

Chairman's Statement

主席報告書



“PYI’s investments in ports and logistics facilities in the Yangtze River region performed satisfactorily during the first half of the financial year. We are pleased to declare an interim dividend of 1.5 cents.”

「保華投資在長江流域的港口與物流設施，上半財政年度表現理想。集團欣然宣派 1.5 仙中期股息。」

Dear Shareholders,

I am pleased to present our interim report and condensed consolidated financial statements of PYI Corporation Limited and its subsidiaries for the six-month period ended 30 September 2007.

PYI delivered strong performance in the first half of this year, with revenue growth of 49% to \$2,548 million (2006: \$1,706 million) and net profit attributable to our shareholders of \$312 million (2006: \$232 million) representing an increase of 34%, when compared with that of last year. Earnings per share rose 31% to 20.9 cents per share (2006: 16 cents per share). Our shareholders' funds stood at \$3,136 million, representing \$2.09 per share.

The Board is delighted to declare the regular interim dividend of 1.5 cents per share, which will be distributed to shareholders in February 2008.

Note:

Unless otherwise specified, all financial figures in this statement are expressed in Hong Kong dollars.

各位股東：

本人欣然向閣下提呈保華集團有限公司及其附屬公司截至2007年9月30日止六個月之中期報告及簡明綜合財務報告。

保華於上半年表現強勁，營業額上升49%至25.48億元(2006：17.06億元)。股東應佔溢利則達3.12億元(2006：2.32億元)，較去年同期增長34%。每股盈利上升31%至每股20.9仙(2006：每股16仙)。股東資金穩企於31.36億元，即每股2.09元。

董事局欣然宣布，將於2008年2月，向股東派付每股1.5仙之慣常中期股息。

附註：

除另有指明外，本報告書內所有財務數字均以港元為單位。

The six months under review saw promising developments on a number of fronts. Significant headway was made in advancing our Yangtze Strategy as the Group extended its network to the middle and upper reaches of Yangtze River. In addition, the handing over of land to PetroChina for its LNG facilities on the Sun Island in Yangkou Port, as well as the successful closing of a long-term syndicated loan, are symbolic vindication of the respective technical and commercial viability of the Yangkou Port project. A detailed review of our operations is included in the Managing Director's Report.

As PYI's business operations on the Mainland continue to expand, we are conscious of the need of, and are fully committed to, continuing enhancement of our corporate governance standards across our practices. An internal audit team has been set up in Nantong for better risk management, tighter internal control and greater effectiveness in corporate governance across the Mainland. Also continued were our corporate social responsibility initiatives.

Confident about the growth prospects of China, in particular the ports and logistics sector in the Yangtze River region, PYI will strive to maintain a strategy that can ensure balanced and sustainable development of our business in order to deliver long-term benefits to shareholders.

With the approach of the holiday season, I would like to express my heartfelt appreciation to our shareholders, my fellow Board members, our staff and employees for their unwavering support and confidence in our strategic vision over the years, and wish them prosperity and continued success in the coming year.

Yours faithfully,

Joseph Chow *OBE, JP*
Chairman

Hong Kong, 14 December 2007

期內，集團各方面之業務均發展理想。長江策略取得重大進展，業務擴展至長江中上游區域。此外，集團將洋口港太陽島之部份土地正式移交中石油，以供興建液化天然氣設施，以及成功籌措長期銀團貸款，引證了洋口港項目不論在技術或商業層面上，均大有可為。有關集團期內之業務回顧，詳見《董事總經理報告書》。

隨着持續拓展內地業務，保華深明不斷提升企業管治水平之重要性，並致力在集團內部全面推廣。集團特別於南通市設立內部審計隊伍，以改善風險管理，加強內部監控，從而在內地達致更有效的整體企業管治。另一方面，保華亦繼續積極實踐企業責任。

保華對中國發展形勢充滿信心，尤其對長江流域的港口與物流業前景深感樂觀，因此將致力維持策略發展方向，確保集團業務均衡地持續發展，以照顧股東的長遠利益。

節日在即，我謹藉此機會，衷心感謝董事局全人及各位股東，多年來信任並支持集團的策略發展與視野，並敬祝來年興旺，事事順遂。

主席
周明權 *OBE, JP*
謹啟

香港，2007年12月14日