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Sino Land Company Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 83)

CHAIRMAN'S STATEMENT

I am pleased to present the 2008/2009 Annual Report to shareholders.

FINAL RESULTS

The turnover of the Group for the financial year ended 30th June, 2009 increased significantly to HK\$9,692.6 million, representing an increase of 55% compared with HK\$6,251.0 million last financial year, primarily due to good market response on the Group's sales of residential units in The Palazzo, The Dynasty, Vista and One Madison.

The Group's audited net profit attributable to shareholders for the financial year ended 30th June, 2009 was HK\$3,730.6 million (2008 : HK\$7,720.9 million). Excluding revaluation surplus on investment properties net of deferred tax of HK\$129.9 million, the underlying net profit from operations increased by 6.7% to HK\$3,600.7 million for the year ended 30th June, 2009 (2008 : HK\$3,373.4 million). Earnings per share for the year was 77.06 cents.

DIVIDENDS

The Directors have resolved to recommend a final dividend of 30 cents per share in respect of the year ended 30th June, 2009 to shareholders whose names appear on the Register of Members of the Company on 5th November, 2009. Together with the interim dividend of 10 cents per share, the total dividend for the full financial year is 40 cents per share.

The Directors propose that shareholders be given the option to receive the final dividend in new shares in lieu of cash. The scrip dividend proposal is subject to: (1) the approval of the proposed final dividend at the Annual General Meeting to be held on 5th November, 2009; and (2) The Stock Exchange of Hong Kong Limited granting the listing of and permission to deal in the new shares to be issued pursuant to this proposal.

A circular containing details of the scrip dividend proposal will be despatched to shareholders together with the form of election for scrip dividend on or about 10th November, 2009. It is expected that the final dividend warrants and share certificates will be despatched to shareholders on or about 3rd December, 2009.

BUSINESS REVIEW

(1) Sales Activities

Turnover and earnings from sales of properties at subsidiary level for the financial year ended 30th June, 2009 were mainly contributed from the sales of residential units in new projects namely The Palazzo, The Dynasty and Vista, the occupation permits of which were obtained during the financial year, as well as One Madison completed in the previous financial year.

Completed during the financial year 2008/2009, The Palazzo has a total of 1,375 luxurious residential units and an elegant and comprehensive clubhouse of over 220,000 square feet dividing into a number of thematic sections each offering a specific set of entertaining, leisure or sport facilities. The project is conveniently located in the prime area in Shatin district affording the panoramic views of the Shatin international racecourse, the lush Penfold Park, Tolo Harbour as well as the Shing Mun River. The Palazzo is well served by a number of public transportations with the Fotan Station on the East Rail right opposite to it. The East Rail will also connect with the future Shatin to Central Link currently under planning. The surrounding road network has also been developed well. The Route 8 also provides a direct access from Central through the Western Harbour Crossing. The Palazzo was launched for sale in May 2008 and market response was good with over 80% of the total units sold.

The Dynasty, a luxurious residential project consisting of 256 units, is located in the centre of Tsuen Wan in North-West New Territories and conveniently accessible to the two railway arteries Tsuen Wan West Station on the West Rail and Tsuen Wan Station on the Tsuen Wan Line. All residential units in the project enjoy the panoramic views of Victoria Harbour and Rambler Channel as well as two bridges namely Stonecutter Bridge and Ting Kau Bridge. The exceptionally high floor-to-ceiling height, balcony and top class kitchenwares in each unit are some of the key features of the project. The Dynasty was launched on the market in October 2008 with over 83% of the total units sold to date.

Located at New Kowloon West, Vista is a residential project encompassing a total of 173 unparallel residential units and each of the units commands a panoramic view of the Kowloon peninsula. The project is only a few minutes' walk to the Cheung Sha Wan Station. Its location, high floor-to-ceiling height and balcony for each residential unit are the

key attractions of the project. Sale was launched in January 2009 and market response was good. As of to date, over 87% of the total units have been sold.

Capitalising on improved market sentiment in the second quarter of 2009, the Group launched the sales of Lake Silver in May. Located atop of the Wu Kai Sha Station on the East Rail overlooking the picturesque natural coastline of Ma On Shan area, Lake Silver commands spectacular seaviews of Tolo Harbour, Tolo Channel and Starfish Bay as well as Ma On Shan Coastal mountain ranges including Pak Sin Leng and Kau To Shan. This unparallel and high quality property development comprises a total of 2,169 residential units in 7 towers, approximately 45,000 square feet of retail space and a clubhouse of approximately 360,000 square feet. The clubhouse is named Palace by the Sea. The design of it is inspired by the essence of the world-class resorts and it offers a wide range of leisure facilities and thematic gardens for the residents to enjoy. Sales of this project received overwhelming response from market with over 85% of the total units sold to date.

Subsequent to the year ended 30th June, 2009, the Group launched the sales of a residential project named Park Place in August, 2009. Located in the prime area in Xiamen, Fujian Province, on the east coast of the Mainland, the project offers a total of 73 luxurious residential units. Market response was good with over 97% of the total units sold.

Earnings from property sales at associate level were mainly derived from completed residential units in Chengdu International Community in Chengdu, Sichuan and One HoneyLake, Shenzhen. Over 93% of the units launched to date in Chengdu International Community and almost all of the units in One HoneyLake have already been sold.

During the financial year ended 30th June, 2009, the Group completed 9 projects. Details of the completed projects are presented in the table below with a total attributable gross floor area of over 3.2 million square feet.

<u>Location</u>	<u>Usage</u>	<u>Group's Interest</u>	<u>Attributable Gross Floor Area</u> (Square feet)
1. The Palazzo 28 Lok King Street, Shatin, New Territories, Hong Kong	Residential / Retail	Joint Venture	1,322,883
2. Exchange Tower 33 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong	Commercial	100%	609,027

<u>Location</u>	<u>Usage</u>	<u>Group's Interest</u>	<u>Attributable Gross Floor Area</u> (<i>Square feet</i>)
3. The Dynasty / Citywalk 2 18 Yeung Uk Road, Tsuen Wan, New Territories, Hong Kong	Residential / Retail	Joint Venture	479,728
4. Chengdu International Community Xipu Zhen, Pi Xian, Jin Niu District, Chengdu, Sichuan, PRC	Residential	20%	439,518
5. Vista 188 Fuk Wa Street, Kowloon, Hong Kong	Residential / Retail	Joint Venture	134,043
6. The Hennessy, 256 Hennessy Road, Wan Chai, Hong Kong	Commercial	100%	71,862
7. Goodwood Park 138 Hang Tau Road, Kwu Tung, Sheung Shui, New Territories Hong Kong	Residential	100%	23,638
8. Clifford Pier 80 Collyer Quay, Singapore 049326	Commercial	100%	11,393
9. Park Place 130 Jia He Lu, Xiamen, PRC	Residential / Retail	100%	123,128
			3,215,220

(2) Land Bank

As at 30th June, 2009, the Group has a land bank of approximately 43.5 million square feet of attributable gross floor area comprising a balanced portfolio of properties of which 67% is residential; 22% commercial; 5% industrial; 3% car parks and 3% hotels. In terms of

breakdown of the land bank by status, 31.2 million square feet consist of properties under development, 10.8 million square feet of properties for investment/own use and 1.5 million square feet of properties held for sale. The Group will continue to selectively replenish its land bank, both in Hong Kong and Mainland China, to optimise its earnings potential.

On 23rd June, 2009, the Group was awarded by the Urban Renewal Authority of Hong Kong the development rights for the site at Lee Tung Street / McGregor Street in Wan Chai. The site is only a few minutes walk to Wan Chai Station. Upon completion, the site will yield a total of approximately 817,710 square feet of residential and commercial gross floor area as well as a subway to connect the project with the Wan Chai Station. The project will incorporate redevelopment, conservation and revitalization elements featuring the tradition and culture of the local business and community. Further, the excellent school network and the nearby shopping facilities in Wan Chai area are positive points for the homebuyers. The Group has 50% interest in the development rights of the project. Details of the acquisition and the attributable gross floor area for the Group are shown below :

<u>Location</u>	<u>Usage</u>	<u>Group's Interest</u>	<u>Attributable Gross Floor Area</u> (Square feet)
Lee Tung Street / McGregor Street Wan Chai, Hong Kong	Residential / Commercial	Joint Venture	408,855
			<u>408,855</u>

Subsequent to the financial year ended 30th June, 2009, the Group entered into a sale and purchase agreement in August 2009 to acquire a company holding an investment property. The total gross floor area of the property is approximately 58,107 square feet comprising retail spaces and a total of 87 luxurious serviced apartments. Located at 74 - 80 Johnston Road, Wan Chai, opposite to Southorn Playground and close to the above development at Lee Tung Street/McGregor Street, the property is in the hub of Wan Chai and well served by various public transportation including the subway and tram.

(3) Property Development

The Group expects to complete a total of 4 projects with an attributable gross floor area of over 2.5 million square feet in the financial year ending 30th June, 2010. Details of the projects are as follows:

<u>Location</u>	<u>Usage</u>	<u>Group's Interest</u>	<u>Attributable Gross Floor Area</u> <i>(Square feet)</i>
1. Lake Silver No. 599 Sai Sha Road, MTR Wu Kai Sha Station, Ma On Shan, New Territories, Hong Kong	Residential / Retail	Joint Venture	1,858,405
2. Sino International Plaza 137 Wu Xi Lu, Fuzhou, PRC	Commercial	100%	499,158
3. TPTL 179, Ma Wo, Tai Po, New Territories Hong Kong	Residential	100%	114,486
4. The Fullerton Bay Hotel and Customs House, Singapore	Hotel / Retail	100%	93,909
			<u>2,565,958</u>

Subsequent to the financial year ended 30th June, 2009, the Group obtained the occupation permit for Lake Silver from the Building Authority of the HKSAR Government on 17th July, 2009.

High standards of product and service quality are utmost important part of the Group's policy on project development and asset management. The Group has made significant effort to continuously improve the developments and services by applying stringent quality control, environmentally friendly features and facilities to enhance the lifestyles of the customers. Management is also mindful of the environmental sustainability in terms of project development. Efforts to reduce carbon emissions, use more sustainable materials, apply energy efficient design and layout as well as employ environmentally friendly fixture and fittings are highly encouraged and pursued.

This year, management is delighted to have received the “**Best Residential Developer in Hong Kong**” voted by Euromoney’s Real Estate Poll 2009. Management would like to express heartfelt appreciation to everyone who nominated the Group for this award. Special thanks also go to the customers who have supported us and given us suggestions throughout the years so that the Group can do better and improve over time. Your encouragement and support continue to motivate the Group to further improve the quality of the products and services.

(4) Rental Activities

The Group’s gross rental revenue, including the attributable share of its associates, increased significantly by 18.3% to HK\$2,265.8 million for the financial year ended 30th June, 2009 compared with HK\$1,915.2 million in the previous year.

The growth in rental revenue during the financial year 2008/2009 was mainly due to increases in rental rates for leases renewed across all sectors of the rental portfolio, additional rental contributions from Olympian City 1 and 2 shopping malls due to acquisitions of the remaining interests in the development companies of the two properties, and newly completed rental properties.

During the financial year 2008/2009, the Group completed a total of six new commercial projects with a total of approximately 1 million square feet for investment purpose. These projects are Exchange Tower, Citywalk 2 – the retail space attached to The Dynasty, The Hennessy, retail spaces in The Palazzo and Vista as well as Clifford Pier in Singapore (part of The Fullerton Heritage). Since occupation permits for these projects were obtained in various stages throughout the financial year 2008/2009, full potential of rental contributions from these projects are yet to materialise.

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

Citywalk 2 is designed to complement and extend Citywalk. This contemporary three-storey technologically innovative mall comprises approximately 200,000 square feet of space accommodating brand-name shops, cinemas, lifestyle stores, restaurants and supermarkets. The mall comes with Hong Kong’s first ‘ArchiSculpture’, the iGlobe, a distinctive giant pixilated wall with thousands of LED discs integrated into the exterior of the building as an electronic façade. Citywalk 2 and Citywalk are connected by a footbridge. Combining the two offer customers and local residents a complete spectrum of dynamic shopping, dining and entertainment choices.

The Hennessy is located in bustling Wan Chai, a few minutes' walk from the Wan Chai Station. The commercial building is just minutes away from the Causeway Bay and Central entertainment hubs. The first three retail floors are covered by a 50 feet high glass curtain that provides excellent visibility from the street. The unique podium garden on the second level features a floor-to-ceiling height of over 24 feet, and the Sky Garden on the twenty-third floor features floor-to-ceiling heights exceeding 19 feet. The gardens provide an urban oasis for the tenants. Every floor has over 15 feet floor-to-ceiling heights and a flexible layout, making it a differentiated and sought-after product amongst the city's commercial buildings. Leasing of The Hennessy has progressed well and the project has attracted a well diversified mix of tenants.

The retail spaces of The Palazzo and Vista, which are directly beneath their residential towers, comprise a total gross floor area of approximately 21,500 square feet and 22,000 square feet respectively. The retail spaces are ideal for such businesses as restaurants, supermarkets, florists, arts and music stores that cater to residents and local needs in their own catchment areas.

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

Asset enhancement initiatives are integral to the Group's programme of optimising asset quality, value and rental revenue. These initiatives include developing effective marketing and promotional events, raising service quality, reconfiguring the layouts of premises to meet our tenants' needs and ensuring the right tenant mix. The initiatives aim to enrich our customers' shopping experience and support our tenants with a sustained flow of shoppers, all of which brings more business.

As at 30th June, 2009, the Group has approximately 10.8 million square feet of attributable gross floor area of properties for investment/own use, compared with 9.9 million square feet in the previous financial year. Of this portfolio, commercial developments (retail and office) account for 63%, industrial developments 15%, car parks 13%, hotels 6%, and residential 3%. The Group expects to complete a total of approximately 3 million square feet of attributable gross floor area of investment properties in the next few years, which will further increase its recurrent income base.

(5) Hotels

The global financial turmoil has affected a number of industries. Tourism has not been immune from the impact, with decreased business and leisure travels. The growth of the tourism industry has slowed since the last quarter of 2008.

However, many destinations have developed stimulus measures to support the tourism industry and to minimise the impact of the global economic downturn. These stimulus measures, include fiscal incentives, travel facilitation, increased marketing schemes and transnational cooperation, will have strong multiplier effect that is conducive to economic regeneration.

The Fullerton Hotel Singapore

During these challenging times, the Singapore Government has put in place a number of measures to support the tourism industry that have benefited the hotel, hospitality and travel sectors. New attractions on the horizon include new infrastructure developments, such as the two-berth International Cruise Terminal at Marina South and the transformation of Marina Bay area into a world class city. Gardens by the Bay and Singapore Sports Hub coupled with the increasing number of tourist attractions and offerings will also raise Singapore's appeal.

The success of the 2008 Formula One SingTel Singapore Grand Prix held during the financial year 2008/2009 benefited The Fullerton's business. This year (2009) the event will be held from 24th to 27th September and is expected to generate much excitement about the destination. The Fullerton is located prominently at Turn 13, the Grand Prix's spectacular Hairpin, where guests can enjoy spectacular trackside views against a panoramic backdrop of the Marina Bay seaside.

The Fullerton has received a number of awards from respected organisations and magazines in recognition of its standards of service during the financial year 2008/2009. These awards include those from Condé Nast Traveler, Best in Travel Poll, Wine and Dine Magazine and Singapore Business Review Magazine.

Conrad Hong Kong

In Hong Kong, the HKSAR Government has introduced a set of relief measures since the end of 2008 to assist enterprises in riding out the difficult times. A financial budget of HK\$100 million to assist organisers to host more attractive arts, cultural and sporting events to Hong Kong over the next three years will also alleviate the industry's operational difficulties.

Looking forward, the East Asian Games to be held in December 2009 will be a good opportunity to attract more visitors to Hong Kong. The cruise terminals expected to be in operation by mid-2013 will complement the HKSAR Government's programme promoting multi-destination travel. The restoration and revitalisation of heritage buildings by the HKSAR Government will further enrich the cultural attractions of Hong Kong. Hong Kong Tourism Board's recent efforts to attract more Taiwanese visitors and to take weekend getaways to Hong Kong, as well as coordination with the Macau Government Tourist Office and Guangdong Provincial Tourism Bureau to develop multi-destinations itineraries that include Hong Kong are positive initiatives for the growth of the sector in the long-run.

During the financial year 2008/2009, the overall performance of Conrad Hong Kong was affected by decreasing business travels and company meetings, mainly in financial, banking and corporate accounts. Lower financial activity, such as initial public offerings, also decreased conferences and company meeting activities.

Conrad Hong Kong has received a number of awards from respected organisations in recognition of its service quality. These include awards from Condé Nast Traveler's Business Poll Awards, Institutional Investor, Travel & Leisure, Forbes Traveler.com and Asian Legal Business.

New Hotels

In Singapore, the Group expects to complete the development of an exclusive luxurious hotel located in between the Clifford Pier and Customs House. The hotel will be named The Fullerton Bay Hotel. Upon completion, estimated to be in the fourth quarter of 2009, the hotel will offer approximately 100 guest rooms and suites with unrivalled waterfront Marina Bay views, stylish rooftop pool and bar, a classy city lounge and a glamorous restaurant where patrons can enjoy various fine cuisine and magnificent views of the bay.

In Hong Kong, the Group is in the process of converting a portion of the retail area in One SilverSea project in West Kowloon to a luxurious boutique hotel with approximately 32 guest rooms. The conversion is under documentation and designing stage and it is expected to be completed in 2010/2011.

(6) Mainland China Business

Mainland China is an important market for the Group due to its proximity to Hong Kong and the growing prospects. The economic growth in Mainland China since the mid-80s has created wealth and foreign reserves for the nation. Infrastructural developments over the years have enhanced connectivity and accessibility among cities and within cities. Affluent households are on the rise demanding for better livelihood, quality housing and higher standard of living.

The successful completion and sales of the residential projects, namely One HoneyLake in Shenzhen, Chengdu International Community in Chengdu, Greenfields in Guangzhou, Beverly Garden, Colonnades Court and Park Place in Xiamen have given the Group a good foothold in the property market in Mainland China. The Group's interest in Raffles City Shanghai, comprising office and retail spaces in the central business area of Huangpu District, Shanghai, is the stepping stone for the Group to establish its presence in this metropolitan city and financial centre on the Mainland.

Management believes the economic growth of China will continue despite some economic adjustments in the short-term. In view of the long-term growth potential of the property market in Mainland China, the Group has accumulated an additional 23.7 million square feet of attributable gross floor area of land bank for residential and commercial developments since 2005. As mentioned above, over the past few years, the Group has marketed and sold some of its properties in Mainland China, as at 30th June, 2009, the Group has a total of 26.8 million square feet of land bank in Mainland China namely Shanghai, Chongqing, Chengdu, Guangzhou, Xiamen, Fuzhou and Zhangzhou. Of the total land bank in Mainland China, 26.2 million square feet are development land bank and the remaining are completed properties for investment and for sale purposes. Approximately 89% of the development land bank in Mainland China are residential developments, the remaining are commercial developments. The Group continues to seek for good business opportunities in cities with good economic fundamentals that can bring good value to shareholders.

In the coming financial year ending 30th June, 2010, the Group expects to complete a commercial development with total gross floor area of 499,158 square feet comprising office and retail spaces in Fuzhou, the capital of Fujian Province. The city of Fuzhou is famous for its seaport and it is an important place of Chinese modern navy and the shipbuilding industry. With improvement in cross-strait relations between Central Government and Taiwan, the city is expected to set for further growth. Located in the business centre of the city and the project is named Sino International Plaza, it will be used for investment purpose and will further enhance the rental income of the Group.

The Group has a number of residential projects in the pipeline and will be launched for sales and completed in the next few years, namely Mandarin Garden, Regency Park and Central Park in Xiamen, Fujian Province. Projects in Chengdu, Chongqing and Zhangzhou city in Fujian Province are in process and expected to be completed in phases. The Group expects more contributions from projects in Mainland China in the next few years.

The Group's commitment to building quality properties and providing after-sales professional property management services have been the key factors in achieving customer satisfaction and we are committed to doing the same for projects in Mainland China.

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

FINANCE

As at 30th June, 2009, the Group's gearing was 16.5%, expressed as a percentage of bank and other borrowings net of cash and bank balances over shareholders' equity. The decrease in gearing compared with that as at 31st December, 2008 and 30th June, 2008 was mainly due to the cash receipts from the sales proceeds in relation to The Palazzo, The Dynasty and part of the total sales proceeds of the sales of residential units in Lake Silver. Of the total borrowings, 43.9% was repayable within one year, 20.7% repayable between one and two years and 35.4% repayable between two and five years. The Group's borrowings are subject to floating interest rates. The Group, including the attributable share of its associates, had cash resources of approximately HK\$14,395.7 million, comprising cash on hand of approximately HK\$8,587.3 million together with committed undrawn facilities of approximately HK\$5,808.4 million. All the cash on hand are deposited with banks of high credit ratings. Total assets and shareholders' funds of the Group were HK\$89,174.0 million and HK\$60,001.9 million respectively.

There was no material change in foreign currency borrowings and the capital structure of the Group for the financial year 2008/2009. Foreign exchange exposure has been prudently kept at a minimal level. The Group has maintained a prudent and sound financial management policy and has not entered into any transaction relating to derivatives and/or any other form of accumulators, swap transactions and options.

CORPORATE GOVERNANCE

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

CUSTOMER SERVICE

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

Delivering high-quality customer service has long been one of the Group's key business objectives. During the financial year 2008/2009, the Group's Sino Property Services received a number of awards from the HKSAR Government and other respected organisations in

recognition of its quality of service, management capability, contributions to the community and charitable services, and the promotion of environmental protection. The Group will continue to make improvements in its quality of service so as to ensure customer satisfaction and brand enhancement.

CORPORATE SOCIAL RESPONSIBILITY

As a committed corporate citizen, over the years the Group has been actively involved in a range of community programmes, voluntary services, green initiatives, art and cultural events, and staff team-building activities.

Community Care

The Group serves the community with an emphasis on helping the underprivileged. Launched in January 2009, the “Eye-opening Journey” programme took about 500 underprivileged children on a series of life-enriching hands-on activities. These included soccer training with professional soccer players, a community art event, a drama workshop, a “giant brain challenge” game day and an outreach camp. The events expanded participants’ horizons and helped develop their potential and build team spirit.

The Group is a longstanding supporter of the Hong Kong Community Chest, Oxfam, St. Christopher Home, Salvation Army, Hong Kong Christian Service and Hong Chi Association. Among the charitable activities the Group has sponsored and participated in are the Community Chest’s “Sports Corporate Challenge”, “Hong Chi Climbathon”, “Sowers Action Challenging 12 Hours Charity Marathon”, “Sino Team Challenge 36” and the “Oxfam Trailwalker”.

The Group also spreads a message of love and care to those in need through its keen “Sino Caring Friends” volunteer team, which donated over 40,000 hours of service to the community in 2008. In the past year, the team collaborated closely with various charity organisations, including Hope Worldwide and Hong Kong Family Welfare Society, to organise birthday parties and art workshops for the underprivileged. To celebrate the Dragon Boat Festival, the team joined elderly members of Hong Kong Society for the Aged to make 400 rice dumplings and distribute them to the society’s elderly centres and those living alone.

Recognising its efforts in the community, the Group was awarded the 5 Years Plus Caring Company Logo by the Hong Kong Council of Social Service in 2008/09.

Environmental Protection

The Group has made substantial efforts by putting considerable resources into making its properties greener through well-thought-out architectural planning, energy saving and

management initiatives. The Group is one of the first corporations to become the 'Carbon Audit Green Partners' who committed to conduct or assist in conducting carbon audits on their buildings and to initiate carbon reduction programmes in the coming 2 years according to the 'Carbon Reduction Charter', launched by the Environment Bureau in July 2008.

Following the pioneering launch of the Vertical Garden concept in Vision City/Citywalk, the Group further implemented this feature across its new projects, including Exchange Tower and The Palazzo, to offer its residents and tenants greener and better quality living and working environments. In 2008 the Group received three gold awards and three merit awards in the Leisure and Cultural Services Department's "Best Landscape Award 2008". Among other accolades, Vision City and Mount Beacon won the Gold Award in the Soft Landscape Design Award.

The Group's fully integrated property management service provider, Sino Property Services (SPS) comprising Sino Estates Management Limited (SEML), Sino Security Services Limited (SSSL), Best Result Cleaning Services Limited (BRCSL) and Sino Parking Services Limited (SPSL), recognises its role in promoting environmental protection. On the property management side, environmental protection initiatives can be divided into several categories, namely treatment of used materials or waste; reduction of wastage; reduction of greenhouse gases (GHGs) or carbon footprint; conservation of nature; landscaping and promoting healthy lifestyles. SPS is committed to building a sustainable environment in Hong Kong.

During the financial year 2008/2009, SEML received a number of awards for service, energy saving, environmental protection and quality management from various sources, including government departments, professional organisations and community bodies.

SEML understands the importance of saving energy to protect the environment and reduce costs for customers. Considerable efforts have been made in four main areas, namely lighting, electrical appliances and equipment, air conditioning and lifts and escalators. As of 31st July, 2009, 87 projects under the management of SEML have received The Hong Kong Energy Efficiency Registration Scheme for Buildings Registration Certificates granted by the Electrical and Mechanical Services Department of the HKSAR Government.

In March 2009, 45 projects to which SEML provides property management services received 30 'Wastewi\$e Labels', 10 'Energywi\$e Labels' and five 'Indoor Air Quality Labels' in the Hong Kong Awards for Environmental Excellence 2008. Skyline Tower also clinched the Bronze Award in the Sectoral Awards – Property Management category.

Further to the above awards, SEML received a number of certificates for the residential projects that it manages in the Competition on Source Separation of Domestic Waste 2008/2009 organised by the Environmental Protection Department of HKSAR Government.

SEML has also collaborated with organisations such as the Environmental Protection Department of the HKSAR Government, WWF Hong Kong, Greeners Action, Polar Museum Foundation and Friends of the Earth to organise and support events and activities to raise public

awareness and educate people how to protect our environment, and encourage the concept of healthy living.

Under the Sino Green Academy launched in 2008, more than 100 property management staff members have been appointed as Sino Green Ambassadors after completing intensive environmental training courses conducted by the Environmental Protection Department and the Electrical and Mechanical Services Department. The Green Ambassadors shoulder the responsibility of promoting green management techniques and raising environmental awareness throughout 180 Sino projects.

The Group is enthusiastic in promoting green lifestyles to the younger generation. For three consecutive years the Group has sponsored over 25,000 primary and secondary school students to join the “A Day at Organic Farm” programme, where they visit the organic farm to experience farming and learn about the production of organic food. Earlier in 2009, the Group also organised the “Greenovation Challenge” competition to encourage the public to recycle waste into innovative home items. The competition received an overwhelming response of over 600 entries and was enthusiastically supported by local designers and artists.

Arts and Culture

Believing that art and culture enhance the quality of life and create a more harmonious society, the Group launched the “Art in Hong Kong” programme in 2006 to provide opportunities for local artists to display and promote their work, bring art to people’s daily lives and enhance public appreciation of the arts.

The Group has transformed its properties into public galleries, including the lobbies of Central Plaza and China Hong Kong City, and OC Gallery in Olympian City. Apart from providing free venues, Sino Group’s “Art in Hong Kong” programme offers professional assistance that spans curatorial support, publicity, exhibition design and artwork installation. The Group also shares its marketing expertise to help promote exhibitions through its extensive network.

Art education is also key to Sino Group’s “Art in Hong Kong” programme, which has organised a wide range of educational activities including workshops, talks and guided tours to further engage visitors and enhance their understanding of art.

Stepping into its third year, Sino Group’s “Art in Hong Kong” has presented more than 80 exhibitions and art events featuring a wide variety of art disciplines including painting, installation, sculpture, photography and papercutting. Notable events include the “Rising Stars Arts Festival”, a collaboration with the Japan Hayashibara Foundation to bring artists with disabilities from Asia together, and Circle Painting Project, a large scale community art event, in which 700 underprivileged kids and members of the public were invited to join American artist Hiep Nguyen to create a gigantic painting expressing the circle theme.

Apart from initiating exhibitions, “Art in Hong Kong” also sponsors major art events in Hong Kong. For three consecutive years, it has been the Chief Sponsor of the annual “Fotanian Artists Open Studio Programme”, which welcomes the public to a behind-the-scenes glimpse of the workspaces of over 180 artists. The Group is also a keen sponsor of memorable performances by international artists and arts groups such as Wenyu Shen and Hong Kong Children's Symphony Orchestra, Hong Kong Arts Festival, Accapella Festival 2009, and Chamber Music Festival 2009. The Group also supports the graduation exhibitions of fine art and design students from various local universities. In addition, we provide rental sponsorships to house the Asia Art Archive and Opera Hong Kong.

In 2008, in recognition of its contribution to the development of local arts, Sino Group’s “Art in Hong Kong” programme received the annual “Award for Arts Sponsorship” for the second consecutive year, and the “Award for Arts Promotion” for the first time, from the Hong Kong Arts Development Council.

Staff Engagement

Apart from providing professional development and personal growth opportunities to realise the potential of staff, the Group cares for the well-being of its people and encourages team spirit by organising various competitive and sports events including the “International Stanley Dragon Boat Championships”, “Sino Team Challenge 36”, “Green Power Hike” and “MTR Hong Kong Race Walking”.

PROSPECTS

The global economic downturn triggered by credit issues in the global financial sector has shown signs of bottoming out as economic indicators have revealed a stabilising trend after months of coordinated economic regeneration efforts by respective governments. Positive indications include improving credit flows and liquidity as well as an easing in unemployment growth. As a result, consumers are regaining confidence.

Despite concerns over the pace of recovery, a number of governments of the leading countries have reaffirmed their commitment to introducing more measures, if necessary, to curb any economic relapse. This determination has conveyed a strong signal to markets that the situation is stabilising. Governments and other stakeholders have learned invaluable lessons from the global financial turmoil and are reviewing economic infrastructures and finding ways to improve financial systems and regulatory frameworks. Priorities include establishing better institutional monitoring and corporate governance with the aim of improving future productivity and efficiency and building resilience against unexpected shocks.

China, one of the world’s largest economies, continues to grow. The Central Government’s stimulus programme includes the acceleration of certain key infrastructure developments, and the introduction of fiscal and monetary measures as well as further developing closer economic

cooperation between Mainland China and Hong Kong. Among the objectives are encouraging consumer spending, sustaining property sector and strengthening equity markets. China's ever closer ties with Hong Kong coupled with existing and future infrastructure networks, as well as the city's geographical advantage, will offer abundant opportunities for Hong Kong. Easier bilateral flow of goods, services and people across the border will further benefit Hong Kong's economic growth. Ongoing economic support by the Central Government will also invigorate Hong Kong in the international business and economic arena. Further, the improved political relationship between Central Government and Taiwan, the Three Links (postal, transportation and trade) between Mainland China and Taiwan and the increase in cross-strait investments involving Taiwan-based companies establishing their businesses in Mainland China will also be positive to Hong Kong's future growth, as stability across the Straits will benefit Hong Kong.

In Hong Kong, the various rounds of relief measures introduced by the HKSAR Government are reviving the economy and proving conducive to weathering difficult times. Among the proposed and confirmed infrastructure developments that will encourage a more stable and consistent economic environment are the Hong Kong-Zhuhai-Macao Bridge and the Guangzhou-Shenzhen-Hong Kong Express Rail Link, redevelopment and revitalisation programmes planned for various districts, the restoration of heritage buildings and tourist attractions, and a commitment to uphold the existing land and housing policy. As far as the banking system is concerned, it is reassuring to see that it remains healthy and well capitalised. Financial intermediaries are important to maintain a stable financial system that allows capital to be efficiently channelled to investment and production. Recent economic statistics reveal that the economic downturn has slowed with unemployment easing as well as improved market sentiment and confidence.

Demand for quality housing and better standards of living remains strong in Hong Kong. Home buying activity has been supported by liquidity in the banking sector with banks offering attractive and competitive mortgage rates and terms to buyers. Marriage numbers remain at high levels and birth rates continue to rise. Property transactions have picked up, with buyers' interest returning as can be seen from the sales results of recent launches in the market. The property market in Hong Kong is experiencing a healthy growth.

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

STAFF AND MANAGEMENT

Mr. Raymond Tong Kwok Tung, who served on the Board for 12 years, resigned from the Board effective 1st September, 2009. I would like to express my appreciation for his valuable contributions during his directorship with the Company.

On behalf of the Board, I 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, 9th September, 2009



Sino Land Company Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 83)

FINAL RESULTS

The audited results of the Group for the year ended 30th June, 2009 are as follows:

Consolidated Income Statement

	Notes	2009 HK\$	2008 HK\$
Turnover	2	9,692,696,496	6,251,058,498
Cost of sales		(3,417,931,581)	(1,680,212,255)
Direct expenses		(1,293,769,290)	(1,197,534,368)
Gross profit		4,980,995,625	3,373,311,875
Increase in fair value of investment properties		693,831,676	3,909,016,692
Other income		116,066,511	254,238,281
(Loss) gain arising from change in fair value of trading securities		(192,591,768)	71,164,433
(Loss) gain on disposal of available-for-sale investments		(25,097,108)	272,934,332
Impairment loss on available-for-sale investments		(190,000,000)	-
Administrative expenses		(724,242,272)	(684,749,129)
Finance income		226,201,947	338,555,965
Finance costs		(354,611,412)	(386,132,701)
Net finance costs		(128,409,465)	(47,576,736)
Share of results of associates	3	(31,476,405)	1,618,445,535
Profit before taxation	4	4,499,076,794	8,766,785,283
Income tax expense	5	(720,745,093)	(954,792,291)
Profit for the year		3,778,331,701	7,811,992,992
Attributable to :			
Equity holders of the Company		3,730,647,312	7,720,997,490
Minority interests		47,684,389	90,995,502
		3,778,331,701	7,811,992,992
Interim dividend at HK10 cents (2008 – HK10 cents) per share		481,103,219	485,741,070
Proposed final dividend at HK30 cents (2008 – HK30 cents) per share		1,447,322,861	1,449,941,031
Earnings per share – basic	6	77.06 cents	161.19 cents

Consolidated Balance Sheet
At 30th June, 2009

	<i>Notes</i>	2009 HK\$	2008 HK\$
Non-current assets			
Investment properties		37,557,672,042	32,869,587,643
Hotel property		866,755,233	940,436,535
Property, plant and equipment		86,233,059	88,853,812
Prepaid lease payments – non-current		425,296,321	461,706,289
Interests in associates		5,321,215,695	6,367,649,775
Available-for-sale investments		1,002,562,938	1,613,861,516
Advances to associates		11,649,449,516	10,467,082,995
Advances to investee companies		18,114,871	18,030,643
Long-term loans receivable		63,540,544	37,219,378
		<u>56,990,840,219</u>	<u>52,864,428,586</u>
Current assets			
Properties under development		18,521,080,429	25,239,750,206
Stocks of unsold properties		2,696,586,097	1,135,656,917
Hotel inventories		21,594,351	24,501,559
Prepaid lease payments – current		4,916,722	5,276,645
Trading securities		750,652,115	943,242,485
Amounts due from associates		430,971,757	933,660,729
Accounts and other receivables	7	1,480,773,677	929,132,621
Current portion of long-term loans receivable		3,936,331	3,082,818
Taxation recoverable		110,066,643	241,957,506
Restricted bank deposits		364,430,266	332,228,662
Time deposits, bank balances and cash		7,798,166,967	3,580,766,208
		<u>32,183,175,355</u>	<u>33,369,256,356</u>
Current liabilities			
Accounts and other payables	8	4,553,567,874	4,066,618,213
Amounts due to associates		505,399,107	1,420,298,993
Taxation payable		728,117,650	719,993,783
Current portion of long-term bank borrowings		189,564,460	364,384,245
Bank loans			
– secured		6,541,151,569	3,243,750,000
– unsecured		1,198,662,306	598,625,776
Financial guarantee contracts – current		7,579,573	6,509,932
		<u>13,724,042,539</u>	<u>10,420,180,942</u>
Net current assets		<u>18,459,132,816</u>	<u>22,949,075,414</u>
Total assets less current liabilities		<u>75,449,973,035</u>	<u>75,813,504,000</u>

Consolidated Balance Sheet – continued
At 30th June, 2009

	2009	2008
	HK\$	HK\$
Capital and reserves		
Share capital	4,839,469,538	4,878,702,770
Share premium and reserves	55,162,426,042	53,844,551,716
Equity attributable to equity holders of the Company	60,001,895,580	58,723,254,486
Minority interests	296,130,462	263,646,073
Total equity	60,298,026,042	58,986,900,559
Non-current liabilities		
Long-term bank borrowings		
– due after one year	10,114,137,928	11,990,917,855
Financial guarantee contracts		
– non-current	8,866,002	10,478,165
Deferred taxation	2,959,629,548	2,827,559,787
Advances from associates	2,067,188,354	1,990,863,531
Advances from minority shareholders	2,125,161	6,784,103
	15,151,946,993	16,826,603,441
	75,449,973,035	75,813,504,000

Notes:

1. Application of new and revised Hong Kong Financial Reporting Standards ("HKFRSs")

In the current year, the Company and its subsidiaries (the "Group") have applied, for the first time, the following new amendments and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are effective for the Group's financial year beginning on 1st July, 2008.

HKAS 39 & HKFRS 7 (Amendments)	Reclassification of Financial Assets
HK(IFRIC) – Int 9 & HKAS 39 (Amendments)	Embedded Derivatives
HK(IFRIC) – Int 12	Service Concession Arrangements
HK(IFRIC) – Int 13	Customer Loyalty Programmes
HK(IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

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

2. Segment information

Business segments

For the year ended 30th June, 2009

	Property HK\$	Investments in securities HK\$	Financing HK\$	Hotel HK\$	Property management and services HK\$	Elimination HK\$	Consolidated HK\$
Turnover							
Property rental	1,779,137,830	-	-	-	-	-	1,779,137,830
Property sales	6,807,547,855	-	-	-	-	-	6,807,547,855
Hotel operations	-	-	-	431,540,291	-	-	431,540,291
Management services	-	-	-	-	598,622,219	-	598,622,219
Dividend income from equity investments	-	73,080,908	-	-	-	-	73,080,908
Financing	-	-	2,767,393	-	-	-	2,767,393
	<u>8,586,685,685</u>	<u>73,080,908</u>	<u>2,767,393</u>	<u>431,540,291</u>	<u>598,622,219</u>	<u>-</u>	<u>9,692,696,496</u>
Inter-segment sales*	-	-	-	-	34,261,042	(34,261,042)	-
Segment revenue	8,586,685,685	73,080,908	2,767,393	431,540,291	632,883,261	(34,261,042)	9,692,696,496
Other income	41,004,423	14,386,062	155,229	541,001	54,995,882	-	111,082,597
	<u>8,627,690,108</u>	<u>87,466,970</u>	<u>2,922,622</u>	<u>432,081,292</u>	<u>687,879,143</u>	<u>(34,261,042)</u>	<u>9,803,779,093</u>
SEGMENT RESULT	<u>5,102,386,504</u>	<u>(320,329,129)</u>	<u>2,922,622</u>	<u>130,801,932</u>	<u>139,231,576</u>	<u>-</u>	<u>5,055,013,505</u>
Unallocated other income							4,983,914
Unallocated corporate expenses							(401,034,755)
Net finance costs							(128,409,465)
Share of results of associates	(73,146,630)	(831,883)	136,572	42,147,620	217,916	-	(31,476,405)
Profit before taxation							4,499,076,794
Income tax expense							(720,745,093)
Profit for the year							<u>3,778,331,701</u>

For the year ended 30th June, 2008

	Property HK\$	Investments in securities HK\$	Financing HK\$	Hotel HK\$	Property management and services HK\$	Elimination HK\$	Consolidated HK\$
Turnover							
Property rental	1,437,535,177	-	-	-	-	-	1,437,535,177
Property sales	3,629,280,758	-	-	-	-	-	3,629,280,758
Hotel operations	-	-	-	487,126,108	-	-	487,126,108
Management services	-	-	-	-	575,953,559	-	575,953,559
Dividend income from equity investments	-	112,901,595	-	-	-	-	112,901,595
Financing	-	-	8,261,301	-	-	-	8,261,301
	<u>5,066,815,935</u>	<u>112,901,595</u>	<u>8,261,301</u>	<u>487,126,108</u>	<u>575,953,559</u>	<u>-</u>	<u>6,251,058,498</u>
Inter-segment sales*	-	-	-	-	25,528,645	(25,528,645)	-
Segment revenue	5,066,815,935	112,901,595	8,261,301	487,126,108	601,482,204	(25,528,645)	6,251,058,498
Other income	40,283,835	106,276	2,089,121	2,659,997	31,617,275	-	76,756,504
	<u>5,107,099,770</u>	<u>113,007,871</u>	<u>10,350,422</u>	<u>489,786,105</u>	<u>633,099,479</u>	<u>(25,528,645)</u>	<u>6,327,815,002</u>
SEGMENT RESULT	<u>6,769,964,530</u>	<u>456,999,411</u>	<u>10,350,422</u>	<u>176,951,493</u>	<u>106,106,983</u>	<u>-</u>	<u>7,520,372,839</u>
Unallocated other income							177,481,777
Unallocated corporate expenses							(501,938,132)
Net finance costs							(47,576,736)
Share of results of associates	1,552,101,036	(4,819)	310,542	66,254,743	(215,967)	-	1,618,445,535
Profit before taxation							8,766,785,283
Income tax expense							(954,792,291)
Profit for the year							<u>7,811,992,992</u>

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

Geographical segments

Most of the activities of the Group are based in Hong Kong and more than 90% of the Group's turnover, profit before taxation, assets and liabilities are derived from activities in Hong Kong.

3. Share of results of associates

The Group's share of results of associates included the Group's share of a decrease in fair value of investment properties of the associates of HK\$415,179,334 (2008: *Group's share of an increase of HK\$1,141,843,694*) recognised in the income statements of the associates.

4. Profit before taxation

	2009 HK\$	2008 HK\$
Profit before taxation has been arrived at after charging:		
Release of prepaid lease payments	5,096,684	4,993,010
Cost of hotel inventories consumed	55,634,006	50,235,740
Cost of properties sold	3,412,004,920	1,676,327,042
Depreciation	37,130,536	34,063,710
Impairment loss recognised on receivables	142,866,351	3,767,191
Loss on disposal of property, plant and equipment	415,665	2,882,103
Loss on disposal of investment properties	<u>341,866</u>	<u>133,343</u>

5. Income tax expense

	2009 HK\$	2008 HK\$
The charge comprises:		
Taxation attributable to the Company and its subsidiaries		
Hong Kong Profits Tax		
Provision for the year calculated at 16.5% (2008: 16.5%)	543,492,572	383,690,926
Prior year tax reduction	-	(1,213,086)
Under(over)provision in previous years	<u>950,030</u>	<u>(1,262,275)</u>
	<u>544,442,602</u>	381,215,565
Taxation in other jurisdictions		
Provision for the year	30,600,859	37,316,971
Overprovision in previous years	<u>(1,637,809)</u>	<u>(229,896)</u>
	<u>573,405,652</u>	<u>418,302,640</u>
Deferred taxation		
Current year	147,339,441	660,967,047
Attributable to change in tax rate	-	(124,477,396)
	<u>147,339,441</u>	<u>536,489,651</u>
	<u>720,745,093</u>	<u>954,792,291</u>

Taxation in other jurisdictions is provided for in accordance with the respective local requirements.

6. Earnings per share - basic

The calculation of the basic earnings per share is based on the following data:

	2009 HK\$	2008 HK\$
Earnings for the purpose of basic earnings per share	<u>3,730,647,312</u>	<u>7,720,997,490</u>
	Number of shares	Number of shares
Weighted average number of ordinary shares for the purpose of basic earnings per share	<u>4,841,434,303</u>	<u>4,790,072,940</u>

7. Accounts and other receivables

At 30th June, 2009, included in accounts and other receivables are trade receivables of HK\$903,664,894 (2008: HK\$482,755,164). Trade receivables mainly comprise rental receivables which are billed in advance and settlements are expected upon receipts of billings and properties sales proceeds receivables.

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

	2009 HK\$	2008 HK\$
0-30 days	462,683,272	429,458,607
31-60 days	396,756,029	17,469,414
61-90 days	4,274,869	6,296,745
Over 90 days	39,950,724	29,530,398
	<u>903,664,894</u>	<u>482,755,164</u>

Trade receivables over 90 days amounting to HK\$39,950,724 (2008: HK\$29,530,398) are sufficiently covered by rental deposits received from the respective tenants and no allowance is required for these receivables under the Group's allowance policy.

8. Accounts and other payables

At 30th June, 2009, included in accounts and other payables are trade payables of HK\$106,833,637 (2008: HK\$560,367,720).

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

	2009 HK\$	2008 HK\$
0-30 days	72,371,006	202,549,442
31-60 days	9,351,768	20,169,066
61-90 days	5,490,893	1,952,953
Over 90 days	19,619,970	335,696,259
	<u>106,833,637</u>	<u>560,367,720</u>

9. Pledge of assets

- (a) At 30th June, 2009, the aggregate facilities of bank loans amounting to approximately HK\$18,995,755,000 (2008: HK\$20,233,413,000) were secured by certain of the Group's properties, restricted bank deposits and floating charges on bank balances amounting to a total of HK\$45,899,792,579 (2008: HK\$49,848,006,159). At that date, the facilities were utilised to the extent of approximately HK\$16,888,808,000 (2008: HK\$15,130,473,000).
- (b) At 30th June, 2009, investments in and advances to certain associates amounting to approximately HK\$5,862,035,000 (2008: HK\$6,164,802,000), in addition to certain assets pledged by the associates, were pledged to or assigned to secure loan facilities made available by banks or financial institutions to such associates. The Group's attributable portion of these facilities amounted to HK\$10,313,300,000 (2008: HK\$10,415,450,000), of which HK\$7,233,300,000 (2008: HK\$7,191,850,000) was utilised by the associates and guaranteed by the Company.

10. Commitments and contingent liabilities

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

	2009	2008
	HK\$	HK\$
(i) Commitments in respect of land premium payable	<u>-</u>	<u>835,100,000</u>
(ii) Guarantees in respect of banking facilities of:		
Associates		
- Utilised	7,233,300,000	7,191,850,000
- Unutilised	3,080,000,000	3,223,600,000
	<u>10,313,300,000</u>	<u>10,415,450,000</u>

As at 30th June, 2009, the Company issued corporate financial guarantees to banks in respect of banking facilities granted to associates. At the balance sheet date, an amount of HK\$16,445,575 (2008: HK\$16,988,097) has been recognised in the balance sheet as liabilities.

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

	2009	2008
	HK\$	HK\$
(i) Share of commitments in respect of land premium payable	<u>931,116,625</u>	<u>1,290,211,250</u>
(ii) Share of contingent liabilities arising from tax affairs of associates	<u>51,929,000</u>	<u>46,359,000</u>

11. Post balance sheet event

Subsequent to the year end, a wholly-owned subsidiary of the Group entered into a sale and purchase agreement to purchase a company, which holds a property in Wan Chai for investment purpose, at a consideration of approximately HK\$585,000,000. The transaction will be completed in October 2009.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 2nd November, 2009 to Thursday, 5th November, 2009, both dates inclusive, during which period no transfer of shares will be effected. The record date for the proposed final dividend is at the close of business on Thursday, 5th November, 2009.

In order to qualify for the proposed final 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 by not later than 4:30 p.m. on Friday, 30th October, 2009.

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

During the year, the Company repurchased 80,648,000 ordinary shares on The Stock Exchange of Hong Kong Limited at an aggregate consideration of HK\$695,069,297. The repurchases were effected by the Directors for the enhancement of shareholders' value. Details of the repurchases are as follows:

Month of the repurchases	Total number of the ordinary shares repurchased	Highest price paid per share <i>HK\$</i>	Lowest price paid per share <i>HK\$</i>	Aggregate consideration <i>HK\$</i>
July 2008	1,284,000	15.32	14.18	18,883,386
August 2008	800,000	14.42	14.02	11,386,945
September 2008	19,460,000	10.90	8.22	186,569,263
October 2008	23,778,000	8.65	5.00	160,474,189
November 2008	244,000	6.73	6.55	1,630,155
December 2008	4,344,000	8.10	7.59	34,499,241
January 2009	9,418,000	8.78	6.76	71,110,835
February 2009	7,616,000	7.24	6.29	51,618,966
March 2009	2,644,000	8.03	6.74	19,820,395
April 2009	938,000	8.96	8.79	8,385,430
June 2009	<u>10,122,000</u>	14.58	11.48	<u>130,690,492</u>
	<u>80,648,000</u>			<u>695,069,297</u>

Out of 80,648,000 shares repurchased, 79,016,000 shares were cancelled on delivery of the share certificates during the year while the remaining 1,632,000 shares repurchased on 29th and 30th June, 2009 were cancelled on delivery of the share certificates subsequent to the financial year. The nominal value of HK\$79,016,000 of all the shares cancelled during the year was credited to capital redemption reserve and the relevant aggregate consideration of HK\$673,755,737 was paid out from the Company's retained profits.

Apart from the above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the year.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has adopted its own Code on Corporate Governance Practices and during the year has complied with all 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 found that the current arrangement had worked effectively in enabling it to discharge its responsibilities satisfactorily. In addition, the three Independent Non-Executive Directors have contributed valuable independent views and proposals for the Board’s deliberation and decisions. The Board will review the management structure regularly to ensure it continues to meet these objectives and is in line with the industry practices.

REVIEW OF AUDITED FINANCIAL STATEMENTS

The audited consolidated financial statements of the Group for the year ended 30th June, 2009 have been reviewed by the audit committee of the Company.

2009 ANNUAL REPORT

The 2009 annual 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 Monday, 5th October, 2009.

By Order of the Board
Eric IP Sai Kwong
Secretary

Hong Kong, 9th September, 2009

As at the date hereof, the Executive Directors of the Company are Mr. Robert Ng Chee Siong, Mr. Yu Wai Wai, Mr. Thomas Tang Wing Yung, Mr. Daryl Ng Win Kong, Mr. Ringo Chan Wing Kwong and Mr. Sunny Yeung Kwong, 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 Dr. Fu Yuning.