

Associated Companies

Hong Kong Ferry (Holdings) Company Limited

Hong Kong Ferry (Holdings) Company Limited (31.33% owned by Henderson Investment Limited)

Completed development projects

- Metro Harbour View (with about 200 residential units unsold)
- MetroRegalia (with a total gross floor area of approximately 53,000 sq.ft)

Project under development

		Approximate gross floor area (sq.ft)	Expected completion
222 Tai Kok Tsui Road	- residential use - non residential use	270,000 50,000	
	Total	320,000	Late 2008
6 Cho Yuen Street	- residential use - non residential use	140,000 25,000	
	Total	165,000	Early 2009

Property Investment

Metro Harbour Plaza:

A large-scale department store will soon be opened and provide added attractiveness to shoppers

Ferry, Shipyard and Related Operations

Harbour Cruise:

Received positive responses for its pilot scheme to expand the market

Travel and Hotel Operations

Silvermine Beach Hotel:

Benefitted from the opening of Asia World Expo and Ngong Ping 360 Skyrail



Silvermine Beach Hotel has benefitted from its location close to the newly-opened Asia World Expo.

The unaudited consolidated net profit after taxation of Hong Kong Ferry for the six months ended 30 June 2006 amounted to HK\$121.8 million, a decrease of HK\$68.2 million or 35.9% over that for the same period last year.

Metro Harbour View at 8 Fuk Lee Street, Tai Kok Tsui continued to be the major profit driver for Hong Kong Ferry. For the six months ended 30 June 2006, 95 residential units of this project were sold, bringing the number of unsold units down to 200. Rental income from its commercial arcade, Metro Harbour Plaza, increased by 11% and the occupancy rate at the end of June 2006 was approximately 82% after taking into account the committed tenancies. A large-scale department store with a total floor area of about 100,000 square feet will soon be opened and its arrival will provide added attractiveness to the shoppers at Metro Harbour Plaza.

Good progress has been made in the construction for the development site at 222 Tai Kok Tsui Road, which will be developed into a residential-cum-commercial property with a total gross floor area of approximately 320,000 square feet, comprising some 270,000 square feet of residential space and about 50,000 square feet of non-residential space. It is expected to be completed by late 2008.

For the project at Nos. 43-51A Tong Mi Road ("MetroRegalia"), with occupation permit having been obtained and interior works substantially completed, it is targeted for sales launch in late 2006.



Cosmopolitan and convenient living - MetroRegalia, a home-automated residential-cum-commercial building at 43-51A Tong Mi Road.



Harbour Cruise - Bauhinia provides passengers with a memorable dining and entertainment cruise experience.

The project provides a total gross floor area of approximately 53,000 square feet.

The foundation and construction works for No.6 Cho Yuen Street, Yau Tong will commence in late 2006 and should be completed by early 2009, providing a total gross floor area of approximately 165,000 square feet, comprising some 140,000 square feet of residential space and 25,000 square feet of non-residential space.

The Ferry, Shipyard and Related Operations recorded a loss of HK\$0.9 million for the period under review before accounting for the litigation fee arising from the proposed redevelopment of the Central Ferry Piers. Such fee amounted to HK\$9.8 million. Travel and Hotel Operations also incurred a loss of HK\$2.3 million.

For the coming year, it is anticipated that income from property sales and rental will continue to be the primary source of profit for Hong Kong Ferry.