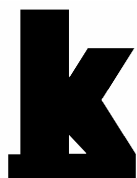


Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



KECK SENG INVESTMENTS (HONG KONG) LIMITED

激成投資（香港）有限公司

(Incorporated in Hong Kong with limited liability)

Website: www.keckseng.com.hk

(Stock Code: 00184)

2009 INTERIM RESULTS ANNOUNCEMENT (UNAUDITED)

INTERIM RESULTS

The board of directors (the “Board”) of Keck Seng Investments (Hong Kong) Limited (the “Company”) is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (the “Group”), and associated companies for the six months ended 30 June 2009. The unaudited consolidated interim results have been reviewed by the Company’s auditor, KPMG, 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 and by the Audit Committee. The unmodified review report of the auditor will be included in the interim report to be sent to the equity shareholders of the Company.

The consolidated profit attributable to equity shareholders of the Company for the six months ended 30 June 2009 was HK\$101,344,000 (HK\$0.30 per share), compared to HK\$177,675,000 (HK\$0.52 per share) for the first six months of 2008.

The Board has declared an interim dividend of HK\$0.025 (2008: HK\$0.05) per share for 2009 payable on Wednesday, 21 October 2009, to equity shareholders whose names appear on the register of members of the Company on Friday, 16 October 2009.

OPERATIONS REVIEW

The Group's business is organized by geographical locations. These locations are mainly divided into Macau, Vietnam, The People's Republic of China ("PRC"), Canada, and other markets classified by location of assets.

Macau

During the first half of 2009, the Group's turnover in Macau consisted mainly of rental income from its portfolio of residential, commercial and industrial properties. The Macau economy was affected by a reduction in total visitor arrivals as well as decrease in foreign direct investment. In anticipation of improved property market conditions and a more robust economy, the Group has therefore withheld from any sale of its properties in Macau during the first half of the year.

Total turnover for the first six months of 2009 was HK\$17.8 million, a reduction of 80% as compared to the last corresponding period.

Vietnam

During the first half of 2009, *Sheraton Saigon Hotel and Grand Towers* reported a reduction in turnover and contribution to profits. Average room rate reduced in the first half of 2009 to US\$197, as compared to US\$230 in the first half of 2008. Occupancy rate for the first half of 2009 was 47%, as compared to 68% in the corresponding period in 2008. The reductions are in line with the market conditions in the international lodgings market in Ho Chi Minh City, and are largely a result of reduced international travelling to Vietnam from the main feeder markets.

The *Caravelle Hotel*, in which the Group holds 25%, reported a reduction in profit contribution in the first half of 2009, as compared to 2008. Average room rate also declined to US\$178 in the first half of 2009, as compared to US\$203 in the first half of 2008. Occupancy rate for the first six months was at 44% in 2009, as compared to 65% in the corresponding period in 2008.

PRC

The *Holiday Inn Riverside Wuhan* reported a reduction in room rates for the first half of 2009 to RMB358, as compared to RMB384 for the first half of 2008. Occupancy rate reduced to 63% for the first six months in 2009, as compared to 67% during the same period of 2008.

More new international and local hotels have opened up in the city during the period under review, which heightened the already intensive competition in this segment of the market.

Canada

During the first half of 2009, the profit contribution from Canadian hotels of the Group was negatively impacted by the financial tsunami. For the first six months of the year, *DoubleTree International Plaza Hotel* in Toronto reported a reduction in average room rate to C\$115 in 2009, as compared to C\$116 in 2008. Occupancy rate also dropped to 68% in 2009 as compared to 80% in 2008. The *Four Points Hotel by Sheraton* in Quebec reported a reduction in average room rate to C\$114 in the first half of 2009, as compared to C\$117 in the first half of 2008. Occupancy rate also dropped to 64% in 2009 as compared to 75% in 2008. The *Sheraton Ottawa Hotel* reported a drop in room rate in the first six months of the year to C\$148, as compared to C\$167 in 2008. Despite the increase in occupancy rate to 72% for the first six months of 2009 as compared to 63% in the corresponding period in 2008, the hotel reported a reduction in net earnings after accounting for tax.

The Four Points Hotel by Sheraton, in which the Group has a 25% shareholding, was disposed of in July 2009.

FINANCIAL REVIEW

The Group's turnover was HK\$335.8 million for the first six months of 2009, a decrease of 20% over the corresponding period in 2008. The Group withheld from any sale of its properties in Macau during the first half of the year to adhere to the strategy of releasing remaining properties at the best possible time to maximize property development margin. Revenue from hotel operations amounted to HK\$316.6 million, a decrease of 5% as compared to HK\$331.8 million in the corresponding period in 2008. A profit attributable to shareholders of HK\$101.3 million was reported as compared to a profit attributable to shareholders of HK\$177.7 million in 2008.

At 30 June 2009, the Group had total borrowings of HK\$149.8 million and bank deposits and cash of HK\$1,437.0 million. Bank deposits and cash are mostly in United States dollars, Hong Kong dollars, Australian dollars and Canadian dollars. Taking into account of the cash in hand and available credit facilities, the Group has sufficient working capital for its present requirements.

PLEDGE OF ASSETS

At 30 June 2009, certain properties held for sale with an aggregate carrying value of approximately HK\$101.4 million were mortgaged to various banks to secure banking facilities granted to the Group.

CONTINGENT LIABILITIES

At 30 June 2009, there were outstanding counter indemnities relating to guarantees issued by bankers of a subsidiary in favour of the Macau SAR Government in respect of properties held for sale amounted to HK\$8.3 million.

At 30 June 2009, guarantees given by the Company to banks to secure banking facilities made available to an associate amounted to HK\$64.2 million.

At 30 June 2009, guarantees given by a subsidiary and the Company to a bank to secure banking facilities made available to an associate amounted to HK\$32.3 million.

PROSPECTS

The first quarter of 2009 was an unprecedented period for the global economy with multiple scenarios of financial meltdown. Actions by monetary authorities in terms of drastic increases in money supply and credit expansion have averted further crises for the time being. As we move into the third quarter of the year, there are signs of stability in several key economies. Yet the outlook for the next six to twelve months remains uncertain.

For the full year of 2009, Macau is expected to report an increase in GDP. There will be a modest recovery in the property market in the second and third quarters of the year. Uncertainty in the US financial and gaming markets, however, continue to negatively impact, both in terms of sentiments and investment flow into Macau. The visa restrictions imposed by the Chinese authorities have seen signs of some relaxation, although the magnitude of mainland visitor arrivals can still not be predicted with accuracy. The fundamental strength of the Macau economy however remains intact, and will continue to be supported by a gradual increase in investments in fixed assets, as well as low unemployment levels amongst the local working population. The Group's property portfolio in Macau is well positioned to benefit from the recovery.

The Group's hotel businesses will continue to be affected by the current economic downturn and the speed of the impending recovery. Both China and Vietnam remain economies with good long term growth potential, despite the current worldwide adjustment.

The US economy still remains the largest economy in the world, despite its current economic woes. The Group's recent investment in the US was a move to take advantage of the dramatic reduction in capital values in the first quarter of the year. Capital values and investment sentiments have since then improved.

It is the Group's continuing policy to remain focused on seeking further investment opportunities.

PERSONNEL

At 30 June 2009, the Group had approximately 1,525 employees. A policy of localizing as many of the positions as possible is in place throughout the Group, subject to suitable and sufficient local executives and staff with relevant qualifications and experience being available. Salary and remuneration are competitive and are based on varying conditions of human resources in the different countries in which the Company and its subsidiaries operate.

CORPORATE GOVERNANCE

The Company will continue its policy of maintaining a solid, balanced and sensible framework of corporate governance.

The Company has conducted a review of its corporate governance regime and framework during the period, and will continue to do so, with a view towards ensuring that such practices are in line with evolving regulatory developments and market expectations.

None of the Directors is aware of any information that would reasonably indicate that the Company is not, or was not for any part of the accounting period covered by the interim financial statements, in compliance with the Code on Corporate Governance Practices, except that the Company had not appointed a chief executive officer, since day-to-day operations of the Group were undertaken by the management teams in the respective geographical locations under the supervision of the executive directors. In respect of the management of the Board of the Company, the role is undertaken by Mr HO Kian Guan, Executive Chairman of the Company. The Board is of the view that this structure has served the Company well in the past years and does not impair the balance of responsibility between the Board and the management of the business. Further, the non-executive directors of the Company are not appointed for a specific term. In practice, however, they are subject to retirement by rotation not less than once every three years.

SECURITIES TRANSACTIONS BY DIRECTORS

The Board of the Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules of The Stock Exchange of Hong Kong Limited. The Company has made specific enquiries of all Directors who have confirmed compliance with the required standards set out in the Model Code during the period under review.

AUDIT COMMITTEE

The Audit Committee presently comprises three independent non-executive directors. The Audit Committee meets with the Group's senior management, internal and external auditors regularly to review the effectiveness of the internal control system and the interim and annual reports, including the Group's unaudited consolidated financial statements for the six months ended 30 June 2009.

REMUNERATION COMMITTEE

The Remuneration Committee comprises five members, three of whom are independent non-executive directors. The Committee reviews matters relating to the remuneration for senior management and Directors of the Company.

MATERIAL EVENTS SINCE FINANCIAL PERIOD END

As per an announcement issued on 6 July 2009, the Company has entered into a Purchase and Sale Agreement to purchase the 404-room W Hotel in San Francisco at a consideration of US\$ 90 million approximately. In July 2009, the acquisition was successfully completed. And as reported in the circular dated 27 July 2009 to shareholders, the Directors consider the acquisition to be a strategic move to further its investments in the hotel sector where the Group has built up considerable experience. It also allows the Group to acquire an established, well managed, branded international hotel property in a prime location at a time when the economic cycle allows the acquisition to be conducted at a reasonable capital cost.

BOOK CLOSE

The register of members will be closed from Tuesday, 13 October 2009 to Friday, 16 October 2009, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrars, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Monday, 12 October 2009.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

There was no purchase, sale or redemption by the Company or any of its subsidiaries of the Company's listed securities during the six months ended 30 June 2009.

By Order of the Board
Keck Seng Investments (Hong Kong) Limited
HO Kian Guan
Executive Chairman

Hong Kong, 24 September 2009

As at the date of this announcement, the Board of the Company comprises Mr HO Kian Guan, Mr HO Kian Hock, Mr TSE See Fan Paul, Mr CHAN Lui Ming Ivan, Ms YU Yuet Chu Evelyn, Mr HO Chung Tao and Mr HO Chung Hui (whose alternate is Mr HO Chung Kain) as executive directors; Mr HO Kian Cheong as non-executive director; and Dr CHAN Yau Hing Robin, Mr KWOK Chi Shun Arthur and Ms WANG Poey Foon Angela as independent non-executive directors.

CONSOLIDATED INCOME STATEMENT (Unaudited)

		Six months ended 30 June	
		2009	2008
	Note	HK\$'000	HK\$'000
Turnover	3	335,806	420,836
Cost of sales		(67,225)	(77,933)
		268,581	342,903
Other revenue	4(a)	8,862	25,728
Other net income	4(b)	56,473	41,706
Direct costs and operating expenses		(93,032)	(84,688)
Marketing and selling expenses		(17,127)	(17,676)
Depreciation of fixed assets		(35,918)	(32,476)
Administrative and other operating expenses		(51,250)	(60,285)
		136,589	215,212
Operating profit		136,589	215,212
(Decrease)/increase in fair value of investment properties		(6,493)	20,420
		130,096	235,632
Finance costs	5(a)	(44)	(240)
Share of profits less losses of associates		8,288	15,422
		138,340	250,814
Profit before taxation	5	138,340	250,814
Income tax	6	(9,506)	(12,922)
		128,834	237,892
Profit for the period		128,834	237,892
Attributable to:			
Equity shareholders of the Company		101,344	177,675
Minority interests		27,490	60,217
		128,834	237,892
Profit for the period		128,834	237,892
		29.8	52.2
Earnings per share, basic and diluted (cents)	8	29.8	52.2

Details of dividends payable to equity shareholders of the Company are set out in note 7.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Unaudited)

	Six months ended 30 June	
	2009	2008
	HK\$'000	HK\$'000
Profit for the period	128,834	237,892
Other comprehensive income for the period (after tax and reclassification adjustments):		
Exchange differences arising from translation of overseas operations	3,059	2,849
Interest-free loans from minority shareholders: net movement in other capital reserve	(2,841)	(2,587)
Available-for-sale securities: net movement in fair value reserve	567	84
	785	346
Total comprehensive income for the period	129,619	238,238
Attributable to:		
Equity shareholders of the Company	101,524	178,021
Minority interests	28,095	60,217
Total comprehensive income for the period	129,619	238,238

CONSOLIDATED BALANCE SHEET

		(Unaudited) At 30 June 2009 HK\$'000	(Audited) At 31 December 2008 HK\$'000
Non-current assets			
Fixed assets			
- Investment properties		240,907	247,400
- Other properties and fixed assets		624,175	653,979
- Interests in leasehold land held for own use under operating lease		119,172	120,959
		<u>984,254</u>	<u>1,022,338</u>
Interest in associates		150,299	138,177
Available-for-sale securities		2,352	1,785
		<u>1,136,905</u>	<u>1,162,300</u>
Current assets			
Trading securities		2,017	37,692
Properties held for sale		332,719	332,767
Inventories		2,447	2,663
Trade and other receivables	9	25,688	36,303
Derivative financial assets		3,221	296
Deposits and cash		1,437,036	1,326,426
		<u>1,803,128</u>	<u>1,736,147</u>
Current liabilities			
Bank loans		-	10,000
Trade and other payables	10	167,729	193,423
Loans from associates		1,364	1,364
Loans from minority shareholders		129,117	37,014
Loan from an affiliated company		-	28,733
Amount due to an affiliated company		19,363	20,890
Derivative financial liabilities		8,082	6,106
Taxation payable		26,486	29,974
Dividend payable		42,525	-
		<u>394,666</u>	<u>327,504</u>
Net current assets		<u>1,408,462</u>	<u>1,408,643</u>
Total assets less current liabilities		<u>2,545,367</u>	<u>2,570,943</u>
Non-current liabilities			
Loans from minority shareholders		-	96,117
Deferred tax liabilities		10,531	11,654
		<u>10,531</u>	<u>107,771</u>
NET ASSETS		<u>2,534,836</u>	<u>2,463,172</u>
CAPITAL AND RESERVES			
Share capital		340,200	340,200
Reserves		1,745,768	1,686,769
Shareholders' equity		<u>2,085,968</u>	<u>2,026,969</u>
Minority interests		448,868	436,203
TOTAL EQUITY		<u>2,534,836</u>	<u>2,463,172</u>

Notes:

1. Basis of preparation

These interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard (“HKAS”) 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). It was authorised for issue on 24 September 2009.

These interim financial statements have been prepared in accordance with the same accounting policies adopted in the 2008 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2009 annual financial statements. Details of these changes in accounting policies are set out in note 2.

The preparation of the interim financial statements in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

These interim financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2008 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

2. Changes in accounting policies

The HKICPA has issued one new HKFRS, a number of amendments to HKFRSs and new Interpretations that are first effective for the current accounting period of the Group and the Company. Of these, the following developments are relevant to the Group’s financial statements:

- HKFRS 8, *Operating segments*
- HKAS 1 (revised 2007), *Presentation of financial statements*
- Amendments to HKFRS 7, *Financial instruments: Disclosures - improving disclosures about financial instruments*
- Improvements to HKFRSs (2008)
- Amendments to HKAS 27, *Consolidated and separate financial statements – cost of an investment in a subsidiary, jointly controlled entity or associate*
- HKAS 23 (revised 2007), *Borrowing costs*

HKFRS 8 requires segment disclosure to be based on the way that the Group’s chief operating decision maker regards and manages the Group, with the amounts reported for each reportable segment being the measures reported to the Group’s chief operating decision maker for the purposes of assessing segment performance and making decisions about operating matters. The adoption of HKFRS 8 has resulted in the presentation of segment information in a manner that is more consistent with internal reporting provided to the Group’s senior executive management, and has resulted in amended disclosures being presented (see note 3). As this is the first period in which the Group has presented segment information in accordance with HKFRS 8, additional explanations have been included in the interim financial statements which explain the basis of preparation of the information. Corresponding amounts have been restated on a basis consistent with the revised segment information.

As a result of the adoption of HKAS 1 (revised 2007), details of changes in equity during the period arising from transactions with equity shareholders in their capacity as such have been

presented separately from all other income and expenses in a revised consolidated statement of changes in equity. All other items of income and expense are presented in the consolidated income statement, if they are recognised as part of profit or loss for the period, or otherwise in a new primary statement, the consolidated statement of comprehensive income. The new format for the consolidated statement of comprehensive income and the consolidated statement of changes in equity has been adopted in these interim financial statements and corresponding amounts have been restated to conform to the new presentation. This change in presentation has no effect on reported profit or loss, total income and expense or net assets for any period presented.

The amendments to HKAS 23 have no material impact on the Group's financial statements as the amendments and interpretations are consistent with policies already adopted by the Group. In addition, the amendments to HKFRS 7 do not contain any additional disclosure requirements specifically applicable to the interim financial statements.

The "Improvements to HKFRSs (2008)" comprise a number of minor and non-urgent amendments to a range of HKFRSs which the HKICPA has issued as an omnibus batch of amendments. The "Improvements to HKFRSs (2008)" have no material impact on the Group's financial statements.

The amendments to HKAS 27 have removed the requirement that dividends out of pre-acquisition profits should be recognised as a reduction in the carrying amount of the investment in the investee, rather than as income. The amendments to HKAS 27 have no material impact on the Group's financial statements.

3. Segmental information

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (products and services) and geographical locations. The Group has identified the following four reportable segments in a manner consistent with the way in which information is reported internally to the Group's senior executive management for the purposes of resource allocation and performance assessment.

Hotel operations segment is primarily engaged in the businesses of hotel room accommodation, provision of food and beverage at hotel restaurant outlets and operation of slot machines at one of the Group's hotels.

Property investment segment is primarily engaged in the businesses of property leasing of the Group's investment properties, which mainly consist of retail and office properties in Macau.

Property development segment is primarily engaged in the businesses of development, construction, sales and marketing of the Group's trading properties in Macau.

Investment and corporate segment is primarily engaged in the businesses of management of the Group's corporate assets and liabilities, available-for-sale and trading securities, financial instruments and other treasury operations.

Segment results and assets

Information regarding the Group's reportable segments is provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments.

Segment assets principally comprise all tangible assets, intangible assets and current assets directly attributable to each segment.

(a) Analysis of segment results of the Group

	External turnover	Inter- segment turnover	Total turnover	Other revenue and net income	Depreciation of fixed assets	Finance costs	Share of results of associates	Income tax	Contribution to profit
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
For the six months ended 30 June 2009									
Hotel operations									
- The Peoples' Republic of China	25,766	-	25,766	414	(5,944)	-	-	-	144
- Vietnam	290,859	-	290,859	2,197	(25,169)	-	5,089	(10,603)	71,437
- Canada	-	-	-	-	-	-	3,203	-	3,203
Property development	250	-	250	-	-	-	-	-	200
Property investment	17,614	939	18,553	10,685	(4,767)	(14)	-	1,044	4,049
Investment and corporate	1,317	1,265	2,582	52,039	(38)	(30)	(4)	53	49,801
Inter-segment elimination	-	(2,204)	(2,204)	-	-	-	-	-	-
Total	335,806	-	335,806	65,335	(35,918)	(44)	8,288	(9,506)	128,834
For the six months ended 30 June 2008									
Hotel operations									
- The Peoples' Republic of China	24,828	-	24,828	12,797	(6,336)	(103)	-	-	13,513
- Vietnam	307,002	-	307,002	1,472	(21,615)	-	8,263	(6,861)	97,952
- Canada	-	-	-	-	-	-	7,159	-	7,159
Property development	63,940	-	63,940	-	-	-	-	(6,155)	45,126
Property investment	23,572	138	23,710	8,313	(4,487)	(59)	-	85	30,955
Investment and corporate	1,494	7,327	8,821	44,852	(38)	(78)	-	9	43,187
Inter-segment elimination	-	(7,465)	(7,465)	-	-	-	-	-	-
Total	420,836	-	420,836	67,434	(32,476)	(240)	15,422	(12,922)	237,892

(b) Analysis of total assets of the Group

	Segment assets HK\$'000	Interest in associates HK\$'000	Total assets HK\$'000
At 30 June 2009			
Hotel operations			
- The Peoples' Republic of China	203,144	-	203,144
- Vietnam	578,338	63,668	642,006
- Canada	-	55,573	55,573
Property development	290,574	-	290,574
Property investment	499,399	-	499,399
Investment and corporate	1,218,279	31,058	1,249,337
Total	2,789,734	150,299	2,940,033
At 31 December 2008			
Hotel operations			
- The Peoples' Republic of China	203,737	-	203,737
- Vietnam	614,979	58,580	673,559
- Canada	-	49,280	49,280
Property development	288,583	-	288,583
Property investment	463,701	-	463,701
Investment and corporate	1,189,270	30,317	1,219,587
Total	2,760,270	138,177	2,898,447

4. Other revenue and net income

(a) Other revenue

	Six months ended 30 June	
	2009	2008
	HK\$'000	HK\$'000
Interest income from bank deposits	8,131	24,504
Dividend income from available-for-sale securities	84	66
Other revenue from hotel and club operations and miscellaneous income	647	1,158
	8,862	25,728

(b) Other net income

	Six months ended 30 June	
	2009	2008
	HK\$'000	HK\$'000
Net realised and unrealised losses on trading securities	(1,527)	(4,766)
Net exchange gain	58,000	46,472
	56,473	41,706

5. Profit before taxation

Profit before taxation is arrived at after charging/(crediting):

	Six months ended 30 June	
	2009	2008
	HK\$'000	HK\$'000
(a) Finance costs:		
Interest on bank advances and other borrowings wholly repayable within five years	33	184
Interest payable on amount due to an affiliated company	11	56
	44	240
(b) Staff costs:		
Salaries, wages and other benefits	21,674	23,549
Contributions to defined contribution retirement plans	1,244	1,273
	22,918	24,822
(c) Other items:		
Cost of properties sold	49	12,660
Cost of inventories	25,219	19,193
Rentals receivable from investment properties less direct outgoings of HK\$2,772,000 (2008: HK\$3,406,000)	(11,063)	(15,514)
Other rental income less direct outgoings	(640)	(692)

6. Income tax

Taxation in the consolidated income statement represents:

	Six months ended 30 June	
	2009	2008
	HK\$'000	HK\$'000
Current tax - Hong Kong Profits Tax		
Provision for the period	-	-
Current tax – Overseas		
Provision for the period	12,719	15,955
Over-provision in respect of prior periods (note (iii))	(2,090)	(5,483)
	10,629	10,472
Deferred taxation		
Change in value of investment properties	(798)	2,450
Origination and reversal of temporary differences	(325)	-
	(1,123)	2,450
	9,506	12,922

Notes:

- (i) The provision for Hong Kong Profits Tax is calculated at 16.5% (2008: 16.5%) of the estimated assessable profits for the six months ended 30 June 2009. No provision for Hong Kong Profits Tax has been made in respect of subsidiaries of the Group operating in Hong Kong as these subsidiaries incurred tax losses during the six months ended 30 June 2008 and 30 June 2009.
- (ii) Taxation for overseas subsidiaries is similarly calculated using the estimated annual effective rates of taxation that are expected to be applicable in the relevant countries.
- (iii) Over-provision of tax of HK\$2,090,000 (2008: HK\$5,483,000) primarily represented Macau complementary tax made in prior years.
- (iv) Share of associates' tax for the six months ended 30 June 2009 of HK\$3,347,000 (2008: HK\$5,941,000) is included in the share of profits less losses of associates.

7. Dividends

(a) Dividends payable to equity shareholders of the Company attributable to the interim period

	Six months ended 30 June	
	2009	2008
	HK\$'000	HK\$'000
Interim dividend declared after the interim period of HK\$0.025 (2008: HK\$0.05) per ordinary share	8,505	17,010

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

(b) Dividends attributable to the previous financial year, approved during the interim period

	Six months ended 30 June	
	2009	2008
	HK\$'000	HK\$'000
Final dividend in respect of the previous financial year, approved during the following interim period, of HK\$0.125 (six months ended 30 June 2008: HK\$0.12) per ordinary share	42,525	40,824

8. Earnings per share

The calculation of earnings per share is based on the Group's profit attributable to equity shareholders of the Company of HK\$101,344,000 (2008: HK\$177,675,000) and 340,200,000 ordinary shares in issue during both periods.

For the period under review and the preceding comparative period, there is no difference between the basic and diluted earnings per share.

9. Trade and other receivables

Included in trade and other receivables are trade receivables (net of specific provisions for bad and doubtful debts) with the following ageing analysis:

	At 30 June 2009 HK\$'000	At 31 December 2008 HK\$'000
Current or less than one month overdue	8,249	11,236
One to three months overdue	5,402	7,142
More than three months overdue but less than twelve months overdue	-	48
Trade receivables	13,651	18,426

The Group's credit risk is primarily attributable to trade and other receivables. The Group has a defined credit policy for trade receivables. The general credit terms allowed range from 0 - 30 days. Trade receivables with balances that are more than three months overdue are requested to settle all outstanding balances before any further credit will be granted.

10. Trade and other payables

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

	At 30 June 2009 HK\$'000	At 31 December 2008 HK\$'000
Due within one month or on demand	28,501	8,517
Due after one month but within three months	947	15,726
Due after three months but within six months	176	1,655
	<hr/>	<hr/>
Trade payables	29,624	25,898
	<hr/> <hr/>	<hr/> <hr/>

11. Commitments

At 30 June 2009, the Group had commitments in respect of development expenditure not provided for as follows:

	At 30 June 2009 HK\$'000	At 31 December 2008 HK\$'000
Contracted for	9,082	14,302
Authorised but not contracted for	16,114	3,742
	<hr/>	<hr/>
	25,196	18,044
	<hr/> <hr/>	<hr/> <hr/>

12. Non-adjusting post balance sheet event

On 2 July 2009, the Group entered into a sale and purchase agreement to acquire a hotel from an independent third party for an aggregate consideration of US\$90.0 million (equivalent to approximately HK\$697.5 million). The hotel is located in San Francisco, California, United States.

The transaction was completed in July 2009 and the consideration was fully settled.

13. Comparative figures

As a result of the application of HKAS 1 (revised 2007), *Presentation of financial statements*, and HKFRS 8, *Operating segments*, certain comparative figures have been adjusted to conform to current period's presentation and to provide comparative amounts in respect of items disclosed for the first time in 2009. Further details of these developments are disclosed in note 2.