



Hopewell Highway Infrastructure Limited

合和公路基建有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 737)

FINAL RESULTS FOR THE YEAR ENDED 30TH JUNE, 2005

CHAIRMAN'S STATEMENT

I am pleased to report that Hopewell Highway Infrastructure Limited continued to deliver a strong and solid financial and operational performance for the year ended 30th June, 2005, with net profit rising to HK\$901 million, a 23% increase over the last financial year's HK\$735 million. Basic earnings per share increased to HK31.24 cents, a 19% rise over the last year's HK26.15 cents per share.

The impressive results were driven by the continued rapid economic growth in the Pearl River Delta Region ("PRD") which resulted in a 25% growth in the aggregate average daily traffic flow of the Group's three expressways, the Guangzhou-Shenzhen Superhighway ("GS Superhighway"), the Guangzhou East-South-West Ring Road ("ESW Ring Road") and the Phase I of the Western Delta Route ("Phase I West"), and also a 22% increase in the total toll revenue as compared to that of the last financial year.

The Board of Directors has recommended a final dividend of HK12.75 cents per share. Together with the interim dividend of HK10.25 cents per share, the dividend for the full year will be HK23 cents per share, a 2.2% increase as compared to HK22.5 cents for the last financial year.

The registers of members and warrant holders of the Company will be closed from Wednesday, 12th October, 2005 to Wednesday, 19th October, 2005, both days inclusive, during which no transfer of shares and no transfer or exercise of warrants will be effected. Subject to approval of the shareholders at the annual general meeting to be held on 19th October, 2005, the final dividend will be paid on or about 20th October, 2005 to shareholders as registered at the close of business on 19th October, 2005.

Financial Status

The Group's financial position has been sound and solid during the financial year ended 30th June, 2005. Driven by the robust growth in the three expressways, the Group's core earnings, defined as net profit excluding interest income from shareholder's loan and income from debt securities investments, increased to HK\$856 million, up by 24% over the last year's HK\$693 million.

<u>Financial year</u>	<u>2004</u>	<u>2005</u>	<u>Growth rate</u>
GS Superhighway			
Average Daily Traffic (No. of vehicles '000)	189	229	21%
Average Daily Toll Revenue (RMB'000)	6,901	8,134	18%
ESW Ring Road			
Average Daily Traffic (No. of vehicles '000)	48	63	32%
Average Daily Toll Revenue (RMB'000)	748	975	30%
Phase I West			
Average Daily Traffic (No. of vehicles '000)	11	18	59%
Average Daily Toll Revenue (RMB'000)	166	273	64%

The Group's balance sheet remains very strong. Net current assets reached HK\$2,497 million as at 30th June, 2005, a 71% increase over the HK\$1,464 million as at the last financial year end. Net gearing (total debt less bank balances and cash, pledged bank deposits and debt securities investments to total equity) for the financial year 2005 reduced to 30%, as compared to last financial year's 36%. Operating cashflow increased to HK\$1,320 million, a 5% rise over last year. The extension of the bank loan maturities for the ESW Ring Road and the GS Superhighway by approximately an average of 3.5 years subsequent to the respective refinancing in June and August 2005 has further improved the Group's liquidity position. Such a favourable financial status together with the fully underwritten commitment obtained by the Group in August 2005 for a 5-year HK\$3.6 billion unsecured syndicated bank revolving credit and term loan facilities will definitely strengthen the Group's funding capabilities.

Business Review and Outlook

The Group realizes the importance of value enhancement to its future success. In the past financial year, it placed great emphasis on improving the quality of services and standards of its expressways. Toll collection systems of the three expressways were upgraded to allow for non-stop toll payment. For the GS Superhighway, some improvement, expansion and reconstruction works at certain interchanges were completed to increase the traffic throughput. The feasibility study of widening the GS Superhighway from the current total 6 lanes to 10 lanes is still underway.

Although 7.5% PRC income tax has been charged for the first time on the profit derived from the GS Superhighway joint venture company since 1st January, 2005 after the expiry of a five-year full exemption, I am glad to see its net profit still had a 16% increase over that of the last financial year.

The first full year performance of the Phase I West, following the commencement of its operations on 30th April, 2004, was impressive and recorded profit. The Phase I West is the only expressway linking up the two cities with rapid economic growth – Guangzhou and Shunde. Its long term significance will continue to be enhanced by the further economic growth of these cities.

Looking ahead, I am very optimistic towards the continuous economic growth in the PRD brought by the Closer Economic Partnership Arrangements and the Pan-PRD programmes. Growth of new car registrations in Guangdong Province will continue to be strong. I believe that the Group's performance will benefit from the continuously increasing traffic flow on the Group's expressways.

The Group will continue its strategic focus on the PRD and commitment to complete an expressway network in the PRD. The Phase II of the Western Delta Route ("Phase II West") and the Phase III of the Western Delta Route ("Phase III West") once completed, together with the Group's operating expressways, will establish an arterial expressway system directly connecting Hong Kong, Shenzhen, Dongguan, Guangzhou, Nanhai, Shunde, Zhongshan and Zhuhai, creating a strategic route in that area. Construction of the Phase II West is expected to commence by end of 2005, subject to finalisation of necessary approvals. In addition, negotiation of the terms of co-operation of the Phase III West with the PRC partner is close to finalisation.

I continue to view the proposed Hong Kong-Zhuhai-Macau Bridge project as strategically vital to the economic integration of the major cities of the PRD, Hong Kong and Macau and also as an enhancement to a complete expressway network in the region. I strongly believe that the Group is well positioned to participate in this project.

Change of Directors

I would like to take this opportunity to welcome Mr. Barry Chung Tat MOK to join the Board as Executive Director on 15th August, 2005. On the other hand, I would also thank Mr. Christopher Shih Ming IP, who resigned from the Board in January 2005, for his valuable contribution during his service.

Appreciation

Finally, I would like to express my sincere thanks and appreciation to my fellow directors, senior management team, and all staff for their commitment, dedication and hard work during the past year. My gratitude also extends to all our shareholders, financiers and business partners for their unfailing support and confidence in the Group which has contributed significantly towards the Group's success.

Sir Gordon Ying Sheung WU GBS, KCMG, FICE
Chairman

Hong Kong, 1st September, 2005

FINANCIAL REVIEW

Group Results

For the financial year ended 30th June, 2005, the toll revenue of the Group increased by 22% to HK\$1,514 million from HK\$1,245 million of the last financial year, mainly due to the rise in traffic flow of the Group's expressways in the People's Republic of China (the "PRC"). Of the total toll revenue, the Guangzhou-Shenzhen Superhighway ("GS Superhighway") contributed 88% or HK\$1,327 million, the Guangzhou East-South-West Ring Road ("ESW Ring Road") contributed 9% or HK\$143 million and the Phase I of the Western Delta Route ("Phase I West") contributed 3% or HK\$44 million. The growth in toll revenue by HK\$269 million, of which, the GS Superhighway contributed HK\$197 million, the ESW Ring Road contributed HK\$33 million and the Phase I West contributed HK\$39 million.

The Group's proportionately shared toll revenue is set out as follows:

	Year ended 30th June	
	2004	2005
	<i>HK\$' million</i>	<i>HK\$' million</i>
GS Superhighway	1,130	1,327
ESW Ring Road	110	143
Phase I West	5	44
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	1,245	1,514
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Total expenses for the year ended 30th June, 2005, including toll operation expenses, depreciation and amortisation charges and general and administrative expenses increased 10% from HK\$411 million of the last financial year to HK\$451 million, mainly due to an increase in depreciation and amortisation charges. Since, under the Group's accounting policies, depreciation and amortisation charges of toll roads and additional investment costs are calculated based on the ratio of actual traffic volume in the year concerned compared to the total expected traffic volume over the remaining concession period of the respective jointly controlled entity. Depreciation and amortisation charges increased HK\$42 million in this financial year due to the stronger than expected growth of traffic flow.

The Group's earnings before interest and tax increased 28% from HK\$923 million to HK\$1,183 million for the year ended 30th June, 2005 and net profit increased 23% from HK\$735 million to HK\$901 million correspondingly, mainly due to the robust growth in toll revenue.

Although 7.5% PRC income tax has been charged for the first time on the profit derived from the Guangzhou-Shenzhen-Zhuhai Superhighway Company Limited ("GS Superhighway JV") since 1st January, 2005 after the expiry of a five-year full exemption, its net profit still had a 16% increase over that of the last financial year.

Liquidity and Financial Resources

As a result of stable cash flow generated from its assets, the Group's gearing ratio (net debt to equity) was further improved to 30% as at 30th June, 2005 (2004: 36%). The Group's total debt to total assets ratio was stable at 36% (2004: 37%) and the gearing structure is set out below:

	As at 30th June	
	2004	2005
	HK\$' million	HK\$' million
Total Debt	5,789	5,587
Net Debt (<i>Note</i>)	3,325	2,791
Total Assets	15,408	15,500
Equity	9,180	9,453
Total Debt/Total Assets	37%	36%
Net Debt/Equity	36%	30%

Note: Net debt is defined as total debt less bank balances and cash together with pledged bank deposits and debt securities investments.

As at 30th June, 2005, bank and other borrowings of the jointly controlled entities proportionately shared by the Group amounted to HK\$4,796 million (2004: HK\$4,951 million), with the following profile:

- (a) 98% was bank loans (2004: 98%) and 2% was other loans (2004: 2%); and
- (b) 72% was denominated in US dollars (2004: 72%) and 28% was denominated in Renminbi (2004: 28%).

The net current assets of the Group increased 71% from HK\$1,464 million as at 30th June, 2004 to HK\$2,497 million as at 30th June, 2005.

Debt Maturity Profile

The maturity profile of bank and other borrowings of the jointly controlled entities proportionately shared by the Group as at 30th June, 2005 as compared to that at 30th June, 2004 is shown as follows:

	As at 30th June	
	2004	2005
Repayable within 1 year	3%	4%
Repayable between 1 to 5 years	32%	36%
Repayable beyond 5 years	65%	60%

The Group has no unconsolidated bank borrowings both at 30th June, 2005 and 2004. Bank borrowings of the jointly controlled entities carry floating interest rates.

The extension of the bank loan maturities for the ESW Ring Road and the GS Superhighway by approximately an average of 3.5 years subsequent to the respective refinancing in June and August 2005 has further improved the Group's liquidity position. In addition, the Group obtained a fully underwritten commitment in August 2005 for a 5-year HK\$3.6 billion unsecured syndicated bank revolving credit and term loan facilities. These will definitely strengthen the Group's funding capabilities.

Interest Rate and Exchange Rate Exposures

There have been no significant changes in the Group's policy in terms of interest rate and exchange rate exposures. Neither the Group nor the jointly controlled entities have any financial derivative instruments to hedge the interest rate or foreign currency exchange rate exposures as the Hong Kong Dollar is pegged to US Dollar, and the exchange rate between Renminbi and Hong Kong Dollar is relatively stable during the year. Business operations of the Group and its jointly controlled entities are mainly denominated in these three currencies.

Treasury Policies

The Group continues to adopt prudent treasury policies in financial and funding management. Its liquidity and financial resources are reviewed on a regular basis to minimise the cost of funding and enhance the return on financial assets. Cash is generally placed in short-term deposits denominated in US Dollar and Hong Kong Dollar as well as overseas listed held-to-maturity debt securities.

Charges on Assets

As at 30th June, 2005, certain assets of the jointly controlled entities of the Group have been pledged to banks with a total net book value of approximately HK\$7,519 million (2004: HK\$7,647 million) to secure general banking facilities granted to the jointly controlled entities. The net book value of these assets are analysed as follows:

	As at 30th June	
	2004 <i>HK\$' million</i>	2005 <i>HK\$' million</i>
Toll roads	7,179	6,989
Prepaid lease payments	87	84
Bank deposits	319	334
Other assets	62	112
	<u>7,647</u>	<u>7,519</u>

In addition, the toll collection right of the GS Superhighway JV has been pledged to banks to secure its general banking facilities granted. The 90% (2004: 100%) and 65% (2004: 65%) of the toll collection rights of the Guangzhou E-S-W Ring Road Company Limited ("Ring Road JV") and the Guangdong Guangzhou-Zhuhai West Superhighway Company Limited ("West Route JV") respectively have been pledged to banks to secure general banking facilities granted to the respective jointly controlled entities.

Capital Commitments

As at 30th June, 2005, the Group had agreed, subject to the approvals of the relevant authorities, to make capital contribution to the West Route JV for development of the Phase II of the Western Delta Route amounting to approximately HK\$805 million which is expected to be spent over the next three calendar years (2004: Nil). In addition, the GS Superhighway JV and the Ring Road JV had outstanding commitments in respect of acquisition of property and equipment contracted but not provided for amounting to approximately HK\$4 million (2004: HK\$23 million).

Contingent Liabilities

As at 30th June, 2005, there was no material change in contingent liabilities of the Group since the last financial year.

Material Acquisition or Disposal

During the year ended 30th June, 2005, there was neither material acquisition nor disposal of the Company's subsidiaries and associates.

OTHER DISCLOSURES

Number of Ordinary Shares

As of 30th June, 2005, the number of ordinary shares was 2,888,382,761 and if all outstanding warrants and share options, totally 83,950,875 shares, were to be exercised, the number of ordinary shares would be increased to 2,972,333,636 shares.

Purchase, Sale or Redemption of Securities

During the year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of its listed securities.

Review of Final Results

The audited financial statements of the Group for the year ended 30th June, 2005 have been reviewed by the Audit Committee of the Company.

Code of Best Practice and Model Code

The Company has complied with the Code of Best Practice set out in the then Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange ("the Listing Rules") throughout the year ended 30th June, 2005.

The Code of Best Practice was replaced by the Code on Corporate Governance Practices (the "Code of CG Practices") which is applicable to the Company for the financial year commencing 1st July, 2005. The Company has proceeded to take measures to comply with the Code of CG Practices.

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors (“the Code”). Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard set out in the Code for the year under review.

CONSOLIDATED INCOME STATEMENT

For the year ended 30th June, 2005

	Notes	2004 HK\$'000	2005 HK\$'000
Turnover	4	1,244,950	1,514,408
Other operating income	5	89,188	119,662
Toll operation expenses		(109,158)	(98,336)
Depreciation and amortisation charges		(229,317)	(271,679)
General and administrative expenses		(72,658)	(80,960)
Profit from operations	6	923,005	1,183,095
Finance costs	7	(150,797)	(200,931)
Profit before tax		772,208	982,164
Income tax expense	8	(22,071)	(63,420)
Profit after tax		750,137	918,744
Minority interests		(15,362)	(17,827)
Profit for the year		734,775	900,917
Dividends	9	648,131	664,317
		<i>HK cents</i>	<i>HK cents</i>
Earnings per share	10		
– Basic		26.15	31.24
– Diluted		26.11	31.03

CONSOLIDATED BALANCE SHEET

At 30th June, 2005

	2004 HK\$'000	2005 HK\$'000
ASSETS		
Non-current Assets		
Property and equipment	9,544,711	9,360,085
Additional investment cost in jointly controlled entities	1,860,952	1,815,123
Investment in toll road project under development	37,889	46,315
Prepaid lease payments	129,038	124,193
Loans to jointly controlled entities	1,219,486	1,201,151
Investments in securities – mature over one year	711,398	–
	<u>13,503,474</u>	<u>12,546,867</u>
Current Assets		
Inventories	2,269	1,762
Other receivables, deposits and prepayments	82,666	70,850
Interest receivable from a joint venture partner	63,001	79,655
Prepaid lease payments	4,450	4,435
Investments in securities – mature within one year	1,046,195	737,591
Pledged bank deposits	319,211	333,534
Bank balances and cash	386,645	1,725,461
	<u>1,904,437</u>	<u>2,953,288</u>
Total Assets	<u><u>15,407,911</u></u>	<u><u>15,500,155</u></u>
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	288,059	288,838
Reserves	8,891,708	9,163,795
	<u>9,179,767</u>	<u>9,452,633</u>
Minority Interests	<u>32,239</u>	<u>33,109</u>

Non-current Liabilities		
Bank and other loans – due after one year	4,779,806	4,600,399
Loans from joint venture partners to jointly controlled entities	837,512	790,986
Deferred tax liabilities	138,289	166,890
	<u>5,755,607</u>	<u>5,558,275</u>
Current Liabilities		
Other payables, accruals and deposits received	188,673	140,492
Bank and other loans – due within one year	171,294	196,069
Interest payable to a jointly controlled entity	77,364	97,651
Other interest payable	2,967	4,304
Tax liabilities	–	17,622
	<u>440,298</u>	<u>456,138</u>
Total Liabilities	<u>6,195,905</u>	<u>6,014,413</u>
Total Equity and Liabilities	<u><u>15,407,911</u></u>	<u><u>15,500,155</u></u>

Notes:

1. CORPORATE REORGANISATION AND BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Company was incorporated on 14th January, 2003 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The Company's ultimate holding company is Hopewell Holdings Limited, a public limited liability company incorporated in Hong Kong whose shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Company is an investment holding company.

Pursuant to a group reorganisation to rationalise the structure of the Company and its subsidiaries (hereinafter collectively referred to as the "Group") in preparation for the listing of the Company's shares on the Stock Exchange, the Company became the holding company of the Group on 30th June, 2003.

On 23rd July, 2003, 2,156,879,750 shares of HK\$0.1 each were allotted and issued, credited as fully paid at par, on capitalisation of the sum of HK\$4,500 million due to the immediate holding company of the Company.

On 5th August, 2003, 720,000,000 new shares of the Company of HK\$0.1 each were issued at HK\$4.18 per share for cash through an initial public offering by way of placing and public offer.

The shares of the Company have been listed on the Stock Exchange with effect from 6th August, 2003.

The measurement currency of the operations of the Group's jointly controlled entities and a subsidiary is Renminbi ("RMB"). However, the financial statements of the Group are presented in Hong Kong dollars as the directors consider this presentation is more useful for its current and potential investors.

2. POTENTIAL IMPACT ARISING FROM THE RECENTLY ISSUED ACCOUNTING STANDARDS

The International Accounting Standards Board (“IASB”) issued a number of new or revised International Accounting Standards (“IASs”), International Financial Reporting Standards (“IFRSs”) and Interpretations (herein collectively referred to as “new IFRSs”) which are not yet effective for the preparation of the financial statements for the year ended 30th June, 2005. The Group has not early adopted these new IFRSs in the financial statements for the year ended 30th June, 2005. The Group has commenced considering the potential impact of these new IFRSs but is not yet in a position to determine whether these new IFRSs would have any significant impact on how its results of operations and financial position are prepared and presented.

In 2004, IASB issued IFRS 2 “Share-based Payment”, which requires an expense to be recognised where the Group buys goods or obtains services in exchange for shares or rights over shares (“equity-settled transactions”), or in exchange for other assets equivalent in value to a given number of shares or rights over shares (“cash-settled transactions”). The principal impact of IFRS 2 on the Group is in relation to the expensing of directors’ and employee’s share options of the Company. Currently, the Group does not expense the share options issued by the Company.

The Group intends to take advantage of the transitional provisions set out in IFRS 2. In relation to share options granted on or before 7th November, 2002 and share options granted after 7th November, 2002 and vested before effective date of IFRS 2, the Group does not intend to recognise and expense those share options.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with International Financial Reporting Standards.

4. TURNOVER AND SEGMENT INFORMATION

Turnover represents the Group’s proportionate share of the jointly controlled entities’ toll fee income received and receivable from the operations of toll roads, net of business tax.

The Group has only one business segment, namely the development, operation and management of toll roads in the People’s Republic of China (the “PRC”) through its jointly controlled entities established in the PRC.

No geographical segment analysis is presented as management considers that the Group has only one single geographical segment.

5. OTHER OPERATING INCOME

	2004 <i>HK\$’000</i>	2005 <i>HK\$’000</i>
Interest income from:		
A jointly controlled entity	18,688	20,272
A joint venture partner	17,166	16,683
Bank deposits	8,837	26,507
Held-to-maturity debt securities (after netting off of amortisation of premium on acquisition of held-to-maturity debt securities of approximately HK\$40,826,000 (2004: HK\$48,087,000))	23,172	24,494
Rental income	7,446	20,734
Reimbursement of operating expenses from jointly controlled entities	4,400	4,400
Other income	9,479	6,572
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	89,188	119,662
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6. PROFIT FROM OPERATIONS

	2004 <i>HK\$'000</i>	2005 <i>HK\$'000</i>
Profit from operations has been arrived at after charging (crediting):		
Auditors' remuneration		
Current year	1,009	1,004
Under (over) provision in prior year	9	(145)
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Exchange losses, net	1,018	859
Staff costs (excluding directors)	3,183	6,299
Amortisation of:		
Additional investment cost in jointly controlled entities	39,306	45,829
Prepaid lease payments	–	4,435
Depreciation of:		
Toll roads	185,336	215,598
Other property and equipment	4,675	5,817
Loss (gain) on disposal/write-off of property and equipment	7	(80)
Loss on disposal of held-to-maturity debt securities	–	751
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7. FINANCE COSTS

	2004 <i>HK\$'000</i>	2005 <i>HK\$'000</i>
Interest on:		
Bank loans	125,104	174,965
Loan from a jointly controlled entity	20,681	20,877
Loan from a joint venture partner	298	296
Other loan wholly repayable within five years	4,677	4,793
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Other financial expenses	150,760	200,931
	37	–
	<hr/>	<hr/>
Total borrowing costs	150,797	200,931
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8. INCOME TAX EXPENSE

	2004 <i>HK\$'000</i>	2005 <i>HK\$'000</i>
The tax charge (credit) comprises:		
PRC income tax	237	34,819
Overprovision of income tax in prior year	(50)	–
Deferred taxation	21,884	28,601
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	22,071	63,420
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The PRC income tax charge represents the Group's proportionate share of the provision for PRC income tax of 廣深珠高速公路有限公司 Guangzhou-Shenzhen-Zhuhai Superhighway Company Limited, a jointly controlled entity of the Group, amounting to approximately HK\$34,544,000 (2004: Nil) which is calculated at 7.5% (2004: Nil) of the estimated assessable profit for the year and the provision of PRC with-holding tax on the income received and receivable from the Group's jointly controlled entity amounting to approximately HK\$275,000 (2004: HK\$237,000) which is calculated at the rates prevailing in the PRC.

No provision for Hong Kong Profits Tax has been made as there was no assessable profit derived from or arising in Hong Kong.

The income tax expense for the year can be reconciled to the profit before tax per the income statement as follows:

	2004 <i>HK\$'000</i>	2005 <i>HK\$'000</i>
Profit before tax	772,208	982,164
Tax at normal PRC income tax rate of 33%	254,829	324,114
Tax effect of income not taxable for tax purpose	(17,135)	(28,814)
Tax effect of expenses not deductible for tax purpose	43,343	52,247
Income tax on concessionary rate	(232,655)	(231,506)
Differential tax rate on temporary difference of jointly controlled entities	(26,261)	(52,621)
Overprovision of income tax in prior year	(50)	-
Income tax expense	<u>22,071</u>	<u>63,420</u>

9. DIVIDENDS

	2004 <i>HK\$'000</i>	2005 <i>HK\$'000</i>
Interim dividend paid of HK10.25 cents (2004: HK10 cents) per share	288,044	296,043
Final dividend proposed of HK12.75 cents (2004: HK12.5 cents) per share	<u>360,087</u>	<u>368,274</u>
	<u>648,131</u>	<u>664,317</u>

A final dividend in respect of the financial year 2005 of HK12.75 cents per share amounting to a total of approximately HK\$368,274,000 is proposed by the Board. The dividend is subject to approval by shareholders at the forthcoming annual general meeting and has not been included as a liability in these financial statements. The amount has been accounted for as an appropriation of reserves in the year ended 30th June, 2005. The proposed final dividend is calculated based on the number of shares in issue at the date of approval of these financial statements.

10. EARNINGS PER SHARE

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

	2004 HK\$'000	2005 HK\$'000
Earnings for the purpose of basic and diluted earnings per share	<u>734,775</u>	<u>900,917</u>
	2004 Number of shares	2005 Number of shares
Weighted average number of ordinary shares for the purpose of basic earnings per share	2,809,376,020	2,884,047,244
Effect of dilutive potential ordinary shares:		
Warrants	4,552,670	18,516,745
Share options	<u>–</u>	<u>380,009</u>
Weighted average number of ordinary shares for the purpose of diluted earnings per shares	<u>2,813,928,690</u>	<u>2,902,943,998</u>

11. TOTAL ASSETS LESS CURRENT LIABILITIES/NET CURRENT ASSETS

The Group's total assets less current liabilities at 30th June, 2005 amounted to approximately HK\$15,044,017,000 (2004: HK\$14,967,613,000). The Group's net current assets at 30th June, 2005 amounted to approximately HK\$2,497,150,000 (2004: HK\$1,464,139,000).

As at the date hereof, the Directors of the Company are:

Sir Gordon Ying Sheung WU, Mr. Eddie Ping Chang HO, Mr. Thomas Jefferson WU, Mr. Alan Chi Hung CHAN, Mr. Barry Chung Tat MOK, Ir. Leo Kwok Kee LEUNG, Mr. Li Jia HUANG, Mr. Cheng Hui JIA, Mr. Kojiro NAKAHARA^(#), Mr. Philip Tsung Cheng FEI^(#), Mr. Lee Yick NAM^(#) and Mr. Gordon YEN^(#).

^(#) Independent Non-Executive Directors

* for identification only