Sino Land Company Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 83)

CHAIRMAN'S STATEMENT

I am pleased to present my interim report to shareholders.

INTERIM RESULTS

The Group's unaudited underlying net profit attributable to shareholders, excluding the effect of fair-value changes on investment properties for the six months ended 31st December, 2013 ("Interim Period"), was HK$2,481.4 million (2012: HK$4,487.3 million). Underlying earnings per share was HK$0.417 (2012: HK$0.759).

The Group's net profit attributable to shareholders for the Interim Period was HK$5,001.1 million, (2012: HK$8,117.4 million). Earnings per share was HK$0.840 (2012: HK$1.372). The reported profit for the period included a revaluation surplus (net of deferred taxation) on investment properties of HK$2,519.7 million compared with a revaluation surplus (net of deferred taxation) of HK$3,630.0 million for the last period.

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

DIVIDENDS

The Directors have declared an interim dividend of 12 cents per share payable on 16th April, 2014 to those shareholders whose names appear on the Register of Members of the Company on 18th March, 2014.

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

A circular containing details of the scrip dividend scheme will be despatched to shareholders together with the form of election for scrip dividend on or about 21st March, 2014. It is expected that the interim dividend warrants and share certificates will be despatched to shareholders on or about 16th April, 2014.

BUSINESS REVIEW

(1) Sales Activities

Total revenue from property sales recognised for the Interim Period, including property sales of associates recognised by the Group, was HK$1,225.4 million (2012: HK$10,233.4 million).

Total revenue from property sales comprises mainly the sales of residential units in three projects in Pak Shek Kok, namely The Graces • Providence Bay, Providence Peak and Providence Bay, which were completed in previous financial years. Market response to the sales of the three projects was favourable and to date, approximately 52%, 81% and 61% of the units in the respective projects have been sold.

The Group continues to seek good opportunities to sell its projects to enhance shareholders' value. During the Interim Period, the Group launched two projects in Hong Kong, namely Site A of The Avenue in Wan Chai and Park Metropolitan in Kwun Tong for sale in November 2013. Approximately 87% and 51% of the units in these two projects have been sold. In China, 786 residential units in The Palazzo in Chengdu were launched for sale and to date, approximately 83% of these residential units have been sold.

(2) Land Bank

As at 31st December, 2013, the Group has a land bank of approximately 40.1 million square feet of attributable floor area in Hong Kong, China and Singapore which comprises a balanced portfolio of properties of which 64.9% is residential; 23.0% commercial; 5.3% industrial; 3.7% car parks and 3.1% hotels. In terms of breakdown of the land bank by status, 27.9 million square feet were properties under development, 11.2 million square feet of properties for investment and hotels, together with 1.0 million square feet of properties held for sale. The Group will continue to be selective in replenishing its land bank to optimise its earnings potential.

During the Interim Period, the Group acquired two sites from the HKSAR Government with a total attributable floor area of approximately 184,991 square feet for residential development. Details of the projects are as follows:

Location	**Usage**	**Group's Interest**	**Attributable Floor Area** *(Square feet)*
1. Lot 1180 in Demarcation District No. 215 Hong Tsuen Road, Sai Kung Tuk, Sai Kung, New Territories	Residential	100%	173,796
2. IL9049 Sik On Street, Wan Chai Hong Kong	Residential	100%	11,195
			184,991

(3) Property Development

During the Interim Period, the Group obtained Occupation Permits for the following projects in Hong Kong with a total attributable floor area of approximately 83,549 square feet. Details of these projects are presented as follows:

Location	**Usage**	**Group's Interest**	**Attributable Floor Area** *(Square feet)*
1. Lot 245 in Demarcation District 331 Cheung Sha, Lantau	Residential	100%	71,417
2. RBL 380 38 Repulse Bay Road, Repulse Bay, Hong Kong	Residential	100%	12,132
			83,549

Subsequent to the Interim Period, the Group obtained the Occupation Permit for the residential/commercial project The Avery at 16 Hau Wong Road, Ma Tau Kok, Kowloon City in January 2014. The total attributable floor area of the project is 35,751 square feet.

(4) Rental Activities

For the Interim Period, the Group's gross rental revenue, including attributable share from associates and joint ventures, increased 8.9% to HK$1,699.7 million (2012: HK$1,560.6 million) and net rental income increased 10.0% to HK$1,482.7 million (2012: HK$1,347.9 million). The increase in rental revenue was mainly due to higher rental rates on renewals. Overall occupancy of the Group's investment property portfolio remained unchanged at approximately 97% (2012: 97%) for the Interim Period.

The Group's retail rental portfolio in Hong Kong recorded good rental growth with overall occupancy rate improving to approximately 98% for the Interim Period from 97% for the corresponding period last year, mainly due to stable economic conditions and continuous growth in inbound visitors. Leasing of the retail malls completed in the last financial year, namely Coronation Circle in West Kowloon and Park Summit in Mongkok progressed well and will contribute more rental revenue to the Group for the coming financial year.

The leasing performance of the Group's office portfolio in Hong Kong registered good rental growth while overall occupancy rate for the portfolio was approximately 95% (2012: 97%) for the Interim Period. A slight decrease in occupancy was mainly due to lease expiry of several tenants in certain office buildings. However, the outlook of the rental trends for office buildings is positive as the Hong Kong and China economies continue to grow. The recent improvement in hiring expectation in the finance and banking sector as well as consumer sector may drive the demand for office spaces. The economic recovery of the United States will also be positive for exports which in turn will support the trading and logistic firms' demand for office spaces. With regard to the industrial sector, leasing performance continued to do well with overall occupancy rate increasing to approximately 98% for the Interim Period, compared with 96% for the corresponding period last year.

As at 31st December, 2013, the Group has approximately 11.2 million square feet of attributable floor area of investment properties and hotels in Hong Kong, China and Singapore. Of this portfolio, commercial developments (retail and office) account for 64.3%, industrial developments 14.6%, car parks 13.1%, hotels 6.3%, and residential 1.7%.

(5) Hotels

Overall business performance of the Group's hotels, namely The Fullerton Hotel, The Fullerton Bay Hotel and Conrad Hong Kong was steady during the Interim Period. The Group will continue to improve the quality of its hotel services to ensure our discerning guests have enjoyable experiences during their stays in the hotels.

(6) China Business

2013 was an important year for China as it was the first year the new leadership took office. The Third Plenum of the Communist Party's Eighteenth Central Committee was convened in November where the leaders set out direction for further reforms in a wide spectrum of areas including the capital market, banking, foreign exchange, government, enterprises and environment. The reforms are fundamental to establish a more sustainable economy and will lay the framework required to take its economy to the next phase of development. Through consumption-led economic growth, urbanisation and liberalisation of the financial sector, the changes are expected to bring in optimal benefits that may tackle the poverty gap and regional economic disparities. In particular, the reforms on land and household registration system currently under discussion are conducive to developing a healthy property market.

Throughout the years, the Group has completed a number of projects in Xiamen and Fuzhou. The experience gained from developing and leasing projects in China has also built the Group's execution capability in the country. The Group's projects are situated in cities with good economic and demographic fundamentals. The major property developments, namely The Palazzo in Chengdu, The Coronation in Chongqing and Dynasty Park in Zhangzhou will be sold and completed by phases over the next few years when expected profit contributions from these projects will be realised.

Other than the matters mentioned above, there has been no material change from the information published in the report and accounts for the financial year ended 30th June, 2013.

FINANCE

As at 31st December, 2013, the Group had cash and bank deposits of HK$11,203.6 million. After netting off total borrowings of HK$9,759.5 million, the Group had net cash of HK$1,444.1 million as at 31st December, 2013. Of the total borrowings, 28.6% was repayable within one year, 0.4% repayable between one and two years and 71.0% repayable between two and five years. The Group's borrowings are subject to floating and fixed interest rates. Total assets and shareholders' funds of the Group were HK$133,829.7 million and HK$108,212.7 million respectively.

The majority of the Group's debts are denominated in Hong Kong dollars and US dollars, with the balance in Singapore dollars, mainly used to fund The Fullerton Heritage project in Singapore. Other than the above-mentioned, there was no material change in foreign currency borrowings and the capital structure of the Group for the Interim Period. The majority of the Group's cash are denominated in Hong Kong dollars. The Group has maintained a sound financial management policy and foreign exchange exposure has been prudently kept at a minimal level.

CORPORATE GOVERNANCE

The Group places great importance on corporate integrity, business ethics and good governance. With the objective of practising good corporate governance, the Group has formed Audit, Compliance, Remuneration and Nomination Committees. The Group is committed to maintaining corporate transparency and disseminates information about new developments through various channels, including press releases, its corporate website, results briefings, site visits, participation in non-deal roadshows and investor conferences.

CUSTOMER SERVICE

The Group is committed to building quality projects. In keeping with its mission to enhance customer satisfaction, the Group will, wherever possible, ensure that attractive design concepts and features are also environmentally friendly for its developments. Management conducts regular reviews of its properties and service so that improvements can be made on a continuous basis.

CORPORATE SOCIAL RESPONSIBILITY

As a committed corporate citizen, the Group has been actively participating in a wide range of community programmes, voluntary services, charitable activities and green initiatives to promote environmental protection, art and cultural events, and staff team-building activities. In recognition of the Group's continuous efforts in promoting sustainability and high standards of performance in environmental, social and corporate governance aspects, the Company has been selected as a constituent member of the Hang Seng Corporate Sustainability Index since September 2012 and has also received the "Sustainability Excellence Award" at the Hong Kong Corporate Governance Excellence Awards 2013, jointly organised by the Chamber of Hong Kong Listed Companies and the Centre for Corporate Governance and Financial Policy of Hong Kong Baptist University.

During the Interim Period, the Group published its 2013 Sustainability Review with reference to Hong Kong Exchanges and Clearing Limited's "Environmental, Social and Governance Reporting Guide" under Appendix 27 to the Main Board Listing Rules. The Group has also published its third annual Sustainability Report that highlights its corporate sustainability footprint and initiatives to demonstrate its commitment to engaging its stakeholders in building a greener future.

The Group has been a long-standing partner of a number of organisations serving the community. Management encourages staff of all levels to serve the community and care for those in need; this commitment is extended to support staff in joining voluntary service for at least one day a year during office hours.

Dedicated to promoting local art and culture, the Group initiated 'Sino Art' project in 2006, under which Sino Art provides local and international artists opportunities to showcase their artworks through exhibitions and public art installations at the Group's properties. During the Interim Period, Sino Art collaborated with some outstanding artists to hold several thematic exhibitions at the Group's flagship shopping malls, namely Olympian City and Tuen Mun Town Plaza.

In March 2008, the Ng Teng Fong family, the ultimate major shareholder of the Group, set up a non-profit organisation named Hong Kong Heritage Conservation Foundation Limited ("HCF"). In December 2008, HCF was fortunate to win the tender to revitalise and convert the Old Tai O Police Station, a Grade II historic building, into a boutique hotel. Named Tai O Heritage Hotel ("Hotel"), it is home to nine colonial-style rooms and suites and commenced operation in March 2012. The Hotel, operated by HCF as a non-profit organisation, is part of the HKSAR Government's "Revitalising Historic Buildings Through Partnership Scheme." During the Interim Period, the Hotel received the Award of Merit at 2013 Asia-Pacific Awards for Cultural Heritage Conservation organised by the United Nations Educational, Scientific and Cultural

Organization ("UNESCO") for the project's efforts in heritage conservation by various organisations and engagement of local community in the project.

PROSPECTS

Global economic conditions remain mixed and vary country by country. With the improvement of the labour market, household spending and housing market in the United States, the Federal Reserve has started to reduce its third round of quantitative easing. In the Euro zone, the situation has stabilised as a result of government policy actions and monetary stimulus which consequently improved confidence in the financial system. In China, the Central Government continues to implement reforms which will lead to a more sustainable and healthy development of the economy and society. Such variations in economic and political conditions among countries and the likelihood of an increase in interest rates have cast uncertainties on the pace at which the global economy recovers. With concerns over the monetary policy in the United States, emerging markets have been seeing capital outflows and equity markets have been sensitive to those concerns.

The Hong Kong property market continues to change as a result of economic and property-related policies. In particular, the policies in relation to stamp duties which include Buyer's Stamp Duty and Special Stamp Duty introduced in 2012 were passed in February this year. These policies have reduced the transaction volume in 2013 and going forward, there remain challenges in Hong Kong property market. The Group will closely monitor the situation and management will be responsive to market changes. The Group's recurrent businesses, which comprise property leasing, hospitality and property management services, continue to be resilient. With a good financial position, the Group is well-positioned to respond to challenges ahead.

Management will continue to optimise earnings, enhance efficiency and productivity and improve the quality of products and services. In respect of property development and property management, the Group will incorporate more environmentally friendly elements in our projects. The Group will maintain a policy of selectively and continuously replenishing its land bank, which will enable it to strengthen earnings and shareholders' value.

STAFF AND MANAGEMENT

Mr. Wong Cho Bau, JP, who served the Board as an independent non-executive director since 1st March, 2011, retired from office by rotation at the conclusion of the annual general meeting of the Company held on 23rd October, 2013. Mr. Wong has also ceased to be a member of the Audit Committee upon his retirement from the Board. I would like to take this opportunity to express my heartfelt gratitude to Mr. Wong for his immense contribution which has added significant value to the development and growth of the Group.

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

Robert NG Chee Siong
Chairman

Hong Kong, 26th February, 2014

Sino Land Company Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 83)

INTERIM RESULTS

The unaudited results of the Group for the six months ended 31st December, 2013 are as follows:

Consolidated Statement of Profit or Loss

	Notes	**Six months ended 31st December, 2013 HK$ (Unaudited)**	31st December, 2012 HK$ (Unaudited and restated)
Turnover	2	**2,324,557,576**	5,330,212,188
Cost of sales		**-**	(2,094,849,733)
Direct expenses		**(853,726,684)**	(965,442,605)
Gross profit		**1,470,830,892**	2,269,919,850
Other income and other gains or losses		**119,572,610**	43,940,648
Increase in fair value of investment properties		**2,046,142,531**	2,923,644,810
Gain on disposal of investment properties		**946,462,977**	80,910,312
Gain arising from change in fair value of trading securities		**79,884,469**	125,944,149
Administrative expenses		**(354,098,543)**	(352,765,492)
Other operating expenses		**(83,346,387)**	(82,960,463)
Finance income		**193,072,612**	267,929,567
Finance costs		**(134,491,826)**	(124,201,270)
Less: Interest capitalised		**16,062,250**	24,364,395
Finance income, net		**74,643,036**	168,092,692
Share of results of associates	3	**912,595,259**	3,291,859,352
Share of results of joint ventures	4	**130,132,957**	166,394,658
Profit before taxation	5	**5,342,819,801**	8,634,980,516
Income tax expense	6	**(248,425,477)**	(390,121,466)
Profit for the period		**5,094,394,324**	8,244,859,050
Profit for the period attributable to:			
The Company's shareholders		**5,001,178,880**	8,117,393,821
Non-controlling interests		**93,215,444**	127,465,229
		5,094,394,324	8,244,859,050
Interim dividend at HK12 cents *(2012: HK12 cents)* per share		**717,743,259**	712,825,987
Earnings per share (reported earnings per share) – basic	7(a)	**0.840**	1.372
Earnings per share (underlying earnings per share) – basic	7(b)	**0.417**	0.759

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Six months ended 31st December, 2013 HK$ (Unaudited)	Six months ended 31st December, 2012 HK$ (Unaudited and restated)
Profit for the period	**5,094,394,324**	8,244,859,050
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Gain on fair value change of available-for-sale investments	**619,340**	305,611,635
Exchange differences arising on translation of foreign operations	**303,152,665**	321,046,212
Other comprehensive income for the period	**303,772,005**	626,657,847
Total comprehensive income for the period	**5,398,166,329**	8,871,516,897
Total comprehensive income attributable to:		
The Company's shareholders	**5,304,950,885**	8,744,051,668
Non-controlling interests	**93,215,444**	127,465,229
	5,398,166,329	8,871,516,897

Consolidated Statement of Financial Position
At 31st December, 2013

	Notes	**31st December, 2013 HK$ (Unaudited)**	30th June, 2013 HK$ (Audited and restated)
Non-current assets			
Investment properties		**55,328,812,203**	54,610,734,765
Hotel properties		**1,736,953,824**	1,744,677,191
Property, plant and equipment		**111,743,244**	118,274,006
Prepaid lease payments – non-current		**1,176,694,105**	1,187,175,429
Interests in associates		**16,925,626,122**	15,878,770,311
Interests in joint ventures		**2,159,314,417**	2,026,792,762
Available-for-sale investments		**1,065,502,382**	1,055,153,634
Advances to associates		**9,405,509,116**	9,198,819,160
Advances to joint ventures		**2,589,230,881**	2,495,551,817
Advance to non-controlling interests		**106,170,704**	117,965,207
Advance to an investee company		**15,063,786**	16,769,403
Long-term loans receivable		**37,769,661**	36,780,795
		90,658,390,445	88,487,464,480
Current assets			
Properties under development		**27,279,432,056**	25,407,957,851
Stocks of completed properties		**1,760,135,264**	965,950,674
Hotel inventories		**18,241,616**	17,703,917
Prepaid lease payments – current		**19,241,874**	19,462,924
Trading securities		**506,402,794**	426,518,325
Amounts due from associates		**808,769,820**	936,218,709
Accounts and other receivables	8	**1,260,100,229**	835,469,674
Current portion of long-term loans receivable		**3,864,599**	4,976,725
Taxation recoverable		**150,487,673**	48,213,013
Restricted bank deposits		**734,052,535**	323,633,103
Time deposits, bank balances and cash		**10,469,574,610**	11,619,643,905
		43,010,303,070	40,605,748,820
Assets classified as held for sale		**161,000,000**	170,000,000
		43,171,303,070	40,775,748,820
Current liabilities			
Accounts and other payables	9	**3,615,289,770**	3,313,987,059
Deposits received on sales of properties		**2,334,745,727**	977,093,758
Amounts due to associates		**3,628,160,184**	3,455,225,003
Taxation payable		**249,598,417**	687,756,677
Current portion of long-term bank borrowings		**43,134,984**	14,586,873
Bank loans – secured		**2,747,000,000**	4,538,130,944
		12,617,929,082	12,986,780,314
Net current assets		**30,553,373,988**	27,788,968,506
Total assets less current liabilities		**121,211,764,433**	116,276,432,986

Consolidated Statement of Financial Position – continued
At 31st December, 2013

	31st December, 2013 HK$ (Unaudited)	30th June, 2013 HK$ (Audited and restated)
Capital and reserves		
Share capital	**5,981,605,827**	5,947,824,375
Share premium and reserves	**102,231,118,196**	98,858,390,237
Equity attributable to the Company's shareholders	**108,212,724,023**	104,806,214,612
Non-controlling interests	**1,251,294,166**	1,178,920,912
Total equity	**109,464,018,189**	105,985,135,524
Non-current liabilities		
Long-term bank and other borrowings		
– due after one year	**6,969,373,927**	5,640,192,065
Deferred taxation	**1,620,799,042**	1,509,757,243
Advances from associates	**1,627,588,175**	1,695,792,402
Advances from non-controlling interests	**1,529,985,100**	1,445,555,752
	11,747,746,244	10,291,297,462
	121,211,764,433	116,276,432,986

Notes:

1. Basis of preparation

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

The accounting policies used in the unaudited interim financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30th June, 2013 except as described below.

In the current interim period, the Group has applied, for the first time, the following new and revised HKASs, Hong Kong Financial Reporting Standards ("HKFRSs"), amendments and interpretation ("HK(IFRIC) – Int") (hereinafter collectively referred to as the "new and revised HKFRSs") issued by the HKICPA:

Amendments to HKFRSs	Annual Improvements to HKFRSs 2009 – 2011 Cycle except for the amendments to HKAS 1
Amendments to HKFRS 1	Government Loans
Amendments to HKFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKAS 19 (as revised in 2011)	Employee Benefits
HKAS 27 (as revised in 2011)	Separate Financial Statements
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures
HK (IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine

Except as described below, the application of other new and revised HKFRSs in the current interim period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

1. Basis of preparation – continued

HKFRS 10 *Consolidated Financial Statements*

HKFRS 10 replaces the parts of HKAS 27 *Consolidated and Separate Financial Statements* that deal with consolidated financial statements and HK(SIC) – Int 12 *Consolidation – Special Purpose Entities*. HKFRS 10 changes the definition of control such that an investor has control over an investee when a) it has power over the investee, b) it is exposed, or has rights, to variable returns from its involvement with the investee and c) it has the ability to use its power to affect its returns.

The adoption of HKFRS 10 does not change any of the control conclusions reached by the Group in respect of its involvement with other entities as at 1st July, 2013 and has had no material impact on the consolidated financial statements.

HKFRS 11 *Joint Arrangements*

HKFRS 11 replaces HKAS 31 *Interests in Joint Ventures*, and the guidance contained in a related interpretation, HK(SIC) – Int 13 *Jointly Controlled Entities – Non-Monetary Contributions by Venturers*. Under HKFRS 11, there are only two types of joint arrangements – joint operations and joint ventures. The classification is determined based on the rights and obligations of parties to the joint arrangements taking into account the structure, the legal form of the joint arrangements, the contractual terms agreed by the parties to the joint arrangements, and, when relevant, other facts and circumstances.

Investments in joint ventures are accounted for using the equity method (proportionate consolidation is no longer allowed). Investments in joint operations are accounted for such that each joint operator recognises its assets and liabilities, as well as its revenue and expenses.

As a result of the adoption of HKFRS 11, the Group has changed its accounting policy with respect to its interests in joint arrangements and re-evaluated its involvement in its joint arrangements. The Group has considered certain investments previously classified as interests in associates to be reclassified as interests in joint ventures and these investments continue to be accounted for using the equity method and therefore this reclassification does not have any material impact on the financial position and the financial result of the Group.

HKFRS 13 *Fair Value Measurement*

HKFRS 13 includes extensive disclosure requirements and applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, subject to a few exceptions. Fair value under HKFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

In accordance with the transitional provisions of HKFRS 13, the Group has applied the new fair value measurement and disclosure requirements prospectively.

1. Basis of preparation – continued

Annual Improvements to HKFRSs 2009 – 2011 Cycle

The Group has applied the amendments to HKAS 34 *Interim Financial Reporting* as part of the Annual Improvements to HKFRSs 2009 – 2011 Cycle for the first time in the current interim period. The amendments to HKAS 34 clarify that the total assets and total liabilities for a particular reportable segment would be separately disclosed in the interim financial statements only when the amounts are regularly provided to the chief operating decision maker (the "CODM") and there has been a material change from the amounts disclosed in the last annual financial statements for that reportable segment.

Since there has not been a material change in assets of the Group's reportable segments from the amounts disclosed in the last annual financial statements for those reportable segments, the Group has not included total asset information as part of segment information.

The effect of the changes in the Group's accounting policies described above on the results for the current and preceding interim periods by line items presented in the consolidated statement of profit or loss is as follows:

	Six months ended	
	31st December, 2013	31st December, 2012
	HK$	HK$
	(Unaudited)	(Unaudited)
Consolidated statement of profit or loss		
Decrease in share of results of associates	**(130,132,957)**	(166,394,658)
Increase in share of results of joint ventures	**130,132,957**	166,394,658

	As originally stated	Adjustments	As restated
	HK$	HK$	HK$
	(Unaudited)	(Unaudited)	(Unaudited)
Consolidated statement of profit or loss for the six months ended 31st December, 2012			
Share of results of associates	3,458,254,010	(166,394,658)	3,291,859,352
Share of results of joint ventures	-	166,394,658	166,394,658

1. Basis of preparation – continued

The effect of the changes in the Group's accounting policies described above on the financial position of the Group as at the beginning of the comparative period, i.e. 1st July, 2012, is as follows:

	As originally stated HK$	Adjustments HK$	As restated HK$
Consolidated statement of financial position as at 1st July, 2012			
Interests in associates	12,763,227,707	(1,445,884,552)	11,317,343,155
Interests in joint ventures	101,760,704	1,445,884,552	1,547,645,256
Advances to associates	8,490,423,817	(263,222,521)	8,227,201,296
Advances to joint ventures	2,014,774,277	263,222,521	2,277,996,798

The effect of the changes in the Group's accounting policies described above on the financial position of the Group as at the end of the immediately preceding financial year, i.e. 30th June, 2013, is as follows:

	As originally stated HK$	Adjustments HK$	As restated HK$
Consolidated statement of financial position as at 30th June, 2013			
Interests in associates	17,813,387,442	(1,934,617,131)	15,878,770,311
Interests in joint ventures	92,175,631	1,934,617,131	2,026,792,762
Advances to associates	9,549,972,398	(351,153,238)	9,198,819,160
Advances to joint ventures	2,144,398,579	351,153,238	2,495,551,817

2. Segment information

The following is an analysis of the Group's revenue and results by reportable and operating segments for the period under review:

Six months ended 31st December, 2013

	The Company and its subsidiaries		Associates		Joint ventures		Total	
	External revenue HK$	Results HK$	Share of revenue HK$	Share of results HK$	Share of revenue HK$	Share of results HK$	Segment revenue HK$	Segment results HK$
Property								
Property sales	**-**	**(93,462,746)**	**1,225,383,360**	**294,342,693**	**-**	**-**	**1,225,383,360**	**200,879,947**
Property rental	**1,365,176,154**	**1,176,669,338**	**292,112,860**	**266,974,428**	**54,269,634**	**51,688,572**	**1,711,558,648**	**1,495,332,338**
	1,365,176,154	**1,083,206,592**	**1,517,496,220**	**561,317,121**	**54,269,634**	**51,688,572**	**2,936,942,008**	**1,696,212,285**
Property management and other services	**488,721,869**	**105,267,989**	**29,320,816**	**6,748,107**	**12,138,015**	**29,060**	**530,180,700**	**112,045,156**
Hotel operations	**439,040,050**	**190,372,045**	**119,646,000**	**49,245,900**	**-**	**-**	**558,686,050**	**239,617,945**
Investments in securities	**30,629,098**	**30,629,098**	**1,950**	**1,950**	**-**	**-**	**30,631,048**	**30,631,048**
Financing	**990,405**	**990,405**	**476,084**	**476,084**	**-**	**-**	**1,466,489**	**1,466,489**
	2,324,557,576	**1,410,466,129**	**1,666,941,070**	**617,789,162**	**66,407,649**	**51,717,632**	**4,057,906,295**	**2,079,972,923**

Six months ended 31st December, 2012

	The Company and its subsidiaries		Associates		Joint ventures		Total	
	External revenue HK$	Results HK$	Share of revenue HK$ (Restated)	Share of results HK$ (Restated)	Share of revenue HK$ (Restated)	Share of results HK$ (Restated)	Segment revenue HK$	Segment results HK$
Property								
Property sales	3,115,199,479	816,467,534	7,118,198,353	3,064,196,860	-	-	10,233,397,832	3,880,664,394
Property rental	1,254,807,281	1,071,745,789	267,268,849	243,288,880	46,078,507	41,948,604	1,568,154,637	1,356,983,273
	4,370,006,760	1,888,213,323	7,385,467,202	3,307,485,740	46,078,507	41,948,604	11,801,552,469	5,237,647,667
Property management and other services	478,494,123	98,091,034	27,027,402	5,728,613	11,103,898	393,969	516,625,423	104,213,616
Hotel operations	453,720,939	194,177,157	117,810,300	70,338,600	-	-	571,531,239	264,515,757
Investments in securities	27,466,848	26,885,978	1,950	1,950	-	-	27,468,798	26,887,928
Financing	523,518	523,518	215,679	215,679	-	-	739,197	739,197
	5,330,212,188	2,207,891,010	7,530,522,533	3,383,770,582	57,182,405	42,342,573	12,917,917,126	5,634,004,165

Segment results represent the profit earned by each segment without allocation of certain other income and other gains or losses, certain administrative expenses and other operating expenses, changes in fair value of investment properties and trading securities, gain on disposal of investment properties and certain finance income net of finance costs. The profit earned by each segment also includes the share of results from the Group's associates and joint ventures without allocation of the associates' and joint ventures' certain other income and other gains or losses, certain administrative expenses and other operating expenses, change in fair value of investment properties, finance costs net of finance income and income tax expense. This is the measure reported to the CODMs for the purposes of resource allocation and performance assessment.

2. Segment information – continued

<u>Reconciliation of profit before taxation</u>

	Six months ended 31st December, 2013 HK$	Six months ended 31st December, 2012 HK$ (Restated)
Segment profit	**2,079,972,923**	5,634,004,165
Other income and other gains or losses	**116,745,327**	41,695,560
Increase in fair value of investment properties	**2,046,142,531**	2,923,644,810
Gain on disposal of investment properties	**946,462,977**	80,910,312
Gain arising from change in fair value of trading securities	**79,884,469**	125,944,149
Administrative expenses and other operating expenses	**(374,138,198)**	(371,276,696)
Finance income, net	**74,528,350**	167,917,361
Results shared from associates		
- Other income and other gains or losses	**8,770,056**	15,062,381
- Increase in fair value of investment properties	**530,863,218**	772,110,317
- Administrative expenses and other operating expenses	**(68,021,413)**	(98,014,692)
- Finance costs, net	**(67,198,208)**	(183,752,204)
- Income tax expense	**(109,607,556)**	(597,317,032)
	294,806,097	(91,911,230)
Results shared from joint ventures		
- Other income and other gains or losses	**1,012,388**	889,550
- Increase in fair value of investment properties	**99,626,601**	149,979,000
- Administrative expenses and other operating expenses	**(13,671,074)**	(16,025,640)
- Finance costs, net	**(2,534,598)**	(5,094,074)
- Income tax expense	**(6,017,992)**	(5,696,751)
	78,415,325	124,052,085
Profit before taxation	**5,342,819,801**	8,634,980,516

During the six months ended 31st December, 2013, inter-segment sales of HK$38,877,946 *(six months ended 31st December, 2012: HK$43,006,559)* were not included in the segment of "property management and other services". There were no inter-segment sales in other operating segments. Inter-segment sales were charged at cost plus margin basis as agreed between both parties.

3. Share of results of associates

Share of results of associates included the Group's share of increase in fair value of investment properties of the associates of HK$530,863,218 *(six months ended 31st December, 2012: HK$772,110,317).*

4. Share of results of joint ventures

Share of results of joint ventures included the Group's share of increase in fair value of investment properties of the joint ventures of HK$99,626,601 *(six months ended 31st December, 2012: HK$149,979,000).*

5. Profit before taxation

	Six months ended	
	31st December, 2013 HK$	31st December, 2012 HK$
Profit before taxation has been arrived at after charging (crediting):		
Release of prepaid lease payments (included in other operating expenses)	**9,625,252**	9,743,683
Cost of properties sold recognised as cost of sales	**-**	2,094,849,733
Cost of hotel inventories recongised as direct expenses	**53,478,869**	62,781,251
Depreciation of owner-operated hotel properties	**13,015,655**	11,796,990
Depreciation of property, plant and equipment	**24,956,089**	26,232,219
Recognition (reversal) of impairment loss on trade receivables	**1,756,402**	(220,717)
Loss on disposal of property, plant and equipment	**750,566**	86,390

6. Income tax expense

	Six months ended	
	31st December, 2013 HK$	31st December, 2012 HK$
The charge comprises:		
Taxation attributable to the Company and its subsidiaries		
Hong Kong Profits Tax	**107,093,656**	232,039,426
Other jurisdictions	**38,822,798**	46,412,415
	145,916,454	278,451,841
Deferred taxation	**102,509,023**	111,669,625
	248,425,477	390,121,466

Hong Kong Profits Tax is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual tax rate used is 16.5% *(six months ended 31st December, 2012: 16.5%).*

Taxes on profits assessable in Singapore and the People's Republic of China (the "PRC") are recognised based on management's best estimate of the weighted average annual income tax rates prevailing in the countries and the regions in which the Group operates. The estimated weighted average annual tax rates used are 17% in Singapore and 25% in the PRC *(six months ended 31st December, 2012: 17% in Singapore and 25% in the PRC).*

Deferred taxation has been provided in relation to the change in fair value of certain investment properties and other temporary differences.

7. Earnings per share

(a) Reported earnings per share

The calculation of the basic earnings per share attributable to the Company's shareholders is based on the following data:

	Six months ended 31st December, 2013 HK$	Six months ended 31st December, 2012 HK$
Earnings for the purpose of basic earnings per share	**5,001,178,880**	8,117,393,821
	Number of shares	Number of shares
Weighted average number of ordinary shares for the purpose of basic earnings per share	**5,953,332,220**	5,915,061,749

(b) Underlying earnings per share

For the purpose of assessing the underlying performance of the Group, basic earnings per share calculated based on the underlying profit attributable to the Company's shareholders of HK$2,481,484,183 *(six months ended 31st December, 2012: HK$4,487,341,845)* is also presented, excluding the net effect of changes in fair value of the Group's and the associates' and joint ventures' investment properties. The denominators used are the same as those detailed above for reported earnings per share. A reconciliation of profit is as follows:

	Six months ended 31st December, 2013 HK$	Six months ended 31st December, 2012 HK$ (Restated)
Earnings for the purpose of basic earnings per share	**5,001,178,880**	8,117,393,821
Increase in fair value of investment properties	**(2,046,142,531)**	(2,923,644,810)
Effect of corresponding deferred taxation charges	**81,896,373**	62,317,570
Share of results of associates		
- Increase in fair value of investment properties	**(530,863,218)**	(772,110,317)
- Effect of corresponding deferred taxation charges	**3,300,000**	44,183,581
Share of results of joint ventures		
- Increase in fair value of investment properties	**(99,626,601)**	(149,979,000)
	(2,591,435,977)	(3,739,232,976)
Non-controlling interests	**71,741,280**	109,181,000
Net effect of changes in fair value of investment properties	**(2,519,694,697)**	(3,630,051,976)
Underlying profit attributable to the Company's shareholders	**2,481,484,183**	4,487,341,845

8. Accounts and other receivables

At 31st December, 2013, included in accounts and other receivables of the Group are trade receivables (net of allowance for doubtful debts) of HK$223,737,409 *(30th June, 2013: HK$362,424,466)*, of which nil *(30th June, 2013: HK$164,298,159)* are to be settled based on the terms of sale and purchase agreements of property. Rental receivables are billed and payable in advance by tenants. Trade receivables mainly comprise rental receivables and properties sales receivables.

The following is an aged analysis of trade receivables presented based on invoice date (net of allowance for doubtful debts) at the end of the reporting period:

	31st December, 2013 HK$	30th June, 2013 HK$
Not yet due	**-**	164,298,159
Overdue:		
1-30 days	**129,915,480**	105,466,415
31-60 days	**40,935,424**	39,401,129
61-90 days	**9,243,650**	9,229,212
Over 90 days	**43,642,855**	44,029,551
	223,737,409	362,424,466

9. Accounts and other payables

At 31st December, 2013, included in accounts and other payables of the Group are trade payables of HK$335,856,179 *(30th June, 2013: HK$274,851,308).*

The following is an aged analysis of trade payables presented based on invoice date at the end of the reporting period:

	31st December, 2013 HK$	30th June, 2013 HK$
0-30 days	**83,241,019**	98,507,733
31-60 days	**227,058,146**	158,219,704
61-90 days	**24,214,759**	1,468,457
Over 90 days	**1,342,255**	16,655,414
	335,856,179	274,851,308

10. Pledge of assets

(a) At 31st December, 2013, the aggregate facilities of bank loans granted to the Group amounting to approximately HK$9,227,350,000 *(30th June, 2013: HK$9,977,239,000)* were secured by certain of the Group's properties, accounts and other receivables, restricted bank deposits and floating charges on bank balances amounting to a total carrying amount of HK$28,622,920,158 *(30th June, 2013: HK$18,265,075,513)*. At that date, the facilities were utilised by the Group to the extent of approximately HK$5,929,350,000 *(30th June, 2013: HK$6,360,230,000)*.

(b) At 31st December, 2013, investments in certain associates and a joint venture in aggregate amounting to approximately HK$10,000 *(30th June, 2013: HK$2,000)* and advances to certain associates and a joint venture in aggregate amounting to approximately HK$5,834,977,000 *(30th June, 2013: HK$4,178,871,000)* and certain assets of the associates and a joint venture were pledged to or assigned to secure loan facilities made available by banks to such associates and joint venture. The Group's attributable portion of these facilities amounted to HK$6,112,183,832 *(30th June, 2013: HK$6,211,183,832)*, of which HK$3,866,483,832 *(30th June, 2013: HK$3,883,383,832)* was utilised by the associates and a joint venture and guaranteed by the Company.

11. Contingent liabilities

At the end of the reporting period, the Group had contingent liabilities as follows:

	31st December, 2013 HK$	30th June, 2013 HK$
Guarantees in respect of banking facilities of associates and a joint venture:		
- Utilised	**3,866,483,832**	3,883,383,832
- Unutilised	**2,245,700,000**	2,327,800,000
Total guarantees	**6,112,183,832**	6,211,183,832

At 31st December, 2013 and 30th June, 2013, the Group issued corporate financial guarantees to banks in respect of banking facilities granted to associates and a joint venture. At the end of both reporting periods, the Group did not recognise any liabilities in respect of such corporate financial guarantees in the consolidated statement of financial position.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 14th March, 2014 to Tuesday, 18th March, 2014, both dates inclusive, during which period no transfer of shares will be effected. The record date for the interim dividend is at the close of business on Tuesday, 18th March, 2014.

In order to qualify for the interim dividend, shareholders should ensure that all transfers accompanied by the relevant share certificates are lodged with the Company's Registrars, Tricor Standard Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Thursday, 13th March, 2014.

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

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

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

During the six months ended 31st December, 2013, the Company has complied with all the code provisions as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), except that there was no separation of the roles of the chairman and the chief executive officer, both of the roles are currently undertaken by the Chairman of the Board.

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

REVIEW OF INTERIM RESULTS

The unaudited interim results of the Group for the six months ended 31st December, 2013 have been reviewed by the Audit Committee and the auditor of the Company, Deloitte Touche Tohmatsu.

2013-2014 INTERIM REPORT

The 2013-2014 interim report containing all the information required by the Listing Rules will be published on the website of Hong Kong Exchanges and Clearing Limited and the Company's website www.sino.com while printed copies will be sent to shareholders on or about Thursday, 13th March, 2014.

By Order of the Board
Velencia LEE
Company Secretary

Hong Kong, 26th February, 2014

As at the date hereof, the Executive Directors of the Company are Mr. Robert Ng Chee Siong, Mr. Daryl Ng Win Kong, Mr. Ringo Chan Wing Kwong, Ms. Alice Ip Mo Lin and Mr. Gordon Lee Ching Keung, the Non-Executive Director is The Honourable Ronald Joseph Arculli and the Independent Non-Executive Directors are Dr. Allan Zeman, Mr. Adrian David Li Man-kiu and Mr. Steven Ong Kay Eng.