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<i>in HK\$ million</i>	1998	1997	<i>Change 變動</i>	<i>以港幣百萬元計算</i>
Profit Attributable to Shareholders				股東應佔溢利
– regular	2,808	4,140	– 32%	– 普通
– sale of Hongkong Telecom	-	3,236		– 出售香港電訊
	<u>2,808</u>	<u>7,376</u>		
Shareholders' Funds	41,899	40,225	4%	股東資金
Net Debt	21,175	22,592	– 6%	淨負債
Per Share (<i>HK cents</i>)				每股 (港幣仙)
Earnings				盈利
– regular	132	194	– 32%	– 普通
– sale of Hongkong Telecom	-	152		– 出售香港電訊
	<u>132</u>	<u>346</u>		
Dividend				股息
– regular	70	70	0%	– 普通
– special	-	30		– 特別
	<u>70</u>	<u>100</u>		

- Ligang Power Plant phase II begins commercial operation
- Dah Chong Hong expands in Shanghai
- Discovery Bay phase 9 and 10 premium agreed
- Positive cashflow
- Debt reduced
- 利港電廠第二期投入商業運作
- 大昌行在上海擴展業務
- 愉景灣第九期及第十期已達成補地價協議
- 現金收入穩定
- 負債減少

The reliable long-term cash flow from CITIC Pacific's infrastructure business of power generation, roads, tunnels and bridges has served the Company well. In 1998, infrastructure provided total cash flow of HK\$2.6 billion and contributed significantly to the financial stability of the Company.

In 1998 CITIC Pacific achieved a profit of HK\$2,808 million and earnings per share of 132 cents. This was a reduction of 32% compared with 1997's results (excluding a non-recurring gain), but in a business environment that was as difficult as any year in a generation, it shows the underlying strength of our Company.

The Board has recommended a final dividend of 50 cents per share making a total of 70 cents for the year – the same regular dividend as in 1997.

INFRASTRUCTURE

Power

In 1998 CITIC Pacific's power plants continued to perform according to plan. Phase II of the Ligang power plant (2 x 350MW) was completed and both units were commissioned for commercial operations during the year. Construction of a 400MW (2 x 200MW) power station in Huhhot, Inner Mongolia will soon begin. Approval is being sought for phase II of the Kaifeng power station (2 x 300MW) and phase III of the Xinli power station (2 X 300MW).

The Shanghai Pudong power plant has not been under CITIC Pacific's operational control, and in early 1999 this 25% investment was sold to its major shareholder so CITIC Pacific could concentrate on its resources on its self-managed power business.

來自發電、公路、隧道及橋樑等基本建設投資項目為中信泰富提供了長期穩定的現金收入。一九九八年基本建設的現金收入高達港幣二十六億元，對公司財務的穩定貢獻良多。

中信泰富一九九八年度溢利為港幣二十八億零八百萬元，每股盈利率則為 132 仙。雖然公司溢利比一九九七年度下降了 32% (扣除非經常性收益)，在如此艱難的經濟環境之下，所錄得的業績反映了本公司之堅實的基礎。

董事會建議派發末期息每股 50 仙，全年股息總額為 70 仙，與一九九七年度每股普通股息相同。

基本建設

發電

一九九八年中信泰富之電力業務繼續按計劃發展。江蘇利港電廠二期(2 x 35萬千瓦)已全部建成，兩台機組先後投入商業運轉。在內蒙古呼和浩特市興建一座40萬千瓦(2 x 20萬千瓦)發電廠之工程即將展開。河南開封電廠二期(2 x 30萬千瓦)及鄭州新力電廠三期(2 x 30萬千瓦)之擴建工程尚待政府審核批准。

中信泰富沒有參與上海浦東電廠的日常運作管理。因此公司於一九九九年年初已將其 25%之權益轉讓給該電廠之主要股東，以便能夠集中資源致力於中信泰富自身控管的電力項目。

中電控股有限公司截至一九九八年九月三十日財政年度之盈利錄得 41%的增長，

CLP Holdings reported a 41% profit increase in the year to 30 September 1998, 14% coming from its core business and the balance from the sale of properties at Hok Un.

CITIC Pacific remains committed to the power business in China. The growth in power consumption on the Mainland has slowed in 1998, but the long run demand for power is assured as per capita consumption of electricity is very low.

Civil Facilities

The three bridges and two tunnels in Shanghai and the Chang Jiang LJT bridge in Chongqing all performed well, as planned.

In Hong Kong, the profits of the Eastern Harbour Tunnel have increased following a toll increase implemented in January. The Western Harbour Tunnel did not do as well and the level of traffic – now reached 40,000 vehicles a day – is still far below expectations due mainly to the toll differential with Cross Harbour Tunnel (“CHT”) remaining unchanged. In the newly released 1999 budget, the Government proposed that upon the expiration of the CHT franchise in September 1999, toll increases for private vehicles and motorcycles would be implemented. We believe that the proposed measure should have a positive effect on the traffic flow for the Western Harbour Tunnel.

In early 1999 it was decided to sell to our partner the water plants in Nanjing and Wuxi, and a toll road in Wuxi.

Aviation

Cathay Pacific reported a loss in 1998 as passenger loads and yields fell due to the problems in the South East Asian economies. Although the load factor at the end of 1998 had improved, passenger yields remained low. Dragonair’s loads were declining as 1998 progressed. Despite problem of

其中 14%來自該公司之核心業務，而其他盈利則來自出售位於紅磡鶴園之物業所獲得之特殊溢利。

中信泰富今後仍將繼續致力於發展在中國大陸的電力事業。雖然一九九八年電力消費的增長有所放緩，但鑒於目前中國人均耗電量仍處於頗低的水平，長遠的供電需求必定會繼續增長。

基礎設施

本公司在中國上海的三橋二隧及重慶長江大橋等項目按計劃運作良好。

在香港，東區海底隧道於年初提高收費後，利潤有所增長。西區海底隧道之交通流量仍不盡理想，每日通車量雖已達四萬輛架次，但仍遠低於原計劃水平。主要原因之一是由於西隧與香港海底隧道之間的收費差價依然存在。政府在近期公佈的預算中建議，香港海底隧道的專營權於一九九九年九月期滿收回後，將對過海之私家車及電車實施收費調整，相信此一舉措將對西隧之交通流量起正面作用。

一九九九年年初，公司決定將其南京和無錫的水廠，以及無錫金匱公路之權益全部轉讓給中方合夥人。

航空

東南亞經濟危機使國泰航空乘客量及單位收益率大幅下降，導致國泰航空一九九八年錄得虧損。自一九九八年底以來，乘客量雖有所回升，但單位收益率依然偏低。一九九八年港龍航空之乘客量呈下降趨

the floods affecting many destinations, the airline remained profitable for the year. The management of both airlines continued to focus on the reduction of unit costs and the improvement of operating efficiency.

Hong Kong's position as an international aviation hub was greatly enhanced by the opening of the new airport at Chek Lap Kok. By holding approximately a quarter of the two major Hong Kong-based airlines, CITIC Pacific has a pivotal role in the aviation industry in Hong Kong and we remain confident that, with a gradual recovery in the Asian economies, the long term prospects for our highly efficient airlines are bright.

TRADING AND DISTRIBUTION

Macro economic conditions deteriorated during 1998 and thus the trading environment for Dah Chong Hong ("DCH") has been very challenging. Although the situation stabilized towards the end of the year, the market remains weak and competitive. DCH's total turnover fell 11% compared with 1997 which was mainly due to the significant decrease in the motor trading and related business. However, while the overall cars sold in Hong Kong fell significantly in 1998, DCH's market share in Hong Kong rose from 26% to 29%.

While the consumer market in Hong Kong was generally weak, DCH obtained a 7% growth in general trading sales. DCH Foodmart operations also had good results.

During 1998, DCH actively pursued business development opportunities in Hong Kong. It established a repair and maintenance service centre for ground support equipment at the new Hong Kong International Airport and now provides a new limousine service linking the airport with the urban areas.

勢，罕見的洪水災害直接影響了多條國內航線，但港龍航空公司克服困難，一九九八年仍能保持盈利。國泰及港龍航空之管理層繼續把工作的重點放在降低單位成本，以利提高公司運作效率。

香港赤埗角新機場的啟用極大地提高了香港作為國際航運中心的地位。中信泰富擁有以香港為基地的兩間航空公司約四分之一的股權，在香港航空業扮演之角色舉足輕重。本公司堅信，隨著亞洲經濟逐漸恢復，國泰、港龍這兩間航空公司之長遠前景將一片光明。

貿易及分銷

一九九八年香港宏觀經濟不斷惡化，大昌行之經營環境亦日漸艱難。雖然香港貿易環境至年底已趨穩定，但整體市場仍然疲軟且競爭加劇。大昌行一九九八年營業總額較一九九七年下降了 11%，其主要原因是由於汽車銷售及其相關業務的削減。值得欣慰的是，雖然一九九八年香港整體汽車銷售總量大幅削減，大昌行之市場佔有率則反而有所增加，由一九九七年的 26% 上升至 29%。

儘管香港消費市場不景氣，一九九八年大昌行一般性貿易之營業額仍錄得 7% 的增長。大昌行食品市場亦取得了良好業績。

大昌行在一九九八年間積極擴展業務，先後在香港新機場設立了一間機場地面設施維修中心及開設了一家轎車服務公司，專門運載來往機場的旅客。

DCH's future is surely in Mainland China and significant progress was made in 1998. In Shanghai, joint venture companies were set up to produce chickens and pigs primarily for the domestic market. The sales and distribution of both imported and locally produced vehicles in China has been expanding. The retail sales network for cosmetics was also expanded in a new joint venture with Shiseido. "DCH Cooked Food" chain stores have been opened in Shanghai as a part of a long-term strategy to build up a nation-wide cooked food distribution network in China.

In response to the difficult market conditions, DCH rationalized its cost structure through headcount reductions and re-engineering to improve efficiency. These efforts will be continued in the coming years.

PROPERTY

The Hong Kong property market was significantly affected by the economic downturn, demand was weak and prices fell. However, our joint venture project with the Cheung Kong Group - the "Tierra Verde" development above the Tsing Yi MTR station - was a great success.

Active negotiation for a land premium of the residential developments at Discovery Bay and Hung Shui Kiu is in progress. An agreement was reached in early 1999 for Discovery Bay phase 9 and 10 land premium at an attractive level. CITIC Pacific has a substantial landbank and fortunately we have not agreed on a land premium. Therefore, we can proceed with our projects at a land cost that will show a profit, even in today's depressed property market.

CITIC Tower is over 86% let; the DCH Commercial Centre was completed during the year and 63% of the building has been let; Festival Walk in Kowloon Tong was opened for the Christmas season and has been a great success with over 90% of retail space occupied.

大昌行未來的發展有賴於開發其中國大陸的業務潛力。一九九八年大昌行積極進取，取得了數項重大進展：在上海建立了合資養雞場及養豬場，產品主要針對國內市場；在中國代理進口汽車及營銷國產汽車的業務不斷擴大；通過設立「資生堂」合資公司，進一步擴展了化妝品零售網絡；以及在上海開設了「大昌行熟食店」，此舉乃是在中國建立一個全國性連鎖店之長遠戰略的一部份。

鑒於目前市場的困難狀況，大昌行採取了包括精簡人員、改善運作程序等一系列措施，以削減公司營運成本。來年公司管理層繼續把「開源節流」作為首要任務。

物業發展

香港地產市場飽受經濟萎縮的影響，需求疲軟、價格下跌。在此環境下，與長江實業集團合作的青衣地鐵上蓋之「盈翠半島」住宅項目取得了不俗的成績。

有關愉景灣及洪水橋住宅項目的補地價事宜正與香港政府積極商討。愉景灣第九期及第十期之地價已於九九年初達成協議，該地價具吸引力。中信泰富持有大幅可開發的土地儲備，所幸的是這些土地儲備仍未鎖定地價。因此即使在目前這種市況下，本公司仍可酌情制定策略，以合理的成本發展有利可圖的地產項目。

中信大廈的出租率已達 86%；大昌行商業中心亦已於九八年全部完工並已順利租出約 63% 的樓面；九龍塘「又一城」中心於聖誕節期間開業以來極為成功，零售樓面出租率已超過 90%。

O U T L O O K

The economic conditions in the region will remain challenging in 1999. Therefore, we will continue to focus our effort on increasing the Company's recurrent cash flow and reducing the debt level. Fortunately, CITIC Pacific's substantial recurrent cash flow from infrastructure is reliable and strong, and with this as a base we can face the future with confidence. Our focus continues to be on infrastructure, trading and distribution, and residential property development.

Our priority in 1999 will be to continue to complete power projects currently in their construction phase and obtain approval for further stations, to start the Discovery Bay residential development and expand DCH's business in the Mainland. CITIC Pacific will take this opportunity to prepare for the future by identifying new projects for future implementation that balance risk and return in a way that will enhance the shareholder's return.

CITIC Pacific has always been committed to enhancing shareholder value and will continue to seek to do so through investments that increases earnings per share and return on investment. However, a quick economic recovery is not expected and there are many changes to the environment in which we operate, so a prudent approach to new business is appropriate.

CITIC Pacific is fortunate to have the support of most of the world's major banks and financial institutions during its development. I would like to take this opportunity to thank them for their continued faith in CITIC Pacific, and to thank my fellow directors and all the staff in the Company, its subsidiaries and associates, for their dedication and hard work during the last year.

Larry Yung Chi Kin *Chairman*
Hong Kong, 18 March 1999

前 瞻

一九九九年宏觀經濟環境不容樂觀，因此增加經常性的現金收入及減少負債仍將是我們的工作中心之一。幸運的是，中信泰富擁有來自基本建設之強勁的經常性現金收入。以此為基礎，我們對未來充滿信心。本公司將一如既往致力於以大型基本建設、貿易分銷及住宅物業為核心的發展策略。

一九九九年中信泰富的業務重點是繼續完成興建中的電廠及尋求獲得批准更多的電力項目；啟動愉景灣擴建工程；以及繼續開拓大昌行於中國大陸的業務發展。本公司將把握時機，積極尋求新項目的投資發展機會，在控制風險的前提下，努力提高股東回報率。

中信泰富一貫注重提高股東價值，公司將不遺餘力通過新投資和內部增長，不斷增加每股盈利以及投資回報率。同時，我們必須清醒地認識到目前的形勢，經濟復甦將不會一夜而成，我們所處的環境亦還將會出現各種不可預測的變化。在此環境下，對於新業務的發展繼續保持謹慎的態度將是明智的。

中信泰富有幸在公司發展過程中，始終得到世界各主要銀行及金融機構的大力支持，本人願借此機會對他們給予本公司的支持與信心表示感謝，並謹此對各位董事、本公司及附屬公司和聯營公司之全體員工於一九九八年之竭誠投入與不懈努力，致以衷心感謝。

榮智健 主席

香港，一九九九年三月十八日

CITIC Pacific's business activities continue to be concentrated in Hong Kong, Macau and Mainland China. The Company's long term objective remains to develop a large diversified business focusing on infrastructure and supported by trading and distribution, and property development.

The deteriorating economic environment in 1998 presented many challenges. Some of CITIC Pacific's business were adversely affected particularly the aviation and trading businesses. The contribution from the property sector was also reduced from 1997 which was a record year. However, the Company's core businesses such as power generation and operation of civil facilities remain relatively stable. Strong and reliable cash flow generated from these businesses served the Company well under an extremely volatile market condition in 1998. The Company's financial position remains strong with a reduction of total net debt by HK\$1,417 million compared to the end of 1997. A detailed review of the Company's business operations by segment is as follows:

INFRASTRUCTURE

POWER GENERATION

	Location	地點	Ownership 擁有權	Installed Capacity 裝機容量 (in Megawatts) (兆瓦)	
Ligang	Jiangsu	江蘇	56.3%	1,400	利港
Xinli	Henan	河南	50%	600	新力
Kaifeng	Henan	河南	50%	125	開封
Huhhot	Inner Mongolia	內蒙古	35%	-	呼和浩特
Pudong (Note)	Shanghai	上海	25%	1,200	浦東 (附註)
CLP Holdings Limited	Hong Kong	香港	20.3%	7,951	中電控股有限公司

Note : In early 1999, CITIC Pacific sold its 25% interest in the Pudong Power Plant to the joint venture partner. CITIC Pacific's strategy is to concentrate its resources on power plants in which the Company has more operational control.

中信泰富之業務繼續集中於香港、澳門及中國大陸。本公司之長遠目標乃繼續發展以大型基本建設為重心、以貿易分銷及物業發展為輔助之多元化業務。

一九九八年之經濟持續衰退，帶來了不少挑戰。中信泰富之部份業務受到重大影響，其中以航空及貿易尤甚。物業發展之溢利貢獻與一九九七年之佳績相比亦同呈下降。然而，本公司之重心業務如發電及基礎設施之營運狀況仍然保持穩定。縱然在一九九八年市場環境如此動盪不定之情況下，該等業務仍為本公司帶來穩定的現金收入。本公司之財政狀況保持強健，淨負債比一九九七年底減少達港幣十四億一千七百萬元。本公司各主要業務營運情況詳細回顧如下：

基本建設

發電

附註：於一九九九年年初，中信泰富出售了其持有之浦東發電廠25%權益予其合作合營公司之合夥人。中信泰富之策略乃集中資源致力於有管理權的電力項目。

Contribution to earnings

盈利貢獻

Year 年度	HK\$ million 港幣百萬元	Proportion of total earnings 佔總盈利比例
1998	1,263	45%
1997	912	22%

一九九八年

一九九七年

The Ligang coal-fired power station located near the city of Wuxi in Jiangsu province in the People's Republic of China ("PRC") has a total design capacity of over 3,000 Megawatts ("MW"). The phase I (2 x 350 MW) was installed in 1993 and continued to operate well. During 1998 both units of the phase II (also 2 x 350 MW) were successfully installed and commissioned for commercial operations bringing total installed capacity at Ligang to 1,400 MW. The four units generated a total of 4,960 million Kwh of electricity in 1998. Feasibility study and planning for phase III are in progress.

利港燃煤發電廠位於中華人民共和國（「中國」）江蘇省、鄰近無錫市。該廠之總設計發電容量超逾300萬千瓦。於一九九三年完成安裝之第一期（兩台各為35萬千瓦之發電機組）營運持續理想。第二期（同為兩台35萬千瓦之發電機組）經已於一九九八年間成功安裝完畢並投入商業運作。至此利港電廠總裝機容量已達140萬千瓦。四台機組於一九九八年之總發電量為49.60億千瓦小時。第三期之可行性研究及計劃現正進行中。

The Xinli coal-fired power station is located in Zhengzhou, Henan province in the PRC. The station has a design capacity of 1,200 MW. Currently, total installed capacity is 600 MW consisting of phase I (2 x 200 MW) and phase II (1 x 200 MW). A total of 3,020 million Kwh of electricity was generated by the Xinli plant in 1998. The phase III development plan (2 x 300 MW) has been approved by the relevant government agencies and the feasibility study is in progress.

中國河南省鄭州新力燃煤發電廠之設計發電容量為120萬千瓦，目前的總裝機容量為60萬千瓦，包括第一期（兩台各為20萬千瓦之發電機組）及第二期（一台20萬千瓦之發電機組）。新力發電廠於一九九八年之總發電量為30.20億千瓦小時。第三期（兩台各為30萬千瓦之發電機組）之發展建議書已獲有關政府機構批准，現正進行可行性研究。

Kaifeng power station, which is also in Henan province in the PRC, has a design capacity of 725 MW. The phase I (1 x 125 MW) station generated 631 million Kwh of electricity in 1998. Preparation work for the construction of phase II (2 x 300 MW) is underway.

同樣位於中國河南省之開封發電廠之設計發電容量為72.5萬千瓦。第一期（一台12.5萬千瓦之發電機組）於一九九八年之發電量為6.31億千瓦小時。興建第二期（兩台各為30萬千瓦之發電機組）之預備工作現正進行。

Feasibility study and planning for the construction of a 2 x 200 MW power station in Huhhot, Inner Mongolia was approved by the relevant government agencies. Detailed study is underway and construction is expected to commence soon. CITIC Pacific will have 35% equity interest in this project.

CITIC Pacific has a 20.3% equity interest in CLP Holdings Limited (“CLP”), the principal activities of which are electricity generation, transmission and distribution under a scheme of control in Hong Kong. The Company also has investments in the power business in the Asia Pacific region. CLP currently has total installed capacity of 7,951 MW and is the largest power company in Hong Kong.

CLP reported better than expected result for its fiscal year ended 30 September 1998. Net profit reached HK\$8.14 billion, 40.9% higher than the previous year. Excluding an exceptional profit of HK\$1.54 billion from the redevelopment and sales of properties at the former power station site of Hok Un, CLP’s operating earnings increased by 14.2% to HK\$6.6 billion. Total turnover was increased to HK\$24 billion from HK\$21.6 billion in 1997. For the three month period ended 31 December 1998 (first quarter of 1998-1999 fiscal year), CLP reported total turnover of HK\$5.77 billion, 8.8% higher than the same period in the prior year.

於內蒙古呼和浩特市興建之兩台各為 20 萬千瓦之發電機組之可行性研究及規劃已獲有關政府機構批准，項目細節研究現正進行，興建工程預計不久可展開。中信泰富將擁有該項目 35% 之權益。

中信泰富擁有中電控股有限公司（「中電」）20.3%之權益，中電乃根據香港之管制法例從事發電、輸電及供電。該公司亦有投資於亞太區之發電業務。中電目前之總裝機容量為 795.1 萬千瓦，是香港最大之電力公司。

中電截至一九九八年九月三十日止之財政年度之業績遠勝於預期，錄得淨溢利達港幣八十一億四千萬元，較去年同期高出40.9%。如扣除因重建及出售位於鶴園電力站舊址之物業所帶來之特殊溢利港幣十五億四千萬元，中電之經營盈利增加了14.2%至港幣六十六億元。而總營業額由一九九七年度的港幣二百一十六億元增加至港幣二百四十億元。截至一九九八年十二月三十一日止之三個月（一九九八至一九九九財政年度之第一季），中電錄得之總營業額為港幣五十七億七千萬元，比去年同期增加 8.8%。

CIVIL FACILITIES

基礎設施

	Location	地點	Ownership	擁有權
Yang Pu bridge	Shanghai	上海	45%	楊浦大橋
Nan Pu bridge	Shanghai	上海	45%	南浦大橋
Xu Pu bridge	Shanghai	上海	45%	徐浦大橋
Chongqing Chang Jiang LJT bridge	Chongqing	重慶	50%	重慶長江李家沱大橋
Da Pu Lu tunnel	Shanghai	上海	45%	打浦路隧道
Yanan East Road tunnel	Shanghai	上海	50%	延安東路隧道
Hu Jia toll road	Shanghai	上海	45%	滬嘉高速公路
Wuxi Jin Kui toll road (Note)	Wuxi, Jiangsu	江蘇無錫	50%	無錫金匱公路 (附註)
Wuxi water plants (Note)	Wuxi, Jiangsu	江蘇無錫	49%	無錫自來水廠 (附註)
Nanjing water plants (Note)	Nanjing, Jiangsu	江蘇南京	49%	南京自來水廠 (附註)
Western Harbour Crossing	Hong Kong	香港	35%	西區海底隧道
Eastern Harbour Crossing	Hong Kong	香港		東區海底隧道
-road			64%	- 公路
-rail			10%	- 鐵路

Note : In early 1999, CITIC Pacific sold its interest in the water plants in Nanjing and Wuxi, and the toll road in Wuxi to our partners in these projects.

附註：一九九九年年初，中信泰富將其所持之南京及無錫自來水廠，以及無錫收費公路的權益出售給有關項目的合夥人。

Contribution to earnings

盈利貢獻

Year	HK\$ million	Proportion of total earnings	
年度	港幣百萬元	佔總盈利比例	
1998	889	32%	一九九八年
1997	745	18%	一九九七年

CITIC Pacific has an interest in all the cross Huangpu River facilities consisting of two tunnels and three bridges which connecting Pu Dong, the government designated Special Economic Development Area, and Pu Xi, the old part of the city in Shanghai. In 1998, traffic throughput of these facilities in aggregate was 65.1 million vehicles, an increase of 12.9% compared to 1997. With the continued expansion of the road network in both sides of the Huangpu River and the opening of the new international airport in Pu Dong in the year 2000, cross river traffic

中信泰富現時擁有所有橫跨黃浦江連接浦東 (政府指定之經濟開發特區) 與浦西 (上海市舊區) 之設施，包括兩條隧道及三座橋樑之權益。該等設施於一九九八年之交通流量合共為六千五百一十萬架次，較一九九七年增長12.9%。由於黃浦江兩岸之公路網不斷擴大，再加上浦東新國際機場將於二〇〇〇年啟用，預計橫跨黃浦江之交通流量在未來

throughput is expected to increase substantially in the coming years.

CITIC Pacific also has a 45% interest in a co-operative joint venture company owning a 20-year franchise to operate the 21km Hu Jia toll road linking Shanghai and the municipality of Jia Ding. Traffic throughput for the year ended 31 December 1998 increased by 3.4% compared to the previous year.

In late 1997, CITIC Pacific acquired a 50% interest in a 20-year franchise to operate the Chongqing Chang Jiang LJT bridge (“Chang Jiang” means “Long River” or known as “Yangtze River”). This bridge is composed of a 10.2km, dual two-lane main bridge and approaching roads which include 5 bridges, 4 interchanges and 2 tunnels. The bridge links the Sichuan Chengyu Expressway in the north and Sichuan-Guizhou Highway in the south. For the year ended 31 December 1998, the traffic throughput reached 4.28 million vehicles.

CITIC Pacific’s strategy of investing in the civil facilities in the Mainland has been to focus on completed facilities or projects which are near completion. Thus the Company has been able to minimise construction risks and realise return and cash flow immediately or within a short period of time. The Company has concentrated its investments in and around large cities such as Shanghai and Chongqing. In selecting project for investment, economic fundamentals are essential so that stable income and reliable cash flow can be ensured during the life of the franchise. Over the long term however, investing in greenfield projects may be feasible as the skills in the development of large civil projects continue to improve in Mainland China.

CITIC Pacific acquired a controlling interest in the Eastern Harbour Crossing (“EHC”) road tunnel late in 1997 increasing its shareholding from 28.5% to 64%. A 50% toll increase was implemented effective 1 January 1998. This tunnel has a design capacity of 80,000 vehicle per day and in 1998 daily traffic throughput is around 71,000 cars. A study

數年將會大幅增長。

中信泰富亦擁有一間合作合營公司45%之權益，該公司擁有全長二十一公里連接上海與嘉定市之滬嘉高速公路之二十年專營權。截至一九九八年十二月三十一日止年度，交通流量較去年增加3.4%。

中信泰富於一九九七年末收購了擁有重慶長江李家沱大橋二十年專營權之50%權益（「長江」又名「揚子江」）。該橋全長10.2公里，由雙線雙程行車之主幹橋以及相連之五座橋、四個交匯處和兩條隧道組成。該橋北連四川成渝高速公路，南接川黔公路。截至一九九八年十二月三十一日止年度，汽車流量達四百二十八萬架次。

中信泰富於中國大陸基礎設施之投資策略是着重於已完成或接近完成之設施項目，因此，本公司能夠減少建築期風險並能即時或於短期內取得投資回報及現金流量。本公司投資集中於上海、重慶等大城市及其鄰近地區。在選擇投資項目時，本公司會着重經濟因素，以便確保於專營期內取得穩定收入及可靠之現金流量。然而，隨着中國大陸發展大型土木工程之技術日趨成熟，長遠而言，投資於新開發之項目亦屬可行。

中信泰富於一九九七年底收購了東區海底隧道（「東隧」）公路段控制性之權益，其股權由28.5%增加至64%。由一九九八年一月一日起收費增加了50%。該隧道之設計每日交通流量為八萬架次，而一九九八年的每日交通流量約為七萬一千架次。現正進行研

is underway for a direct link to the tunnel from the proposed West Coast Road development. It is expected that strong earnings and stable cash flows will continue to be generated from EHC.

CITIC Pacific is one of the major shareholders (35%) in a consortium to Build-Operate-Transfer (“BOT”) the Western Harbour Crossing (“WHC”) for which it has a 30-year franchise. This US\$1 billion project was the only private investment project among the ten core projects of the Hong Kong’s new airport. WHC is also a key section of the Route 3 highway which links Hong Kong and Mainland China. Since the opening of WHC, traffic has grown steadily and at the end of 1998, daily traffic throughput has exceeded 40,000 vehicles. However, the traffic volume is below the original projections due to the greater than expected toll difference comparing to other cross harbour tunnels and congestion in the road network leading to the WHC. The economic downturn in Hong Kong has also contributed to the decrease in overall cross harbour traffic. In its newly released 1999 budget, the Government proposes that upon the expiration of the Cross Harbour Tunnel franchise in September 1999, tolls for private cars and motorcycles will be increased narrowing the toll differentials to the advantage of the WHC.

In 1998, total cash flows generated from civil facilities amounted to approximately HK\$1 billion, increased by about 92% compared to 1997.

究，將該隧道與建議中的西岸公路連接。預計東隧將繼續提供豐厚之盈利及穩定之現金流量。

中信泰富為一個擁有興建、經營及轉回西區海底隧道（「西隧」）三十年專營權之財團之主要投資者，持有35%權益。這個耗資十億美元的項目是香港新機場十項核心工程中唯一一個私人投資項目，西隧亦同時為連接香港及中國大陸的三號幹線之重要組成部份。自西隧通車以來，交通流量穩定增長，至一九九八年底，每日汽車流量已超過四萬架次。然而，由於西隧與其他過海隧道之收費差距遠超預期，加上通往西隧之道路擠塞，故交通流量仍達不到預期數字。香港經濟不景亦導致整體過海隧道交通流量有所減少。在最新公佈之一九九九年財政預算案中，香港政府建議於一九九九年九月海底隧道之專營權屆滿後提高私家車及電單車之收費，以便收窄各條隧道收費之差距，此措施將對西隧有正面影響。

一九九八年，來自基礎設施之現金流量總額約為港幣十億元，較一九九七年增加約92%。

ENVIRONMENT

環境保護

	<i>Location</i>	<i>地點</i>	<i>Ownership</i> <i>擁有權</i>	
South East N T Landfill (“Green Valley Landfill”)	Hong Kong	香港	30%	新界東南部之堆填區（「翠谷工程」）
Chemical Waste Treatment Plant (“Enviropace”)	Hong Kong	香港	20%	化學廢料處理中心（「衡和」）
West Kowloon Transfer Station	Hong Kong	香港	30%	西九龍廢物轉運站
North Lantau Transfer Station	Hong Kong	香港	50%	北大嶼山之廢物轉運站

Contribution to earnings

盈利貢獻

Year 年度	HK\$ million 港幣百萬元	Proportion of total earnings 佔總盈利比例
1998	42	1%
1997	41	1%

一九九八年

一九九七年

The Green Valley Landfill at Junk Bay, in the South East New Territories of Hong Kong, is a landfill of 100 hectares. In 1998, over 2.8 million tonnes of waste was processed, an average of 7,842 tonnes per day, well above the budget capacity of 7,101 tonnes per day.

Enviropace, located on Tsing Yi Island, is the only chemical waste treatment plant in Hong Kong. 74,269 tonnes of waste was treated in 1998 compared to 67,929 tonnes in 1997. 22,445 tonnes of treated and reusable material was sold, an increased of 32% over last year. Trial operation for clinical waste treatment with the existing incineration plant was conducted and an environmental assessment will be prepared for public consultation.

The West Kowloon Transfer Station has a design capacity of 2,500 tonnes per day. The Station was commissioned and over 528,000 tonnes of waste was processed in 1998.

CITIC Pacific also has a 50% interest in a 17-year contract to build and operate a waste transfer station with a capacity of 1,200 tonnes per day in North Lantau serving the Chek Lap Kok Airport, Discovery Bay and nearby areas. Construction of the project was completed and operation commenced in late 1998.

All these environmental projects are in partnership with WMX Technologies, Inc., one of the world's leading companies in the environmental protection business who contributes technical expertise while CITIC Pacific contributes local knowledge about infrastructure and construction.

翠谷工程位於香港新界東南部之將軍澳佔地一百公頃之堆填區。於一九九八年，該工程共處理了逾二百八十萬公噸廢料，即每日平均為七千八百四十二公噸，遠高出每日平均處理七千一百零一公噸之預算。

衡和位於青衣島，是香港唯一的化學廢料處理中心。於一九九八年，該中心處理之廢料為七萬四千二百六十九公噸，而一九九七年則為六萬七千九百二十九公噸。該中心並出售了二萬二千四百四十五公噸經處理可再用之廢料，較去年增加32%。利用現有之廢料焚化設備處理醫療廢料已進行試驗運作，而有關之環保評估亦準備作公眾諮詢。

西九龍廢物轉運站之每日設計容量為二千五百公噸，該站於一九九八年建成並處理了逾五十二萬八千公噸廢料。

中信泰富亦擁有一項為期十七年之合約50%權益，於北大嶼山興建及經營每日容量可達一千二百公噸之廢物轉運站以應付赤鱗角新機場、愉景灣以及鄰近地區之需求。該項興建工程已經完成，並已於一九九八年底開始運作。

上述各項環境保護項目皆與一間世界著名之環境保護業務公司WMX Technologies, Inc. 合夥經營，該公司提供專業科技知識，而中信泰富則提供本地之基本建設及工程。

AVIATION

航空

	<i>Location</i>	地點	<i>Ownership</i>	擁有權
Cathay Pacific	Hong Kong	香港	25.4%	國泰航空
Dragonair	Hong Kong	香港	28.5%	港龍航空
HK Air Cargo Terminals	Hong Kong	香港	10%	香港空運貨站

Contribution to earnings

盈利貢獻

<i>Year</i>	<i>HK\$ million</i>	<i>Proportion of total earnings</i>	
年度	港幣百萬元	佔總盈利比例	
1998	(7)	-	一九九八年
1997	538	13%	一九九七年

Based in Hong Kong, Cathay Pacific is an international passenger and freight carrier serving major cities in Europe, the Middle East, North America, South Africa and major destinations in Asia. CITIC Pacific has 25.4% equity interest in Cathay Pacific and is the second largest shareholder of the company. Cathay Pacific's fleet consists of 62 aircraft as of 31 December 1998: 25 Boeing 747, 8 Boeing 777, 12 Airbus 330s, 11 Airbus 340s passenger aircraft and 6 Boeing B747 freighters.

Dragonair is a major regional airline in which CITIC Pacific has 28.5% equity interest and is the second largest shareholder. Dragonair provides service to 18 cities in Mainland China and remains the airline of choice for passengers travelling to and from the Mainland China. Dragonair also operates scheduled and charter services to 9 cities in North and South East Asia. The airline has one of the youngest fleets of aircraft of the world's airlines comprising 7 Airbus 320s and 6 Airbus 330s aircraft.

以香港為基地之國泰航空為一國際客運及貨運航空公司，航線遍及歐洲、中東、北美洲、南非及亞洲等地之主要城市。中信泰富持有國泰航空25.4%之股權，為該公司之第二大股東。截至一九九八年十二月三十一日止，國泰航空之機隊包括六十二架飛機：二十五架波音747客機、八架波音777客機、十二架330型空中巴士、十一架340型空中巴士客機及六架波音B747貨機。

港龍航空為一間主要之地區性航空公司，而中信泰富為其第二大股東，擁有28.5%股權。港龍航空之航線遍及中國大陸十八個城市，為旅客往來中國大陸之首選航空公司。港龍航空亦提供來往北亞及南亞九個城市之定期及包機服務。港龍航空擁有全球最年青機隊之一，擁有七架320型空中巴士及六架330型空中巴士。

The financial crisis in the region has significantly slowed the economic activity in Asia, Hong Kong included. The operating environment was extremely difficult for airlines in 1998. The number of tourists visiting Hong Kong reduced dramatically starting from late 1997 and the number of business travellers also decreased. Cathay Pacific reported a net loss attributable to shareholders of HK\$542 million for 1998. Compared with the previous year, total turnover in 1998 decreased by 12.9% to HK\$26,695 million. Under these difficult conditions, Cathay Pacific's management has focused on unit cost reduction aimed at continued improvement in the company's operating efficiency. The airline remains as one of the most efficient airlines in the world and is well positioned to benefit when the economy recovers.

During 1998, Cathay Pacific moved its corporate headquarters to the new "Cathay City", a multi-billion dollar development at the new Hong Kong airport. The complex consists of office buildings, hotels and other facilities contributing greatly to the efficiency of the airline.

Despite the challenging market, Dragonair maintained profitability carrying 2.1 million passengers in 1998. Cargo business recorded strong growth. The airline uplifted 43,600 tonnes of cargo in 1998, an increase of 11% over 1997. Dragonair continues to press for the expansion of new destinations and frequencies. New services to Fuzhou were added while the frequency to Shanghai was increased in 1998. Construction of Dragonair's new headquarters at the Chek Lap Kok airport is progressing well for completion by the end of 1999.

Before opening of the new airport in Hong Kong, HACTL, in which CITIC Pacific has 10% interest, provided the sole baggage and cargo handling facility at Hong Kong's Kai Tak Airport. The company was awarded a new franchise for cargo handling at the new Hong Kong airport at Chek Lap Kok, but in a competitive environment. A new

金融風暴使亞洲區內經濟活動大幅減慢，香港亦難於倖免。一九九八年航空業之經營環境極為艱難。自一九九七年底以來，訪港的旅客人數銳降，而商務旅客之數目亦有減少。國泰航空於一九九八年錄得股東應佔淨虧損為港幣五億四千二百萬元。一九九八年度之總營業額為港幣二百六十六億九千五百萬元，較去年下跌12.9%。處於目前困難之環境，國泰航空之管理層已把工作的重點放在降低單位成本，以繼續提高公司之運作效率，該公司仍為全球最具效率的航空公司之一，並已作好準備把握經濟復甦後帶來之機會。

於一九九八年，國泰航空的公司總部已遷往位於香港新機場耗資數十億港元發展的「國泰城」。該綜合大樓包括寫字樓大廈、酒店及其他設施，大大提高了公司之運作效率。

儘管市場環境極具挑戰，港龍航空於一九九八年仍然保持有盈利，選乘港龍航空之旅客人數達二百一十萬，而貨運業務亦持續增長，一九九八年之總貨運量達四萬三千六百公噸，較一九九七年增加11%。港龍航空繼續擴展新航線及增加其現有航線班次。一九九八年度，港龍航空開辦了飛往中國福州的新航綫，而飛往上海之班次亦有所增加。港龍航空於赤鱗角機場的新總部興建工程進展順利，預期於一九九九年底落成。

香港新機場啟用前，中信泰富擁有10%權益之香港空運貨站擁有在香港啟德機場處理

terminal named “Super Terminal 1” was built which consists of an air-cargo handling facility with a capacity of 2.4 million tonnes per year, plus a 200,000 tonnes per year express freight centre. The new facility was completed and started operation in July 1998 to coincide with the opening of the new Hong Kong airport.

Despite the difficulties experienced at beginning of its operations at Chek Lap Kok, the new facility is now operating at a high level of efficiency.

行李及貨物專營權。該公司已取得於赤鱘角之香港新機場處理貨物之新專營權，但須與其他對手競爭，並已興建了一座名為「超級一號貨站」之貨物處理站，該設施每年可處理二百四十萬公噸空運貨物以及二十萬公噸之快運中心。該新設施之興建工程已經完成，並已於一九九八年七月投入服務，以配合香港新機場之啟用。

儘管於赤鱘角機場啟用初期曾出現困難，但新設施目前運作順利且效率甚高。

TELECOMMUNICATIONS

電訊

	Location	地點	Ownership	擁有權
CTM (Macau Telecom)	Macau	澳門	20%	CTM (澳門電訊)

Contribution to earnings

盈利貢獻

Year	HK\$ million	Proportion of total earnings	
年度	港幣百萬元	佔總盈利比例	
1998	44	2%	一九九八年
1997	248	6%	一九九七年

CITIC Pacific has 20% interest in CTM. The company is the franchise provider of public telecommunications services in Macau, including international and domestic telephone services, leased circuits, mobile telephone services, value added services, internet and network services. The present franchise expires in 2001 and negotiations for its renewal are in progress. CTM is highly regarded for its state of the art equipment and services. To further enhance its service capabilities, the company continues its investment program with over MOP290 million invested in new equipment in 1998.

中信泰富擁有澳門電訊20%權益。澳門電訊為澳門提供公共電訊服務之專營公司，服務包括國際及本地電話、線路租賃、流動電話、增值服務、國際電腦互聯網及通訊網絡服務。其專營權至二〇〇一年屆滿，有關延續專營權之磋商工作正在進行。澳門電訊以其先進設備及優質服務見稱。為進一步提高其服務能力，該公司繼續其投資計劃，於一九九八年投資逾澳門幣二億九千萬元添置新設備。

Despite continued slowdown in the Macau economy, CTM reported a net profit after tax of MOP337 million for the year ended 31 December 1998, a slight increase over 1997. The increase was mainly from the growth in mobile phone and internet services.

雖然澳門經濟仍然不景氣，澳門電訊於一九九八年十二月三十一日止年度錄得之除稅後純利為澳門幣三億三千七百萬元，較一九九七年輕微上升。其增長主要來自流動電話及國際電腦互聯網業務。

TRADING AND DISTRIBUTION

貿易及分銷

	<i>Location</i> 地點	<i>Ownership</i> 擁有權	
Dah Chong Hong	Hong Kong 香港	100%	大昌行
Manhattan Card	Hong Kong 香港	20%	Manhattan Card

Contribution to earnings

盈利貢獻

<i>Year</i> 年度	<i>HK\$ million</i> 港幣百萬元	<i>Proportion of total earnings</i> 佔總盈利比例	
1998	336	12%	一九九八年
1997	373	9%	一九九七年

DAH CHONG HONG

Dah Chong Hong Holdings Limited (“DCH”), a 100% owned subsidiary of CITIC Pacific, is a major Hong Kong based trading company with substantial operations in Hong Kong and Mainland China, and business in Japan, Canada and Singapore.

大昌行

大昌貿易行集團有限公司(「大昌行」)為中信泰富全資擁有，以香港為基地，乃本港之大型貿易公司；其主要業務在香港及中國大陸，並遍及日本、加拿大及新加坡。

DCH is one of the largest motor distributors in Hong Kong. Its motor business includes the distribution of motor vehicles, the provision of after-sale service and the sale of accessories and parts. It markets a diversified range of passenger vehicles and commercial vehicles in Hong Kong, Mainland China and Macau, representing Acura, Audi, DAF, Honda, Isuzu, IVECO, MAN, Nissan, Nissan Diesel PACCAR and Volkswagen. In addition, DCH operates 3 purpose-built motor service centres in Hong Kong. The total gross floor area of these service centres approximate 1,300,000 sq.ft. Over the last several years, DCH has established joint venture motor showrooms, vehicle maintenance and

大昌行為香港最大汽車分銷商之一，其汽車業務包括汽車分銷、售後服務及銷售零件及配件。大昌行在香港、中國大陸及澳門經銷多種系列之客車及商用汽車，包括極品、雅迪、大富、本田、五十鈴、依維柯、猛獅、日產、大實力PACCAR及福士。此外，大昌行在香港經營三間汽車服務中心，該等服務中心之樓面總面積約為一百三十萬平方呎。過去數年，大昌行已在中國大陸十多個大城市設立了合營汽車陳列室、汽車保養維

spare parts supply facilities in over ten major cities throughout Mainland China. DCH also signed a number of distributorship and agency agreements for a wide range of branded automobiles in Mainland China, including locally produced vehicles such as Qingling and Isuzu Beijing light bus. As the economic development continues to advance rapidly in China, car distribution and related business poses good growth potential.

DCH's trading division imports, exports and re-exports a large number of items including rice and cereals, edible oils, Chinese foodstuffs, meat and produce, cosmetics, building materials, home electrical appliances and audio-visual equipment.

DCH supplies food to wholesalers and the catering industry in Hong Kong and Mainland China. DCH also operates a chain of DCH Food Marts in Hong Kong.

DCH experienced a difficult year in 1998. Amidst continued economic downturn, sales turnover fell 11% compared with 1997. Motor sales declined by 25%, which was partially offset by a 7% growth in general trading sales.

Although the vehicle market in Hong Kong contracted by 26%, DCH only recorded a drop of 16% in sales volume and increased its market share from 26% to 29%. However, as a result of keen competition, profit margins were generally lower than those in 1997.

The Mainland China vehicle market was weak but progress has been made in the sale of domestically manufactured vehicles which will serve DCH well in the future.

Food trading in both Hong Kong and Mainland China had solid growth in 1998. Engineering business also recorded sales growth thanks to the contracts secured in the past years. Electrical appliances sales were adversely affected by a weak consumer market in Hong Kong and Mainland China. Cosmetics sales were slightly less than that in 1997.

修及零件供應中心。大昌行亦已簽訂多項於中國大陸經銷及代理各種牌子汽車之合約，包括當地生產之汽車，例如慶鈴及五十鈴北京輕型巴士。鑑於中國經濟將繼續迅速發展，汽車銷售及相關業務定擁有良好之發展潛力。

大昌行之貿易部門經營進口、出口及轉口業務，貨品種類繁多，包括大米穀類、食油、中國食品、肉類及農產品、化粧品、建築材料、家庭電器及視聽器材等。

大昌行為香港及中國大陸之批發商及飲食行業供應各類食品，同時大昌行亦在香港經營連鎖式大昌食品市場。

大昌行於一九九八年面對艱難之經營環境。隨著經濟不斷向下，營業額較一九九七年下跌 11%。汽車銷售減少了 25%，但部份已被一般貿易銷售之 7% 增長所抵銷。

儘管香港整體汽車市場萎縮 26%，大昌行之銷售額只減少 16%，市場佔有率則由 26% 增加至 29%。然而，由於競爭激烈，邊際溢利普遍低於一九九七年水平。

雖然中國大陸之汽車市場疲軟，但當地生產之汽車銷售業務已有所進展，日後將會為大昌行帶來利益。

香港及中國大陸之食品貿易業務於一九九八年有穩定增長。工程承包業務亦有賴過往數年簽訂之合約而取得銷售增長。電器銷售卻因香港及中國大陸之消費市場疲弱而受不利影響。化粧品銷售較一九九七年微跌。於

In November 1998, DCH entered into a joint venture with Shiseido Company Limited targeting at further business expansion in Hong Kong and Mainland China.

In 1998, significant progress was made in DCH's continued drive to expand its businesses in Mainland China. Two joint ventures were established in Shanghai to produce chickens and pigs. DCH teamed up with Perdue and Iowa Beef Packers, the world famous chicken and pig producer respectively, in these ventures. Operations at these two joint ventures have already been started. These ventures will provide synergy with DCH's existing food trading and distribution capabilities. DCH sees great business potential for domestic food market in and around Shanghai.

During 1998, DCH also set up "DCH Cooked Food" chain stores in Shanghai as part of the long-term strategy to develop a nation-wide cooked food distribution network in China.

In response to a deteriorating operational environment, a cost saving program, which included a 14% reduction in headcount, was implemented during the year.

MANHATTAN CARD

In January 1998, Manhattan Card Co. Limited was privatised by the majority shareholder. CITIC Pacific sold all its shareholdings in the company for a total cash proceeds of HK\$835 million.

一九九八年十一月，大昌行與株式會社資生堂合作成立了一家合營公司，以進一步擴展香港及中國大陸之業務。

大昌行擴充中國大陸業務之努力於一九九八年取得重大進展。大昌行分別與全球著名雞隻及豬隻飼養商 Perdue 及 Iowa Beef Packers 合作在上海成立了兩家合營企業養殖雞隻及豬隻。該兩家合營公司已開始運作，並將會進一步加強大昌行現時之食品貿易及分銷能力。大昌行於上海及鄰近地區之食品市場之業務發展極具潛力。

於一九九八年間，大昌行亦在上海開設了「大昌熟食店」，此舉乃是在中國建立一個全國性連鎖店之長遠戰略的一部份。

因應經營環境不斷惡化，大昌行年內推行削減營運成本之措施，其中包括精簡14%人手。

MANHATTAN CARD

Manhattan Card Co. Limited 已於一九九八年一月被大股東私營化。中信泰富出售了其於該公司之全部股權，套現之現金總額達港幣八億三千五百萬元。

PROPERTY

物業

	Type	類別	Location	地點	Ownership	擁有權
CITIC Tower	Office	寫字樓	Central	中環	40%	中信大廈
Festival Walk	Office	寫字樓	Tat Chee Avenue	達之路	50%	又一城
DCH Commercial Centre	Office	寫字樓	Quarry Bay	鯽魚涌	100%	大昌行商業中心
Discovery Bay	Residential Township	住宅	Lantau Island	大嶼山	50%	愉景灣
The Paragon	Residential	住宅區	Tai Po	大埔	100%	悠然山莊
Tierra Verde	Residential	住宅區	Tsing Yi MTR	青衣地鐵站上蓋	20%	盈翠半島
Canton Road	Residential/ Commercial	住宅/ 商業區	Canton Road	廣東道	15%	廣東道
Investment properties	Various	多類	Various	多個	100%	投資物業

Note: Except for property DCH owns in Japan and Singapore for mainly operational purposes, the properties are in Hong Kong.

附註：除大昌行於日本及新加坡所擁有主要供經營用途之物業外，所有物業均在香港。

Contribution to earnings

盈利貢獻

Year	HK\$ million	Proportion of total earnings	
年度	港幣百萬元	佔總盈利比例	
1998	182	6%	一九九八年
1997	1,242	30%	一九九七年

CITIC Pacific's involvement in the property development has evolved gradually. The Company has built up a property development team capable of managing large-scale residential and commercial development. A number of property development projects were completed or made progress in 1998.

CITIC Pacific's new headquarters - CITIC Tower is a new landmark on the Hong Kong waterfront. The building includes 562,000 sq.ft. of offices, restaurants and retail shops. A footbridge links the CITIC Tower to Admiralty MTR station. The whole project was completed in only two years from the date when the land was acquired to occupation permit. This well demonstrates the skill of our property development team. The building attracted well-known local and multinational tenants and is

中信泰富之物業發展業務日漸成熟。多年以來，本公司已成功地建立了一支能夠興建並管理大型住宅及商業發展的物業發展隊伍。於一九九八年，多項地產發展計劃經已落成或取得了重大進展。

中信泰富之新總部「中信大廈」是香港海濱的新標誌，大廈包括寫字樓、酒樓及零售商店共五十六萬二千平方呎。該大廈與金鐘地鐵站有行人天橋相連。整項計劃於投得土地後至取得入伙紙僅兩年便落成，充份顯示我們物業發展隊伍之能力。該大廈吸引不少本地及跨國著名公司租用，至目前為止，已

currently 86% occupied. All of CITIC Pacific corporate staff moved to the new office in January 1998.

Discovery Bay is a well-planned residential development on a site of over 1,500 acres on the island of Lantau, Hong Kong. This development is strategically located as the Lantau Island is one of the future growth areas in Hong Kong following the opening of the new Hong Kong airport. A number of key infrastructure such as North Lantau Expressway, Cheung Tsing Tunnel and WHC have been developed to link the Lantau Island with Hong Kong Island, Kowloon and New Territories. Significant infrastructure (reservoir, sewage system, road and etc.) has been installed at Discovery Bay which have the capacity to support 25,000 residents.

The land premium for the phase 9 and phase 10 development which will consist of total floor areas of 353,000 sq.ft. has recently been finalised at HK\$623 per sq.ft. Construction is in progress and completion is expected by the 2nd quarter of year 2000. A master plan to build an additional floor area of 2.3 million sq.ft. has been approved by The Government of the Hong Kong Special Administrative Region. The negotiation over the land premium is expected to be finalised soon. The construction work for the tunnel connecting Discovery Bay to the new airport road system is progressing well. Tunnel breakthrough is scheduled in April 1999 and completion is expected by end of 1999. The completion of the tunnel will also facilitate water and electricity supply and waste disposal for the future development at Discovery Bay.

Discovery Bay Transportation Services Limited, of which CITIC Pacific has 50% interest, was recently awarded a franchise for the Central/Tsimshatsui East inner harbour ferry services. Operation will commence on 1 April 1999.

CITIC Pacific is an equal partner with the Swire Group in the development of a 1.2 million sq.ft. shopping and office complex named

有86%的寫字樓樓面租出。中信泰富總部全體員工已於一九九八年一月遷入新大廈。

位於香港大嶼山的愉景灣乃是一個超過一千五百英畝面積，計劃完善的住宅區發展項目。此發展項目之地理位置十分優越，香港新機場落成後，大嶼山將會成為香港未來發展地區之一。連接大嶼山與香港島、九龍及新界的北大嶼山快速公路、長青隧道及西隧等大型基礎設施均告建成。愉景灣現有的主要基礎設施(水塘、污水系統及道路等)可應付二萬五千名居民的基本需求。

第九期及第十期發展項目總樓面面積為三十五萬三千平方呎，補地價金額已確定為每平方呎港幣六百二十三元。該發展項目已動工興建，預期於二〇〇〇年第二季前完成。有關興建二百三十萬平方呎樓面面積的新發展整體規劃已得到香港特別行政區政府的批准，預期補地價事宜將於短期內落實。連接愉景灣至新機場道路系統的隧道工程正順利進行，預計隧道於一九九九年四月打通，並可於一九九九年年底落成。隧道落成後亦有助日後愉景灣之水電供應及污水處理之發展。

中信泰富擁有50%權益之愉景灣航運服務有限公司近期取得了來往中環/尖東之小輪服務專營權，將於一九九九年四月一日起投入服務。

中信泰富與太古集團以各佔半數權益之方式合作發展了樓面面積達一百二十萬平方呎名為「又一城」之購物及寫字樓綜合商場。

Festival Walk. The site of the complex is favourably positioned at the intersection of the Kowloon Canton Railway and Mass Transit Railway Stations in Tat Chee Avenue, Kowloon. The development has been completed and the shopping mall was opened for the Christmas season. The mall has been attracting very large crowds since opened which improved leasing sentiment. Currently, over 90% of the retail space is occupied.

Following the completion of a 600,000 sq.ft. motor service centre at Ap Lei Chau which replaced the Quarry Bay Motor Service Centre, a high quality 389,000 sq.ft. office block named DCH Commercial Centre has been built at the old site. The occupation permit was obtained in July 1998. Despite very difficult market conditions, over 65% of the total lettable floor area of DCH Commercial Centre is currently leased.

Against the background of a significant downturn in Hong Kong property market, sales of 50 flats continued during the year at The Paragon, a well-designed high quality residential project developed by CITIC Pacific. Only two penthouses remain unsold.

CITIC Pacific has 20% interest in a consortium led by the Cheung Kong Group which has development rights above the Tsing Yi MTR station on the line to the new airport. The sales of Tierra Verde during 1998 were a great success. Over 3,000 residential units were sold in 1998 generating cash flow to CITIC Pacific of over HK\$1.6 billion to date. The occupation permit for phase I was received in January 1999 and for the phase II development, the occupation permit is expected to be awarded in July 1999. Therefore, the profit for the project will be booked in 1999.

During 1998, CITIC Pacific joined in a consortium (15% interest) led by the Cheung Kong Group to acquire a land site at Canton Road in Kowloon for residential / commercial development. Demolition work is in progress at the site.

該商場位於九龍達之路九廣鐵路及地下鐵路車站之交匯處，地理位置極為優越。「又一城」發展項目已經完成，購物商場並已於聖誕節啟用。自開幕以來，商場人流不絕，帶動租務成績。目前，購物商場部份已租出逾90%。

於佔地六十萬平方呎之鴨脷洲汽車服務中心落成並取代鰂魚涌汽車服務中心後，其舊址已興建了一幢面積達三十八萬九千平方呎高級寫字樓大廈，取名為「大昌行商業中心」。該中心於一九九八年七月已取得入伙紙。儘管市況不景，但大昌行商業中心已租出超過65%之可供出租總面積。

儘管香港物業市場顯著回落，由中信泰富發展，擁有優雅設計之高級住宅項目「悠然山莊」於年內相繼售出五十個單位，至今只餘兩個頂層單位尚未售出。

以長江集團為首而中信泰富持有20%權益之財團擁有新機場沿線之青衣地鐵站上蓋之發展權益。盈翠半島於一九九八年推出時市場反應熱烈，超過三千個住宅單位一售而空。該項目為中信泰富帶來現金流量逾港幣十六億元。盈翠半島第一期之入伙紙已於一九九九年一月取得，而第二期之入伙紙預期將於一九九九年七月獲發。因此，該項目之溢利將於一九九九年入賬。

中信泰富於一九九八年參與了一項由長江集團為首之財團(佔15%權益)，收購一幅位於九龍廣東道之住宅/商業用地，拆卸工程正在進行中。

Preparation works are also underway for two residential development projects: Hung Shui Kiu (planned GFA of 537,000 sq.ft.) and Tung Chau Street (planned GFA of 200,000 sq.ft.). When the market sentiment improves, these potential projects together with the development at Discovery Bay provide CITIC Pacific with ample landbank in future residential development.

兩個住宅發展項目之籌備工作亦正在進行中：洪水橋 (預計建築面積為五十三萬七千平方呎) 及通州街 (預計建築面積為二十萬平方呎)。隨著市場氣氛回復，此等項目連同愉景灣之發展項目將為中信泰富日後之住宅發展提供充裕的土地儲備。

INDUSTRIAL MANUFACTURING

工業製造

	Location	地點	Ownership	擁有權
Jiangyin Xing Cheng Steel Works	Wuxi	無錫	55%	江陰興澄鋼鐵
Jiangyin Xingcheng Special Steel Works	Wuxi	無錫	55%	江陰興澄特種鋼鐵
Wuxi Tong Ling Cable	Wuxi	無錫	34%	無錫通菱電纜
Wuxi Huada Motors	Wuxi	無錫	55%	無錫華達電機

Note: Wuxi is a major industrial city in Jiangsu province, PRC

附註：無錫乃中國江蘇省之主要工業城市

Contribution to earnings

盈利貢獻

Year	HK\$ million	Proportion of total earnings	
年度	港幣百萬元	佔總盈利比例	
1998	23	1%	一九九八年
1997	22	1%	一九九七年

Jiangyin Xing Cheng Steel Works produces many grades of carbon and alloy steel. Under a very challenging market situation for the steel industry in China due to over supply, the company reported a pre-tax net profit of RMB50.5 million for the year ended 31 December 1998. Jiangyin Xingcheng Special Steel Works is a new 600,000 tonnes per year steel mill. Installation and testing of all the main equipment including the rolling mill equipment have been completed. In 1998, 167,000 tonnes of steel and 51,600 tonnes of steel products were produced. This new steel mill is equipped with the most modern production facilities from Germany, and is one of the most efficient special steel plant in China.

江陰興澄鋼鐵公司生產各級碳鋼及合金鋼。在中國鋼鐵業供過於求而極具挑戰的市場環境下，該公司截至一九九八年十二月三十一日止年度取得除稅前淨溢利人民幣五千零五十萬元。江陰興澄特種鋼鐵公司為年產量可達六十萬公噸之新鋼廠，該廠包括軋鋼廠之所有主要設備均已完成安裝及測試。該廠一九九八年生產鋼及鋼材產品，分別為十六萬七千公噸及五萬一千六百公噸。新鋼廠配備有從德國進口之最先進生產設備技術，為全中國最高效率的特種鋼廠之一。

Wuxi Tong Ling Cable produces both copper and optical cables for the video broadcast and telecommunications industries. Pirelli Cable, an Italian industrial group with extensive experience in cable manufacturing is a partner in this company. Progress has been made in operating efficiency. The plant reported a small loss for 1998 which showed significant improvement over last year.

Wuxi Huada Motors Company produces small to medium range electrical motors for industrial and agricultural applications. In 1998, Huada Motors was successful in introducing its products to the European market and achieved higher earnings over last year.

Y E A R 2 0 0 0

The Group has adopted as its definition of Year 2000 compliance the Year 2000 Conformity Requirements (PD2000-1: 1998) issued by the British Standards Institution : “Year 2000 conformity shall mean that neither performance nor functionality is affected by dates prior to, during and after the Year 2000”.

CITIC Pacific formed a Year 2000 Group Steering Committee in March 1998. It is chaired by a main Board Director and its mission is to ensure that appropriate actions are being taken in businesses that are material to the Group in terms of assets, cash flows or profits to address non Year 2000 compliant issues. This Committee provides policy guidance to the Group and monitors progress through monthly meetings. Year 2000 steering committees have been formed in subsidiary companies sponsored by their chief executive officers and their progress is regularly reported to and reviewed by the Group Steering Committee. The progress of CITIC Pacific’s associated companies and joint ventures is monitored by regular visits and periodic briefings.

無錫通菱電纜為視像廣播業及電訊業製造所需之銅質及光纖電纜。意大利工業集團 Pirelli Cable 成為該公司之合作夥伴，其於製造電纜方面具豐富經驗。該廠提高經營效率之計劃已見成效，一九九八年錄得輕微虧損，但較去年有明顯改善。

無錫華達電機公司生產中小型電機用作工業及農業用途。華達電機於一九九八年成功在歐洲市場推出其產品，盈利較去年為佳。

公元二〇〇〇年電腦系統問題本集團採用「英國標準協會」(the British Standards Institution) 公佈之公元二〇〇〇年電腦系統標準 (PD2000-1:1998) 作為公元二〇〇〇年電腦系統問題之定義：「公元二〇〇〇年電腦系統標準乃指表現與功能均不受公元二〇〇〇年前、後及其間之日期所影響」。

中信泰富於一九九八年三月已成立公元二〇〇〇年集團督導委員會，由董事會一位成員擔任主席，旨在作出適當行動，對集團無論在資產、現金流量或溢利方面有貢獻之業務，不會因公元二〇〇〇年電腦系統問題而受影響。委員會對集團提供政策指導並透過每月例會監察進展情況。各附屬公司亦自行成立公元二〇〇〇年督導委員會，並獲各附屬公司之行政總裁支持，將其進展情況定

The objective of the CITIC Pacific Year 2000 programme is to ensure that the Group's business critical systems using dates to perform important functions and calculations will operate as they currently do, through and after the year 2000. The programme involves taking comprehensive inventories, performing impact analysis, carrying out remediation, and testing all business critical systems to ensure they shall be Year 2000 compliant. As at the end of December 1998, CITIC Pacific and its subsidiaries have completed over 50% of the procedures in relation to the Year 2000 compliance programme. The Group aims to achieve Year 2000 compliance by the middle of 1999.

Suppliers, vendors, service providers and business partners are being asked to confirm that their products and services are Year 2000 compliant. Non-compliant systems will be upgraded or replaced if the non-compliance compromises the operation of the business. The Group is mindful of the adverse effects on its business as a result of any third parties failing to be Year 2000 compliant. Contingency plans are being developed by the Group to manage the risk of failure and to minimise the potential impact of any disruptions to its operations. Major contingency plans are reviewed by the Group Steering Committee and will be monitored regularly. External expert advice has been and will be sought as necessary.

The Group is currently discussing the issue of insurance for Year 2000 related matters with its insurers. It is possible that insurance may not be available to cover Year 2000 related events.

The remedial expenditure identified up to the end of 1998 is in the region of HK\$14 million. In addition, Year 2000 non-compliance has been addressed in the course of regular systems development but the element attributable to Year 2000 cannot be quantified. At the conclusion of the Year 2000 test plan, further expenditure could be identified depending on the chosen solution to the problem.

期向集團督導委員會匯報及進行檢討。至於中信泰富之聯營公司及合資公司之進展情況，則透過定期舉行之訪問及簡報予以監察。

中信泰富制定公元二〇〇〇年計劃的目標，是要確保集團內一些以日期為準的主要業務運作系統，在發揮重要功能及運算方式方面，能跨越公元二〇〇〇年，繼續如常運作。該項計劃包括對電腦系統進行全面清點、分析有關系統問題對本集團所帶來的影響，採取補救的措施，以及測試所有主要業務運作系統，務求令本集團的電腦系統能符合公元二〇〇〇年問題所訂定的標準。截至一九九八年十二月為止，中信泰富及其附屬公司超過一半之電腦系統已完成有關公元二〇〇〇年電腦系統標準之規格測試程序。本集團之目標，乃在一九九九年中達到就公元二〇〇〇年問題所訂之標準。

產品及服務供應商，和業務夥伴亦須向本集團確認其所提供之產品及服務均符合公元二〇〇〇年的電腦系統標準。若因系統仍未符合要求而對本集團業務運作有所影響，該等系統將會被升格或替換。本集團亦明瞭因第三者未能符合公元二〇〇〇年電腦系統標準而對本集團所造成負面影響。本集團正制訂應變計劃，以應付系統失誤之風險及盡量減少其可能引致業務運作中斷之衝擊。重要之應變計劃均由集團督導委員會審核，並定期監察。本集團過去、及將來在有需要之情況下均會就此向專家尋求意見。

The Group has taken and will continue to take reasonable steps necessary to ensure that its internal business systems and equipment will enable it to be Year 2000 compliant in a timely manner and its business will not be materially interrupted by Year 2000 non-compliance.

THE COMMUNITY

CITIC Pacific helps the less well-off in our community by being a major donor to the Community Chest of Hong Kong. Dah Chong Hong also contributes to the Chest in its own name. Many hundreds of our staff participated in Chest events such as the Dress Casual Day, and the Walks for Millions. In 1998 CITIC Pacific also supported the flood relief efforts in Mainland China and numerous other charities.

目前，本集團正與保險公司就公元二〇〇〇年問題提供保險之事宜進行磋商，但據了解，公元二〇〇〇年電腦系統問題及其相關事項有可能未能承保。

直至一九九八年底，集團計算出用於系統補救工作之開支總數約為港幣一千四百萬元。此外，不符合公元二〇〇〇年標準之電腦系統亦於日常系統更新工作中予以解決，惟其中涉及公元二〇〇〇年之部份卻難以單獨衡量。當公元二〇〇〇年測試計劃完成時，可能計算出進一步之開支，惟需視乎所選擇解決問題之方法而定。

本集團已採取並繼續進行任何合理之步驟，以確保其內部業務系統及設備，如期達致合乎公元二〇〇〇年電腦系統標準，令其業務不會因未能符合標準而中斷。

社會服務

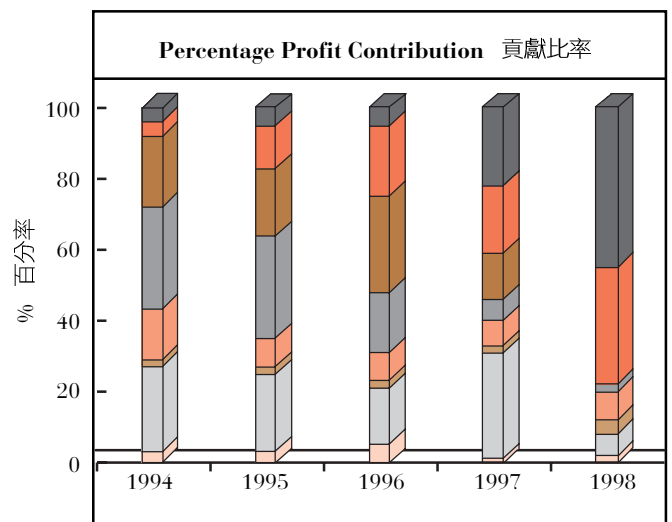
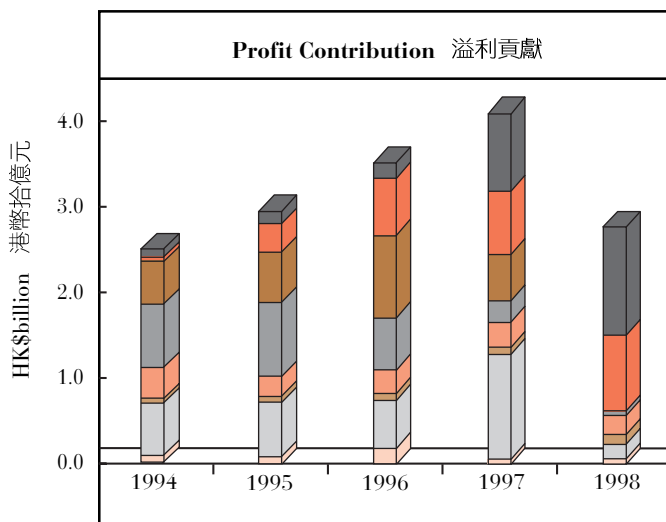
中信泰富作為香港公益金之重要捐款人，致力於幫助社會上有需要之一羣。大昌行亦以其本身之名義捐款予公益金。本公司數百位員工積極響應公益金所舉辦之各項活動如便服日及百萬行。於一九九八年，中信泰富曾參與賑濟中國大陸水災之救援工作及多個慈善團體之活動。

REVIEW OF 1998 CONSOLIDATED FINANCIAL RESULTS
Net Profit

The net profit attributable to shareholders in 1998 was HK\$2,808 million compared with HK\$4,140 million in 1997 (excluding a non-recurrent gain of HK\$3,236 million), a reduction of 32%. The following charts exclude the profit from the sale of Hongkong Telecom and Dragonair (1996: HK\$3,298 million, 1997: HK\$3,236 million).

一九九八年綜合財政業績回顧
淨溢利

一九九八年之股東應佔淨溢利為港幣二十八億零八百萬元，與一九九七年之港幣四十一億四千萬元(扣除非經常性收益港幣三十二億三千六百萬元)比較，跌幅為32%。下表並未計入出售香港電訊及港龍航空之所得溢利(一九九六年：港幣三十二億九千八百萬元，一九九七年：港幣三十二億三千六百萬元)。



	1994	1995	1996	1997	1998
Power Generation 發電	0.103	0.154	0.178	0.912	1.263
Civil Infrastructure 基礎設施	0.103	0.369	0.713	0.786	0.931
Aviation 航空	0.514	0.534	0.962	0.538	0.000
Telecommunications 電訊	0.745	0.360	0.605	0.248	0.044
Trading & Distribution 貿易及分銷	0.360	0.246	0.285	0.290	0.223
Consumer Credit 消費信用	0.051	0.061	0.071	0.083	0.113
Property 物業	0.617	0.645	0.570	1.242	0.182
Others 其他	0.077	0.077	0.178	0.041	0.052

Viewed as a percentage of the total, the increasing contribution from power generation and civil infrastructure can be easily seen.

倘以所佔總收入之百分率計算，來自發電業務及基礎設施之貢獻升幅較為明顯。

Compared with 1997, power generation increased because CITIC Pacific's association with CLP began in March 1997. In 1998 CLP recorded an exceptional profit from property sales as well as growth in its base business.

The increased profit from Civil Infrastructure is mainly because the Wuxi Toll Road, Chongqing Bridge and an additional interest in the Eastern Harbour Tunnel were acquired in late 1997.

Telecommunications income reduced as CITIC Pacific sold shares in HKT in 1996 and 1997. In 1998 only Macau Telecom continued to contribute.

The contribution from Aviation decreased due to the loss sustained by Cathay Pacific in 1998 offset by a reduced profit from Dragonair.

Property sales in 1998 were limited to the few flats remaining at The Paragon. Property rental income increased due to the full year effect of income from CITIC Tower and the newly completed buildings like DCH Commercial Centre and Festival Walk.

由於中信泰富與中電自一九九七年三月起聯營，故發電業務較一九九七年增加。於一九九八年，中電除基本業務錄得增長外，亦因出售物業而獲得特殊溢利。

來自基礎設施之溢利有所增長主要是由於一九九七年底收購之無錫高速公路、重慶大橋及增加之東區海底隧道股權。

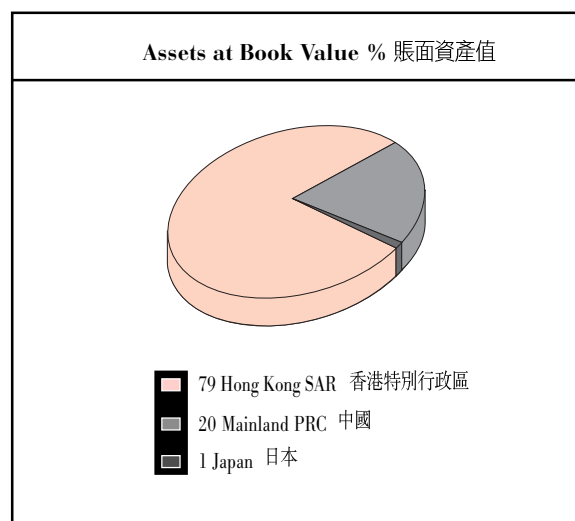
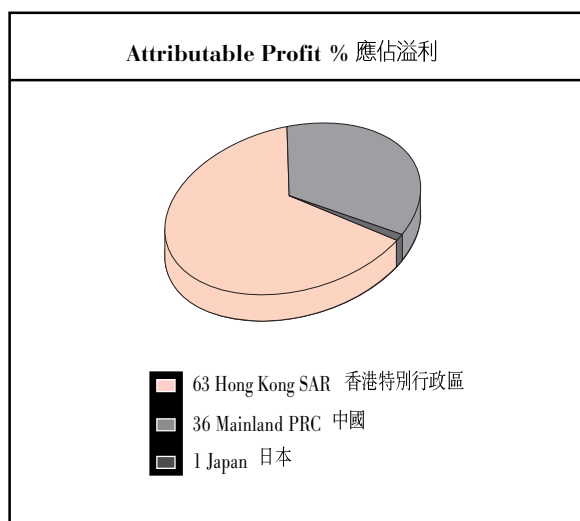
電訊業務之收入減少主要由於中信泰富分別於一九九六年及一九九七年出售香港電訊股份。於一九九八年，僅澳門電訊業務繼續帶來溢利貢獻。

航空業務之溢利貢獻減少，主要由於國泰航空於一九九八年出現虧損及港龍航空溢利減少。

一九九八年之物業銷售收入僅來自出售「悠然山莊」餘下少量單位。物業租金收入增加乃由於計入中信大廈全年之租金收入，以及來自新近落成大廈如「大昌行商業中心」及「又一城」之租金收入。

Geographical Distribution 地區分佈

as at 31 December 1998 一九九八年十二月三十一日結算



Property Valuation

A property valuation was performed on CITIC Pacific's investment properties by an independent qualified valuer. There was a net surplus for the year of HK\$57 million as a result of the surplus on newly completed projects DCH Commercial Centre and Festival Walk offsetting a reduction in the value of other properties.

Taxation

The level of tax decreased owing to a lower profit base. About 74% of tax charged to the Profit and Loss Account was paid by associated companies compared to 68% in 1997. The increase is mainly due to increase in the taxation charge at CLP.

Shareholders' Returns

CITIC Pacific's primary objective is to increase shareholder value for which it has used earnings per share as a proxy. The Company expects its businesses to provide a return on investment over their lives that will provide shareholders with an adequate return on equity.

Earnings Per Share

Earnings per share were 132 HK cents in 1998 a decrease of 32% compared with 1997 excluding the non-recurring sale of Hongkong Telecom and Dragonair shares in 1996 and 1997. This is similar to the decrease in net profit as there was no material difference in the weighted average number of shares in both years.

物業估值

獨立認可估值師已就中信泰富之投資物業進行物業估值。雖然部份物業價值下跌，惟新近落成之「大昌行商業中心」及「又一城」均錄得估值盈餘，為年內帶來估值盈餘淨額港幣五千七百萬元。

稅項

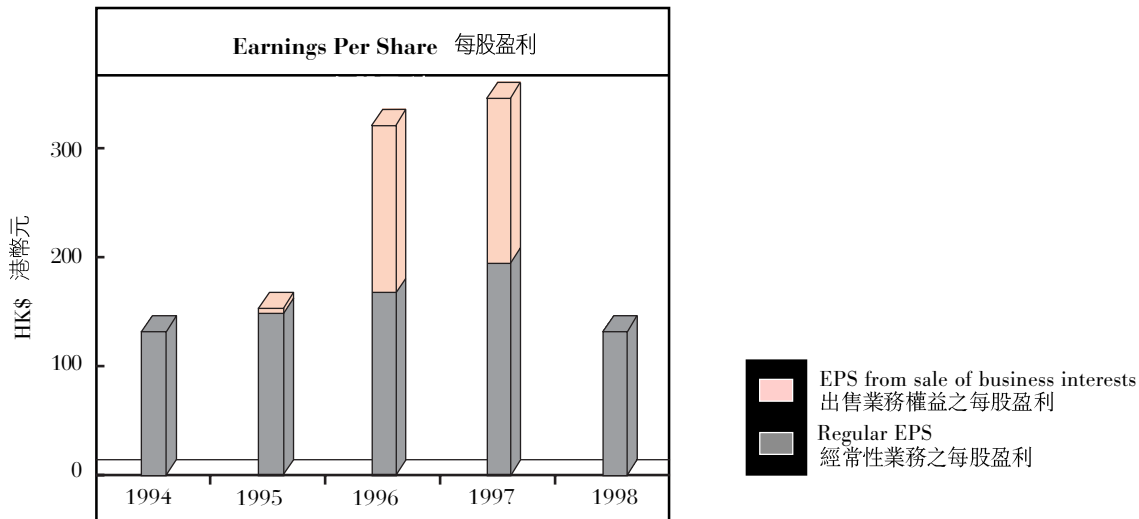
由於溢利下跌，故導致稅項減少。於損益賬中，約74%之稅項支出由聯營公司支付，而一九九七年則為68%。有關增幅主要是由於中電稅項支出增加所致。

股東回報

中信泰富之主要目標乃增加股東價值，並以每股盈利作為指引。本公司期望其業務於營運期間所提供之投資回報能為股東帶來足夠之股本收益。

每股盈利

一九九八年之每股盈利為港幣132仙，較一九九七年及已扣除於一九九六年及一九九七年非經常性出售香港電訊及港龍航空股份後之每股盈利數字下跌32%。由於該兩年之加權平均股份數目並無重大差別，故上述跌幅與淨溢利之跌幅相若。

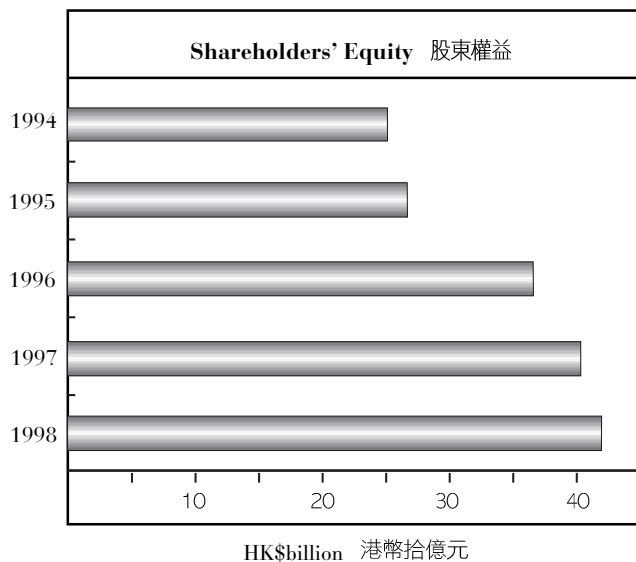


Shareholders' Equity

Shareholders' equity has grown steadily from 1990 when shareholders' equity was HK\$1.2 billion. The Company has added additional shareholders' fund of HK\$40.7 billion of which HK\$21 billion was generated from new equity and HK\$19.7 billion from the Company's operation. In addition dividends of HK\$9.3 billion were paid from 1990 to 1998.

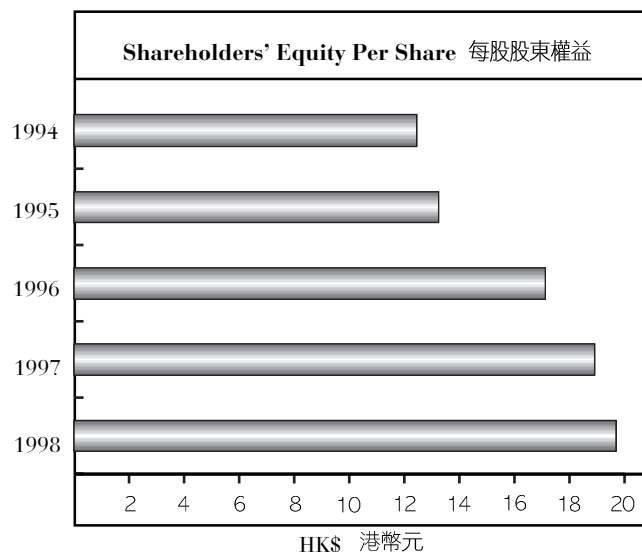
股東權益

股東權益增長穩定，自一九九〇年之港幣十二億元起。本公司已增加股東資金港幣四百零七億元，其中港幣二百一十億元來自新增股份，另港幣一百九十七億元則來自公司業務營運。此外，一九九〇年至一九九八年間合共派發股息為港幣九十三億元。



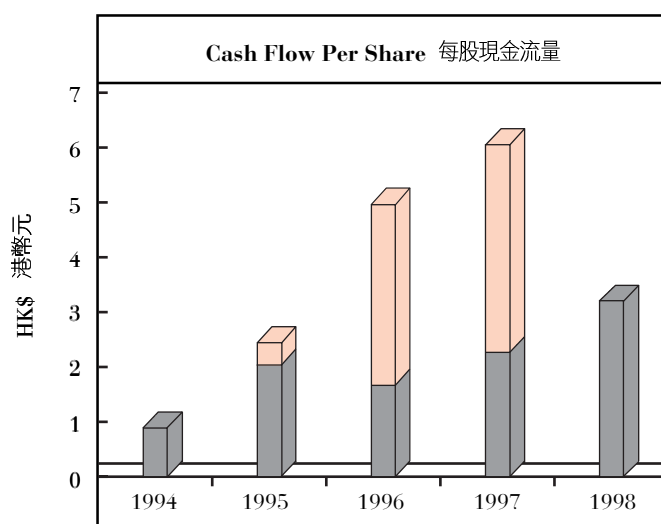
Shareholders' Equity Per Share

Shareholders' equity per share was HK\$19.7 compared with HK\$18.9 in 1997.



Cash Flow Per Share

Cash contributed from all business to the Company per share was HK\$3.21 for 1998 compared with HK\$6.06 in 1997. The decrease is mainly due to the cash received on the disposal of Hongkong Telecom and Dragonair in 1996 and 1997.

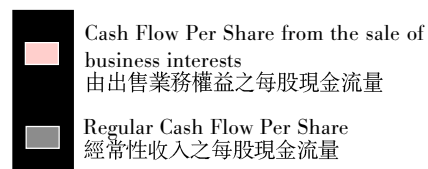


每股股東權益

每股股東權益為港幣19.7元，而一九九七年則為港幣18.9元。

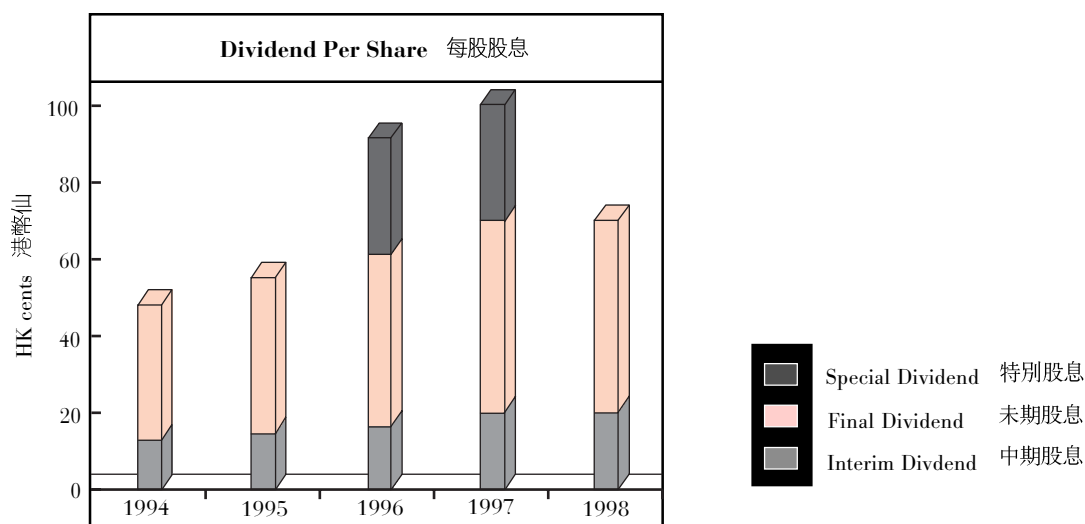
每股現金流量

一九九八年來自本公司所有業務之現金貢獻為每股港幣3.21元，而一九九七年則為每股港幣6.06元。而下降之原因主要是對比於一九九六年及一九九七年出售香港電訊及港龍航空而收取大量現金所致。



Dividend Per Share

An interim dividend of 20 HK cents per share was paid in September 1998 and it is proposed to pay a final dividend of 50 HK cents per share on 14 June 1999 giving a total regular dividend of 70 HK cents per share for 1998, unchanged from 1997. An additional special dividend of 30 HK cents per share was paid in 1996 and 1997 out of the non-recurring profit on the sale of business interests. The dividends paid and payable in 1998 will cost a total of HK\$1.5 billion.



每股股息

中期股息每股港幣 20 仙已於一九九八年九月派發，茲建議於一九九九年六月十四日派發末期股息每股港幣 50 仙，故一九九八年度合共派發普通股息每股港幣 70 仙，與一九九七年之數額相同。另一九九六年及一九九七年分別就出售業務權益之非經常性溢利額外派發特別股息每股港幣 30 仙。一九九八年派發之股息總額為港幣十五億元。

Capital Expenditure

1998 capital expenditure of HK\$2.9 billion was largely for the completion of Festival Walk and DCH Commercial Centre and the development of Discovery Bay and Canton Road.

Additional investment was also made in existing infrastructure projects.

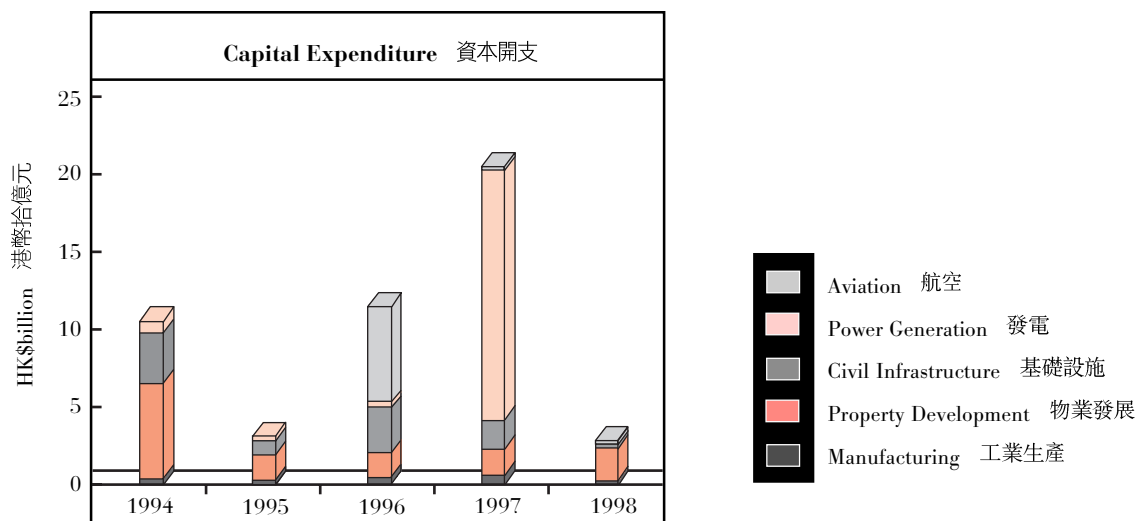
In 1999 the Group presently expects that the Group will invest HK\$1.6 billion mainly on infrastructure projects in Mainland China and existing property developments.

資本開支

一九九八年之資本開支約港幣二十九億元，主要是用於完成興建「又一城」及「大昌行商業中心」，以及發展愉景灣及廣東道。

另就現有基建項目亦投入額外資金。

按目前估計，本集團於一九九九年將投入港幣十六億元，主要發展中國大陸之基建項目及現有之物業發展項目。



Turnover

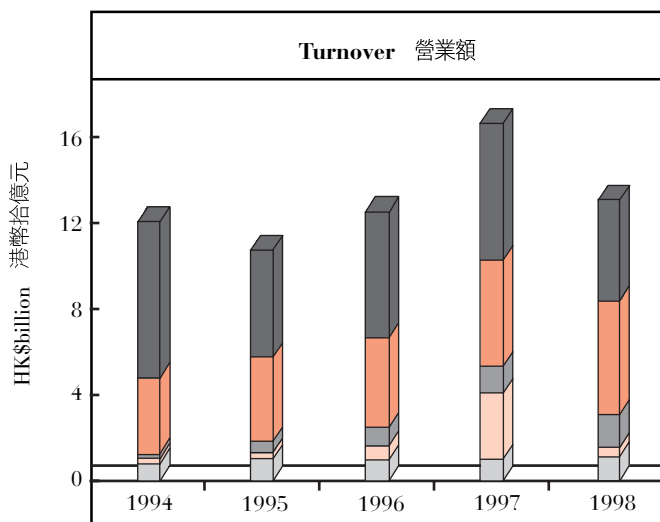
Turnover in the consolidated accounts includes the revenue from the Company and its subsidiaries. It excludes the substantial part of CITIC Pacific's business conducted through associated companies.

營業額

綜合賬目之營業額包括來自本公司及其附屬公司之收益，惟並不包括中信泰富透過聯營公司所經營之大部份業務。

By Business

以業務分類



	1994	1995	1996	1997	1998
Motor vehicles and related services 汽車及有關服務	7.272	4.961	5.910	6.347	4.739
Trading 貿易	3.585	3.931	4.139	4.930	5.295
Power and civil infrastructure 發電及基礎設施	0.125	0.577	0.925	1.353	2.045
Property 物業	0.218	0.240	0.604	3.080	0.443
Others 其他	0.923	1.127	1.178	1.088	1.170

Motor turnover fell 25% in 1998 due to reduced sales volume and margins. However, food and other trading turnover increased 7% compared with 1997.

Turnover from the power and civil infrastructure sector grew by 51% due to a full year contribution from the PRC toll roads and Eastern Harbour Tunnel acquired in late 1997. Property sales revenue decreased as fewer property were completed and available for sale in 1998 than in 1997.

GROUP LIQUIDITY

CITIC Pacific aims to finance its business with liabilities appropriate to the cash flows from each business, employing limited or non-recourse project finance when it is available. Financing and cash management activities of the Group are centralized at the corporate level except that operating businesses such as Dah Chong Hong may be delegated authority to arrange short term trade finance.

Currency risks are closely managed by financing non Hong Kong dollar assets as far as possible with matching debt. For instance the US\$ cash flows arising from most infrastructure projects in Mainland China are matched against US\$ debt. At 31 December 1998 such businesses required financing of US\$1.3 billion. The denomination of the Group's liabilities at 31 December 1998 after currency swaps were:

由於銷量及邊際利潤下跌，故令一九九八年汽車營業額下跌25%。然而，食品及其他貿易之營業額則較一九九七年增加7%。

由於一九九七年底所購入之中國收費公路及東區海底隧道均提供全年溢利貢獻，故發電及基礎設施業務之營業額增加51%。一九九八年之物業銷售收益則因較少物業落成及可供銷售而較一九九七年減少。

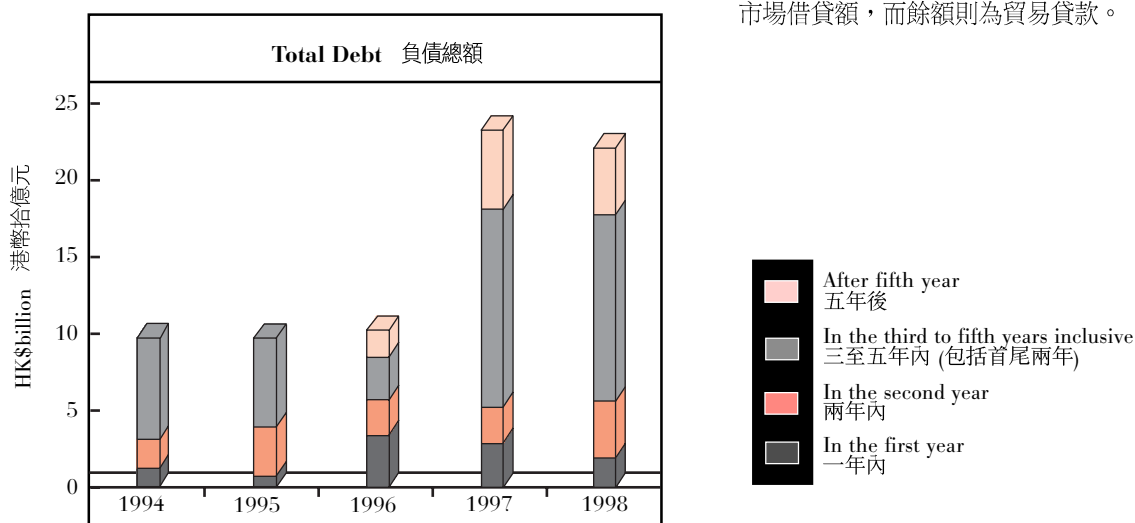
集團之財務狀況

中信泰富之融資策略的特點為融資形式須根據有關業務之現金流量，在可能情況下安排有限或無追索權項目融資。除部份業務如大昌行可能獲授權自行安排短期貿易融資外，本集團之融資及現金管理運作均集中在總公司層次進行。

本集團一向盡量以配對債務平衡非港幣資產融資，從而嚴謹控制外幣風險。舉例而言，大部份中國大陸基本建設項目之美元現金流轉均以美元債務作為配對。於一九九八年十二月三十一日，該等業務需要十三億美元之資金，本集團於一九九八年十二月三十一日經外幣掉期後之負債面值為：

Denomination of liabilities 負債面額	HK\$ 港幣	US\$ 美元	Yen 日元	Reminbi 人民幣	Other 其他	Total 總計
HK\$ million 港幣百萬元	7,423	13,432	624	494	102	22,075
Percentage 百份率	33.6%	60.9%	2.8%	2.2%	0.5%	100%

The level of the Group's total debt increased in 1997 due to the purchase of 20% of CLP Holdings which was partially financed with debt. At the end of 1998, the Group's total debt amounted to HK\$22.1 billion, deposits with banks were HK\$0.9 billion. Net debt was HK\$21.2 billion, some HK\$1.4 billion below the level at the end of 1997. Undrawn facilities available to the Group totalled HK\$4.1 billion of which approximately HK\$1 billion were committed revolving facilities, HK\$2.1 billion were money market lines and the balance were trade facilities.



由於購入中電控股20%權益時公司以舉債形式籌措部份資金，故本集團一九九七年之負債總額有所上升。截至一九九八年底，本集團之負債總額為港幣二百二十一億元，而銀行存款為港幣九億元。淨負債為港幣二百一十二億元，較一九九七年底之淨負債減少約港幣十四億元。本集團尚未提取之備用信貸達港幣四十一億元，其中約港幣十億元為已承諾之循環貸款，港幣二十一億元為貨幣市場借貸額，而餘額則為貿易貸款。

CITIC Pacific employs a combination of financial instruments to manage the fixed and floating interest rate and currency mix of its total debt portfolio with a view to minimising the overall cost of borrowing. At the end of 1998 approximately 30% of the Group's total outstanding debt was effectively hedged into fixed rate of interest.

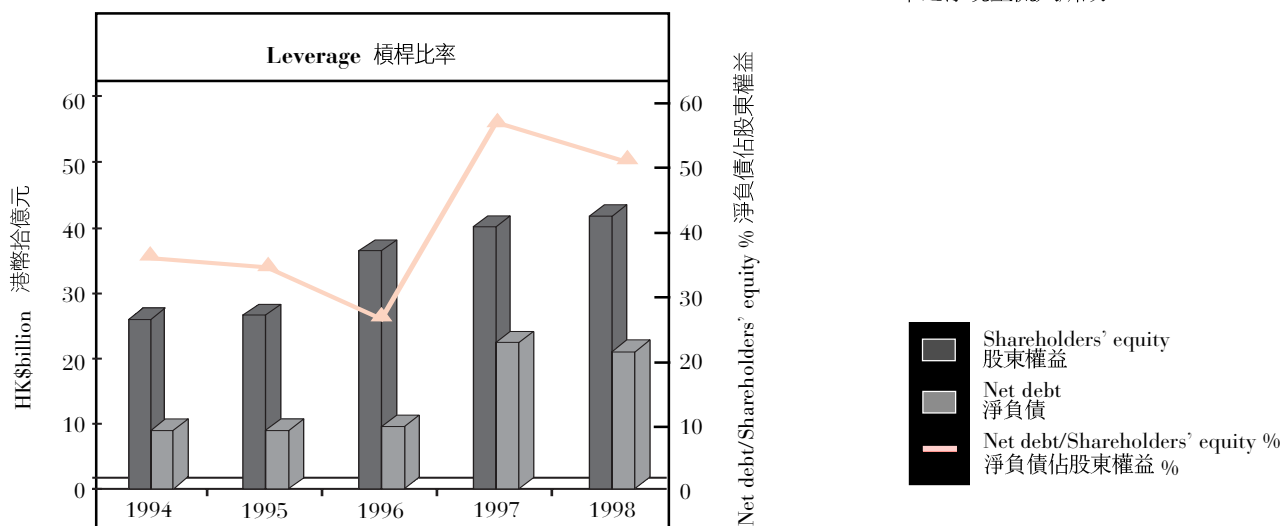
中信泰富以不同形式之金融工具調配定息及浮息負債，並以各類貨幣組成債項組合，從而盡量減低整體借貸成本。於一九九八年底，本集團尚未償還之負債總額中約30%已實際對沖為定息借貸。

The total nominal amount of interest rate swaps, interest rate caps and forward rate agreement outstanding at 31 December 1998 was HK\$5.2 billion with 13 financial institutions.

截至一九九八年十二月三十一日，本集團未到期之利率掉期、利率上限合約及遠期利率協議總額共港幣五十二億元。該等交易與十三家金融機構進行。

Leverage

Leverage as measured by net debt/shareholders' equity was 51% at 31 December 1998 compared with 56% at the end of 1997. The decrease is the result of a net cash inflow during 1998.

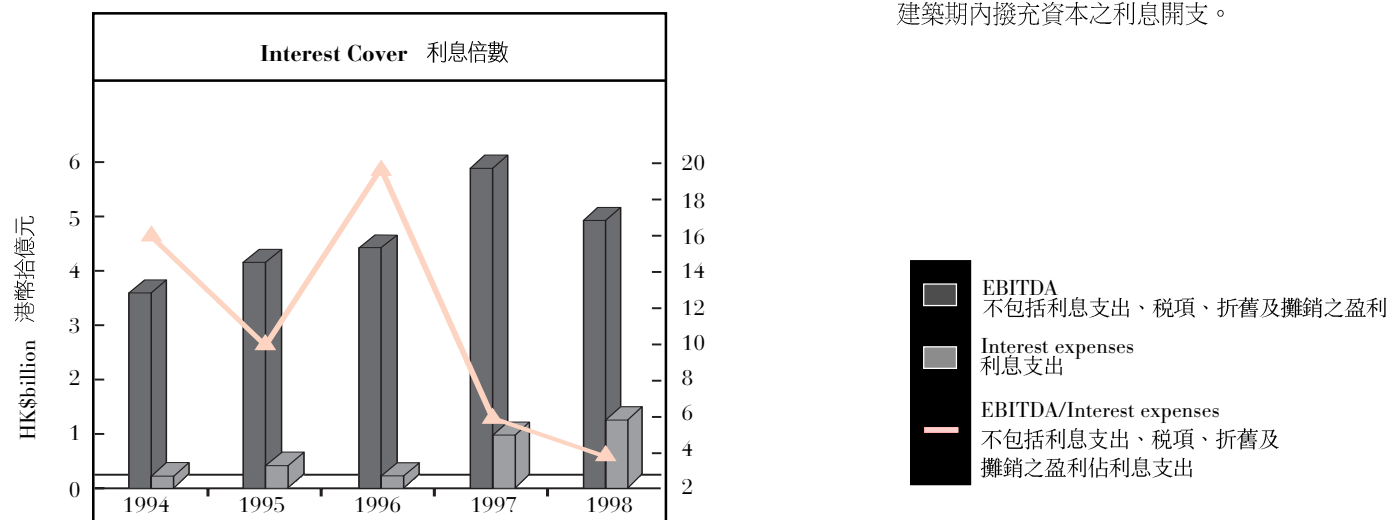


槓桿比率

於一九九八年十二月三十一日之槓桿比率 (即淨負債佔股東權益之比率) 為51%，而一九九七年底則為56%。有關跌幅乃由於一九九八年之淨現金流入所致。

Interest Cover

EBITDA/Interest expenses was 4.0 in 1998 compared to 6.1 in 1997. The decrease in interest cover is mainly due to the decrease in profit and a reduction in interest expenses capitalized during the construction period of projects, following the projects' completion.



利息倍數

一九九八年不包括利息支出、稅項、折舊及攤銷之盈利佔利息支出為4倍，而一九九七年則為6.1倍。利息倍數之減少，主要是由於溢利減少，以及在項目竣工後減少在項目建築期內撥充資本之利息開支。

Banking

CITIC Pacific maintains borrowing relationships with over 80 banks. During 1998 a US\$125 million US\$ commercial paper program was arranged to get the Group's name better known in the United States commercial paper market. Four new bilateral term loans totaling HK\$540 million were established.

Cash Flow

Cash contributed from all business to the Company in 1998 amounted to HK\$6.8 billion. The infrastructure sector contributed approximately HK\$2.6 billion mainly from CLP Holdings and the Mainland power generation and civil facility businesses. Cash flow from the aviation sector was significantly lower due to lower profits in 1998. The cash contribution from Dah Chong Hong was lower than the previous year due to less favourable trading conditions and investment in the Mainland food sector. The privatisation of Manhattan Card Company yielded CITIC Pacific a cash flow of HK\$835 million. The property sector produced a significant cash inflow of over HK\$3 billion which was mainly related to the sales of apartments and at the "Paragon" in Tai Po and "Tierra Verde" above the Tsing Yi MTR station. The profit from the "Tierra Verde" sales will be recognised in 1999 as the occupation permit was issued in 1999.

The excess of cash inflow over the capital expenditure and payment of interest and dividends was used to reduce net debt by approximately HK\$1.4 billion.

銀行

中信泰富與逾八十間銀行維持借貸關係。公司於一九九八年發行了一項一億二千五百萬美元之商業票據，乃為提高本集團在美國商業票據市場之知名度。年內共簽訂了四項合共港幣五億四千萬元之新雙邊貸款協議。

現金流量

於一九九八年，來自本公司所有業務之現金貢獻總額達港幣六十八億元。基本建設業務提供了約港幣二十六億元現金，其中主要來自中電控股及中國大陸之發電及基礎設施業務。由於一九九八年航空業務溢利下降，故此現金流量亦大為減少。來自大昌行之現金貢獻較去年為低，此乃由於經營投資環境欠佳，及大昌行於年內在中國大陸食品業務有新投資。Manhattan Card Company 私營化為中信泰富帶來現金流量港幣八億三千五百萬元。物業業務帶來逾港幣三十億元之大量現金流入，主要是來自出售位於大埔之「悠然山莊」及青衣機鐵站上蓋之「盈翠半島」單位。鑑於入伙紙於一九九九年發出，故「盈翠半島」之銷售溢利將於一九九九年入賬。

於支付資本開支、利息及股息後所餘之現金流入已用作償還債務，令本集團淨負債減少約港幣十四億元。

CITIC Pacific is committed to excellent standards of governance and first class business practices.

Board of Directors

The Board, consisting of seven executive and seven non-executive directors, meets four times a year to review financial and operating performance and discuss future strategy.

The Audit Committee of the Board reviews the system of internal controls throughout the Group, the completeness and accuracy of its financial statements, and liaises on behalf of the Board with external and internal auditors. The Committee was established in 1995 and comprises three independent non-executive directors. It met four times in 1998, together with management and auditors, to review internal and external audit reports and the interim and final financial statements of the Group.

The Board has established an Executive Committee of executive directors and senior managers who meet monthly to review operational matters.

Codes

To ensure the highest standards of integrity the Group adopted in 1995 a Code of Conduct defining the ethical standards expected of employees and the Group's non-discriminatory employment practices. The Code was revised in January 1998. Training course on the Code is held regularly for employees, and the Audit Committee receives a report on its operation every year.

The Company has issued its own Code for Securities Transactions by Directors and certain senior staff that follows the Stock Exchange of Hong Kong's Model Code for Securities Transactions by Directors of Listed Companies contained in Appendix 10 of the Exchange's Listing Rules. Throughout 1998 the Group has complied with the Code of Best Practice contained in Appendix 14 of the Listing Rules.

中信泰富切實執行最佳之管理標準及第一等級之商業守則。

董事會

董事會由七位執行董事及七位非執行董事組成，每年舉行四次會議，檢討財政及營運之表現，並商討未來之發展策略。

董事會之審核委員會負責檢討本集團之內部監管情況、財務報告之完整性及準確性，及代表董事會聯絡核數師及公司內部稽核部。該委員會於一九九五年成立，由三位獨立非執行董事組成。於一九九八年間，該委員會與管理層及核數師舉行了四次會議，檢討本集團內部稽核部之報告、核數師報告以及中期及末期財務報告。

董事會成立了常務委員會，由執行董事及高級經理組成。該委員會每月舉行一次會議以檢討一般營運事宜。

守則

為確保最高之操守標準，本集團於一九九五年訂立「紀律守則」，為員工界定操守之標準及確定本集團之反歧視僱傭政策。本集團曾於一九九八年一月修訂此守則，並定期安排有關訓練課程予員工，而每年審核委員會亦收到有關此等工作之報告。

本公司亦按香港聯合交易所上市規則附錄十所載之「上市公司董事進行證券交易的標準守則」為董事及若干高級人員制定了本公司之「證券交易守則」。於一九九八年間，本集團已遵守上市規則附錄十四所載之「最佳應用守則」。

The Group has endorsed the guide to good employment practices issued by the Employers' Federation of Hong Kong to promote good and responsible employment standards.

Financial Reporting

CITIC Pacific prepares its financial statements in accordance with generally accepted accounting standards published by the Hong Kong Society of Accountants. Hong Kong accounting standards broadly follow international accounting standards. No changes were made to the Group's accounting policies in 1998 except the adoption of newly published standards on the disclosure of related party transactions, investment in joint ventures, inventories and construction contracts. Their adoption had an immaterial effect on the results of the Group.

本集團已響應「香港僱主聯合會」所制定之良好僱傭行為指引，以便提高良好及負責任之僱傭標準。

財務報告

中信泰富所編制之財務報告乃根據香港會計師公會公佈而普遍被採用之會計準則。香港所採用之會計準則大致遵從國際會計標準。除採納新公佈之披露有關連交易、於合營公司之投資、存貨及建設工程合約之準則外，本集團於一九九八年並無就其所採用之會計政策作出任何更改。採用上述新編制之準則對本集團業績並沒有重大影響。

Larry Yung Chi Kin, aged 57, has been the Chairman of the Board of Directors of CITIC Pacific Limited (“CITIC Pacific”) since China International Trust & Investment Corporation Hong Kong (Holdings) Limited (“CITIC HK”) became its principal shareholder in 1990. He is the Chairman of Dah Chong Hong Holdings Limited (“Dah Chong Hong”). Mr Yung is also the Vice Chairman and Managing Director of CITIC HK, an Executive Director of China International Trust and Investment Corporation. He worked for 14 years with the Ministry of Electric Power in the People’s Republic of China (“PRC”) before coming to Hong Kong in 1978, and had extensive management experience before establishing CITIC HK in 1987. Mr Yung is a Steward of The Hong Kong Jockey Club and President of The Hong Kong Golf Club.

Henry Fan Hung Ling, aged 50, is the Managing Director of CITIC Pacific. He is a Deputy Chairman of Cathay Pacific Airways Limited (“Cathay”), a director of CLP Holdings Limited (“CLP Holdings”), Hong Kong Dragon Airlines Limited (“Dragonair”), Dah Chong Hong and Hong Kong Resort Company Limited (“HKR”) as well as a Deputy Managing Director of CITIC HK. He is also a non-executive director of the Securities and Futures Commission. Before joining CITIC HK in 1987, Mr Fan has held senior management positions in property and shipping companies and also practised law as a barrister. He joined CITIC Pacific in 1990.

Vernon Francis Moore, aged 52, is a Deputy Managing Director of CITIC Pacific and the Chief Financial Officer of CITIC Pacific Group. He is a director of CLP Holdings, Cathay, New Hong Kong Tunnel Company Limited (“NHKTC”) and Hong Kong Air Cargo Terminals Limited. Mr Moore is an Executive Director of CITIC HK which he joined in 1987 after holding senior management positions with a number of financial institutions. He joined CITIC Pacific in 1990.

榮智健，現年五十七歲，自一九九〇年中國國際信託投資(香港集團)有限公司(「中信香港」)成為中信泰富有限公司(「中信泰富」)之主要股東至今，一直為中信泰富董事會主席。彼為大昌貿易行集團有限公司(「大昌行」)主席。榮先生亦為中信香港之副主席兼董事總經理，以及中國國際信託投資公司之常務董事。彼於一九七八年來港前，在中華人民共和國(「中國」)電力部工作十四年。彼於一九八七年中信香港成立前，已具有豐富之管理經驗。榮先生為香港賽馬會之董事及香港高爾夫球會主席。

范鴻齡，現年五十歲，為中信泰富之董事總經理。彼為國泰航空有限公司(「國泰」)副主席，中電控股有限公司(「中電控股」)、港龍航空有限公司(「港龍航空」)、大昌行及香港興業有限公司(「香港興業」)之董事，以及中信香港之副董事總經理。彼亦為證券及期貨事務監察委員會之非執行董事。范先生於一九八七年加入中信香港前，曾擔任物業及航運公司之高級管理職位，並為執業大律師。彼於一九九〇年加入中信泰富。

莫偉龍，現年五十二歲，為中信泰富之副董事總經理兼中信泰富集團之首席財務主管。彼為中電控股、國泰、新香港隧道有限公司(「新隧」)及香港空運貨站有限公司之董事，亦為中信香港之執行董事。莫先生於一九八七年加入中信香港前，曾於多間財務機構擔任高級管理職位。彼於一九九〇年加入中信泰富。

Peter Lee Chung Hing, aged 45, is a Deputy Managing Director of CITIC Pacific and was responsible for business development prior to the appointment as Group Chief Executive of Dah Chong Hong Group in June 1995. He is also a director of CLP Holdings. Before joining CITIC HK in 1988, Mr Lee was with major banking and shipping groups in Hong Kong. He joined CITIC Pacific in 1990 and joined the Board in 1991.

Robert Ernest Adams, aged 55, has been an Executive Director of CITIC Pacific since 1992. He is the Chairman of NHKTC and Western Harbour Tunnel Company Limited, a director of Cathay, LSG Lufthansa Service Hong Kong Limited and the corporate representative of CITIC Pacific on the Board of Companhia de Telecomunicacoes de Macau S.A.R.L. Before joining CITIC Pacific in 1992, Mr Adams worked in Hong Kong in the management consulting and banking industries, and is a past Chairman of the American Chamber of Commerce in Hong Kong.

Patrick W S Chung, aged 50, joined CITIC Pacific in 1992 as Executive Director. He is an Executive Director of HKR and a director of other Group companies concerned with property and environment projects in Hong Kong. Before joining CITIC Pacific, Mr Chung was involved in property development matters with major Hong Kong companies.

Peter Mak Shair On, aged 50, has been an Executive Director of CITIC Pacific since December 1997. He is a director of Dragonair and other Group companies concerned with infrastructure and industrial projects in the PRC. Before joining CITIC Pacific Group in 1996, Mr Mak had extensive experience in shipping, property and China business activities.

Willie Chang, aged 55, has been a director of CITIC Pacific since 1987. He is the senior partner of Willie Chang & Co., Solicitors, with over 29 years' experience in legal practice, including as a partner of Johnson, Stokes & Master. Mr Chang is a member of the Board's Audit Committee.

李松興，現年四十五歲，為中信泰富之副董事總經理，於一九九五年六月獲委任為大昌行集團之集團行政總裁前，乃負責業務發展。彼亦為中電控股之董事。在一九八八年加入中信香港前，李先生曾服務於香港之主要銀行及航運集團。彼於一九九〇年加入中信泰富，並於一九九一年加入董事會。

羅安達，現年五十五歲，自一九九二年出任中信泰富之執行董事。彼為新隧及香港西區隧道有限公司之主席兼國泰及 LSG Lufthansa Service Hong Kong Limited 之董事，並為中信泰富於澳門電訊有限公司之董事會之公司代表。在一九九二年加入中信泰富前，羅先生任職於香港之管理顧問業及銀行業，並為香港美國商會之前任主席。

鍾偉森，現年五十歲，於一九九二年加入中信泰富出任執行董事。彼為香港興業之執行董事，並為本集團其他有關香港物業及環保項目之公司董事。在加入中信泰富前，鍾先生曾參與香港多間大公司之物業發展事宜。

麥社安，現年五十歲，自一九九七年十二月起出任中信泰富之執行董事。彼為港龍航空之董事，並為本集團其他有關中國基建及工業項目之公司董事。在一九九六年加入中信泰富集團前，麥先生於航運、地產及中國業務方面均具豐富經驗。

張偉立，現年五十五歲，自一九八七年起一直為中信泰富之董事。彼為張偉立律師行之高級合夥人，執業超過二十九年，包括曾為孖士打律師行合夥人。張先生為董事會之審核委員會成員。

Hamilton Ho Hau Hay, aged 48, joined the Board of CITIC Pacific in 1992. He is a director of Dah Chong Hong, an independent director of COSCO Pacific Limited (“COSCO Pacific”), an Executive Director of Honorway Investments Limited (“Honorway”) and Tak Hung (Holding) Company Limited (“Tak Hung”). He is the brother of Mr Norman Ho Hau Chong.

Alexander Reid Hamilton, aged 57, has been a director of CITIC Pacific since May 1994. He was a partner of Price Waterhouse with which he practised for 16 years. He is a non-executive director of a number of Hong Kong companies including COSCO Pacific, COSCO International Holdings Limited, Esprit Holdings Limited and Kwong On Bank Ltd. Mr Hamilton is Chairman of the Board’s Audit Committee.

Hansen Loh Chung Hon, aged 61, joined the Board of CITIC Pacific in May 1994. He is the Managing Director of Wyler Textiles, Limited, the Chairman of Farrington Travel Limited and a non-executive director of The Hongkong and Shanghai Banking Corporation Limited. Mr Loh is a member of the Board’s Audit Committee.

Norman Ho Hau Chong, aged 43, has been a director of CITIC Pacific since May 1994. He is an Executive Director of Honorway and Tak Hung. He is also a director of Hong Kong Ferry (Holdings) Company Limited, Lee Hing Development Company Limited, and a number of other quoted companies. He is the brother of Mr Hamilton Ho Hau Hay.

Chau Cham Son, aged 66, joined the Board of CITIC Pacific in June 1995. He is a director of China Overseas Land & Investment Limited and other Hong Kong companies. He has 30 years’ experience in the field of town planning, building and land development in Hong Kong including being the first Director of Buildings and Lands with the Hong Kong Government. He is a Steward of The Hong Kong Jockey Club.

何厚滸，現年四十八歲，於一九九二年加入中信泰富董事會。彼為大昌行之董事及中遠太平洋有限公司（「中遠太平洋」）之獨立董事，並為恒威投資有限公司（「恒威」）及德雄（集團）有限公司（「德雄」）之執行董事。彼為何厚鏘先生之兄長。

韓武敦，現年五十七歲，自一九九四年五月起一直為中信泰富之董事。彼曾為羅兵咸會計師事務所合夥人，執業達十六年。彼現為香港多間公司包括中遠太平洋、中遠國際控股有限公司、思捷環球控股有限公司及廣安銀行有限公司之非執行董事。韓先生為董事會之審核委員會主席。

陸鍾漢，現年六十一歲，於一九九四年五月加入中信泰富董事會。彼為偉倫紡織有限公司董事總經理、富聯旅遊有限公司主席，以及香港上海匯豐銀行有限公司之非執行董事。陸先生為董事會之審核委員會成員。

何厚鏘，現年四十三歲，自一九九四年五月起一直為中信泰富之董事。彼為威及德雄之執行董事，亦為香港小輪（集團）有限公司、利興發展有限公司及多間上市公司之董事。彼為何厚滸先生之弟。

周湛榮，現年六十六歲，於一九九五年六月加入中信泰富董事會。彼為中國海外發展有限公司及其他香港公司之董事，於香港城市規劃、建築及土地發展方面具有三十年經驗，曾為香港政府首任屋宇地政署署長。彼為香港賽馬會之董事。

André Desmarais, aged 42, joined the Board of CITIC Pacific in December 1997. He is the President and Co-Chief Executive Officer of Power Corporation of Canada. He is also a member of the Chief Executive's Council of International Advisers of The Government of the Hong Kong Special Administrative Region.

德馬雷，現年四十二歲，於一九九七年十二月加入中信泰富董事會。彼為加拿大鮑爾公司之總裁兼聯席行政首長。彼亦為香港特別行政區政府行政長官特設國際顧問委員會成員。

Bi Yupu, aged 57, is the General Manager, Power Project Department of CITIC Pacific Limited (“CITIC Pacific”). He is a Deputy Managing Director of China International Trust & Investment Corporation Hong Kong (Holdings) Limited (“CITIC HK”). He is also a director of CLP Power China Limited and CLP Power International Limited. He has been the chief representative of CITIC Pacific Beijing Office since 7 December 1993. Before joining the CITIC Group in 1987, he worked for 20 years with the Ministry of Electric Power in the People’s Republic of China (“PRC”) as a senior engineer and deputy director of North China Electric Power Research Institute. He joined CITIC Pacific in 1993.

Chau Chi Yin, aged 43, is the Financial Controller of CITIC Pacific Group. He is a director of Hong Kong Resort Company Limited and other Group companies concerned with industrial projects in the PRC. He joined CITIC HK in 1987 after experience in public accounting and in financial management with a major Hong Kong listed company, and joined CITIC Pacific in March 1990.

Leslie Chang Li Hsien, aged 44, is the General Manager, Finance of CITIC Pacific Group. He is a director of Western Harbour Tunnel Company Limited (“WHTC”). Before joining CITIC Pacific in 1994, Mr Chang was a partner at KPMG Peat Marwick specializing in financial services industry. He was also the Director of Chinese Practice of the firm in the United States.

Carl Yung Ming Jie, aged 30, is the General Manager, Corporate Development of CITIC Pacific Group. He is a director of Cathay Pacific Airways Limited and other Group companies concerned with infrastructure and industrial projects in the PRC. He joined CITIC Pacific in 1993. He is the son of Mr Larry Yung Chi Kin.

畢玉璞，現年五十七歲，為中信泰富有限公司（「中信泰富」）電力部之總經理，彼為中國國際信托投資（香港集團）有限公司（「中信香港」）之副董事總經理，亦為 CLP Power China Limited 及 CLP Power International Limited 之董事。畢先生自一九九三年十二月七日起一直為中信泰富北京代表處之首席代表。在一九八七年加入中信集團前，畢先生曾在中華人民共和國（「中國」）電力部工作二十年，曾出任華北電力試驗研究所高級工程師及副所長。彼於一九九三年加入中信泰富。

周志賢，現年四十三歲，為中信泰富集團之財務總監，彼為香港興業有限公司之董事，亦為本集團其他有關中國工業項目之公司董事。彼於一九八七年加入中信香港前，曾從事執業會計事務及於香港一間具規模之上市公司負責財務管理，並於一九九〇年三月加入中信泰富。

張立憲，現年四十四歲，為中信泰富集團之財務總經理。彼為香港西區隧道有限公司（「西隧」）之董事。在一九九四年加入中信泰富前，張先生曾為畢馬域會計師行之合夥人，專職於金融服務業方面，彼亦曾為該會計師行於美國之中國業務總經理。

蔡明杰，現年三十歲，為中信泰富集團之企業發展總經理。彼為國泰航空有限公司之董事，亦為本集團其他有關中國基建及工業項目之公司董事。蔡先生於一九九三年加入中信泰富。彼為蔡智健先生之子。

Milton Law Ming To, aged 35, is the General Manager, Business Development. He is a director of Hong Kong Dragon Airlines Limited, New Hong Kong Tunnel Company Limited, WHTC and other Group companies concerned with infrastructure, environment and industrial projects in Hong Kong and the PRC. Before joining CITIC Pacific in 1992, he worked in the banking industry.

Polly Lawrence, aged 52, is the General Manager, Group Human Resources and Administration of CITIC Pacific Group, responsible for those functions in the Group. She was head of human resources and communications of a Hong Kong listed company before she joined CITIC Pacific in 1993.

George Chang Geo Yin, aged 52, is the Group Deputy Chief Executive of Dah Chong Hong Group since April 1995. He joined CITIC HK in 1994 and before joining the Group he has extensive experience in general management, strategic planning and financial operations.

Chu Hon Fai, aged 53, is a director of Dah Chong Hong, Limited. He joined Dah Chong Hong Group in 1964 and specializes in provisions trading and fresh produce, food processing and retailing.

Hui Ying Bun, aged 52, is the Managing Director of Triangle Motors Limited, holder of the Isuzu franchise. He joined Dah Chong Hong Group in 1966.

Mak Kwing Tim, aged 50, is the Managing Director of Reliance Motors, Limited which holds the Honda, Acura and Nissan Diesel franchises, and of Harmony Motors Limited which holds the Volkswagen franchise. He joined Dah Chong Hong Group in 1967.

Kenneth Tsang Yu Kit, aged 50, is the Managing Director of Honest Motors, Limited, holder of the Nissan franchise, which he joined in January 1996. He had extensive experience in the motor trade in Hong Kong before joining Dah Chong Hong Group.

羅銘韜，現年三十五歲，為業務發展總經理。彼為港龍航空有限公司、新香港隧道有限公司、西隧之董事，亦為本集團其他有關香港和中國基建、環境保護及工業項目之公司董事。在一九九二年加入中信泰富前，彼任職於銀行界。

杜寶賢，現年五十二歲，為中信泰富集團人力資源及行政部門之總經理，負責本集團之人力資源及行政等工作。彼於一九九三年加入中信泰富前，曾是一間香港上市公司人力資源及傳訊部門的主管。

張喬人，現年五十二歲，自一九九五年四月起為大昌行集團之集團副行政總裁。彼於一九九四年加入中信香港前，於管理事務、策略制訂及財政運作方面具有豐富經驗。

朱漢輝，現年五十三歲，為大昌貿易行有限公司董事。彼於一九六四年加入大昌行集團，專職糧食貿易、食品加工及零售。

許應斌，現年五十二歲，為持有五十鈴特許經營權之合眾汽車有限公司之董事總經理。彼於一九六六年加入大昌行集團。

麥焯添，現年五十歲，為合群汽車有限公司及合泰汽車有限公司之董事總經理（合群汽車有限公司持有本田、極品及大實力之特許經營權，而合泰汽車有限公司持有福士之特許經營權）。彼於一九六七年加入大昌行集團。

曾宇傑，現年五十歲，於一九九六年一月加入持有日產特許經營權之合誠汽車有限公司，為該公司之董事總經理。彼於加入大昌行集團前，在汽車貿易方面具有豐富經驗。

SENIOR MANAGERS

高級經理

Yip Moon Tong, aged 46, is the Managing Director of Dah Chong Hong (Motor Service Centre) Limited. He joined Dah Chong Hong Group in 1992 after many years experience with the Government in the area of mechanical services and engineering.

葉滿堂，現年四十六歲，為大昌貿易行汽車服務中心有限公司之董事總經理。彼於一九九二年加入大昌行集團前，曾任職於政府機械服務及工程部門多年，具有豐富經驗。

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Directors' Report**董事會報告**

The Directors have pleasure in presenting to shareholders their report for the year ended 31 December 1998.

Principal Activities

The principal activity of the Company is holding its subsidiary companies and the principal activities of its subsidiary companies and associated companies and their major areas of operation are set out in the Review of Operations on pages 7 to 26.

Results and Appropriations

The results of the Group for the year ended 31 December 1998 are set out in the consolidated profit and loss account on page 60. The following tables give an analysis by principal activity of turnover and contribution to the Group's profit from consolidated activities before net interest expense as required in the Listing Rules. It should be noted that these figures excluded income from associated companies which form a substantial part of the Company's business:

董事會欣然將截至一九九八年十二月三十一日止年度之年報送呈各股東省覽。

主要業務

本公司之主要業務為持有其附屬公司，而其附屬公司及聯營公司之主要業務及主要營業範圍載於第 7 至 26 頁之業務回顧內。

業績及股息分派

本集團截至一九九八年十二月三十一日止年度之業績載於第 60 頁之綜合損益賬內。根據上市規則之規定，下表提供按主要業務劃分之本集團營業額及對本集團未計利息開支淨額前綜合業務溢利之貢獻之分析。惟請注意，以下所提供之數據不包括聯營公司所提供之溢利，該等業務為本公司業務重要部份：

<i>in HK\$ million</i>	<i>Group Turnover</i> 集團營業額		<i>Profit from Consolidated Activities before Net Interest Expense</i> 未計利息開支淨額前綜合業務溢利		以港幣百萬元計算
	1998	1997	1998	1997	
<i>By principal activity :</i>					按主要業務分析：
Trading & Distribution					貿易及分銷
Motor vehicles and related services	4,739	6,347	320	420	汽車及有關服務
Trading	5,295	4,930	179	190	貿易
Power and Civil Infrastructure	2,045	1,353	2,045	1,353	發電及基礎設施
Property	443	3,080	66	1,524	物業
Investment Holding	-	-	167	-	控股投資
Others	1,170	1,088	127	82	其他
Less: General & Administration Expenses	-	-	(505)	(483)	減：一般及行政費用
	<u>13,692</u>	<u>16,798</u>	<u>2,399</u>	<u>3,086</u>	

<i>in HK\$ million</i>	<i>Group Turnover</i> 集團營業額				以港幣百萬元計算
	1998	1997			
<i>By geographical area :</i>					按地理區域分析：
Hong Kong	6,606	9,683			香港
China	5,918	5,656			中國
Japan	530	509			日本
Singapore	399	493			新加坡
Others	239	457			其他地區
	<u>13,692</u>	<u>16,798</u>			

DIRECTORS' REPORT

董事會報告

The Directors declared an interim dividend of 20 cents per share in respect of the year ended 31 December 1998 which were paid on 24 September 1998. The Directors recommended, subject to the approval of the shareholders at the forthcoming Annual General Meeting, the payment of a final dividend of 50 cents per share in respect of the year ended 31 December 1998 payable on 14 June 1999 to shareholders on the Register of Members at the close of business on 8 June 1999.

董事會已宣派截至一九九八年十二月三十一日止年度之中期股息為每股 20 仙，該等股息已於一九九八年九月二十四日派發。董事會建議於一九九九年六月十四日向於一九九九年六月八日營業時間結束時名列股東名冊內之股東派發截至一九九八年十二月三十一日止年度之末期股息，每股可獲派 50 仙，惟須獲股東於即將舉行之股東週年大會上批准方可作實。

Reserves

The amounts and particulars of transfer to and from reserves during the year are set out in note 19 to the accounts.

儲備

本年度撥入及撥自儲備之金額及詳情載於賬目附註 19。

Donations

Donations made by the Group during the year amounted to HK\$3 million.

捐款

本集團年內之捐款為港幣三百萬元。

Fixed Assets

Movements of fixed assets are set out in note 13 to the accounts.

固定資產

固定資產之變動情況載於賬目附註 13。

Major Customers and Suppliers

The percentage of purchases and sales attributable to the Group's suppliers and customers are as follows :

主要客戶及供應商

本集團之供應商及客戶之應佔購買及銷售百分比率如下：

	1998	1997	
	%	%	
Purchases			購買
- the largest supplier	9	18	- 最大供應商
- five largest suppliers combined	33	37	- 五大供應商合計

The aggregate percentage of sales attributable to the Group's five largest customers is less than 30%.

本集團五大客戶之應佔銷售總百分比率少於 30%。

No Directors, their associates or shareholders (which to the knowledge of the Directors own more than 5% of the Company's share capital) were interested at any time in the year in the above suppliers or customers.

Subsidiary Companies

The names of the principal subsidiary companies, their principal places of operation, their countries of incorporation and particulars of their issued share capital are set out in note 28 to the accounts.

Issue of Debt Securities

On 15 February 1996, the Company issued and sold US\$100 million aggregate principal amount of its 7.37% Senior Notes due 2006 ("Senior Notes") to financial institutions pursuant to note purchase agreements dated 15 February 1996. All of the Senior Notes remained outstanding at the end of the year.

On 20 August 1997, the Company issued and sold Japanese Yen 9.5 billion floating rate bond due 2002 ("Yen Bond"), for general working capital purposes, to an investor pursuant to the subscription agreement dated 15 August 1997. All of the Yen Bond remained outstanding at the end of the year.

In October 1998, CITIC Pacific Finance Limited, a wholly owned subsidiary of the Company, issued and sold US\$125 million commercial paper notes ("Commercial Paper Notes"), for general working capital purposes, to investors pursuant to the commercial paper dealer agreement dated 30 September 1998. All of the Commercial Paper Notes remained outstanding at the end of the year.

Save as aforesaid, none of the other subsidiary companies have issued any debt securities.

各董事、其關連人士及股東 (就董事所知擁有超過 5% 本公司股本者) 於該年內任何時間在上述供應商或客戶概無擁有任何權益。

附屬公司

主要附屬公司之名稱、主要營業地點、註冊成立地點及已發行股本之詳情載於賬目附註 28。

發行債務證券

於一九九六年二月十五日，本公司根據一九九六年二月十五日之票據購買協議，發行及出售本金共值一億美元之 7.37% 之票據 (「票據」) 予金融機構，該等票據於二〇〇六年屆滿，全部票據於本年底時仍未被註銷或贖回。

於一九九七年八月二十日，本公司根據一九九七年八月十五日之認購協議，發行及出售共值九十五億日元之浮息債券 (「日元債券」) 予一個投資者，以作一般營運資金，該等債券將於二〇〇二年屆滿，全部日元債券於本年底時仍未被註銷或贖回。

於一九九八年十月，本公司之全資附屬公司 CITIC Pacific Finance Limited 根據一九九八年九月三十日之商業票據交易協議，發行及出售共值一億二千五百萬美元之商業票據 (「商業票據」) 予投資者，以作一般營運資金，該等商業票據於本年底時仍未被註銷或贖回。

除上述者外，其他附屬公司概無發行任何債務證券。

DIRECTORS' REPORT**Borrowings**

Particulars of borrowings of the Group are set out in note 20 to the accounts.

Directors

Biographical details of directors in office at the date of the report may be found on pages 40 to 43. They are also the Directors in office during the financial year ended 31 December 1998.

Pursuant to Article 104(A) of the New Articles of Association of the Company, Messrs Larry Yung Chi Kin, Vernon Francis Moore, Willie Chang, Norman Ho Hau Chong and Chau Cham Son shall retire by rotation in the forthcoming Annual General Meeting and all, being eligible, shall offer themselves for re-election.

Management Contract

The Company entered into a management agreement with China International Trust & Investment Corporation Hong Kong (Holdings) Limited ("CITIC HK") on 11 April 1991 but with retrospective effect from 1 March 1990 pursuant to which CITIC HK agreed to provide management services to the Company and its subsidiary companies for a management fee calculated on cost basis to CITIC HK payable quarterly in arrears. The management agreement is terminable by two months' notice by either party. Messrs Larry Yung Chi Kin, Henry Fan Hung Ling and Vernon Francis Moore had indirect interests in the management agreement as they are directors of CITIC HK. A copy of the management agreement will be available for inspection at the Annual General Meeting of the Company to be held on 8 June 1999.

Directors' Interests in Contracts of Significance

None of the Directors of the Company has or at any time during the year had, an interest which is or was material, either directly or indirectly, in any contract with the Company or any of its subsidiary companies, which was significant in relation to the business of the Company, and

董事會報告**借貸**

本集團之銀行貸款詳情載於賬目附註 20。

董事

於本報告刊行之日之在任董事之個人詳細資料載於第 40 至 43 頁。彼等亦同時為於截至一九九八年十二月三十一日止財政年度之在任董事。

根據本公司新組織章程細則第 104(A) 條，榮智健先生、莫偉龍先生、張偉立先生、何厚鏘先生及周湛燊先生於即將舉行之股東週年大會上輪值告退，惟各人均合符資格連任，並已表示願意膺選連任。

管理合約

本公司與中國國際信托投資(香港集團)有限公司(「中信香港」)於一九九一年四月十一日訂立管理協議，其效力可追溯至一九九〇年三月一日。據此，中信香港同意向本公司及其附屬公司提供管理服務，而管理費則根據成本基準按季下期付予中信香港。該管理協議可由任何一方給予兩個月之通知予以終止。由於榮智健先生、范鴻齡先生及莫偉龍先生為中信香港之董事，彼等於該管理協議中擁有間接權益。該管理協議之副本將於一九九九年六月八日舉行之股東週年大會上可供查閱。

董事於重大合約之權益

本公司之任何董事現時或於該年內任何時間並無在本公司或其任何附屬公司所訂立之任何合約(對本公司業務而言屬於重大並於該年終或該年內任何時間仍屬有效之合約)中

which was subsisting at the end of the year or which had subsisted at any time during the year.

Connected Transactions

Connected transactions disclosed in accordance with Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) are as follows :

1. Pursuant to the agreement dated 9 October 1996 made between the Company, CITIC HK, Kerry Trading Co. Limited, The Development Bank of Singapore Limited (collectively “the Parties”) and Cheer First Limited (“Cheer First”), the Parties being the shareholders of Cheer First agreed to make loans to Cheer First from time to time for developing CITIC Tower. CITIC HK being a substantial shareholder of the Company and regarded as its connected person holds 25% interest in Cheer First. The loan was made on normal commercial terms and in proportion to each Party’s shareholding in Cheer First. It was with no fixed repayment date and was interest bearing at the rate per annum equivalent to Hong Kong Inter-Bank Offered Rate. As at 31 December 1998, the amount of shareholders’ loan due by Cheer First to the Company was HK\$2,042 million.

2. During the year, certain subsidiaries of the Company had entered into transactions with Gentech Vehicle Engineering Limited (“Gentech”), a 60% owned subsidiary of the Company. The remaining 40% interest is held on equal basis by Messrs Johnny Lee Fuk Wai and Alexis Tai Chi Keung who are also directors of Gentech and are regarded as connected persons of the Company. Details of such transactions for the year ended 31 December 1998 were as follows:

直接或間接擁有任何重大權益。

關連交易

根據香港聯合交易所有限公司(「聯交所」)上市規則第十四章而需披露之關連交易如下:

1. 根據於一九九六年十月九日由本公司、中信香港、嘉里貿易有限公司、新加坡發展銀行有限公司(統稱「各方」)及 Cheer First Limited(「Cheer First」)訂立之協議,各方作為 Cheer First 之股東議定,定期貸款予 Cheer First 以發展中信大廈。中信香港作為本公司之主要股東及其之關連人士持有 Cheer First 25%之權益。該等貸款乃按一般商業條款及根據各方於 Cheer First 持有之股份權益比例而作出,並無固定還款日期,每年息率相等於香港銀行同業拆息。截至一九九八年十二月三十一日止, Cheer First 尚欠本公司之股東貸款數額達港幣二十億四千二百萬元。

2. 於本年內,本公司之若干附屬公司與本公司持有60%權益之附屬公司紳迪汽車機械有限公司(「紳迪」)訂定交易。餘下之40%權益分別由李福偉先生及戴志強先生平均擁有,彼等皆為紳迪之董事及為本公司之關連人士。該等於截至一九九八年十二月三十一日止年度內之交易詳情如下:

DIRECTORS' REPORT

董事會報告

	<i>HKS</i> 港幣元	
Sale of vehicle chassis or other components to Gentech	18,284,346	銷售車輛底盤或其他配件予紳迪
Body repair or vehicle maintenance service provided to Gentech	1,866,436	提供予紳迪之車身維修或車輛保養服務
Body building work sub-contracted to Gentech	12,912,838	轉判車身營造工程予紳迪
Purchase of vehicle components or equipment from Gentech	986,983	向紳迪購買汽車零件及設備
	<hr/> 34,050,603 <hr/>	

The independent non-executive directors of the Company confirmed that (i) such transactions had been entered into by the Group in the ordinary and usual course of its business on normal commercial terms, (ii) the aggregate monetary value of such transactions for the year ended 31 December 1998 had not exceeded 0.2% of the net asset value of the Group as disclosed in the Company's 1997 annual report.

Directors' Interests in Securities of the Company

As at 31 December 1998, the following were the interests in shares of the Company or associated corporations as recorded in the register required to be kept under section 29 of the Securities (Disclosure of Interests) Ordinance (the "SDI Ordinance"):

本公司之獨立非執行董事確認(i)該等交易乃於本集團正常及一般業務範圍內，以一般商業條款訂定，(ii)該等交易截至一九九八年十二月三十一日止年度內之金額總值不超過本公司一九九七年報中所披露之本集團資產淨值之 0.2%。

董事於本公司證券之權益

於一九九八年十二月三十一日，根據證券(公開權益)條例(「公開權益條例」)第29條須予保存之登記名冊內記錄董事於本公司或其任何聯營公司之證券權益如下：

Number of Shares of the Company
本公司之股份數目

<i>Name</i>	<i>Personal interests</i> 個人權益	<i>Corporate interests</i> 公司權益	<i>Family interests</i> 家族權益	<i>Other interests</i> 其他權益	<i>Total</i> 總數	<i>姓名</i>
Larry Yung Chi Kin		400,381,000			400,381,000	榮智健
Henry Fan Hung Ling		43,000,000			43,000,000	范鴻齡
Vernon Francis Moore				3,200,000 (Note 1)(附註1)	3,200,000	莫偉龍
Peter Lee Chung Hing	500,000				500,000	李松興
Robert Ernest Adams	550,000				550,000	羅安達
Patrick W S Chung	540,000				540,000	鍾偉森
Peter Mak Shair On	100,000				100,000	麥社安
Hansen Loh Chung Hon	1,050,000	500,000 (Note 2)(附註2)	500,000 (Note 2)(附註2)		1,550,000	陸鍾漢
André Desmarais	13,800	23,968,000	3,200		23,985,000 (Note 3)(附註3)	德馬雷

Note 1: Deemed interests held by the relevant Director and his family as contingent beneficiaries of a discretionary trust.

Note 2: The corporate interests and the family interests of the relevant Director duplicate each other as the 500,000 shares are held through a company in which the relevant Director and his family are interested.

Note 3: In addition to the aforesaid, the relevant Director is also one of the trustees of a Canadian discretionary trust which controls a Canadian company which owns 24,000 shares of the Company.

附註1：有關董事及其家族作為一全權信託之或然受益人而被視作持有之權益。

附註2：有關董事持有之公司權益與其家族權益重疊，因500,000股股份為透過一間由該董事及其家族擁有之公司之權益。

附註3：除上述所載外，有關董事亦為一個加拿大全權信託之受託人之一。該全權信託控制一間擁有本公司24,000股股份之加拿大公司。

As at 31 December 1998, none of the Directors has any other interests in the equity or debt securities of the Company or any associated corporations (within the meaning of the SDI Ordinance) which have been entered in the register kept by the Company pursuant to section 29 of the SDI Ordinance or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

Substantial Shareholders

As at 31 December 1998, the interests of substantial shareholders, other than the Directors of the Company, in the equity securities of the Company as recorded in the register required to be kept under section 16(1) of the SDI Ordinance are as follows:

於一九九八年十二月三十一日，各董事於本公司或其任何聯營公司(定義見公開權益條例)之股本或債務證券中，概無擁有依據公開權益條例第29條於本公司予以保存之登記名冊內記錄，或根據上市公司董事進行證券交易的標準守則已通知本公司及聯交所之任何其他權益。

主要股東

於一九九八年十二月三十一日，根據公開權益條例第16(1)條須予保存之登記名冊內記錄主要股東(本公司董事除外)於本公司股本證券之權益如下：

DIRECTORS' REPORT

董事會報告

<i>Name</i>	<i>Number of Shares of the Company 本公司之股份數目</i>	<i>名稱</i>
China International Trust and Investment Corporation	638,721,285	中國國際信托投資公司
CITIC HK	638,721,285	中信香港
Heedon Corporation	518,424,285	Heedon Corporation
Honpville Corporation	310,988,221	Honpville Corporation
Rockhampton Investments Limited	292,000,000	Rockhampton Investments Limited
Bloomfield Enterprises Corp.	292,000,000	Bloomfield Enterprises Corp.
Earnplex Corporation	292,000,000	Earnplex Corporation

CITIC HK is a substantial shareholder of the Company indirectly through the following wholly owned subsidiary companies by virtue of section 8(2) of the SDI Ordinance as follows:

按公開權益條例第8(2)條，中信香港透過下列全資附屬公司間接成為本公司之主要股東：

<i>Name of Subsidiary Companies of CITIC HK</i>	<i>Number of Shares of HK\$0.40 each 每股面值港幣 0.40 元之股份數目</i>	<i>中信香港之附屬公司名稱</i>
Affluence Limited	43,266,000	Affluence Limited
Winton Corp.	30,718,000	Winton Corp.
Westminster Investment Inc.	101,960,000	Westminster Investment Inc.
Jetway Corp.	42,500,000	Jetway Corp.
Cordia Corporation	32,258,064	Cordia Corporation
Honpville Corporation	310,988,221	Honpville Corporation
Hainsworth Limited	67,031,000	Hainsworth Limited
Southpoint Enterprises Inc.	10,000,000	Southpoint Enterprises Inc.

Each of Affluence Limited, Winton Corp., Westminster Investment Inc., Jetway Corp., Cordia Corporation, Honpville Corporation, Hainsworth Limited and Southpoint Enterprises Inc. holds the shares of the Company beneficially. Accordingly, Honpville Corporation is a substantial shareholder of the Company.

Affluence Limited、Winton Corp.、Westminster Investment Inc.、Jetway Corp.、Cordia Corporation、Honpville Corporation、Hainsworth Limited 及 Southpoint Enterprises Inc. 分別實益持有本公司之股份。因此，Honpville Corporation 亦為本公司之主要股東。

China International Trust and Investment Corporation is the direct holding company of CITIC HK. CITIC HK is the direct holding company of Heedon Corporation, Hainsworth Limited, Affluence Limited and Barnsley Investments Limited. Heedon Corporation is the direct holding company of Winton Corp., Westminster Investment Inc., Jetway Corp., Kotron Company Ltd. and Honpville Corporation and Kotron Company Ltd. is the direct holding company of Cordia Corporation. Barnsley Investments Limited is the direct holding company of Southpoint Enterprises Inc. Accordingly, the interests of China International Trust and Investment Corporation in the Company duplicate the interests of CITIC HK in the Company. The interests of CITIC HK in the Company duplicate the interests in the Company of all its direct and indirect subsidiary companies as described above. The interests of Heedon Corporation in the Company duplicate the interests in the Company of all its direct and indirect subsidiary companies as described above. The interests of Barnsley Investments Limited in the Company duplicate the interests in the Company of its direct subsidiary company as described above and the interests of Kotron Company Ltd. in the Company duplicate the interests in the Company of its direct subsidiary company as described above.

Rockhampton Investments Limited is a wholly owned subsidiary company of Bloomfield Enterprises Corp., which in turn is a wholly owned subsidiary company of Earnplex Corporation. Accordingly, the interests of Earnplex Corporation duplicate the interests in the Company of its direct and indirect subsidiary companies as described above. Mr Larry Yung Chi Kin is the owner of the entire issued share capital of Earnplex Corporation. The interests in the Company of Rockhampton

中國國際信托投資公司為中信香港之直接控股公司。中信香港為 Heedon Corporation、Hainsworth Limited、Affluence Limited 及 Barnsley Investments Limited 之直接控股公司。Heedon Corporation 為 Winton Corp.、Westminster Investment Inc.、Jetway Corp.、Kotron Company Ltd. 及 Honpville Corporation 之直接控股公司；而 Kotron Company Ltd. 為 Cordia Corporation 之直接控股公司。Barnsley Investments Limited 為 Southpoint Enterprises Inc. 之直接控股公司。因此，中國國際信托投資公司於本公司之權益，與中信香港於本公司之權益重疊。中信香港於本公司之權益又與其上述所有直接及間接擁有之附屬公司於本公司之權益重疊。Heedon Corporation 於本公司之權益與其上述所有直接及間接擁有之附屬公司於本公司之權益重疊。Barnsley Investments Limited 於本公司之權益與其上述直接擁有之附屬公司於本公司之權益重疊，而 Kotron Company Ltd. 於本公司之權益與其上述直接擁有之附屬公司於本公司之權益重疊。

Rockhampton Investments Limited 乃 Bloomfield Enterprises Corp. 之全資附屬公司，因而亦是 Earnplex Corporation 之全資附屬公司。因此，Earnplex Corporation 於本公司之權益，與其上述直

DIRECTORS' REPORT

董事會報告

Investments Limited represent part of the corporate interests of Mr Larry Yung Chi Kin as mentioned in the above section of "Directors' Interests in Securities of the Company".

接及間接擁有之附屬公司於本公司之權益重疊。榮智健先生乃 Earnplex Corporation 全部已發行股本之擁有人。Rockhampton Investments Limited 於本公司之權益乃以上「董事於本公司證券之權益」一節中所載榮智健先生之公司權益之其中一部份。

Purchase, Sale or Redemption of Shares

購買、出售或贖回股份

Neither the Company nor its subsidiary companies has purchased or sold any of the Company's shares during the year ended 31 December 1998 and the Company has not redeemed any of its shares during the year ended 31 December 1998.

本公司或其任何附屬公司概無於截至一九九八年十二月三十一日止年度內購買或出售任何本公司之股份，而本公司亦無於截至一九九八年十二月三十一日止年度內贖回其任何股份。

Service Contracts

服務合約

As at 31 December 1998, there were no service contracts which were not determinable by the employer within one year without payment of compensation (other than statutory compensation) between any company in the Group and any Director proposed for re-election at the forthcoming Annual General Meeting.

於一九九八年十二月三十一日，本集團屬下任何公司概無與擬於即將召開之股東週年大會上膺選連任之任何董事簽訂任何不可以由其僱主於一年內免付賠償 (法定賠償除外) 而予以終止之服務合約。

Arrangements for Acquisition of Shares or Debentures

購入股份或債券之安排

At no time during the year was the Company or any of its subsidiary companies a party or parties to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

本公司或其任何附屬公司於本年度內概無參與任何安排，使本公司之董事可藉購買本公司或任何其他法人團體之股份或債券而獲得利益。

Auditors

核數師

The accounts for the year have been audited by Price Waterhouse, who shall retire at the forthcoming Annual General Meeting of the Company. Following the merger of Price Waterhouse with Coopers & Lybrand from 1 October 1998, it is proposed that the new firm, PricewaterhouseCoopers, be appointed auditors of the Company in place of the retiring auditors.

本年度之賬目已由羅兵咸會計師事務所審核，該會計師事務所將於本公司即將舉行之股東週年大會告退。由於羅兵咸會計師事務所於一九九八年十月一日與永道會計師事務所合併，故建議委任新組成之羅兵咸永道會計師事務所以取代退任之核數師。

Corporate Governance

During the year, the Company was in compliance with the Code of Best Practice as set out in the Rules Governing the Listing of Securities on the Stock Exchange.

By Order of the Board

Larry Yung Chi Kin *Chairman*

Hong Kong, 18 March 1999

公司管理

於該年內，本公司已遵守聯交所上市規則所載之最佳應用守則。

承董事會命

榮智健 主席

香港，一九九九年三月十八日

Consolidated Profit and Loss Account

綜合損益賬

for the year ended 31 December 1998

截至一九九八年十二月三十一日止年度

in HK\$ million	Note 附註	1998	1997	以港幣百萬元計算
Turnover	2	13,692	16,798	營業額
Profit from Consolidated Activities	3	2,399	3,086	綜合業務溢利
Share of Profits less Losses of Associated Companies		2,134	2,471	所佔聯營公司溢利減虧損
Net Interest Expense	6	(1,171)	(889)	利息開支淨額
Sale of Business Interests	7	-	3,236	出售業務權益
Profit before Taxation		3,362	7,904	除稅前溢利
Taxation	8	(445)	(489)	稅項
Profit after Taxation		2,917	7,415	除稅後溢利
Minority Interests		(109)	(39)	少數股東權益
Profit Attributable to Shareholders	9	2,808	7,376	股東應佔溢利
Dividends	10	(1,490)	(2,131)	股息
Transfer to Reserves	19	(1)	(7)	撥入儲備
Retained Profit for the Year	11/19	1,317	5,238	年內保留溢利
Earnings per Share	12			每股盈利 (仙)
- Before Sale of Business Interests		132 cents	194 cents	- 於出售業務權益前
- Sale of Business Interests		-	152 cents	- 出售業務權益
- Total		132 cents	346 cents	- 總數

Consolidated Balance Sheet*as at 31 December 1998***綜合資產負債表**

一九九八年十二月三十一日結算

<i>in HK\$ million</i>	<i>Note 附註</i>	1998	1997	以港幣百萬元計算
Fixed Assets	13	11,765	10,472	固定資產
Associated Companies	15	40,145	40,210	聯營公司
Investments	16	11,574	11,196	投資
Net Current Assets	17	83	207	淨流動資產
		63,567	62,085	
<i>Financed by :</i>				
Share Capital	18	851	851	股本
Reserves	19	41,048	39,374	儲備
Shareholders' Funds		41,899	40,225	股東資金
Long Term Borrowings	20	20,137	20,444	長期借款
Deferred Taxation	21	262	254	遞延稅項
Minority Interests		1,269	1,162	少數股東權益
		63,567	62,085	

Larry Yung Chi Kin *Director*Henry Fan Hung Ling *Director*

榮智健 董事

范鴻齡 董事

Balance Sheet		資產負債表		
<i>as at 31 December 1998</i>		一九九八年十二月三十一日結算		
<i>in HK\$ million</i>	<i>Note</i> 附註	1998	1997	以港幣百萬元計算
Fixed Assets	13	80	82	固定資產
Subsidiary Companies	14	49,091	50,347	附屬公司
Associated Companies	15	2,326	3,494	聯營公司
Net Current Liabilities	17	(2,231)	(3,587)	淨流動負債
		49,266	50,336	
<i>Financed by :</i>				資金來源 :
Share Capital	18	851	851	股本
Reserves	19	34,122	34,076	儲備
Shareholders' Funds		34,973	34,927	股東資金
Long Term Borrowings	20	14,293	15,409	長期借款
		49,266	50,336	
Larry Yung Chi Kin <i>Director</i>				榮智健 董事
Henry Fan Hung Ling <i>Director</i>				范鴻齡 董事

Consolidated Cash Flow Statement*for the year ended 31 December 1998***綜合現金流量表**

截至一九九八年十二月三十一日止年度

in HK\$ million

1998

1997

以港幣百萬元計算

Net Cash Inflow from Consolidated Activities (note a)	2,320	918	來自綜合業務之現金流入淨額 (附註 a)
Returns on Investments and Servicing of Finance			投資回報及財務收支
Dividend income from associated companies	1,196	6,714	從聯營公司所得股息收益
Income from investments	1,288	707	從各項投資所得收益
Interest received	62	54	已收利息
Interest paid	(1,526)	(1,468)	已付利息
Dividends paid	(1,490)	(2,027)	已派股息
Net Cash (Outflow) / Inflow from Returns on Investments and Servicing of Finance	(470)	3,980	投資回報及財務收支之現金 (流出) / 流入淨額
Taxation			稅項
Hong Kong profits tax and overseas tax paid	(158)	(112)	已付香港利得稅及海外稅項
Investing Activities			投資業務
Purchase of fixed assets	(1,099)	(1,645)	購入固定資產
Purchase of subsidiary companies (net of cash and cash equivalents acquired)	-	(446)	購入附屬公司 (扣除所得現金與等同現金)
Investment in associated companies	-	(16,257)	於聯營公司之投資
Increase in investments	(243)	(1,501)	投資之增加
Proceeds on disposal of fixed assets	32	24	出售固定資產所得
Proceeds on disposal of investment property	-	1,268	出售投資物業所得
Proceeds on disposal of an associated company	835	-	出售聯營公司所得
Proceeds on disposal of investments	78	-	出售投資所得
Loans from associated companies	107	1,747	欠負聯營公司之貸款
Net Cash Outflow from Investing Activities	(290)	(16,810)	投資業務之現金流出淨額
Net Cash Inflow / (Outflow) before Financing	1,402	(12,024)	融資前之現金流入 / (流出)淨額

CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表

<i>in HK\$ million</i>	1998	1997	以港幣百萬元計算
Financing (note b)			融資 (附註 b)
Repurchase of shares	-	(217)	購回股份
New borrowings	1,495	15,349	新借款項
Repayment of loans	(2,838)	(1,904)	償還貸款
Floating rate notes matured	-	(1,560)	到期浮息票據
Increase in minority interests	7	228	少數股東權益之增加
Net Cash (Outflow) / Inflow from Financing	(1,336)	11,896	融資之現金 (流出) / 流入淨額
Increase / (Decrease) in Cash and Cash Equivalents	66	(128)	現金及等同現金之增加 / (減少)
Cash and Cash Equivalents at 1 January	231	352	於一月一日之現金及等同現金
Effect of Foreign Exchange Rate Changes	4	7	外幣匯率變動之影響
Cash and Cash Equivalents at 31 December	301	231	於十二月三十一日之現金及等同現金
Analysis of the Balances of Cash and Cash Equivalents			現金及等同現金結存之分析
Cash and bank balances	900	710	現金及銀行結存
Bank loans and overdrafts (note c)	(599)	(479)	銀行貸款及透支 (附註 c)
	301	231	

Notes to Consolidated Cash Flow Statement

綜合現金流量表附註

a Reconciliation of profit from consolidated activities to net cash inflow from consolidated activities

a 綜合業務溢利與來自綜合業務之現金流入淨額對賬

<i>in HK\$ million</i>	1998	1997	以港幣百萬元計算
Profit from consolidated activities after net interest expense	1,228	2,197	扣除利息開支淨額後 綜合業務溢利
Net interest expense	1,171	889	利息開支淨額
Income from investments	(1,549)	(1,267)	來自投資之收益
Depreciation and amortisation	307	245	折舊及攤銷
Profit on disposal of investment property	-	(1,140)	出售投資物業之溢利
Profit on disposal of an associated company	(167)	-	出售聯營公司之溢利
Profit on disposal of investments	(60)	-	出售投資之溢利
Profit on disposal of fixed assets	(4)	(1)	出售固定資產之溢利
Decrease in properties held for sale	336	1,347	待售物業減少
Increase in inventories	(60)	(401)	存貨增加
Decrease / (increase) in debtors, accounts receivable, prepayments and deposits	1,380	(1,216)	應收賬項、應收賬款、預付款 項及按金之減少/ (增加)
(Decrease) / increase in creditors, accounts payable and accruals	(228)	295	應付賬項、應付賬款及應付款 項之 (減少)/ 增加
Effect of foreign exchange rates	(34)	(30)	外幣匯率影響
	2,320	918	

NOTES TO CONSOLIDATED CASH FLOW STATEMENT

綜合現金流量表附註

b Analysis of changes in financing during the year

b 年內融資變動分析

<i>in HK\$ million</i>	<i>Long term borrowings</i> 長期借款	<i>Minority interests</i> 少數股東權益	<i>以港幣百萬元計算</i>
Balance at 1 January 1998		1,162	於一九九八年一月一日之結存
Effect of foreign exchange difference		-	外幣兌換差額之影響
Net cash (outflow) / inflow from financing		7	來自融資之現金 (流出) / 流入淨額
Minority interests' share of retained profit for the year		100	少數股東佔年內保留溢利之權益
Balance at 31 December 1998		1,269	於一九九八年十二月三十一日之結存

c Reconciliation of the balance of cash and cash equivalents in respect of bank loans, other loans and overdrafts

c 有關銀行貸款、其他貸款及透支之現金與等同現金結存之對賬

<i>in HK\$ million</i>	1998	1997	<i>以港幣百萬元計算</i>
Bank loans, other loans and overdrafts	1,938	2,858	銀行貸款、其他貸款及透支
Bank loans, other loans and overdrafts over three months to maturity	(1,339)	(2,379)	三個月後期滿之銀行貸款、其他貸款及透支
Bank loans, other loans and overdrafts within three months to maturity	599	479	三個月內到期之銀行貸款、其他貸款及透支

Notes to The Accounts

for the year ended 31 December 1998

1 Significant Accounting Policies

a BASIS OF CONSOLIDATION

The consolidated accounts incorporate the accounts of the Company and all its subsidiary companies made up to the balance sheet date. The results of subsidiary companies acquired or disposed of during the year are included as from the effective dates of acquisition or up to the effective dates of disposal respectively.

b GOODWILL AND CAPITAL RESERVE

Goodwill represents the excess of purchase consideration over the fair values ascribed to the net assets of subsidiary companies and associated companies acquired and is written off to reserves in the year of acquisition or amortised over a period no longer than its estimated useful life to the Group.

Where the fair values of net assets of subsidiary companies and associated companies exceed the purchase consideration, such differences, being discounts on acquisition, are taken to capital reserve in the year of acquisition.

c SUBSIDIARY COMPANIES

Investments in subsidiary companies are carried at cost less provision.

d ASSOCIATED COMPANIES

Associated companies are companies, other than subsidiary companies, in which the Group holds not more than 50 per cent of their equity share capital for the long term and can exercise significant influence in their management.

The consolidated profit and loss account includes the Group's share of the results of associated companies for the year, and the consolidated balance sheet includes the Group's share of net assets of the associated companies, after attributing fair values to the net assets at the date of acquisition.

賬目附註

截至一九九八年十二月三十一日止年度

1 主要會計政策

a 綜合賬目之準則

綜合賬目乃綜合本公司及其全部附屬公司截至結算日止之賬目。於本年度收購或出售之附屬公司之業績分別由其收購之生效日期起計或計至其出售之生效日期為止。

b 商譽及資本儲備

商譽乃收購附屬公司及聯營公司之收購代價較該等公司資產淨值之公平價值超逾之數額，並於收購年度之儲備內撇銷或按其對本集團之估計可使用年期攤銷。

倘附屬公司及聯營公司資產淨值之公平價值超逾其收購代價，此等收購時之折價所帶來之差額於收購年度撥入資本儲備內。

c 附屬公司

於附屬公司之投資乃以成本減去減值準備入賬。

d 聯營公司

聯營公司乃指除附屬公司外，由本集團長期持有不多於百分之五十股權，而又能對其管理運用顯著影響力之公司。

綜合損益賬包括本集團在該年度所佔聯營公司之業績，綜合資產負債表內包括本集團所佔聯營公司之資產淨值，及已包括於收購日所佔其資產淨值之公平價值。

NOTES TO THE ACCOUNTS

賬目附註

1 Significant Accounting Policies *continued*

1 主要會計政策 續

In the Company's balance sheet the investments in associated companies are stated at cost less provision. The results of associated companies are accounted for by the Company on the basis of dividends received and receivable.

在本公司資產負債表內聯營公司之投資以成本減去減值準備入賬。聯營公司之業績則以已收及應收股息計算在本公司之內。

e DEPRECIATION

e 折舊

All fixed assets except investment properties and properties held for development are carried at cost less accumulated depreciation.

除投資物業及待發展之物業外，所有固定資產均以成本減去累積折舊入賬。

Changes in the value of investment properties reflecting market conditions, depreciation and other factors are incorporated in the annual accounts on the basis set out in note 1(f).

反映物業市道、折舊及其他因素之投資物業價值之變化皆按附註 1(f) 所述基準編入年度賬目。

Freehold land is not amortised. Leasehold land is depreciated over the remaining portion of the relevant lease.

永久業權之土地不作攤銷。租約土地按有關租約之餘期折舊。

Amortisation of vehicular tunnel (including land and buildings) is provided for over the franchise period on the basis of a sinking fund calculation whereby annual amounts compounded at the rate of 7% per annum will equal the net cost of the tunnel.

行車隧道 (包括土地及樓宇) 於經營期內的攤銷是以償還基金方式計算，因此以年利率 7% 複利計算，其總額將等於隧道的成本淨額。

Other fixed assets are depreciated at rates sufficient to write off their cost or valuation over their estimated useful lives on a straight line basis at the following annual rates:

其他固定資產用直線法按在估計使用年內足以撇銷其成本或估值之折舊率折舊，年率如下：

Buildings	2%-4% or the remaining lease period of the land
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- 樓宇：2% - 4% 或該土地之租約餘期
- 其他固定資產，包括交通設備、貨運駁船、電腦裝備、汽車、機器、傢俬、裝置及設備：10% - 25%

Other fixed assets, comprising traffic equipment, cargo lighters, computer installations, motor vehicles, plant and machinery, furniture, fixtures and equipment	10%-25%
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f INVESTMENT PROPERTIES

Investment properties are interests in land and buildings in respect of which construction work and development have been completed and which are held for their investment potential.

Investment properties held on leases with unexpired periods greater than twenty years are valued at intervals of not more than three years by independent valuers; in each of the intervening years, valuations are undertaken by professionally qualified personnel. The valuations are on an open market value basis related to individual properties and separate values are not attributed to land and buildings. The valuations are incorporated in the annual accounts. Increases in valuation are credited to the investment property revaluation reserve; decreases are first set off against increases on earlier valuations on a portfolio basis and thereafter are charged to operating profit.

Investment properties held on leases with unexpired periods of twenty years or less are depreciated over the remaining portion of the leases.

Upon the disposal of an investment property, the relevant portion of the revaluation reserve realised in respect of previous valuations is released from the investment property revaluation reserve to the profit and loss account.

g PROPERTIES HELD FOR DEVELOPMENT

Properties held for development consist of investments in land for future development and buildings under construction and properties under development pending any positive intention either to retain them for investment purposes or to sell them for proceeds. The investments are stated at cost less provision for diminution in value.

f 投資物業

投資物業乃指建築及發展工程皆已完成而因有投資潛質而持有之土地及樓宇權益。

凡未屆滿租約之投資物業而租期超過二十年者，每隔不超過三年須由獨立估值師估值；在期間之每一年度皆由具有專業資格之人員進行估值。估值乃按各項物業之公開市值基準進行，土地與樓宇並無分開評估其價值。各項估值列入年度賬目內。估值之增值列入投資物業重估儲備，減值則先按整體為準以較早估值之增值抵銷，然後在經營溢利中扣除。

凡未屆滿租約之投資物業而租期為二十年或短於二十年者，則按租約餘期加以折舊。

待出售投資物業後，過往估值之重估儲備已變現之有關部份，會由投資物業重估儲備撥回損益賬。

g 待發展物業

待發展物業包括留待日後發展之土地、建築期內之樓宇及於發展中惟未決定是否保留作投資用途或出售以賺取收入之物業。此等投資以成本減去減值準備入賬。

NOTES TO THE ACCOUNTS

1 Significant Accounting Policies *continued*

h CAPITALISATION OF DEVELOPMENT COSTS

Property development expenditure, inclusive of interest and professional fees, is capitalised as cost of development.

Borrowing costs incurred on assets under development that take a substantial period of time to get ready for their intended use or sale are capitalised into the carrying value of the assets under development.

The capitalisation rate applied to funds borrowed for the development of the assets is based on the attributable cost of funds to the Group.

All other borrowing costs are charged to the profit and loss account in the period in which they are incurred.

i REVENUE RECOGNITION

(i) Motor vehicles

Revenue arising from the sale of motor vehicles is recognised when the registration document is issued or on delivery of motor vehicles, whichever is earlier, which are taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes any government taxes and is after deduction of any trade discounts.

(ii) Sales of properties under development and properties held for sale

Income from sales of properties under development is recognised when the properties developed for sale are sold in advance of completion and the outcome of projects can be ascertained with reasonable certainty by reference to the construction progress. Profit is recognised over the course of the development and is computed in each year as a proportion of the total estimated profit of the development. The proportion used is calculated by

賬目附註

1 主要會計政策 續

h 撥作發展成本之支出

物業發展支出包括利息及專業費用皆撥作發展成本。

需要長時間籌備方能擬作使用或出售之發展中資產所產生之借貸成本，皆撥作發展中資產之賬面價值。

發展中資產所借貸資金之資本化率乃根據本集團之借貸成本所釐定。

其他借貸成本皆於該期內之損益賬支銷。

i 收益認算

(i) 汽車

來自汽車銷售之收益乃於簽發登記文件或將車輛付運時(以較早為準則)及當顧客接收該貨品及有關之風險和擁有權時入賬。收益扣除任何政府稅項及減去任何貿易折扣。

(ii) 出售發展中物業及待售物業

來自出售發展中物業之收益乃於發展供出售之物業在竣工前售出及項目之結果可按照建築工程進度合理地確認時入賬。溢利在該項發展期間內每年以該項發展之估計溢利總額按比例入賬。所用之比例經計入

reference to the proportion of construction costs incurred to date to the estimated total construction costs to completion of the development and the extent of the sales proceeds received, after taking into account due allowance for contingencies.

Income from properties held for sale is recognised at the date when sale agreement is signed.

(iii) Income from co-operative joint venture

Where the Group has been guaranteed a minimum rate of return on its investment in co-operative joint ventures, income is accrued at the minimum rate of return, and any return in excess of the minimum is recognised in the year in which it is received, or becomes receivable.

Other income or dividend from co-operative joint venture is recognised when the right to receive is established.

(iv) Other goods

Revenue arising from the sale of other goods is recognised on the delivery of goods to customers. Revenue is determined after deduction of any trade discounts.

(v) Rendering of services

Commission income and revenue arising from the rendering of repairing services are recognised when the goods concerned are sold to customers and when the relevant work is completed respectively.

(vi) Dividend income

Dividend income is recognised when the right to receive the dividend is established.

或然事項之適當準備後，參照於結算日已支出之建築成本與該項發展竣工之估計總建築成本之比例及已收銷售所得款項計算。

來自待售物業之收益於簽訂買賣合約日期時入賬。

(iii) 合作合營公司收益

就本集團已獲最低回報率保證之合作合營公司權益而言，收益應以最低回報率計算。任何超逾最低回報率之收益，均於該年度作已收款項或應收款項入賬。

其他來自合作合營公司所得之收入或股息，均於收取之權利確定時入賬。

(iv) 其他貨品

來自貨品銷售之收益乃於交貨予顧客時入賬。收益經已扣除任何貿易折扣。

(v) 提供服務

來自佣金收益及提供維修服務之收入乃分別於有關貨物售予顧客及有關工作完成時入賬。

(vi) 股息收益

股息收益乃於收取股息之權利確定時入賬。

NOTES TO THE ACCOUNTS

賬目附註

1 Significant Accounting Policies *continued*

1 主要會計政策 續

j PROPERTIES HELD FOR SALE

j 待售物業

Properties held for sale are classified under current assets and are stated at the lower of cost and net realisable value.

待售物業歸入流動資產一類，並以成本值及可變現淨值之較低者入賬。

k INVESTMENTS

k 投資

Co-operative joint ventures in the People's Republic of China are stated at cost (net of capital repayment) less provision for permanent diminution in value or where appropriate, amortised over a period no longer than its estimated useful life to the Group.

於中華人民共和國之合作合營公司以成本(資本歸還淨額)減去永久減值準備入賬或(如適用)按不超過本集團估計可使用之年期而予以攤銷。

Interest in other listed and unlisted investments held for the long term are stated at cost less provision for permanent diminution in value as considered necessary by the directors.

其他長期持有之上市及非上市投資之權益，乃以成本減去董事認為必要之永久減值準備入賬。

l OPERATING LEASES

l 營業租約

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals payable and receivable under operating leases are accounted for on a straight line basis over the respective periods of the leases.

資產擁有權之全部利益及風險絕大部份保留於出租公司之租約，列為營業租約處理。營業租約之應付及應收租金按各租期以直線法計算。

m INVENTORIES

m 存貨

Inventories comprising mainly motor vehicles, spare parts, electrical appliances, food, trading items and steels are valued at the lower of cost and net realisable value. Cost represents the actual cost of purchase and is calculated on the first-in first-out, specific identification or weighted average basis as appropriate. Net realisable value is determined by reference to the sale proceeds of items sold in the ordinary course of business after the balance sheet date, and in other cases, to management's estimates based on prevailing market conditions and net replacement costs.

存貨主要包括汽車、零件、電器用品、食品、貿易項目及鋼鐵，乃以成本值及可變現淨值之較低者入賬。成本指購置之實質成本，並適當地以先進先出法、個別鑑定法或加權平均法計算。可變現淨值乃參照結算日後日常業務往來出售貨品所得銷售收入計算，而在其他情況下，則參照管理層根據現行市場情況及重置成本淨值所作估計計算。

n FOREIGN CURRENCIES

Transactions arising in foreign currencies during the year are translated into Hong Kong dollars at rates ruling at the transaction dates.

Monetary assets and liabilities in foreign currencies are translated into Hong Kong dollars at market rates ruling at the balance sheet date.

Exchange differences arising in these cases are dealt with in the profit and loss account.

The accounts of subsidiary companies and associated companies expressed in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Exchange differences arising are dealt with as a movement in reserves.

o DEFERRED TAXATION

Deferred taxation is accounted for at the current tax rate in respect of material timing differences between profit as computed for taxation purposes and profit as stated in the accounts to the extent that a liability or asset is expected to be payable or receivable in the foreseeable future.

n 外幣

年內以外幣為單位之各項交易均按照交易日之滙率換算為港幣，以外幣為單位之貨幣資產及負債則按結算日之市場滙率換算為港幣。因此而引致之滙兌盈虧已包括於損益賬內。

附屬公司及聯營公司賬目而以外幣結算者概按結算日之滙率換算。所引致之滙兌盈虧已包括於儲備之變動內。

o 遞延稅項

遞延稅項乃以在可預見將來預料應付或應收之負債或資產為計入準則，為按課稅目的而計算之溢利與賬目中所載溢利之間之重大時差而以現行稅率計算。

NOTES TO THE ACCOUNTS

賬目附註

2 Turnover

2 營業額

Turnover of the Group comprises the total invoiced value of goods supplied net of Government taxes where applicable, and services rendered to customers, gross proceeds from sale of properties, amounts received and receivable in respect of dividends, income from co-operative joint ventures, toll income, net property rental, godown and cold storage income and interest analysed as follows:-

本集團之營業額包括向顧客供應貨品(如適用，經扣除政府稅項)及提供服務之總發票值、出售物業所得總額、就股息已收及應收之款項、來自合作合營公司之收益、隧道收費、淨物業租金、貨倉及冷藏倉庫收入及利息如下:-

<i>in HK\$ million</i>	<i>Group 集團</i>		<i>以港幣百萬元計算</i>
	1998	1997	
Sale of goods	10,561	11,778	貨品銷售
Sale of properties	270	2,881	出售物業
Services rendered to customers	509	454	提供予顧客之服務
Dividend income and income from co-operative joint ventures	1,549	1,267	股息收益及合作合營公司收益
Others	803	418	其他
	<u>13,692</u>	<u>16,798</u>	

3 Profit from Consolidated Activities

3 綜合業務溢利

<i>in HK\$ million</i>	<i>Group 集團</i>		<i>以港幣百萬元計算</i>
	1998	1997	
<i>The profit from consolidated activities is arrived at</i>			
<i>after charging :</i>			
Auditors' remuneration	9	9	核數師酬金
Contributions to staff retirement schemes	34	35	僱員退休金計劃供款
Cost of sales	8,995	11,449	銷售成本
Depreciation and amortisation	307	245	折舊及攤銷
Management fee payable to China International Trust & Investment Corporation Hong Kong (Holdings) Limited ("CITIC HK")	8	50	支付予中國國際信托投資 (香港集團)有限公司 (「中信香港」)之管理費
Operating lease rentals			營業租約租金
- land and buildings	75	72	- 土地及樓宇
<i>and after crediting :</i>			
Dividend income from listed investments	22	1	來自上市投資之股息收益
Dividend income from unlisted investments	132	173	來自非上市投資之股息收益
Profit on disposal of an associated company	167	-	出售聯營公司溢利
Profit on disposal of investment property	-	1,140	出售投資物業溢利
Rental income from			租金收益
- investment properties			- 投資物業
Gross income	156	163	總收益
Less: Direct outgoings	(56)	(40)	減: 直接支出
	100	123	
- other operating leases	72	66	- 其他營業租約

NOTES TO THE ACCOUNTS

賬目附註

4 Directors' Emoluments

4 董事酬金

<i>in HK\$ million</i>	<i>Group 集團</i>	
	1998	1997
Fees	1.5	1.6
Salaries	7.6	5.9
Bonuses	50.7	61.3
	<u>59.8</u>	<u>68.8</u>

以港幣百萬元計算

袍金

薪金

花紅

The reported increase in directors' salaries between 1997 and 1998 is due to a change in their basis of their employment. Prior to April 1997, directors services were provided through a Management Agreement between CITIC HK and the Company. From April 1997, directors of the Company received salaries directly from the Company and payments under the Management Agreement do not include directors' salaries.

一九九七年至一九九八年度董事薪金上升乃由於僱用董事之基準有所更改。在一九九七年四月以前，董事乃根據由中信香港及本公司之管理合約提供服務。由一九九七年四月開始，本公司之董事直接向本公司收取薪金，而根據該管理合約所支付之費用不包括董事薪金。

The Directors' emoluments are analysed as follows :

董事酬金分析如下：

<i>Emoluments Bands</i>	<i>Number of directors 董事人數</i>	
	1998	1997
HK\$0 - HK\$1,000,000	7	9
HK\$1,000,001 - HK\$1,500,000	-	2
HK\$2,500,001 - HK\$3,000,000	1	-
HK\$4,500,001 - HK\$5,000,000	1	1
HK\$5,000,001 - HK\$5,500,000	1	-
HK\$5,500,001 - HK\$6,000,000	-	1
HK\$8,500,001 - HK\$9,000,000	1	-
HK\$10,000,001 - HK\$10,500,000	1	1
HK\$12,000,001 - HK\$12,500,000	-	1
HK\$12,500,001 - HK\$13,000,000	1	-
HK\$15,000,001 - HK\$15,500,000	1	1
HK\$18,000,001 - HK\$18,500,000	-	1

酬金範圍

港幣 0 元至港幣 1,000,000 元

港幣 1,000,001 元至港幣 1,500,000 元

港幣 2,500,001 元至港幣 3,000,000 元

港幣 4,500,001 元至港幣 5,000,000 元

港幣 5,000,001 元至港幣 5,500,000 元

港幣 5,500,001 元至港幣 6,000,000 元

港幣 8,500,001 元至港幣 9,000,000 元

港幣 10,000,001 元至港幣 10,500,000 元

港幣 12,000,001 元至港幣 12,500,000 元

港幣 12,500,001 元至港幣 13,000,000 元

港幣 15,000,001 元至港幣 15,500,000 元

港幣 18,000,001 元至港幣 18,500,000 元

Emoluments paid to independent non-executive directors during the year amounted to HK\$0.8 million (1997: HK\$0.9 million).

本年內，獨立非執行董事之酬金為港幣八十萬元（一九九七年：港幣九十萬元）。

The five highest paid individuals of the Group during the year were also directors and their emoluments are reflected in the analysis presented above.

本集團於本年度獲最高薪酬之五位人士皆為董事，而他們的酬金亦已載於以上分析。

5 Retirement Benefits

Dah Chong Hong Holdings Group (“DCH Group”) operates a defined contribution scheme in Hong Kong and a defined benefit scheme in Japan. New Hong Kong Tunnel Company Limited (“NHKTC”) operates a retirement scheme in Hong Kong which is primarily a defined contribution scheme.

Contributions to the defined contribution schemes by DCH Group and NHKTC represent amounts payable at rates specified in the terms of the schemes. Assets of the schemes are held separately from those of DCH Group and NHKTC in funds under the control of trustees. Forfeited contributions of DCH Group are credited to the remaining members of the scheme in proportion to their respective balances. Forfeited contributions of NHKTC are to be used at the absolute discretion of the trustees for settlement of all or part of the future contributions payable by NHKTC.

The scheme of NHKTC also contains a defined benefit element in the case where the relevant employee deceases under employment. However, the relevant benefit payable has been underwritten by an outsider insurer through a group life policy.

For the defined benefit scheme in Japan, members’ benefits are determined based on the employees’ latest month of pay and length of service. Part of the portion for the employees is funded through a contract with an insurance company which acts as trustee. The remaining portion for the employees together with the portion for the directors of the DCH Group’s subsidiary company in Japan are unfunded and have been provided for in the accounts.

5 退休福利

大昌貿易行控股集團(「大昌行集團」)分別於香港設立有界定供款退休金計劃及於日本設立有界定利益退休金計劃。新香港隧道有限公司(「新隧」)亦於香港設立有界定供款退休金計劃。

大昌行集團及新隧乃按退休金計劃中條款所指定之比率，支付界定供款退休金計劃中之供款。退休金計劃之資產乃由受託人管理，並與大昌行集團及新隧之資產分開。大昌行集團沒收之供款將按退休金計劃餘下成員之各自結餘比例分配。新隧沒收之供款將按受託人以絕對酌情權用於處理新隧將支付之全部或部份供款。

新隧之退休金計劃亦包括一項以供僱員在受僱時死亡之界定利益，但此等應付的利益已透過集團人壽保險計劃由集團外的保險公司承保。

於日本設立之界定利益退休金計劃，成員可享有之退休金福利乃按該僱員最近期之每月薪金及服務年期而計算。僱員之部份退休金透過與保險公司簽訂之合同提供資金，保險公司為該退休金計劃之受託人。僱員退休福利之餘下部份，及大昌行集團日本附屬公司董事之退休金尚未出資者，已於賬目內撥備。

NOTES TO THE ACCOUNTS

賬目附註

6 Net Interest Expense

6 利息開支淨額

<i>in HK\$ million</i>	<i>Group 集團</i>		以港幣百萬元計算
	1998	1997	
<i>Interest expense</i>			利息開支
Bank loans and overdrafts wholly repayable within five years	980	1,111	須於五年內全部償還之銀行貸款及透支
Bank loans not wholly repayable within five years	281	129	不須於五年內全部償還之銀行貸款
Less: Amount capitalised	(308)	(537)	減：已撥充資本之款項
	953	703	
Other loans wholly repayable within five years	224	207	須於五年內全部償還之其他貸款
Other loans not wholly repayable within five years	73	58	不須於五年內全部償還之其他貸款
	1,250	968	
<i>Interest income</i>	(79)	(79)	利息收入
	1,171	889	

7 Sale of Business Interests

7 出售業務權益

The amount represented profit on disposal of all the Group's interests of 7.74% in Hong Kong Telecommunications Limited in 1997.

出售業務權益乃本集團於一九九七年出售全部於香港電訊有限公司 7.74% 權益之溢利。

8 Taxation

Hong Kong profits tax has been calculated at the rate of 16% (1997 : 16.5%) on the estimated assessable profit for the year. Overseas taxation has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

8 稅項

香港利得稅乃以年內估計應課稅溢利按 16% 之稅率 (一九九七年 : 16.5%) 計算。海外稅項乃以年內估計應課稅溢利按集團經營業務之地區之現行稅率計算。

<i>in HK\$ million</i>	<i>Group 集團</i>		以港幣百萬元計算
	1998	1997	
<i>Company and subsidiary companies:</i>			
Hong Kong profits tax	87	120	本公司及其附屬公司：
Overseas taxation	22	27	香港利得稅
Deferred taxation (Note 21)	5	9	海外稅項
			遞延稅項 (附註 21)
	<u>114</u>	<u>156</u>	
<i>Associated companies:</i>			
Hong Kong profits tax	286	208	聯營公司：
Overseas taxation	63	79	香港利得稅
Deferred taxation	(18)	46	海外稅項
			遞延稅項
	<u>331</u>	<u>333</u>	
	<u>445</u>	<u>489</u>	

9 Profit Attributable to Shareholders

The Group's profit attributable to shareholders is dealt with in the accounts of the Company to the extent of HK\$1,536 million (1997: HK\$9,708 million).

9 股東應佔溢利

股東應佔集團溢利已列入本公司賬目者為港幣十五億三千六百萬元 (一九九七年 : 港幣九十七億零八百萬元)。

NOTES TO THE ACCOUNTS

賬目附註

10 Dividends

10 股息

<i>in HK\$ million</i>	1998	1997
1998 Interim dividend paid: 20 cents (1997: 20 cents) per share	426	427
1998 Final dividend proposed: 50 cents (1997: 50 cents) per share	1,064	1,064
1997 Special dividend paid: 30 cents per share	-	640
	1,490	2,131

以港幣百萬元計算

已派發一九九八年中期股息：

每股 20 仙 (一九九七年：20 仙)

建議派發一九九八年末期股息：

每股 50 仙 (一九九七年：50 仙)

已派發一九九七年特別股息：每股 30 仙

11 Retained Profit for the Year

11 年內保留溢利

<i>in HK\$ million</i>	1998	1997
<i>Profit for the year retained by:</i>		
Company and subsidiary companies	919	6,279
Associated companies	398	(1,041)
	1,317	5,238

以港幣百萬元計算

年內保留之溢利：

本公司及其附屬公司

聯營公司

12 Earnings per Share

12 每股盈利

The calculations of earnings per share and earnings per share before sale of business interests are based on profit attributable to shareholders of HK\$2,808 million (1997: HK\$7,376 million) and profit attributable to shareholders excluding sale of business interests of HK\$2,808 million (1997: HK\$4,140 million) respectively, and on 2,127,367,160 shares in issue throughout the year (1997: weighted average number of 2,131,984,221 shares).

每股盈利及於出售業務權益前之每股盈利乃分別按股東應佔溢利港幣二十八億零八百萬元 (一九九七年：港幣七十三億七千六百萬元) 及於出售業務權益前之股東應佔溢利港幣二十八億零八百萬元 (一九九七年：港幣四十一億四千萬元)，及該年內之已發行股份 2,127,367,160 股 (一九九七年：股份加權平均數 2,131,984,221 股) 計算。

13 Fixed Assets

a GROUP in HK\$ million	Properties					Total 總額
	Investment properties 投資物業	Self-used properties 自用物業	held for development 待發展之物業	Vehicular tunnel 行車隧道	Others (note ii) 其他(附註ii)	
<i>Cost or valuation</i>						
At 1 January 1998	3,534	2,426	1,241	1,983	2,778	11,962
Exchange adjustments	33	3	-	-	(4)	32
Additions	328	79	352	-	458	1,217
Disposals	-	(5)	(1)	-	(102)	(108)
Revaluation surplus (Note 19a)	310	-	-	-	-	310
Reclassification	(178)	178	-	-	-	-
Transfer on completion	1,272	74	(1,346)	-	-	-
At 31 December 1998	5,299	2,755	246	1,983	3,130	13,413
<i>Accumulated depreciation</i>						
At 1 January 1998	-	316	-	284	890	1,490
Exchange adjustments	-	1	-	-	-	1
Charge for the year	-	44	-	47	136	227
Written back on disposals	-	(1)	-	-	(69)	(70)
At 31 December 1998	-	360	-	331	957	1,648
<i>Net book value</i>						
At 31 December 1998	5,299	2,395	246	1,652	2,173	11,765
At 31 December 1997	3,534	2,110	1,241	1,699	1,888	10,472

The analysis of cost or valuation of the above assets is as follows:

At cost	-	2,755	246	1,983	3,130	8,114
At professional valuation – 1998	5,299	-	-	-	-	5,299
	5,299	2,755	246	1,983	3,130	13,413

note :

(i) Interest capitalised in fixed assets other than investment properties amounts to HK\$105 million (1997: HK\$108 million).

(ii) Other fixed assets comprise traffic equipment, cargo lighters, computer installations, motor vehicles, plant and machinery, furniture, fixtures and equipment.

(iii) Fixed assets with net book value of HK\$1,662 million (1997: HK\$1,710 million) have been pledged to secure bank loans and other loans of a subsidiary company totalling HK\$675 million (1997: HK\$825 million).

13 固定資產

a 集團
以港幣百萬元計算

<i>成本或估值</i>	
At 1 January 1998	一九九八年一月一日
Exchange adjustments	兌換調整
Additions	添置
Disposals	出售
Revaluation surplus (Note 19a)	重估產生之盈餘(附註19a)
Reclassification	重新分類
Transfer on completion	完成後轉撥
At 31 December 1998	一九九八年十二月三十一日
<i>累積折舊</i>	
At 1 January 1998	一九九八年一月一日
Exchange adjustments	兌換調整
Charge for the year	本年度折舊
Written back on disposals	因出售撥回
At 31 December 1998	一九九八年十二月三十一日
<i>賬面淨值</i>	
At 31 December 1998	一九九八年十二月三十一日
At 31 December 1997	一九九七年十二月三十一日

上述資產之成本或估值分析如下:

成本
專業估值 – 一九九八年

附註:

(i) 除投資物業外，在固定資產內已撥充資本之利息總額為港幣一億零五百萬元(一九九七年: 港幣一億零八百萬元)。

(ii) 其他固定資產包括交通設備、貨運駁船、電腦裝備、汽車、機器、傢俬、裝置及設備。

(iii) 固定資產中賬面淨值為港幣十六億六千二百萬元(一九九七年: 港幣十七億一千萬元)，已作為其中一間附屬公司之銀行貸款及其他貸款總值港幣六億七千五百萬元(一九九七年: 港幣八億二千五百萬元)之抵押。

NOTES TO THE ACCOUNTS

賬目附註

13 Fixed Assets *continued*

13 固定資產 續

b COMPANY

b 公司

<i>in HK\$ million</i>	<i>Self-used property</i>	<i>Motor vehicles, equipment, furniture and fixtures</i> 汽車、設備、傢俬及裝置	<i>Total</i>	<i>以港幣百萬元計算</i>
<i>Cost</i>				
At 1 January 1998	3	83	86	成本 一九九八年一月一日
Additions	-	8	8	添置
Disposals	-	(1)	(1)	出售
At 31 December 1998	3	90	93	一九九八年十二月三十一日
<i>Accumulated depreciation</i>				
At 1 January 1998	-	4	4	累積折舊 一九九八年一月一日
Charge for the year	-	10	10	本年度折舊
Written back on disposals	-	(1)	(1)	因出售撥回
At 31 December 1998	-	13	13	一九九八年十二月三十一日
<i>Net book value</i>				
At 31 December 1998	3	77	80	賬面淨值 一九九八年十二月三十一日
At 31 December 1997	3	79	82	一九九七年十二月三十一日

c The tenure of the properties of the Group is as follows:

c 本集團物業之年期如下：

<i>in HK\$ million</i>	<i>Investment properties</i> 投資物業	<i>Self-used properties</i> 自用物業	<i>Properties held for development</i> 待發展之物業	<i>Total</i> 總額	<i>以港幣百萬元計算</i>
<i>Leasehold properties held in Hong Kong</i>					
- Long term lease	633	31	-	664	香港租約物業 - 長期租約
- Medium term lease	4,404	2,110	246	6,760	- 中期租約
- Short term lease	-	74	-	74	- 短期租約
Medium term leasehold properties held overseas	-	310	-	310	海外中期租約物業
Freehold properties held overseas	262	230	-	492	海外永久業權物業
	5,299	2,755	246	8,300	

d Property valuation

The Group's investment properties have been independently revalued on an open market value basis as at 31 December 1998. The details of the independent qualified valuers are as follows:

<i>Properties located in</i>	<i>Valuers 估值師</i>
Hong Kong	Knight Frank 簡福飴測量行
Japan	Tekko Building Co., Limited

d 物業估值

本集團之投資物業已由獨立估值師於一九九八年十二月三十一日按公開市值標準重新估值。獨立認可估值師之詳情如下：

物業位於

香港
日本

e Fixed assets held by the Group for use in operating leases to generate rental income are as follows:

e 本集團持作營業租約用途以產生租金收入之固定資產如下：

<i>in HK\$ million</i>	<i>Investment properties 投資物業</i>	<i>Self-used properties 自用物業</i>	<i>Other fixed assets 其他固定資產</i>	<i>Total 總額</i>
Cost or valuation	5,299	31	175	5,505
Accumulated depreciation	-	(3)	(96)	(99)
Net book value at				
31 December 1998	<u>5,299</u>	<u>28</u>	<u>79</u>	<u>5,406</u>

以港幣百萬元計算

成本或估值
累積折舊
賬面淨值

一九九八年十二月三十一日

14 Subsidiary Companies

14 附屬公司

<i>in HK\$ million</i>	<i>Company 公司</i>	
	1998	1997
Unlisted shares, at cost less amounts written off	169	169
Amounts due by subsidiary companies	57,130	56,953
Amounts due to subsidiary companies	(8,208)	(6,775)
	<u>49,091</u>	<u>50,347</u>

以港幣百萬元計算

非上市股份，成本減撇銷款額
附屬公司欠負金額
欠附屬公司金額

Particulars of the principal subsidiary companies are shown in Note 28.

主要附屬公司資料載於賬目附註 28。

NOTES TO THE ACCOUNTS

賬目附註

15 Associated Companies

15 聯營公司

<i>in HK\$ million</i>	<i>Group 集團</i>		<i>以港幣百萬元計算</i>
	1998	1997	
Share of net assets other than goodwill	32,687	33,266	除商譽外所佔資產淨值
Discount on acquisitions	2,360	2,063	收購折價
	<u>35,047</u>	<u>35,329</u>	
Loans due from associated companies (note c)	6,593	6,374	聯營公司欠負之貸款 (附註 c)
Loans due to associated companies (note c)	(1,495)	(1,493)	欠負聯營公司之貸款 (附註 c)
	<u>40,145</u>	<u>40,210</u>	
Investment at cost:			投資成本：
Unlisted shares	5,363	5,225	非上市股份
Shares listed in Hong Kong	24,846	25,342	香港上市股份
	<u>30,209</u>	<u>30,567</u>	
Market value of listed shares	<u>25,827</u>	<u>27,627</u>	上市股份之市值
	<i>Company 公司</i>		
<i>in HK\$ million</i>	1998	1997	<i>以港幣百萬元計算</i>
Investment at cost:			投資成本：
Unlisted shares	337	340	非上市股份
Shares listed in Hong Kong	931	1,427	香港上市股份
	<u>1,268</u>	<u>1,767</u>	
Loans due from associated companies	2,544	3,212	聯營公司欠負之貸款
Loans due to associated companies	(1,486)	(1,485)	欠負聯營公司之貸款
	<u>2,326</u>	<u>3,494</u>	
Market value of listed shares	<u>551</u>	<u>1,265</u>	上市股份之市值

Dividend income from associated companies during the year is as follows:

年內從聯營公司獲取之股息收益如下：

in HK\$ million	Group 集團		以港幣百萬元計算
	1998	1997	
Listed associated companies	1,171	835	上市聯營公司
Unlisted associated companies	234	5,580	非上市聯營公司
	<u>1,405</u>	<u>6,415</u>	

note :

(a) Included in associated companies is CLP Holdings Limited ("CLP") whose year end is 30 September which is not coterminous with the Group. The results of CLP have been equity accounted for based on its latest published accounts for the year ended 30 September 1998.

(b) Also included in associated companies are Hong Kong Resort Company Limited ("HKR") and Western Harbour Tunnel Company Limited ("WHT") whose year ends are 31 March and 31 July respectively which are not coterminous with the Group. The results of HKR and WHT have been equity accounted for based on their management accounts for the period from 1 January 1998 to 31 December 1998.

(c) Loans due from associated companies and loans due to associated companies are interest bearing at market rates except an amount of approximately HK\$3,000 million loans to associated companies, which are non-interest bearing. These loans have no fixed repayment terms.

Particulars of the principal associated companies are shown in Note 29.

附註：

(a) 聯營公司中包括中電控股有限公司（「中電」），該公司財政年度結算日為九月三十日，與本集團之結算日不同。中電之業績已按其截至一九九八年九月三十日止年度之最近期公佈賬目以權益法入賬。

(b) 聯營公司中亦包括香港興業有限公司（「香港興業」）及香港西區隧道有限公司（「西隧」），該兩公司之財政年度結算日分別為三月三十一日及七月三十一日，與本集團之結算日不同。香港興業及西隧之業績已按其由一九九八年一月一日至一九九八年十二月三十一日期間之管理層賬目以權益法入賬。

(c) 除包括在聯營公司欠負之貸款內之港幣三十億元為免息貸款外，其餘聯營公司欠負及欠負聯營公司之貸款均為按市場利率計算之有息貸款。該等貸款並沒有固定之還款期。

主要聯營公司資料載於賬目附註 29。

NOTES TO THE ACCOUNTS

賬目附註

16 Investments

16 投資

<i>in HK\$ million</i>	<i>Group 集團</i>		<i>以港幣百萬元計算</i>
	1998	1997	
<i>Co-operative joint ventures</i>			<i>合作合營公司</i>
Unlisted investments, at cost	8,876	8,564	非上市投資成本
Amounts due by co-operative joint ventures	2,289	2,149	合作合營公司欠款
	<u>11,165</u>	<u>10,713</u>	
Less: Amortisation	(301)	(221)	減：攤銷
	<u>10,864</u>	<u>10,492</u>	
<i>Listed investments</i>			<i>上市投資</i>
Shares listed outside Hong Kong, at cost	611	617	香港以外地區上市股份成本
<i>Unlisted investments</i>			<i>非上市投資</i>
Shares, at cost	81	80	股份成本
Add: Advances made	58	47	加：預付款項
	<u>139</u>	<u>127</u>	
Less: Provision	(37)	(37)	減：準備
	<u>102</u>	<u>90</u>	
Less: Advances received	(3)	(3)	減：已收款項
	<u>99</u>	<u>87</u>	
	<u>11,574</u>	<u>11,196</u>	
Market value of listed shares	218	386	上市股份之市值

Particulars of the principal co-operative joint ventures are shown in Note 30.

主要合作合營公司資料載於賬目附註 30。

17 Net Current Assets / (Liabilities)

<i>in HK\$ million</i>	<i>Group 集團</i>		<i>Company 公司</i>	
	1998	1997	1998	1997
<i>Current assets</i>				
Properties held for sale (note)	341	677	-	-
Inventories	1,498	1,462	-	-
Debtors, accounts receivable, deposits and prepayments	2,190	3,390	92	96
Cash and bank balances	900	710	164	111
	<u>4,929</u>	<u>6,239</u>	<u>256</u>	<u>207</u>
<i>Current liabilities</i>				
Bank loans, other loans and overdrafts				
- secured	78	61	-	-
- unsecured	1,860	2,797	1,231	2,340
Creditors, accounts payable, deposits and accruals	1,800	2,006	192	229
Amount due to a subsidiary company	-	-	-	161
Provision for taxation	44	104	-	-
Proposed final dividend	1,064	1,064	1,064	1,064
	<u>4,846</u>	<u>6,032</u>	<u>2,487</u>	<u>3,794</u>
	<u>83</u>	<u>207</u>	<u>(2,231)</u>	<u>(3,587)</u>

note:

Properties held for sale of the Group include properties let under operating leases amounting to HK\$316 million (1997: HK\$316 million).

17 淨流動資產 / (負債)

以港幣百萬元計算

流動資產

待售物業 (附註)

存貨

應收賬項、應收賬款、

按金及預付款項

現金及銀行結存

流動負債

銀行貸款、其他貸款及透支

- 有抵押

- 無抵押

應付賬項、應付賬款、按金及

應付款項

欠附屬公司金額

稅項準備

建議末期股息

附註：

本集團在營業租約下租出之待售物業總額為港幣三億一千六百萬元 (一九九七年：港幣三億一千六百萬元)。

NOTES TO THE ACCOUNTS

賬目附註

18 Share Capital

18 股本

Number of shares of HK\$0.40 each
每股面值港幣 0.40 元之股份數目

HK\$ million
港幣百萬元

Authorised:

At 31 December 1997 and 1998	2,500,000,000	1,000
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法定：

一九九七年及一九九八年十二月三十一日

Issued and fully paid :

At 31 December 1997 and 1998	2,127,367,160	851
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已發行並繳足：

一九九七年及一九九八年十二月三十一日

19 Reserves

19 儲備

a GROUP

a 集團

in HK\$ million	Capital		Investment		Exchange fluctuation reserve	General reserve	Retained profits	Total	
	Share premium	redemption reserve 資本 贖回儲備	Capital reserve 資本儲備	property revaluation reserve 投資物業 重估儲備					
At 1 January 1998	20,881	3	2,771	268	21	122	15,308	39,374	一九九八年一月一日
Goodwill on consolidation written off	-	-	5	-	-	-	-	5	綜合賬目產生之商譽撇賬
Share of reserves / (deficit) of associated companies	-	-	2	(265)	(9)	1	-	(271)	所佔聯營公司儲備 / (虧損)
Surplus on revaluation of properties (Note 13a)	-	-	-	310	-	-	-	310	物業重估產生之盈餘 (附註 13a)
Exchange translation differences	-	-	-	12	3	-	-	15	外幣換算差額
Goodwill written off upon disposal	-	-	297	-	-	-	-	297	出售投資所引致之商譽撇賬
Transfer from profit	-	-	-	-	-	1	-	1	撥自溢利
Retained profit for the year	-	-	-	-	-	-	1,317	1,317	年內保留溢利
At 31 December 1998	20,881	3	3,075	325	15	124	16,625	41,048	一九九八年十二月三十一日
Retained by:									由下列公司保留之款項：
Company and subsidiary companies	20,881	3	3,071	117	22	121	14,355	38,570	本公司及附屬公司
Associated companies	-	-	4	208	(7)	3	2,270	2,478	聯營公司
	20,881	3	3,075	325	15	124	16,625	41,048	

b COMPANY

b 公司

<i>in HK\$ million</i>	<i>Capital redemption reserve</i> 資本贖回儲備	<i>Share premium</i> 股份溢價	<i>Retained profits</i> 保留溢利	<i>Total</i> 總額	以港幣百萬元計算
At 1 January 1998	3	20,881	13,192	34,076	一九九八年一月一日
Profit for the year available for distribution (Note 9)	-	-	1,536	1,536	年內可供分派溢利 (附註 9)
Dividends (Note 10)	-	-	(1,490)	(1,490)	股息 (附註 10)
At 31 December 1998	<u>3</u>	<u>20,881</u>	<u>13,238</u>	<u>34,122</u>	一九九八年十二月三十一日

Distributable reserves of the Company at 31 December 1998, calculated under section 79B of the Companies Ordinance, amounted to HK\$13,238 million (1997: HK\$13,192 million).

根據公司條例第 79B 條計算之本公司可供分派儲備於一九九八年十二月三十一日為港幣一百三十二億三千八百萬元 (一九九七年：港幣一百三十一億九千二百萬元)。

NOTES TO THE ACCOUNTS

賬目附註

20 Long Term Borrowings

20 長期借款

a

a

<i>in HK\$ million</i>	<i>Group</i> 集團		<i>Company</i> 公司		以港幣百萬元計算
	1998	1997	1998	1997	
Bank loans					銀行貸款
- unsecured	18,224	20,471	14,122	16,314	- 無抵押
- secured	556	699	-	-	- 有抵押
	18,780	21,170	14,122	16,314	
Other loans					其他貸款
- unsecured	2,546	1,478	1,402	1,402	- 無抵押
- secured	150	175	-	-	- 有抵押
	21,476	22,823	15,524	17,716	
Loans due within one year included under current liabilities	(1,339)	(2,379)	(1,231)	(2,307)	一年內到期之貸款 列入流動負債內
	20,137	20,444	14,293	15,409	

note:

(i) Bank loans and other loans of the Group and the Company not wholly repayable within five years amounted to HK\$4,557 million (1997: HK\$12,899 million) and HK\$4,080 million (1997: HK\$8,607 million) respectively.

(ii) Included in the secured bank loans and secured other loans were amounts of HK\$525 million and HK\$150 million respectively, which were drawn under the facilities made available by a consortium of banks and financial institutions (“the Lenders”) to a subsidiary company up to a maximum aggregate amount of HK\$1,725 million. These facilities, together with the facilities of approximately HK\$691 million made available by the Lenders to a company in which the subsidiary company has a 10% interest, are secured by fixed and floating charges on all of the assets of the subsidiary company amounting to HK\$1,969 million at 31 December 1998.

In addition, three designated bank accounts of the subsidiary company with a total balance of HK\$296 million at 31 December 1998 have been assigned in favour of the Lenders. Certain receipts by the subsidiary company are required to be banked into these accounts while withdrawals are subject to restrictions in that minimum balances as computed under various formulae are required to be maintained in these bank accounts.

(iii) The Company has issued a US\$100,000,000 Senior Note due 2006 (the “Notes”). The Notes will rank in right of payment either *pari passu* or senior to all other indebtedness of the Company. Interest on the Notes is payable semi-annually in arrear at 7.37% per annum. The Notes will mature on 15 February 2006 unless previously prepaid by the Company.

(iv) The Company has issued a Japanese Yen 9,500,000,000 Floating Rate Bond due 2002 (the “Bonds”). Interest on the Bonds is payable semi-annually in arrears at six-month London Inter-Bank Offered Rate for Japanese Yen minus 0.35% per annum.

(v) A subsidiary company has issued US\$125,000,000 commercial paper (the “Commercial Paper”). The Commercial Paper, which bears interest at prevailing market rate, is supported by a letter of credit issued by Bank of America National Trust and Savings Association. Pursuant to the Reimbursement and Credit Agreement (the “Agreement”) dated 30 September, 1998, a group of financial institutions committed to lend up to US\$125,000,000 to that subsidiary company if there occurs a market disruption event in the United States commercial paper market during the two years’ term of the Agreement effective from 30 September 1998.

(vi) Bank loans and other loans, other than the Notes and the Bonds, are fully repayable up to 2007 and bear interest at the prevailing market rate.

附註:

(i) 本集團及本公司無須於五年內完全償還之銀行貸款及其他貸款分別為港幣四十五億五千七百萬元 (一九九七年: 港幣一百二十八億九千九百萬元) 及港幣四十億八千萬元 (一九九七年: 港幣八十六億零七百萬元)。

(ii) 在有抵押銀行貸款及有抵押其他貸款中, 分別包括港幣五億二千五百萬元及港幣一億五千萬萬元由一批銀行及財務機構 (「貸款方」) 提供予一附屬公司之融資, 該融資之款額上限為港幣十七億二千五百萬元。該附屬公司之所有資產於一九九八年十二月三十一日總額為港幣十九億六千九百萬元已按固定及浮動抵押方式抵押予貸款方, 以支持上述融資及另一宗港幣六億九千一百萬元, 由貸款方借予一間由附屬公司擁有 10% 權益的公司的貸款。

除此之外, 該附屬公司開立三個指定銀行戶口並抵押予貸款方, 於一九九八年十二月三十一日該等銀行戶口之總結餘為港幣二億九千六百萬元。該附屬公司之部份收入需存於該等銀行戶口內, 戶口需保留最低結餘, 不能提取。

(iii) 本公司發行一億美元於二〇〇六年屆滿之票據 (「票據」)。該票據享有與本公司其他債務同等或優先之支付權利, 票據利息將每隔半年期末支付, 年息為 7.37%。票據將於二〇〇六年二月十五日到期, 本公司提早償還者除外。

(iv) 本公司發行九十五億日元於二〇〇二年屆滿之浮息債券 (「債券」), 債券利息將每隔半年期末支付, 年息按日元六個月倫敦銀行同業拆息減 0.35% 計算。

(v) 一間附屬公司發行一億二千五百萬美元之商業票據 (「商業票據」)。該商業票據之息率按市場利率計算, 並由 Bank of America National Trust and Savings Association 所發出之信用證擔保。根據於一九九八年九月三十日所訂立之償還及信用協議 (「協議」), 一銀團承諾若美國商業票據市場由一九九八年九月三十日協議生效日起計兩年內出現混亂, 該銀團會貸出不多於一億二千五百萬美元予該附屬公司。

(vi) 除票據及債券外, 銀行貸款及其他貸款需於二〇〇七年或之前全部償還, 息率按市場利率計算。

NOTES TO THE ACCOUNTS

賬目附註

20 Long Term Borrowings *continued*

20 長期借款 續

b The maturity of the Group's and the Company's long term liabilities is as follows:

b 本集團及本公司之長期負債到期情況如下：

<i>in HK\$ million</i>	<i>Group 集團</i>		<i>Company 公司</i>		以港幣百萬元計算
	1998	1997	1998	1997	
Bank loans are repayable					銀行貸款之償還期
- in the first year	1,306	2,350	1,231	2,307	- 一年內
- in the second year	2,722	2,364	2,491	2,279	- 二年內
- in the third to fifth years inclusive	11,346	12,165	7,100	8,428	- 三至五年內 (包括首尾兩年)
- after the fifth year	3,406	4,291	3,300	3,300	- 五年後
	<u>18,780</u>	<u>21,170</u>	<u>14,122</u>	<u>16,314</u>	
Other loans are repayable					其他貸款之償還期
- in the first year	33	29	-	-	- 一年內
- in the second year	1,009	33	-	-	- 二年內
- in the third to fifth years inclusive	762	743	622	622	- 三至五年內 (包括首尾兩年)
- after the fifth year	892	848	780	780	- 五年後
	<u>2,696</u>	<u>1,653</u>	<u>1,402</u>	<u>1,402</u>	
	<u>21,476</u>	<u>22,823</u>	<u>15,524</u>	<u>17,716</u>	

21 Deferred Taxation

21 遞延稅項

<i>in HK\$ million</i>	<i>Group 集團</i>		以港幣百萬元計算
	1998	1997	
Balance at 1 January	254	134	一月一日之結存
Exchange adjustments	3	(4)	兌換調整
Net provision for the year (Note 8)	14	9	年內撥備淨額 (附註 8)
Effect of change on tax rate (Note 8)	(9)	-	稅率轉變之影響 (附註 8)
Acquisition of a subsidiary company	-	115	收購附屬公司
Balance at 31 December	262	254	十二月三十一日之結存
Provided in the accounts in respect of:			賬目中之撥備乃源於:
Accelerated depreciation allowances	262	254	加速折舊免稅額

Potential deferred tax liability has not been quantified for the surplus on the revalued investment properties in Hong Kong as this does not constitute a timing difference for deferred taxation purposes.

由於重估香港投資物業之盈餘就遞延稅項而言並不構成時差，故可能引致之遞延稅項負債不予計算。

22 Capital Commitments

22 資本承擔

<i>in HK\$ million</i>	<i>Group 集團</i>		以港幣百萬元計算
	1998	1997	
Authorised but not contracted for (note)	151	170	已批准但未簽約 (附註)
Contracted but not provided for (note)	84	2,420	已簽約但未撥備 (附註)

note :

The capital commitments of authorised but not contracted for and contracted but not provided for in respect of plant, property and equipment amount to HK\$5 million (1997: HK\$30 million) and HK\$84 million (1997: HK\$618 million) respectively.

附註:

已批准但未簽約及已簽約但未撥備之資本承擔涉及機器、物業及設備，分別為港幣五百萬元 (一九九七年: 港幣三千萬元) 及港幣八千四百萬元 (一九九七年: 港幣六億一千八百萬元)。

NOTES TO THE ACCOUNTS

賬目附註

23 Operating Lease Commitments

23 營業租約承擔

Operating lease commitments of the Group at 31 December 1998 payable in the next twelve months, analysed according to the period in which the lease expires, are as follows:

於一九九八年十二月三十一日，本集團須於未來十二個月支付之營業租約承擔，按租約屆滿期限分列如下：

<i>in HK\$ million</i>	<i>Group 集團</i>		以港幣百萬元計算
	1998	1997	
Properties commitments expiring			物業承擔屆滿期
- in the first year	22	20	- 一年內
- in the second to fifth years inclusive	80	54	- 二至五年內 (包括首尾兩年)
- after the fifth year	11	1	- 五年後
	<u>113</u>	<u>75</u>	
Other commitments expiring			其他承擔屆滿期
- in the first year	1	2	- 一年內
- in the second to fifth years inclusive	1	1	- 二至五年內 (包括首尾兩年)
	<u>2</u>	<u>3</u>	
	<u>115</u>	<u>78</u>	

24 Contingent Liabilities

a The Company has provided a guarantee for a credit facility of HK\$3,800 million (1997: HK\$3,800 million) in favour of a subsidiary company. The facility used amounted to HK\$3,800 million (1997: HK\$3,800 million).

b The Group, through its subsidiary company, Adwood Company Limited (“Adwood”), has a 35% effective interest in Western Harbour Tunnel Company Limited (“WHTCL”). WHTCL has been established and contracted to construct the Western Harbour Crossing (“Crossing”) for The Government of the Hong Kong Special Administrative Region (“Hong Kong SAR”).

Pursuant to the deed of guarantee dated 2 September 1993 as amended by the deed of novation dated 27 June 1995 and the second deed of novation dated 12 October 1998 (“the Guarantee”), the Group together with the other beneficial shareholders of WHTCL have agreed jointly and severally to guarantee The Government of the Hong Kong SAR that WHTCL will complete the Crossing within budget of approximately HK\$7.5 billion including repair costs to be incurred after the operation date of the Crossing but before the issuance of the Maintenance Certificate.

Pursuant to a shareholders agreement dated 30 December 1992 as amended by the supplemental deed dated 8 September 1994 and the second supplemental deed dated 12 October 1998 in respect of WHTCL, the beneficial shareholders comprising the Group, Kerry Properties Limited (“Kerry”), The Cross-Harbour Tunnel Company, Limited (“CHT”) and China Merchants Holdings (Hong Kong) Company Limited (“CMH”), have agreed that in relation to any claim made or asserted under the Guarantee, as between themselves, the total of all liabilities in respect of a claim thereunder and of all costs, charges and expenses suffered or incurred by any of them resulting therefrom or

24 或然負債

a 本公司為一間附屬公司作出一項港幣三十八億元 (一九九七年：港幣三十八億元)之信貸擔保。該信貸款項港幣三十八億元已被動用 (一九九七年：港幣三十八億元)。

b 本公司透過其附屬公司 Adwood Company Limited (「Adwood」)，擁有香港西區隧道有限公司 (「西隧」) 35% 實際權益。西隧已成立及簽訂合約為香港特別行政區政府 (「香港特別行政區」) 承建西區海底隧道 (「隧道」)。

根據於一九九三年九月二日所訂立之擔保契據 (「該擔保」)，該契據於一九九五年六月二十七日經約務更替契據修訂，並於一九九八年十月十二日經第二次約務更替契據修訂，本集團連同西隧其他持有實益股權之股東經已同意共同及個別向香港特別行政區政府擔保，西隧將會於約港幣七十五億元以內之預算完成隧道，包括由隧道開始運作後所產生之維修費用直至其保用證明書發出為止。

根據一項於一九九二年十二月三十日之西隧股東協議 (該協議於一九九四年九月八日經補充契據修訂，並於一九九八年十月十二日經第二次補充契據修訂)，本集團、嘉里建設有限公司 (「嘉里」)、香港隧道有限公司 (「海隧」) 以及招商局集團 (香港) 有限公司 (「招商局」) 作為實益股東，已經同意彼等之間倘就該擔保作出或聲稱之索償，則有關索償之全部負債，以及彼等因而產生之全部成本、費用及開支之負擔及損失，將按彼

NOTES TO THE ACCOUNTS

24 Contingent Liabilities *continued*

attributable thereto shall be shared by them in the proportion to their respective ultimate ownership of the issued capital of WHTCL, whether in the case of CHT and CMH, directly or, in the case of the Group and Kerry, attributable by way of their direct or indirect proportionate shareholdings in Adwood.

c The Company has provided a guarantee to The Export-Import Bank of the United States (“Eximbank”) for an export credit up to a maximum of US\$134 million to a co-operative joint venture company, Jiangsu Ligang Electric Power Company, Limited (“Ligang”) pursuant to an agreement dated 3 July 1995 between Ligang, the Company and Eximbank, by which Eximbank established a credit not exceeding US\$134 million in favour of Ligang for a period of 15 years, repayable by 24 semi-annual instalments beginning 15 October 1998 at an interest rate of 5.95% per annum and the Company guaranteed the repayment of the amounts outstanding under such contract. Each equity participant in Ligang has agreed in the joint venture agreement dated 19 September 1988 as amended on 28 February 1995 to share in financial assistance to Ligang in proportion to their respective equity interests in Ligang.

d The Company has provided a guarantee to Kreditanstalt für Wiederaufbau, a German state-owned bank, for an export credit up to a maximum of US\$34 million granted to a subsidiary company, Jiangyin Xingcheng Special Steel Works Co., Ltd.

e The Company has provided a several guarantee up to a maximum amount of HK\$1,600 million to support a loan facility of HK\$2,400 million granted by a group of financial institutions to an associated company, Treasure Trove Limited.

賬目附註

24 或然負債 續

等各自於西隧已發行股本中之最終控股比例攤分，就海隧及招商局而言，將直接分擔，而就本集團及嘉里而言，則按彼等於 Adwood 之直接或間接控股比例分擔。

c 本公司已為其合作合營公司江蘇利港電力有限公司（「利港」）向美國進出口銀行（「進出口銀行」）就提供最高為一億三千四百萬美元之出口信貸作出擔保。此乃根據一九九五年七月三日由利港、本公司及進出口銀行所訂立之協議。據此，進出口銀行為利港設立為期十五年而不多於一億三千四百萬美元之信貸，還款期以半年計算，由一九九八年十月十五日起開始分二十四期攤還，利率為 5.95%，本公司並擔保所有剩餘還款能按有關合約交付。各擁有利港權益者均於一九八八年九月十九日訂立之合營協議及於一九九五年二月二十八日之修訂協議，同意按各自於利港之權益比例，分擔利港之財政資助。

d 本公司為其附屬公司江陰興澄特種鋼鐵有限公司向德國國營之德國重建貸款銀行就提供最多為三千四百萬美元之出口信貸作出擔保。

e 本公司為其聯營公司 Treasure Trove Limited 於一項由多個財團給予之信貸額港幣二十四億元而提供最高為港幣十六億元之個別擔保。

f The Company, through its associated company, Swire Aviation Limited, has a 10% effective interest in Hong Kong Air Cargo Terminals Limited (“HACTL”). Pursuant to the shareholders agreement dated 29 January 1996 and the deed of shareholders support dated 29 January 1996, the Company together with other shareholders of HACTL have agreed severally to give funding support to HACTL. The Company’s liability under the shareholders agreement and the deed of shareholders support is a several liability and will not be liable for more than its effective interest (10%) in HACTL of aggregate calls, or amounts payable, by HACTL.

g The Company has provided a guarantee in respect of suppliers’ credit to a subsidiary company, Jiangyin Xingcheng Special Steel Works Co., Ltd. with total principal amount of US\$5,049,850 together with related interest.

h The Company has provided a guarantee for US\$125 million commercial paper issued by a subsidiary company.

f 本公司透過其聯營公司 Swire Aviation Limited 持有香港空運貨站有限公司 (「空運貨站」) 之 10% 實際權益。根據一九九六年一月二十九日之股東協議及一九九六年一月二十九日之股東支援契據，本公司連同其他空運貨站之股東同意個別向空運貨站提供資金支援。按股東協議及股東支援契據，本公司之負債乃個別承擔，將不負責超逾其於空運貨站之 10% 實際權益之合共股款，或空運貨站之應付款項。

g 本公司為其附屬公司江陰興澄特種鋼鐵有限公司就提供供應商信貸額合共本金五百零四萬九千八百五十美元及有關利息作出擔保。

h 本公司為一間發行之壹億二千五百萬美元商業票據之附屬公司作出擔保。

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25 Post Balance Sheet Event

Subsequent to the year end, the Group has disposed of its entire interests in several co-operative joint ventures to the joint venture partners at a profit.

25 年結日後之事項

於年結後，本集團出售數項合作合營公司之所有權益予合夥人從而獲取利潤。

26 Comparative Figures

Certain comparative figures in the accounts have been reclassified to conform with the current year's presentation.

26 比較數據

若干本賬目內之比較數字經已重新分類，以符合本年度採用之呈報方式。

27 Approval of Accounts

The accounts were approved by the Board of Directors on 18 March 1999.

27 批核賬目

本賬目經已於一九九九年三月十八日經董事會批核。

28 Principal Subsidiary Companies

The following are the principal subsidiary companies of the Group which in the opinion of the directors, principally affect the results and net assets of the Group. To give details of other subsidiary companies would in the opinion of the directors result in particulars of excessive length.

Name	Place of incorporation/ Principal place of operation	Particulars of issued shares		Interest in equity shares held by		Principal activities
		No. of ordinary shares	Par value	Company %	Subsidiary %	
Aviation						
Collinson Company Limited	Republic of Liberia/Bermuda	498	-	100	-	Investment holding
Custain Limited	Hong Kong	2	HK\$10	-	100	Investment holding
Easerich Investments Inc.	British Virgin Islands/Bermuda	1	US\$1	-	100	Investment holding
Hilldun Limited	Hong Kong	3	HK\$10	-	100	Investment holding
Jade Wonder Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Koston Corporation	Republic of Liberia/Bermuda	1	-	100	-	Investment holding
Motive Link Holdings Inc.	British Virgin Islands/Bermuda	1	US\$1	-	100	Investment holding
Sidewinder Holdings Limited	British Virgin Islands/Bermuda	1	US\$1	-	100	Investment holding
Smooth Tone Investments Ltd.	British Virgin Islands/Bermuda	1	US\$1	-	100	Investment holding
Power Generation						
Delta Plus Investments Ltd.	British Virgin Islands	1	US\$1	-	100	Investment holding
Gold Star International Holdings Ltd.	British Virgin Islands	1	US\$1	-	100	Investment holding
Julimont Holdings Inc.	British Virgin Islands	1	US\$1	-	100	Investment holding
Kong Yuen Investments Limited	Hong Kong	2	HK\$1	-	100	Investment holding
Premier Gold Holdings Corp.	British Virgin Islands	1	US\$1	-	100	Investment holding
Rising Star Enterprises Corp.	British Virgin Islands	1	US\$1	-	100	Investment holding
Solid Mountain Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Sterling Lake Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Sunspark Power Investment Company Limited	Hong Kong	10,000	HK\$1	-	100	Investment holding
Roads, Bridges and Tunnels						
Adwood Company Limited	Hong Kong	10	HK\$10	20	50	Investment holding
Artford Pacific Investment Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Avon Pacific Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Beverly Tack International Ltd.	British Virgin Islands	1	US\$1	-	100	Investment holding
Bloomingshire Investment Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Bold Wave International Development Ltd.	British Virgin Islands	1	US\$1	-	100	Investment holding
Challenge International Development Ltd.	British Virgin Islands	1	US\$1	-	100	Investment holding
Cinta Company Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Crystalime Company Limited	Hong Kong	2	HK\$10	-	100	Investment holding
Eastern Unicom Development Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Express Link Holdings Ltd.	British Virgin Islands	1	US\$1	-	100	Investment holding
Godfrey Limited	Hong Kong	10	HK\$10	-	64.02	Project development
Golden Race International Investment Ltd.	British Virgin Islands	1	US\$1	-	100	Investment holding
Gradius Company Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Harvest Nation Development Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Joyson Investment Limited	British Virgin Islands	1	US\$1	-	100	Investment holding

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28 Principal Subsidiary Companies *continued*

Name	Place of incorporation/ Principal place of operation	Particulars of issued shares		Interest in equity shares held by		Principal activities
		No. of ordinary shares	Par value	Company %	Subsidiary %	
Miracle Team Enterprises Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
New Hong Kong Tunnel Company Limited	Hong Kong	75,000,000	HK\$10	-	64.02	Tunnel operation
Rank Dragon Investment Ltd.	British Virgin Islands	1	US\$1	-	100	Investment holding
Rich Creation Investments Ltd.	British Virgin Islands	1	US\$1	-	100	Investment holding
Sino Mind Infotech Holdings Ltd.	British Virgin Islands	1	US\$1	-	100	Investment holding
Triangle Peak Development Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Yan Wing Investments Limited	Hong Kong	2	HK\$1	-	100	Investment holding
Environment						
Athens Investments, Inc.	British Virgin Islands	1	US\$1	-	100	Investment holding
Estoril Corp.	British Virgin Islands	1	US\$1	-	100	Investment holding
Unitex Holdings Corp.	British Virgin Islands	1	US\$1	-	100	Investment holding
Trading & Distribution						
Adachi Trading Company Limited	Japan	250	JPY50,000	-	100	Trader of motor vehicle spare parts
Confidence Motors Limited	Hong Kong	1,000	HK\$100	-	100	Motor vehicle distributor
Dah Chong Hong (Canada) Ltd.	Canada	650,000	-	-	100	General import/export
Dah Chong Hong (China) Limited	Hong Kong	1,000	HK\$100	-	100	Investment holding
Dah Chong Hong - Dragonair Airport GSE Service Limited	Hong Kong	10,000	HK\$1	-	70	Provision of airport ground support equipment
Dah Chong Hong (Engineering) Limited	Hong Kong	10,000	HK\$100	-	100	Engineering services
Dah Chong Hong Holdings Limited	Hong Kong	21,031,837	HK\$10	-	100	Investment holding
Dah Chong Hong, Limited	Hong Kong	50,000	HK\$1,000	-	100	Investment holding; general importers, retailers and exporters dealing in foodstuffs, electrical appliances and other products
Dah Chong Hong (Japan) Limited	Japan	480,000	JPY1,000	-	100	Importer and exporter of foodstuffs, motor vehicles and garments; property investment
Dah Chong Hong (Motor Service Centre) Limited	Hong Kong	2,000	HK\$100	-	100	Motor vehicle repairing and servicing
Dah Chong Hong Trading (Singapore) Pte. Ltd.	Singapore	3,500,000	S\$1	-	100	Investment holding and trading of foodstuffs
DCH Food Industries Limited	Hong Kong	2	HK\$10	-	100	Investment holding
DCH - Glory Foodstuffs Company Limited	Hong Kong	200,000	HK\$10	-	100	Investment in food industry and related business
DCH Motors Ltd.	Canada	100	CAN\$1	-	100	Motor vehicle distributor
Gentech Vehicle Engineering Limited	Hong Kong	166,000	HK\$1	-	60	Trading of special function vehicles
Harmony Motors Limited	Hong Kong	1,000	HK\$100	-	100	Motor vehicle distributor
Honest Motors, Limited	Hong Kong	3,000	HK\$1,000	-	100	Motor vehicle distributor
Japan Auto Parts Company Limited	Hong Kong	100	HK\$100	-	100	Trader of motor vehicle spare parts
Regal Motors, Limited	Hong Kong	2,000	HK\$100	-	100	Motor vehicle distributor
Reliance Motors, Limited	Hong Kong	3,000	HK\$1,000	-	100	Motor vehicle distributor
Shanghai DCH Jinshan Co., Ltd.	People's Republic of China	N/A	N/A	-	38.50	Production and selling of meat and related food products

Name	Place of incorporation/ Principal place of operation	Particulars of issued shares		Interest in equity shares held by		Principal activities
		No. of ordinary shares	Par value	Company %	Subsidiary %	
Shanghai DCH Jiangnanfeng Co., Ltd.	People's Republic of China	N/A	N/A	-	42	Production and selling of chickens and related food products
Tai Ping Advertising Company, Limited	Hong Kong	100	HK\$100	-	100	Advertising agent
Triangle Auto Pte Ltd	Singapore	3,000,000	SS\$1	-	100	Motor vehicle distributor
Triangle Motors Limited	Hong Kong	30,000	HK\$100	-	100	Motor vehicle distributor
Property						
Admarch Limited	Hong Kong	2	HK\$10	-	100	Property development
Admarch Property Management Company, Limited	Hong Kong	2	HK\$1	-	100	Property management
Baylink Investments Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Borgia Limited	Hong Kong	2	HK\$10	-	100	Property investment
Broadway Centre Property Management Company Limited	Hong Kong	2	HK\$1	-	100	Property management
Campbellton Development Limited	Hong Kong	2	HK\$1	-	100	Property development
Famous Land Limited	Hong Kong	2	HK\$1	-	100	Property investment
Glenridge Company Limited	Hong Kong	2	HK\$10	-	100	Property investment
Hang Luen Chong Investment Company, Limited	Hong Kong	80,000	HK\$100	-	100	Property investment
Hang Luen Chong Property Management Company, Limited	Hong Kong	2	HK\$1	-	100	Property management
Hang Wah Chong Investment Company Limited	Hong Kong	50,000	HK\$100	-	100	Property investment
Kendorm Corporation	Republic of Liberia/Bermuda	1	-	-	100	Investment holding
Kowill Investments Inc.	British Virgin Islands	1	US\$1	-	100	Investment holding
Lindenford Limited	Hong Kong	2	HK\$10	-	100	Property investment
Neostar Investment Limited	Hong Kong	2	HK\$1	-	100	Property investment
Newmarket Holdings Limited	British Virgin Islands/Bermuda	2	US\$1	-	100	Investment holding
Pacific Grace Limited	Hong Kong	2	HK\$1	-	100	Property investment
Sun King Fung Development Limited	Hong Kong	152,343,165	HK\$0.10	100	-	Investment holding
Supreme Luck Investments Ltd.	British Virgin Islands	1	US\$1	-	100	Investment holding
Tendo Limited	Hong Kong	2	HK\$10	-	100	Property investment
Yee Lim Godown & Cold Storage Limited	Hong Kong	1,000,000	HK\$1	-	100	Operate a dry and cold storage godown
Finance						
Balgonie Limited	Hong Kong	2	HK\$1	100	-	Financing
Chamberlain Enterprises Ltd.	British Virgin Islands/Bermuda	1	US\$1	100	-	Financing
CITIC Pacific Finance Limited	Cayman Islands	1,000	US\$1	100	-	Financing
Idealand Investment Inc.	Republic of Panama	100	US\$1	-	100	Financing
Industrial Manufacturing						
Crown Sky Investment Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Jiangyin Xingcheng Special Steel Works Co., Ltd.	People's Republic of China	N/A	N/A	-	55	Steel making
Jiangyin Xingcheng Steel Products Co., Ltd.	People's Republic of China	N/A	N/A	-	55	Steel making
Jiangyin Xing Cheng Steel Works Co., Ltd.	People's Republic of China	N/A	N/A	-	55	Steel making
Joyce Court Holdings Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Maxy Rich Investments Limited	British Virgin Islands	1	US\$1	-	100	Investment holding
Shine Mass Holdings Ltd.	British Virgin Islands	1	US\$1	-	100	Investment holding
Wuxi Huada Motors Co., Ltd.	People's Republic of China	N/A	N/A	-	55	Industrial motors manufacturing

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28 主要附屬公司

下列乃董事會認為主要影響本集團之業績及資產淨值之本集團主要附屬公司。董事會認為列出其他附屬公司之詳情會令本報表過於冗長。

名稱	註冊成立地點/ 主要營業地點	已發行股份資料		持有股權		主要業務
		普通股 數目	面值	本公司 %	附屬公司 %	
航空						
Collinson Company Limited	利比里亞共和國/百慕達	498	-	100	-	控股投資
Custain Limited	香港	2	港幣 10 元	-	100	控股投資
Easerich Investments Inc.	英屬處女羣島/百慕達	1	1 美元	-	100	控股投資
Hilldun Limited	香港	3	港幣 10 元	-	100	控股投資
Jade Wonder Limited	英屬處女羣島	1	1 美元	-	100	控股投資
Koston Corporation	利比里亞共和國/百慕達	1	-	100	-	控股投資
Motive Link Holdings Inc.	英屬處女羣島/百慕達	1	1 美元	-	100	控股投資
Sidewinder Holdings Limited	英屬處女羣島/百慕達	1	1 美元	-	100	控股投資
Smooth Tone Investments Ltd.	英屬處女羣島/百慕達	1	1 美元	-	100	控股投資
發電						
Delta Plus Investments Ltd.	英屬處女羣島	1	1 美元	-	100	控股投資
Gold Star International Holdings Ltd.	英屬處女羣島	1	1 美元	-	100	控股投資
Julimont Holdings Inc.	英屬處女羣島	1	1 美元	-	100	控股投資
光元投資有限公司	香港	2	港幣 1 元	-	100	控股投資
Premier Gold Holdings Corp.	英屬處女羣島	1	1 美元	-	100	控股投資
Rising Star Enterprises Corp.	英屬處女羣島	1	1 美元	-	100	控股投資
高峰有限公司	英屬處女羣島	1	1 美元	-	100	控股投資
誠利有限公司	英屬處女羣島	1	1 美元	-	100	控股投資
新宏電力投資有限公司	香港	10,000	港幣 1 元	-	100	控股投資
公路、橋樑及隧道						
Adwood Company Limited	香港	10	港幣 10 元	20	50	控股投資
藝豐太平洋投資有限公司	英屬處女羣島	1	1 美元	-	100	控股投資
Avon Pacific Limited	英屬處女羣島	1	1 美元	-	100	控股投資
百利得國際有限公司	英屬處女羣島	1	1 美元	-	100	控股投資
Bloomingshire Investment Limited	英屬處女羣島	1	1 美元	-	100	控股投資
濤輝國際發展有限公司	英屬處女羣島	1	1 美元	-	100	控股投資
卓霖國際發展有限公司	英屬處女羣島	1	1 美元	-	100	控股投資
Cinta Company Limited	英屬處女羣島	1	1 美元	-	100	控股投資
晶立有限公司	香港	2	港幣 10 元	-	100	控股投資
協東發展有限公司	英屬處女羣島	1	1 美元	-	100	控股投資
Express Link Holdings Ltd.	英屬處女羣島	1	1 美元	-	100	控股投資
Godfrey Limited	香港	10	港幣 10 元	-	64.02	項目發展
金浪國際投資有限公司	英屬處女羣島	1	1 美元	-	100	控股投資

名稱	註冊成立地點/ 主要營業地點	已發行股份資料		持有股權		主要業務
		普通股 數目	面值	本公司 %	附屬公司 %	
Gradius Company Limited	英屬處女羣島	1	1 美元	-	100	控股投資
凱輝發展有限公司	英屬處女羣島	1	1 美元	-	100	控股投資
莊信投資有限公司	英屬處女羣島	1	1 美元	-	100	控股投資
奇通企業有限公司	英屬處女羣島	1	1 美元	-	100	控股投資
新香港隧道有限公司	香港	75,000,000	港幣 10 元	-	64.02	隧道經營
宏龍投資有限公司	英屬處女羣島	1	1 美元	-	100	控股投資
Rich Creation Investments Ltd.	英屬處女羣島	1	1 美元	-	100	控股投資
豐盛控股有限公司	英屬處女羣島	1	1 美元	-	100	控股投資
創高峰發展有限公司	英屬處女羣島	1	1 美元	-	100	控股投資
仰榮投資有限公司	香港	2	港幣 1 元	-	100	控股投資
環境保護						
Athens Investments, Inc.	英屬處女羣島	1	1 美元	-	100	控股投資
Estoril Corp.	英屬處女羣島	1	1 美元	-	100	控股投資
Unitex Holdings Corp.	英屬處女羣島	1	1 美元	-	100	控股投資
貿易與分銷						
安達貿易株式會社	日本	250	50,000 日圓	-	100	汽車零件貿易
合信汽車有限公司	香港	1,000	港幣 100 元	-	100	汽車經銷商
大昌貿易行(加拿大)有限公司	加拿大	650,000	-	-	100	一般進出口
大昌貿易行(中國)有限公司	香港	1,000	港幣 100 元	-	100	控股投資
大昌 - 港龍機場地勤設備 服務有限公司	香港	10,000	港幣 1 元	-	70	提供機場地勤儀器
大昌貿易行工程有限公司	香港	10,000	港幣 100 元	-	100	工程服務
大昌貿易行集團有限公司	香港	21,031,837	港幣 10 元	-	100	控股投資
大昌貿易行有限公司	香港	50,000	港幣 1,000 元	-	100	控股投資；進出口及零售 食品、電器用品 及其他產品
株式會社大昌貿易行	日本	480,000	1,000 日圓	-	100	食品、汽車及成衣進出口； 物業投資
大昌貿易行汽車服務中心有限公司	香港	2,000	港幣 100 元	-	100	汽車維修服務
大昌貿易行(新加坡)私人有限公司	新加坡	3,500,000	1 新加坡元	-	100	控股投資及食品貿易
大昌行食品工業有限公司	香港	2	港幣 10 元	-	100	控股投資
大昌騰利食品有限公司	香港	200,000	港幣 10 元	-	100	食品工業及其有關 業務投資
DCH Motors Ltd.	加拿大	100	加幣 1 元	-	100	汽車經銷商
紳迪汽車機械有限公司	香港	166,000	港幣 1 元	-	60	經銷特種用途汽車
合泰汽車有限公司	香港	1,000	港幣 100 元	-	100	汽車經銷商
合誠汽車有限公司	香港	3,000	港幣 1,000 元	-	100	汽車經銷商
捷高汽車零件行有限公司	香港	100	港幣 100 元	-	100	汽車零件貿易
合德汽車有限公司	香港	2,000	港幣 100 元	-	100	汽車經銷商
合群汽車有限公司	香港	3,000	港幣 1,000 元	-	100	汽車經銷商

NOTES TO THE ACCOUNTS

賬目附註

28 主要附屬公司 續

名稱	註冊成立地點/ 主要營業地點	已發行股份資料		持有股權		主要業務
		普通股 數目	面值	本公司 %	附屬公司 %	
上海大昌金山有限公司	中華人民共和國	不適用	不適用	-	38.50	生產及出售肉類及有關食品
上海大昌江南鳳有限公司	中華人民共和國	不適用	不適用	-	42	生產及出售雞肉及有關食品
太平廣告有限公司	香港	100	港幣 100 元	-	100	廣告代理
合眾汽車私人有限公司	新加坡	3,000,000	1 新加坡元	-	100	汽車經銷商
合眾汽車有限公司	香港	30,000	港幣 100 元	-	100	汽車經銷商
物業						
加文有限公司	香港	2	港幣 10 元	-	100	物業發展
加文物業管理有限公司	香港	2	港幣 1 元	-	100	物業管理
Baylink Investments Limited	英屬處女羣島	1	1 美元	-	100	控股投資
Borgia Limited	香港	2	港幣 10 元	-	100	物業投資
百匯中心管理有限公司	香港	2	港幣 1 元	-	100	物業管理
金醇發展有限公司	香港	2	港幣 1 元	-	100	物業發展
貴地有限公司	香港	2	港幣 1 元	-	100	物業投資
Glenridge Company Limited	香港	2	港幣 10 元	-	100	物業投資
恒聯昌置業有限公司	香港	80,000	港幣 100 元	-	100	物業投資
恒聯昌物業管理有限公司	香港	2	港幣 1 元	-	100	物業管理
恒華昌置業有限公司	香港	50,000	港幣 100 元	-	100	物業投資
Kendorm Corporation	利比里亞共和國 / 百慕達	1	-	-	100	控股投資
Kowill Investments Inc.	英屬處女羣島	1	1 美元	-	100	控股投資
Lindenford Limited	香港	2	港幣 10 元	-	100	物業投資
嶺星投資有限公司	香港	2	港幣 1 元	-	100	物業投資
Newmarket Holdings Limited	英屬處女羣島 / 百慕達	2	1 美元	-	100	控股投資
超儀有限公司	香港	2	港幣 1 元	-	100	物業投資
新景豐發展有限公司	香港	152,343,165	港幣 0.10 元	100	-	控股投資
Supreme Luck Investments Ltd.	英屬處女羣島	1	1 美元	-	100	控股投資
Tendo Limited	香港	2	港幣 10 元	-	100	物業投資
裕林貨倉凍房有限公司	香港	1,000,000	港幣 1 元	-	100	經營凍房貨倉
財務						
Balgonie Limited	香港	2	港幣 1 元	100	-	融資安排
Chamberlain Enterprises Ltd.	英屬處女羣島 / 百慕達	1	1 美元	100	-	融資安排
CITIC Pacific Finance Limited	開曼羣島	1,000	1 美元	100	-	融資安排
Idealand Investment Inc.	巴拿馬共和國	100	1 美元	-	100	融資安排
工業製造						
廣天投資有限公司	英屬處女羣島	1	1 美元	-	100	控股投資
江陰興澄特種鋼鐵有限公司	中華人民共和國	不適用	不適用	-	55	鋼鐵生產
江陰興澄鋼鐵有限公司	中華人民共和國	不適用	不適用	-	55	鋼鐵生產
江陰興澄鋼材有限公司	中華人民共和國	不適用	不適用	-	55	鋼鐵生產
科捷有限公司	英屬處女羣島	1	1 美元	-	100	控股投資
萬富投資有限公司	英屬處女羣島	1	1 美元	-	100	控股投資
光懋控股有限公司	英屬處女羣島	1	1 美元	-	100	控股投資
無錫華達電機有限公司	中華人民共和國	不適用	不適用	-	55	工業電機製造

29 Principal Associated Companies

The following are the principal associated companies of the Group which in the opinion of the directors, principally affect the results and net assets of the Group. To give details of other associated companies would in the opinion of the directors result in particulars of excessive length.

<i>Name</i>	<i>Place of incorporation</i>	<i>Group equity interest %</i>	<i>Principal activities</i>
Aviation			
Cathay Pacific Airways Limited (note a)	Hong Kong	25.39	Airlines and related services
Hong Kong Dragon Airlines Limited	Hong Kong	28.50	Aviation
Swire Aviation Limited	Hong Kong	33.33	Investment holding in Hong Kong Air Cargo Terminals Limited
Power Generation			
CLP Holdings Limited (note b)	Hong Kong	20.33	Investment holding
Telecommunications			
Companhia de Telecomunicacoes de Macau S.A.R.L.	Macau	20	Telecommunications services
Tunnel			
Western Harbour Tunnel Company Limited	Hong Kong	35	Franchise to construct and operate the Western Harbour Crossing
Environment			
Ecoserve Limited	Hong Kong	50	Design, construction and operation of refuse transfer station
Enviropace Limited	Hong Kong	20	Design, construction, operation and management of chemical waste treatment plant

NOTES TO THE ACCOUNTS

賬目附註

29 Principal Associated Companies *continued*

<i>Name</i>	<i>Place of incorporation</i>	<i>Group equity interest %</i>	<i>Principal activities</i>
Green Valley Landfill, Limited	Hong Kong	30	Landfill construction and operation
South China WMI Transfer Limited	Hong Kong	30	Design, construction and operation of transfer station
Property			
Benbecula Limited	Hong Kong	50	Property investment
Cheer First Limited	Hong Kong	40	Financing
CITIC Tower Property Management Company Limited	Hong Kong	40	Property management
Danton Investment Limited	British Virgin Islands	40	Investment holding
Goldon Investment Limited	Hong Kong	40	Property development
Hong Kong Resort Company Limited	Hong Kong	50	Property development
Kido Profits Limited	British Virgin Islands	15	Property development
Shinta Limited	Hong Kong	20	Property investment
Sun Kong Investment Company, Limited	Hong Kong	40	Property development
Treasure Trove Limited	Hong Kong	50	Financing
Industrial Manufacturing			
Upper Bright Limited	British Virgin Islands	50	Investment holding
Wuxi Tong Ling Cable Co., Ltd.	People's Republic of China	34.01	Telecommunications cables manufacturing
Others			
Shiseido Dah Chong Hong Cosmetics Limited	Hong Kong	50	Trading in cosmetics products
Way Chong Finance Limited	Hong Kong	50	Provision of hire purchase and leasing finance

note :

- a. Extract from the published accounts of Cathay Pacific Airways Limited, a significant associated company of the Group, is shown on pages 113-114.
- b. Extract from the published accounts of CLP Holdings Limited, a significant associated company of the Group, is shown on pages 115-116.

29 主要聯營公司

下列乃董事會認為主要影響本集團之業績及資產淨值之本集團主要聯營公司。董事會認為列出其他聯營公司之詳情會令本報表過於冗長。

名稱	註冊地點	集團持有之股權 %	主要業務
航空			
國泰航空有限公司 (附註 a)	香港	25.39	航空及有關服務
港龍航空有限公司	香港	28.50	航空業務
Swire Aviation Limited	香港	33.33	控股投資於香港空運貨站有限公司
發電			
中電控股有限公司 (附註 b)	香港	20.33	控股投資
電訊			
澳門電訊有限公司	澳門	20	電訊傳訊服務
隧道			
香港西區隧道有限公司	香港	35	以專營權方式興建及經營西區海底隧道
環境保護			
衡業廢物轉運有限公司	香港	50	設計、興建及經營廢物轉運站
衡和化學廢料處理有限公司	香港	20	設計、興建、經營及管理化學廢料處理廠
翠谷工程有限公司	香港	30	興建及經營廢物堆填區
南華惠民廢物轉運有限公司	香港	30	設計、興建及經營廢物轉運站
物業			
Benbecula Limited	香港	50	物業投資
Cheer First Limited	香港	40	融資安排
中信大廈管理有限公司	香港	40	物業管理
Danton Investment Limited	英屬處女羣島	40	控股投資
金蓬投資有限公司	香港	40	物業發展
香港興業有限公司	香港	50	物業發展
Kido Profits Limited	英屬處女羣島	15	物業發展
康富達有限公司	香港	20	物業投資
新港置業有限公司	香港	40	物業發展
Treasure Trove Limited	香港	50	融資安排
工業製造			
宏亮有限公司	英屬處女羣島	50	控股投資
無錫通菱電纜有限公司	中華人民共和國	34.01	通訊電纜製造
其他			
資生堂大昌行化粧品有限公司	香港	50	化粧品貿易
滙昌財務有限公司	香港	50	提供租購及租賃融資

附註：

a. 本集團之主要聯營公司國泰航空有限公司之已公佈賬目摘錄載於第 113 至 114 頁。

b. 本集團之主要聯營公司中電控股有限公司之已公佈賬目摘錄載於第 115 至 116 頁。

NOTES TO THE ACCOUNTS

賬目附註

30 Principal Co-operative Joint Ventures

30 主要合作合營公司

The following are the principal co-operative joint ventures of the Group, which in the opinion of the directors, principally affect the results and net assets of the Group. To give details of other co-operative joint ventures would in the opinion of the directors result in particulars of excessive length. All of the principal co-operative joint ventures have their place of incorporation and operations in the People's Republic of China.

下列乃董事會認為主要影響本集團之業績及資產淨值之本集團主要合作合營公司。董事會認為列出其他合作合營公司之詳情會令本報表過於冗長。所有主要合作合營公司均以中華人民共和國為註冊及運作地點。

<i>Name</i> 名稱	<i>Co-operative joint venture period</i> 合作合營公司期限	<i>Group equity interest %</i> 集團持有之權益 %	<i>Principal activities</i> 主要業務
Jiangsu Ligang Electric Power Company Limited ("Ligang") 江蘇利港電力有限公司 (「利港」)	(Note a) (附註 a)	56.31	Electric power plant construction and operation 發電站建築及經營
Zhengzhou Xinli Electric Power Co., Ltd. ("Xinli") 鄭州新力電力有限公司 (「新力」)	(Note b) (附註 b)	50	Electric power plant construction and operation 發電站建築及經營
Shanghai Citic Tunnel Development Co., Ltd. (Note c) 上海中信隧道發展有限公司 (附註 c)	31 years from 7 October 1993 一九九三年十月七日 起計三十一年	50	Tunnel construction, management and operation 隧道建築、管理及經營
Shanghai Huang Pu River Tunnel and Bridges Development Co., Ltd. (Note c) 上海浦江隧橋發展有限公司 (附註 c)	20 years from 1 January 1995 一九九五年一月一日 起計二十年	45	Tunnel and bridges management and operation 隧道及橋樑之管理及經營
Shanghai Jian Tai Co., Ltd. (Note c) 上海建泰有限公司 (附註 c)	20 years from 1 January 1996 一九九六年一月一日 起計二十年	45	Toll road management and operation 收費公路之管理及經營
Shanghai Xupu Bridge Development Co., Ltd. (Note c) 上海徐浦大橋發展有限公司 (附註 c)	20 years from 1 July 1996 一九九六年七月一日 起計二十年	45	Bridge management and operation 橋樑之管理及經營

<i>Name</i> 名稱	<i>Co-operative joint venture period</i> 合作合營公司期限	<i>Group equity interest %</i> 集團持有之權益 %	<i>Principal activities</i> 主要業務
Chongqing Chang Jiang LJT Bridge Co., Ltd. (Note c) 重慶長江李家沱大橋有限公司 (附註 c)	20 years from 1 December 1997 一九九七年十二月一日起計二十年	50	Bridge management and operation 橋樑之管理及經營
Chongqing Qiao Gao Infrastructure Co., Ltd. (Note c) 重慶橋高基建有限公司 (附註 c)	20 years from 1 December 1997 一九九七年十二月一日起計二十年	50	Bridge management and operation 橋樑之管理及經營
Chongqing Qiao Feng Infrastructure Co., Ltd. (Note c) 重慶橋峰基建有限公司 (附註 c)	20 years from 1 December 1997 一九九七年十二月一日起計二十年	50	Bridge management and operation 橋樑之管理及經營
Chongqing Qiao Xin Infrastructure Co., Ltd. (Note c) 重慶橋信基建有限公司 (附註 c)	20 years from 1 December 1997 一九九七年十二月一日起計二十年	50	Bridge management and operation 橋樑之管理及經營
Chongqing Cheng Fu Infrastructure Co., Ltd. (Note c) 重慶城富基建有限公司 (附註 c)	20 years from 1 December 1997 一九九七年十二月一日起計二十年	50	Bridge management and operation 橋樑之管理及經營
Chongqing Cheng Tai Infrastructure Co., Ltd. (Note c) 重慶城泰基建有限公司 (附註 c)	20 years from 1 December 1997 一九九七年十二月一日起計二十年	50	Bridge management and operation 橋樑之管理及經營
Chongqing Cheng Xin Infrastructure Co., Ltd. (Note c) 重慶城信基建有限公司 (附註 c)	20 years from 1 December 1997 一九九七年十二月一日起計二十年	50	Bridge management and operation 橋樑之管理及經營

NOTES TO THE ACCOUNTS

30 Principal Co-operative Joint Ventures *continued*

note:

a Ligang Phase I and II are accounted for as investments of the Group as the Group's interests therein will revert to the joint venture partners in the People's Republic of China after fifteen years and twenty years respectively from the date on which the electricity generators became operational. Accordingly their results are accounted for to the extent of dividends received and receivable, less amounts amortised.

b Xinli is accounted for as investment of the Group as the Group's interest therein will revert to the joint venture partners in the People's Republic of China after fifteen years from the date on which the electricity generators became operational. Accordingly its results are accounted for to the extent of dividends received and receivable, less amounts amortised.

c The Group is guaranteed a fixed return on the investment amount of the co-operative joint ventures. Upon the expiration of the co-operation period, all the Group's interests in Shanghai Citic Tunnel Development Co., Ltd. and other co-operative joint ventures will revert to Shanghai People's Government / Chongqing People's Government and the joint venture partners in the People's Republic of China respectively.

賬目附註

30 主要合作合營公司 續

附註：

a 利港之第一期及第二期均作為本集團之投資入賬，因為該等發電站投產後分別於十五年及二十年屆滿時，本集團於該等項目之權益將會歸屬中華人民共和國之合營夥伴所有。故此，該等投資項目之業績僅計算已收及應收股息，減攤銷款額。

b 新力作為本集團之投資入賬，因為於該等發電站投產後十五年屆滿時，本集團於該項目之權益將會歸屬中華人民共和國之合營夥伴所有。故此，該投資項目之業績僅計算已收及應收股息，減攤銷款額。

c 本集團已獲得於合作合營公司之固定投資回報之保證。合作期屆滿後，本集團於上海中信隧道發展有限公司及在其他合作合營公司之一切權益將分別會歸屬上海市人民政府 / 重慶市人民政府及中華人民共和國之合營夥伴所有。

Auditors' Report

核數師報告

To the Shareholders of CITIC Pacific Limited
(Incorporated in Hong Kong with limited liability)

致中信泰富有限公司
(於香港註冊成立之有限公司)

全體股東

We have audited the accounts on pages 60 to 110 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

本核數師已完成審核第 60 至第 110 頁的財政報告，該財政報告乃按照香港普遍採納的會計原則編製。

Respective responsibilities of directors and auditors

董事及核數師各自的責任

The Companies Ordinance requires the directors to prepare accounts which give a true and fair view. In preparing accounts which give a true and fair view it is fundamental that appropriate accounting policies are selected and applied consistently.

公司條例規定董事須編製真實兼公平的財政報告。在編製該等真實兼公平的財政報告時，董事必須採用適當的會計政策，並且貫徹應用該等會計政策。

It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

本核數師的責任是根據審核之結果，對該財政報告作出獨立意見，並向各股東報告。

Basis of opinion

意見的基礎

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Society of Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the Company's and the Group's circumstances, consistently applied and adequately disclosed.

本核數師已按照香港會計師公會所頒佈的核數準則進行審核工作。審核範圍包括以抽查方式查核與財政報告所載數額及披露事項有關的憑證，亦包括評審董事於編製財政報告時所作出的重大估計和判斷，所採用的會計政策是否適合 貴公司與 貴集團的具體情況，及有否貫徹應用並足夠披露該等會計政策。

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the accounts are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts. We believe that our audit provides a reasonable basis for our opinion.

本核數師在策劃和進行審核工作時，均以取得所有本核數師認為必需的資料及解釋為目標，以便獲得充分憑證，就該等財政報告是否存有重大錯誤陳述，作出合理的確定。在作出意見時，本核數師亦已評估該財政報告所載的資料在整體上是否足夠。本核數師相信我們的審核工作已為下列意見提供合理的基礎。

STATUTORY REPORTS

法定報告

AUDITORS' REPORT

Opinion

In our opinion the accounts give a true and fair view, in all material respects, of the state of affairs of the Company and the Group as at 31 December 1998 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the Companies Ordinance.

Price Waterhouse

Certified Public Accountants

Hong Kong, 18 March 1999

核數師報告

意見

本核數師認為，上述財政報告在各重大方面足以真實兼公平地顯示 貴公司與 貴集團於一九九八年十二月三十一日結算時的財務狀況，及 貴集團截至該日止年度的溢利及現金流量，並按照公司條例妥為編製。

羅兵咸會計師事務所

執業會計師

香港，一九九九年三月十八日

**Extract from Published Accounts of
Cathay Pacific Airways Limited**

**國泰航空有限公司
已公佈賬目之摘要**

a CONSOLIDATED PROFIT AND LOSS ACCOUNT

a 綜合損益賬

for the year ended 31 December 1998

截至一九九八年十二月三十一日止年度

<i>in HK\$ million</i>	1998	1997	港幣百萬元
Turnover	26,695	30,647	營業總額
Operating profit	397	2,401	營業溢利
Exceptional items	(869)	(347)	特殊項目
Net finance charges	(311)	(335)	財務支出淨額
Net operating (loss) / profit	(783)	1,719	營業 (虧損) / 溢利淨額
Share of profits of associated companies	172	306	應佔聯屬公司溢利
(Loss) / profit before taxation	(611)	2,025	除稅前 (虧損) / 溢利
Taxation	104	(291)	稅項
(Loss) / profit after taxation	(507)	1,734	除稅後 (虧損) / 溢利
Minority interests	(35)	(40)	少數股東權益
(Loss) / profit attributable to shareholders	(542)	1,694	股東應佔 (虧損) / 溢利
Dividends	(339)	(986)	股息
(Loss) / retained profit for the year	(881)	708	本年度 (虧損) / 保留溢利

Extract from Published Accounts of Cathay Pacific Airways Limited

國泰航空有限公司 已公佈賬目之摘要

b CONSOLIDATED BALANCE SHEET

at 31 December 1998

in HK\$ million

	1998	1997
Fixed assets	49,201	42,827
Associated companies	1,325	1,145
Other long-term receivables and investments	1,277	1,445
Net current assets	6,111	9,862
	<hr/>	<hr/>
	57,914	55,279
Deferred items	(8,252)	(8,098)
	<hr/>	<hr/>
	49,662	47,181
	<hr/>	<hr/>
Financed by:		
Share capital	676	677
Reserves	24,020	24,929
	<hr/>	<hr/>
Shareholders' funds	24,696	25,606
Minority interests	108	104
Long-term loans, bonds and other liabilities	4,223	3,940
Obligations under finance leases	20,635	17,531
	<hr/>	<hr/>
	49,662	47,181
	<hr/>	<hr/>

b 綜合資產負債表

一九九八年十二月三十一日結算

港幣百萬元

固定資產
聯屬公司
其他長期應收款項及投資
流動資產淨額
遞延項目
資金來源：
股本
儲備
股東資金
少數股東權益
長期借款、債券及其他負債
籌資租賃責任

**Extract from Published Accounts of
CLP Holdings Limited**

a CONSOLIDATED PROFIT AND LOSS ACCOUNT

for the year ended 30 September 1998

in HK\$ million

1998

1997

**中電控股有限公司
已公佈賬目之摘要**

a 綜合損益表

截至一九九八年九月三十日止年度

港幣百萬元

TURNOVER	24,028	21,602	營業額
Operating profit	7,411	4,506	營業溢利
Exceptional item	1,837	-	特殊項目
Share of profits of joint ventures and associated companies	2,113	1,973	所佔合營公司及聯營公司的溢利
Profit before taxation	11,361	6,479	除稅前溢利
Taxation	(1,509)	(892)	稅項
Profit after taxation	9,852	5,587	除稅後溢利
Transfers under Scheme of Control (to) / from			根據管制法則 (撥往)/ 撥自
Development fund	(1,556)	321	發展基金
Rate reduction reserve	(158)	(134)	減費儲備
	(1,714)	187	
EARNINGS FOR THE YEAR			本年度盈利
Scheme of Control earnings	4,971	4,760	管制法則業務盈利
Non-Scheme of Control earnings	1,624	1,014	非管制法則業務盈利
Group operating earnings	6,595	5,774	集團營運盈利
Exceptional item	1,543	-	特殊項目
Total earnings	8,138	5,774	總盈利
DIVIDENDS			股息
Ordinary	(3,848)	(3,514)	普通
Special	(1,538)	-	特別
	(5,386)	(3,514)	
RETAINED EARNINGS FOR THE YEAR	2,752	2,260	本年度保留盈利

Extract from Published Accounts of CLP Holdings Limited

b CONSOLIDATED BALANCE SHEET

at 30 September 1998

in HK\$ million

1998

1997

中電控股有限公司 已公佈賬目之摘要

b 綜合資產負債表

一九九八年九月三十日結算

港幣百萬元

	1998	1997	
CAPITAL EMPLOYED			資金運用
Fixed assets	27,503	26,917	固定資產
Investments in joint ventures and associated companies	9,884	5,826	投資於合營公司及聯營公司
Current assets			流動資產
Deposits, bank balances and cash	8,990	18,011	存款、銀行結存及現金
Fixed-income securities and money market instruments	5,797	-	固定利息證券及金融市場票據
Others	2,961	2,578	其他
	<u>55,135</u>	<u>53,332</u>	
Current liabilities	(6,682)	(7,060)	流動負債
	<u>48,453</u>	<u>46,272</u>	
REPRESENTED BY			組成項目
Share capital	12,243	12,442	股本
Share premium	13,362	13,708	股本溢價
Reserves	14,862	13,147	儲備
	<u>40,467</u>	<u>39,297</u>	股東資金
Long-term loans and other borrowings	2,545	2,756	長期貸款及其他貸款
Deferred liabilities	2,913	2,787	遞延負債
Development fund	2,528	1,432	發展基金
	<u>48,453</u>	<u>46,272</u>	

5 Year Statistics

五年統計

	1994	1995	1996	1997	1998	
<i>At year end (HK\$m):</i>						年終 (港幣百萬元) :
Shareholders' equity -	25,096	26,641	36,528	40,225	41,899	股東權益 -
per share (HK\$)	12.45	13.23	17.12	18.91	19.70	每股 (港幣元)
Debt -						負債 -
debt less bank deposits	8,951	9,092	9,649	22,592	21,175	負債減銀行存款
net debt/shareholders' equity	36%	34%	26%	56%	51%	淨負債佔股東權益
net debt/stockmarket value	24%	17%	10%	34%	60%	淨負債佔市值
interest cover (times)	16	10	20	6	4	利息倍數 (倍)
Capital employed (*)	34,843	36,347	46,771	63,527	63,974	資金運用 (*)
Fixed assets	8,884	9,045	9,929	10,472	11,765	固定資產
Associated companies	20,067	20,754	26,256	40,210	40,145	聯營公司
Investments	4,330	5,670	9,208	11,196	11,574	投資
Stockmarket capitalization	38,000	53,000	95,800	65,520	35,530	市值
						不包括利息支出、稅項、折舊及
EBITDA (#)	3,568	4,150	4,412	5,881	4,919	攤銷之盈利 (#)
<i>For the year (HK\$m):</i>						年度 (港幣百萬元) :
Earnings -						盈利 -
Earnings						盈利
regular	2,570	2,996	3,562	4,140	2,808	普通
sales of business	-	77	3,298	3,236	-	出售業務
total Group	2,570	3,073	6,860	7,376	2,808	集團總數
per share - (HK cents)						每股 - (港幣仙)
regular	132	149	167	194	132	普通
sales of business	-	4	155	152	-	出售業務
total Group	132	153	322	346	132	集團總數
Dividends -						股息 -
per share - (HK cents)						每股 - (港幣仙)
regular	48	55	62	70	70	普通
special	-	-	30	30	-	特別
cover (times)	2.8	2.8	2.7	2.8	1.9	倍數 (倍)
Number of shareholders	7,256	6,545	6,215	8,642	14,987	股東總數
Number of employees	10,000	11,500	11,750	11,800	11,871	員工總數
(*) Capital employed represents shareholders' funds plus total borrowings.						(*) 資金運用乃代表股東資金加上借款總數。
(#) EBITDA represents total earnings before interest expenses, taxation, depreciation and amortisation.						(#) EBITDA 乃代表不包括利息支出、稅項、折舊及攤銷之總盈利。

Major Properties held by the Group

as at 31 December 1998

Major Properties Held For Investment

Address / Lot No.	Leasehold Expiry	Group's Interest %	Approximate Gross Floor Area (sq. ft.)	Existing Use
* 1. Skyway House (formerly known as Taikoktsui Centre), 11-15 Kok Cheung Street, Kowloon 2604/2700th shares of KIL No.9706 & the extension thereto	2041	100	294,158	Commercial
2. Block C of Yee Lim Industrial Centre, 2-28 Kwai Lok Street, and 2-6 Kwai Hei Street, Kwai Chung 4000/9000th shares of KCTL No.333	2047	100	320,195	Cold Storage & Godown
3. Honest Motors Building, 9-11, Leighton Road, Causeway Bay, Hong Kong IL No. 5431 and 5432	2880	100	47,487	Commercial
4. Wyler Centre 1, Basement 1& 2 and Parking Spaces Nos P50 and P51 on 2nd Floor of Wyler Centre 2, 192-210 Tai Lin Pai Road, Kwai Chung, New Territories 5779/11152th shares of and in the Remaining Portion of Kwai Chung Town Lot No.130 and the extension thereto	2047	100	393,488	Industrial
5. Broadway Centre, No.93 Kwai Fuk Road, Kwai Chung, New Territories KCTL No.435	2047	100	343,000	Godown
6. DCH Commercial Centre, No.25, Westlands Road, Quarry Bay, Hong Kong IL8854	2047	100	389,000	Commercial
7. CITIC Tower, No.1 Tim Mei Avenue, Central, Hong Kong IL No.8822	2047	40	562,000	Commercial
8. Festival Walk, Tat Chee Avenue, Yau Yat Tsuen, Kowloon NKIL No.6181	2047	50	1,200,000	Commercial
9. Hiro-o Garden Hills, West Hill I-1204, Hiro-o 4-chome, Shibuya-ku, Tokyo, Japan	Freehold	100	873	Residential
10. Hiro-o Garden Hills, Centre Hill H-1403, Hiro-o 4-chome, Shibuya-ku, Tokyo, Japan	Freehold	100	2,012	Residential
11. Hiro-o Garden Hills, South Hill D-507, Hiro-o 4-chome, Shibuya-ku, Tokyo, Japan	Freehold	100	2,264	Residential
12. Dah Chong No.1 Building, 12-6, Roppongi, 3-chome, Minato-ku, Tokyo, Japan	Freehold	100	34,528	Commercial & Restaurants, etc.
13. Dah Chong No.2 Building, B1/F-4/F, 18-2, Roppongi, 5-chome, Minato-ku, Tokyo, Japan	Freehold	100	13,067	Commercial & Restaurants, etc.
14. Toriizaka House 14-19, Roppongi, 5-chome, Minato-ku, Tokyo, Japan	Freehold	100	7,352	Residential & Office

* excluding a petrol filling station on the ground floor with an ancillary storage tank in part of the basement and a storeroom on the first floor

Major Properties Held For Development

Location / Lot No.	Stage of Completion	Estimated Completion Date	Classification	Leasehold Expiry	Group's Interest %	Approximate Site Area (sq. ft.)	Approximate Gross Floor Area (sq. ft.)	Existing Use
1. Lot Nos.390, 394, 395, 396, 397, 399, 400, 401, 402, 405, 406, 407, 409, 410Rp, 412Rp, 413Rp, 414Rp, 416, 417, 418, 419 and 424 in D.D. No.121 and Lot Nos 274Rp, 278, 279, 282, 283, 284, 285, 286sB Rp, 286sB ssl and 286Rp in D.D. No.127 Yuen Long, New Territories	N/A	N/A	N/A	2047	100	193,652	N/A	Construction Site
2. Lot No.3723 sD Rp in D.D. No.104 and Lot Nos.43A and 50 in D.D. No.101 and Lot Nos. 1266Rp, 1267 and 1268 in D.D. No.105, Yuen Long, New Territories	N/A	N/A	N/A	2047	40	2,460,637	N/A	Agricultural land
3. No.500 and 502, Tung Chau Street, Cheung Sha Wan, Kowloon NKIL No.4751 & 4752	N/A	N/A	N/A	2047	100	20,258	N/A	Construction site

Major Properties Held For Sale

Address / Lot No.	Leasehold Expiry	Group's Interest %	Approximate Gross Floor Area (sq. ft.)	Existing Use
Grand Court, 109-135 Kadoorie Avenue, Kowloon Subsections 1 and 2 and the Remaining Portion of Section D of KIL No.2657	2006	100	135,340	Residential

集團持有之主要物業

一九九八年十二月三十一日結算

主要投資物業

地點 / 地段號數	租契屆滿期	集團權益 %	概約樓面面積 (平方呎)	現今用途
* 1. 九龍角祥街 11-15 號嘉運大廈 (前大角咀中心) 九龍內地段第 9706 號及其展延部份 2700 份之 2604 份	2041	100	294,158	商業
2. 葵涌葵樂街 2-28 號與葵喜街 2-6 號裕林工業中心 C 座 葵涌市地段第 333 號 9000 份之 4000 份	2047	100	320,195	冷藏倉庫及貨倉
3. 香港銅鑼灣禮頓道 9-11 號 合誠汽車大廈內地段第 5431 及 5432 號	2880	100	47,487	商業
4. 新界葵涌大連排道 192-210 號偉倫中心第一期， 偉倫中心第二期第 1 及第 2 地庫及 2 樓第 P50 及 P51 號車位 葵涌市地段第 130 號及其伸延部份之餘段 11152 份之 5779 份	2047	100	393,488	工業
5. 新界葵涌葵福路 93 號百匯中心葵涌市地段第 435 號	2047	100	343,000	貨倉
6. 香港鯉魚涌華蘭路 25 號大昌行商業中心 內地段第 8854 號	2047	100	389,000	商業
7. 香港中環添美道 1 號中信大廈內地段第 8822 號	2047	40	562,000	商業
8. 九龍又一村達之路又一城新九龍內地段第 6181 號	2047	50	1,200,000	商業
9. Hiro-o Garden Hills, West Hill I-1204, Hiro-o 4-chome, Shibuya-ku, Tokyo, Japan	永久業權	100	873	住宅
10. Hiro-o Garden Hills, Centre Hill H-1403, Hiro-o 4-chome, Shibuya-ku, Tokyo, Japan	永久業權	100	2,012	住宅
11. Hiro-o Garden Hills, South Hill D-507, Hiro-o 4-chome, Shibuya-ku, Tokyo, Japan	永久業權	100	2,264	住宅
12. Dah Chong No.1 Building, 12-6, Roppongi, 3-chome, Minato-ku, Tokyo, Japan	永久業權	100	34,528	商業及餐廳等
13. Dah Chong No.2 Building, B1/F-4/F, 18-2, Roppongi, 5-chome, Minato-ku, Tokyo, Japan	永久業權	100	13,067	商業及餐廳等
14. Toriizaka House 14-19, Roppongi, 5-chome, Minato-ku, Tokyo, Japan	永久業權	100	7,352	住宅及寫字樓

* 除地下之油站連同地庫部份之附屬儲油箱以及一樓之儲物室外

待發展之主要物業

地點 / 地段號數	竣工階段	估計竣工日期	類別	租契屆滿期	集團權益 %	概約地盤面積 (平方呎)	概約樓面面積 (平方呎)	現今用途
1. 新界元朗 第 121 號丈量約份第 390、394、395、396、 397、399、400、401、402、405、406、407、 409、410 號地段之餘段、412 號地段之餘段、413 號地段 之餘段、414 號地段之餘段、416、417、418、419 及 424 號地段及丈量約份第 127 號第 274 號地段之餘段、第 278、 279、282、283、284、285、286 號 B 段之餘段、 第 286 號 B 段第一分段及第 286 號地段之餘段	不適用	不適用	不適用	2047	100	193,652	不適用	建築地盤
2. 新界元朗 第 104 號丈量約份第 3723 號地段 D 段之餘段、第 101 號 丈量約份第 43A 及 50 號地段與第 105 號丈量約份第 1266 號 地段之餘段、1267 及 1268 號地段	不適用	不適用	不適用	2047	40	2,460,637	不適用	農地
3. 九龍長沙灣通州街 500 及 502 號 新九龍內地段第 4751 號及 4752 號	不適用	不適用	不適用	2047	100	20,258	不適用	建築地盤

待發售之主要物業

地點 / 地段號數	租契屆滿期	集團權益 %	概約樓面面積 (平方呎)	現今用途
九龍嘉道理道 109-135 號嘉陵大廈 九龍內地段第 2657 號 D 段第 1 及第 2 分段及餘段	2006	100	135,340	住宅

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Hong Kong

Registrars
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1601 Hutchison House
10 Harcourt Road
Hong Kong
Telephone : 2846 9666
Fax : 2810 8185

Company Secretary
Alice Tso Mun Wai

Key Dates
Closure of Register : 2 June 1999 to 8 June 1999
Annual General Meeting : 8 June 1999, 10:30 am
Island Ballroom, Level 5
Island Shangri-La Hotel
Supreme Court Road
Two Pacific Place
Hong Kong
Final Dividend payable : 14 June 1999

註冊辦事處
香港中環添美道一號
中信大廈三十二樓
電話 : 2820 2111
圖文傳真 : 2877 2771

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核數師
羅兵咸會計師事務所
香港中環太子大廈二十二樓

股份登記處
登捷時有限公司
香港夏愨道十號
和記大廈 1601 室
電話 : 2846 9666
圖文傳真 : 2810 8185

公司秘書
曹敏慧

重要日期
截止過戶日期 : 一九九九年六月二日至
一九九九年六月八日
股東週年大會 : 一九九九年六月八日
上午十時三十分
香港法院道太古廣場第
二期港島香格里拉酒店
五樓香島殿
派發末期股息 : 一九九九年六月十四日