporate and other unallocated assets					11,828,320
總資產	Total assets					76,914,420

於2011年12月31日

At 31 December 2011

		物業及 土地開發 (經審核) 港幣千元	物業租賃 (經審核) 港幣千元	酒店經營 (經審核) 港幣千元	其他 (經審核) 港幣千元	總計 (經審核) 港幣千元
		Property and land development (Audited) HK\$'000	Property leasing (Audited) HK\$'000	Hotel operations (Audited) HK\$'000	Others (Audited) HK\$'000	Total (Audited) HK\$'000
分部資產	Segment assets	36,236,067	16,898,131	9,892,777	659,444	63,686,419
對賬：	Reconciliation:					
分部間資產對銷	Elimination of intersegment assets					(13,050,989)
總部及其他未分配資產	Corporate and other unallocated assets					19,135,608
總資產	Total assets					69,771,038

4. 其他收入和收益

4. OTHER INCOME AND GAINS

截至6月30日止六個月
For the six months ended 30 June

		2012年 (未經審核) 港幣千元 2012 (Unaudited) HK\$'000	2011年 (未經審核) 港幣千元 2011 (Unaudited) HK\$'000
其他收入	Other income		
銀行利息收入	Bank interest income	82,620	142,511
其他投資收益	Other investment income	16,602	1,031
		99,222	143,542
收益	Gains		
投資物業的公平值收益	Fair value gains on investment properties	1,347,839	785,996
由持作出售物業轉為投資物業 的公平值收益	Fair value gains on transfers from properties held for sale to investment properties	9,659	—
匯兌差額淨額	Foreign exchange differences, net	2,909	47,599
取消註冊子公司收益	Gain on de-registration of a subsidiary	—	3,972
出售子公司收益	Gain on disposal of a subsidiary	—	1,137,510
政府補貼*	Government grants*	45,062	—
其他	Others	7,598	10,125
		1,413,067	1,985,202
		1,512,289	2,128,744

* 本集團因在中國大陸地區某些城市經營業務而獲有關當局頒發多項政府補貼。有關該等撥款並無未履行的條件或或然事項。

* Various government grants have been received from the relevant authorities for the Group's businesses conducted in certain cities in Mainland China. There are no unfulfilled conditions or contingencies relating to these grants.

5. 融資成本

5. FINANCE COSTS

截至6月30日止六個月
For the six months ended 30 June

		2012年 (未經審核) 港幣千元 2012 (Unaudited) HK\$'000	2011年 (未經審核) 港幣千元 2011 (Unaudited) HK\$'000
須於五年內全數償還的 銀行貸款及債券利息	Interest on bank loans and debenture wholly repayable within five years	547,852	461,558
須於五年以上償還的 銀行貸款及債券利息	Interest on bank loans and debenture wholly repayable over five years	308,615	120,078
應付同系子公司款項利息	Interest on an amount due to a fellow subsidiary	8,260	39,707
應付直系控股公司款項利息	Interest on an amount due to the immediate holding company	—	7,863
利息開支總額	Total interest expense	864,727	629,206
減：資本化利息	Less: Interest capitalised	(377,816)	(180,675)
		486,911	448,531

6. 稅前利潤

6. PROFIT BEFORE TAX

本集團的稅前利潤已扣除／(計入) 下列各項：

The Group's profit before tax is arrived at after charging/(crediting):

截至6月30日止六個月
For the six months ended 30 June

		2012年 (未經審核) 港幣千元 2012 (Unaudited) HK\$'000	2011年 (未經審核) 港幣千元 2011 (Unaudited) HK\$'000
已售物業成本	Cost of properties sold	873,645	2,939
土地開發成本	Cost of land development	15,523	—
折舊	Depreciation	110,566	108,479
無形資產項目攤銷	Amortisation of intangible assets	3,911	3,422
確認預付土地租賃款項	Recognition of prepaid land lease payments	25,572	24,588
出售物業、廠房及 設備項目虧損*	Loss on disposal of items of property, plant and equipment*	573	1,028
應收貿易賬款之減值／ (減值撥回)*	Impairment/(reversal of impairment) of trade receivables*	(15)	86

* 該等項目計入簡明綜合收益表內「其他費用」項下。

* These items are included in "Other expenses" on the face of the condensed consolidated income statement.

7. 所得稅費用

7. INCOME TAX EXPENSE

		截至6月30日止六個月 For the six months ended 30 June	
		2012年 (未經審核) 港幣千元 2012 (Unaudited) HK\$'000	2011年 (未經審核) 港幣千元 2011 (Unaudited) HK\$'000
即期	Current		
中國企業所得稅	PRC corporate income tax	225,430	225,601
中國土地增值稅	PRC land appreciation tax	156,065	172
		381,495	225,773
遞延	Deferred	299,013	386,549
本期稅項支出總額	Total tax charge for the period	680,508	612,322

香港利得稅

由於期內本集團並無在香港產生任何應課稅利潤(2011年：無)，故並無計提香港利得稅撥備。

Hong Kong profits tax

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the period (2011: Nil).

中國企業所得稅

中國企業所得稅乃按本集團的中國子公司的期內應課稅利潤以稅率25%計提準備。截至2011年6月30日止六個月，根據相關中國所得稅規定及法規，成立於並位於上海浦東新區、深圳經濟特區、海南經濟特區及珠海經濟特區的若干本集團中國子公司分別可享受以企業所得稅優惠稅率24%繳稅。截至2011年6月30日止六個月，本集團其餘中國子公司須按中國企業所得稅率25%繳稅。

PRC corporate income tax

PRC corporate income tax has been provided at the rate of 25% on the taxable profits of the Group's PRC subsidiaries during the period. During the six months ended 30 June 2011, pursuant to the relevant PRC income tax rules and regulations, preferential corporate income tax rate of 24% was granted to certain of the Group's subsidiaries which were established and located in Shanghai Pudong New Area, Shenzhen Special Economic Zone, Hainan Special Economic Zone and Zhuhai Special Economic Zone. The Group's remaining PRC subsidiaries were subject to the PRC corporate income tax rate of 25% during the six months ended 30 June 2011.

截至2012年6月30日止六個月，分佔合營公司稅項為港幣433,000元(2011年：港幣626,000元)，已計入簡明綜合中期收益表「分佔合營公司利潤」項下。

The share of tax attributable to joint ventures for the six months ended 30 June 2012 amounting to HK\$433,000 (2011: HK\$626,000) is included in "Share of profits of joint ventures" in the condensed consolidated interim income statement.

7. 所得稅費用 (續)**中國土地增值稅 (「土地增值稅」)**

根據於1994年1月1日生效的中華人民共和國土地增值稅暫行條例以及於1995年1月27日生效的中華人民共和國土地增值稅暫行條例實施細則的規定，由1994年1月1日起，在中國大陸轉讓房地產物業產生的所有收益，均須就土地價值的增值部份（即出售物業所得款項減包括借貸成本和所有物業開發支出在內的扣費用支出）按介乎30%至60%的累進稅率，繳付土地增值稅。

8. 股息

於2012年8月23日舉行的董事會會議上，董事議決不向股東派付任何中期股息（2011年：無）。

9. 母公司普通股權益持有人應佔每股盈利

每股基本盈利乃根據母公司普通股權益持有人應佔本期溢利及本期已發行普通股加權平均數9,161,489,489股（2011年：9,161,489,489股）而計算。

每股攤薄盈利根據母公司普通股權益持有人應佔本期溢利計算。計算時使用的普通股加權平均數為用以計算每股基本盈利的期內已發行普通股數目，以及假設本集團永續可換股證券視為轉換為普通股而發行的普通股加權平均數。

7. INCOME TAX EXPENSE (CONTINUED)**PRC land appreciation tax ("LAT")**

According to the requirements of the Provisional Regulations of the PRC on LAT (中華人民共和國土地增值稅暫行條例) effective from 1 January 1994, and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT (中華人民共和國土地增值稅暫行條例實施細則) effective from 27 January 1995, all gains arising from a transfer of real estate property in Mainland China effective from 1 January 1994 are subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sale of properties less deductible expenditures including borrowing costs and all property development expenditures.

8. DIVIDEND

At a meeting of the board of directors held on 23 August 2012, the directors resolve not to pay an interim dividend to shareholders (2011: Nil).

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic earnings per share amount for the period is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 9,161,489,489 (2011: 9,161,489,489) in issue during the period.

The calculation of diluted earnings per share amount for the period is based on the profit for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued on the deemed conversion of the Group's perpetual convertible securities into ordinary shares.

9. 母公司普通股權益持有人應佔
每股盈利 (續)

9. EARNINGS PER SHARE ATTRIBUTABLE TO
ORDINARY EQUITY HOLDERS OF THE PARENT
(CONTINUED)

每股基本及攤薄盈利乃根據以下數據計算：

The calculations of basic and diluted earnings per share are based on:

		截至6月30日止六個月 For the six months ended 30 June	
		2012年 (未經審核) 港幣千元 2012 (Unaudited) HK\$'000	2011年 (未經審核) 港幣千元 2011 (Unaudited) HK\$'000
盈利	Earnings		
用作計算每股基本盈利之母公司 普通股權益持有人應佔溢利	Profit attributable to ordinary equity holders of the parent used in the basic earnings per share calculation	1,603,387	1,640,445
		股份數目 Number of shares 截至6月30日止六個月 For the six months ended 30 June	
		2012年 (未經審核) 2012 (Unaudited)	2011年 (未經審核) 2011 (Unaudited)
股份	Shares		
用作計算每股基本盈利的期內 已發行普通股加權平均數	Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	9,161,489,489	9,161,489,489
攤薄影響 — 普通股的加權平均數：	Effect of dilution – weighted average number of ordinary shares:		
永續可換股證券	Perpetual convertible securities	1,644,763,250	1,644,763,250
		10,806,252,739	10,806,252,739

10. 物業、廠房及設備

截至2012年6月30日止六個月，本集團購買物業、廠房及設備項目的總成本為港幣98,091,000元（2011年：港幣12,158,000元），而出售或撤銷物業、廠房及設備項目的賬面淨值合共港幣1,084,000元（2011年：港幣1,702,000元）。

11. 發展中土地

發展中土地指有關位於中國的長沙梅溪湖項目（「項目」）的土地收購成本、拆遷補償費用及其他前期基建成本。儘管本集團並無擁有該土地的所有權或土地使用權，本集團獲授權就該項目的土地基建及公共配套設施進行建造及籌備工程。當地方政府出售該等地段時，本集團有權自地方部門收取土地開發費用。

12. 應收貿易賬款

應收貿易賬款
減值

Trade receivables
Impairment

2012年
6月30日
(未經審核)
港幣千元
30 June
2012
(Unaudited)
HK\$'000

2011年
12月31日
(經審核)
港幣千元
31 December
2011
(Audited)
HK\$'000

393,826
(2,141)

107,307
(2,194)

391,685

105,113

已出售物業的代價乃根據相關買賣協議的條款支付。雖然本集團與其客戶就提供酒店、裝修和其他服務的貿易條款主要為信貸條款，但新客戶一般需要預先付款。信貸期一般為一個月內，而主要客戶可延長至六個月。每名客戶均設有最高信貸額。

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2012, the Group acquired items of property, plant and equipment at a total cost of HK\$98,091,000 (2011: HK\$12,158,000) and disposed of or wrote off items of property, plant and equipment with a total net carrying amount of HK\$1,084,000 (2011: HK\$1,702,000).

11. LAND UNDER DEVELOPMENT

Land under development represents the land requisition cost, compensation cost and other preliminary infrastructure costs in relation to Changsha Meixi Lake project (the "Project") which is situated in Mainland China. Though the Group does not have ownership title or land use right to such land, the Group is given the right to carry out construction and preparation works in respect of land infrastructure and ancillary public facilities in the Project. When the land plots are sold by the local government, the Group is entitled to receive from the local authorities the land development fee.

12. TRADE RECEIVABLES

Consideration in respect of properties sold is payable in accordance with the terms of the related sale and purchase agreements, whilst the Group's trading terms with its customers in relation to the provision of hotel, decoration and other services are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally within one month, extending up to six months for major customers. Each customer has a maximum credit limit.

12. 應收貿易賬款 (續)

本集團致力保持嚴格控制其未償還應收款，並設立信貸控制部門，將信貸風險減至最低。高級管理層定期審閱逾期結餘。

於報告期末，應收貿易賬款（扣除撥備）按照交易日期的賬齡分析如下：

12. TRADE RECEIVABLES (CONTINUED)

The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management.

An aged analysis of the trade receivables as at the end of the reporting period, based on the transaction date and net of provisions, is as follows:

		2012年 6月30日 (未經審核) 港幣千元 30 June 2012 (Unaudited) HK\$'000	2011年 12月31日 (經審核) 港幣千元 31 December 2011 (Audited) HK\$'000
1個月內	Within 1 month	166,842	94,448
1至3個月	1 to 3 months	17,269	6,082
4至6個月	4 to 6 months	168,090	760
6個月以上	Over 6 months	39,484	3,823
		391,685	105,113

13. 其他金融資產

其他金融資產指於從銀行取得當日原定到期日少於三個月的金融產品。該等金融產品的本金由銀行擔保，並且在到期日之前不可贖回。

13. OTHER FINANCIAL ASSETS

Other financial assets represented financial products with original maturity of no more than three months when acquired from banks. The principals of these financial products are guaranteed by banks and cannot be withdrawn prior to the maturity date.

14. 現金和現金等價物

本集團的現金和現金等價物包括就中國海南省土地開發項目存入三亞崖州灣經濟發展有限公司（「三亞崖州灣」）名下銀行賬戶的存款港幣122,670,000元（2011年：無）。管理層認為，本集團根據本公司於2012年4月25日與海南蘭海實業集團有限公司（無關連第三方，為三亞崖州灣當時的控股公司）訂立的合作協議訂明的條款，對該等存款有實際控制權。

於有關當局向三亞崖州灣授予以上土地開發項目批准後，三亞崖州灣將計作本公司的非全資子公司。

15. 應付貿易賬款

於報告期末，應付貿易賬款按照交易日期的賬齡分析如下：

14. CASH AND CASH EQUIVALENTS

Included in the Group's cash and cash equivalents are deposits of HK\$122,670,000 (2011: nil) placed in a bank account under the name of Sanya Yazhouwan Economic Development Company Limited ("Sanya Yazhouwan") for the purpose of a land development project in Hainan province, the PRC. The management considers that the Group has effective control over such deposits according to the terms stipulated in the cooperation agreement entered into between the Company and Hainan LongHigh Industrial Group Company Limited, an unrelated third party which was the then holding company of Sanya Yazhouwan, on 25 April 2012.

Upon the approval of the aforementioned land development project to Sanya Yazhouwan by the local authorities, Sanya Yazhouwan will be accounted for as a non-wholly-owned subsidiary of the Group.

15. TRADE PAYABLES

An aged analysis of the trade payables as at the end of the reporting period, based on the transaction date, is as follows:

		2012年 6月30日 (未經審核) 港幣千元 30 June 2012 (Unaudited) HK\$'000	2011年 12月31日 (經審核) 港幣千元 31 December 2011 (Audited) HK\$'000
1年以內或按要求償還	Within 1 year or on demand	1,356,007	2,332,536
1至2年	1 to 2 years	1,144	136
2至3年	2 to 3 years	106	112
3年以上	Over 3 years	8,457	12,708
		1,365,714	2,345,492

16. 計息銀行貸款和其他借款

計息銀行貸款及其他借款包括本公司全資子公司中國金茂（集團）有限公司於2012年2月16日發行本金總額為人民幣750,000,000元（相當於港幣920,025,000元）的短期票據。該等票據為無抵押、按年利率5.14%計息，並將於2013年2月16日到期。

於2012年4月28日，中國金茂（集團）有限公司償還本金額人民幣1,000,000,000元（相當於港幣1,235,800,000元）的債券。

17. 或有負債

於報告期末，本集團已就本集團若干物業買家的按揭融資提供為數約港幣1,187,865,000元（2011年12月31日：港幣639,788,000元）的擔保。

18. 經營租賃安排

本集團根據經營租賃安排租用其寫字樓物業。租賃期議定為一至五年。

於報告期末，本集團根據不可撤銷經營租賃於下列期間到期的日後最低租金付款總額如下：

16. INTEREST-BEARING BANK AND OTHER BORROWINGS

Included in the interest-bearing bank and other borrowings are short-term notes with aggregate principal amount of RMB750,000,000 (equivalent to HK\$920,025,000) issued by China Jinmao (Group) Company Limited, a wholly-owned subsidiary of the Company, on 16 February 2012. The notes are unsecured, interest-bearing at 5.14% per annum and will mature on 16 February 2013.

On 28 April 2012, China Jinmao (Group) Company Limited repaid a debenture with a principal amount of RMB1,000,000,000 (equivalent to HK\$1,235,800,000).

17. CONTINGENT LIABILITIES

At the end of the reporting period, the Group has provided guarantees in respect of mortgage facilities for certain purchasers of the Group's properties amounting to approximately HK\$1,187,865,000 (31 December 2011: HK\$639,788,000).

18. OPERATING LEASE ARRANGEMENTS

The Group leases certain of its office properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to five years.

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2012年 6月30日 (未經審核) 港幣千元 30 June 2012 (Unaudited) HK\$'000	2011年 12月31日 (經審核) 港幣千元 31 December 2011 (Audited) HK\$'000
一年內	Within one year	12,093	13,977
第二至第五年，包括首尾兩年	In the second to fifth years, inclusive	13,633	2,250
		25,726	16,227

19. 承擔

於報告期末，本集團有下列資本承擔：

19. COMMITMENTS

The Group had the following capital commitments as at the end of the reporting period:

		2012年 6月30日 (未經審核) 港幣千元 30 June 2012 (Unaudited) HK\$'000	2011年 12月31日 (經審核) 港幣千元 31 December 2011 (Audited) HK\$'000
已訂約但未提準備	Contracted, but not provided for		
發展中物業	Properties under development	5,177,539	3,604,177
發展中土地	Land under development	903,801	969,431
樓宇	Buildings	11,692	—
		6,093,032	4,573,608
已授權但未訂約：	Authorised, but not contracted for:		
發展中物業	Properties under development	—	2,621,492
		—	2,621,492

20. 關連方交易

(a) 與關連方的重大交易

20. RELATED PARTY TRANSACTIONS

(a) Material transactions with related parties

		截至6月30日止六個月 For the six months ended 30 June	
附註 Notes		2012年 (未經審核) 港幣千元 2012 (Unaudited) HK\$'000	2011年 (未經審核) 港幣千元 2011 (Unaudited) HK\$'000
同系子公司：	Fellow subsidiaries:		
租金收入	Rental income	(i) 94,776	91,979
物業管理費收入	Property management fee income	(i) 8,285	8,998
其他服務收入	Other service income	(i) 37,176	14,433
利息開支	Interest expense	(ii) 8,260	39,707
直系控股公司：	The immediate holding company:		
利息開支	Interest expense	(ii) —	7,863
租金開支	Rental expense	(i) 1,266	1,632
中間控股公司：	The intermediate holding company:		
租金收入	Rental income	(i) 38,039	35,901
物業管理費收入	Property management fee income	(i) 6,805	4,068
最終控股公司：	The ultimate holding company		
租金收入	Rental income	(i) 4,219	4,097
物業管理費收入	Property management fee income	(i) 277	206

附註：

Notes:

(i) 該等交易乃根據訂約各方互相協定的條款及條件進行。

(i) These transactions were carried out in accordance with the terms and conditions mutually agreed by both parties.

(ii) 利息開支按年利率介乎5.265%至5.760% (2011年：4.860%至6.400%) 計算。

(ii) The interest expenses were charged at rates ranging from 5.265% to 5.760% (2011: 4.860% to 6.400%) per annum.

20. 關連方交易 (續)

(b) 本集團主要管理人員的報酬

20. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Compensation of key management personnel of the Group

		截至6月30日止六個月 For the six months ended 30 June	
		2012年 (未經審核) 港幣千元 2012 (Unaudited) HK\$'000	2011年 (未經審核) 港幣千元 2011 (Unaudited) HK\$'000
短期僱員福利	Short term employee benefits	16,569	11,498
離職後福利	Post-employment benefits	1,159	123
股份結算股票期權開支	Equity-settled share option expense	212	360
支付予主要管理人員的報酬總額	Total compensation paid to key management personnel	17,940	11,981

(c) 與其他國有企業的重大交易

本集團間接受中國政府控制，並在受中國政府通過不同機關、聯屬組織或其他機構直接或間接擁有或控制的企業（統稱「國有企業」）支配的經濟環境下經營。期內，本集團與其他國有企業進行交易，包括但不限於借貸、存款、銷售已開發物業、提供物業租賃及管理服務，以及提供分包服務。本公司董事認為，雖然本集團及該等其他國有企業最終受中國政府控制或擁有，但與其他國有企業所進行的此等交易均為日常業務過程中進行的活動，故未受重大或不必要的影響。本集團亦就其產品及服務制定定價政策，而該等定價政策並非取決於客戶是否為國有企業。

(c) Material transactions with other state-owned enterprises

The Group is indirectly controlled by the PRC government and operates in an economic environment predominated by entities directly or indirectly owned or controlled by the government through its agencies, affiliates or other organisations (collectively "State-owned Entities" ("SOEs")). During the period, the Group had transactions with other SOEs including, but not limited to, borrowings, deposits, sale of properties developed, provision of property lease and management service and the provision of sub-contracting services. The directors of the Company consider that these transactions with other SOEs are activities conducted in the ordinary course of business and that the dealings of the Group have not been significantly or unduly affected by the fact that the Group and the other SOEs are ultimately controlled or owned by the PRC government. The Group has also established pricing policies for its products and services and such pricing policies do not depend on whether or not the customers are SOEs.

21. 公平值及公平值架構

金融資產及負債的公平值是由自願訂約方之間進行現有交易中可交換的金額確定的，而非被迫或清盤出售的金額。

以下方法及假設已用於估計公平值：

現金和現金等價物、已抵押存款、受限制銀行結餘、其他金融資產、應收貿易賬款、應付貿易賬款、計入預付款項、按金和其他應收款的金融資產、計入其他應付款項和應計款項的金融負債、應收／應付關連方款項與計息銀行貸款及其他借款的流動部分與其賬面值大致相若，原因是此等工具將於短期內到期。

計息銀行貸款及其他借款的非流動部分的公平值已透過將按相若條款、信貸風險及剩餘到期期限以現可就工具提供的折現率折現預計未來現金流計算。

於報告期末，本集團並無按公平值計算金融資產或負債。

22. 中期財務報表的批准

本簡明綜合中期財務報表於2012年8月23日經董事會批准並授權刊行。

21. FAIR VALUE AND FAIR VALUE HIERARCHY

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

Cash and cash equivalents, pledged deposits, restricted bank balances, other financial assets, trade receivables, trade payables, financial assets included in prepayments, deposits and other receivables, financial liabilities included in other payables and accruals, the amounts due from/to related parties and the current portion of interest-bearing bank and other borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the non-current portion of interest-bearing bank and other borrowings has been calculated by discounting the expected future cash flows using rates currently available for instruments on similar terms, credit risk and remaining maturities.

At the end of the reporting period, the Group had no financial assets or liabilities measured at fair value.

22. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These condensed consolidated interim financial statements were approved and authorised for issue by the board of directors on 23 August 2012.

其他資料

OTHER INFORMATION

股本

於2012年6月30日，本公司法定股本為20,000,000,000股普通股；已發行股本總額為9,161,489,489股普通股。

權益披露

主要股東權益

據本公司董事所知，於2012年6月30日，除本公司董事及最高行政人員外，以下人士於本公司股份或相關股份中擁有根據《證券及期貨條例》第XV部第2及3部份須向本公司披露，或須於本公司根據《證券及期貨條例》第336條規定所存置的登記冊中記錄，或已知會本公司及聯交所之權益或淡倉：

SHARE CAPITAL

As at 30 June 2012, the authorised share capital of the Company was 20,000,000,000 ordinary shares and the total issued share capital was 9,161,489,489 ordinary shares.

DISCLOSURE OF INTERESTS

Substantial Shareholders' Interests

So far as is known to the directors of the Company, as at 30 June 2012, the following persons (other than the directors and chief executives of the Company) had interests or short positions in the shares or underlying shares of the Company which were required to be notified to the Company pursuant to Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (the "SFO"), or which were required, pursuant to section 336 of the SFO, to be recorded in the register of the Company referred to therein, or which had already been notified to the Company and the Stock Exchange:

主要股東名稱	Name of the substantial shareholder	好倉／淡倉 Long/short position	身份／權益性質 Capacity/nature of interests	普通股數目 Number of ordinary shares	佔已發行股本 Percentage of the issued share capital
中化香港(集團)有限公司	Sinochem Hong Kong (Group) Company Limited	好倉 Long position	實益擁有人 Beneficial owner	5,759,881,259	62.87%
中國中化股份有限公司	Sinochem Corporation	好倉 Long position	受控制公司權益 (附註一) Interest of corporation controlled (Note 1)	5,759,881,259	62.87%
中國中化集團公司	Sinochem Group	好倉 Long position	受控制公司權益 (附註一) Interest of corporation controlled (Note 1)	5,759,881,259	62.87%
Earn Max Enterprises Limited	Earn Max Enterprises Limited	好倉 Long position	實益擁有人 Beneficial owner	643,652,417	7.03%
Warburg Pincus Private Equity X, L.P.	Warburg Pincus Private Equity X, L.P.	好倉 Long position	受控制公司權益 (附註二) Interest of corporation controlled (Note 2)	643,652,417	7.03%
Warburg Pincus X, L.P.	Warburg Pincus X, L.P.	好倉 Long position	受控制公司權益 (附註二) Interest of corporation controlled (Note 2)	643,652,417	7.03%
Warburg Pincus X, LLC	Warburg Pincus X, LLC	好倉 Long position	受控制公司權益 (附註二) Interest of corporation controlled (Note 2)	643,652,417	7.03%
Warburg Pincus Partners LLC	Warburg Pincus Partners LLC	好倉 Long position	受控制公司權益 (附註二) Interest of corporation controlled (Note 2)	643,652,417	7.03%
Warburg Pincus & Co.	Warburg Pincus & Co.	好倉 Long position	受控制公司權益 (附註二) Interest of corporation controlled (Note 2)	643,652,417	7.03%
JPMorgan Chase & Co.	JPMorgan Chase & Co.	好倉 Long position	實益擁有人 Beneficial owner	407,567,829	4.45%
			核准借出代理人 Approved lending agent	289,313,829	3.16%

權益披露 (續)

主要股東權益 (續)

除上文所披露外，本公司董事並不知悉任何人士（本公司董事及最高行政人員除外）於2012年6月30日在本公司股份或相關股份中擁有，根據《證券及期貨條例》第XV部第2及3部份須向本公司披露，或須於本公司根據《證券及期貨條例》第336條規定所存置的登記冊中記錄，或已知會本公司及聯交所之權益或淡倉。

附註一：中國中化集團公司擁有中國中化股份有限公司98%的股份權益，而中國中化股份有限公司擁有中化香港（集團）有限公司的全部股份權益，就證券及期貨條例而言，中國中化集團公司和中國中化股份有限公司均被視為於上述所有由中化香港（集團）有限公司實益擁有的股份中擁有權益。

附註二：Earn Max Enterprises Limited 96.90%的權益由Warburg Pincus Private Equity X, L.P.擁有，而Warburg Pincus Private Equity X, L.P.最終由Warburg Pincus & Co.通過Warburg Pincus Partners LLC，Warburg Pincus X, LLC及Warburg Pincus X, L.P.（均由Warburg Pincus & Co.直接或間接完全控制）完全控制。就證券及期貨條例而言，Warburg Pincus & Co.，Warburg Pincus Partners LLC，Warburg Pincus X, LLC，Warburg Pincus X, L.P.及Warburg Pincus Private Equity X, L.P.均被視為於上述所有由Earn Max Enterprises Limited實益擁有的股份中擁有權益。

DISCLOSURE OF INTERESTS (Continued)

Substantial Shareholders' Interests (Continued)

Save as disclosed above, as at 30 June 2012, the directors of the Company were not aware of any person (other than the directors and chief executives of the Company) had interests or short positions in the shares or underlying shares of the Company which were required to be notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were required, pursuant to section 336 of the SFO, to be recorded in the register of the Company referred to therein, or which had already been notified to the Company and the Stock Exchange.

Note 1: Sinochem Group holds 98% equity interests in Sinochem Corporation, which in turn holds the entire equity interests in Sinochem Hong Kong (Group) Company Limited. For the purpose of the SFO, Sinochem Group and Sinochem Corporation are both deemed to be interested in the shares beneficially owned by Sinochem Hong Kong (Group) Company Limited.

Note 2: Earn Max Enterprises Limited is owned as to 96.90% by Warburg Pincus Private Equity X, L.P., which is ultimately wholly controlled by Warburg Pincus & Co. through Warburg Pincus Partners LLC, Warburg Pincus X, LLC and Warburg Pincus X, L.P., all being directly or indirectly wholly controlled by Warburg Pincus & Co. For the purpose of the SFO, each of Warburg Pincus & Co., Warburg Pincus Partners LLC, Warburg Pincus X, LLC, Warburg Pincus X, L.P. and Warburg Pincus Private Equity X, L.P. is deemed to be interested in the shares beneficially owned by Earn Max Enterprises Limited.

權益披露 (續)

董事及最高行政人員所擁有的本公司股份或相關股份權益

於2012年6月30日，除下文披露外，本公司董事、最高行政人員或彼等各自的任何聯繫人士概無於本公司及其相連法團（定義見《證券及期貨條例》第XV部份）的股份、相關股份或債券中擁有須根據《證券及期貨條例》第XV部份第7及8部份知會本公司及聯交所的任何權益或淡倉；或根據《證券及期貨條例》第352條規定須記錄於本公司存置的登記冊內的權益或淡倉；或根據聯交所證券上市規則（「上市規則」）附錄十所載上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所的任何權益或淡倉。

DISCLOSURE OF INTERESTS (Continued)

Directors and Chief Executives' Interests in the Shares or Underlying Shares of the Company

Save as disclosed below, as at 30 June 2012, none of the directors and chief executives of the Company or their respective associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or which were required, pursuant to section 352 of the SFO, to be recorded in the register kept by the Company; or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), to be notified to the Company and the Stock Exchange.

姓名	Name of the director	身份 Capacity	持有股份數目 Number of shares held	持有相關 股份數目 (附註一) Number of underlying shares held (Note 1)	合共佔本公司 已發行股本 概約百分比 Approximate percentage of the issued share capital of the Company
李雪花	LI Xuehua	實益擁有人 Beneficial owner	—	194,980 (L)	0.0021%
賀斌吾	HE Binwu	實益擁有人 Beneficial owner	400,000 (L)	194,980 (L)	0.0065%
江南 (附註二)	JIANG Nan (Note 2)	實益擁有人 Beneficial owner	—	168,610 (L)	0.0018%

(L) 表示好倉

(L) Denotes long positions

附註一：指獲得股票期權所涵蓋之相關股份，該等股票期權為非上市實物交收股本衍生工具。

Note 1: Represents the underlying shares subject to share options which are unlisted physically settled equity derivatives.

附註二：江南先生的董事任期於2011年6月17日召開的股東週年大會屆滿後，已不再為本公司董事。

Note 2: Upon the expiry of his term as a Director at the annual general meeting held on 17 June 2011, Mr. JIANG Nan ceased to be a Director of the Company.

董事及高級管理層

於截至2012年6月30日止六個月期間：何操先生經本公司於2012年6月14日召開之股東週年大會上膺選連任，獲重選為本公司董事。

除上述披露外，本公司董事及高級管理層於回顧期內並未發生其他變更。

回購、出售或贖回本公司之上市證券

於截至2012年6月30日止六個月期間，本公司或其任何子公司概無回購、出售或贖回本公司任何上市證券。

獨立董事委員會關於世貿投資選擇權之檢討

由本公司全體獨立非執行董事組成的獨立董事委員會於2012年8月23日召開會議，對其於2012年3月21日做出的暫不行使選擇權藉以收購中國中化集團公司於中國世貿投資有限公司（「世貿投資」）15%的權益的決定進行檢討。

獨立董事委員會經仔細審閱世貿投資的相關資料，並考慮中國中化集團公司現時為世貿投資的財務投資者，僅佔少數及被動性權益，且本公司近期在土地儲備方面取得重大進展，尤其以2011年獲取的長沙梅溪湖項目開發體量龐大、開發週期較長、資金需求較大，如此時再收購世貿投資，則對公司的人力財力等各方面將提出更大挑戰，獨立非執行董事一致認為，現時行使對世貿投資的選擇權並不符合本公司穩健投資的政策、不符合本公司及股東的整體最佳利益。

獨立董事委員會一致決定，目前仍暫不行使選擇權藉以收購中國中化集團公司於世貿投資15%的權益。誠如招股書及本公司2010年4月9日發佈的公告所述，獨立董事委員會將繼續不時檢討對世貿投資的選擇權，並於本公司中期及年度報告中做出相關披露。

DIRECTORS AND SENIOR MANAGEMENT

For the six months ended 30 June 2012: Mr. HE Cao was re-elected as the Director of the Company at the annual general meeting of the Company held on 14 June 2012.

Save as disclosed above, there was no change in the Company's directors and senior management during the period under review.

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

Neither the Company nor any of its subsidiaries had repurchased, sold or redeemed any listed securities of the Company for the six months ended 30 June 2012.

REVIEW OF THE OPTION OVER SHIMAO INVESTMENT BY THE INDEPENDENT BOARD COMMITTEE

A meeting was held by the Independent Board Committee comprising all independent non-executive directors of the Company on 23 August 2012 to review its decision made on 21 March 2012 not to exercise, for the time being, the option to acquire Sinochem Group's 15% interest in China Shimao Investment Company Limited ("Shimao Investment").

After careful review of the relevant information of Shimao Investment and taking into account the facts that Sinochem Group is a financial investor of Shimao Investment and only owns a minority and passive interest in it, and that the Company has recently made significant progress in land reserve, in particular, Changsha Meixi Lake Project acquired in 2011, which is a large-scale development project with long development cycle and huge demand for funds, the Company considers the acquisition of Shimao Investment at the moment would pose greater challenges to the Company in various aspects, including manpower and financial capacity. The independent non-executive directors unanimously agreed that the exercise of the option over Shimao Investment at this moment is not in line with the Company's prudent investment policy, and is not in the best interests of the Company and the shareholders as a whole.

The Independent Board Committee unanimously resolved not to exercise the option to acquire Sinochem Group's 15% interest in Shimao Investment. As disclosed in the prospectus and the announcement dated 9 April 2010 of the Company, the Independent Board Committee would continue to review the option over Shimao Investment from time to time, and relevant disclosure will be made in the interim and annual reports of the Company.

審核委員會之審閱

董事會下屬審核委員會已審閱本公司截至2012年6月30日止六個月的未經審核簡明綜合中期財務報表；亦已就本公司所採納的會計政策及常規等事項，與本公司的高級管理層進行商討。

截至2012年6月30日止六個月期間的中期業績未經審計，但安永會計師事務所已經根據香港會計師公會所頒佈的香港審閱工作準則第2410號「公司獨立核數師對中期財務數據的審閱」進行審閱工作。

重大訴訟

本公司於截至2012年6月30日止六個月期間並無面對任何可對本公司構成不利影響的重大訴訟。

遵守標準守則

本公司已採納上市規則附錄十所載的標準守則，以規管董事進行證券交易。經向全體董事作出特定查詢後，確認彼等已於截至2012年6月30日止六個月期間，遵守標準守則所載規定。

本集團所有員工買賣本公司證券必須遵守本公司參照標準守則制定的「方興地產員工買賣公司證券的規定」。本公司董事並不知悉於截至2012年6月30日止六個月期間內有關員工未有遵守該規定的任何事件。

遵守企業管治守則

除下文披露外，本公司已應用上市規則附錄十四「企業管治常規守則」（於2012年1月1日至2012年3月31日期間）及「企業管治守則」（「企業管治守則」）（於2012年4月1日至2012年6月30日期間）所載原則，並已遵守所有守則條文。

企業管治守則第A.4.2條規定，所有填補空缺而獲委任的董事，須於獲委任後的首次股東大會上由股東重新選舉，而本公司章程規定，前述董事可於獲委任後首次股東週年大會上由股東選舉。本公司的做法與企業管治守則存在上述細微的區別，但此等差別對本公司經營無任何不利影響。

REVIEW BY THE AUDIT COMMITTEE

The Audit Committee under the Board has reviewed the unaudited condensed consolidated interim financial statements of the Company for the six months ended 30 June 2012 and also discussed with the Company's senior management about the matters such as the accounting policies and practices adopted by the Company.

The interim results for the six months ended 30 June 2012 have not been audited but have been reviewed by Ernst & Young 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.

MATERIAL LITIGATION

For the six months ended 30 June 2012, the Company was not subject to any material litigation that could have a material adverse impact on the Company.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules to govern securities transactions by the directors. Having made specific enquiries of all the directors, the Company confirmed that they had complied with the requirements set out in the Model Code during the six months ended 30 June 2012.

All the employees of the Group shall comply with the "Rules for Securities Transactions by the Employees of Franshion Properties" formulated by the Company with reference to the Model Code in their dealings in the Company's securities. The directors of the Company were not aware of any non-compliance with the rules by any employee during the six months ended 30 June 2012.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Save as disclosed below, the Company has applied the principles and complied with all code provisions of the Code on the Corporate Governance Practices (from 1 January 2012 to 31 March 2012) and the Corporate Governance Code (the "CG Code") (from 1 April 2012 to 30 June 2012) set out in Appendix 14 to the Listing Rules.

Code provision A.4.2 of the CG Code stipulates that a director appointed to fill a casual vacancy shall be subject to re-election by shareholders at the first general meeting after the appointment, while the Articles of Association of the Company provides that such director may be elected by the shareholders at the first annual general meeting after the appointment. There exists minor difference between the practices of the Company and the provisions of the CG Code, and such difference will not adversely affect the operations of the Company.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express our sincere gratitude to all our customers, business partners, shareholders and various local governments for their long-term support and trust, and to all the employees for their assiduous efforts.

On behalf of the Board
Franshion Properties (China) Limited
LUO Dongjiang
Chairman

Hong Kong, 23 August 2012

As at the date of this announcement, the directors of the Company are Mr. HE Cao (Vice Chairman), Mr. LI Congrui and Mr. HE Binwu as Executive Directors; Mr. LUO Dongjiang (Chairman), Ms. LI Xuehua (Vice Chairman) and Mr. LI Xin as Non-executive Directors; Mr. LAU Hon Chuen, Ambrose, Mr. SU Xijia and Mr. LIU Hongyu as Independent Non-executive Directors.