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Corporate Information

DIRECTORS

Executive Directors

Liu Xiaoguang (*Chairman*)
Tang Jun (*President*)
He Guang (*Vice-President*)
Pan Pei (*Vice-President*)
Wang Zhengbin (*Vice-President*)

Non-Executive Directors

Zhu Min
Muk Kin Yau

Independent

Non-Executive Directors

Peter Yuk Lun Eng*
Kwong Kai Sing Benny*
Ke Jianmin
Yu Xingbao *

* Members of the Audit Committee

SUPERVISORS

Yu Changjian
Wei Jianping
Wang Qi

INDEPENDENT SUPERVISOR

Xu Jianhong

COMPANY SECRETARY

Chan Yee Wah, Eva *MBA, FCPA, FCCA, ACIS*

QUALIFIED ACCOUNTANT

Chan Yee Wah, Eva *MBA, FCPA, FCCA, ACIS*

AUTHORISED REPRESENTATIVES

He Guang
Chan Yee Wah, Eva

REGISTERED OFFICE

Building No. 8, Meiyuan
33 Huguang Area
Huairou District
Beijing
PRC

BEIJING HEADQUARTERS

F5, Ocean Plaza
No. 158, Fuxingmennei Street,
Beijing, PRC

HONG KONG OFFICE

Room 4207, Two Exchange Square,
Central, Hong Kong

WEBSITE

<http://www.bjcapitalland.com>

AUDITORS

PricewaterhouseCoopers

LEGAL ADVISERS

As to Hong Kong law:
lu, Lai & Li

As to PRC law:
Jingtian & Gongcheng

PRINCIPAL BANKERS

China Development Bank
China Construction Bank
Citic Industrial Bank
China Minsheng Bank
Shanghai Pudong Development Bank
Bank of Beijing

Listing Information

Stock Code for H Share

Hong Kong Stock Exchange	2868
Reuters	2868.HK
Bloomberg	2868HK

Board Lot Size

H Share	2,000
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H Share Registrar

Computershare Hong Kong Investor Services Limited
 Room 1712-1716,
 17th Floor, Hopewell Centre,
 183 Queen's Road East, Hong Kong
 Telephone : (852) 2862 8628
 Fax : (852) 2529 6087

Investor Relations Contact

Chan Yee Wah, Eva
Company Secretary and Head of Investor Relations
 Email address: evachan@bjcapitaland.com.cn

H Share Information

	Year 2004			Year 2003		
	Price		Total Trading Volume (No. of Shares)	Price		Total Trading Volume (No. of Shares)
	High (HK\$)	Low (HK\$)		High (HK\$)	Low (HK\$)	
First Quarter	2.875	2.025	299,431,806	—	—	—
Second Quarter	2.900	1.370	149,182,258	1.690	1.440	318,745,008
Third Quarter	2.275	1.570	125,504,000	1.950	1.380	469,604,900
Fourth Quarter	2.375	1.760	146,293,568	2.075	1.590	281,696,010

Listed on the Hong Kong Stock Exchange on 19 June 2003.

Closing share price as at 31 December 2003: HK\$2.050.

Closing share price as at 31 December 2004: HK\$2.275.

Financial Highlights

Financial Summary *

(in RMB '000)

Year ended 31 December	Consolidated		Combined		
	2004	2003	2002	2001	2000
Turnover	1,629,332	1,920,522	2,283,672	1,339,638	1,469,165
Gross profit	429,801	510,370	508,972	330,165	370,201
Operating profits	439,256	473,383	442,342	318,845	293,894
Profit attributable to shareholders	283,197	255,351	218,069	169,509	78,603
Basic earnings per share	RMB0.1755	RMB0.1854	RMB0.1982	RMB0.1541	RMB0.0715

(in RMB '000)

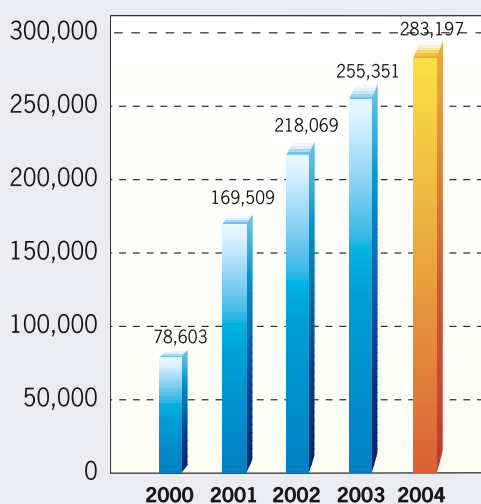
As at 31 December	Consolidated		Combined		
	2004	2003	2002	2001	2000
Total assets	8,813,316	7,833,412	5,463,876	3,993,100	2,592,771
Total liabilities and minority interests	6,499,164	5,652,304	4,724,958	3,294,756	2,408,037

* Note: The above table summarises the results, assets and liabilities of the Group. The figures for the financial years from 2000 to 2002 are presented on a combined basis as if the current group structure had been in existence before the listing of the Company.

Financial Highlights

Profit Attributable to Shareholders

(RMB '000)



Gross and Net Profit Margins

(%)





首创置业

BEIJING CAPITAL LAND

综合地产运营商

首创置业综合地产运营商
香港上市公司(H2868)

www.bjcapital.com



Property Portfolio

Location Map of Our Projects



No.	Project	No.	Project	No.	Project
1	Central Holiday Inn	8	Vancouver Forest (First Forest)	13	Beijing International Business Park Phase I (Hujialou Business & Residential District Phase I)
2	Finance Street Intercontinental Hotel	9	North Ring Centre (Capital Commercial Center)	14	The Center
3	Sunshine Building (Huatang Building)	10	Upper East Side (Jia Run Garden)	15	Shiliuzhuang Residential Project
4	Winners Circle (Entrepreneur Garden)	11	Greenland Heights	16	Yu Yuan Tan Apartment
5	Sunny Scenic View	12	Top Land (Sunshine Lotus)	17	Shi Li Pu Residential Project
6	Capital Development Tower			18	Heping Lane Residential Project
7	Sydney Coast			19	Xi'erqi Residential Project

Property Portfolio

Investment Property — Completed

No.	Project	Location	Type	Approximate Site Area (sq.m)	Approximate GFA (sq.m)	Attributable Interest	Lease Term
1	Central Holiday Inn	No. 92 Zaolinqian Avenue, Xuanwu District	Hotel	20,100	50,700	100%	Medium Term Lease
2	Finance Street Intercontinental Hotel	No. 6, Zone A, Finance Street, Xicheng District	Hotel	12,900	42,900	34%	Medium Term Lease
Sub-total				33,000	93,600		

Investment Property — Under Development

No.	Project	Location	Type	Approximate Site Area (sq.m)	Approximate GFA (sq.m)	Attributable Interest	Lease Term
3	Sunshine Building (Huatang Building) *	Block A, TieLuXiang, Xizhimenwai Avenue, Xicheng District	Office/Commercial	9,400	51,700	42%	Medium Term Lease
Sub-total				9,400	51,700		

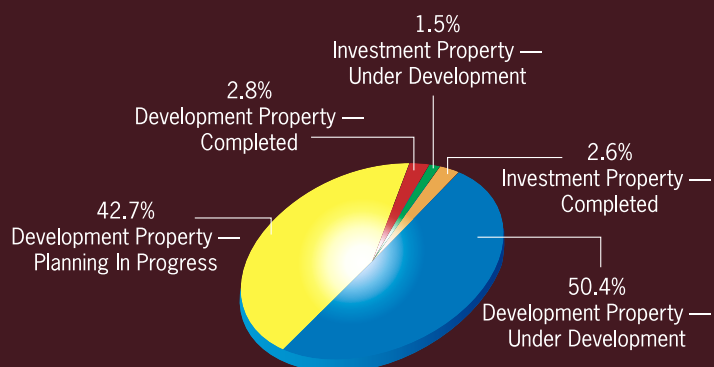
Development Property — Completed

No.	Project	Location	Type	Approximate Site Area (sq.m)	Approximate GFA (sq.m)	Attributable Interest
4	Winners Circle (Entrepreneur Garden)	Xi'erqi, Haidian District	Residential/Commercial	178,800	48,500	40%
5	Sunny Scenic View	No. 23 Huangsi Avenue, Xicheng District	Residential/Commercial	63,300	35,600	18%
6	Capital Development Tower	No. 10 Part I Western Zone of Zhongguancun Science Park	Office/Commercial	3,500	14,400	100%
Sub-total				245,600	98,500	

Development Property — Under Development

No.	Project	Location	Type	Approximate Site Area (sq.m)	Approximate GFA (sq.m)	Attributable Interest	Expected Completion/Completion Year
7	Sydney Coast	Xi'sanqi, Haidian District	Villa/Residential/Commercial	251,000	57,000 35,200 21,800	100%	2005 2004 2005
8	Vancouver Forest (Vancouver Garden) * Phase I Phase II Phase III Phase IV	Dongshagezhuang, Beiqijia Town, Changping District	Villa/Commercial	549,100	301,700 9,900 104,700 115,100 72,000	50%	2004 2005 2006 2007
9	North Ring Centre (Capital Commercial Center) * Phase I Phase II	No. 29 A, Central Road, the North Third Ring Road, Xicheng District	Residential/Commercial	28,000	180,300 51,500 128,800	98%	2006 2007

Land Bank by Property Type and Development Status



Property Portfolio

Development Property — Under Development

No.	Project	Location	Type	Approximate Site Area (sq.m)	Approximate GFA (sq.m)	Attributable Interest	Expected Completion/Completion Year
10	Upper East Side (Jia Run Garden) * Phase I Phase II Phase III Phase IV Hotel	Dagingsi, Jiangtaixiang, Chaoyang District	Residential/Commercial/Hotel	190,500	660,200 190,300 123,000 83,000 159,100 104,800	33%	2005 2006 2007 2007 2007 2007
11	Greenland Heights	No.10 Jiangtai West Road, Chaoyang District	Residential	14,500	89,500	20%	2007
12	Top Land (Sunshine Lotus) Phase I Phase II	A1 Shuguangxi Lane, Chaoyang District	Office/Residential/Commercial	19,800	93,300 25,600 67,700	82%#	2004 2008
13	Beijing International Business Park Phase I (Hujialou Business & Residential District Phase I) * Phase I Phase II Phase III	West Lane, Hujialou, Chaoyang District	Office/Residential/Commercial	86,300	294,200 107,400 144,800 42,000	80%	2007 2008 2008 2008
14	The Center	No. 3. Zone A, Finance Street, Xicheng District	Office/Commercial	12,400	101,300	75%	2007
Sub-total				1,151,600	1,777,500		

Development Property — Planning in Progress

No.	Project	Location	Type	Approximate Site Area (sq.m)	Approximate GFA (sq.m)	Attributable Interest	Completion/Expected Completion Year
15	Shiliuzhuang Residential Project	Shiliuzhuang, Feng Tai District	Residential/Commercial	124,000	219,500	75%	2007
16	Yu Yuan Tau Apartment *	Yuyuantai, Haidian District	Residential/Commercial	17,900	150,200	55%	2007
17	Shi Li Pu Residential Project Phase I Phase II Phase III	Shi Li Pu Chaoyang District	Residential/Commercial	126,200	435,600 56,800 77,100 301,700	55%	2006 2007 2008
18	Heping Lane Residential Project * Phase I Phase II Phase III	Heping Lane, Chaoyang District	Residential/Commercial	100,000	310,900 116,700 133,300 60,900	50%	2006 2007 2007
19	Xi'erqi Residential Project Phase I Phase II Phase III	Xi'erqi, Haidian District	Residential/Commercial	347,100	391,000 119,500 124,500 147,000	40%	2007 2008 2008
Sub-total				715,200	1,507,200		
Total				2,154,800	3,528,500		

* Note: GFA of certain projects have been adjusted in accordance with the newly obtained planning documents.

For GFA equal to or less than 60,000 sq.m., attributable interest is 75%. For GFA more than 60,000 sq.m., attributable interest is 85%.



Corporate Milestones of the Year

2004

Mar

- ❖ Central Holiday Inn commenced its operation. After operating for one year, the hotel's performance exceeded the Group's expectations.

May

- ❖ The Group held an opening ceremony for the grand launch of Vancouver Forest, in which the Mayor of Vancouver City was also invited to attend.

Jul

- ❖ The Group organized the "Evolving to Centenary — Press Conference for the 1st Anniversary of the Listing of BCL" with an aim to strengthen its communication with the PRC media.

Sep

- ❖ The Group successfully purchased the best two lots of residential land in Beijing's large-scale public land auction after "31 August", namely Shi Li Pu Residential Project and Xi'erqi Residential Project, maintaining its competitive strength in land reserves amidst change of land policy.

Oct

- ❖ Mr. Liu Xiaoguang, the Chairman, was awarded by The Hong Kong Institute of Directors as the "Director of The Year Awards 2004", the first H Share company receiving this award.
- ❖ The Group successfully raised US\$32,000,000 from DBS Singapore at more favorable terms than the RMB loan, thereby diversifying its financing channels.

Nov

- ❖ The Group commenced the construction of its large-scale development project in the CBD of Beijing, Beijing International Business Park. The total GFA of the project is approximately 440,000 sq.m., which is currently the largest high-end commercial property project in Beijing.

Dec

- ❖ The Group formed a delegate to attend The Sixth China Housing Trade Fair held in Shanghai in order to share experiences and exchange ideas with other industry counterparts. The Group won the "CHIAF Famous Enterprise Award of Year 2004" at the Trade Fair.



Central Holiday Inn

Awards of the Year at a Glance

Major Awards received during the Year

Award-winning Unit	Award	Judge and Organizer	Date
Beijing Capital Land	Top 10 Brands in the PRC Property Market	Soufun net & Baidu.com, Inc.	May 2004
Beijing Capital Land	Top 50 Leading Urban Operators in the PRC	Expo of Urban Real Estate Operations of the PRC	July 2004
Beijing Capital Land	Blue-chip Property Developers in the PRC	Beijing Youth Post & the Economic Observer	August 2004
Mr. Liu Xiaoguang, the Chairman	Director of The Year Awards 2004	The Hong Kong Institute of Directors	October 2004
Beijing Capital Land	CHIAF Famous Enterprise Award for Year 2004	China Housing Trade Fair	December 2004
Beijing Capital Land	The Most Esteemed Real Estate Branded Enterprise in the PRC for Year 2004	28 PRC media including Guangzhou Daily and Beijing Evening News	December 2004
Beijing Capital Land	China's Branded Property Developer for Year 2004	SINA.com.cn	December 2004
Beijing Capital Land	Creating City Values 2004 — Enterprise of the Year in the PRC Property Market	SOHU.com, www.focus.cn, The Real Estate Institute of China	January 2005
Central Holiday Inn	The Best Business Hotel in Asia-Pacific Region for Year 2004	Inter – Continental Hotels Group	January 2005
Beijing Capital Land	Top 500 PRC Companies in Corporate Informatization for Year 2004	National Informatization Evaluation Center	January 2005

Chairman's Statement



Mr. Liu Xiaoguang
Chairman

Amidst the rapidly changing operating environment, Beijing Capital Land fully embraced its proactive spirit to strengthen its overall competitiveness, enhance its corporate governance standards and drive its business growth.

Chairman's Statement

Dear Shareholders,

On behalf of the Board of Directors (the "Board") of Beijing Capital Land Ltd ("BCL" or the "Company", together with its subsidiaries the "Group"), I am pleased to present the Company's annual report for the year ended 31 December 2004.

2004 marked a year of progressive development and remarkable achievements. A series of macroeconomic austerity measures were effectively implemented by the Government of the People's Republic of China ("PRC"). The nation continued to post steady and healthy growth while the demand of the property market remained robust. In addition, stringent land approval and land supply policies, together with the regulation of open land transfers, created a business environment favourable for the rapid development of integrated property operators with established scale and prominent strengths, like BCL. Amidst the rapidly changing operating environment, BCL fully embraced its proactive spirit to strengthen its overall competitiveness, enhance its corporate governance standards and drive its business growth.

During the year under review, the Group capitalized on its unique operation model and acute market insight to successfully capture the immense potential brought forth by the strong demand in the Beijing property market. The Group proactively launched a number of quality projects which attained overwhelming sales performance. During the year, the gross floor area ("GFA") for contracted sales area was approximately 328,000 sq.m., representing a year-on-year increase of 4.6%. Contracted sales revenue amounted to approximately RMB2,930,000,000, an increase of 21% as compared to the previous year. The proactive launch of development projects, together with the effective control in reducing construction cost, contributed to an encouraging growth in the net profit of the Group. During the year under review, the Group's net profit increased by 11%, reaching a record high of RMB283,197,000. The Board proposed a final dividend of RMB7 cents per share for the year ended 31 December 2004.

In order to curb over investment, the PRC Government promulgated stringent monetary control by tightening the credit of real estate projects, raising standard loan rate and relaxing the upper limit of the loan rate. However, by leveraging on its strong financing capability and prominent business reputation, the Group not only maintained close relationships with domestic commercial banks and the China Development Bank, but also diversified its financing channels. During the year, the Group successfully obtained a loan facility of US\$32,000,000 from DBS Singapore, reflecting the recognition of the Group's business model and enormous development potential by the international banking industry.

Sufficient land resources have always been one of the Group's leading competitive edges. All land transfers have been conducted through public tenders, bidding and public auction since 1 September 2004. During the year under review, the Group purchased two quality residential sites in Beijing at the public auction, which further enhanced the Group's land reserves in prime locations of Beijing. The two quality land sites are located at Shi Li Pu of Chaoyang District and Xi'erqi of Haidian District respectively. While maintaining its competitive leads in land resources, the Group will proactively explore the business of land development, so as to lay solid foundation for the Group's sustainable long-term development.

Looking ahead, the 2008 Olympic Games in Beijing will expedite economic development and accelerate urban construction of the capital city. As the infrastructure of the city continues to develop and transportation networks keep extending further, it is expected to promote the development of the real estate market, providing a booming prospect for the Group. With the view of capturing the opportunities arising from the property market, the Group will continue to maintain its leading edges in land resources, capital resources and human resources. We will identify more cooperation opportunities with international developers and investors. The Group endeavours to adjust its product mix, enhance investment portfolio, further improve product quality by strengthening its cooperation with international developers and investors, and extend its business in districts outside Beijing. BCL is committed to leading the burgeoning property market and becoming a top quality property operator in Asia.

Appreciation

On behalf of the Board, I would like to take this opportunity to express my sincerest gratitude to our business partners, customers and shareholders for their unfailing support as well as to all our staff members for their dedicated efforts. BCL endeavours to maintain and further enhance its corporate governance standards and transparency. The Group will capitalize on its extensive market experience and industry know-how to extend its business reach. Building on its solid business foundation, visionary management and unique sales and operation strategies, the Group is confident of achieving new heights in the years to come. Let us join hands to create an even brighter future.



Liu Xiaoguang
Chairman

Beijing, the PRC, 22 March 2005

Management Discussion and Analysis



Mr. Tang Jun

President

During the year, while mitigating the negative impacts brought forth by the implementation of macroeconomic measures, the Group capitalized on the favourable market environment to strengthen its competitive edge and continue to achieve historical highs, in terms of business performance, to create a satisfactory return for shareholders.

Business Environment

Overview of the PRC Property Market

- China's economy continued to grow steadily and rapidly in 2004.

In 2004, the Gross Domestic Product ("GDP") in PRC amounted to RMB13,650 billion, which was a 9.5% surge from the previous year and a year of fastest growth since 1997. The new jobs created for urban areas exceeded the expected target to reach the number of 9,800,000; the per capita disposable income of residents in cities and towns recorded an actual growth of 7.7% (Source: Government's Work Report 2005). In light of the rapidly growing economy, the increasing income of residents, the accelerating urbanization, and the improving living environment, the affordability of the PRC people increases resulting in greater demand for quality housing.

Management Discussion and Analysis

- China's property market in 2004 was characterized by soaring price and sales volume with active sales and purchases.

In 2004, the average price for commodity housing in PRC rose 14.4%, which was 10.6 percentage points higher than that of the growth in 2003. The average price for commodity residential housing was up 15.2%. The area sold for commodity housing in PRC amounted to 382 million sq.m., an increase of about 13% from that of last year. On the other hand, the PRC vacant area of commodity housing dropped by 8.3%, of which the vacant area of commodity residential housing in PRC dropped by a corresponding 15.6% (Sources: National Bureau of Statistics). Currently, China's per capita GDP exceeded US\$1,000 and, judging from historical experience, its property market is embarking on a rapid growth period. China's annual GDP growth has to maintain at around 8% for the next 15 years in order to reach a per capita income of US\$3,000 by year 2020. Under such circumstances, its property market will sustain fast and steady growth.

- Remarkable success of the timely and appropriate macroeconomic measures implemented by the PRC Government.

In order to curb over investment, the Government has, starting from the beginning of 2004, taken resolute measures to implement macroeconomic measures to control land approval and loan grant, and has achieved good results. In respect of land supply, the PRC Government has formulated the "Decision on Deepening the Reform of Land Management and Tightening Up Land Management" 《關於深化改革嚴格土地管理的決定》, with an aim to implement the strictest land management system to protect farm-land with all its strength. The measures involved suspending approval of applications regarding the change of agricultural land to non-agricultural land for half year during the period from April to October 2004. All local authorities were required to settle the problems left over from history in relation to the grant of operative land use rights by 31 August 2004. Besides, all operative land transfers taken place after 31 August 2004 shall be conducted through public tenders, bidding and auctions. As to mortgage loans, in October 2004, The People's Bank of China ("PBC") declared an interest-rise and the lifting of loan rate limit, such that the one-year loan benchmark rate increased by 0.27 percentage point from 5.31% to 5.58%, and that the individual rate for housing provident fund increased by 0.18 percentage point from 4.05% to 4.23%. With the remarkable success of the timely and appropriate macroeconomic measures, the national fixed assets investment growth rate fell from 43% at the beginning of the year to 25.8%, and the National Consumable Retail Price Index (CPI) decreased from 5.3% in July and August to 2.4% in December (Source: National Bureau of Statistics). It is expected that the Government will not adopt more stringent measures in the future, and will regulate the economy through market means instead of administrative means.



Capital Development Tower

Management Discussion and Analysis

- The macroeconomic measures have rationalized the balance between supply and demand of the PRC's property market.

In 2004, China's property development investment amounted to RMB1,315.8 billion, representing a growth of 28.1%. The newly-built area of commodity housing in PRC was 604 million sq.m. with a growth rate of 10.4%. The accumulated housing area completed was 425 million sq.m. with a growth rate of 2.1%. The area of completed land development by property developers in PRC was 223 million sq.m., down 11.4% (Source: National Bureau of Statistics). Judging from the demand figures, the current supply growth is lower than the demand growth, while the future supply tends to fall as the macroeconomic measures aimed at curbing supply. This will result in a balance between demand and supply in the PRC property market in the future. This is not only conducive to the long-term healthy development of this industry, but also advantageous to large developers as they are expected to survive in competition and attain even higher market share.

Overview of the Beijing Property Market

- In 2004, Beijing's economy grew at a rate higher than the national standard.

At the end of the 2004, the GDP of Beijing exceeded RMB400 billion to RMB428.33 billion, 13.2% higher than that of last year and the growth rate was also 2.5 percentage points higher than last year, breaking the record in 1995 and surpassing the national standard of 9.5%. In 2004, Beijing's new employment amounted to 233,500 and the disposable income per capita of residents in its urban area amounted to RMB15,638, representing a corresponding increase of 11.5% after inflation (Source: Beijing Statistics Bureau).

- 2004 still saw flourishing demand in Beijing's property market, and the rise in housing prices was less than one half of the national level.

In 2004, the area sold for all kinds of commodity housing in the city was 24.72 million sq.m., 30.4% higher than that of last year and 2.3 times of the national level of 13.2%. The sales realized were RMB124.91 billion with a growth rate of 39.1%. Among them, sales area of commodity residential housing was 22.858 million sq.m., up 29.1%, and the sales realized was RMB108.51 billion, up 37.5%. The selling price of commodity housing showed steady growth. The average selling price for the commodity housing was RMB5,053/sq.m., representing a rise of 6.7% from 2003, less than one half of the national level of 14.4%. Among them, the



Sydney Coast

Management Discussion and Analysis

average selling price for commodity residential housing was RMB4,747 per sq.m., representing a rise of 6.5% from 2003, also less than one half of the national level of 15.2%. In 2004, the disposable income per capita of residents in the urban area of Beijing recorded an actual increase of 11.5%; whereas the average price for commodity residential housing recorded only a moderate increase of 6.5% for the same period (Source: Beijing Statistics Bureau). The increase in the income of the residents was far above the rise in housing prices, indicating the demand for property in Beijing was driven by the residents' genuine need, with no sign of overheating. This also shows that Beijing's property market is demonstrating healthy and sustained growth.

- The growth of supply in the Beijing's property market lagged behind the growth rate of demand in 2004.

In 2004, the completed area of all kinds of commodity housing in Beijing totaled 30.67 million sq.m., up 18.2% from that of last year; and growth rate of the areas sold was 30.4%. Among them, commodity residential housing accounted for 23.44 million sq.m., up 12.6% and only 2.5% higher than the area sold of 22.858 million sq.m.. Commodity housing area that has been vacant for over one year decreased from 3.779 million sq.m. in 2003 to 2.986 million sq. m., representing a decrease of 21% (Source: Beijing Statistics Bureau) . This showed that there will be balance between the supply and demand in the Beijing's property market.

- In 2004, Beijing's property investment growth rate still maintained at the average level for the recent three years.

The State's macroeconomic measures were also proved to be effective in Beijing in 2004 as the city's fixed assets investment growth rate fell from 53% at the beginning of the year to 21.3% at the end of the year. Though the supply of property in Beijing was inhibited by the macroeconomic measures, Beijing's property market managed to maintain a reasonable growth. The property development investment in the city amounted to RMB147.33 billion, up 22.5% from that of last year and in par with the three-year average growth rate of 23.4%, of which over 50% or RMB77.6 billion came from investment in residential housing, up 22.6% from that of last year, and property development investment accounted for 58.3% of completed investment for social fixed assets (Source: Beijing Statistics Bureau). The property industry remained the key driving force of Beijing's economic growth.



River Garden of Upper East Side

Management Discussion and Analysis

- Affected by macroeconomic measures, Beijing's property supply tends to fall.

In 2004, affected by the macroeconomic measures, such as control in land supply and credit tightening, the completed land development area by property developers in Beijing amounted to 6.342 million sq.m., down 41.7% from that of last year. The city's newly-built area for commodity housing was 30.543 million sq.m., down 11.1% from that of last year, of which 22.072 million sq.m. came from commodity residential housing, representing a drop of 11.8% from that of last year. On the other hand, owing to change of land policy, the land purchase fee paid by property developers in Beijing reached RMB27.58 billion, an increase of 29.4% from that of last year (Source: Beijing Statistics Bureau). According to the above indicators, Beijing's property supply tends to slow down while the land costs increase and demand remains robust. Currently, the Group has sufficient quality land bank and schedules to launch a number of new property projects in 2005. It is believed that, with such a favorable market condition, the Group's profitability will keep improving.

Business Review

During the year, while mitigating the negative impacts brought forth by the implementation of macroeconomic measures, the Group capitalized on the favourable market environment to strengthen its competitive edge and continue to achieve historical highs, in terms of business performance, to create a satisfactory return for shareholders.

In 2004, the Group posted a turnover of RMB1,629,332,000, down by 15.2% from last year. Operating profit amounted to RMB439,256,000, 7% lower than the previous year. Profit attributable to shareholders was RMB283,197,000, an increase of 11% when compared to the previous year. Basic earnings per share was RMB17.55 cents as compared to RMB18.54 cents in 2003. The Board of Directors recommended the payment of a final dividend of RMB7 cents per share for the year ended 31 December 2004.

During the year under review, the Group recorded satisfactory business performance, and its major achievements in the following operating management areas:

- The Group increased its land bank through public auction, after the land policy changes to maintain its competitive advantage in land reserves
- The Group further diversified the financing channels through obtaining loan facility from foreign bank



**Chairman Liu Xiaoguang and President Tang Jun
attended the 6th China Housing Trade Fair.**

Management Discussion and Analysis

- The Group continued to optimize the operating management system by establishing the public auction and tender department, to further reduce the construction cost. The establishment of the planning and design department aims to develop products that cater for the demands of the customers; while the setting up of the BCL Customers Club strives to further extend the customer services
- Investment properties of the Group started to achieve remarkable results. The Central Holiday Inn, has commenced its operation for one year, and achieved business development which exceeded the Group's expectations.

Property Development

During year 2004, the Group completed 6 development projects with a total gross floor area ("GFA") of 370,600 sq. m.

Development projects completed in FY 2004

Property	Type	Approximate GFA completed (Sq. m.)	Interests Attributable to BCL
Capital Development Tower	Offices/commercial	34,800*	100%
Sydney Coast District E-North	Villa/apartment/commercial	31,000	100%
Vancouver Forest District A	Villa/commercial	32,200	50%
Top Land Phase I	Office/apartment/commercial	82,600	75%#
Sunny Scenic View Phase II	Residential/commercial	96,000	18%
Upper East Side District C1	Residential/commercial/hotel	94,000	33%
Total		370,600	

* Note: This refers to the actual measured area of Capital Development Tower upon completion.

For GFA equal to or less than 60,000 sq.m., attributable interest is 75%. For GFA more than 60,000 sq.m., attributable interest is 85%.



Occupation of Upper East Side by first batch of customers.

Management Discussion and Analysis

Sales Performance

During 2004, contracted sales area of the Group's properties was approximately 328,000 sq.m., up by 4.6% from the previous year, in which residential, office and commercial properties accounted for 83%, 6% and 11% respectively. Contracted sales revenue was approximately RMB2.93 billion, or 21% higher than that of the previous year, in which residential, office and commercial properties accounted for approximately 79%, 9% and 12% respectively. There was a delay in the launch of some development projects due to the implementation of macroeconomic measures. However, all properties launched for sale recorded overwhelming results, as both the selling price and area sold exceeded the Group's expectations.

The following table shows the sales of the Group's major development projects launched during the period under review:

Project	Approximate contracted sales area (sq.m.)	Approximate average contracted selling price (RMB/sq.m.)	Approximate contracted total sales income (RMB'000)
Residential			
Top Land	32,000	11,200	358,400
Vancouver Forest	42,800	7,700 ⁽¹⁾	329,560
Sydney Coast	39,200	8,100 ⁽²⁾	317,520
Winners Circle	39,500	6,600	260,700
Upper East Side	91,500	9,200	841,800
Phase II of Sunny Scenic View	25,800	7,600	196,080
Sub-total	270,800		2,304,060
Office			
Capital Development Tower	20,400	12,700	259,080
Commercial Property			
Phase I of Beijing International Business Park	36,800	9,900 ⁽³⁾	364,320
Total	328,000		2,927,460

Remarks:

- (1) Excluding basement area, the average contracted selling price was RMB10,900/sq.m.
- (2) Excluding basement area, the average contracted selling price was RMB9,500/sq.m.
- (3) The construction costs were borne by the buyers.



Grand opening ceremony of
Vancouver Forest.

Management Discussion and Analysis

During 2004, the Group continued to embrace its precise market positioning for its customers to provide customized products and services, and achieved profitable returns. Sunny Scenic View Phase II and Top Land Phase I were sold out within one year of their launch. This demonstrated that the properties launched by BCL received overwhelming responses and support from customers.

Top Land Phase 1, an office/residential project launched by the Group, successfully developed a small modern business district within Sanyuanqiao, which has received great market response. This project has invited the residents to join the planning of the underground shopping mall, not only this will fit the demand of the residents, but also promoted the success of the shop owners. The occupancy rate of the underground shopping mall has been accelerated, which has led to an all-win situation.

The Vancouver Forest, located within 71 hectares of natural forest, with centenary architecture, was developed by using over a hundred different housing combinations and architectural style. As such, the Group has placed much effort in construction details and innovative designs. With its nature-friendly design and superb quality, Vancouver Forest was well received by the market, all 58 units were sold out within only two months of the commencement of its premiere sales at the end of May 2004.

Upper East Side was positioned to be a high-end residential community. The Group emphasized prominent quality and grandeur in several aspects, like architectural design, community set-up and management services. The current average selling prices have surged by about 16% as compared to the launch prices and it has become one of the renowned properties along the Northern and Eastern districts in Beijing.

The Group adjusted the construction plan of Beijing International Business Park according to the buyers' needs for commercial properties. This unique underground commercial plaza rarely found in the Central Business District ("CBD") achieved satisfactory sales results.

During the year, in addition to strengthening its existing edges in sales and marketing, the Group also established a "BCL Customer Club" in October 2004, aiming to pool the rich customer resources of various projects, which will enhance customer trust and loyalty, and provide higher quality services for customers.



Vancouver Forest

Management Discussion and Analysis

Property Investment

As the internationalization of Beijing accelerates and the 2008 Olympic Games approaches, the business environment and tourism are booming. Taking advantage of the prosperous demand of the market, the Group selectively engages in the investment of high-end hotels and commercial properties to generate recurring income and maximize the value of its property investments.

Central Holiday Inn commenced its operation at the end of March 2004. It is an international four-star hotel managed by Inter-Continental Hotels Group. The hotel, located in the business district of the Guanganmen government in the heart of Beijing, is directly connected to the office of the Municipal Government building and is adjacent to many state ministries and commissions. With such advantages, the internationally recognized hotel is well-positioned for a business meetings hotel. After operating for about one year, the hotel has maintained an occupancy rate of around 80% and is accredited “The Best Business Hotel in the Asia Pacific Region 2004” by the Inter-Continental Hotels Group.

The Finance Street Inter-Continental Hotel is an international five-star hotel managed by Inter-Continental Hotels Group. The interior decoration of the hotel has been completed and the hotel will commence operations very soon. It will become the first international five-star hotel on Finance Street. With the successful launch of Central Holiday Inn, the Group is confident of the operation prospects of this new hotel.

Sunshine Building (also known as Huatang Building) completed construction in February 2005. The Group entered into a 20-year tenancy agreement with Ito-Yokada and customized its design for the Huatang Mall (華堂商場), a reputable shopping mall in Beijing.



Guest room of Central Holiday Inn.

Management Discussion and Analysis

Project Development Consultancy Operation

Project development consultancy operation is a value-added business of the Group, the provision of which is leveraged upon the Group's competitive edges in the property market. It is mainly engaged with the provision of planning and advisory services to its clients with respect to the preliminary stage of a property development project. By capitalizing on the Group's extensive experiences in properties development, its good cooperation relationship with relevant government authorities, and its exquisite capabilities in the analysis and evaluation of the market, the Group assists its clients to complete the procedures with respect to the application, investment and registration of state-owned land use right, modification and optimization of project plans and design schemes, market research and surveys, and product positions, formulation of marketing, promotion and sales plans for the project as a whole, invitation of tender for the preliminary works of the properties, and receives fees therefrom. As the cycle for a property development project is long, and requires a lot of government approvals at various stages, whilst the condition for approvals varies across different districts, clients engaging in property investment or property development in Beijing faced difficulties in obtaining approval and conducting development at the preliminary stage from time to time. Therefore, the Group launched its project development consultancy operation in view of such requirements in the market, and generated revenue during the year under review. The Group laid a foundation and have more confidence in further promoting of this business. This service will also support the Land Development Business to be engaged by the Group in terms of resources and customer base.

Disposal of Interests in Subsidiary and Associated Company

Zhongguancun Softpark is an office property located in Zhongguancun and the construction was completed in the end of Year 2003. The Group held 80% interest in Zhongguancun Softpark. At the request of the buyer which is an independent third party, the entire property was transferred by share transfer of the project company. The gain on disposal of 80% interests of Zhongguancun Softpark was about RMB49,237,000 and was recognized as other operating income.

In addition, the Group also disposed of its 25% interests in Beijing Jinyaguang Real Estate Development Company Limited ("Jinyaguang") to an investor who is another independent third party. The gain on disposal was about RMB48,249,000 and was recognised as other operating income. After the disposal, the Group owned 75% interests in Jinyaguang. The management was of the view that the interests disposal not only realized part of the profits but also allowed the management to retain its control on the property development of Jinyaguang.



Upper East Side

Management Discussion and Analysis

Transfer of Super Shine Shares

Super Shine Company Limited ("Super Shine") is a company listed on the Shenzhen Stock Exchange. The Company originally held 26.5% of its issued shares, being the single largest shareholder of Super Shine and consolidated Super Shine as a subsidiary. For strategic reasons and to solve the internal competition problem brought along by the A share issue, the Company announced in March 2004 the disposal of 15.5% of the issued shares of Super Shine at a premium of 10% over the audited net asset value of Super Shine as at 31 December 2003 to an independent third party, Beijing Yan Zhao Real Estate Development Co., Ltd. After the announcement, equity method is adopted for Super Shine because a supplementary agreement has been reached that the Company can still share 26.5% of Super Shine's 2004 profit. Accordingly, the Group's investment in Super Shine was reclassified from a subsidiary to an associated company at its carrying value pending approval of the share transfer agreement as set out in the interim report as at 30 June 2004.

On 22 December 2004, the share transfer agreement has been approved by the related authorities of the PRC government and the transfer of the issued share was completed in Shenzhen Stock Exchange. Upon the completion of the share transfer, Super Shine was therefore accounted for as investments securities as at 31 December 2004. A profit arising from disposal of the aforesaid 15.5% interests approximating to RMB5.5 million will be recognised during 2005 when all the other necessary disposal procedures are completed and consideration is received in full.

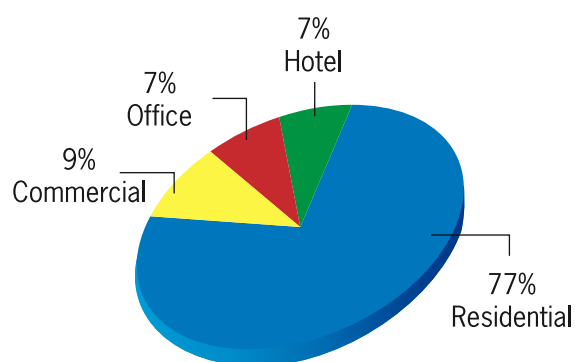


**Bidding for the Shi Li Pu residential site
at the land auction.**

Management Discussion and Analysis

Land Bank

As at 31 December 2004, the Group's land bank, when fully developed, will amount to a total GFA of approximately 3.53 million sq. m., of which around 92% is located in the northern part of Beijing and occupies the prime locations of the capital. 94% of the Group's land bank has obtained long-term land use right certificates, while the remaining 6% is expected to obtain long term land use right certificates in 2005. Residential, commercial, office properties and hotel accounted for 77%, 9%, 7% and 7% of the land bank respectively. The existing land bank is sufficient for the Group's development for the next four to five years and will enable the Group to excel in future market competitions.



Land Bank Analysis by Land Use

After 31 August 2004, lands have to be entirely transferred by means of public tender, bidding and auction in the PRC. In a Beijing's large-scale public auction after the "8.31" policy, the Group successfully purchased two quality lots of residential land in Beijing, namely:

Shi Li Pu Residential Project, located at Shi Li Pu, Chaoyang District, is only two subway stations away from China World Trade Centre, the CBD hub. Its total planned GFA is 435,600 sq. m. and total land cost is approximately RMB934 million. Total investment is expected to be approximately RMB2.4 billion. Targeting at the white-collar elite as major customers, the project is planned to develop into a large-scale modern community equipped with a unique commercial zone. The Group will partner with GIC for the development of the project, in which the Group holds 55% equity interest in the project company. The first phase of the project is planned to be launched for sale in the second half of 2005.

Xi'erqi Residential Project, located at Xi'erqi, Haidian District, is adjacent to the Xi'erqi light railway station and the Winners Circle Project developed by the Group. The total planned GFA is 391,000 sq. m. and the total land cost is approximately RMB1.175 billion. The total investment is expected to be approximately RMB2.3 billion. The Group will utilize this last piece of low-density residential land in Zhongguancun Science Park to provide a serene and comfortable residence for IT elites. The Group joined hands with North Science Construction Group for the development of the project, and owns a 40% equity interest. The project is planned to be launched for sale at the end of 2005.

Acquisition of the abovementioned two residential land sites not only enlarged the Group's land bank, but also improved the Group's land bank portfolio, conforming to the Group's strategy of expanding its residential land bank. More importantly, in view of the significant changes to land policy, in which land transactions shall be conducted by way of public transaction instead of private transfer, the Group can leverage on its capital flow and strong capability in development, to obtain quality land reserves. The Group will actively explore opportunities for the land development in the future, so as to further enhance its competitiveness in land reserves and to lay a solid foundation for the Group's long-term and stable development.



Successful bid of the
Shi Li Pu residential site.

Management Discussion and Analysis

Investor Relations

Subsequent to its listing on the Stock Exchange in June 2003, the share price of the Group has shown steady growth which is attributable to the Group's outstanding business performance and proactive development strategy and supported by the Group's committed efforts in investor relations. The H Share's share price at the end of 2004 increased by approximately 10% as compared to that at the end of 2003.

In order to maintain good relationship with the investment community, the Group has placed much efforts in maintaining interactive communications with the investors. The Group also strives to maintain high transparency and open-minded attitude to the investment community. The Group disseminates relevant corporate information on a timely basis through various channels. The Group outlined its business activities in its annual and interim reports and through regular distribution of press releases. These information are also available for download from the Group's website at www.bjcapitalland.com.

Besides the press conferences and analysts' meetings held after results announcement, the Group's management has also held regular meetings with securities analysts and investors, and participated in a number of large-scale conferences, presentations and overseas roadshows. These allow the investors to gain better understanding of the Group's development potential and prospects, facilitating their understanding of the Group's investment value. During the year under review, the Group has met with over 290 analysts and investors (major meetings and overseas roadshows are listed below).

Month	Meetings/ Overseas Roadshows	Locations	Number of Analysts and Investors Met
February	Roadshow in Europe and the US	United Kingdom, the Netherlands and the US	Over 50
February	China Access Conference	Shanghai	Around 40
March	Analysts' Briefing on 2003 Results Announcement	Hong Kong	Around 15
March & April	Roadshows on 2003 Results Announcement	Hong Kong, Singapore, Australia, the United Kingdom, the US and Japan	Around 60
August	Analysts' Briefing on 2004 Interim Results Announcement	Hong Kong	Around 15
November	Beijing site visit of the Group's two newly acquired residential land sites	Beijing	Around 15



“Evolving to Centenary — Press Conference for the 1st Anniversary of the Listing of Beijing Capital Land”.

Management Discussion and Analysis

Prospects

As 2008 Olympic Games is imminent, Beijing's economic development is reaching a new height. It is expected that Beijing's GDP and income of citizens for the next three years will maintain a growth rate of over 10%. The progress of Beijing's urban construction will be accelerated with improving public facilities and extending transportation network. The development potential of the Beijing property market is immense.

Driven by real market demand, active sales and purchases will appear in the property market in Beijing, and the market will experience long-term prosperity. In 2004, the Beijing's population has increased by 360,000, while the annual increase is expected to exceed 300,000 in the future. Meanwhile, baby boomers of the 70s enter into a stage of purchasing their own properties, which spurred robust demand for housing. According to government planning, there will be an average of 55,000 relocated households per year in the next four years, equivalent to around 6 million sq. m. of housing demand per annum. The government aims to increase the per capita living space from approximately 19 sq. m. in 2004 to approximately 35 sq. m. by 2010. All the above factors will lead to stable and huge demand for residential properties in the long run. As the internationalization of Beijing accelerates, the capital city is becoming an important location for local and overseas companies to set up offices. These expatriates will in turn become the buyers or tenants of the residential, offices, commercial properties and hotels in Beijing.

Facing the favourable development opportunities, the Group will continue to proactively implement the following strategies, in order to become a leading property operator in Asia:

- Continue to maintain its leading edges in land bank and capital sources
- Continue to extend cooperation with international developers and investors to further enhance product quality
- Adjust product mix, improve investment portfolio and accelerate capital flow
- Achieve horizontal integration selectively to become an integrated property operator
- Identify business opportunities arising from the Beijing Olympic Games and proactively explore opportunities for development in other districts
- Capitalize on consolidation of the industry and seek after mergers and acquisition to expand operation scale

首创置业股份有限公司 2005年管理工作会议

2005年2月5日



2005 Management Working Meeting of
Beijing Capital Land.

Management Discussion and Analysis

- Strengthen the strategic planning, and enhance the strategic management capability
- Increase capital investment for human resources to build up a management team for becoming an integrated property operator
- Proactively enhance brand awareness to expand BCL's brand effects

Financial Analysis

1 Revenue and Operating Results

During 2004, turnover of the Group was RMB1,629,332,000 (2003: RMB1,920,522,000), a decrease of 15.2%. The decrease in turnover was mainly attributable to the disposal of interest from 26.5% to 11% in Super Shine. Therefore, sales generated from Super Shine were not consolidated in the Group's results.

Due to its stringent cost control, the Group managed to achieve a gross profit margin of 26.4% (2003: 26.6%) for the year 2004, in par with last year.

In 2004, the Group's operating profit was approximately RMB439,256,000 (2003: RMB473,383,000).

The Central Holiday Inn, commenced its operation at the end of March 2004. After operating for one year, the hotel has maintained an occupancy rate of around 80% and generated a revenue of RMB40,765,000 for the Group.

Management Discussion and Analysis

In addition, the Group began to actively engage in a new income source business, namely property development consulting services which generated a revenue of RMB70,000,000 to the Group in 2004. The service scope of this value added business included assisting the client to complete the application for securing property development projects, market research and product positioning, promotion, sales and marketing plans and invitation of tenders for the construction works of the project.

Sales of a property development project amounting to RMB272,250,000 for the year ended 31 December 2003 was reversed in 2004 upon the cancellation of the sales agreement. The relevant development project was then substantially sold to another independent third party in 2004 at RMB274,000,000. The gross profit from the original contract of RMB70,854,000 that recognised in 2003 was reversed in 2004 while gross profit from the new contract amounting to RMB80,853,000 was recognised in the current year.

2 Financial Resources, Liquidity and Liability Position

In 2004, the Group maintained a healthy cash flow and capital resources were reasonably allocated. As at 31 December 2004, the Group's total assets were RMB8,813,316,000 (current assets were RMB5,985,994,000) [2003: RMB7,833,412,000 (current assets were RMB5,972,134,000)] and the total liability was RMB5,947,443,000 (current liabilities were RMB3,959,717,000 and non-current liabilities were RMB1,987,726,000) [2003: RMB5,040,915,000 (current liabilities were RMB3,074,993,000 and non-current liabilities were RMB1,965,922,000)], and the shareholder's equity reached RMB2,314,252,000 (2003: RMB2,181,108,000).

The Group had high liquidity and sufficient solvent ability. The Group's current ratio as at 31 December 2004 was 1.51 (2003: 1.94).

As at 31 December 2004, the Group's cash and short-term bank deposits amounted to RMB1,879,135,000, (2003: RMB1,493,870,000) which represented sufficient cash flow for operations.

Bank loans of the Group as at 31 December 2004 was RMB4,226,251,000, (2003: RMB2,368,000,000) which was mainly used to fulfil the finance requirements of the Group's properties development projects.

Management Discussion and Analysis

Since the Group is mainly engaged in investment in Beijing, except for a loan facility of US\$32 million obtained for its subsidiaries from DBS Singapore, in which US\$5.8 million was withdrawn on 31 December 2004, all of the Group's bank loans come from banks in PRC and are borrowed and repaid in RMB. There are no significant currency risks involved. Apart from the abovementioned loan in US\$, all of the Group's bank borrowings were arranged on a non-floating rate basis.

As at 31 December 2004, our gearing ratio was 53.7% (2003: 44%). Our gearing ratio is calculated by dividing the (i) the Group's short term and long term bank loans, (ii) net amounts due to ultimate holding company (iii) net of cash and bank balances (the balance of (i), (ii) and (iii) being referred to as "(A)"), by the sum of (A) and net assets of the Group.

3 Substantial Acquisition by Subsidiaries and Associated Companies

In 2004, the Company established a sino-foreign equity joint venture company in Beijing, PRC with Reco Ziyang Pte Ltd. Further details are set out in the section of connected transaction in the Director's Report. In 2004, the Company injected capital into Beijing Xing Tai Property Development Company. Further details are set out in the section of connected transaction in the Director's Report.

4 Entrusted Deposits and Matured Time Deposits

As at 31 December 2004, the Group had not held any deposits under trusts or any time deposits in financial institutions in the PRC. All of the Group's cash were held in commercial banks in the PRC in accordance with applicable laws and regulations. The Company had no bank deposits which cannot be withdrawn upon maturity.

5 Pledged Assets

As at 31 December 2004, hotel properties with book value of approximately RMB675,213,000 were pledged to banks for securing guarantee of bank loans of the Group. Rights to yields on certain land (income from the sale of land or other income obtained for related land) have been pledged as securities for short term loan with an amount of RMB1,000,000,000 and long term loan with an amount of RMB1,300,000,000.

Management Discussion and Analysis

6 Contingent Liabilities

The Group had arranged bank financing for certain purchasers of our properties and provided guarantees to secure the repayment obligations of such purchasers. The outstanding guarantees amounted to RMB637,468,000 (2003: RMB885,280,000) as at 31 December 2004.

As at 31 December 2004, other than guarantees provided for a short term bank borrowing of RMB498,000,000 (2003: a short term bank borrowing of RMB40,000,000 and a long term bank borrowing of RMB360,000,000) to subsidiaries of the Company and a short term bank borrowing of RMB120,000,000 (2003: RMB250,000,000) to a jointly controlled entity, the Group had no material external guarantee.

Others

1. Human Resources

Currently, the Group has a total of 288 young, internationalised and professional team, with an average age of 34 years old. Among them, 20% and 57 % have received master degree or above and undergraduate education respectively. In addition, 15 staff members had studied or worked overseas. Mid-level staff, senior staff and staff members with different experiences and qualifications accounted for 35%, 12% and 14% of total number of staff respectively. During 2004, the Company reduced its shareholding interests in Super Shine and therefore the employees of Super Shine and its subsidiaries were not included.

The Group is replacing the traditional human resources management with the new operating concept of “human capital operation”, that is to enhance core strength of the Group to become the human capital for centralized operation, and to cultivate corporate culture and enhance communication for the implementation of corporate strategy.

In August 2004, the Group and Deloitte Consulting jointly developed the project on “Building of Corporate Culture and Human Capital Development”. The major objectives of the project include establishing a corporate culture that supports sustainable development, outlining the human capital strategy and development plan for international competition and creating a career development system based on staff capability. As at the end of 2004, objectives were attained in phases and “common objective, discipline and innovative learning” became the new corporate culture.

Management Discussion and Analysis

In 2004, the Group organized about 17 training programmes with the number of participants amounted to approximately 400 and the number of training hours totaled 4,300 hours (in terms of working hour). During 2004, each staff member received an average of 15 hours of training and staff members of headquarters received an average of 43 hours of training. In addition, the Group organized a number of training programmes, including “Grabber-Holder Dynamics” with The Stanford University and “The 7 Habits of Highly Effective People” with Franklin Covey, and remarkable results were achieved, which further strengthened BCL’s culture as a learning organisation.

2. Community Services

- In June 2004, the Ecology Society of Entrepreneur was established by Mr. Liu Xiaoguang, the Chairman of BCL, as the principal promoter. This is a common welfare fund aiming at controlling the sandstorm in Alashan, Inner-Mongolia. Capital in place amounted to RMB8 million. The proposal for the two projects, namely the “Suo Suo Lin” (梭梭林) and “Wen Peng” (溫棚), has been approved by the executive committee of the Society for operations. Project Alashan is so far the largest common welfare project promoted by PRC property leaders and embodies the strong sense of social responsibility of the property developers.
- In October 2004, the “Centurial Exhibition of French Fashionable Design”, co-sponsored by BCL, was successfully organized in the National Museum of China. As the principal activity of the Sino-French Cultural Year, this exhibition has featured hosts of French collectables and treasures for the last century and has attracted wide attention. French President Chirac has also attended the exhibition.

Biographical Details of Directors, Supervisors and Senior Management

Chairman

Liu Xiaoguang (劉曉光), aged 50, was appointed as the chairman of the Company in December 2002. Mr. Liu has served as the vice-chairman and the general manager of the Capital Group since 1995. Prior to his appointment with the Capital Group, Mr. Liu had approximately 13 years of working experience in various departments of the Beijing Municipal Government including serving as vice-chairman of the Development and Planning Commission of the Beijing Municipality and deputy secretary general of the Capital Planning and Construction Committee of the Beijing Municipal Government. Since 1994, Mr. Liu has been serving as chairman of the board of directors of ING Beijing Investments Company Limited. Presently, Mr. Liu is the visiting lecturer at Beijing's Commerce Council, the chief editor and head of "Capital Magazine". Mr. Liu obtained his Bachelor of Economics degree from the Beijing Institute of Commerce in 1982.

Executive Directors

Tang Jun (唐軍), aged 45, was appointed as an executive director and president of the Company in December 2002. Mr. Tang had been working for the Beijing Municipal Planning and Development Commission and the Beijing Economics and Technology Development Zone. Since 1994, Mr. Tang was the legal representative and general manager of Beijing Sunshine Real Estate Comprehensive Development Company. Mr. Tang obtained his Bachelor of Construction Engineering degree from Hefei University of Technology in 1982.

He Guang (何光), aged 46, was appointed as an executive director and vice-president of the Company in December 2002. Prior to his appointment with us, Mr. He served as a senior management member in TCL Construction Development Ltd., Canada, C.M. Wong Associates Ltd., Hong Kong and New Rank City Development Ltd. Since 2000, he served as the general manager of Beijing Rongjin Real Estate Development Co., Ltd. Mr. He obtained his Doctorate in Civil Engineering from the University of Montreal, Canada in 1996.

Pan Pei (潘沛), aged 47, was appointed as an executive director and vice-president of the Company in December 2002. Prior to his appointment with us, Mr. Pan had been working for the Organisation Department of the Beijing Municipality Committee, Beijing Municipal People's Congress and Beijing Comprehensive Investment Company. Mr. Pan obtained his Bachelor of Industrial Science degree from the Beijing Institute of Economics in 1983.

Biographical Details of Directors, Supervisors and Senior Management

Executive Directors *(continued)*

Wang Zhengbin (王正斌), aged 41, was appointed as an executive director and vice-president of the Company in December 2002. Prior to his appointment Mr. Wang served as the real estate department manager, deputy general manager and general manager of Beijing Capital Hangyu Economic Development Co., Ltd. Mr. Wang is the chairman of Beijing Capital Ark garden Real Estate Development Co., Ltd. and is also a director and general manager of S.C. Real Estate Development Co., Ltd. Mr. Wang obtained his economic management degree from the People's University of China in 1992.

Non-executive Directors

Zhu Min (朱敏), aged 42, was appointed as a non-executive director of the Company in December 2002. Ms. Zhu had been working for the Beijing Municipal Statistics Bureau and Beijing Municipal Planning and Development Commission. Since 2001, Ms. Zhu served as director and general manager of Beijing Capital Technology Investment Ltd. Ms. Zhu obtained her Master of Enterprise Management from the Institute of Economic and Trade University in 1999.

Muk Kin Yau (麥建裕), aged 42, was appointed as a non-executive director of the Company in November 2003. Mr. Muk is the Executive Vice President and Head of Investments (Asia Pacific) of GIC Real Estate Pte. Ltd., the real estate investment arm of the Government of Singapore Investment Corporation Pte. Ltd. Headquartered in Singapore, its global real estate investment activities are managed through an international network of offices including New York, San Francisco, London and Tokyo. GIC Real Estate Pte. Ltd.'s investments cover a diverse range, including direct property, private and public companies, real estate funds and debt instruments.

Biographical Details of Directors, Supervisors and Senior Management

Independent non-executive Directors

Peter Yuk Lun Eng (吴毓麟), aged 68, was appointed as an independent non-executive director of the Board in December 2002. Mr. Eng currently serves as the chairman of Allied Holdings Ltd. and as director of HSBC Bank Canada and SFU Community Corporation. He is also a director of the British Columbia Achievement Foundation and a member of the board of Vancouver International Airport Authority as a nominee of the Government of Canada. Mr. Eng obtained a Master of Arts degree at the University of Hong Kong in 1961 and a Master of Business Administration degree at Pepperdine University in 1980.

Kwong Kai Sing, Benny (鄺啟成), aged 46, was appointed as an independent non-executive director of the Board in December 2002. Mr. Kwong held various positions in the credit department and China department of various international banks. Over the past years, Mr. Kwong served as executive director for over 7 publicly listed companies in Hong Kong and is now the Chairman of Heritage International Holdings Limited, a company listed on the Stock Exchange of Hong Kong. He was appointed a member of the China People's Political Consultative Committee of the Hubei Province in 1995 and 1996 and is an honorary adviser of the Hubei Province Chamber of Commerce. Mr. Kwong graduated from Simon Fraser University in British Columbia, Canada in 1982 with a Bachelor degree in Arts.

Ke Jianmin (柯建民), aged 51, was appointed as an independent non-executive director of the Company in June 2003. Mr. Ke currently serves as the vice president of SNC-Lavaline. Mr. Ke graduated with a Bachelor degree and a Master degree in urban planning from Shanghai Tongji University in 1979 and 1982 respectively. He also obtained a Doctorate degree at Sheffield University, United Kingdom in 1994.

Mr. Yu Xing Bao (俞興保), aged 39, is a certified public accountant in the PRC. Mr. Yu was appointed as an independent non-executive director of the Company in May 2004. Mr. Yu obtained his bachelor degree from the Shanghai University of Finance & Economics in 1987. Mr. Yu has worked with SheKou ZhongHua certified public accountants, and the Shenzhen office and Beijing office of Americal Appraisal Hong Kong Limited previously. From 1996, Mr. Yu served as the legal representative and the chief accountant of Beijing ZhongRuiJia certified public accountants. Since 2000, Mr. Yu has served as the legal representative and the chief accountant of Huazhen certified accountants.

Biographical Details of Directors, Supervisors and Senior Management

Supervisors

Yu Changjian (俞昌建), aged 49, was appointed as a supervisor of the Company in December 2002. Mr. Yu has been served for Beijing Chemical Group and Beijing Capital Hangyu Economic Development Co., Ltd. Since 1995, Mr. Yu served as manager and chief financial officer of Capital Group's Finance Department. Mr. Yu graduated from the Beijing Broadcasting Television University in 1986.

Wei Jianping (魏建平), aged 38, was appointed as a supervisor of the Company in December 2002. Mr. Wei had been working for Beijing Sunshine Real Estate Comprehensive Development Company and its subsidiaries since 1994 as an engineer and a manager. In April 2000, he became the project manager of Beijing Rongjin Real Estate Development Co., Ltd. He currently serves as the chairman of the board of directors of Central Plaza Real Estate Development Company Limited and as a director of Beijing Rongjin Real Estate Development Co., Ltd. Mr. Wei graduated with a Master degree in Economics from the People's University of China in 2000.

Wang Qi (王琪), aged 51, was appointed as a supervisor of the Company in May 2004. Prior to his appointment, Mr. Wang served as commissioner of the Beijing Municipality's Financial Budget Department and Education Department of the Beijing Financial Bureau and also served as deputy general manager and general manager at Beijing Municipal Economic Development and Investment Company, and the deputy general manager of the Capital Group. Since November 2003, Mr. Wang served as general manager of Beijing Infrastructure Investment Co., Ltd., and is also a director of Beijing Capital Co., Ltd. Mr. Wang obtained his Bachelor of Economics degree from the Beijing Institute of Finance and Trade in 1982.

Independent Supervisor

Xu Jianhong (徐建泓), aged 46, was appointed as an independent supervisor of the Company in December 2002. Mr. Xu has served as a general manager of Beijing Haifengyuan Real Estate Development Co., Ltd. since 1998 and a director of Beijing Yuetang Building Real Estate Co., Ltd. since 1999. Mr. Xu graduated with a diploma in Industrial and Civil Construction from the Beijing Construction Engineering Academy in 1982.

Biographical Details of Directors, Supervisors and Senior Management

Company Secretary and Qualified Accountant

Chan Yee Wah, Eva (陳綺華), aged 39, was appointed as the company secretary and head of investor relations of the Company in January 2003. Ms. Chan was also appointed as the qualified accountant of the Company in September 2004. Prior to her appointment in January 2003, Ms. Chan has been the group financial controller and company secretary of various listed companies in Hong Kong. Ms. Chan has over 17 years of experience in accounting and company secretarial matters. Ms. Chan is a Fellow of the Hong Kong Institute of Certified Accountants and an Associate the Hong Kong Institute of Company Secretaries. Ms. Chan graduated from the City University of Hong Kong with her first degree in Accountancy in 1992 and then obtained her Master of Business Administration from the University of Nottingham, United Kingdom in 1993.

Senior Management

Zhang Juxing (張巨興), aged 51, was appointed as a vice-president of the Company in December 2002. Since 1993, Mr. Zhang served as department manager and deputy general manager of Beijing Sunshine Real Estate Comprehensive Development Company's development department. Mr. Zhang is also a supervisor of Super Shine. Mr. Zhang graduated with a basic economic infrastructure degree from the People's University of China in 1989.

Zhou Qi (周麒), aged 55, a senior engineer, was appointed as a vice-president of the Company in December 2002. Since 2000, Mr. Zhou has served as deputy general manager of Beijing Sunshine Real Estate Integrated Development Company, director and deputy general manager of Beijing Capital Sunshine Real Estate Development Co., Ltd. Mr. Zhou graduated from the faculty of social infrastructure and civil construction of the Beijing Industrial University in 1976.

Zhang Fuxiang (張馥香), aged 43, was appointed as the chief financial officer of the Company in December 2002. Ms. Zhang served as financial manager and financial controller of Super Shine and Beijing Sunshine Real Estate Comprehensive Development Company respectively and supervisor of Super Shine since 2000. Ms. Zhang obtained her Bachelor of Economics degree from the financial accounting department of the People's University of China in 1985.

Directors' Report

The Board of Directors is pleased to present to the shareholders their report together with the audited accounts of the Company and its subsidiaries (the "Group") for the year ended 31 December 2004.

Principal Activities

The Group is principally engaged in property development and investment, hotel operation and project development consulting operation.

Results

The results of the Group for the year ended 31 December 2004, prepared in accordance with the accounting principles generally accepted in Hong Kong and its financial position as at the same date are set out on pages 58 to 63 of the annual report.

Dividends

At a Board meeting held on 22 March 2005, the directors declared a final dividend of RMB7 cents per share based on the Company's total issued number of shares of 1,715,960,000 on the same day and the total amount payable will be RMB120,117,200. This proposed dividend is not represented as a dividend payable in these accounts, but will be reflected as an appropriation of retained profit for the year ended 31 December 2005.

Financial Highlights

The Group's consolidated/combined results and summaries of assets and liabilities for the last five years are set out on page 4 of this Annual Report.

Major Customers and Suppliers

During the year, the Group purchased less than 30% of goods and services from its five largest suppliers and sold approximately 64% of its goods and services to its five largest customers. The Group's turnover from the largest customer accounted for approximately 20% of the total turnover.

None of the directors, their associates or any shareholders (which to the knowledge of the directors own more than 5% of the Company's share capital) had an interest in the major suppliers or customers mentioned above.

Fixed Assets

Details of the movement of fixed assets of the Group during the year are set out in note 12 to the accounts.

Directors' Report

Principal Properties

The summary of principal properties owned by the Group is set out on pages 8 to 9 of the annual report.

Reserve

Details of movements of reserve of the Group and the Company during the year are set out in note 30 to the accounts.

Purchase, Sale or Redemption of Shares

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiary companies has purchased or sold any of the Company's shares during the year.

Directors and Supervisors

The directors and supervisors for the year are as follows:

Directors

Executive Directors

Mr. Liu Xiaoguang	(Chairman)
Mr. Tang Jun	(President)
Mr. He Guang	(Vice-President)
Mr. Pan Pei	(Vice-President)
Mr. Wang Zhengbin	(Vice-President)

Non-executive Directors

Ms. Zhu Min
Mr. Muk Kin Yau

Independent Non-executive Directors

Mr. Peter Yuk Lun Eng
Mr. Kwong Kai Sing, Benny
Mr. Ke Jianmin
Mr. Yu Xingbao

Directors' Report

Directors and Supervisors *(continued)*

Supervisors

Supervisors

Mr. Yu Changjian

Mr. Wei Jianping

Mr. Wang Qi

Independent Supervisor

Mr. Xu Jianhong

The biographical details of directors, supervisors and senior management are set out on pages 33 to 37 of the annual report.

Election of Directors and Supervisors

Mr. Wang Qi and Mr. Yang Yulu tendered their resignation from being Non-executive Director and Independent Supervisor of the Company respectively in May 2004. Mr. Wang Qi and Mr. Yu Xingbao were appointed as Supervisor and Independent Non-executive Director of the Company respectively in May 2004.

Directors' and Supervisors' Emoluments

Details of directors' and supervisors' emoluments are set out in note 10 to the accounts.

Highest Paid Individuals

During the year, the five individuals with the highest remuneration in the Group are all directors of the Company.

Management Contracts

Except for the connected transactions as stated in this report, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

Directors' Report

Interests of Directors and Supervisors

As at 31 December 2004, the interests and short positions of each Director, supervisor and chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO") which will have to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies to be notified to the Company and the Hong Kong Stock Exchange (for this purpose, the relevant provisions of the SFO will be interpreted as if they applied to the Supervisors):

Director/Supervisor	Relevant entity	Type	No. of Shares held	Approximate percentage of registered capital of the relevant entity
Liu Xiaoguang	Beijing Capital Sunshine Real Estate Development Co., Ltd.	Individual	2,000,000	2.00%
Tang Jun	Beijing Capital Sunshine Real Estate Development Co., Ltd.	Individual	2,000,000	2.00%
Pan Pei	Beijing Capital Technology Investment Ltd.	Individual	1,500,000	0.75%
Wang Qi	Beijing Capital Sunshine Real Estate Development Co., Ltd.	Individual	400,000	0.40%
	Beijing Capital Technology Investment Ltd.	Individual	2,000,000	1.00%
Yu Changjian	Beijing Capital Sunshine Real Estate Development Co., Ltd.	Individual	600,000	0.60%
	Beijing Capital Technology Investment Ltd.	Individual	800,000	0.40%

Save as disclosed above, as at 31 December 2004, none of the directors, supervisors and chief executive of the Company has any interest or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept under Section 352 of SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of listed companies. None of the directors, supervisors and chief executive of the Company, their spouses or children under the age of 18 years had been granted any rights to subscribe for equity or debt securities of the Company, nor has any of them exercised such rights during the year.

Directors' Report

Interests of Directors and Supervisors in Contracts

Apart from service contracts in relation to the Company's business, no contract of significance to which the Company, its holding company, any of its subsidiaries or its fellow subsidiaries was a party, and in which a director or supervisor had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Interests of Directors and Supervisors in Competing Business

During the year and up to the date of this report, none of the directors or supervisors or management shareholders has any interest in business which competes or may compete with the business of the Group under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

Share Capital

As at 31 December 2004, there were a total issued share capital of 1,613,300,000 shares of the Company (the "Shares") which include:

	Number of Shares	Approximate percentages of share capital
Domestic Shares	690,671,700	42.8%
Non-H Foreign Shares	357,998,300	22.2%
H Shares	564,630,000	35.0%

Directors' Report

Substantial Shareholders' Interests in Shares

As at 31 December 2004, the following persons (not being director or chief executive of the Company), so far as are known to any Director, have interests or short positions in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who are, directly or indirectly, interested in ten per cent. or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

Name of shareholders	Number of Shares directly and indirectly held	Class of Shares	Approximate percentages in relevant class of shares (%)			Approximate percentages in total issued share capital (%)		
			Direct interests	Indirect interests	Aggregate interests	Direct interests	Indirect interests	Aggregate interests
Capital Group	965,907,900 ⁽¹⁾	Non-listed Shares	5.34 (long position)	86.77	92.11	3.47 (long position)	56.40	59.87
Beijing Sunshine Real Estate Comprehensive Development Company	619,146,500 ⁽²⁾	Non-listed Shares	5.50 (long position)	53.54	59.04	3.58 (long position)	34.80	38.38
Beijing Capital Sunshine Real Estate Development Co., Ltd.	561,461,900 ⁽³⁾	Non-listed Shares	27.29 (long position)	26.25	53.54	17.74 (long position)	17.06	34.80
Beijing Capital Technology Investment Ltd.	172,006,700	Non-listed Shares	16.40 (long position)	—	16.40	10.66 (long position)	—	10.66
Beijing Capital Hangyu Economic Development Co., Ltd.	118,747,600	Non-listed Shares	11.32 (long position)	—	11.32	7.36 (long position)	—	7.36
China Resource Products Limited	275,236,200	Non-listed Shares	26.25 (long position)	—	26.25	17.06 (long position)	—	17.06
Yieldwell International Enterprise Limited	82,762,100	Non-listed Shares	7.89 (long position)	—	7.89	5.13 (long position)	—	5.13
Flexi Holdings Limited	82,762,100 ⁽⁴⁾	Non-listed Shares	—	7.89 (long position)	7.89	—	5.13 (long position)	5.13
Chung Pok Ying	82,762,100 ⁽⁵⁾	Non-listed Shares	—	7.89 (long position)	7.89	—	5.13 (long position)	5.13
Reco Pearl Private Limited	158,102,000	H Shares	28.00 (long position)	—	28.00	9.80 (long position)	—	9.80
Recosia China Pte Ltd.	158,102,000 ⁽⁶⁾	H Shares	—	28.00 (long position)	28.00	—	9.80 (long position)	9.80
Recosia Pte Ltd.	158,102,000 ⁽⁷⁾	H Shares	—	28.00 (long position)	28.00	—	9.80 (long position)	9.80
Government of Singapore Investment Corporation (Realty) Pte Ltd.	158,102,000 ⁽⁸⁾	H Shares	—	28.00 (long position)	28.00	—	9.80 (long position)	9.80
J.P. Morgan Chase & Co.	99,467,688 ⁽⁹⁾	H Shares	—	17.62 (long position)	17.62	—	6.17 (long position)	6.17
J.P. Morgan Chase & Co.	40,859,344 ⁽¹⁰⁾	H Shares	—	7.24 (lending pool)	7.24	—	2.53 (lending pool)	2.53

Directors' Report

Substantial Shareholders' Interests in Shares *(continued)*

Name of shareholders	Number of Shares directly and indirectly held	Class of Shares	Approximate percentages in relevant class of shares (%)			Approximate percentages in total issued share capital (%)		
			Direct interests	Indirect interests	Aggregate interests	Direct interests	Indirect interests	Aggregate interests
Zesiger Capital Group LLC	45,216,000	H Shares	8.01 (long position)	—	8.01	2.80 (long position)	—	2.80
Martin Currie Investment Management Limited	32,676,000	H Shares	5.79 (long position)	—	5.79	2.03 (long position)	—	2.03

Notes:

- Of these 965,907,900 Shares, 56,007,100 Shares are directly held by Capital Group, the remaining 909,900,800 Shares are deemed corporate interests under the SFO indirectly held through Beijing Sunshine Real Estate Comprehensive Development Company, Beijing Capital Sunshine Real Estate Development Co., Ltd., Beijing Capital Technology Investment Ltd., Beijing Capital Hangyu Economic Development Co., Ltd. and China Resource Products Limited.
- Of these 619,146,500 Shares, 57,684,600 Shares are directly held by Beijing Sunshine Real Estate Comprehensive Development Company, the remaining 561,461,900 Shares are deemed corporate interests under the SFO indirectly held through Beijing Capital Sunshine Real Estate Development Co., Ltd. and China Resource Products Limited.
- Of these 561,461,900 Shares, 286,225,700 Shares are directly held by Beijing Capital Sunshine Real Estate Development Co., Ltd., the remaining 275,236,200 Shares are deemed corporate interests under the SFO indirectly held through China Resource Products Limited.
- 82,762,100 Shares are deemed corporate interests under the SFO indirectly held through Yieldwell International Enterprise Limited.
- 82,762,100 Shares are deemed corporate interests under the SFO indirectly held through Yieldwell International Enterprise Limited and Fexi Holdings Limited.
- 158,102,000 Shares are deemed corporate interests under the SFO indirectly held through Reco Pearl Private Limited.
- 158,102,000 Shares are deemed corporate interests under the SFO indirectly held through Reco Pearl Private Limited and Recosia China Pte Ltd.
- 158,102,000 Shares are deemed corporate interests under the SFO indirectly held through Reco Pearl Private Limited, Recosia China Pte Ltd. and Recosia Pte Ltd.
- 99,467,688 Shares are deemed corporate interests under the SFO indirectly held through JPMorgan Chase Bank, J.P. Morgan Investment Management Inc., JF Asset Management Limited, J.P. Morgan Fleming Asset Management (Asia) Inc. and J.P. Morgan Fleming Asset Management Holdings Inc.
- 40,859,344 Shares are deemed corporate interests under the SFO indirectly held through JPMorgan Chase Bank.

Save as disclosed, so far as known to the Directors, there is no person who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any of its subsidiaries or held any option in respect of such capital.

Directors' Report

Designated Deposit and Due Fixed Deposit

As at 31 December 2004, the Group had no Designated Deposit and Due Fixed Deposit.

Employees

As at 31 December 2004, the Group had 288 staff. Remuneration is determined by reference to market terms and the performance, qualifications and experience of individual employee. Employee benefits provided by the Group include, provident fund schemes, medical insurance scheme, unemployment insurance scheme and housing provident fund. We have conditionally adopted the Share Appreciation Rights Incentive Scheme (the "Incentive Scheme"). The principal terms and conditions of the Incentive Scheme are summarized in the section headed "Summary of terms of the Share Appreciation Rights Incentive Scheme" in Appendix VIII to the Prospectus of the Company dated 10 June 2003. As at 31 December 2004, no share appreciation rights had been granted under the Incentive Scheme.

Staff Housing Quarters

During the year, the Group did not provide any housing quarters to its staff.

Connected Transactions and Ongoing Connected Transactions

Connected transactions arising from procurement and sales

Details of the connected transactions and ongoing connected transactions of the Group during the year are set out in note 35 to the audited accounts prepared in accordance with HK GAAP. The connected transactions and the ongoing connected transactions have been approved by the Board of the Company. The Audit Committee comprising the independent non-executive directors of the Company have reviewed and confirmed the connected transactions that:

- (i) have received the approval of the board of Directors; and
- (ii) have been entered into at amounts consistent with the pricing policies as stated in the relevant agreements;
- (iii) have been entered into in accordance with the terms of the respective agreements and documents governing the transactions; and
- (iv) The aggregate transaction amount were within the maximum limit approved by The Stock Exchange of Hong Kong Limited set out in its relevant waiver letter.

Ongoing Connected Transactions

Set out below is a summary of the ongoing connected transactions ("Ongoing Connected Transactions") of the Company for which the Stock Exchange has granted a waiver:

Directors' Report**Connected Transactions and Ongoing Connected Transactions** *(continued)***Provision of decoration and installation services**

Since 2000, subsidiaries of the Company have from time to time entered into contracts for decoration and installation services with Beijing Ji Gao Indoor Decoration Works Company Limited ("Ji Gao"), a limited liability company incorporated in the PRC, and which is 60% owned by Beijing Capital Technology Investment Ltd., a substantial shareholder of the Company, and 40% owned by New Capital Investment (Hong Kong) Limited. Accordingly, Ji Gao is a connected person of the Company. The Stock Exchange has granted a waiver to the Company from strict compliance with the relevant requirements of the Listing Rules, subject to, inter alia, that the annual amount for decorating and installation services provided by Ji Gao shall not exceed RMB8,341,090, representing 0.2% of the cost of sales of the Company of approximately RMB2,449,000 for the year ended 31 December 2004.

Further details of the Ongoing Connected Transactions are set out in the Prospectus of the Company dated 10 June 2003.

Formation of a PRC Joint Venture Company

The Company entered into the Joint Venture Contract ("Joint Venture Contract") to establish a sino-foreign equity joint venture company in Beijing, PRC with Reco Ziyang Pte Ltd. ("Reco Ziyang") on 11 October 2004. The total amount of investment of the Joint Venture Company is US\$90,000,000, which includes a registered capital of US\$60,000,000. The Company and Reco Ziyang shall contributed 55% and 45% of the total amount of investment respectively. The Joint Venture Company, which was established on 15 October 2004, was set up for the purpose of the development of the Project situated in Chaoyang District, Beijing, PRC. The land of the Project has been obtained by the Company and Reco Ziyang jointly through public trading the Beijing, PRC in accordance with the Tender Regulation. Reco Ziyang is an associate of Reco Hibiscus Pte Ltd., which is a substantial shareholder of a subsidiary of the Company, Beijing Anhua Shiji Real Estate Development Company Limited. Accordingly, Reco Ziyang is a connected person of the Company pursuant to the Listing Rules. The transaction was approved, confirmed and ratified at the EGM held on 17 December 2004.

Further details of the Connected Transactions are set out in the Discloseable and Connected Transaction Circular of the Company dated 1 November 2004.

Other Connected Transactions*Loan Agreement*

As part of the process to obtain land use rights certificates for the properties of the Company under development and held for future developments, the Company entered into a loan agreement and a supplemental agreement with the Company's controlling shareholder, the Capital Group on 10 February 2003 and 31 May 2003 respectively (collectively the "Loan Agreements"). Under the Loan Agreements, the Capital Group paid RMB1,439,000,000 to the Land Bureau, being 100% of the land premia payable by the Company to the Land Bureau for the relevant properties. In return, the Land Bureau issued long-term land use rights certificates for the relevant properties in the names of the corresponding project companies. A loan in the amount of RMB300,000,000 has been set off against the amount due to the Company by the Capital Group. The balance of the loan shall be repaid by the Company over a period of three years. The first principal payment of RMB300,000,000 is payable within 3 months from the date of listing of the Company on the Stock Exchange. Interest is payable on this first principal portion only, at a rate equal to the base lending rate promulgated by the People's Bank of China from time to time. No interest is payable on the remaining balance of the loan. Further details of the loan arrangement has been disclosed in the Company's prospectus dated 10 June 2003. During 2004, the Group had repaid RMB556,416,000 for the above loan.

Directors' Report

Connected Transactions and Ongoing Connected Transactions *(continued)*

Other Connected Transactions *(continued)*

Beijing Fengdu Agreement

The Company entered into Beijing Fengdu Agreement ("Beijing Fengdu Agreement") with Beijing Finance and Accountancy Information Service Centre (北京財務會計諮詢服務中心) ("Financial Centre") on 30 March 2004 in relation to the acquisition of interest in Beijing Fengdu by the Company from Financial Centre, for a consideration of RMB22.4 million. Beijing Fengdu is originally held as to 91.67% by Super Shine and 8.33% by Financial Centre. Pursuant to the Beijing Fengdu Agreement, Financial Centre sold and the Company purchased, 8.33% of the interest in Beijing Fengdu for a total consideration of RMB22.4 million. The Company shall not assume other debt or obligations in connection with the acquisition. As Financial Centre is an indirect wholly owned subsidiary of Capital Group, which is the controlling shareholder of the Company, Financial Centre is a connected person of the Company pursuant to the Listing Rules.

Further details of the Connected Transactions are set out in the Major, Discloseable and Connected Transaction Circular of the Company dated 17 May 2004.

Beijing Xing Tai Agreement

The Company entered into Beijing Xing Tai Agreement ("Beijing Xing Tai Agreement") with Super Shine, Beijing Fengdu and Beijing Xing Tai on 30 March 2004 in relation to the acquisition of the capital injection in Beijing Xing Tai. Beijing Xing Tai was originally held as to 75% by Super Shine and 25% by Beijing Fengdu. As Super Shine, Beijing Xing Tai and Beijing Fengdu are the non wholly owned subsidiaries of the Company, as such Super Shine, Beijing Xing Tai and Beijing Fengdu are connected persons of the Company pursuant to the Listing Rules. Pursuant to the Beijing Xing Tai Agreement, the Company shall make a new capital contribution of RMB43,000,000 to Beijing Xing Tai, in which RMB13,800,000 shall be registered capital contribution, and the remaining RMB29,200,000 shall be contributed as premium. After the capital injection, Beijing Xing Tai held as to 25% by the Company, 56.25% by Super Shine and 18.75% by Beijing Fengdu, and the registered capital of Beijing Xing Tai increased to RMB55,180,000.

Further details of the Connected Transactions are set out in the Major, Discloseable and Connected Transaction Circular of the Company dated 17 May 2004.

Bank Loans and Other Borrowings

As at 31 December 2004, the short-term bank loans of the Group was RMB1,800,000,000, of which unsecured borrowing was RMB800,000,000 million and secured borrowing was 1,000,000,000; and details of long term bank loans and current portion of long term bank loans are set out in notes 28 to the accounts. Other borrowings were mainly amount due to ultimate holding company, details of which are set out in notes 21 and 26 to the accounts.

Directors' Report

Pre-emptive Rights

There are no provisions for pre-emptive rights under the Articles and related laws which oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

According to the Strategic Investment Agreement entered into between, among others, the Company and Reco Pearl Private Limited ("Reco Pearl") on 11 March 2003 as amended by a supplemental agreement dated 15 May 2003 ("The Strategic Investment Agreement"), the Company has undertaken that, provided that the shareholding held by Reco Pearl in the Company is above the threshold percentage as set out in the Strategic Investment Agreement, if the Company issues or places any new H Shares or if other securities convertible, or exchangeable into or which represent such new H Shares (the "Additional Securities") are issued or placed by or on behalf of the Company within a period of five years after dealings of the H Shares commence on the Stock Exchange, Reco Pearl shall have the right to purchase or subscribe on identical terms as such Additional Securities are issued to or placed with other investors, such number of the Additional Securities in accordance with the percentage of shareholding held by Reco Pearl Private Limited or any of its affiliate(s) in the share capital of the Company immediately prior to such issuance or placement so as to maintain its relevant percentage shareholding.

Subsidiaries

Details of the Company's major subsidiaries are set out in note 13 to the accounts.

Results of Operations

Results of Operations of Financial Year 2004 are set out on pages 28 to 29 of the annual report.

Policies on Income Tax

The Company and its subsidiaries paid PRC corporate income tax at a rate of 33% of its assessable profits according to the relevant laws and regulations in the PRC.

Financial Resources and Liquidity

Financial Resources and Liquidity are set out on pages 29 to 30 of the annual report.

Code of Best Practice

Throughout the year, the Company has complied with the Code of Best Practice as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Other Major Events

In July 2004, the Company has applied for an initial public offering of A Shares from China Securities Regulatory Commission and did not obtain the approval.

Directors' Report

Auditors

The accounts have been audited by PricewaterhouseCoopers, who retire and being eligible, offer themselves for reappointment. A resolution reappointing PricewaterhouseCoopers as the Hong Kong auditors of the Company will be proposed at the forthcoming Annual General Meeting.

By Order of the Board

Liu Xiaoguang

Chairman

Beijing, the PRC, 22 March 2005

Corporate Governance Report

Corporate Governance Practices

Maintaining a good, solid and sensible framework of corporate governance has been and remains one of BCL's top priorities.

It has been BCL's prime mission to carry out a sound, steady and reasonable corporate governance structure:

- Sound corporate governance bases itself upon accountability system, information disclosure and corporate transparency. BCL acknowledges the importance to provide Shareholders with an open and highly transparent management. Apart from enhancing shareholders' value and improving corporate earnings, sound corporate governance can also facilitate the steady development of the financial sector in Hong Kong.
- Besides, sound corporate governance may also promote our communication with the outside world, such that investors can know more about our development potential and future prospects, and that the market can discover our investment value further.
- The procedures and systems under sound corporate governance can improve operational efficiency of the Group, such that all divisions or departments can freshen earnings of the Group through close and intimate communication.

The inclusion, for the first time, of a formal "Corporate Governance Report" from the Board in this year's Annual Report is an example of our determination to fulfill these three commitments.

In November 2004, the Hong Kong Stock Exchange issued its "Code on Corporate Governance Practices and Corporate Governance Report" (the Stock Exchange Code), with a grace period such that it will take effect for accounting periods commencing on or after 1 January 2005. The Stock Exchange Code sets out principles of good corporate governance and two levels of recommendation, namely:

- Code Provisions, with which issuers are expected to comply with or to give considered reasons for any deviation; and
- Recommended Best Practices, which are for guidance only, save that issuers are encouraged to comply with or give reasons for deviation.

The Stock Exchange allows issuers to devise their own codes on corporate governance practices on such terms as they may consider appropriate, provided that reasons are given for any deviation from the Stock Exchange Code.

The Stock Exchange Code replaced the Code of Best Practice at Appendix 14 of the Listing Rules with effect from 1 January 2005. Throughout the year ended 31 December 2004, the Company complied with the Code of Best Practice.

Corporate Governance Report

Shareholders

The Board and senior management recognise their responsibility to represent the interests of all shareholders and to maximise shareholder value.

According to the Articles of Association of BCL, when shareholders individually or together holding 10 per cent. or more of the total number of shares of the Company carrying voting rights (hereinafter refer to as the “Proposing Shareholders”) or the Supervisory Committee propose the Board to convene an extraordinary general meeting, an agenda and the complete details of the resolutions shall be submitted in writing to the Board. The Proposing Shareholders or the Supervisory Committee shall ensure that the proposed resolutions conform to the laws and regulations and the Articles of Association.

The Company uses a number of formal channels to inform our shareholders the performance and operations of the Company, particularly our annual and interim reports. In addition, the AGM provides an opportunity for communication between the Board and the Company's shareholders. The Company regards the AGM as an important event in the corporate year and all Directors and senior management should make an effort to attend.

The Board

The Board is charged with promoting the success of the Company by directing and supervising its affairs in a responsible and effective manner. Each Director has a duty to act in good faith in the best interests of the Company. The Directors are aware of their collective and individual responsibilities to all shareholders for the manner in which the affairs of the Company are managed, controlled and operated.

The types of decisions which are to be taken by the Board include those relating to:

1. Responsibilities for managing the development strategy and plan of the Company:
 - (1) those requiring approval from the shareholders' meeting:
 - (i) formulation of plans for the increase or reduction of registered capital of the Company or repurchase of shares;
 - (ii) formulation of plans for the increase of share capital and issue of additional shares;
 - (iii) formulation of proposals for the merger, divestment and dismissal of the Company;
 - (iv) tendering insolvency petition of the Company;
 - (v) formulation of amendment proposal to the Articles of Association; and
 - (vi) formulation of proposals for the change of use of proceeds from the issue of shares.

Corporate Governance Report

- (2) those that may be exercised by the Board at its discretion:
 - (i) resolution on proposals to improve the operation management and operating results of the Company;
 - (ii) resolution on the operating plans, audit plans and investment plans of the Company;
 - (iii) resolution on proposals for restructure of internal key functions of the Company and establishment of functions under the Board;
 - (iv) resolution on the establishment of professional committees and the appointment and deposal of their members;
 - (v) resolution on investment plans under the scope of authority of the Board; and
 - (vi) resolution on any other material operation issues not required to be resolved by shareholders' general meeting pursuant to the Articles of Association or the rules set out herein.
- 2. Responsibilities for the personnel management on senior officers of the Company:
 - (1) those requiring approval from shareholders' meeting:
 - (i) formulation of Director allowance and share option or warrant or similar schemes of the Company;
 - (ii) assessment and consideration of the eligibility of candidates for election as directors or independent directors; and
 - (iii) proposing for the removal of a Director;
 - (2) those that may be exercised by the Board at its discretion:
 - (i) resolution on the strategy and plan of human resources development and deployment;
 - (ii) definition of the major duties and authorities of the general manager, financial controller, secretary to the Board and the auditing department;
 - (iii) appointment or dismissal of the general manager, secretary to the Board, or the appointment or dismissal of the deputy general manager or financial controller of the Company pursuant to recommendation of the general manager;
 - (iv) evaluation of the work performance of the general manager;
 - (v) approval of the appointment of representatives of the shareholders to the subsidiaries or associated companies of the Company and nomination of directors, supervisors and financial controllers to such companies pursuant to their articles of association or the relevant agreements; and
 - (vi) approval of the plan of staff provident fund and other staff benefit plans.

Corporate Governance Report

3. Responsibilities for the supervision and inspection of the development and operation of the Company:
 - (1) supervision of the implementation of the Company's development strategy;
 - (2) supervision and inspection of the implementation of annual budgets and accounts of the Company; inspection of the progress of various plans;
 - (3) assessment of the operating results of the Company to identify operating problems, propose recommendations accordingly and supervision of the implementation by the Company's senior officers;
 - (4) timely assessment of the operation improvement plans and results of the Company and identify significant problems reflected from the operating results;
 - (5) identifying obstacles faced by the Company in its development and changing trends of the Company and proposing remedial recommendations thereon;
 - (6) discussion on the development opportunities and risks faced by the Company and changes of external factors that have significant effects on the Company;
 - (7) ensuring the smooth communication of information within the Company and evaluation of such information to ensure its accuracy, completeness and timeliness; and
 - (8) requesting the management to provide minutes of operation meetings to the Secretary to the Board after each meeting.

The Directors are responsible for the preparation of the accounts for each financial period which give a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. In preparing these accounts for the year ended 31 December 2004, the Directors have selected suitable accounting policies and applied them consistently; made judgments and estimates that are prudent, fair and reasonable and prepared the accounts on a going concern basis. The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group.

The Board comprises 11 Directors, more than 50% of the Directors are non-executive and independent of management, thereby promoting critical review and control of the management process. The Board includes four influential and active Independent Non-executive Directors to whom shareholder concerns can be conveyed. The non-executive members of the Board also bring a wide range of business and financial experience to the Board, which contribute to the effective direction of the Group.

During the year ended 31 December 2004, the Board at all times exceeded the minimum requirements of the Listing Rules relating to the appointment of at least three Independent Non-executive Directors, and complied with the requirement that these should include one such director with appropriate professional qualifications of accounting or related financial management expertise.

Pursuant to the requirement in the Listing Rules, the Company has received a written confirmation from each Independent Non-executive Director of his independence to the Company. The Company considers all of the Independent Non-executive Directors to be independent.

The interests in the Company's securities held by Directors as at 31 December 2004 are disclosed in the Directors' Report on page 41 of this Annual Report.

Corporate Governance Report

Chairman and Chief Executive Officer

The posts of Chairman and CEO are held separately by Mr. Liu Xiaoguang and Mr. Tang Jun respectively. This segregation ensures a clear distinction between the Chairman's responsibility to manage the Board and the CEO's responsibility to manage the Company's business.

Audit Committee

We have established an audit committee in compliance with the Code of Best Practice as set out in Appendix 14 of the Listing Rules. All of its members are appointed from the Independent Non-executive Directors, with a member having appropriate professional qualification and experience in financial matters. Members of the audit committee include Mr. Peter Yuk Lun Eng, Mr. Kwong Kai Sing, Benny and Mr. Yu Xing Bao.

The terms of reference of the Committee are aligned with the recommendations set out in "A Guide for Effective Audit Committee" issued by the Hong Kong Institute of Certified Public Accountants.

During 2004, the Audit Committee held two meetings and reviewed the half-yearly, annual results as well as various issues relating to internal control systems, etc.

At its meeting on 15 March 2005, the Audit Committee reviewed the Directors' Report and Accounts for the year ended 31 December 2004 and the annual results announcement, with a recommendation to the Board for approval.

Remuneration Committee

We established a remuneration committee in December 2002, with written terms of responsibilities. The remuneration committee will make recommendations to the Board of Directors on the framework of executive remuneration and determine on behalf of the Board of Directors specific remuneration packages and terms of employment for Executive Directors. The remuneration committee currently comprises Mr. Liu Xiaoguang, Mr. Kwong Kai Sing Benny and Mr. Ke Jianmin.

Nomination Committee

We established a nomination committee in December 2002. The nomination committee will analyze and formulate the selection procedures of Directors and managerial staff and recommend suitable candidates for the posts of the Directors and managerial staff. The nomination committee currently comprises Mr. Liu Xiaoguang, Mr. Kwong Kai Sing Benny and Mr. Ke Jianmin.

Strategic Committee

We established a strategic committee in December 2002. The strategic committee will conduct research and make recommendations on the Company's long-term development strategies and major investment decisions. The strategic committee currently comprises Mr. Liu Xiaoguang, Mr. Kwong Kai Sing Benny and Mr. Ke Jianmin.

Corporate Governance Report

External Auditors

The Group's External Auditors are PricewaterhouseCoopers. In order to maintain their independence, PricewaterhouseCoopers will not be employed for non-audit work. In addition, there must be clear efficiencies and value-added benefits to the Company from that work being undertaken by the External Auditors, with no adverse effect on the independence of their audit work, or the perception of such independence.

The Audit Committee has resolved the re-appointment of PricewaterhouseCoopers for statutory audits for the Financial Year 2005. This resolution has been endorsed by the Board and is subject to final approval and authorisation by the shareholders at the forthcoming AGM.

Open Communication

The Company has always upheld its policy of open communication and fair disclosure. Disclosure is a key means to enhance our corporate governance standards, in that it provides our shareholders and other stakeholders with the information necessary for them to form their own judgment and to provide feedback to us. We believe that the completeness and timely of information disclosure is essential for building market confidence.

Corporate Governance - An On-going Evolution

This year, evolving corporate governance practices and, most notably, the issue of the Stock Exchange Code, have led to a significant review and revision of the Company's corporate governance practices and the manner in which we report on these.

We will continue to review and, where necessary, improve the Group's corporate governance practices based on our accumulated experience, updated regulatory changes, international trends and developments and the views of our shareholders.

On Behalf of the Board
Liu Xiaoguang
Chairman

Beijing, PRC, 22 March 2005

Report of the Supervisory Committee

Dear Shareholders,

During the year ended 31 December 2004, the Supervisory Committee of Beijing Capital Land Ltd. (the "Supervisory Committee"), have diligently performed their duties in ensuring that the Company has observed and complied with the Listing Rules, the Company Law of the PRC, the Articles of Association of the Company and other relevant legislations and regulations which protect the interests of the Company and its shareholders.

During the year, the Supervisory Committee attended the meetings of the Board of Directors and the General Meetings to strictly and effectively monitor the Company's management in making significant policies and decisions to ensure that they were in compliance with the laws and regulations of the PRC and the Articles of Association of the Company, and in the interests of the Company and its shareholders. It also provided reasonable suggestions and opinions to the Board of Directors in respect of the operation and development plans of the Company.

The Supervisory Committee has reviewed and agreed to the report of the directors, audited financial statements and profit appropriation proposal to be proposed by the Board of Directors for presentation at the forthcoming Annual General Meeting. The Supervisory Committee is satisfied that the Directors, and other senior management of the Company are committed to act honestly and to perform their duties diligently, so as to protect the best interests of the Company and its shareholders.

The Supervisory Committee has carefully reviewed the financial statements prepared by PricewaterhouseCoopers in accordance with accounting principles generally accepted in Hong Kong and comply with accounting standards issued by the Hong Kong Institute of Certified Public Accountants and consider that the financial statements reflect a true and fair view of the financial position and results of operations of the Company and they comply with the regulations applicable to the Company.

The Supervisory Committee is satisfied with the achievement and cost-effectiveness of the Company in 2004 and has great confidence in the future of the Company.

By order of the Supervisory Committee

Yu Changjian
Chairman

Beijing, the PRC, 22 March 2005

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公司資料

董事

執行董事

劉曉光 (董事長)

唐軍 (總裁)

何光 (副總裁)

潘沛 (副總裁)

王正斌 (副總裁)

非執行董事

朱敏

麥建裕

獨立非執行董事

吳毓璘 *

鄺啟成 *

柯建民

俞興保 *

* 審核委員會成員

監事

俞昌建

魏建平

王琪

獨立監事

徐建泓

公司秘書

陳綺華

合資格會計師

陳綺華

授權代表

何光

陳綺華

註冊辦事處

中國北京

懷柔區湖光小區33號

梅苑8號樓

北京總部

中國北京

復興門內大街158號

遠洋大廈F5層

香港辦事處

香港中環交易廣場

第二座4207室

網址

<http://www.bjcapitalland.com>

核數師

羅兵咸永道會計師事務所

法律顧問

香港法律顧問：

姚黎李律師行

中國法律顧問：

北京市競天公誠律師事務所

主要往來銀行

國家開發銀行

中國建設銀行

中信實業銀行

中國民生銀行

上海浦東發展銀行

北京銀行

上市資料

H股股份代號

香港聯合交易所	2868
路透社	2868.HK
彭博	2868HK

每手買賣單位

H股股份	2,000
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H股股份過戶登記處

香港中央證券登記有限公司
香港皇后大道東183號
合和中心17樓
1712-1716室
電話：(852) 2862 8628
傳真：(852) 2529 6087

投資者關係聯絡

陳綺華
公司秘書及投資者關係主管
電郵: evachan@bjcapitalland.com.cn

H股股份之資料

	二零零四年			二零零三年		
	股價		總成交量 (股份數目)	股價		總成交量 (股份數目)
	最高 (港幣)	最低 (港幣)		最高 (港幣)	最低 (港幣)	
第一季	2.875	2.025	299,431,806	—	—	—
第二季	2.900	1.370	149,182,258	1.690	1.440	318,745,008
第三季	2.275	1.570	125,504,000	1.950	1.380	469,604,900
第四季	2.375	1.760	146,293,568	2.075	1.590	281,696,010

於二零零三年六月十九日在香港聯合交易所上市。

於二零零三年十二月三十一日之收市價：港幣2.050元

於二零零四年十二月三十一日之收市價：港幣2.275元

財務資料摘要

財務概要*

(人民幣千元)

截至十二月三十一日止年度	綜合		合併		
	二零零四年	二零零三年	二零零二年	二零零一年	二零零零年
營業額	1,629,332	1,920,522	2,283,672	1,339,638	1,469,165
毛利	429,801	510,370	508,972	330,165	370,201
經營溢利	439,256	473,383	442,342	318,845	293,894
股東應佔溢利	283,197	255,351	218,069	169,509	78,603
每股基本盈利	人民幣0.1755元	人民幣0.1854元	人民幣0.1982元	人民幣0.1541元	人民幣0.0715元

(人民幣千元)

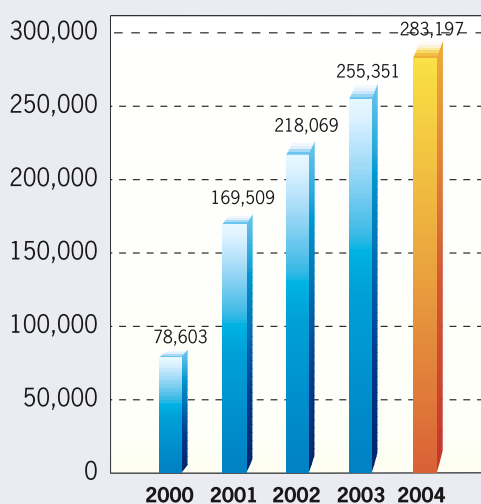
於十二月三十一日	綜合		合併		
	二零零四年	二零零三年	二零零二年	二零零一年	二零零零年
總資產	8,813,316	7,833,412	5,463,876	3,993,100	2,592,771
總負債及少數股東權益	6,499,064	5,652,304	4,724,958	3,294,756	2,408,037

*註：上表為本集團經營業績、資產及負債之概要。二零零零至二零零二年各財政年度數據是假設集團現時架構在本公司上市前已存在並以之為基礎編制的合併財務數據。

財務資料摘要

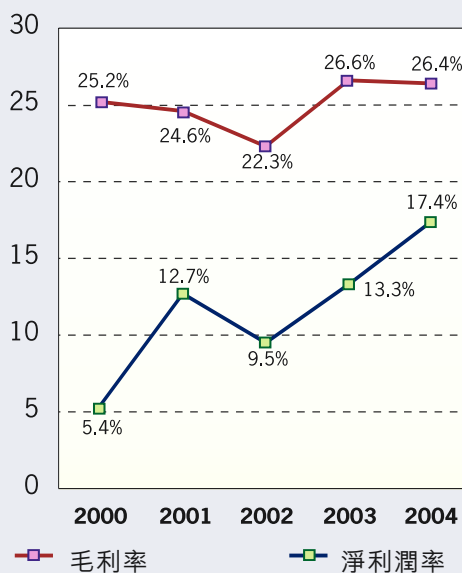
股東應佔溢利

(人民幣千元)



毛利率及淨利潤率

(%)





首创置业

BEIJING CAPITAL LAND

综合地产运营商

首创置业综合地产运营商
香港上市公司(H2868)

www.bjcapital.com



物業組合一覽

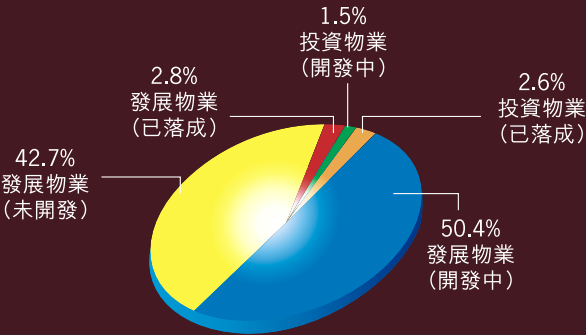


序號	項目名稱	序號	項目名稱	序號	項目名稱
1	中環假日酒店	8	溫哥華森林 (溫哥華花園)	13	北京國際中心一期 (呼家樓商務居住綜合區一期)
2	金融街洲際酒店	9	北環中心 (京都商業中心)	14	金亞光大廈
3	陽光大廈 (華糖大廈)	10	陽光上東 (嘉潤園)	15	石榴莊住宅小區
4	領秀硅谷 (創業者家園)	11	嘉裕花園	16	玉淵潭公寓
5	陽光麗景	12	第三置業 (陽光雪蓮大廈)	17	十里堡住宅項目
6	首創拓展大廈			18	和平里住宅小區
7	雪梨澳鄉			19	西二旗住宅項目

物業組合一覽

投資物業 — 已落成							
序號	項目名稱	地點	類別	概約地盤面積 (平方米)	概約建築面積 (平方米)	應佔權益	租期
1	中環假日酒店 *	宣武區叢林前街92號	酒店	20,100	50,700	100%	中期租約
2	金融街洲際酒店	西城區金融街A區6號地	酒店	12,900	42,900	34%	中期租約
合計				33,000	93,600		
投資物業 — 開發中							
序號	項目名稱	地點	類別	概約地盤面積 (平方米)	概約建築面積 (平方米)	應佔權益	租期
3	陽光大廈 (華糖大廈) *	西城區西直門外大街鐵路巷A區	商業／寫字樓	9,400	51,700	42%	中期租約
合計				9,400	51,700		
發展物業 — 已落成							
序號	項目名稱	地點	類別	概約地盤面積 (平方米)	概約建築面積 (平方米)	應佔權益	
4	領秀硅谷 (創業者家園)	海淀區西二旗	住宅／商業	178,800	48,500	40%	
5	陽光麗景	西城區黃寺大街23號	住宅／商業	63,300	35,600	18%	
6	首創拓展大廈	海淀區中關村科技園西區1區10號地	寫字樓／商業	3,500	14,400	100%	
合計				245,600	98,500		
發展物業 — 開發中							
序號	項目名稱	地點	類別	概約地盤面積 (平方米)	概約建築面積 (平方米)	應佔權益	預計完成／完成時間 (年)
7	雪梨澳鄉	海淀區西三旗	別墅／公寓／商業	251,000	57,000 35,200 21,800	100%	2005 2004 2005
8	溫哥華森林 (溫哥華花園) * 一期 二期 三期 四期	昌平區北七家鎮東沙各莊	別墅／商業	549,100	301,700 9,900 104,700 115,100 72,000	50%	 2004 2005 2006 2007
9	北環中心 (京都商業中心) * 一期 二期	西城區北三環中路甲29號	公寓／商業	28,000	180,300 51,500 128,800	98%	 2006 2007

按物業種類及開發進度
劃分之土地儲備分析



物業組合一覽

發展物業 — 開發中

序號	項目名稱	地點	類別	概約地盤面積(平方米)	概約建築面積(平方米)	應佔權益	預計完成／完成時間(年)
10	陽光上東(嘉潤園)* 一期 二期 三期 四期 酒店	朝陽區將台鄉大清寺	住宅／商業／酒店	190,500	660,200 190,300 123,000 83,000 159,100 104,800	33%	2005 2006 2007 2007 2007
11	嘉裕花園	朝陽區將台西路10號	住宅	14,500	89,500	20%	2007
12	第三置業 (陽光雪蓮大廈) 一期 二期	朝陽區曙光西里甲1號	寫字樓／公寓／商業	19,800	93,300 25,600 67,700	82%#	2004 2008
13	北京國際中心一期 (呼家樓商務居住綜合區一期)* 一期 二期 三期	朝陽區呼家樓西里	寫字樓／公寓／商業	86,300	294,200 107,400 144,800 42,000	80%	2007 2008 2008
14	金亞光大廈	西城區金融街A區3號地	寫字樓／商業	12,400	101,300	75%	2007
合計				1,151,600	1,777,500		

發展物業 — 未開發

序號	項目名稱	地點	類別	概約地盤面積(平方米)	概約建築面積(平方米)	應佔權益	預計完成時間(年)
15	石榴莊住宅小區*	豐台區石榴莊	住宅／商業	124,000	219,500	75%	2007
16	玉淵潭公寓*	海淀區玉淵潭	住宅／商業	17,900	150,200	55%	2007
17	十里堡住宅項目 一期 二期 三期	朝陽區十里堡	住宅／商業	126,200	435,600 56,800 77,100 301,700	55%	2006 2007 2008
18	和平里住宅小區* 一期 二期 三期	朝陽區和平里	住宅／商業	100,000	310,900 116,700 133,300 60,900	50%	2006 2007 2007
19	西二旗住宅項目 一期 二期 三期	海淀區西二旗	住宅／商業	347,100	391,000 119,500 124,500 147,000	40%	2007 2008 2008
合計				715,200	1,507,200		
總合計				2,154,800	3,528,500		

*註：部分項目建築面積依據最新取得規劃文件或竣工實測情況有所調整

總建築面積小於或等於6萬平方米的部分持有權益75%，總建築面積大於6萬平方米的部分，持有權益85%

年度大事紀要



2004

3月

- 集團投資持有的中環假日酒店開業，經營一年以來達到超出預期的理想成績。

5月

- 集團開發的溫哥華森林正式開園，溫哥華市長派代表出席祝賀。

7月

- 集團舉辦「從一到百一首創置業上市一周年媒體見面會」，旨在加強與國內媒體的溝通和交流。

9月

- 在「8.31」後北京大宗土地公開掛牌中競得最優的兩塊住宅用地，即十里堡住宅項目和西二旗住宅項目，在土地政策變化之際依然保持土地儲備優勢。

10月

- 董事長劉曉光被香港董事學會評為「2004年度傑出董事」，亦是第一位來自H股公司的得獎者。
- 從新加坡星展銀行成功融資3,200萬美元，不僅獲得較之人民幣貸款更為優惠的拆借條件，集團的融資渠道也更加多元化。

11月

- 集團在北京CBD開發的大型綜合物業項目——北京國際中心一期開工建設，總規劃建築面積約44萬平方米，是目前集團最大的高端商務物業項目。

12月

- 集團派出龐大團隊參加在上海舉辦的第六屆中國住交會，與同行學習經驗、交流觀點，並榮膺「二零零四年度CHIAF名企大獎」。



中環假日酒店實景

年度獎項一覽

年度主要獎項

獲獎單位	所獲獎項	評選主辦單位	評選時間
首創置業	中國十大地產品牌	搜房網、百度網	二零零四年五月
首創置業	中國城市運營商50強	中國城市土地運營博覽會	二零零四年七月
首創置業	中國藍籌地產企業	《北京青年報》、《經濟觀察報》	二零零四年八月
劉曉光主席	二零零四年度傑出董事獎	香港董事學會	二零零四年十月
首創置業	二零零四年度CHIAF名企大獎	中國住交會	二零零四年十二月
首創置業	2004中國值得尊敬的房地產品牌企業	廣州日報、北京晚報等 28家中國媒體	二零零四年十二月
首創置業	二零零四年度中國品牌地產商	新浪網	二零零四年十二月
首創置業	創造城市價值二零零四年 中國地產年度企業	搜狐網、焦點房地產網、 中國不動產學院	二零零五年一月
中環假日酒店	二零零四年亞太地區最佳商務酒店	洲際酒店管理集團	二零零五年一月
首創置業	二零零四年度中國企業資訊化500強	國家資訊化測評中心	二零零五年一月

董事長報告



劉曉光
董事長

處身風雲多變的經營環境，首創置業以積極奮發的精神，着力加強整體競爭力，提升企業管治水平，推動業務全面成長。

董事長報告

各位股東：

本人謹代表首創置業股份有限公司(「首創置業」或「本公司」，連同其附屬公司及共統稱「本集團」)之董事會(「董事會」)，欣然提呈本集團截至二零零四年十二月三十一日止年度的全年業績。

二零零四年，首創置業長足發展，碩果頗豐。中國政府實施的一系列宏觀調控措施漸見成效，中國整體經濟於年內維持穩健增長，房地產市場需求依然旺盛。而土地審批及土地供應越趨嚴格，以及土地交易全面公開，有利於首創置業一類具龐大規模、擁有雄厚實力的地產綜合營運商迅速發展。處身風雲多變的經營環境，首創置業以積極奮發的精神，着力加強整體競爭力，提升企業管治水平，推動業務全面成長。

回顧年度內，集團憑藉獨特的運營模式及敏銳的市場觸覺，抓緊北京房地產市場需求強勁增長的商機，推出多個優質項目，銷情熱烈，為集團帶來可觀的收入。期內，簽約售樓面積約為328,000平方米，較去年增長4.6%；而簽約銷售金額約達人民幣2,930,000,000元，較去年上升21%。集團積極推售樓盤以及有效減低土地成本，使純利繼續錄得理想的增幅，達到人民幣283,197,000元，較去年度增長11%，並創下歷年新高，董事會建議派發截至二零零四年十二月三十一日止年度之末期股息每股人民幣7仙。

中國政府為抑制投資過熱，於年內收緊房地產信貸要求，並提高貸款利率及取消貸款利率上限，致使信貸門檻日益提高。然而，集團憑藉其雄厚的融資能力以及卓越的商譽，期內在與國內商業銀行及國家開發銀行保持良好關係的同時，繼續拓展融資渠道，成功從新加坡星展銀行取得達32,000,000美元的貸款額度，反映集團的業務模式，以及優厚的發展潛力，已備受國際銀行界的認同和肯定。

充裕的土地儲備一直是首創置業的競爭優勢之一。中國自二零零四年九月一日起已全面採取

公開的招標、拍賣和掛牌方式進行土地交易。回顧年度內，集團在北京土地公開掛牌活動中成功投得兩塊分別位於朝陽區十里堡及海淀區西二旗的優質住宅用地，進一步加強集團位於北京市黃金地段的土地資源。集團將繼續保持其於土地儲備方面的競爭優勢，積極發展土地一級開發業務，為集團長遠穩定的發展奠下鞏固的基礎。

展望未來，二零零八年北京奧運會將推動北京經濟發展、加速城市建設進程。隨著市政配套日益完善，以及交通路網持續延伸，將刺激房地產供銷表現，為集團帶來秀麗前景。為抓緊房地產市場湧現的商機，本集團將繼續鞏固三大領先優勢：土地資源、資本市場以及優秀人才，繼續物色與國際開發商和投資者合作的機會，集團將致力調整產品結構、優化投資組合，並透過與國際開發商和投資商加強合作，進一步提升產品品質，把業務拓展至外地市場，銳意領導房地產市場的蓬勃發展，成為亞洲級的地產營運商。

致意

本人謹代表董事會向一直支持我們的業務夥伴、客戶及股東表示衷心的謝意，並對全體員工於過去一年的不懈努力予以感謝。首創置業將致力恪守並提升企業管治水平及透明度，以豐富的市場經驗及專業的行業知識拓展業務。憑藉本集團堅實的業務基礎、具遠見的專業管理人員以及獨特的營銷策略，我們有信心再創驕人佳績。願大家與首創置業攜手同心，共同構建光輝新里程。



劉曉光
主席

中國 • 北京，二零零五年三月二十二日

管理層討論及分析



唐軍

總裁

回顧年度內，集團在積極消除宏觀調控不利影響的同時，果斷抓住市場有利形勢，不斷擴大競爭優勢，繼續刷新經營業績歷史新高，為股東創造理想回報。

經營環境

全國房地產市場概述

- 二零零四年，中國經濟繼續保持平穩較快發展

二零零四年，中國國內生產總值(GDP)達到13.65萬億元，較去年增長9.5%，增長速度再創一九九七年以來新高；城鎮新增就業980萬人，超過預期目標；城鎮居民人均可支配收入實際增長7.7%。(資料來源：二零零五年政府工作報告)經濟快速增長、居民收入不斷提高、城市化進程加速、居住環境日益改善、均使國民更有條件、更有能力追求更好的住宅。

管理層討論及分析

- 二零零四年中國房地產呈現價升量漲、銷售旺盛的良好局面

二零零四年，全國商品房均價增長14.4%，漲幅比二零零三年提高10.6個百分點，商品住宅均價增長15.2%。全國商品房銷售面積達到3.82億平方米，較去年增長約13%，而全國商品房空置面積同比下降8.3%，其中商品住宅空置面積同比下降15.6%（資料來源：國家統計局）。目前，中國人均GDP剛突破1,000美元，從歷史經驗看，房地產開始進入快速發展時期。今後15年內中國GDP年增長率若保持8%左右才能在二零二零年達到人均收入3,000美元的水平，在這樣的形勢下，房地產將持續快速穩定增長。

- 政府適時適度的宏觀調控取得明顯效果

政府為抑制投資過快增長，從二零零四年初開始果斷實行宏觀調控，嚴把土地審批和信貸投放兩個關門，並取得明顯效果。土地供應方面，政府制定了《關於深化改革嚴格土地管理的決定》，實行最嚴格的土地管理制度，盡全力保護耕地；自二零零四年四月至十月暫停半年審批農用地轉非農建設用地；並要求各地必須在二零零四年八月三十一日前，將協議出讓經營性土地使用權的歷史遺留問題處理完畢，二零零四年八月三十一日後經營性土地交易全面實行公開的招標、掛牌和拍賣方式。信貸方面，二零零四年十月，中國人民銀行宣佈加息並放開貸款利率上限，一年期貸款基準利率上調0.27厘，由過去的5.31%提高至5.58%；個人住房公積金貸款提高0.18厘，由過去的4.05%提高至4.23%。適時適度的宏觀調控成效顯著，全國固定資產投資增長率已從二零零四年初的43%回落至年底的25.8%，全國消費零售物價指數（CPI）已從七、八月的5.3%降至十二月的2.4%（資料來源：國家統計局），預計未來政府不會採取更加嚴厲的宏觀調控措施，將主要利用市場手段而非行政手段調控經濟。



首創拓展大廈實景

管理層討論及分析

- 宏觀調控將使未來中國房地產的供給和需求更加匹配

二零零四年，中國房地產開發投資額達到人民幣13,158億元，增長28.1%。全國商品房新開工面積為6.04億平方米，增長10.4%。全國房屋竣工面積累計完成4.25億平方米，增長2.1%；房地產開發企業完成土地開發面積2.23億平方米，下降11.4%（資料來源：國家統計局）。對比需求的數據看，目前的供給增速低於需求增速。宏觀調控主要作用於供給，使未來供給有下降趨勢，未來中國房地產的供給和需求將更加匹配。這有利於行業未來長期健康發展，更有利於大型規範的發展商從優勝劣汰中勝出，獲得更大的市場份額。

北京房地產市場概述

- 二零零四年，北京的經濟發展速度高於全國水平

於二零零四年年底，北京市的GDP突破人民幣4,000億元，達到4,283.3億元，較去年增長13.2%，增幅較去年提高2.5個百分點，創下一九九五年以來最高水準，並高於9.5%的全國水平。二零零四年，全市新增就業23.35萬人，城鎮居民人均可支配收入為人民幣15,638元，扣除物價上漲因素後同比增長11.5%（資料來源：北京統計局）。

- 二零零四年，北京的房地產需求繼續穩定增長，房價增速不及全國水平的一半

二零零四年，北京市銷售各類商品房2,472萬平方米，較去年增長30.4%，是全國水平13.2%的2.3倍；實現銷售額人民幣1,249.1億元，增長39.1%。其中：商品住宅銷售2,285.8萬平方米，增長29.1%，實現銷售額人民幣1,085.1億元，增長37.5%。商品房價格穩步上升，二零零四年全市竣工商品房平均售價人民幣5,053元/平方米，比二零零三年上漲6.7%，不及全國水平14.4%的一半。其中，商品住宅平均售價



雪梨澳鄉實景

管理層討論及分析

人民幣4,747元/平方米，比二零零三年上漲6.5%，也不及全國水平15.2%的一半。二零零四年，北京城鎮居民人均可支配收入實際增長11.5%，而同期的商品住宅均價只溫和增長6.5%（資料來源：北京統計局），居民收入增速遠高於房價增速，表明北京的房地產需求主要來自居民的實際需求，並無過熱現象，也表明北京的房地產市場更加成熟健康，擁有更為持久的發展後勁。

- 二零零四年，北京房地產供給增速低於需求增速

二零零四年，北京市竣工各類商品房3,067萬平方米，較去年增長18.2%，而銷售面積增速為30.4%，其中商品住宅竣工2,344萬平方米，增長12.6%，只比2,285.8萬平方米的商品住宅銷售面積多2.5%；全市空置時間在一年以上的商品房面積從二零零三年的377.9萬平方米降為298.6萬平方米，減少21%（資料來源：北京統計局），表明北京房地產市場的供求狀況愈加平衡。

- 二零零四年，北京房地產投資增速仍維持近三年平均水平

二零零四年，國家的宏觀調控措施在北京也取得明顯效果，全市固定資產投資增長率已從年初的53%降至年末的21.3%。北京的房地產供給雖受宏觀調控措施影響，但仍保持合理增長。二零零四年，全市完成房地產開發投資人民幣1,473.3億元，較去年增長22.5%，與近三年23.4%的平均增速基本持平；其中用於住宅的投資超過50%，達到人民幣776億元，較去年增長22.6%；房地產開發投資佔全社會固定資產投資完成額的58.3%，房地產依然是推動北京經濟增長的重要動力（資料來源：北京統計局）。



陽光上東之濱河花園實景

管理層討論及分析

- 受宏觀調控影響，未來北京房地產供應有下降趨勢

二零零四年，受嚴格土地供應和緊縮信貸等宏觀調控措施影響，北京市房地產開發企業完成土地開發面積634.2萬平方米，較去年減少41.7%；全市新開工商品房面積3,054.3萬平方米，較去年減少11.1%；其中商品住宅2,207.2萬平方米，較去年減少11.8%；另外，由於土地政策的變化，二零零四年全市房地產開發企業共交付土地購置費275.8億元，較去年增長29.4%（資料來源：北京統計局）。從以上房地產開發的先行指標看，未來北京房地產供應有下降趨勢，土地成本正不斷上升，而需求持續旺盛。集團目前擁有充足優質的土地儲備，二零零五年又有多個新項目開盤，相信借助有利市場形勢，集團的盈利水平將不斷提高。

業務回顧

回顧年度內，集團在積極消除宏觀調控不利影響的同時，果斷抓住市場有利形勢，不斷擴大競爭優勢，繼續刷新經營業績歷史新高，為股東創造理想回報。

年內，本集團的營業額為人民幣1,629,332,000元，較去年下降15.2%，經營溢利為人民幣439,256,000元，較去年下降7%，股東應佔溢利為人民幣283,197,000元，較去年上升11%。每股基本盈利為人民幣17.55仙，去年每股基本盈利為人民幣18.54仙，董事會建議派發截至二零零四年十二月三十一日止末期股息每股人民幣7仙。

回顧年度內，集團在取得良好業績的同時，還在如下經營管理領域取得重大突破：

- 通過土地公開交易方式增加土地儲備，使集團在土地政策變化後繼續保持土地儲備優勢。
- 通過外資銀行融進發展資金，使集團的融資渠道更加多元化。



劉曉光主席、唐軍總裁出席第六屆中國住交會

管理層討論及分析

- 不斷完善經營管理體系，成立招標採購部，致力於進一步降低建築成本；成立規劃設計部，致力於研發更受客戶欣賞的產品；成立「首創置業客戶會」，致力於豐富發展客戶服務。
- 集團的持有型物業初顯成效，中環假日酒店開業一年來，業務發展超出預期。

物業發展

回顧本年度內，集團總共完成6個發展項目，總建築面積為370,600平方米。

於二零零四年度落成之發展項目

物業	類別	概約落成 總建築面積 (平方米)	首創置業 應佔權益
首創拓展大廈	寫字樓/商業	34,800*	100%
雪梨澳鄉E北區	別墅/公寓/商業	31,000	100%
溫哥華森林A區	別墅/商業	32,200	50%
第三置業一期	寫字樓/公寓/商業	82,600	75%#
陽光麗景二期	住宅/商業	96,000	18%
陽光上東C1區	住宅/商業/酒店	94,000	33%
合計		370,600	

*註：此為首創拓展大廈竣工後實測面積

總建築面積小於或等於6萬平方米的部分持有權益75%，總建築面積大於6萬平方米的部分，持有權益85%



陽光上東首批客戶入住

管理層討論及分析

售樓業績

於二零零四年度，集團售樓簽約面積約為32.8萬平方米，較去年增長4.6%，其中住宅約佔83%，寫字樓約佔6%，商業約佔11%；簽約銷售收入約為人民幣29.3億元，較去年上升21%，其中住宅約佔79%，寫字樓約佔9%，商業約佔12%。部分未開發項目受宏觀調控影響未能如期開盤，但在售樓盤的銷情都十分理想，無論是銷售均價和銷售面積都超過預期。

回顧本年度內，集團推出主要項目之銷售情況可由下表看出：

項目	概約簽約 銷售面積 (平方米)	概約簽約 銷售均價 (人民幣元/平方米)	概約簽約 銷售總收入 (人民幣千元)
住宅			
第三置業	32,000	11,200	358,400
溫哥華森林	42,800	7,700 ⁽¹⁾	329,560
雪梨澳鄉	39,200	8,100 ⁽²⁾	317,520
領秀硅谷	39,500	6,600	260,700
陽光上東	91,500	9,200	841,800
陽光麗景II期	25,800	7,600	196,080
小計	270,800		2,304,060
寫字樓			
首創拓展大廈	20,400	12,700	259,080
商業物業			
北京國際中心一期	36,800	9,900 ⁽³⁾	364,320
合計	328,000		2,927,460

註： (1) 若不包含地下面積，則概約簽約銷售均價為人民幣10,900元/平方米。

(2) 若不包含地下面積，則概約簽約銷售均價為人民幣9,500元/平方米。

(3) 由買家負擔建設成本。



溫哥華森林開園儀式

管理層討論及分析

於二零零四年度，集團依然秉承精準客戶定位，為客戶量身訂制，充分滿足客戶個性化需求的經營理念，收獲頗豐。陽光麗景二期、第三置業一期開盤一年內即告售罄，說明首創置業推出的樓盤深受客戶青睞和信任。

第三置業一期推出寫字公寓，在國門三元橋成功培養了一個現代小型商務區，引發熱購；該項目還邀請住戶共同規劃樓座底商，不僅貼近了住戶需求，更提升了商家經營的成功性，樓座底商迅速實現招租，促成多贏局面。

溫哥華森林以71公頃原生森林為依託，以百年建築為標準，開發出不同建築風格的上百種戶型組合，在建造中尤其注重細節的安排和創新，親近自然、品質上佳，於二零零四年五月底開盤後首期推出58套，2個月內即告售罄。

陽光上東致力於打造高尚社區，從建築設計、社區營造、物業服務等各方面突出品質和尊貴，目前銷售均價距開盤時已上漲約16%，並已成為北京東北部最具影響力的樓盤之一。

北京國際中心一期依據商業物業買家偏好，果斷調整規劃，設計出CBD區域罕見的下沉式商業廣場，順利實現銷售。

於二零零四年度，除不斷鞏固既有營銷優勢外，本集團還於二零零四年十月發起設立了「首創置業客戶會」，旨在整合各項目豐富的客戶資源，增強客戶信任感和忠誠度，為客戶提供更多更優質的服務。



溫哥華森林實景

管理層討論及分析

物業投資

隨著北京國際化進程的不斷加速，以及二零零八年奧運會的日益臨近，北京的商務和旅遊氣氛愈加濃厚，針對此旺盛需求，集團有選擇地投資持有部分高檔酒店和商業物業，以獲取穩定可觀的現金流，並促進持有物業的不斷增值。

中環假日酒店是由洲際酒店集團管理的國際四星級標準酒店，並已於二零零四年三月底開業。酒店位於北京市中心的廣安門政府商務區，連接新的市政府辦公大樓，與許多國家部委相鄰，故定位為有國際品牌優勢的商務會議酒店。開業一年以來，入住率已穩定在80%左右，並被洲際酒店管理集團評為旗下「二零零四年亞太地區最佳商務酒店」。

金融街洲際酒店是由洲際酒店集團管理的國際五星級標準酒店，並已基本完成內部裝飾，開業在即，將成為金融街第一家國際五星級標準酒店。有中環假日酒店的成功開局在先，集團對金融街洲際酒店的經營前景充滿信心。

陽光大廈(華糖大廈)已於二零零五年二月竣工，該大廈主要空間為伊滕洋華堂商社定制，用於開辦華堂商場，已與伊滕洋華堂商社簽訂了二十年租約。



中環假日酒店客房

管理層討論及分析

房地產策劃諮詢服務

房地產策劃諮詢服務為本集團依據自身優勢開展的一項增值業務，主要是為客戶提供物業開發前期的策劃諮詢服務，即憑借集團豐富的物業開發經驗、與政府相關部門的良好合作關係及對市場超強的分析判斷能力，協助客戶完成國有土地使用權的審核、投資及立項手續、項目工程規劃及設計方案的調整優化、市場調研和產品定位、項目整體推廣宣傳和營銷方案、物業前期招投標等工作，並收取相應費用。由於房地產開發項目周期長，政府審批環節多，各區域情況差距大，客戶在北京做物業投資或物業開發時往往受困於前期的審批和開發，針對此市場需求，集團開展了房地產策劃諮詢服務，並於回顧年度取得一定收入，為集團未來繼續推進此業務堅定了信心、奠定了基礎，也為集團計劃開展的土地一級開發業務做了資源和客戶方面的準備。

出售附屬公司及聯營公司權益

百校軟件研發中心是一幢位於中關村的寫字樓，已於二零零三年年底落成，本集團持有該物業80%權益。應一名獨立第三者的買家要求，該物業以公司股權轉讓方式出售，透過出售80%權益為集團帶來人民幣49,237,000元其他收入。

此外，本集團亦出售其於北京金亞光房地產開發有限公司（「金亞光」）之25%權益予一名獨立投資者，此亦為獨立第三者，為集團帶來其他業務收入人民幣48,249,000元。此減持後，本集團仍持有金亞光75%權益。管理層認為此減持能令集團套現部份利潤，同時仍能維持金亞光物業發展之管理權。



陽光上東實景

管理層討論及分析

轉讓陽光股份股權

陽光股份為深圳證券交易所上市公司（「陽光股份」），其股份最初由本集團持有26.5%，為第一大股東，並將陽光股份作為附屬公司予以合併。為解決集團A股發行的同業競爭問題，出於戰略考慮，本集團於二零零四年三月公告，將所持有的陽光股份15.5%的法人股股份，以陽光股份於二零零三年十二月三十一日經審核資產淨值溢價10%的代價轉讓本公司於陽光股份之15.5%權益予獨立第三者北京燕趙房地產開發有限公司。並與對方簽署補充協議約定本公司仍然按照26.5%的比例享有陽光股份二零零四年全年溢利。因此，於二零零四年六月三十日的中期報告中由於有關股權轉讓協定仍未被批准，本集團按帳面值將陽光股份從附屬公司重分類至聯營公司。

於二零零四年十二月二十二日，上述股權轉讓協定已經獲得中國政府有關機構的審批且在紳未證券交易所完成了股權過戶手續。股權過戶完成後，於二零零四年十二月三十一日，陽光股份被列示為投資證券。上述出售15.5%股權的收益約人民幣5.5百萬元將於二零零五年在股權轉讓有關的出售手續全部完成及轉讓款項全部收到後確認。

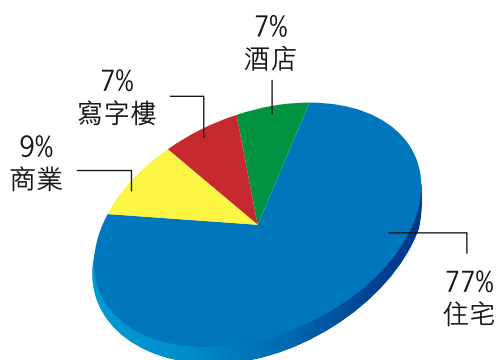


舉牌競投十里堡住宅用地

管理層討論及分析

土地儲備

截至二零零四年十二月三十一日，集團擁有的土地儲備可建樓面面積約為353萬平方米，當中約92%位於北京北半部地區，位處北京市的黃金地段。儲備中94%的土地面積已獲發長期土地使用權證，餘下的6%預期將在二零零五年內獲得長期土地使用權證。儲備中77%為住宅用地，9%為商業用地，7%為寫字樓用地，7%為酒店用地。現有土地儲備足以滿足公司未來四至五年的發展需要，並支持集團能在未來的市場競爭中脫穎而出。



按用地劃分之土地儲備分析

二零零四年八月三十一日後中國的土地交易已全面採取公開的招標、拍賣和掛牌方式。在「8.31」後北京的大宗土地公開掛牌中，集團競得最優的兩塊住宅用地，分別是：

十里堡住宅項目，位於朝陽區十里堡，與CBD的心臟國貿中心僅兩站地鐵之隔，規劃總建築面積435,600平方米，土地總成本約為人民幣9.34億元，預計總投資約為人民幣24億元。針對CBD精英白領客戶群，計劃建設成為擁有特色商業街、富於動感的大型現代生活社區。集團將與GIC合資開發本項目，首創置業擁有項目公司的55%股權。本項目第一期計劃於二零零五年下半年開盤。

西二旗住宅項目，位於海淀區西二旗，緊貼西二旗輕軌站和集團已開發的領秀硅谷項目，規劃總建築面積391,000平方米，土地總成本約為人民幣11.75億元，預計總投資約為人民幣23億元。作為中關村科技園區最後一塊低密度住宅用地，我們將為高科技精英提供安靜舒適的居所。集團將與北科建集團合作開發，首創置業擁有40%股權。本項目計劃於二零零五年底開盤。

上述兩塊住宅用地的取得，不僅增加了集團土地儲備數量，改善了集團土地儲備結構，符合未來市場對住宅需求更多更高的趨勢，更為重要的是，在土地政策發生重大變化，土地交易由過去的私人轉讓轉為全部公開交易後，集團依然能憑藉資金優勢和強大開發實力獲取優質土地，保持土地儲備的領先優勢。未來集團還將積極探索土地一級開發業務，從而繼續擴大土地儲備優勢，為公司的長遠穩定發展打下堅實基礎。



成功競得十里堡住宅用地

管理層討論及分析

投資者關係

本集團自二零零三年六月於香港聯交所上市後，以良好業務表現和積極進取發展策略為基礎，在良好投資者關係工作的推動下，H股股價表現理想。二零零四年底之H股股價較二零零三年底股價上升約10%。

為確保本集團與投資界之良好關係，本集團貫徹高度重視與投資者聯系及溝通的作風，以高透明度及開放的態度，第一時間透過不同渠道向投資者傳達企業策略及業務發展的訊息。集團的年報及中期報告均詳盡列集團業務，又定期發放新聞稿，這些資料皆可從集團網站www.bjcapitalland.com下載。

除在業績公布後舉行的新聞發布會及分析員會議外，集團管理層也定期與證券分析員及投資界會面，並於年內參加多個大型會議、推介會議及海外巡迴推介，此舉令投資者更容易掌握本集團的發展潛力及未來前景，有助其市場發掘的投資價值。回顧年度內，本集團已與超過290名分析員及投資者會面（其中各主要大型會議及海外巡迴路演資料詳列於下表）。

日期	會議／海外巡迴路演	舉辦地區	會晤之分析員／ 投資者數目
二月	歐美路演	英國、荷蘭及美國	超過50位
二月	中國概念會議	上海	約40位
三月	二零零三年全年業績公佈分析員會議	香港	約15位
三月及四月	二零零三年全年業績公佈路演	香港、新加坡、澳洲、 英國、美國及日本	約60位
八月	二零零四年中期業績公佈分析員會議	香港	約15位
十一月	投資者到北京現場考察新購入的兩塊用地	北京	約15位



「從一到百」首創置業上市一周年媒體見面會

管理層討論及分析

展望

隨著二零零八年奧運會的日益臨近，北京的經濟發展又將迎來一個高潮，預計未來三年國民生產總值(GDP)增長率和居民收入增長率都將保持在10%以上。北京的城市建設將加速推進，主要表現為市政配套的不斷完善及交通路網的不斷延伸，北京房地產市場的發展潛力將更為巨大。

在居民實際需求的推動下，北京房地產市場將繼續呈現供銷兩旺的局面，市場將長期向好。北京二零零四年新增人口為36.3萬，未來每年的新增人口都將保持在30萬以上；70年代嬰兒潮一代已進入置業階段，對住房有強勁的需求；按政府規劃，未來四年北京平均每年有5.5萬拆遷戶，每年需約600萬平方米住宅；而且政府計劃在二零一零年時，將人均住宅使用面積由二零零四年約19平方米增加至35平方米。這些因素都將帶動住宅需求長期保持繁榮。隨著國際化進程的日益加速，北京已成為多家海內外公司和商家必須佈局的中心，他們都將源源不斷地成為住宅、寫字樓、商業物業和酒店的買家或租戶。

面對愈來愈佳的发展機遇，集團將繼續堅持或積極推行如下策略以求儘早成為亞洲級地產營運商：

- 繼續保持土地儲備和資金渠道的領先優勢
- 繼續擴大與國際開發商和投資商合作，進一步提升產品品質
- 調整產品結構，完善投資組合，加速資金周轉
- 有選擇地延伸產業鏈，打造綜合地產營運商
- 充分挖掘北京奧運商機，並積極探求外地發展機會
- 充分利用行業整合機會，尋找併購良機、擴大營運規模

首創置業股份有限公司 2005年管理工作會議

2005年2月5日



首創置業2005年管理工作會議

管理層討論及分析

- 加強戰略規劃工作，不斷提升戰略管理能力
- 加大人力資本投入，培養與綜合地產營運商定位相適應的管理團隊
- 積極推進品牌系統建設，快速擴展首創置業的品牌影響力

財務分析

1 收入和經營業績

於二零零四年度，本集團的營業額約為人民幣1,629,332,000元（二零零三年：人民幣1,920,522,000元），下降率為15.2%，主要是由於集團於陽光股份的權益從26.5%減持至11%後，使陽光股份旗下項目銷售收入不能併入集團。

在嚴格控制成本下，本集團二零零四年度的毛利率達到26.4%（二零零三年：26.6%），與去年度相約。

於二零零四年度，本集團經營溢利約為人民幣439,256,000元（二零零三年：人民幣473,383,000元）。

中環假日酒店已於二零零四年三月底開業營業，開業一年以來，入住率已穩定在80%左右，為本集團帶來收入人民幣40,765,000元。

管理層討論及分析

另外，本集團二零零四年開始大力從事新收入來源之項目——房地產策劃諮詢服務，通過協助客戶取得房地產項目前期手續：完成市場調研和產品定位、項目整體推廣宣傳和營銷方案、物業工程招投標等工作，二零零四年取得項目管理諮詢收入人民幣70,000,000元。

一宗已經在二零零三年予以確認銷售額為人民幣272,250,000元的已開發物業項目合同被撤銷，故在本年度予以沖銷已確認的銷售額。該已開發物業項目之大部份已經於本年度再賣給另一獨立第三方，金額為人民幣274,000,000元。原銷售合同下的毛利為人民幣70,854,000元，此毛利已經在二零零三年予以確認，並在本年度予以沖銷。新銷售合同下的毛利為人民幣80,853,000元，此毛利已經在本年度予以確認。

2 財政資源、流動資金及負債狀況

於二零零四年度，本集團的資金流動性維持在健康水平，而財政資源亦作出合理分佈。於二零零四年十二月三十一日，本集團的總資產達到人民幣8,813,316,000元（其中流動資產達人民幣5,985,994,000元）〔二零零三年：人民幣7,833,412,000元（其中流動資產為人民幣5,972,134,000元）〕，總負債為人民幣5,947,443,000元（其中流動負債為人民幣3,959,717,000元，非流動負債為人民幣1,987,726,000元）〔二零零三年：人民幣5,040,915,000元（其中流動負債為人民幣3,074,993,000元，非流動負債為人民幣1,965,922,000元）〕，股東權益已達到人民幣2,314,252,000元（二零零三年：人民幣2,181,108,000元）。

本集團的資產流動性良好，償債能力充分。本集團於二零零四年十二月三十一日的流動比率為1.51（二零零三年：1.94）。

於二零零四年十二月三十一日，本集團之現金和短期銀行存款達到人民幣1,879,135,000元（二零零三年：人民幣1,493,870,000元），有充足資金滿足營運需求。

於二零零四年十二月三十一日，本集團的銀行貸款為人民幣4,226,251,000元（二零零三年：人民幣2,368,000,000元），銀行借款的主要用途是滿足本集團的房地產開發項目的資金需求。

管理層討論及分析

由於本集團在北京進行投資，除一附屬公司獲得新加坡星展銀行美元貸款32,000,000美元，二零零四年十二月三十一日提款美元5,800,000美元外，本集團其他所有銀行貸款均來自中國之銀行，並以人民幣借入和歸還，不存在匯率波動的重大風險。除上述美元貸款外，本集團其他所有銀行貸款均非浮動利率貸款。

本公司於二零零四年十二月三十一日的資本負債比率為53.7% (二零零三年：44%)。本公司資本負債比率的計算方法是將(i)本集團短期及長期銀行貸款、(ii)應收／應付控股公司款項淨額減除(iii)現金及銀行結餘淨額 ((i)、(ii)及(iii)的餘額以「(A)」代表)，除以(A)及本集團淨資產值的總和。

3 附屬公司及聯營公司的重大收購

本公司於二零零四年與Reco Ziyang Pte Ltd. 合資成立一附屬公司北京首創新資置業有限公司，詳情見董事會報告中關聯交易部份。本公司於二零零四年注資北京星泰房地產開發公司，詳情見董事會報告關聯交易部份。

4 委託存款及逾期定期存款

截至二零零四年十二月三十一日，本集團並無任何委託存款存放於中國金融機構，本集團所有現金均存放於中國的商業銀行，並符合適用之法例及規則。本公司並未遇到銀行存款到期而未能取回的情況。

5 資產抵押

於二零零四年十二月三十一日，賬面總值約人民幣675,213,000元的酒店物業已抵押予銀行作為本集團取得銀行信貸之擔保。本集團以部分物業之土地收益權 (本集團轉讓該等土地或者以其他方式利用該等土地取得的收益) 作為質押，取得了銀行短期信貸人民幣1,000,000,000元以及長期貸款人民幣1,300,000,000元。

管理層討論及分析

6 或然負債

本集團為若干物業買家安排銀行融資，並提供擔保保證有關買家的還款責任。於二零零四年十二月三十一日，尚未履行的擔保達人民幣637,468,000元（二零零三年：人民幣885,280,000元）。

於二零零四年十二月三十一日，本集團除對本公司之子公司的人民幣498,000,000元短期銀行借款（二零零三年：人民幣40,000,000元短期銀行借款以及人民幣360,000,000元的長期銀行借款），對本公司之合營公司的人民幣120,000,000元（二零零三年：人民幣250,000,000）的短期銀行借款提供擔保外，本集團不存在其他重大對外擔保。

其他

1. 人力資本

本集團目前擁有一支規模為288人，年輕化、國際化、專業化的職業團隊，員工平均年齡34歲。在學歷構成方面，碩士以上學歷員工佔20%，大學本科學歷員工佔57%，有海外留學、工作經歷的員工15人。在專業構成方面，具有中級職稱員工佔35%，具有高級職稱員工佔12%，具有各類任職資格和執業資格員工佔14%。年度內由於減持陽光股份，故未有包括陽光股份及其旗下之員工。

公司正以「人力資本營運」的新理念逐漸代替傳統的人力資源管理，即以提升公司核心能力為中心營運人力資本，並在此基礎上形成對公司文化的培植與溝通及對公司戰略的影響與推進。

二零零四年八月，集團與德勤諮詢 (Deloitte) 合作開展了「企業文化建設和人力資本開發項目」，項目的主要內容是，建設支援企業持續發展的企業文化，明晰面向國際競爭的人力資本戰略及發展規劃，搭建基於能力模型的從基層員工到高級職業經理人的職業生涯發展體系。截至二零零四年底，項目階段性目標已經完成，「目標一致、遵從規則、學習創新」成為公司文化的最新追求。

管理層討論及分析

二零零四年集團共舉辦各類培訓約17次；培訓總人數約400人次；培訓總小時數約4,300小時（按工時計算），於二零零四年度，人均培訓約15小時，其中總部人均培訓約43小時。與美國斯坦福大學合作的「動態不確定環境下的競爭戰略培訓」（Grabber-Holder Dynamics）以及和佛蘭克林·柯維公司（Franklin Covey）合作的「高效能人士的七個習慣」培訓（The 7 Habits of Highly Effective People）等一系列培訓課程取得了良好效果，進一步強化了學習型組織特徵。

2. 公益事業

- 二零零四年六月，以首創置業董事長劉曉光為主發起人的「阿拉善SEE生態協會」成立。這是一家致力於治理內蒙古阿拉善風沙的公益基金，目前已經有人民幣800萬資金到位，梭梭林、溫棚兩個項目的運作方案已經過協會執行理事會論證通過，已正式啟動。阿拉善治沙是由中國地產業領袖推動的最大公益項目，體現了強烈的社會責任感。
- 二零零四年十月，由首創置業協辦的《法國時尚百年設計大展》在國家博物館成功展出。作為中法文化年的主要活動，此次展出彙集了近100年來法國創造的眾多優秀物品，廣受各界人士矚目，法國總統希拉克也親臨展覽現場。

董事、監事及高級管理人員簡介

董事長

劉曉光，50歲，於二零零二年十二月獲委任為本公司董事長。劉先生自一九九五年起擔任首創集團副董事長及總經理職務。在加盟首創集團之前，劉先生曾於北京市政府多個部門工作，累積約13年經驗，包括曾任北京市發展計劃委員會副主任及北京首都規劃建設委員會副秘書長等。一九九四年起，劉先生就任ING北京投資有限公司董事局主席。目前還是北京商學院客座教授、《資本市場》雜誌社社長及總編。劉先生於一九八二年在北京商學院取得經濟學學士學位。

執行董事

唐軍，45歲，於二零零二年十二月獲委任為本公司執行董事兼總裁。唐先生曾於北京市發展計劃委員會及北京經濟技術開發區工作。一九九四年起，唐先生成為北京陽光房地產綜合開發公司的法定代表人暨總經理。唐先生亦為陽光股份的董事長。唐先生於一九八二年在合肥工業大學取得建築工程學士學位。

何光，46歲，於二零零二年十二月獲委任為本公司執行董事兼副總裁。在加盟本公司前，何先生曾在加拿大TCL Construction Development Ltd.、香港C.M. Wong Associates Ltd.及New Rank City Development Ltd.擔任高級管理職位。何先生自二零零零年起出任北京融金房地產開發有限公司總經理。何先生於一九九六年在加拿大蒙特里爾大學取得土木工程博士學位。

潘沛，47歲，於二零零二年十二月獲委任為本公司執行董事兼副總裁。在加盟本公司前，潘先生曾在北京市委組織部、北京市人民代表大會、北京市綜合投資公司、北京經濟發展投資公司及北京首創科技投資有限公司工作。潘先生於一九八三年在北京經濟學院取得工學學士學位。

董事、監事及高級管理人員簡介

執行董事 (續)

王正斌，41歲，於二零零二年十二月獲委任為本公司執行董事兼副總裁。在加盟本公司前，王先生曾為北京首創航宇經濟發展有限公司房地產部經理、副總經理及總經理。王先生是首創置業方舟房地產發展有限公司董事長，亦為首創朝陽房地產發展有限公司董事兼總經理。王先生於一九九二年在中國人民大學取得經濟管理學位。

非執行董事

朱敏，42歲，於二零零二年十二月獲委任為本公司非執行董事。朱女士曾於北京市統計局及北京市發展計劃委員會工作。自二零零一年起，朱女士出任北京首創科技投資有限公司董事長兼總經理。朱女士於一九九九年在北京首都經濟貿易大學取得企業管理碩士學位。

麥建裕，42歲，於二零零三年十一月獲委任為本公司非執行董事。麥先生為新加坡政府投資有限公司 (Government of Singapore Investment Corporation Pte. Ltd.) 之房地產投資機構GIC Real Estate Pte. Ltd.之副行政總裁兼亞太投資部主管。GIC Real Estate Pte. Ltd.之總部設於新加坡，其全球房地產投資由紐約、三藩市、倫敦及東京等國際辦事處網絡管理，有關投資涉及多種組合，包括直接物業、私營與上市公司、房地產基金及債券。

董事、監事及高級管理人員簡介

獨立非執行董事

吳毓璘，68歲，於二零零二年十二月獲委任為本公司獨立非執行董事。吳先生現時出任Allied Holdings Ltd.董事長，以及匯豐銀行加拿大及SFU Community Corporation的董事。除此之外，吳先生亦為British Columbia Achievement Foundation的董事及代表加拿大政府出任溫哥華國際機場管理局董事一職。吳先生於一九六一年在香港大學取得文學碩士學位，並於一九八零年繼續進修，在Pepperdine University取得工商管理碩士學位。

鄺啟成，46歲，於二零零二年十二月獲委任為本公司獨立非執行董事。鄺先生曾在多家國際銀行的信貸部及中國部擔任多個職位。於過去數年，鄺先生曾出任超過七家香港公眾上市公司的執行董事，目前則為香港聯交所上市公司漢基控股有限公司的主席。彼於一九九五年及一九九六年獲委任為湖北省政治協商會議委員，並為湖北省商會的榮譽顧問。鄺先生在一九八二年畢業於加拿大不列顛哥倫比亞省的西門費雷澤大學，持有文學學士學位。

柯建民，51歲，於二零零三年六月獲委任為本公司獨立非執行董事。柯先生目前出任加拿大公司SNC-Lavaline副總裁。柯先生分別於一九七九年及一九八二年在上海同濟大學取得城市規劃學士及碩士學位，並於一九九四年在英國謝菲爾德大學取得博士學位。

俞興保，39歲，中國註冊會計師，於二零零四年五月獲委任為本公司獨立非執行董事。俞先生於一九八七年畢業於上海財經大學，獲得學士學位。俞先生曾任職於深圳蛇口中華會計師事務所及美國評值有限公司深圳辦事處及北京辦事處。由一九九六年起，俞先生曾出任中瑞嘉會計師事務所法人兼主任會計師。自二零零零年至今，俞先生一直擔任華證會計師事務所法人兼主任會計師。

董事、監事及高級管理人員簡介

監事

俞昌建，49歲，於二零零二年十二月獲委任為本公司監事。俞先生曾為北京化工集團、北京首創航宇經濟發展有限公司工作。一九九五年起，俞先生出任首創集團財務部經理、財務總監。俞先生於一九八六年在北京廣播電視大學畢業。

魏建平，38歲，於二零零二年十二月獲委任為本公司監事。自一九九四年起，魏先生一直在北京陽光房地產綜合開發公司及其屬下附屬公司任工程師及經理，自二零零零年四月起在北京融金房地產開發有限公司任項目經理。目前，魏先生為北京中環廣場置業有限公司董事長及北京融金房地產開發有限公司董事。魏先生於二零零零年在中國人民大學取得經濟學碩士學位。

王琪，51歲，於二零零四年五月獲委任為本公司監事。王先生曾任北京市財政局預算處及教育處處長，也曾任北京經濟發展投資公司副總經理、總經理、首創集團副總經理，從二零零三年十一月起，王先生擔任北京市基礎設施投資有限公司總經理。王先生於一九八二年在北京財貿學院取得經濟學學士學位。

獨立監事

徐建泓，46歲，於二零零二年十二月獲委任為本公司獨立監事。徐先生自一九九八年起出任北京海豐園房地產開發有限公司總經理，自一九九九年出任北京月壇大廈房地產開發有限公司董事。徐先生於一九八二年在北京建築工程學院畢業，取得工業與民用建築工程文憑。

董事、監事及高級管理人員簡介

公司秘書及合資格會計師

陳綺華，39歲，於二零零三年一月獲委任為本公司的公司秘書暨投資者關係主管，再於二零零四年九月獲委任為本公司的合資格會計師。獲委任前，陳女士歷任香港多家上市公司的集團財務總監及公司秘書。陳女士在會計及公司秘書事務方面擁有超過17年經驗。陳女士為香港會計師公會資深會員及香港公司秘書公會會員。陳女士於一九九二年畢業於香港城市大學，取得其首個會計學位，及後於一九九三年榮獲英國諾丁漢大學頒發工商管理碩士學位。

高級管理人員

張巨興，51歲，於二零零二年十二月獲委任為本公司副總裁。自一九九三年起，張先生出任北京陽光房地產綜合開發公司發展部門的部門經理、副總經理。張先生亦同時出任陽光股份監事。張先生於一九八九年在中國人民大學取得基本建設經濟學位。

周麒，55歲，高級工程師，於二零零二年十二月獲委任為本公司副總裁。周先生自二零零零年起出任北京陽光房地產綜合開發公司副總經理，亦為北京首創陽光房地產有限責任公司董事兼副總經理。周先生於一九七六年在北京工業大學工民建專業畢業。

張馥香，43歲，於二零零二年十二月獲委任為本公司財務總監。張女士自二零零零年起先後出任陽光股份及北京陽光房地產綜合開發公司財務部經理及財務總監，亦為陽光股份監事。張女士於一九八五年在中國人民大學財務會計系取得經濟學學士學位。

董事會報告

本公司董事會謹向股東提呈董事會報告及本公司及其附屬公司（「本集團」）截至二零零四年十二月三十一日止年度經審核之財務報告。

主要業務

本集團主要從事物業開發及投資、酒店營運以及房地產策劃諮詢服務。

業績

本集團截至二零零四年十二月三十一日止年度按香港普遍採納之會計準則之業績及於該日之財務狀況載於年報第58頁至第63頁。

股息

於二零零五年三月二十二日舉行之董事會會議上，董事會建議就本公司截至二零零四年十二月三十一日止年度的股息分配以董事會會議當日之公司總股本1,715,960,000股為基數，每股派現金末期股息人民幣7仙，共計派發人民幣120,117,200元。此項擬派股息並無於本賬目中列作應付股息，惟將於截至二零零五年十二月三十一日止年度列作保留盈餘分派。

財務摘要

本集團於過往五年之合併／綜合業績、資產及負債摘要載於年報第4頁。

主要客戶及供應商

本年度內，本集團從其五位最大供應商購入之貨品及服務少於百分之三十，向其五位最大客戶售出之貨品及服務約為百分之六十四，向最大客戶售出之貨品約為營業額之百分之二十。

概無董事、彼等之聯繫人士或任何股東（指據董事所知擁有本公司百分之五以上股本權益之股東）於上述之主要供應商或客戶中擁有任何權益。

固定資產

本集團在本年度的固定資產變動情況分別載於財務報表附註12。

董事會報告

主要物業

本集團擁有之主要物業概要載於年報第8頁至第9頁。

儲備

於本年度內，本集團及本公司儲備之變動情況載於財務報表附註30。

購買、出售或贖回本公司之股份

於本年度內，本公司並無贖回本公司之股份。本公司或其任何附屬公司概無購回或出售本公司之已發行股份。

董事及監事

於本年度內，本公司董事及監事姓名如下：

董事

執行董事

劉曉光先生	董事長
唐軍先生	總裁
何光先生	副總裁
潘沛先生	副總裁
王正斌先生	副總裁

非執行董事

朱敏女士
麥建裕先生

獨立非執行董事

吳毓璘先生
鄺啟成先生
柯建民先生
俞興保先生

董事會報告

董事及監事 (續)

監事

監事

俞昌建先生

魏建平先生

王琪先生

獨立監事

徐建泓先生

董事、監事及高級管理人員之簡介載於年報第33頁至第37頁

董事及監事變動事宜

王琪先生及楊豫魯先生於二零零四年五月分別辭任本公司非執行董事及獨立監事職務，而王琪先生及俞興保先生則於二零零四年五月分別被委任為本公司監事及獨立非執行董事。

董事及監事酬金

董事及監事酬金情況載於財務報表附註10。

最高酬金人士

本年度本集團獲最高酬金之首五名人士均為本公司董事。

管理合約

除本報告中提到的關連交易所簽訂之合約外，本年度內，本公司並無就整體業務或任何重要業務之管理或行政工作簽訂或存在任何合約。

董事會報告

董事和監事權益

於二零零四年十二月三十一日，本公司各董事、監事及行政總裁於本公司或任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關部份及債券中擁有而須根據證券及期貨條例第XV部7及8分部知會本公司及香港聯交所的權益及淡倉（包括其根據證券及期貨條例視作擁有的權益及淡倉），又或須根據證券及期貨條例第352條載入有關條例所述登記冊內的權益及淡倉，又或根據上市公司董事進行證券交易的標準守則將須知會本公司及香港聯交所的權益及淡倉（就此而言，證券及期貨條例的有關條文將猶如適用於監事般詮釋）如下：

董事/監事	相聯法團	權益類別	所擁有 股份數目	佔相聯法團 註冊資本之 概約百分比
劉曉光	北京首創陽光房地產有限責任公司	個人	2,000,000	2.00%
唐軍	北京首創陽光房地產有限責任公司	個人	2,000,000	2.00%
潘沛	北京首創科技投資有限公司	個人	1,500,000	0.75%
王琪	北京首創陽光房地產 有限責任公司	個人	400,000	0.40%
	北京首創科技投資有限公司	個人	2,000,000	1.00%
俞昌建	北京首創陽光房地產有限責任公司	個人	600,000	0.60%
	北京首創科技投資有限公司	個人	800,000	0.40%

除上文所披露者外，於二零零四年十二月三十一日，本公司董事、監事及高級行政人員概無在本公司或其相聯法團（定義見證券及期貨條例第XV部）的部份、相關股份及債權證中，擁有任何根據證券及期貨條例第352條規定須予備存的登記冊所記錄或依據上市公司董事進行證券交易的標準守則通知本公司或香港聯合交易所有限公司的權益或淡倉。於本年度內，本公司董事、監事及高級行政人員或彼等之配偶或18歲以下子女概無持有可認購本公司股本或債務證券之權利，彼等亦無行使任何該項權利。

董事會報告

董事及監事之合約權益

於本年度末及本年度內任何時間，除有關本公司業務之服務合約外，本公司、其控股公司、任何本公司之附屬公司或同系集團之附屬公司概無訂有本公司各董事及監事直接或間接擁有重大利益之重要合約。

董事及監事於競爭性業務之利益

於本年度內及截至本報告日期止，按香港聯合交易所有限公司證券上市規則（「上市規則」）規定，本公司之董事或監事及管理層股東無與本集團業務有所競爭或可能競爭之業務中持有權益。

股本

本公司於二零零四年十二月三十一日的總註冊股本為1,613,300,000股已發行股份，其中包括：

	股份數目	股本概約 百分比
內資股	690,671,700	42.8%
非H股外資股	357,998,300	22.2%
H股	564,630,000	35.0%

董事會報告

主要股東持股情況

於二零零四年十二月三十一日，就任何董事所知，下列人士（並非本公司之董事或高級管理人員）於本公司股份及相關股份中擁有須根據證券及期貨條例第XV部第2及3分部知會本公司之權益或淡倉，或直接或間接持有附帶權利可於任何情況下在本集團任何其他成員公司股東大會上投票之任何類別股本之面值10%或以上：

股東名稱	直接或間接持有之股份數目	股份類別	佔有關類別股份之概約百分比(%)			佔全部已發行股本之概約百分比(%)		
			直接權益	間接權益	權益總數	直接權益	間接權益	權益總數
北京首都創業集團有限公司	965,907,900 ⁽¹⁾	非上市股份	5.34 (長倉)	86.77	92.11	3.47 (長倉)	56.40	59.87
北京陽光房地產綜合開發公司	619,146,500 ⁽²⁾	非上市股份	5.50 (長倉)	53.54	59.04	3.58 (長倉)	34.80	38.38
北京首創陽光房地產有限責任公司	561,461,900 ⁽³⁾	非上市股份	27.29 (長倉)	26.25	53.54	17.74 (長倉)	17.06	34.80
北京首創科技投資有限公司	172,006,700	非上市股份	16.40 (長倉)	—	16.40	10.66 (長倉)	—	10.66
北京首創航宇經濟發展有限公司	118,747,600	非上市股份	11.32 (長倉)	—	11.32	7.36 (長倉)	—	7.36
中國物產有限公司	275,236,200	非上市股份	26.25 (長倉)	—	26.25	17.06 (長倉)	—	17.06
億華國際企業有限公司	82,762,100	非上市股份	7.89 (長倉)	—	7.89	5.13 (長倉)	—	5.13
Flexi Holdings Limited	82,762,100 ⁽⁴⁾	非上市股份	—	7.89 (長倉)	7.89	—	5.13 (長倉)	5.13
鍾博英	82,762,100 ⁽⁵⁾	非上市股份	—	7.89 (長倉)	7.89	—	5.13 (長倉)	5.13
Reco Pearl Private Limited	158,102,000	H股	28.00 (長倉)	—	28.00	9.80 (長倉)	—	9.80
Recosia China Pte Ltd.	158,102,000 ⁽⁶⁾	H股	—	28.00 (長倉)	28.00	—	9.80 (長倉)	9.80
Recosia Pte Ltd.	158,102,000 ⁽⁷⁾	H股	—	28.00 (長倉)	28.00	—	9.80 (長倉)	9.80
Government of Singapore Investment Corporation (Realty) Pte Ltd.	158,102,000 ⁽⁸⁾	H股	—	28.00 (長倉)	28.00	—	9.80 (長倉)	9.80
J.P. Morgan Chase & Co.	99,467,688 ⁽⁹⁾	H股	—	17.62 (長倉)	17.62	—	6.17 (長倉)	6.17
J.P. Morgan Chase & Co.	40,859,344 ⁽¹⁰⁾	H股	—	7.24 (可供借出的股份)	7.24	—	2.53 (可供借出的股份)	2.53

董事會報告

主要股東持股情況 (續)

股東名稱	直接或 間接持有之 股份數目	股份類別	佔有關類別股份之概約百分比(%)			佔全部已發行股本之概約百分比(%)		
			直接權益	間接權益	權益總數	直接權益	間接權益	權益總數
Zesiger Capital Group LLC	45,216,000	H股	8.01 (長倉)	—	8.01	2.80 (長倉)	—	2.80
Martin Currie Investment Management Limited	32,676,000	H股	5.79 (長倉)	—	5.79	2.03 (長倉)	—	2.03

附註：

1. 在965,907,900股股份當中，56,007,100股股份直接由北京首都創業集團有限公司持有，其餘909,900,800股股份被視作證券及期貨條例項下之企業權益，透過北京陽光房地產綜合開發公司、北京首創陽光房地產有限責任公司、北京首創科技投資有限公司、北京首創航宇經濟發展有限公司及中國物產有限公司間接持有。
2. 在619,146,500股股份當中，57,684,600股股份直接由北京陽光房地產綜合開發公司持有，其餘561,461,900股股份被視作證券及期貨條例項下之企業權益，透過北京首創陽光房地產有限責任公司及中國物產有限公司間接持有。
3. 在561,461,900股股份當中，286,225,700股股份直接由北京首創陽光房地產有限責任公司持有，其餘275,236,200股股份被視作證券及期貨條例項下之企業權益，透過中國物產有限公司間接持有。
4. 82,762,100股股份被視作證券及期貨條例項下之企業權益，透過億華國際企業有限公司間接持有。
5. 82,762,100股股份被視作證券及期貨條例項下之企業權益，透過億華國際企業有限公司及Fexi Holdings Limited間接持有。
6. 158,102,000股股份被視作證券及期貨條例項下之企業權益，透過Reco Pearl Private Limited間接持有。
7. 158,102,000股股份被視作證券及期貨條例項下之企業權益，透過Reco Pearl Private Limited及Recosia China Pte Ltd.間接持有。
8. 158,102,000股股份被視作證券及期貨條例項下之企業權益，透過Reco Pearl Private Limited、Recosia China Pte Ltd.及Recosia Pte Ltd.間接持有。
9. 99,467,688股股份被視作證券及期貨條例項下之企業權益，透過JPMorgan Chase Bank、J.P. Morgan Investment Management Inc.、JF Asset Management Limited、J.P. Morgan Fleming Asset Management (Asia) Inc.及J.P. Morgan Fleming Asset Management Holdings Inc.間接持有。
10. 40,859,344股股份被視作證券及期貨條例項下之企業權益，透過JPMorgan Chase Bank間接持有。

除上文所披露者以外，就任何董事所知，概無任何人士於本公司之股份或相關股份中擁有且須根據證券及期貨條例第XV部第2及3分部知會本公司之權益或淡倉，或直接或間接持有附帶權利可於任何情況下在本公司或其任何附屬公司之股東大會上投票之任何類別股本之面值10%或以上，或持有任何涉及該等股本之購股權。

董事會報告

委託存款及逾期定期存款

截至二零零四年十二月三十一日，本集團並無委託存款及逾期定期存款情況。

員工

於二零零四年十二月三十一日，本集團共有288名僱員。員工薪酬乃視乎參考市場情況、個別員工之表現、學歷及經驗而定。我們提供之僱員福利，包括養老保險金計劃、醫療保險計劃、失業保險計劃及住房公積金。本公司已有條件採納股份增值權激勵計劃（「激勵計劃」），激勵計劃之主要條款及條件概述於本公司於二零零三年六月十日刊發之招股章程附錄八「股份增值權激勵計劃的條款概要」一節。於二零零四年十二月三十一日，概無根據股份增值權激勵計劃授出股份增值權。

員工宿舍

本年度本集團並無向員工提供任何員工宿舍。

關連交易及持續關連交易

購銷商品發生的關連交易

本年度，本集團關連交易及持續關連交易細節載於按香港普遍採納之會計原則編製的審計報告賬目附註35。該等關連交易及持續關連交易已經本公司董事會批准，及經由本公司獨立董事組成的審核委員會審閱，並確認：

- (i) 已獲董事會批准；及
- (ii) 已按與有關協議所列定價政策相符的金額訂立；
- (iii) 已按規管該等交易的有關協議及文件所載條款訂立；及
- (iv) 有關交易的金額，並未超過香港聯交所給予的豁免所規定的最高限額條件。

持續關連交易

以下為已獲聯交所豁免的本公司持續關連交易（「持續關連交易」）概要：

董事會報告

關連交易及持續關連交易 (續)

提供裝修及安裝服務

自二零零零年開始，本公司附屬公司一直不時就裝修及安裝服務與北京際高室內裝飾工程有限公司（「際高」）訂立合同。際高是於中國註冊成立的有限責任公司，由本公司主要股東北京首創科技投資有限公司及新融投資（香港）有限公司分別擁有其60%及40%權益。因此，根據上市規則所界定，際高屬本公司的關連人士。聯交所已向本公司授出嚴格遵守上市規則有關規定的豁免，惟（其中包括）際高所提供裝修及安裝服務的年度金額不得超過人民幣8,341,090元，佔截至二零零四年十二月三十一日止年度本公司銷售成本約人民幣2,449,000元的0.2%。

持續關連交易的詳情載於本公司於二零零三年六月十日刊發的招股章程。

成立中國合資公司

本公司與Reco Ziyang Pte Ltd.（「Reco Ziyang」）於二零零四年十月十一日訂立之合資合同（「合資合同」），合資公司之總投資額為90,000,000美元，當中包括60,000,000美元之註冊資本。本公司與Reco Ziyang之出資額分別為總投資額55%及45%。合資公司已於二零零四年十月十五日成立。成立合資公司旨在發展位於中國北京市朝陽區之項目。項目之土地乃本公司與Reco Ziyang根據出讓規定在中國北京市之掛牌買賣中聯手取得。Reco Ziyang為Reco Hibiscus Pte Ltd.之聯繫人士，而Reco Hibiscus Pte Ltd.則為本公司附屬公司北京安華世紀房地產開發有限公司之主要股東。因此，根據上市規則之規定，Reco Ziyang為本公司之關連人士。本公司已於二零零四年十二月十七日舉行之臨時股東大會提呈通過決議案以批准、確認及追認合資合同及據此擬進行之交易。

持續關連交易的詳情載於本公司於二零零四年十一月一日刊發的須予披露及關連交易通函。

其他關連交易

貸款安排

在取得本公司開發中及持有作未來開發物業的土地使用權證過程中，本公司與控股股東首創集團分別於二零零三年二月十日及二零零三年五月三十一日訂立了一項貸款協議及一項補充協議（統稱「貸款協議」），作為過程中的其中一部分。根據貸款協議，首創集團向土地管理局支付人民幣1,439,000,000元，即本公司就有關物業應支付土地管理局的全數土地出讓金。其後，土地管理局以各有關項目公司的名稱就有關物業發出長期土地使用權證。貸款中的人民幣300,000,000元已經以首創集團應付本公司的金額抵銷，而貸款餘額則須於三年內由本公司償還。首筆本金人民幣300,000,000元須於本公司在聯交所上市當日起計三個月內支付。只有首筆本金才須繳付利息，利率相等於人民銀行不時公布的基本貸款利率。貸款的餘額則毋須計息。貸款安排的詳情載於本公司於二零零三年六月十日刊發的招股章程。於二零零四年，本集團已經償還了人民幣556,416,000元的貸款。

董事會報告

關連交易及持續關連交易 (續)

其他關連交易 (續)

北京風度協議

本公司與北京財務會計諮詢服務中心(「財務中心」)於二零零四年三月三十日訂立之北京風度協議(「北京風度協議」)，本公司以人民幣22,400,000元之代價收購財務中心於北京風度之權益。北京風度之股份最初由陽光股份持有91.67%，財務中心持有8.33%。根據北京風度協議，財務中心出售其於北京風度8.33%之權益，而本公司以人民幣22,400,000元之總代價收購入該權益。本公司並不承擔與收購相關之其他債務或責任。由於財務中心為本公司控股股東北京首創集團有限公司之間接全資附屬公司。因此，根據上市規則之規定，財務中心為本公司之關連人士。

關連交易的詳情載於本公司於二零零四年五月十七日刊發的重大交易、須予披露及關連交易通函。

北京星泰協議

本公司與陽光股份、北京風度及北京星泰於二零零四年三月三十日訂立之北京星泰協議(「北京星泰協議」)有關注資北京星泰，北京星泰最初由陽光股份及北京風度分別持有75%及25%之股權。由於陽光股份、北京星泰及北京風度為本公司之非全資擁有附屬公司，根據上市規則之規定，陽光股份、北京星泰及北京風度為本公司之關連人士。根據北京星泰協議，本公司應向北京星泰出資人民幣43,000,000元，其中人民幣13,800,000元應作為註冊資本出資，而餘下之人民幣29,200,000元應作為溢價出資，並列入北京星泰之資本公積金中。注資後，本公司、陽光股份及北京風度將分別持有北京星泰25%、56.25%及18.75%之股權，而北京星泰之註冊資本增至人民幣55,180,000元。

關連交易的詳情載於本公司於二零零四年五月十七日刊發的重大交易、須予披露及關連交易通函。

銀行貸款及其他借貸

於二零零四年十二月三十一日，本集團之短期銀行貸款為人民幣1,800,000,000元，其中無抵押借款為人民幣800,000,000元，質押借款為人民幣1,000,000,000元。長期銀行貸款及長期銀行貸款的即期部分詳情載於財務報表附註28；其他借貸主要為應付最終控股公司款項，詳情載於財務報表附註21及26。

董事會報告

優先購買權

根據本公司的章程及有關法律，並無規定本公司發行新股時須先讓現有股東按其持股比重購買新股。

根據本公司與Reco Pearl Private Limited (「Reco Pearl」) 於二零零三年三月十一日簽署之策略性投資協議以及於二零零三年五月十五日簽署之補償協議，本公司承諾只要Reco Pearl於本公司持有的股權高於限額百分比，於H股在聯交所開始買賣後五年內，假若本公司發行或配售任何新H股，或假若本公司或其代表發行或配售可兌換或轉換為或代表上述新H股的其他證券（「額外證券」），則Reco Pearl有權按發行或配售上述額外證券予其他投資者的相同條款購買或認購額外證券，有關的額外證券數目根據Reco Pearl或其任何聯屬公司緊接上述發行或配售前於本公司股本中的持股百分比計算，以維持其有關持股百分比。

附屬公司

本公司各主要附屬公司之詳細資料載於財務報表附註13。

經營業績

二零零四年財政年度經營業績載於年報第28頁至第29頁。

所得稅政策

本公司及其附屬公司遵照中國法律及法規，按應納稅所得的33% 交納企業所得稅。

財政資源及流動資金狀況

載於年報第29頁至第30頁。

最佳應用守則

本年度內本公司均遵守香港聯合交易所有限公司證券上市規則附錄十四所載之最佳應用守則。

其他重大事項

二零零四年七月，本公司向中國證券監督管理委員會申請首次發行A股尚未獲通過。

董事會報告

核數師

本公司帳目經由羅兵咸永道會計師事務所審核。彼等依章告退，但願繼續受聘為本公司之核數師。股東週年大會上將提程決議案繼續委任羅兵咸永道會計師事務所為本公司香港核數師。

承董事會命

劉曉光

董事長

中國•北京，二零零五年三月二十二日

企業管治報告

企業管治實務

貫徹一套優良、穩健及合理的企業管治架構，一直以來是首創置業的首要使命。

集團將繼續鞏固三大領先優勢：

- 良好的公司管治是建基於問責制度、資訊披露及企業透明度。首創置業深諳為股東提供一個公開及高透明度之管理層的重要性，致力提升股東價值，有助提升公司盈利之餘，同時亦可促進香港金融界的穩健發展
- 此外，透過公司管治可增進與外界的溝通，令投資者更易於掌握首創置業的發展潛力及未來發展，有助市場發掘其投資價值
- 公司管治的程序及制度可提升集團營運效率，各部門可透過緊密的溝通從而提升集團盈利

今年的年報首次載列董事會正式的《企業管治報告》，彰顯我們實踐上述三項承諾的決心。

二零零四年十一月，香港聯合交易所發出《企業管治常規守則及企業管治報告》（「企業管治守則」），該守則將在寬限期過後，於二零零五年一月一日或之後開始的會計期間生效。企業管治守則訂明良好企業管治的原則及兩個層次的建議，包括：

- 守則條文：上市公司需要切實遵守，並對任何偏離守則條文的情況，作出經考慮後的解釋；及
- 建議最佳常規：只屬指引，但鼓勵上市公司加以遵守並解釋任何偏離常規的情況。

聯交所容許上市公司按本身認為合適的條文，自行制訂企業管治守則，但如偏離聯交所守則，則須作出解釋。

企業管治守則自二零零五年一月一日起取代上市規則附錄14《最佳應用守則》。在截至二零零四年十二月三十一日止年度內，公司一直遵守《最佳應用守則》。

企業管治報告

股東

董事會和高級管理人員明白其代表全體股東的利益及盡量提升股東價值的責任。

根據首創置業的公司章程細則，單獨或者合併持有公司有表決權總數百分之十以上的股東（以下稱「提議股東」）或者監事會提議董事會召開臨時股東大會時，應以書面形式向董事會提出會議議題和內容完整的提案。提議股東或者監事會應當保證提案內容符合法律、法規和《公司章程》的規定。

首創置業透過多個正式渠道向股東交代公司的表現和營運情況，特別是年報和中期報告。此外，股東週年大會亦為公司董事會和股東提供溝通良機，公司視之為企業年度內一項重要的活動，所有董事和高級管理人員均盡量出席。

董事會

董事會以負責任、重效益的態度領導及監管本集團，而所有董事均有責任以公司的最佳利益為前提行事。董事會成員明白，須就公司的管理、監控和營運事宜向所有股東承擔共同和個別的責任。

董事會就下列項目作出決定：

1. 對公司發展戰略及計劃管理的職權：

（一）須經股東大會批准的職權：

- (i) 擬訂公司增加或者減少註冊資本、回購本公司股票的方案；
- (ii) 擬訂公司增資擴股方案；
- (iii) 擬訂公司合併、分立、解散的方案；
- (iv) 提出公司的破產申請；
- (v) 擬定《公司章程》修改方案；
- (vi) 提出改變公司募股資金用途的具體方案。

企業管治報告

(二) 董事會獨立行使的職權

- (i) 決定公司改善經營管理、提高經營業績的方案；
- (ii) 決定公司的經營計劃、審計工作計劃及投資計劃；
- (iii) 決定公司內部重要機構調整方案及董事會工作機構的設置；
- (iv) 決定專業委員會的設置、聘任或罷免各專業委員；
- (v) 決定公司董事會許可權範圍內的各項投資方案；
- (vi) 決定《公司章程》沒有規定由股東大會決定的其他重大經營管理事項。

2. 對公司高級管理人員人事管理的職權：

(一) 須經股東大會批准的職權：

- (i) 擬訂董事津貼標準，擬訂公司期股期權(或類似方式)獎勵計劃；
- (ii) 審議董事及獨立董事的候選人資格；
- (iii) 提出罷免董事的建議。

(二) 董事會獨立行使的職權：

- (i) 決定公司人力資源發展和使用的策略及規劃；
- (ii) 確定總經理、財務負責人、董事會秘書及審計部的主要工作職責和許可權；
- (iii) 聘任或解聘公司總經理、董事會秘書；根據總經理的提名，聘任或者解聘公司副總經理、財務負責人；
- (iv) 評價總經理工作業績；
- (v) 批准委派至控股、參股子公司的股東代表並根據該等公司的章程或協議的規定向該等公司推薦董事、監事及財務負責人的人選；
- (vi) 批准員工退休養老金計劃和其他員工福利計劃。

企業管治報告

3. 對公司發展及經營方面的監督、檢查職權：

- (一) 監督公司發展戰略的執行情況；
- (二) 監督、檢查公司年度財務預算、決算的執行情況；檢查各項計劃的完成情況；
- (三) 每年進行公司經營業績的評價，以及時發現經營問題，提出改進建議，並監督公司高級管理人員執行；
- (四) 適時評價公司改善經營的方案和實施效果，調查公司經營業績中所表現出的重大問題；
- (五) 識別公司發展中面臨的阻礙、察覺公司變化趨勢，提出對公司發展方向的修正建議；
- (六) 討論公司面臨的所有發展機會和風險，以及對公司產生廣泛影響的客觀要素的變化；
- (七) 確保公司信息交流的順暢，並對信息進行評價，以使這些信息準確、完整並能及時提供；
- (八) 要求公司經營班子在每次生產經營會議後向董事會秘書處提交生產經營會議紀要。

董事須於各財政期間，負責編製可真實公平地反映集團的財務狀況，以及於有關期間的業績和現金流量的帳目。在編製截至二零零四年十二月三十一日止年度的帳目時，董事選擇並貫徹地應用適當的會計政策；作出審慎、公平和合理的判斷及估計；以及按持續營運的基準編製帳目。董事負責存置適當並於任何時候均合理準確地披露集團財務狀況的會計記錄。

董事會共有11名董事，其中超過半數為獨立於管理層的非執行董事及獨立非執行董事，這有助嚴格檢討及監控管理程序。董事會成員包括4名具影響力及積極主動的獨立非執行董事，股東可以向他們表達所關注的事宜。非執行董事擁有豐富的業務和財務經驗，對有效領導集團作出貢獻。

截至二零零四年十二月三十一日止年度內，董事會在任何時間均超逾《上市規則》有關委任最少3名獨立非執行董事的最低規定，而且符合其中一名獨立非執行董事須具備適當專業資格或會計或相關財務管理專長的規定。

根據《上市規則》的規定，公司已獲得每名獨立非執行董事以書面確認其相對於公司的獨立性。公司認為所有獨立非執行董事均獨立於公司。

董事於二零零四年十二月三十一日持有本公司證券的權益，已於年報第41頁董事會報告內披露。

企業管治報告

主席及行政總裁

主席和行政總裁分別由劉曉光先生及唐軍先生擔任，為兩個明確劃分的不同職位。主席負責管理董事會的運作，而行政總裁則負責公司的業務營運。

審核委員會

本公司已遵照上市規則附錄14所載「最佳應用守則」的規定成立審核委員會。所有委任成員均為獨立非執行董事，其中一成員具備合適的專業資格和財務經驗。審核委員會目前由吳毓璘先生、鄭啟成先生及俞興保先生組成。

審核委員會的職權範圍，乃參照香港會計師公會出版的《審核委員會有效運作指引》中所提的建議。

二零零四年內，審核委員會舉行了2次會議，審核集團的半年及全年業績及檢討內部監控制度等職責。

審核委員會在二零零五年三月十五日舉行的會議上，審議截至二零零四年十二月三十一日止年度的董事會報告和帳目以及全年業績公告，並建議董事會通過。

薪酬委員會

本公司已於二零零二年十二月成立薪酬委員會，並以書面制訂其職權範圍。薪酬委員會將會就本公司行政人員的薪酬政策向董事會提供意見，並代表董事會釐定執行董事的特定薪酬方案及聘用條件。薪酬委員會目前由劉曉光先生、鄭啟成先生及柯建民先生組成。

提名委員會

本公司於二零零二年十二月成立提名委員會。提名委員會須分析及制訂董事及經理人員的挑選程序，並推薦適合出任董事及經理人員的人選。提名委員會目前由劉曉光先生、鄭啟成先生及柯建民先生組成。

戰略委員會

本公司於二零零二年十二月成立戰略委員會。戰略委員會將會對本公司的長遠發展策略及重大投資決策進行研究並提供意見。戰略委員會目前由劉曉光先生、鄭啟成先生及柯建民先生組成。

企業管治報告

外聘核數師

集團的外聘核數師為羅兵咸永道會計師事務所。為保持其獨立性，該會計師事務所將不會受聘從事非審計工作。此外，外聘核數師受聘從事的工作必須為本公司帶來明確的效益和增值作用，而且不會對其審計工作的獨立性或獨立形象構成負面看法。

審核委員會已議決再次委任羅兵咸永道會計師事務所為集團進行二零零五年財政年度的法定審計工作。此決議案已獲得董事會通過，並有待股東於週年大會上作最終批准和授權。

坦誠溝通

本公司一貫堅持坦誠溝通和公平披露資料的政策。披露資料是一個提升企業管治標準的主要方法，因為股東及其他業務有關人士可憑資料來評估公司的表現，並向我們提出意見。我們相信披露資料的完整性及時間性對建立市場信心非常重要。

企業管治－與時並進

今年，隨著企業管治實務不斷轉變，特別是頒布企業管治守則，集團已對其企業管治實務及有關的匯報方式作出重大的檢討和修訂。

我們將根據集團累積的經驗、更新的規管變化、國際趨勢和發展，以及股東反映的意見，繼續在有需要時檢討和適當地改進集團的企業管治實務。

承董事會命
主席
劉曉光

中國•北京，二零零五年三月二十二日

監事會報告

各位股東：

截至二零零四年十二月三十一日止年度，首創置業股份有限公司監事會（「本監事會」）忠實地履行其監事職責，確保本公司遵守及符合上市規則、《中華人民共和國公司法》、本公司章程、及其它有關法規，以維護本公司及其股東的權益。

在本年度內監事會列席董事會會議及股東大會，對本公司管理層的重大決策及具體決定是否符合國家法律法規及本公司章程，是否維護股東和公司利益等，進行了有效及嚴謹的監督；並對本公司的經營及發展計劃向董事會提出合理的建議和意見。

本監事會認真審閱並同意董事會擬呈予本次股東週年大會的董事會報告、經審核的財務報告以及利潤分配方案，認為本公司董事會成員、總經理和高級管理層遵守其誠信義務、勤勉地履行其在本公司的職責，維護本公司及各股東的最大利益，監事會感到滿意。

監事會亦認真地審閱了由羅兵咸會計師事務所按香港普遍採納之會計原則及香港會計師公會頒佈之會計準則審核的財務報表，認為該財務報表真實及合理地反映了本公司的財務狀況及經營成果，並符合本公司所適用的法規。

本監事會對本公司於二零零四年度各項工作和取得的經濟效益表示滿意，並對本公司未來的發展前景充滿信心。

承監事會命

俞昌建

監事會主席

中國 • 北京，二零零五年三月二十二日

TO THE SHAREHOLDERS OF BEIJING CAPITAL LAND LTD.
(a sino-foreign joint venture joint stock limited company
incorporated in the People's Republic of China)

We have audited the accounts on pages 58 to 128 which have been prepared in accordance with accounting principles generally accepted in Hong Kong.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The Company's directors are responsible for the preparation of 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.

It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

BASIS OF OPINION

We conducted our audit in accordance with Statements of Auditing Standards issued by the Hong Kong Institute of Certified Public 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 judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the circumstances of the Company and the Group, consistently applied and adequately disclosed.

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.

OPINION

In our opinion, the accounts give a true and fair view of the state of affairs of the Company and of the Group as at 31st December 2004 and of the profit and cash flows of the Group for the year then ended and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 22nd March 2005

致首創置業股份有限公司全體股東
(於中華人民共和國註冊成立的中外合資股份有限公司)

本核數師已完成審核第58頁至第128頁之帳目，該等帳目乃按照香港普遍採納之會計原則編製。

董事及核數師各自之責任

編制真實兼公平之帳目乃貴公司董事之責任。在編製該等真實兼公平之帳目時，董事必須採用適當之會計政策，並且貫徹應用該等會計政策。

本核數師之責任是根據審核之結果，對該等帳目作出獨立意見，並僅向整體股東報告，除此之外本報告別無其他目的。本核數師不會就本報告的內容向其他人士負上或承擔責任。

意見之基礎

本核數師已按照香港會計師公會所頒佈之核數準則進行審核工作。審核範圍包括以抽查方式查核與帳目所載數額及披露事項有關之憑證，亦包括評審董事於編製帳目時所作之重大估計和判斷，所採用之會計政策是否適合貴公司與貴集團之具體情況，及有否貫徹應用並足夠披露該等會計政策。

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之資料及解釋為目標，以便獲得充分憑證，就該等帳目是否存有重大錯誤陳述，作出合理之確定。在作出意見時，本核數師亦已評估該等帳目所載之資料在整體上是否足夠。本核數師相信我們之審核工作已為下列意見提供合理之基礎。

意見

本核數師認為，上述之帳目足以真實兼公平地顯示貴公司與貴集團於二零零四年十二月三十一日結算時之財務狀況，及貴集團截至該日止年度之溢利及現金流量，並按照香港公司條例之披露規定妥為編製。

羅兵咸永道會計師事務所
香港執業會計師

香港，二零零五年三月二十二日

Consolidated Profit and Loss Accounts

綜合損益表

For the year ended 31st December 2004
截至二零零四年十二月三十一日止年度

		Note	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
		附註		
Turnover	營業額	2	1,629,332	1,920,522
Cost of sales	銷售成本		(1,199,531)	(1,410,152)
Gross profit	毛利		429,801	510,370
Other incomes	其他收入	3	176,558	55,989
Selling expenses	銷售費用		(79,132)	(25,673)
Administrative and other expenses	行政及其它支出		(87,971)	(67,303)
Operating profit	經營溢利	4	439,256	473,383
Finance costs	融資成本	5	(74,195)	(11,146)
Share of profits less losses of	分佔業績			
Jointly controlled entities	共同控制實體		19,222	(3,369)
Associated companies	聯營公司		70,819	1,339
Profit before taxation	除稅前溢利		455,102	460,207
Taxation	稅項	6	(135,093)	(158,487)
Profit after taxation	除稅後溢利		320,009	301,720
Minority interests	少數股東權益		(36,812)	(46,369)
Profit attributable to shareholders	股東應佔溢利	7, 30	283,197	255,351
Dividend	股息	8	120,117	150,053
			RMB (Cents) 人民幣(仙)	RMB (Cents) 人民幣(仙)
Basic earnings per share	每股基本盈利	9	17.55	18.54

Consolidated Balance Sheets

綜合資產負債表

As at 31st December 2004
於二零零四年十二月三十一日

		Note 附註	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Non-current assets	非流動資產			
Properties and equipment	物業及設備	12	1,611,421	1,360,791
Jointly controlled entities	共同控制實體	14	691,161	362,448
Associated companies	聯營公司	15	317,255	53,825
Investment securities	投資證券	16	176,540	80,736
Deferred tax assets	遞延稅項資產	31	30,945	3,478
			2,827,322	1,861,278
Current assets	流動資產			
Properties under development	開發中物業	17	2,534,152	2,824,896
Inventories, at cost	存貨成本	18	302,253	495,090
Trade receivables	應收貿易帳款	19	640,922	843,479
Other receivables	其他應收款		311,404	145,037
Deposits and prepayments	定金及預付款項		80,924	73,272
Amounts due from minority shareholders	應收少數股東款項	20	140,701	13,410
Amounts due from fellow subsidiaries	應收同系附屬公司	21	61,581	54,693
Other investments	其他投資	22	—	16,193
Tax prepayments	預付稅款		34,922	12,194
Cash and bank balances	現金及銀行結餘			
— pledged	— 有抵押	23	24,737	19,036
— unpledged	— 無抵押		1,854,398	1,474,834
			5,985,994	5,972,134
Current liabilities	流動負債			
Trade and other payables	應付帳款及其他應付款項		731,844	1,121,329
Taxes payable	應付稅款	25	441,985	381,242
Amounts due to minority shareholders	應付少數股東款項	20	—	26,071
Amounts due to fellow subsidiaries	應付同系附屬公司	21	3,104	31,990
Amounts due to ultimate holding company	應付最終控股公司	26	199,945	356,361
Special dividend payable	應付特殊股息	27	204,839	—
Short term loans	短期貸款			
— Secured	— 有抵押		1,080,000	118,000
— Unsecured	— 無抵押		938,000	970,000
Current portion of long term bank loans	長期銀行貸款的即期部分	28	360,000	70,000
			3,959,717	3,074,993
Net current assets	流動資產淨值		2,026,277	2,897,141
Total assets less current liabilities	資產總值減流動負債		4,853,599	4,758,419
Financed by:	資金來源:			
Share capital	股本	29	1,613,300	1,613,300
Reserves	儲備	30	580,835	417,755
Proposed final dividend	擬派末期股息	30	120,117	150,053
			2,314,252	2,181,108
Shareholders' funds	股東權益		2,314,252	2,181,108
Minority interests	少數股東權益		551,621	611,389
Non-current liabilities	非流動負債			
Amounts due to ultimate holding company	應付最終控股公司款項	26	139,475	539,475
Special dividend payable	應付特殊股息	27	—	204,839
Long term bank loans	長期銀行貸款	28	1,848,251	1,210,000
Deferred tax liabilities	遞延稅項負債	31	—	11,608
			1,987,726	1,965,922
			4,853,599	4,758,419

劉曉光
Liu Xiaoguang
董事長
Chairman

唐軍
Tang Jun
董事
Director

Balance Sheets

資產負債表

As at 31st December 2004
於二零零四年十二月三十一日

		Note 附註	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Non-current assets	非流動資產			
Properties and equipment	物業及設備	12	2,197	2,602
Subsidiaries	附屬公司	13	3,115,390	2,266,600
Jointly controlled entities	共同控制實體	14	676,675	364,365
Associated companies	聯營公司	15	300,273	52,486
Investments securities	投資證券	16	129,002	80,736
Deferred tax assets	遞延稅項資產	31	5,670	1,650
			4,229,207	2,768,439
Current assets	流動資產			
Properties under development	開發中物業	17	154,423	266,427
Inventories, at cost	存貨成本	18	171,813	233,798
Trade receivables	應收貿易帳款	19	159,313	17,582
Other receivables	其他應收款		152,774	34,497
Deposits and prepayments	定金及預付款項		74,572	41,294
Amounts due from minority shareholder of a subsidiary	應收少數股東	20	140,701	—
Amounts due from fellow subsidiaries	應收同系附屬公司	21	61,581	45,270
Tax prepayments	預付稅款		11,328	925
Cash and bank balances	現金及銀行結餘			
— pledged	— 有抵押	23	9,008	—
— unpledged	— 無抵押		930,834	584,278
			1,866,347	1,224,071
Current liabilities	流動負債			
Trade and other payables	應付賬款及 其他應付款項		221,689	187,616
Amounts due to fellow subsidiaries	應付同系附屬公司	21	3,104	12,186
Taxes payable	應付稅款	25	70,813	27,369
Amounts due to ultimate holding company	應付最終控股公司 款項	26	193,559	231,672
Special dividend payable	應付特殊股息	27	204,839	—
Short term loans	短期貸款			
— secured	— 抵押		1,000,000	—
— unsecured	— 無抵押		800,000	680,000
			2,494,004	1,138,843
Net current (liabilities)/assets	流動(負債)/資產淨值		(627,657)	85,228
Total assets less net current liabilities	資產總值減流動負債		3,601,550	2,853,667
Financed by:	資金來源:			
Share capital	股本	29	1,613,300	1,613,300
Reserves	儲備	30	428,658	346,000
Proposed final dividend	擬派末期股息	30	120,117	150,053
			2,162,075	2,109,353
Shareholders' funds	股東權益			
Non-current liabilities	非流動負債			
Amounts due to ultimate holding company	應付最終控股公司 款項	26	139,475	539,475
Special dividend payable	應付特殊股息	27	—	204,839
Long-term bank loan	長期銀行貸款	28	1,300,000	—
			1,439,475	744,314
			3,601,550	2,853,667

劉曉光
Liu Xiaoguang
董事長
Chairman

唐軍
Tang Jun
董事
Director

Consolidated Cash Flow Statement

綜合現金流量表

For the year ended 31st December 2004
截至二零零四年十二月三十一日止年度

		Note	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
		附註		
Operating activities	經營活動			
Net cash used in operations	經營業務動用的現金淨額	34(a)	(242,787)	(765,952)
Interest received	收取利息		40,159	13,932
Interest paid	支付利息		(177,893)	(124,664)
PRC income tax paid	已付中國所得稅淨額		(39,255)	(37,721)
Net cash outflow from operating activities	經營活動動用的現金淨額		(419,776)	(914,405)
Investing activities	投資活動			
Purchase of properties and equipment	購置物業及設備		(396,150)	(399,551)
Proceeds on disposals of properties and equipment	出售物業及設備		367	880
Investment in jointly controlled entities	於共同控制實體的投資		(77,807)	(99,326)
Dividend from an associated company	於聯營公司分得股息		1,358	—
Proceeds on disposal of a jointly controlled entity	出售一共同控制實體		—	10,000
Proceeds on disposal of associated companies	出售聯營公司		23,775	—
Acquisition of interests in a subsidiary	收購附屬公司	34(b)	73,658	98,698
(Outflows)/proceeds on disposal of subsidiaries	出售附屬公司 (流出)／流入	34(c)	(328,154)	15,093
Proceeds on disposal of other investments	出售其他投資		—	68,771
Proceeds on disposal of investments securities	出售投資證券		—	160
Purchase of associated companies	收購聯營公司		(43,000)	—
Purchase of investments securities	收購投資證券		(22,581)	—
Purchase of additional interest in a subsidiary	購買一子公司額外股權		—	(99,000)
Net cash outflow from investing activities	投資活動動用的現金淨額		(768,534)	(404,275)

Consolidated Cash Flow Statement

綜合現金流量表

For the year ended 31st December 2004
截至二零零四年十二月三十一日止年度

		Note 附註	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Financing activities	融資活動			
Issue of shares	發行股票		—	904,067
Received from Promoters upon Reorganisation	發起人於重組時投入		—	687,867
Share issue expenses	股份發行費用		—	(78,310)
(Repayment to)/advance from ultimate holding company	(償還)/借入控股股東		(556,416)	895,836
Dividends paid	已付股息		(150,053)	—
Dividends paid to minority shareholders of subsidiaries	派發予少數股東之股息		—	(5,710)
Contribution from minority shareholders	吸收少數股東投資		321,793	4,800
Repayment of loans from Promoters	償還發起人借款		—	(430,000)
Repayment of bank loan	償還銀行借款		(1,700,000)	(50,000)
New bank loans payable	新借銀行貸款		3,658,251	884,000
Increase of pledged bank balances	有抵押銀行結餘增加		(5,701)	(19,036)
Net cash inflow from financing activities	融資活動產生的現金流入淨額	34(d)	<u>1,567,874</u>	<u>2,793,514</u>
Increase in cash and cash equivalent	現金及現金等價物之增加		379,564	1,474,834
Cash and cash equivalents at 1st January	一月一日之現金及現金等價物		<u>1,474,834</u>	—
Cash and cash equivalents at 31st December	十二月三十一日之現金及現金等價物		<u>1,854,398</u>	<u>1,474,834</u>

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31st December 2004
截至二零零四年十二月三十一日止年度

		Note	2004	2003
		附註	RMB'000	RMB'000
			人民幣千元	人民幣千元
Total equity	總權益			
At beginning of the year	一月一日		2,181,108	—
Effective date of Reorganisation	重組生效日	29	—	1,100,000
Issue of shares upon listing	上市時發售股份	29, 30	—	904,067
Share issue expenses	股份發行費用	30	—	(78,310)
Profit attributable to shareholders	股東應佔溢利	30	283,197	255,351
Dividends attributable to shareholders	分派股東股息	30	(150,053)	—
At end of the year	於十二月三十一日		<u>2,314,252</u>	<u>2,181,108</u>

1 PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these accounts are set out below:

(a) Basis of preparation

The accounts have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with accounting standards issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). They have been prepared under the historical cost convention.

The HKICPA has issued a number of new and revised Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards (“new HKFRSs”) which are effective for accounting periods beginning on or after 1st January 2005.

The Group has not early adopted these new HKFRSs in the accounts for the year ended 31st December 2004.

The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a significant impact on its results of operations and financial position.

(b) Consolidation

The consolidated accounts include the accounts of the Company and its subsidiaries made up to 31st December.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account from the effective date of acquisition or up to the effective date of disposal, as appropriate.

1 主要會計政策

編製此等賬目所採用之主要會計政策列載如下：

(a) 編製基準

本帳目按照香港普遍採納之會計原則以及香港會計師公會頒佈之會計準則編制。賬目按歷史成本原則編制。

香港會計師公會已經頒佈了一系列新的／（經修訂的）財務報告準則，將於二零零五年一月一日起生效。

於二零零四年十二月三十一日本集團未提前採用上述新的／（經修訂的）財務報告準則編制賬目。

本集團已經開始評估上述新的／（經修訂的）財務報告準則對本集團的影響，目前尚無評判其對本集團經營業績是否產生重大影響。

(b) 綜合賬目

綜合帳目包括本公司及各附屬公司截至十二月三十一日止之帳目。

在年內購入或售出之附屬公司業績由收購生效日起計或計至出售生效日止列入綜合損益表內。

1 PRINCIPAL ACCOUNTING POLICIES

(continued)

(b) Consolidation (continued)

The gain or loss on the disposal of subsidiaries represents the difference between the proceeds of the sale and the Group's share of its net assets.

All significant intercompany transactions and balances between Group companies are eliminated on consolidation.

Minority interests represent the interests of outside shareholders in the operating results and net assets of subsidiaries.

(c) Subsidiaries

Subsidiaries are those entities in which the company, directly or indirectly, controls more than one half of the voting power, has the power to govern the financial and operating policies, to appoint or remove the majority of the members of the Board, or to cast majority of votes in the meetings of the Board.

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

(d) Jointly controlled entities

A jointly controlled entity is a joint venture established as a corporation, partnership or other entity in which the ventures have their respective interests and establish a contractual arrangement among them to define their joint control over the economic activity of the entity and none of the participating parties has unilateral control over the economic activity.

1 主要會計政策 (續)

(b) 綜合賬目 (續)

出售附屬公司之收益或虧損指出售所得之收入與集團應佔該公司資產淨值。

所有集團內公司間之重大交易及結餘已於綜合帳目時對銷。

少數股東權益指外界股東在附屬公司之經營業績及資產淨值中擁有之權益。

(c) 附屬公司

附屬公司指本公司直接或間接控制過半數投票權；有權控制財政及營運決策；委任或撤換董事會大多數成員。或在董事會會議上有大多數投票權之實體。

在本公司之資產負債表內，附屬公司之投資以成本值扣除減值虧損準備入帳。本公司將附屬公司之業績按已收及應收股息入帳。

(d) 共同控制實體

共同控制實體指以公司、合作夥伴或其他實體形式成立的合營企業，合營各方於該企業擁有各自的權益，並作出合同安排以界定各方對該實體經濟活動的共同控制，且任何參與一方均不可能對該實體的經濟活動行使單一控制權。

1 PRINCIPAL ACCOUNTING POLICIES

(continued)

(d) Jointly controlled entities (continued)

The consolidated profit and loss account includes the Group's share of the results of jointly controlled entities for the year, and the consolidated balance sheet includes the Group's share of the net assets of jointly controlled entities and goodwill or negative goodwill (net of accumulated amortisation) on acquisition.

The consolidated profit and loss account also includes the Group's share of the income and expenses arising from jointly controlled assets for the year, and the consolidated balance sheet includes the Group's share of the assets and liabilities in relation to such joint ventures.

In the Company's balance sheet, the investments in jointly controlled entities are stated at cost less provision for impairment losses. The results of jointly controlled entities are accounted for by the Company on the basis of dividends received and receivable.

(i) Equity joint ventures

Equity joint ventures are joint ventures in respect of which the ventures capital contribution ratios are defined in the joint venture contracts and the ventures profit sharing ratios are in proportion to the capital contribution ratios.

The Group's investments in these joint ventures are accounted for as subsidiaries (where the Group has the power to exercise control governing the financial and operating policies) or as jointly controlled entities (where the Group and the other ventures of the equity joint venture established joint control over the economic activity thereof).

1 主要會計政策 (續)

(d) 共同控制實體 (續)

綜合損益賬包括集團應佔共同控制實體本年度業績，而綜合資產負債表則包括集團應佔共同控制實體之資產淨值及收購產生之商譽／負商譽(扣除累計攤銷)。

綜合損益賬亦包括集團應佔本年度由共同控制資產所產生之收入及支出，而綜合資產負債表則包括集團應佔有關合營業務之資產及負債。

在本公司之資產負債表內，共同控制實體之投資以成本值減去減值虧損準備入賬。本公司將共同控制實體之業績按已收及應收股息入賬。

(i) 合資經營企業

合資經營企業指合營各方的出資比例已在合營企業合同中界定，而合營各方的利潤分成比率與其出資比率構成相應比例關係。

本集團於該等合營企業的投資按附屬公司(倘本集團有權行使控制權控制其財務及經營決策)或共同控制實體(倘本集團與該合資經營企業的其他合營方共同控制其經濟活動)列帳。

1 PRINCIPAL ACCOUNTING POLICIES

(continued)

(d) Jointly controlled entities (continued)

(ii) Co-operative joint ventures

Co-operative joint ventures are joint ventures in respect of which the ventures profit sharing ratios and share of net assets are not in proportion to their capital contribution ratios but are as defined in the joint venture contracts.

The Group's investments in these joint ventures are accounted for as subsidiaries (where the Group has the power to exercise control governing the financial and operating policies) or as jointly controlled entities (where the Group and the other ventures of the co-operative joint venture established joint control over the economic activity thereof).

(e) Associated companies

An associated company is a company, not being a subsidiary or a joint venture, in which an equity interest is held for the long-term and significant influence is exercised in its 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 the net assets of the associated companies and goodwill or negative goodwill (net of accumulated amortisation) on acquisition.

Equity accounting is discontinued when the carrying amount of the investments in an associated company reaches zero, unless the Group has incurred obligations or guaranteed obligations in respect of the associated company.

1 主要會計政策 (續)

(d) 共同控制實體 (續)

(ii) 合作經營企業

合作經營企業指合營各方的利潤分成比率及資產淨值的分攤並非按期出資比例計算，而是根據合營企業合同中所界定。

本集團於該等合營企業的投資按附屬公司（倘本集團有權行使控制權控制其財務及經營決策）或共同控制實體（倘本集團與該合作經營企業的其他合營方共同控制經濟活動）列帳。

(e) 聯營公司

聯營公司為附屬公司或合營企業以外，集團持有其股權作長期投資，並對其管理具有重大影響力之公司。

綜合損益賬包括集團應佔聯營公司之本年度業績，而綜合資產負債表則包括集團應佔聯營公司之資產淨值及收購產生之商譽／負商譽（扣除累計攤銷）。

當聯營公司之投資賬面值已全數撇銷，便不再採用權益會計法，除非集團就該聯營公司已產生承擔或有擔保之承擔。

1 PRINCIPAL ACCOUNTING POLICIES

(continued)

(e) Associated companies (continued)

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

(f) Properties and equipment

(i) Construction in progress

Construction in progress is investments in land and buildings on which construction work has not been completed and which, upon completion, management intend to hold for investment purposes. These properties are carried at cost, which includes land cost, development and construction costs attributable to the development and interest capitalised less any accumulated impairment losses. No depreciation is provided on construction in progress. On completion, the properties are transferred to investment or hotel properties at cost less accumulated impairment losses.

1 主要會計政策 (續)

(e) 聯營公司 (續)

在本公司之資產負債表內，聯營公司之投資以成本值減去減值虧損準備列賬。本公司將聯營公司之業績按已收及應收股息入賬。

(f) 物業及設備

(i) 在建工程

在建工程指投資的土地及樓宇建設工程尚未完工，而於完工後，管理層擬持有作投資用途。該等物業是以成本列帳，當中包括開發項目土地成本，應佔的開發及建設成本和資本化利息減去任何累積減值虧損。在建工程不作折舊撥備。物業於完工後結轉為投資或酒店物業，按成本減累積減值虧損列帳。

1 PRINCIPAL ACCOUNTING POLICIES

(continued)

(f) Properties and equipment (continued)

(ii) Other properties and equipment

Other properties and equipment, including interests in land and buildings other than construction in progress, are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation of properties and equipment is calculated to write off their cost less accumulated impairment losses over the estimated useful lives of the assets, using the straight line method. Estimated useful lives are summarised as follows:

Land held on long or medium term lease	Unexpired period of the lease
Buildings	34 to 40 years
Hotel properties	40 years
Furniture, fixtures and equipment	5 to 10 years
Motor vehicles	5 to 9 years

Major costs incurred in restoring properties and equipment to their normal working condition are charged to the profit and loss account. Improvements are capitalised and depreciated over their expected useful lives to the Group.

The gain or loss on disposal of a fixed asset other than properties under construction is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the profit and loss account.

1 主要會計政策 (續)

(f) 物業及設備 (續)

(ii) 其他固定資產及設備

其他固定資產及設備(包括於在建工程以外土地及樓宇中擁有的權益)按成本減累積折舊及累積減值虧損列帳。物業及設備的折舊以直線法按資產的估計使用年期撇銷成本減去累積減值虧損計算。估計使用年期概述如下：

中長期租賃土地	租約未屆滿期內
樓宇	34－40年
酒店	40年
傢俬、裝置及設備	5－10年
汽車	5－9年

將物業及設備修復至正常工作狀況所發生的主要成本自損益表中扣除。本集團的裝修成本將資本化並按其估計使用年期計提折舊。

除出售建築中物業之收益或虧損外，出售固定資產之收益或虧損將列算於損益表內出售固定資產之收益或虧損乃出售所得收入淨額與資產賬面值之差額。

1 PRINCIPAL ACCOUNTING POLICIES

(continued)

(f) Properties and equipment (continued)

(ii) Other properties and equipment (continued)

At each balance sheet date, both internal and external sources of information are considered to assess whether there is any indication that properties and equipment are impaired. If any such indication exists, the recoverable amount of the asset is estimated and where relevant, an impairment loss is recognised to reduce the asset to its recoverable amount. Such impairment losses are recognised in the profit and loss account.

(g) Properties under development

Properties under development are stated at the lower of cost and net realisable value. Cost comprises land cost, development expenditure, professional fees, interest capitalised, profit taken to date, less sale installments received. Net realisable value is determined by reference to management estimates based on prevailing market conditions less costs to be included in selling the property. On completion, the properties are transferred to completed properties held for sale.

1 主要會計政策 (續)

(f) 物業及設備 (續)

(ii) 其他固定資產及設備 (續)

在每年結算日，物業及設備之資產皆透過集團內部及外界所獲得的資訊，評核該等資產有否耗蝕。如有跡象顯示該等資產出現耗蝕，則估算其可收回價值，及在合適情況下將減值虧損入賬以將資產減至其可收回價值。此等減值虧損在損益表入賬。

(g) 開發中物業

開發中物業按成本或可變現淨值兩者的較低者列帳。成本包括土地成本、開發費用、專業費用、資本化利息、迄今為止的溢利，減去已收取的銷售分期付款。可變現淨值是參照管理層根據當前市況作出的估算，減去銷售物業所包括的成本後厘定。完工後，物業結轉為已落成的待售物業。

1 PRINCIPAL ACCOUNTING POLICIES

(continued)

(g) Properties under development (continued)

When a development property or developed land is sold in advance of completion of construction and legally binding contracts of sale have been executed and when the actual construction costs reach 50% of the estimated total construction costs of the properties under development, profit is recognised over the course of the development and is computed each year as a proportion of the total estimated profit to completion; the proportion used being the lower of actual construction costs incurred at the end of the year to the estimated total construction costs on completion (with due allowances for contingencies) and the proportion of sales proceeds received to total estimated sales proceeds received. Where purchasers fail to pay the balance of the purchase price on completion and the Group exercises its entitlement to resell the property, sales deposits received in advance of completion which are forfeited are credited to operating profit; any profit recognised up to the date of completion is written back.

(h) Inventory

Completed properties held for sale is stated at the lower of cost and net realisable value. Net realisable value is determined by reference to management estimates based on prevailing market conditions less estimated costs to be incurred in selling the property.

Goods are valued at the lower of cost and net realisable value. Cost, calculated on the weighted average basis, comprises invoiced price, delivery and other direct costs relating to purchases. Net realisable value is determined on the basis of anticipated sales proceeds less estimated selling expenses.

1 主要會計政策 (續)

(g) 開發中物業 (續)

當建設工程完工前售出開發物業或已開發土地，並已簽署具法律約束力的銷售合同，以及當實際建設成本達至開發中物業的估計建設成本總值的50%時，則溢利會於開發過程中確認，每年按完工時估算溢利總額的比例計算，所使用的比例是年終產生的實際建設成本佔估計落成時總建設成本的比例(就或然事項作出適當準備)或已收取銷售收益佔估計收取總銷售收益的比例(以較低者為準)。倘買家未能於完成時支付購買價餘額，而本集團行使權力重售物業，則於完成前預先收取的銷售定金將會被沒收，並計入經營溢利內，而在完成日期前已確認的溢利則會撥回。

(h) 存貨

已落成的待售物業按成本及可變現淨值兩者的較低者列帳。可變現淨值參照管理層根據當前市況作出的估算減去出售物業所產生的估計成本後厘定。

商品按成本值與可變現淨值二者之較低者入賬。成本值以加權平均法計算，並包括購買價格、運輸費用及其他與採購直接相關的成本。可變現淨值乃按預計銷售所得款項扣除估計營銷費用計算。

1 PRINCIPAL ACCOUNTING POLICIES

(continued)

(i) Investment in securities

(i) *Investment Securities*

Investment securities are equity investments held for a continuing basis and are stated at cost less any provision for impairment losses. The carrying amounts of individual investments are reviewed by the directors at each balance sheet date to assess whether the fair values have declined below the carrying amounts. For declines other than of a temporary nature, the carrying amount of such securities are reduced to its fair value. The impairment loss is recognised as an expense in the profit and loss account. This impairment loss is written back to profit and loss account when the circumstances and events that led to the write-down cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future.

(ii) *Other Investments*

Other investments are investments held for trading purposes and are carried at fair value. At each balance sheet date, the net unrealised gains or losses arising from the changes in fair values of other investments are recognised in the profit and loss account. The gain or loss on disposal of such investments, representing the difference between the net sales proceeds and the carrying amounts, are recognised in the profit and loss account as they arise.

(j) Trade receivable

Provision is made against trade receivable to the extent that they are considered to be doubtful. Trade receivable in the balance sheet are stated net of such provision.

1 主要會計政策 (續)

(i) 證券投資

(i) 投資證券

投資證券是持有作持續性用途的股本投資，按成本減任何減值虧損撥備列帳。董事於各結算日檢討各項投資的帳面值，以評估其公平價值是否低於帳面值。倘帳面值下降非屬臨時性質，該等證券的帳面值將減低至其公平價值。減值虧損於損益表內確認為支出。該筆減值虧損會在導致須作出撇減的情況及事件不再存在，且有充份證據證明新情況及事件會在可見未來持續後，撥回損益表內。

(ii) 其他投資

其他投資是持有作買賣用途的投資，並以公平價值列帳。於各結算日，因其他投資公平價值變動而產生的未變現收益或虧損淨值在損益表中確認。出售該等投資的盈虧，即銷售所得款項淨值與帳面金額的差額，於發生時在損益表中予以確認。

(j) 應收貿易賬款

凡被視為呆賬之應收貿易賬款，均提取準備。在資產負債表內列賬之應收貿易賬款已扣除有關之準備金。

1 PRINCIPAL ACCOUNTING POLICIES

(continued)

(k) Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand and deposits held at call with banks.

(l) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

(m) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

1 主要會計政策 (續)

(k) 現金及現金等價物

現金及現金等價物按成本在資產負債表內列賬。在現金流量表中，現金及現金等價物包括庫存現金、銀行通知存款。

(l) 撥備

由於過往事件導致本集團現時負有法律或推定債務責任，可能需要資源流出以償付該債務責任，並可對款項作出可靠估計時，則須就此作出撥備。倘本集團預期撥備可予償付，則僅於該等補償已基本確定時將補償確認為獨立資產。

(m) 或然負債

或然負債指因過往事件而產生的可能債務責任，其出現與否只能就一項或多項本集團全權控制範圍以外的未確定未來事件會否發生才能確認。同時亦指因過往事件而產生的現有債務責任，但因或不會導致經濟資源流出或負債金額無法可靠量度而未有確認。

或然負債雖未確認，但會在帳目附註中披露。倘資源流出的機會有變更而致使可能出現資源流出，則會確認為撥備。

1 PRINCIPAL ACCOUNTING POLICIES

(continued)

(n) Deferred taxation

Deferred taxation is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the accounts. Taxation rates enacted or substantively enacted by the balance sheet date are used to determine deferred taxation.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred taxation is provided on temporary differences arising on investments in subsidiaries, jointly controlled entities and associated companies, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

(o) Operating leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessors are accounted for as operating leases. Payments made under operating leases net of any incentives received are charged to the profit and loss account on a straight line basis over the lease period.

(p) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset.

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

1 主要會計政策 (續)

(n) 遞延稅項

遞延所得稅採用負債法就資產負債之稅基與它們在財務報表之帳面值兩者之短暫時差作全數撥備。遞延所得稅採用在結算日前已頒佈或實質頒佈之稅率釐定。

遞延稅項資產乃就有可能將未來應課稅溢利與可動用之短暫時差抵銷而確認。

遞延所得稅乃就附屬公司、聯營公司及合營企業之短暫時差而撥備，但假若以控制時差之撥回，並有可能在可預見未來不會撥回則除外。

(o) 經營租賃

凡資產擁有權的絕大部分回報及風險仍屬出租方享有及承擔的租賃列為經營租賃。根據該等經營租賃項下的應付租金扣減任何收受的優惠以直線法按租賃年期從損益表中扣除。

(p) 借貸成本

直接因收購、組建或生產須長時間方可使用或銷售的資產而產生的借貸成本予以撥充資本，作為該項資產成本的一部分。

所有其他借貸成本則於其產生期間自損益表中扣除。

1 PRINCIPAL ACCOUNTING POLICIES

(continued)

(q) Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Bonus entitlements

The expected cost of bonus payments are recognised as a liability when the Group has a present constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

(iii) Retirement benefit costs

The Group contributes on a monthly basis to various defined contribution retirement benefit plans organised by relevant municipal and provincial governments in the PRC. The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired employees payable under these plans. Contributions to these plans are expensed as incurred. The assets of these plans are held separately from those of the Group in independently administered funds managed by the PRC government.

1 主要會計政策 (續)

(q) 僱員福利

(i) 僱員應享假期

僱員在年假之權利在僱員應享有時確認。本集團為截至結算日止僱員已提供之服務而產生之年假之估計負債作撥備。

僱員之病假及產假不作確認，直至僱員正式休假為止。

(ii) 獎金計劃

當本集團因為僱員已提供之服務而產生現有指定性責任，而責任金額能可靠估算時，則將獎金計劃之預計成本確認為負債入賬。

(iii) 退休福利成本

本集團參與北京市政府主辦的多個定額供款退休福利計劃，並按月供款。北京市政府承諾，根據該等計劃向所有現有及未來退休僱員承擔退休福利債務責任。該等計劃的供款在產生時列作支出。該等計劃的資產是由北京市政府管理的獨立管理基金持有，與本集團的資產分開。

1 PRINCIPAL ACCOUNTING POLICIES

(continued)

(r) Foreign currencies

Transactions in foreign currencies are translated at exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at rates of exchange ruling at that date. Exchange differences arising in these cases are dealt with in the profit and loss account.

(s) Revenue recognition

Revenue is recognised when it is probable that future economic benefits will flow to the Group and these benefits can be measured reliably on the following bases:

(i) Sales of properties and developed land

Revenue from the sales of properties under development and the sales of land under development are recognised as set out in note 1(g).

Revenue in respect of sale of completed properties is recognised upon completion of sale agreements.

(ii) Service income

Revenue from hotel operation is recognised upon the provision of services.

(iii) Project development consulting income

Project development consulting income is recognised when services are rendered.

(iv) Interest income

Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.

1 主要會計政策 (續)

(r) 外幣

以外幣結算的交易按交易日的匯率換算。於結算日以外幣列帳的貨幣資產及負債按該日的匯率換算，就此產生的匯兌差額於損益表中處理。

(s) 收益確認

收益在本集團可取得未來經濟利益及該等利益可按下列基準可靠地計算時確認：

(i) 銷售物業及已開發土地

銷售開發中物業及銷售開發中土地所得收益按附註1(g)所載的方式予以確認。

銷售落成物業所得收益於銷售協定完成後予以確認。

(ii) 服務收入

酒店業務之收入在提供服務後確認。

(iii) 房地產策劃諮詢服務收入

房地產策劃諮詢服務收入于提供服務後確認。

(iv) 利息收入

利息收入依據未償還本金及適用利率以時間比例基準確認。

1 PRINCIPAL ACCOUNTING POLICIES

(continued)

(s) Revenue recognition (continued)

(v) Dividend income

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

(t) Government grants

Government grants are assistance by local municipal government in the form of transfer of resources to an enterprise to encourage business development in the local municipal. Such grants are discretionary in nature. Government grants related to income is recognised in the profit and loss account on a systematic basis to match with the related costs which they are intended to compensate.

(u) Segment reporting

In accordance with the Group's internal financial reporting, the Group has determined that business segments be presented as the primary reporting format.

Unallocated costs represent corporate expenses. Segment assets consist primarily of properties, plant and equipment, properties under development, receivables and operating cash, and mainly exclude certain corporate current account. Segment liabilities comprised operating liabilities and excluded items such as taxation and certain corporate borrowings. Capital expenditure comprised additions to properties, plant and equipment, including additions resulting from acquisitions through purchases of subsidiaries.

1 主要會計政策 (續)

(s) 收益確認 (續)

(v) 股息收入

股息收入於股東收受股息的權利已確立時確認。

(t) 政府補助金

政府補助金是地方市政府以轉讓資源的形式為企業提供的資助，藉以鼓勵地方省市的商業發展。該等補助金由地方市政府酌情發放。與收入有關的政府補助金會在收到時有系統地在損益表中確認，以配對計劃補償的有關費用。

(u) 分部資料

根據本集團內部財務申報制度，本集團確定以業務分部為首要申報形式。

未分配成本主要指公司支出。分部資產主要包括固定資產、開發中物業、應收款項及經營現金，但主要不包括若干公司往來。分部負債包括經營負債，但不包括稅項及若干公司借貸等項目。資本開支由固定資產添置構成，包括透過購買附屬公司的收購行動產生的添置。

2 TURNOVER AND SEGMENT INFORMATION

The Group is principally engaged in property development and investment, hotel operation and project development consulting services. Turnover recognised during the year is as follows:

Property and land sales	銷售物業及已開發土地
Hotel operation	酒店營運
Project development consulting service	房地產策劃諮詢服務
Property management	物業管理費

2 營業額及分部資料

本集團主要從事物業開發及投資，酒店營運以及房地產策劃諮詢服務。於本年度確認的營業額如下：

2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
1,518,567	1,894,702
40,765	—
70,000	—
—	25,820
1,629,332	1,920,522

2 TURNOVER AND SEGMENT INFORMATION

(continued)

Primary reportable segments — business segment

		Property and land sales 銷售物業及 已開發土地 2004 RMB'000 人民幣千元	Project development consulting operation 房地產策劃 諮詢服務 2004 RMB'000 人民幣千元	Hotel operation 酒店 2004 RMB'000 人民幣千元	Group 本集團 2004 RMB'000 人民幣千元
Turnover	營業額	1,518,567	70,000	40,765	1,629,332
Segment results	分部業績	378,714	61,493	(15,690)	424,517
Net unallocated corporate expense	未分配的公司 收支淨額				(49,495)
Interest income	利息收入	—	—	—	375,022
Finance costs	融資成本	—	—	—	64,234
Share of results of	分佔業績				(74,195)
Jointly controlled entities	共同控制實體	19,222	—	—	19,222
Associated companies	聯營公司	70,819	—	—	70,819
Taxation	稅項				(135,093)
Minority interests	少數股東權益				(36,812)
Profit attributable to shareholders	股東應佔溢利				283,197
Segment assets	分部資產	6,028,576	—	1,690,784*	7,719,360
Jointly controlled entities	共同控制實體	691,161	—	—	691,161
Associated companies	聯營公司	317,255	—	—	317,255
Unallocated corporate assets	未分配的公司資產				85,540
Total assets	資產總值				8,813,316
Segment liabilities and minority interests	分部負債及 少數股東權益	4,795,427	—	1,094,815	5,890,242
Unallocated corporate liabilities	未分配的公司負債				608,822
Total liabilities and minority interests	負債總額及 少數股東權益				6,499,064
Capital expenditure	資本支出	2,951	—	270,383	273,334
Depreciation	折舊	1,549	—	13,443	14,992
Provision for doubtful debts	呆帳撥備	17,937	—	—	17,937

* Including RMB921,776,000 in construction in progress.

2 營業額及分部資料 (續)

主要呈報分部 — 業務分部

	Project development consulting operation 房地產策劃 諮詢服務 2004 RMB'000 人民幣千元	Hotel operation 酒店 2004 RMB'000 人民幣千元	Group 本集團 2004 RMB'000 人民幣千元
營業額	70,000	40,765	1,629,332
分部業績	61,493	(15,690)	424,517
未分配的公司 收支淨額			(49,495)
利息收入	—	—	375,022
融資成本	—	—	64,234
分佔業績			(74,195)
共同控制實體	—	—	19,222
聯營公司	—	—	70,819
稅項			(135,093)
少數股東權益			(36,812)
股東應佔溢利			283,197
分部資產	—	1,690,784*	7,719,360
共同控制實體	—	—	691,161
聯營公司	—	—	317,255
未分配的公司資產			85,540
資產總值			8,813,316
分部負債及 少數股東權益	—	1,094,815	5,890,242
未分配的公司負債			608,822
負債總額及 少數股東權益			6,499,064
資本支出	—	270,383	273,334
折舊	—	13,443	14,992
呆帳撥備	—	—	17,937

* 其中包括列示於在建工程中的金額人民幣921,776,000元。

2 TURNOVER AND SEGMENT INFORMATION

(continued)

Primary reportable segments — business segment (continued)

2 營業額及分部資料 (續)

主要呈報分部 — 業務分部 (續)

		Property and land sales 銷售物業及 已開發土地 2003 RMB'000 人民幣千元	Sales agency and property management services 銷售代理及 物業管理服務 2003 RMB'000 人民幣千元	Group 本集團 2003 RMB'000 人民幣千元
Turnover	營業額	1,894,702	25,820	1,920,522
Segment results	分部業績	461,468	(2,152)	459,316
Net unallocated corporate income	未分配的公司 收支淨額			135
				459,451
Interest income	利息收入			13,932
Finance costs	融資成本			(11,146)
Share of results of	分佔業績			
Jointly controlled entities	共同控制實體	(3,369)	—	(3,369)
Associated companies	聯營公司	(850)	2,189	1,339
Taxation	稅項			(158,487)
Minority interests	少數股東權益			(46,369)
Profit attributable to shareholders	股東應佔溢利			255,351
Segment assets	分部資產	7,349,779	15,934	7,365,713
Jointly controlled entities	共同控制實體	362,448	—	362,448
Associated companies	聯營公司	50,507	3,318	53,825
Unallocated corporate assets	未分配的公司資產			51,426
Total assets	資產總值			7,833,412
Segment liabilities and minority interests	分部負債及 少數股東權益	4,811,252	13,216	4,824,468
Unallocated corporate liabilities	未分配 的公司負債			827,836
Total liabilities and minority interests	負債總額及 少數股東權益			5,652,304
Capital expenditure	資本支出	106,445	1,659	108,104
Depreciation	折舊	2,704	406	3,110
Provision for doubtful debts	呆帳撥備	153	—	153

2 TURNOVER AND SEGMENT INFORMATION

(continued)

Secondary reporting format - geographical segments

2 營業額及分部資料 (續)

次要報告形式－地區分部

	Turnover 營業額		Segment results 經營盈利		Segment assets 分部資產總值		Capital expenditure 資本性支出	
	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
China 中國	1,629,332	1,920,522	378,113	459,316	8,741,161	7,833,412	273,334	108,104
Other countries 其他國家	—	—	46,404	—	72,155	—	—	—
	<u>1,629,332</u>	<u>1,920,522</u>	<u>424,517</u>	<u>459,316</u>	<u>8,813,316</u>	<u>7,833,412</u>	<u>273,334</u>	<u>108,104</u>
Net unallocated corporate (expenses)/income 未分配公司收支淨額			(49,495)	135				
			<u>375,022</u>	<u>459,451</u>				

3 OTHER INCOMES

3 其他收入

		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Interest income	利息收入	64,234	13,932
Gain on disposal of subsidiaries	出售附屬公司收益	55,751	2,182
Gain on disposal of associated companies	出售聯營公司收益	49,315	—
Gain on disposal of a jointly controlled entity	出售合營公司收益	—	41
Realised gain on disposal of other investments	出售其他投資的變現收益	—	32,413
Unrealised gain on other investments	其他投資的未變現收益	—	5,579
Grants from government authorities	來自政府機關的補助金	6,396	1,756
Others	其他	862	86
		<u>176,558</u>	<u>55,989</u>

4 OPERATING PROFIT

Operating profit is stated after charging the following:

Wages and salaries	工資及薪金
Retirement scheme contributions	退休計劃供款
Welfare and other expenses	福利及其他支出
Less: capitalised in properties under development	減：開發中物業的資本化金額
Net staff costs	員工成本淨額
Cost of inventories sold	存貨成本
Auditors' remuneration	核數師酬金
Cancellation of sales and reverse of profit recognised in a property development project (a)	沖回一項發展物業的銷售及相關已確認溢利(a)
Depreciation	折舊
Less: capitalised in properties under development	減：開發中物業的資本化金額
Loss on disposal of properties, plant and equipment	出售固定資產虧損
Loss on disposal of long-term investments	出售長期投資虧損
Operating lease rentals in respect of land and buildings	土地及樓宇經營租賃租金
Less: capitalised in properties under development	減：開發中物業的資本化金額
Provision for doubtful debts	呆帳撥備

Note (a): Sales of a property development project amounting to RMB272,250,000 for the year ended 31st December 2003 was reversed in 2004 upon the cancellation of the sales agreement. The relevant development project was then substantially sold to another independent third party in 2004 at RMB274,000,000. The gross profit from the original contract of RMB70,854,000 that recognised in 2003 was reversed in 2004 while gross profit from the new contract amounting to RMB80,853,000 was recognised in the current year.

4 經營溢利

經營溢利已扣除下列各項：

2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
41,468	40,786
3,162	2,989
5,474	4,226
(15,062)	(11,337)
35,042	36,664
1,096,274	1,307,661
3,742	2,548
70,854	—
14,992	3,110
(1,582)	(1,885)
13,410	1,225
64	209
—	1,280
12,007	9,887
(6,060)	(2,935)
5,947	6,952
17,937	153

附註(a)：一宗已經在二零零三年予以確認銷售額為人民幣272,250,000元的開發物業項目合同被撤銷，故在本年度予以沖銷已確認的銷售額。該開發物業項目之大部份權益已經於本年度再賣給另一獨立第三方，金額為人民幣274,000,000元。原銷售合同下的毛利為人民幣70,854,000元，此毛利已經在二零零三年予以確認，並在本年度予以沖銷。新銷售合同下的毛利為人民幣80,853,000元，此毛利已經在本年度予以確認。

5 FINANCE COSTS

5 融資成本

		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Interest on bank loans, wholly repayable within five years	須於五年內全部償還 銀行貸款利息	150,708	108,514
Interest on bank loans, not wholly repayable within five years	毋須於五年內全部 償還銀行貸款利息	11,275	—
Interest on other loans wholly repayable within five years	須於五年內全部償 還的其他貸款利息	15,076	16,150
		177,059	124,664
Amount capitalised in properties under development and construction in progress	持有作開發／開發 中物業及在建工程 的資本化金額	(102,864)	(113,518)
		74,195	11,146

The capitalisation rate applied to funds borrowed generally and used for the development of properties under development and completed properties is between 3.11% and 6.03% per annum (2003: between 5.49% and 6.03% per annum).

開發中物業及已落成的待售物業之利息資本化年利率介乎3.11%與6.03%之間(二零零三年：5.49%與6.03%之間)。

6 TAXATION

6 稅項

		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
PRC income tax:	中國所得稅：		
Company and subsidiaries	本公司及附屬公司		
— Current taxation	— 當期所得稅	126,556	154,312
— Deferred taxation (note 31)	— 遞延稅項	(22,023)	5,627
Share of taxation attributable to jointly controlled entities	應佔共同控制實體之稅項	7,524	(1,452)
Share of taxation attributable to associated companies	應佔聯營公司之稅項	23,036	—
		135,093	158,487

No Hong Kong profits tax has been provided as the Group has no assessable profit arising from Hong Kong for the year (2003: Nil). The Group is subject to PRC income tax rate at 33% (2003: 33%) on its assessable profit.

本集團於本年度並無任何香港應課稅溢利，故並無提撥任何香港利得稅準備（二零零三年：無）。本集團須按其應課稅溢利繳納33%（二零零三年：33%）中國利得稅。

The taxation on the Group's profit before taxation differs from the statutory rate of 33% principally due to the following factors:

本集團有關除稅前溢利之稅項與假若採用本公司本土國家之稅率而計算之理論稅額之差額如下：

		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Profit before taxation	除稅前溢利	455,102	460,207
Calculated at a taxation rate of 33%	按稅率33%計算之稅項	150,184	151,868
Expenses not deductible for taxation purposes	不可扣稅之支出	—	6,361
Income not subject to taxation	無須課稅之收入	(15,850)	—
Utilisation of previously unrecognised tax losses	使用早前未有確認之稅損	(679)	(810)
Tax losses in certain entities not recognised	未確認之若干企業虧損	1,438	1,068
		135,093	158,487

6 TAXATION (continued)

No provision for land appreciation tax ("LAT") had been made as the directors consider that the Group is unlikely to receive demands from the tax authorities for payment of LAT up to the years ended 31st December 2004, which would otherwise have accumulated to approximately RMB156,184,000 (2003: RMB149,300,000) attributed to the Group after netting off potential income tax saving.

In 2003, upon the Reorganisation and the listing of the Company, a deed of tax indemnity has been entered into between the Promoters and the Group whereby the Promoters undertake to indemnify the Group in respect of, inter alia, all LAT payable in consequence of the disposal of the Group's existing properties as at 30th April 2003.

7 PROFIT ATTRIBUTABLE TO SHAREHOLDERS

The profit attributable to shareholders is dealt with in the accounts of the Company to the extent of RMB202,775,000 (2003: RMB183,596,000) (Note 30).

8 DIVIDEND

6 稅項 (續)

董事認為本集團就至二零零四年十二月三十一日止年度接獲稅務機構發出要求繳納土地增值稅通知的可能性不大，故並無作出土地增值稅撥備。而於扣除所節省的潛在所得稅後，本集團潛在的應付有關金額共計人民幣156,184,000元（截至二零零三年十二月三十一日：人民幣149,300,000元）。

於二零零三年，在本公司重組及上市過程中發起人與本集團訂立稅項賠償保證契約，據此，發起人承諾，就（其中包括）出售本集團截至二零零三年四月三十日已存在的物業導致的所有應繳納土地增值稅賠償本集團。

7 股東應佔溢利

本公司帳目內之股東應佔溢利為人民幣202,775,000元（二零零三年：人民幣183,596,000元）（附註30）。

8 股息

		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Proposed dividend for the period from 1st January to 18th June 2003 to the shareholders of the Company	擬派予發起人由二零零三年一月一日至二零零三年六月十八日期間之股息	—	69,477
Proposed final dividend of RMB0.070	擬派末期股息		
(2003: final dividend of RMB0.025 and final special dividend of RMB0.025) per share	每股人民幣7仙 (二零零三年：末期股息每股人民幣2.5仙及末期特別股息每股人民幣2.5仙)。		
		120,117	80,576
		<u>120,117</u>	<u>150,053</u>

8 DIVIDEND (continued)

At a meeting held on 22nd March 2005, the directors proposed a final dividend of RMB0.070 per share based on the Company's 1,715,960,000 shares in issue as at that date. This proposed final dividend is not represented as a dividend payable in these accounts, but will be reflected as an appropriation of retained earnings for the year ending 31st December 2005.

9 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the Group's profit of RMB283,197,000 for the year ended 31st December 2004 (2003: RMB255,351,000) and the weighted average number of 1,613,300,000 shares (2003: 1,377,041,000 shares) in issue during the year.

Diluted earnings per share is not presented as the Company has no dilutive potential shares in both years 2004 and 2003.

10 DIRECTORS', SUPERVISORS' AND SENIOR MANAGEMENT'S REMUNERATION

(a) Directors' remuneration

Fees	袍金
Salaries and allowances	薪金及津貼
Retirement benefits	退休福利

No directors of the Company waived or agreed to waive any remuneration during the year. Directors' fees disclosed above include RMB800,000 (2003: RMB600,000) paid to independent non-executive directors during the year.

8 股息 (續)

於二零零五年三月二十二日舉行之會議上，董事會建議本公司的股息分配以董事會通過該議案之日本公司總股本1,715,960,000股為基數，每股派現金末期股息人民幣7仙。此項擬派股息並無於本賬目中列作應付股息，惟將於截至二零零五年十二月三十一日止年度列作保留盈餘分派。

9 每股盈利

每股基本盈利是根據本年度股東應佔溢利人民幣283,197,000元（二零零三年：人民幣255,351,000元）和本年內已發行股份之加權平均股數1,613,300,000股（二零零三年：1,377,041,000股）計算。

由於本公司並無潛在攤薄股份，因此於二零零四年及二零零三年並未呈列每股全面攤薄盈利。

10 董事、監事及高級管理人員酬金

(a) 董事酬金

2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
800	600
9,500	10,000
34	34
10,334	10,634

本公司董事於本年度概無放棄或同意放棄任何酬金。上述披露之董事袍金包括向獨立非執行董事支付之款項元人民幣800,000元（二零零三年：人民幣600,000元）。

10 DIRECTORS', SUPERVISORS' AND SENIOR MANAGEMENT'S REMUNERATION (continued)

(a) Directors' remuneration (continued)

The remuneration of the directors of the Company fell within the following bands:

Nil to RMB500,000	人民幣0元至 人民幣500,000元
RMB1,000,001 to RMB1,500,000	人民幣1,000,001至 人民幣1,500,000元
RMB1,500,001 to RMB2,000,000	人民幣1,500,001至 人民幣2,000,000元
RMB2,500,001 to RMB3,000,000	人民幣2,500,001至 人民幣3,000,000元

(b) Supervisors' remuneration

(c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for both 2003 and 2004 were also directors of the Company and their emoluments are reflected in the analysis presented in (a) above.

During the year, no emoluments were paid by the Group to any of the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

10 董事、監事及高級管理人員酬金 (續)

(a) 董事酬金 (續)

本公司董事的酬金介乎以下範圍：

Number of directors	
2004	2003
6	6
2	2
2	2
1	1
11	11

(b) 監事酬金

2004	2003
RMB'000	RMB'000
人民幣千元	人民幣千元
950	950

(c) 五位最高薪酬人士

於本年度及二零零三年度的五名最高薪人士包括五名董事，其薪酬已於上文附註(a)中披露。

於本年度，本集團概無向任何董事或五名最高薪人士支付任何薪酬，作為其加盟本集團或於加盟本集團時的獎勵或離職賠償。

11 RETIREMENT BENEFIT SCHEMES

The employees of the subsidiaries of the Group participate in various retirement benefit plans established by the Beijing Municipal Labor and Social Insurance Bureau under which the Group was required to make monthly defined contributions to these plans at 20% (2003: 20%) of the employees' basic salary for the year ended 31st December 2004.

The Group has no other obligations for the payment of retirement and other post-retirement benefits of employees or retirees other than the required payments mentioned above.

11 退休福利計劃

本集團的僱員參與北京市勞動和社會保障局設立的多項退休福利計劃。根據該等計劃，於二零零四年十二月三十一日，本集團須按僱員基本薪金的20% (二零零三年十二月三十一日：20%) 且在不超過規定上限的基礎上每月向該等計劃支付定額供款。

除上文所披露的付款外，本集團概無其他義務承擔僱員或退休員工的退休金及其他退休後福利。

12 PROPERTIES AND EQUIPMENT

12 物業及設備

		Group 本集團					
		Land and buildings 土地及 樓宇(i)	Hotel properties 酒店 (i)	Motor vehicles 汽車	Furniture, fixtures and equipment 傢俬、 裝置及設備	Construction in progress 在建工程 (ii), (iii)	Total 總計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Cost	成本值						
At 1st January 2004	二零零四年一月一日	2,241	—	19,265	6,361	1,342,961	1,370,828
Additions	添置	—	1,914	4,737	12,020	253,347	272,018
Transfer from contraction in progress	在建工程轉入	1,162	673,299	—	71	(674,532)	—
Acquisition of subsidiaries	收購附屬公司	—	—	692	624	—	1,316
Disposal of subsidiaries	出售附屬公司	(464)	—	(7,798)	(2,967)	—	(11,229)
Disposals	出售	—	—	(592)	—	—	(592)
At 31st December 2004	二零零四年十二月三十一日	<u>2,939</u>	<u>675,213</u>	<u>16,304</u>	<u>16,109</u>	<u>921,776</u>	<u>1,632,341</u>
Accumulated depreciation	累計折舊						
At 1st January 2004	二零零四年一月一日	92	—	6,493	3,452	—	10,037
Charge for the year	本年度扣除	60	10,773	1,444	2,715	—	14,992
Acquisition of subsidiaries	收購附屬公司	—	—	214	142	—	356
Disposals of subsidiaries	出售附屬公司	(75)	—	(2,492)	(1,737)	—	(4,304)
Disposals	出售	—	—	(161)	—	—	(161)
At 31st December 2004	二零零四年十二月三十一日	<u>77</u>	<u>10,773</u>	<u>5,498</u>	<u>4,572</u>	<u>—</u>	<u>20,920</u>
Net book value:	帳面淨值:						
At 31st December 2004	二零零四年十二月三十一日	<u>2,862</u>	<u>664,440</u>	<u>10,806</u>	<u>11,537</u>	<u>921,776</u>	<u>1,611,421</u>
At 31st December 2003	二零零三年十二月三十一日	<u>2,149</u>	<u>—</u>	<u>12,772</u>	<u>2,909</u>	<u>1,342,961</u>	<u>1,360,791</u>

12 PROPERTIES AND EQUIPMENT (continued)

12 物業及設備 (續)

		Company 本公司		
		Furniture, fixtures and equipment 傢俬、 裝置及設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Cost	成本值			
At 1st January 2004	二零零四年一月一日	1,198	1,710	2,908
Additions	添置	32	34	66
At 31st December 2004	二零零四年十二月三十一日	<u>1,230</u>	<u>1,744</u>	<u>2,974</u>
Accumulated depreciation	累計折舊			
At 1st January 2004	二零零四年一月一日	192	114	306
Charge for the year	本年度扣除	241	230	471
At 31st December 2004	二零零四年十二月三十一日	<u>433</u>	<u>344</u>	<u>777</u>
Net book value:	帳面淨值：			
At 31st December 2004	二零零四年十二月三十一日	<u>797</u>	<u>1,400</u>	<u>2,197</u>
At 31st December 2003	二零零三年十二月三十一日	<u>1,006</u>	<u>1,596</u>	<u>2,602</u>

Notes:

附註：

- (i) Hotel properties are stated at cost and held in the PRC under medium term leases (10 to 50 years).

The net book value of hotel properties pledged as security for short term bank loans amounted to RMB664,440,000 at 31st December 2004.

- (ii) Construction in progress are held in the PRC under medium term leases (10 to 50 years). Construction in progress pledged as security for short term bank loans are amounted to RMB535,607,000 at 31st December 2003.

- (iii) Interest capitalised in construction in progress amounted to RMB112,941,000 at 31st December 2004 (2003: RMB164,162,000).

- (i) 酒店物業按成本列值，在中國按中期租約（十年至五十年）持有。

於二零零四年十二月三十一日，作為短期貸款擔保抵押的酒店物業淨值為人民幣664,440,000元。

- (ii) 在建工程按成本列值，在中國按中期租約（十年至五十年）持有。於二零零三年十二月三十一日，作為長期銀行貸款擔保抵押的在建工程為人民幣535,607,000元。

- (iii) 於二零零四年十二月三十一日，在建工程的資本化利息為人民幣112,941,000元（二零零三年十二月三十一日：人民幣164,162,000元）。

13 SUBSIDIARIES

13 附屬公司

		Company 本公司	
		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Investments at cost:	投資，按成本值		
— Shares listed in the PRC	— 於中國上市股份	—	138,087
— Unlisted	— 非上市股份	1,677,467	1,090,524
		1,677,467	1,228,611
Due from/to subsidiaries	應收／(應付) 附屬公司		
— Due from (note (i))	— 應收款項 (附註(i))	1,705,229	1,796,274
— Due to (note (iii))	— 應付款項 (附註(iii))	(267,306)	(758,285)
		1,437,923	1,037,989
Total	合計	3,115,390	2,266,600
Market value of listed shares (note (iii))	上市股份市值 (iii)	—	288,557

Notes:

附註：

- (i) The amounts due from subsidiaries are unsecured and have no fixed terms of repayment. Except for an amount of RMB577,341,000 (2003: RMB745,858,000) which is interest free, the remaining receivable amount carry interest at prevailing market rate.
- (ii) The amounts due to subsidiaries are unsecured, have no fixed terms of repayment and carry interest at prevailing market rate.
- (iii) The Group's interest in listed investments in the PRC at 31st December 2003 represented domestic legal person shares which were not freely transferable on the stock market.

- (i) 應收款項為無抵押及無固定償還期款項，除人民幣577,341,000元(二零零三年：人民幣745,858,000元)外其餘應收款項按市場利率計息。
- (ii) 應付款項為無抵押、無固定還款期及按市場利率計息之款項。
- (iii) 本集團在二零零三年十二月三十一日之於中國上市股份的權益指不可於股票市場自由交易的內資法人股份。

13 SUBSIDIARIES (continued)

The Directors are of the opinion that the following is a list of the significant subsidiaries at 31st December 2004 (all of which operate in the PRC) which materially affect the results or assets of the Group:

13 附屬公司 (續)

董事會認為於二零零四年十二月三十一日對本集團之業績或資產有重要影響之附屬公司 (全部於中國營運) 如下：

Name of company 公司名稱	Legal status 法定地位	Principal activities 主要業務	Particulars of registered capital 股本詳情	Attributable interest held 持有權益	
				2004	2003
Beijing Jinyaguang Real Estate Development Company Limited 北京金亞光房地產開發有限公司	Equity joint venture 合資經營企業	Property development 物業開發	US\$12,000,000 12,000,000美元	75%	100%
Beijing Rongjin Real Estate Development Company Limited*(a) 北京融金房地產開發有限公司*(a)	Sino-foreign cooperative joint venture 中外合作經營企業	Property development and investment 物業開發及投資	US\$12,000,000 12,000,000美元	76.6%	76.6%
Central Plaza Real Estate Development Company Limited** 北京中環廣場置業有限公司**	Sino-foreign equity joint venture 中外合資經營企業	Property development and investment 物業開發及投資	US\$17,320,000 17,320,000美元	100%	100%
Beijing Ark garden Real Estate Development Company Limited 首創置業方舟房地產發展有限公司	Sino-foreign equity joint venture 中外合資經營企業	Property development 物業開發	US\$9,200,000 9,200,000美元	75%	75%
S.C. Real Estate Development Company Limited 首創朝陽房地產發展有限公司	Limited liability company 有限責任公司	Property development 物業開發	RMB300,000,000 人民幣300,000,000元	80%	80%

13 SUBSIDIARIES (continued)

13 附屬公司 (續)

Name of company 公司名稱	Legal status 法定地位	Principal activities 主要業務	Particulars of registered capital 股本詳情	Attributable interest held 持有權益	
				2004	2003
Beijing Sunshine Jingdu Properties Company Limited 北京陽光金都置業有限公司	Limited liability company 有限責任公司	Property development 物業開發	RMB100,000,000 人民幣100,000,000元	98%	80%
Central Plaza Development Limited 中環廣場有限公司	Limited liability company 有限責任公司	Investment holding 投資控股	US\$1 1美元	100%	100%
International Finance Centre Property Limited 國際金融中心物業有限公司	Limited liability company 有限責任公司	Investment holding 投資控股	US\$1 1美元	100%	100%
Beijing Anhua Shiji Real Estate Development Company Limited 北京安華世紀房地產開發有限公司	Sino-foreign limited liability company 中外合資有限責任公司	Property development 物業開發	US\$30,000,000 30,000,000美元	55%	55%
Beijing HYHL Real Estate Company Limited *** (b) 北京恒陽華隆房地產有限公司*** (b)	Sino-foreign Corporate joint venture 中外合作經營企業	Property development 物業開發	US\$10,000,000 10,000,000美元	75%	52.5%
Beijing Capital Xinzi Real Estate Ltd. 北京首創新資置業有限公司	Sino-foreign limited liability company 中外合資有限責任公司	Property development 物業開發	US\$60,000,000 60,000,000美元	55%	—

13 SUBSIDIARIES (continued)

Notes:

- * 48% directly held by the Company and 28.6% indirectly held
- ** 75% directly held by the Company and 25% indirectly held
- *** 63.75% directly held by the Company and 11.25% indirectly held
- (a) According to the Cooperation Agreement, the Group contributed 59.5% of the registered capital and entitled to share 100% of the profit from this company's office building and 34% of the profit from the hotel operation.
- (b) The Group is required to contribute 100% of the registered capital and entitled to share 75% of its results on the portion of properties not exceeding 60,000 square meter and 85% on the remaining portion of the properties. The investment agreement will expire in July 2022. Upon expiry the Group is entitled to the remaining net assets according to the profit sharing ratio.

13 附屬公司 (續)

附註：

- * 本公司直接持有48%，間接持有28.6%。
- ** 本公司直接持有75%，間接持有25%。
- *** 本公司直接持有69.4%，間接持有12.3%。
- (a) 根據合作章程，本公司出資59.5%享有該公司寫字樓收益之100%，酒店營運收益之34%
- (b) 本集團須出資註冊資本中的100%，而有權攤分其面積於6萬平方米內物業業績的75%及剩餘物業業績的85%。合資協定將於二零二二年七月屆滿，其後本集團有權按照溢利攤分比例擁有其餘資產淨值。

14 JOINTLY CONTROLLED ENTITIES

14 共同控制實體

		Group 本集團		Company 本公司	
		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Equity jointly controlled entities	合資經營企業				
Unlisted investment, at cost	非上市股份， 按成本值	—	—	121,175	38,411
Group's share of net assets	應佔淨資產	132,838	42,606	—	—
Due from (note(ii))	應收款項	249,269	—	249,269	—
		<u>382,107</u>	<u>42,606</u>	<u>370,444</u>	<u>38,411</u>
Cooperative jointly controlled entities	合作經營企業				
Unlisted investment, at cost	非上市股份， 按成本值	—	—	61,315	117,963
Group's share of net assets	應佔淨資產	64,138	111,851	—	—
Due from (note (ii))	應收款項 (附註(ii))	244,916	242,680	244,916	242,680
Due to (note (ii))	應付款項 (附註(ii))	—	(34,689)	—	(34,689)
		<u>309,054</u>	<u>319,842</u>	<u>306,231</u>	<u>325,954</u>
		<u>691,161</u>	<u>362,448</u>	<u>676,675</u>	<u>364,365</u>

Notes:

- (i) The amounts due from jointly controlled entities are unsecured, carry interest at prevailing market rate and have no fixed terms of repayment.
- (ii) The amounts due to jointly controlled entities are unsecured, interest-free and have no fixed terms of repayment.

附註：

- (i) 應收款項並無抵押、無固定償還期，按市場利率計息。
- (ii) 應付款項並無抵押、不計息及無固定償還期。

14 JOINTLY CONTROLLED ENTITIES (continued)

The following is a list of the principal jointly controlled entities at 31st December 2004, all of which are established and operate in the PRC:

Name 名稱	Principal activities 主要業務	Particulars of registered capital 註冊資本詳情	Attributable interest held 持有權益	
			2004	2003
Equity jointly controlled entities 合資經營企業				
Beijing Home Valley Company Limited 北京歸谷園有限責任公司	Property development 物業開發	RMB100,000,000 人民幣100,000,000元	40%	40%
Beijing Sun Shine City Real Estate Development Company Limited 北京陽光城房地產有限公司	Property development 物業開發	US\$20,000,000 20,000,000美元	50%	100%
Cooperative jointly controlled entity 合作經營企業				
Beijing Maple Real Estate Company Limited (a) 北京楓樹置業有限公司 (a)	Property development 物業開發	US\$10,000,000 10,000,000美元	50%	50%

(a) The Group is required to contribute 75% of the registered capital and entitled to share 50% of its results. The joint venture agreement will expire in July 2022. Upon expiry the Group is entitled to the remaining net assets according to the profit sharing ratio.

14 共同控制實體 (續)

於二零零四年十二月三十一日之主要共同控制實體 (全部於中國成立及營運) 如下：

(a) 本集團須出資註冊資本中的75%，而有權攤分其業績的50%。合營協定將於二零二二年七月屆滿，其後本集團有權按照溢利攤分比例擁有其餘資產淨值。

15 ASSOCIATED COMPANIES

15 聯營公司

		Group 本集團		Company 本公司	
		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Unlisted investments, at cost	非上市股份， 按成本值	—	—	93,219	19,941
Group's share of net assets	應佔資產淨值	110,201	21,280	—	—
Due from (note (i))	應收款項 (附註(i))	207,054	32,545	207,054	32,545
		317,255	53,825	300,273	52,486

Notes:

- (i) The amounts due from associated companies as at 31st December 2004 are unsecured, carry interest at prevailing market rate and have no fixed terms of repayment, except for an amount of RMB37,000,000 which carries interest at 10% per annum and repayable within three months (2003: RMB32,545,000 carries interest at prevailing market rate and have no fixed terms of repayment).

附註：

- (i) 於二零零四年十二月三十一日，應收款項無抵押，除人民幣37,000,000元按年利率10%計息且須於三個月內償還(二零零三年十二月三十一日：人民幣32,545,000元按市場利率計息，無固定還款期)，其餘款項按現行市場利率計息無固定償還期限。

The following is a list of the significant associated companies at 31st December 2004, all of which were established and operate in the PRC:

於二零零四年十二月三十一日之主要聯營公司(全部於中國成立及營運)如下：

Name 名稱	Legal status 法定地位	Principal activities 主要業務	Particulars of registered capital 註冊資本詳情	Attributable interest held 持有權益	
				2004	2003
Beijing Golden Net Property Investment Consultant Company Limited (a)	Limited liability company	Property sales agency	RMB5,000,000	14%	14%
北京金網絡置業投資顧問有限公司(a)	有限責任公司	物業銷售代理	人民幣5,000,000元	14%	14%
Beijing Xing Tai Real Estate Development Company Limited * (b)	Limited liability company	Property development	RMB55,180,000	35%	25.9%
北京星泰房地產開發有限公司*(b)	有限責任公司	物業開發	人民幣55,180,000	35%	25.9%

15 ASSOCIATED COMPANIES (continued)

15 聯營公司 (續)

Name 名稱	Legal status 法定地位	Principal activities 主要業務	Particulars of registered capital 股本詳情	Attributable interest held 持有權益	
				2004	2003
Beijing Yang Guang Yuan Real Estate Development Company Limited ** (b) 北京陽光苑房地產開發有限公司** (b)	Limited liability company 有限責任公司	Property development 物業開發	RMB72,190,000 人民幣72,190,000元	42.2%	52.2%
Beijing SCJF Real Estate Agency Company Limited 北京首創金豐易居房地產經紀有限公司	Limited liability company 有限責任公司	Property sales agency 物業銷售代理	RMB50,000,000 人民幣50,000,000元	33%	33%

Notes:

* 25% directly held by the Company and 10% indirectly held at 31st December 2004 and 2003.

** 35% directly held and 7.2% indirectly held at 31st December 2004, while 35% directly held and 17.2% indirectly held at 31st December 2003. Accordingly, it was a subsidiary in 2003 and an associated company in 2004.

(a) The Company has significant influence over the board of directors and such board is responsible for determining the financial and operating policies in the ordinary course of business and accordingly this company is classified as associated company.

(b) These companies are subsidiaries of Super Shine and are accounted for as subsidiaries of the Company as at 31 December 2003. As at 31st December 2004, the Group has significant influence over the board of directors and such board is responsible for determining the financial policies in the ordinary course of business, these companies are classified as associated companies.

附註：

* 於二零零三及二零零四年十二月三十一日，本公司直接持有25%，間接持有10%。

** 於二零零四年十二月三十一日，本公司直接持有35%，間接持有7.2%而作為聯營公司，於二零零三年十二月三十一日，本公司直接持有35%，間接持有17.2%而作為附屬公司。

(a) 本公司對董事會有重大影響力，而董事會負責決定該公司日常業務過程中的財政政策，故此公司被分類為聯營公司。

(b) 此等公司為廣西陽光股份的附屬公司，故於二零零三年十二月三十一日亦相應成為本公司之附屬公司。於二零零四年十二月三十一日，本公司對其董事會有重大影響力，而董事會負責決定此公司日常業務過程中的財政政策，故此等公司被分類為聯營公司。

16 INVESTMENTS SECURITIES

16 投資證券

		Group 本集團		Company 本公司	
		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Investment, at cost	投資，按成本值				
— Shares listed in the PRC	— 於中國上市股份	69,799	—	26,435	—
— Unlisted	— 非上市	56,456	49,841	52,339	29,841
Less: provision	減：減值撥備	(9,105)	(29,105)	(9,105)	(9,105)
Due from (note (i))	應收款項 (附註(i))	60,057	60,000	60,000	60,000
Due to (note (iii))	應付款項 (附註(iii))	(667)	—	(667)	—
		<u>176,540</u>	<u>80,736</u>	<u>129,002</u>	<u>80,736</u>
Market value of listed shares (iii)	上市股份市值 (附註(iii))	<u>216,518</u>	<u>—</u>	<u>216,518</u>	<u>—</u>

Notes:

- (i) The amounts receivable are unsecured, interest free and have no fixed terms of repayment.
- (ii) The amount payable is unsecured, interest free and has no fixed terms of repayment.
- (iii) The Group's interest in listed investment in the PRC represented domestic legal person shares which are not freely transferable in the stock market.

附註：

- (i) 應收款項無抵押，免息及無固定償還期。
- (ii) 應付款項無抵押，免息及無固定償還期。
- (iii) 本公司於中國上市股份的權益指不能於股票市場自由交易的內資法人股份。

16 INVESTMENTS SECURITIES (continued)

The following is a list of the significant investment securities at 31st December 2004, all of which operate in the PRC:

名稱 Name of company	註冊地點 Place of incorporation	主要業務 Principal activities	股本詳情 Particulars of issued/ registered capital	持有權益 Attributable interest held
Super Shine Company Limited (a) 廣西陽光股份有限公司(a)	PRC 中華人民共和國	Investment holding and property development 投資控股及物業開發	RMB292,040,000 人民幣292,040,000元	11% (2003: 26.5%) 11% (2003: 26.5%)
Beijing Capital Fengdu Real Estate Development Company Limited *	PRC 中華人民共和國	Investment holding and property development 投資控股及物業開發	RMB60,000,000 人民幣60,000,000元	18.4% (2003: 24.3%) 18.4% (2003: 24.3%)

* 8.3% directly held by the Company and 10.1% indirectly held

Note:

- (a) Super Shine Company Limited ("Super Shine") is a company listed on the Shenzhen Stock Exchange. The Company originally held 26.5% of its issued shares, being the single largest shareholder of Super Shine and it was consolidated as a subsidiary. The Company announced in March 2004 the disposal of 15.5% of the issued shares of Super Shine to an independent third party. After the announcement, equity method is adopted to account for Super Shine because there was a supplementary agreement that allowed the Company to continue to share 26.5% of Super Shine's 2004 profit. Accordingly, the Group's investment in Super Shine was reclassified from a subsidiary to an associated company at its carrying value pending approval of the share transfer agreement as set out in the interim report as at 30th June 2004.

On 22nd December 2004, the share transfer agreement has been approved by the related authorities of the PRC government and the transfer of the issued share was completed in Shenzhen Stock Exchange. Upon the completion of the share transfer, Super Shine was therefore accounted for as investments securities as at 31st December 2004. A profit arising from disposal of the aforesaid 15.5% interests approximating to RMB5.5 million will be recognised during 2005 when all the other necessary disposal procedures are completed and consideration is received in full.

16 投資證券 (續)

於二零零四年十二月三十一日之主要長期投資 (全部於中國營運) 如下：

股本詳情 Particulars of issued/ registered capital	持有權益 Attributable interest held
RMB292,040,000 人民幣292,040,000元	11% (2003: 26.5%) 11% (2003: 26.5%)
RMB60,000,000 人民幣60,000,000元	18.4% (2003: 24.3%) 18.4% (2003: 24.3%)

* 本公司直接持有8.3%，間接持有10.1%。

附註：

- (a) 廣西陽光股份有限公司 (以下簡稱陽光股份) 為深圳證券交易所上市公司，其股份最初由本集團持有26.5%，為第一大股東，並將陽光股份作為附屬公司予以合併，本集團於二零零四年三月公告，將所持有的陽光股份15.5%的法人股股份轉讓予一獨立第三方，並與對方簽署補充協議約定本公司仍然按照26.5%的比例享有陽光股份二零零四年全年溢利。因此，於二零零四年六月三十日的中期報告中由於有關股權轉讓協定仍未被批准，本集團按帳面值將陽光股份從附屬公司重分類至聯營公司。

於二零零四年十二月二十二日，上述股權轉讓協定已經獲得中國政府有關機構的審批且在深圳證券交易所完成了股權過戶手續。股權過戶完成後，於二零零四年十二月三十一日，陽光股份被列示為投資證券。上述出售15.5%股權的收益約人民幣5.5百萬元將於二零零五年在股權轉讓有關的出售手續全部完成及轉讓款項全部收到後確認。

17 PROPERTIES UNDER DEVELOPMENT

17 開發中物業

		本集團 Group		本公司 Company	
		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Leasehold land in the PRC, at cost	位於中國的租賃土地，按成本				
Long term leases	長期租約	286,277	439,809	—	47,342
Medium term leases	中期租約	385,408	331,327	25,691	3,199
Development costs	開發成本	1,724,311	2,159,022	150,780	254,295
Finance costs capitalised	資本化的融資成本	160,204	94,461	—	2,713
		2,556,200	3,024,619	176,471	307,549
Attributable profit less foreseeable loss	應佔溢利減可預見虧損	—	41,407	—	—
Less: progress payments received and receivable	減：已收的銷售房款	(22,048)	(241,130)	(22,048)	(41,122)
		2,534,152	2,824,896	154,423	266,427

Properties under development pledged as security for long term bank loans amounted to RMB412,859,000 at 31st December 2004 (2003: RMB151,298,000).

於二零零四年十二月三十一日，作為長期銀行貸款抵押物的開發中物業為人民幣412,859,000元（二零零三年：人民幣151,298,000元）。

Right to yields on certain land (Gains from the sale of land or other profit obtained from the relevant land) have been pledged as security for long term bank loan amounted to RMB1,300,000,000 and short term bank loans amounted to RMB1,000,000,000 at 31st December 2004 (2003: nil).

於二零零四年十二月三十一日，本集團以部分物業之土地收益權（本集團轉讓該等土地或者以其他方式利用該等土地取得的收益）作為質押，取得了銀行長期貸款人民幣1,300,000,000元和短期貸款人民幣1,000,000,000元（二零零三年：無）。

18 INVENTORIES, AT COST

		本集團 Group		本公司 Company	
		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Merchandise	商品	2,949	—	—	—
Low value consumable materials	低值易耗品	1,179	—	—	—
Completed properties held for sale	已落成的待售物業	298,125	495,090	171,813	233,798
Total	合計	302,253	495,090	171,813	233,798

18 存貨成本

19 TRADE RECEIVABLES

Receivables in respect of sale of properties and land are settled in accordance with the terms stipulated in the sale and purchase agreements. Generally, purchasers of properties are required to settle the balance within 60 days as specified in the sales and purchase agreements, otherwise the sales can be cancelled by the Group. The ageing analysis of trade receivables net off with corresponding provision at 31st December 2004 is as follows:

		本集團 Group		本公司 Company	
		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
0 to 90 days	0至90日	261,054	519,444	—	6
91 to 180 days	91至180日	51,295	223	50,981	223
181 to 365 days	181至365日	103,069	30,355	103,069	—
Over 1 year	1年以上	225,504	293,457	5,263	17,353
		640,922	843,479	159,313	17,582

Amounts receivable outstanding for more than one year are mainly sales of office building units in bulk and large pieces of developed land.

19 應收貿易賬款

銷售物業及已開發土地的應收賬款是根據買賣協定規定條款結算。一般來說，置業人士須於買賣協定指明的60日內付清餘額，否則本集團有權取消該項交易。於二零零四年十二月三十一日，應收貿易賬的賬齡分析如下：

對於賬齡大於一年的應收款項，主要是尚未到達合同約定的收款期限的大額寫字樓及已開發土地銷售款。

20 AMOUNT DUE FROM/(TO) MINORITY SHAREHOLDERS

20 應收／(應付)少數股東款項

		本集團 Group		本公司 Company	
		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Due from (note (i))	應收款項 (附註(i))	<u>140,701</u>	<u>13,410</u>	<u>140,701</u>	<u>—</u>
Due to (note (i))	應付款項 (附註(i))	<u>—</u>	<u>(26,071)</u>	<u>—</u>	<u>—</u>

Notes:

- (i) The amounts receivable are unsecured, carry interest at prevailing market rate and repayable within one year (2003: Both the amounts receivable and payable are unsecured, interest free and have no fixed terms of repayment).

附註：

- (i) 應收款項無抵押，按市場利率計息並於一年內償還 (二零零三年：應收應付款項均無抵押，免息且無固定償還)。

21 AMOUNT DUE FROM/(TO) FELLOW SUBSIDIARIES

21 應收／(應付)同系附屬公司款項

		本集團 Group		本公司 Company	
		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Due from (note (i))	應收款項 (附註(i))	<u>61,581</u>	<u>54,693</u>	<u>61,581</u>	<u>45,270</u>
Due to (note (i))	應付款項 (附註(i))	<u>(3,104)</u>	<u>(31,990)</u>	<u>(3,104)</u>	<u>(12,186)</u>

Notes:

- (i) Fellow subsidiaries represent subsidiaries of the Capital Group. The amounts receivable and amounts payable are unsecured and interest free (2003: The amounts are unsecured and interest free except for a payable amount of RMB20,000,000 which carried interest at 6.534% per annum).

附註：

- (i) 同系附屬公司指首創集團的附屬公司，應收應付款項均無抵押，免息 (二零零三年：應收應付款項均無抵押，除應付款項中人民幣20,000,000元按年利率6.534%計息，其餘部分免息)。

22 OTHER INVESTMENTS

22 其他投資

		本集團 Group	
		2004	2003
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Listed in the PRC, at fair value	於中國上市，按公平價值	—	16,193

23 CASH AND BANK BALANCES

The pledged bank balances have been pledged as security for certain mortgage loans to customers (2003: short term bank loans and mortgage loans to customers).

The cash and bank balances were denominated in Renminbi and deposited with banks in the PRC. The conversion of these Renminbi denominated balances into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

23 現金及銀行結餘

已抵押銀行結餘已抵押作為若干置業人士銀行按揭貸款擔保(二零零三年：置業人士銀行按揭貸款擔保及短期銀行借款擔保)。

現金及銀行結餘均以人民幣計算，並存於中國境內的銀行。人民幣存款結餘換為外幣，須遵守中國政府頒存的外匯管制法規。

24 CONSTRUCTION PAYABLES

Construction costs and other project related expenses payable amounted to RMB484,238,000 at 31st December 2004 (2003: RMB637,572,000). They have been included in trade and other payables based on project progress reports issued by project supervisory consultants appointed by the Group. Therefore, no ageing analysis for trade payables is presented.

24 應付建設費

於二零零四年十二月三十一日應付建設成本及其他項目相關支出為人民幣484,238,000元(二零零三年：人民幣637,572,000元)。上述關支均已根據本集團委聘的項目監督顧問所發出的項目進度報告計入應付貿易款及其他應付款項。因此，並無呈列應付貿易賬款的賬齡分析。

25 TAXES PAYABLE

		本集團 Group		本公司 Company	
		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
PRC business tax payable	應付中國營業稅	89,205	111,423	13,272	8,149
PRC income tax payable	應付中國所得稅	348,493	267,312	57,289	19,480
Other PRC taxes payable/ (recoverable)	應付／(收)其他中國稅項	4,287	2,507	252	(260)
		<u>441,985</u>	<u>381,242</u>	<u>70,813</u>	<u>27,369</u>

25 應付稅款

26 NET AMOUNTS DUE TO ULTIMATE HOLDING COMPANY

		本集團 Group		本公司 Company	
		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Current portion (note (i))	即期部分 (附註(i))	199,945	356,361	193,559	231,672
Non-current portion (note (ii))	長期部分 (附註(ii))	139,475	539,475	139,475	539,475
		<u>339,420</u>	<u>895,836</u>	<u>333,034</u>	<u>771,147</u>

26 應付最終控股公司款項淨額

Notes:

- (i) The amount of current portion is unsecured and interest is free.
- (ii) The amount of non-current portion is unsecured, interest-free and represented portion of land premium paid by the ultimate holding company on behalf of the Group, repayable before 30th September 2006.

附註：

- (i) 應付款項無抵押及免息。
- (ii) 應付款項無抵押，免息，代表最終控股公司代表本集團預付的土地出讓金，將於二零零六年九月三十日前償還。

27 SPECIAL DIVIDEND PAYABLE

In accordance with "Provisional regulations concerning the management of state capital and certain accounting treatment of enterprises restructuring into companies" issued by the Ministry of Finance as Cai Qi [2002] No, 313 on 27th July 2002, profit recognised from the date of valuation of state assets to the date of incorporation of a reorganised state owned enterprise should be returned to the state-owned Promoters. Accordingly, a special dividend amounting to RMB204,839,000 will be payable to the Promoters as disclosed in the prospectus of the Company for its listing in June 2003. Based on the Reorganisation Agreement with the Promoters of the Company, the special dividend will not be paid prior to 31st December 2004 and was classified as non-current liabilities as at 31st December 2003, the Directors have the absolute discretion to determine the actual distribution date of such special dividend.

27 應付特殊股息

按照財政部於二零零二年七月二十七日頒布的《企業公司改建有關國有資本管理與財務處理暫行規定》財企[2002]313號，由國有資產評估基準日至經重組國有企業成立日期確認的溢利，須退回國有發起人。因此，如本公司二零零三年六月上市時招股書所作之披露，本公司將須向發起人支付為數過人民幣204,839,000元的特別股息。根據重組協定，此特殊股息不會在二零零四年十二月三十一日前派發，故於二零零三年十二月三十一日之帳目中作為非流動負債，董事有權酌情厘定上述特別股息的實際派發日期。

28 LONG TERM BANK LOANS

28 長期銀行貸款

		Group 本集團		Company 本公司	
		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Bank loans, not wholly repayable within five years (note)	無需於五年內償還的銀行貸款，(附註)				
Secured	有抵押	600,000	—	600,000	—
Bank loans, wholly repayable within five years (note)	須於五年內悉數償還的銀行貸款，(附註)				
Secured	有抵押	748,251	150,000	700,000	—
Unsecured	無抵押	860,000	1,130,000	—	—
		1,608,251	1,280,000	700,000	—
		2,208,251	1,280,000	1,300,000	—
The maturity of the bank loans is as follows:	於下列期間到期的銀行貸款：				
Within one year	一年內	360,000	70,000	—	—
In the second year	一至兩年	1,200,000	360,000	700,000	—
In the third to fifth year	兩至五年	48,251	850,000	—	—
After the fifth year	五年以上	600,000	—	600,000	—
		2,208,251	1,280,000	1,300,000	—
Less: current portion included in current liabilities	減：於流動負債內的即期部分	(360,000)	(70,000)	—	—
		1,848,251	1,210,000	1,300,000	—

Note: At 31st December 2004, the long term bank loans bore interest ranging from 3.11% to 6.03% per annum (2003: 5.49% to 6.03%) secured by certain properties under development and right to yields on land (note 17). Included in the unsecured bank loans were RMB500,000,000 (2003: RMB500,000,000) was guaranteed by the Capital Group.

附註：於二零零四年十二月三十一日，長期銀行貸款的年利率介乎3.11%至6.03%之間（二零零三年：5.49%至6.03%），由若干開發中物業及土地收益權質押（附註17），無抵押銀行貸款中包括由首創集團擔保的貸款人民幣500,000,000元（二零零三年：人民幣500,000,000元）。

29 SHARE CAPITAL

29 股本

	Number of domestic shares of RMB1 each 每股人民幣 1元的內資股 股數	Number of non-H foreign shares of RMB1 each 每股人民幣 1元的非H股 外資股股數	Number of H shares of RMB1 each 每股人民幣 1元的H股 股數	Total number of shares of RMB1 each 每股人民幣 1元的股數 合計	RMB'000 人民幣千元
Registered, issued and fully paid: 註冊已發行及繳足股本					
Upon the Reorganisation 於重組生效日	742,002	357,998	—	1,100,000	1,100,000
Domestic shares converted to H shares 內資股轉化為H股	(51,330)	—	51,330	—	—
Allotted and issued pursuant to global offering 股份於上市時發行	—	—	513,300	513,300	513,300
As at 31st December 2003 於二零零三年十二月三十一日	<u>690,672</u>	<u>357,998</u>	<u>564,630</u>	<u>1,613,300</u>	<u>1,613,300</u>
As at 31st December 2004 於二零零四年十二月三十一日	<u>690,672</u>	<u>357,998</u>	<u>564,630</u>	<u>1,613,300</u>	<u>1,613,300</u>

The Company was incorporated in Beijing, China on 5th December 2002 with the Reorganisation completed and effective on 1st January 2003 by the issue of 1,100,000,000 shares of RMB1 each to the Promoters, including 742,001,700 domestic shares and 357,998,300 non-H foreign shares. In June 2003, the issued and fully paid capital of the Company was increased to RMB1,613,300,000 by the issuance of an additional 513,300,000 H shares of RMB1.00 pursuant to the global offering. In addition, a total number of 51,330,000 domestic shares in issue owned by certain Promoters were converted into H shares and sold to the public.

本公司於二零零二年十二月五日成立，最初發行1,100,000,000股每股面值為人民幣1元的股份，由742,001,700股內資股和357,998,300非H股外資股組成，重組於二零零三年一月一日完成並生效。於二零零三年六月，本公司向全球發行每股面值人民幣1元的新H股513,300,000股，已發行及繳足股本增加至人民幣1,613,300,000元。另外，部分內資股股東同時將其持有的51,330,000股的內資股轉化為H股並出售給公眾。

30 RESERVES

30 儲備

	Group 本集團				
	Capital surplus 資本公積 RMB'000 人民幣千元	Statutory reserve fund 法定盈餘公積 RMB'000 人民幣千元	Statutory public benefit fund 法定公益金 RMB'000 人民幣千元	Retained profits 保留溢利 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
Issue of shares 股份發行	390,767	—	—	—	390,767
Share issue expenses 股份發行費用	(78,310)	—	—	—	(78,310)
Profit attributable to shareholders 股東應佔溢利	—	—	—	255,351	255,351
Transfer from retained profits 轉撥自保留溢利	—	44,346	20,977	(65,323)	—
As at 31st December 2003 二零零三年十二月三十一日	<u>312,457</u>	<u>44,346</u>	<u>20,977</u>	<u>190,028</u>	<u>567,808</u>
Company and subsidiaries 本公司及附屬公司	312,457	44,346	20,977	190,606	568,386
Jointly controlled entities 共同控制實體	—	—	—	(1,917)	(1,917)
Associated companies 聯營公司	—	—	—	1,339	1,339
At 31st December 2003 二零零三年十二月三十一日	<u>312,457</u>	<u>44,346</u>	<u>20,977</u>	<u>190,028</u>	<u>567,808</u>

30 RESERVES (continued)

30 儲備 (續)

	Group 本集團				
	Capital surplus 資本公積 RMB'000 人民幣千元	Statutory reserve fund 法定盈餘公積 RMB'000 人民幣千元	Statutory public benefit fund 法定公益金 RMB'000 人民幣千元	Retained profits 保留溢利 RMB'000 人民幣千元	Total 總額 RMB'000 人民幣千元
As at 1st January 2004 二零零四年一月一日	312,457	44,346	20,977	190,028	567,808
2003 final dividend paid 已派二零零三年末期股息	—	—	—	(150,053)	(150,053)
Profit attributable to shareholders 股東應佔溢利	—	—	—	283,197	283,197
Transfer from retained profits 轉撥自保留溢利	—	39,968	19,984	(59,952)	—
As at 31st December 2004 二零零四年十二月三十一日	<u>312,457</u>	<u>84,314</u>	<u>40,961</u>	<u>263,220</u>	<u>700,952</u>
Representing: 相當於：					
Reserves excluding the proposed final dividend 不包括擬派末期股息之儲備	312,457	84,314	40,961	143,103	580,835
Proposed final dividend 擬派末期股息	—	—	—	120,117	120,117
Reserves including the proposed final dividend at 31st December 2004 二零零四年十二月三十一日 包括擬派末期股息之儲備	<u>312,457</u>	<u>84,314</u>	<u>40,961</u>	<u>263,220</u>	<u>700,952</u>
Profit retained by: 保留溢利					
Company and subsidiaries 本公司及附屬公司	312,457	84,314	40,961	231,752	669,484
Jointly controlled entities 共同控制實體	—	—	—	14,486	14,486
Associated companies 聯營公司	—	—	—	16,982	16,982
At 31st December 2004 二零零四年十二月三十一日	<u>312,457</u>	<u>84,314</u>	<u>40,961</u>	<u>263,220</u>	<u>700,952</u>

30 RESERVES (continued)

30 儲備 (續)

	Company 本公司				
	Capital surplus	Statutory reserve fund	Statutory public benefit fund	Retained profits	Total
	資本公積	法定盈餘公積	法定公益金	保留溢利	總額
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Issue of shares					
股份發行	390,767	—	—	—	390,767
Share issue expenses					
股份發行費用	(78,310)	—	—	—	(78,310)
Profit attributable to shareholders					
股東應佔溢利	—	—	—	183,596	183,596
Transfer from retained profit					
轉撥自保留溢利	—	22,067	11,034	(33,101)	—
As at 31st December 2003					
二零零三年十二月三十一日	<u>312,457</u>	<u>22,067</u>	<u>11,034</u>	<u>150,495</u>	<u>496,053</u>
As at 1st January 2004					
二零零四年一月一日	312,457	22,067	11,034	150,495	496,053
2003 final dividend paid					
二零零三年已派末期股息	—	—	—	(150,053)	(150,053)
Profit attributable to shareholders					
股東應佔溢利	—	—	—	202,775	202,775
Transfer from retained profit					
轉撥自保留溢利	—	24,268	12,134	(36,402)	—
As at 31st December 2004					
二零零四年十二月三十一日	<u>312,457</u>	<u>46,335</u>	<u>23,168</u>	<u>166,815</u>	<u>548,775</u>
Representing:					
相當於：					
Reserves excluding the proposed final dividend					
不包括派末期股息之儲備	312,457	46,335	23,168	46,698	428,658
Proposed final dividend					
擬派末期股息	—	—	—	120,117	120,117
Reserves including the proposed final dividend at 31st December 2004					
二零零四年十二月三十一日 包括擬派末期股息之儲備	<u>312,457</u>	<u>46,335</u>	<u>23,168</u>	<u>166,815</u>	<u>548,775</u>

30 RESERVES (continued)

Notes:

- (a) According to the respective Articles of Association, the Company and subsidiaries are required to transfer 10% of their profit after taxation, as shown in the accounts prepared under the relevant accounting principles and financial regulations applicable to PRC enterprises ("PRC GAAP"), to their statutory reserve fund. The statutory reserve fund can be used to offset accumulated loss or convert as share capital of the Company.
- (b) According to the respective Articles of Association, the Company and subsidiaries are required to transfer 5% to 10% of their profit after taxation, as shown in the accounts prepared under PRC GAAP to their statutory public benefit fund. The statutory public benefit fund can only be used for the collective benefit and facilities of the employees of the respective companies. Employees are only entitled to use these facilities; the title and ownership of the facilities will remain with the respective companies.

30 儲備 (續)

附註：

- (a) 根據本公司及合併子公司各自之章程細則，各公司應按中國會計制度編制的帳目表所載之除稅後溢利的10%提取法定公積金。法定公積金可用彌補虧損或轉增資本。
- (b) 根據本公司及合併子公司各自之章程細則，各公司應按中國會計制度編制的帳目表所載之除稅後溢利的5%至10%計提法定公益金。法定公益金只可用於各公司之職工的集體福利設施。職工可享受設施但設施的產權及擁有仍屬各公司所有。

31 DEFERRED TAXATION

Deferred taxation is calculated in full on temporary differences under the liability method using a principal taxation rate of 33%.

The movement on the deferred tax assets/liabilities account is as follows:

31 遞延稅項

遞延稅項採用負債法就短暫時差按主要稅率33%作全數撥備。

遞延稅項資產／負債之變動如下：

		Group 本集團		Company 本公司	
		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
At 1st January	於一月一日	(8,130)	(2,503)	1,650	(2,503)
Disposal of a subsidiary	出售附屬公司	11,608	—	—	—
Acquisition of a subsidiary	收購附屬公司	5,444	—	—	—
Credited/(charged) to profit and loss account (note 6)	在損益賬記賬／ (支銷) (附註6)	22,023	(5,627)	4,020	4,153
At 31st December	於十二月三十一日	30,945	(8,130)	5,670	1,650

31 DEFERRED TAXATION (continued)

Deferred income tax assets are recognised for tax loss carried forward to the extent that realisation of the related tax benefit through the future taxable profits is probable. The group has unrecognised tax losses of RMB3,434,000 as at 31st December 2004 (2003: RMB3,708,000) to carry forward against future taxable income; these tax losses will expire in the period from 2005 to 2009.

The movement in deferred tax assets and liabilities (prior to offsetting of balances within the same taxation jurisdiction) during the year is as follows:

Deferred tax liabilities

31 遞延稅項 (續)

遞延所得稅資產乃因應相關稅務利益可透過未來應課稅溢利變現而就所結轉之稅損作確認。本集團於二零零四年十二月三十一日有未確認稅損人民幣3,434,000元(二零零三年：人民幣3,708,000元)。可結轉以抵銷未來應課收入；此等稅損將於二零零五年至二零零九年屆滿。

年內遞延稅項資產及負債之變動(與同一徵稅地區之結餘抵銷前)如下：

遞延稅項負債

		Group 本集團		Company 本公司
		Different revenue recognition methods 收入確認 2004 RMB'000 人民幣千元	Total 合計 2004 RMB'000 人民幣千元	Total 合計 2004 RMB'000 人民幣千元
At 1st January 2004	於二零零四年一月一日	(11,608)	(11,608)	—
Disposal of a subsidiary	出售附屬公司	11,608	11,608	—
At 31st December 2004	於二零零四年 十二月三十一日	—	—	—

31 DEFERRED TAXATION (continued)

Deferred tax liabilities (continued)

		Group 本集團		Company 本公司	
		Different revenue recognition methods 收入確認差異	Total 總計	Different revenue recognition methods 收入確認差異	Total 總計
		2003	2003	2003	2003
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Effective date of Reorganisation	於重組生效日	(2,503)	(2,503)	(2,503)	(2,503)
Changed/(credited) to profit and loss account	在損益帳(支銷)/記帳	(9,105)	(9,105)	2,503	2,503
At 31st December 2003	於二零零三年十二月三十一日	(11,608)	(11,608)	—	—

Deferred tax assets

遞延稅項資產

		Group 本集團				Company 本公司			
		Difference in cost base of properties 其他物業成本之差異	Tax losses 稅務虧損	Unpaid accruals 未支付的費用	Provision for doubtful debts 呆賬撥備	Total 合計	Unpaid accruals 未支付的費用	Provision for doubtful debts 呆賬撥備	Total 合計
		2004	2004	2004	2004	2004	2004	2004	2004
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1st January 2004	二零零四年一月一日	1,828	—	1,650	—	3,478	1,650	—	1,650
Acquisition of a subsidiary	收購一子公司	—	—	5,444	—	5,444	—	—	—
Credited to profit and loss account	在損益賬記賬	—	12,958	1,739	2,106	22,023	2,106	1,914	4,020
At 31st December 2004	二零零四年十二月三十一日	1,828	12,958	7,183	3,756	30,945	3,756	1,914	5,670

31 DEFERRED TAXATION (continued)

Deferred tax assets (continued)

		Group 本集團			Company 本公司	
		Unpaid Others	accruals 未支付的 費用	Total 總計	Unpaid accruals 未支付的 費用	Total 總計
		2003	2003	2003	2003	2003
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Effective date of Reorganisation	於重組生效日	—	—	—	—	—
Credited to profit and loss account	在損益帳記帳	1,828	1,650	3,478	1,650	1,650
At 31st December 2003	於二零零三年十二月三十一日	1,828	1,650	3,478	1,650	1,650

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The following amounts, determined after appropriate offsetting, are shown in the balance sheet:

31 遞延稅項 (續)

遞延稅項資產 (續)

當有法定權利可將現有稅項資產與現有稅務負債抵銷，而遞延所得稅涉及同一財政機關，則可將遞延所得稅資產與遞延所得稅負債互相抵銷。在計入適當抵銷後，下列金額在資產負債表內列帳：

		Group 本集團		Company 本公司	
		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Deferred tax assets	遞延稅項資產	30,945	3,478	5,670	1,650
Deferred tax liabilities	遞延稅項負債	—	(11,608)	—	—
		30,945	(8,130)	5,670	1,650

31 DEFERRED TAXATION (continued)

Deferred tax assets (continued)

The amounts shown in the balance sheet include the following:

		Group 本集團		Company 本公司	
		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Deferred tax assets to be recovered after 12 months	超過12個月後收回之遞延稅項資產	12,958	1,828	—	—

32 COMMITMENTS

(a) Other commitments in respect of properties under development

		Group 本集團		Company 本公司	
		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Contracted but not provided for	已簽約但未撥備	1,290,438	2,377,034	43,776	183,811
Authorised but not contracted for	已批准但未簽約	1,544,895	4,322,971	57,242	143,113
		<u>2,835,333</u>	<u>6,700,005</u>	<u>101,018</u>	<u>326,924</u>

31 遞延稅項 (續)

遞延稅項資產 (續)

在資產負債表列帳之金額包括：

32 承擔

(a) 開發中物業的其他承擔

32 COMMITMENTS (continued)

(a) Other commitments in respect of properties under development (continued)

Amounts of capital commitments relating to the Group's interests in the jointly controlled entities included in the above are as follows:

		Group 本集團		Company 本公司	
		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Contracted but not provided for	已簽約但未撥備	224,403	885,306	—	—
Authorised but not contracted for	已批准但未簽約	292,469	377,212	—	—
		<u>516,872</u>	<u>1,262,518</u>	<u>—</u>	<u>—</u>

(b) Commitments under operating leases

At 31st December 2004, the Group and the Company had future aggregate minimum lease payments under non-cancelable operating leases as follows:

		Group 本集團		Company 本公司	
		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
First year	第一年	8,079	4,908	2,360	1,714
Second to fifth years	第二至第五年	1,371	2,833	—	—
		<u>9,450</u>	<u>7,741</u>	<u>2,360</u>	<u>1,714</u>

32 承擔 (續)

(a) 開發中物業的其他承擔 (續)

有關集團在合營業務權益之資本承擔並已包括在上述資本承擔之數額如下：

(b) 經營租約承擔

根據不可撤銷的經營租約就土地及樓宇須於以下期間支付的日後最低租金支出總額如下：

33 CONTINGENT LIABILITIES

- (a) The Group has arranged bank financing for certain purchasers of property units and provided guarantees to secure obligations of such purchasers for repayments. The outstanding guarantees amounted to RMB637,468,000 (2003: RMB885,280,000), including guarantees provided by the Company amounted to RMB310,385,000 (2003: RMB283,465,000) as at 31st December, 2004.

Such guarantees terminate upon (i) issuance of the real estate ownership certificate which will generally be available within six months to two years after the Group delivered possession of the relevant property to its purchasers; (ii) completion of mortgage registration and (iii) issuance of the real estate miscellaneous right certificate relating to the relevant property.

- (b) As at 31st December 2004, other than guarantees provided for a short term bank borrowing of RMB498,000,000 (2003: RMB40,000,000 for short term bank borrowing and RMB360,000,000 for long term bank borrowing) to subsidiaries of the Company and a short term bank borrowing of RMB120,000,000 (2003: RMB250,000,000) to a jointly controlled entity, the Group and the Company had no material external guarantee.

33 或然負債

- (a) 本集團已就若干物業單位購買方安排銀行融資，並對該等購買方的還款責任提供擔保。於二零零四年十二月三十一日，未清償的擔保金額人民幣637,468,000元（二零零三年：人民幣885,280,000元）。其中包括本公司尚未清償的擔保金額人民幣310,385,000元（二零零三年：人民幣283,465,000元）。

上述擔保將於下列情況下終止：
(i)發出房地產所有權證後，而房地產所有權證一般會在本集團將有關物業的擁有權移交買家後六個月至兩年內發出；(ii)完成按揭註冊後；及(iii)發出有關物業的房地產雜項權利證後。

- (b) 於二零零四年十二月三十一日，除本公司對本公司之子公司的人民幣498,000,000元短期貸款（二零零三年：人民幣40,000,000元短期貸款和人民幣360,000,000元長期貸款）及對本公司之共同控制實體的人民幣120,000,000元（二零零三年：人民幣250,000,000元）短期貸款提供擔保外，本公司和本集團均未對外提供擔保。

**34 NOTES TO CONSOLIDATED CASH FLOW
STATEMENT**

34 綜合現金流量表附註

(a) Net cash used in operations

(a) 經營業務動用的現金淨額

		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Profit before taxation	除稅前溢利	455,102	460,207
Provision for doubtful debts	呆帳撥備	17,937	153
Share of (profit)/loss of jointly controlled entities	共同控制實體投資(收益)/虧損	(19,222)	3,369
Share of profit of associated companies	聯營公司投資收益	(70,819)	(1,339)
Investment income from other investment	其他投資收入	—	(37,992)
Loss on disposal of investments securities	出售投資證券虧損	—	1,280
Gain on disposal of subsidiaries	出售附屬公司收益	(55,751)	(2,182)
Gain on disposal of jointly controlled entities	出售共同控制實體收益	—	(41)
Gain on disposal of associated companies	出售聯營公司收益	(49,315)	—
Depreciation	折舊	14,992	1,225
Loss on disposal of properties and equipment	出售物業及設備虧損	64	209
Interest income	利息收入	(64,234)	(13,932)
Interest expenses	利息支出	74,195	11,146
Operating profit before changes in working capital	營運資金變動前的經營溢利	302,949	422,103
Changes in working capital:	營運資金變動：		
(Increase)/decrease in inventories	已落成之代售物業(增加)/減少	(797,324)	586,707
Decrease/(increase) in properties under development	開發中物業減少/(增加)	53,267	(878,277)
(Increase)/decrease in business tax prepayment	預付營業稅款(增加)/減少	(42)	9,469
(Decrease)/Increase in business tax payable	應付營業稅款(減少)/增加	(19,075)	23,069
Increase in receivables to jointly controlled entities	應收合營公司款項增加	(286,194)	—
Increase in receivables to associated companies	應收聯營公司款項增加	(174,509)	—
Decrease/(increase) in trade and other receivables, deposits and prepayment	貿易及其應收款減少/(增加)	111,060	(439,587)
Increase/(decrease) in trade and other payables	貿易及其他應付款增加/(減少)	567,081	(489,436)
Net cash used in operations	經營業務動用的現金淨額	<u>(242,787)</u>	<u>(765,952)</u>

34 NOTES TO CONSOLIDATED CASH FLOW STATEMENT (continued)

34 綜合現金流量表附註 (續)

(b) Acquisition of interests in subsidiaries

(b) 收購附屬公司

		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Net assets acquired	收購的資產淨值		
Properties and equipment	物業及設備	960	330
Trade and other receivables, deposits and prepayments	應收貿易賬款、其他應收款項、定金及預付款項	58,020	219
Deferred tax assets	遞延稅項資產	5,444	—
Properties under development	開發中物業	466,020	294,912
Cash and bank balances	現金及銀行結餘	159,724	110,188
Trade and other payables	應付賬款及其他應付款項	(284,479)	(6,331)
Bank loan	銀行貸款	(250,000)	(360,000)
Minority interests	少數股東權益	(17,787)	(13,193)
		137,902	26,125
Less: interests originally held by the Group as associated company and jointly controlled entity	減：本集團原本以聯營公司及共同控制實體形式持有的權益	(51,836)	(14,635)
Satisfied by cash	以現金支付	86,066	11,490

Analysis of net inflow of cash and cash equivalents in respect of acquisition of subsidiaries.

就收購附屬公司產生的現金及現金等價物流入淨額分析

		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Cash consideration	現金代價	(86,066)	(11,490)
Cash and bank balances acquired	收購的現金及銀行結餘	159,724	110,188
Net cash inflow of cash and cash equivalents in respect of acquisition of subsidiaries	收購附屬公司有關於現金及現金等價物流入淨額	73,658	98,698

The subsidiaries acquired in 2004 generated RMB132,307,000 (2003: used RMB21,011,000) of the Group's net operating cash flows, utilised RMB386,000 (2003: RMB229,000) in investing activities, paid RMB102,500,000 (2003: received RMB591,684,000) in financing activities.

於二零零四年收購的附屬公司本年度為本集團產生了人民幣132,307,000元的經營現金流量淨額(二零零三年：動用了人民幣21,011,000元)，在投資活動中動用了人民幣386,000元(二零零三年：人民幣229,000元)，支付了人民幣102,500,000元償還借款(二零零三年：融資活動收到貸款人民幣591,684,000元)。

**34 NOTES TO CONSOLIDATED CASH FLOW
STATEMENT** (continued)

34 綜合現金流量表附註 (續)

(c) Disposal of subsidiaries

(c) 出售附屬公司

		2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Net asset disposed of	出售的淨資產		
Properties and equipment	物業及設備	6,925	776
Properties under development	開發中物業	1,514,542	40,227
Properties held for sale	待售物業	243,726	—
Cash and bank balances	現金及銀行結餘	420,176	31,607
Other investment	其他投資	16,193	7,508
Trade and other receivables	應收貿易賬款及其他應收款項	34,069	64,097
Short term loan	短期貸款	—	(15,000)
Long term loan	長期貸款	(350,000)	—
Trade and other payables	應付賬款及其他應付款項	(1,229,097)	(61,070)
Deferred tax liabilities	遞延稅項負債	(11,608)	—
Minority interests	少數股東權益	(434,378)	(23,627)
		210,548	44,518
Gain on disposal of subsidiaries	出售附屬公司收益	55,751	2,182
		266,299	46,700
Increase of investment in jointly controlled entities	合營公司投資增加	(4,890)	—
Increase of investments securities	投資證券增加	(44,090)	—
Increase of investment in associated companies	聯營公司投資增加	(33,699)	—
Disposal proceeds receivable	尚未收取之轉讓款	(91,598)	—
		92,022	46,700
Cash consideration	出售所得款項		

34 NOTES TO CONSOLIDATED CASH FLOW STATEMENT *(continued)*

(c) Disposal of subsidiaries

Analysis of net (outflow)/inflow of cash and cash equivalents in respect of disposal of subsidiaries:

Cash consideration	出售所得款項
Less: cash and bank balances	減：售出附屬公司之
equivalents disposed of	現金及現金等價物
Net (outflow)/inflow of cash	出售附屬公司之
and cash equivalents in respect of	現金(流出)／流入淨額
disposal of subsidiaries	

34 綜合現金流量表附註 (續)

(c) 出售附屬公司

出售附屬公司之現金及現金等價物流入淨額之分析：

2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
92,022	46,700
(420,176)	(31,607)
(328,154)	15,093

34 NOTES TO CONSOLIDATED CASH FLOW STATEMENT (continued)

34 綜合現金流量表附註 (續)

(d) Analysis of changes in financing during the year

(d) 本年度融資變動分析

	Share issuance	Amounts due (from)/to related companies and Promoters (應收)/應付 關連公司及 發行股份 控股公司款項	Minority interests 權益	Bank borrowings 銀行貸款	Dividend payable 應付股息	Pledged bank balances 已抵押 銀行結餘	Total 總計
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Effective date of Reorganisation 重組生效日	412,133	419,958	669,450	1,189,000	—	—	2,690,541
Minority share of profit 少數股東應佔溢利	—	—	46,369	—	—	—	46,369
Purchase of subsidiaries 收購附屬公司	—	—	13,193	360,000	—	—	373,193
Disposal of subsidiaries 出售附屬公司	—	—	(23,627)	(15,000)	—	—	(38,627)
Purchase of additional interest in a subsidiary 購買一子公司額外股權	—	—	(80,000)	—	—	—	(80,000)
Other movements 其他變動	—	—	(13,086)	—	—	—	(13,086)
Cash inflow/(outflow)from financing activities 融資產生的現金流入/(流出)	<u>1,513,624</u>	<u>465,836</u>	<u>(910)</u>	<u>834,000</u>	<u>—</u>	<u>(19,036)</u>	<u>2,793,514</u>
At 31st December 2003 二零零三年十二月三十一日	<u>1,925,757</u>	<u>885,794</u>	<u>611,389</u>	<u>2,368,000</u>	<u>—</u>	<u>(19,036)</u>	<u>5,771,904</u>

34 NOTES TO CONSOLIDATED CASH FLOW STATEMENTS (continued)

(d) Analysis of changes in financing during the year (continued)

34 綜合現金流量表附註 (續)

(d) 本年度融資變動分析 (續)

	Share Issuance	Amounts due (from)/to related companies and Promoters (應收)/應付 關連公司及 控股公司款項	Minority interests 少數股東 權益	Bank borrowings 銀行貸款	Dividend payable 應付股息	Pledged bank balance 已抵押 銀行結餘	Total 總計
	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1st January 2004 二零零四年一月一日	1,925,757	885,794	611,389	2,368,000	—	(19,036)	5,771,904
Minority share of profit 少數股東應佔溢利	—	—	36,812	—	—	—	36,812
Dividend declared 宣派股息	—	—	—	—	150,053	—	150,053
Purchase of subsidiaries 收購附屬公司	—	—	17,787	250,000	—	—	267,787
Disposal of subsidiaries 出售附屬公司	—	—	(434,378)	(350,000)	—	—	(784,378)
Unpaid dividends to minority shareholders 分派股息予少數股東未支付	—	—	(19,782)	—	—	—	(19,782)
Others 其他變動	—	10,042	18,000	—	—	—	28,042
Cash inflow/(outflow) from financing activities 融資產生的現金流入/(流出)	—	(556,416)	321,793	1,958,251	(150,053)	(5,701)	1,567,874
At 31st December 2004 二零零四年十二月三十一日	1,925,757	339,420	551,621	4,226,251	—	(24,737)	7,038,094

35 RELATED PARTY TRANSACTIONS

During the year, the Directors are of the view that the following related party transactions were carried out in the normal course of business of the Group:

(a)

Related party 關聯人士	Nature of transaction 交易性質	Note 附註	2004 RMB'000 人民幣千元	2003 RMB'000 人民幣千元
Jointly controlled entities 共同控制實體	Interest income (note 14(i)) 利息收入 (註14(i))		31,842	5,935
An associated company 聯營公司	Interest income (note 15(ii)) 利息收入 (註15(ii))		—	1,100
A fellow subsidiary 同系附屬公司	Interest expense (note 21(ii)) 利息支出 (註21(ii))		—	(1,307)
Ultimate holding company 最終控股公司	Interest income/ (expense) (note 26(ii)) 利息收入／(支出) (註26(ii))		13,191	(6,727)
An associated company 聯營公司	Commission fee 佣金	(i)	(11,876)	(9,565)
Beijing Ji Gao Decoration Co. 北京際高裝飾工程公司	Decoration cost 裝修工程款	(ii)	(2,449)	—
A minority shareholder of a subsidiary 附屬公司之少數股東	Interest income (note 20(ii)) 利息收入 (註20(ii))		5,256	—

Notes:

- (i) The commission fee payable to the associated company was charged ranging from 0.8% to 1.6% (2003: 1.5% to 1.9%) based on property sales price.
- (ii) The decoration cost has been paid and accrued based on the decoration services provided by Beijing Ji Gao Decoration Company, a subsidiary of the Company's ultimate holding company.

35 有關聯人士交易

董事認為年度內下列有關聯人士交易是在本集團的日常業務過程中進行：

附註：

- (i) 應付聯營公司的佣金是按物業售價的0.8%至1.6%計算(二零零三年：1.5%至1.9%)。
- (ii) 裝修工程款是根據本公司最終控股公司之附屬公司北京際高裝飾工程有限公司為本集團若干開發項目提供的裝修服務而支付及撥備的工程款。

35 RELATED PARTY TRANSACTIONS (continued)

- (b) As at 31st December 2004 the ultimate holding company has provided guarantees for a long term bank loan of RMB500,000,000 and a short term bank loan of RMB200,000,000 of the Group. Beijing Capital Sunshine Real Estate Development Company Limited, a Promoter Shareholder, has provided guarantee for short term bank loans of RMB500,000,000 of the Group as at 31st December 2004. (2003: various promoter shareholders have provided guarantees for certain short term and long term bank loans of the Group, which amounted to RMB1,430,000,000).
- (c) A fellow subsidiary of the Company has incurred certain development and construction costs of a project on behalf of the Company which amounted to RMB276,205,000 (2003: RMB66,690,000), and was fully reimbursed by the Company on a cost basis as at 31st December 2004. The fellow subsidiary agreed to act on behalf of the Company to obtain all necessary approval and certificates, etc. in relation to the project from the relevant PRC Government authorities while the Company has the right to enjoy the profits, returns and all assets of the project.
- (d) The Company entered into a contract to establish a sino-foreign equity joint venture company with Reco ZiYang Pte Ltd. ("Reco Ziyang", a subsidiary of Reco Hibiscus Pte Ltd., which is a minority shareholder of the Company's subsidiary). The total amount of investment is US\$90,000,000, which shall include the registered capital of US\$60,000,000. The Company and Reco Ziyang shall contribute 55% and 45% of the total amount of investment respectively and share the equity and profit according to the percentage of contribution.
- (e) The Company entered into a contract with a fellow subsidiary, in relation to the acquisition of interest in Beijing Fengdu Real Estate Company Ltd. ("Beijing Fengdu") by the Company with a consideration of RMB22,400,000 for 8.33% of the interest in Beijing Fengdu.

35 有關聯人士交易 (續)

- (b) 於二零零四年十二月三十一日，最終控股公司為本集團之長期貸款人民幣500,000,000元和短期貸款人民幣200,000,000元提供擔保。北京首創陽光房地產有限責任公司，本公司發起人之一，為本集團之短期貸款人民幣500,000,000元提供擔保。(二零零三年：若干發起人為本集團之短期及長期銀行貸款提供合共人民幣1,430,000,000元之擔保。)
- (c) 本公司的一家同系附屬公司於一個項目中代本公司產生若干發展及建築成本，於二零零四年十二月三十一日有關款項，按成本計價，為人民幣276,205,000元(二零零三年：人民幣66,690,000元)，該同系附屬公司同意代本公司向中國有關政府機構取得該項目的一切所需批文及證書等，而本公司有權享有該項目的溢利、回報及擁有所有資產。
- (d) 本公司與Reco Ziyang Pte Ltd. (「Reco Ziyang」，本公司附屬公司少數股東Reco Hibiscus Pte Ltd.之附屬公司)訂立合同成立一中外合資經營公司，該公司之總投資額為90,000,000美元，其中包括60,000,000美元之註冊資本。本公司與Reco Ziyang之出資比例分別為55%及45%並且按出資比例享有該公司權益和收益。
- (e) 本公司與一同系附屬公司訂立協議，以人民幣22,400,000元代價收購其於北京首創風度房地產開發有限公司(「北京風度」)8.33%之權益。

35 RELATED PARTY TRANSACTIONS *(continued)*

- (f) The Company entered into an agreement with Super Shine, Beijing Fengdu and Beijing Xingtai Real Estate Company Ltd. ("Beijing Xingtai"), the Company had made a new capital contribution of RMB43,000,000 to Beijing Xingtai, in which RMB13,800,000 was registered capital contribution, and the remaining RMB29,200,000 was contributed as premium. After the capital injection, Beijing Xingtai held as to 25% by the Company, 56.25% by Super Shine and 18.75% by Beijing Fengdu, and the registered capital of Beijing Xingtai increased to RMB55,180,000.

36 SUBSEQUENT EVENTS

On 27th January 2005, the Company increased its issued share capital through a placing of 102,660,000 H share at a price of HK\$2.16 per share.

37 ULTIMATE HOLDING COMPANY

The Company's directors regard Capital Group, a state-owned limited liability company incorporated in the PRC, as being the ultimate holding company of the Group.

38 APPROVAL OF ACCOUNTS

The accounts were approved by the Board of Directors on 22nd March 2005.

35 有關聯人士交易 (續)

- (f) 本公司與陽光股份、北京風度及北京星泰房地產開發有限公司(「北京星泰」)訂立協議，本公司向北京星泰出資人民幣43,000,000元，其中人民幣13,800,000元作為註冊資本出資，餘下人民幣29,200,000元作為溢價出資，列入北京星泰之資本公積。註資後，本公司、陽光股份和北京風度將分別持有北京星泰25%、56.25%及18.75%之股權。而北京星泰之註冊資本增加至人民幣55,180,000元。

36 期後事項

於二零零五年一月二十七日，本公司按照每股2.16港元之價格配售102,660,000股H股以增加其已發行股本。

37 最終控股公司

本公司董事認為，於中國註冊成立的國有有限責任公司首創集團為本集團的最終控股公司。

38 賬目之批准

本賬目已於二零零五年三月二十二日獲董事會批准。