

**KERRY PROPERTIES LTD:  
THE COMPANY LOOKS LIKELY TO HIT  
THE MOTHER LODE, THIS YEAR**

It is still very early days, of course, but on scanning the 2009 Annual Report of Kerry Properties Ltd () (Code: 683, Main Board, The Stock Exchange of Hongkong Ltd), it certainly appears that this company is looking at the beginnings of a new, crackerjack Financial Year.

The above statement is based solely on what this medium perceives as one of the key components of this company's financial success: The sales of completed properties, both in the People's Republic of China (PRC) and in the Hongkong Special Administrative Region (HKSAR) of the PRC.

Looking first at the results of the 2009 Financial Year, ended December 31, on a Turnover of about \$HK12.94 billion, the Bottom Line came in at about \$HK4.92 billion.

An increase in the fair value of investment properties, amounting to about \$HK2.37 billion (2008: \$HK1 billion), raised the Operating Profit before Finance Costs to about \$HK5.98 billion (2008: \$HK4.44 billion).

Subtracting the increases in fair value of investment properties for both Financial Years, the Operating Profit before Finance Costs would have come in at about \$HK3.61 billion and \$HK3.44 billion, respectively.

At this point, it is clear that the 2009-Year was a lacklustre year for this company whether or not Management is willing to admit this as fact.

This, probably, must have been the thinking of Senior Management of Kerry Properties Ltd because, inter alia, the dividend payout in respect of the 2009-Year was \$HK999,992,000 versus \$HK999,338,000 for the 2008-Year.

That dividend payout was an increase, only, of about 0.065 percent, Year-On-Year.

A breakdown of the Turnover and Operating Profit is given at Page 129 of the 2009 Annual Report of Kerry Properties Ltd as follows:

	<b><u>Turnover</u></b>		<b><u>Operating Profit</u></b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<b><u>\$HK'000</u></b>	<b><u>\$HK'000</u></b>	<b><u>\$HK'000</u></b>	<b><u>\$HK'000</u></b>
Property Rental:				
PRC	819,650	795,841	599,165	602,209
HKSAR	<u>528,544</u>	<u>588,920</u>	<u>306,942</u>	<u>254,957</u>
	1,348,194	1,384,761	906,107	857,166
Property Sales:				
PRC	2,930,919	1,513,939	1,499,713	1,120,726
HKSAR	<u>622,280</u>	<u>1,274,241</u>	<u>425,954</u>	<u>876,313</u>
	3,553,199	2,788,180	1,925,667	1,997,039
Hotel Operations:				
PRC	245,489	437,808	33,627	172,129

Logistics Operations	7,666,741	8,359,784	538,595	549,439
Infrastructure	Nil	Nil	3,376	(2,800)
Property Management, etc	<u>124,660</u>	<u>145,165</u>	<u>137,428</u>	<u>(142,349)</u>
<b>TOTAL:</b>	<b><u>12,938,283</u></b>	<b><u>13,115,698</u></b>	<b><u>3,544,800</u></b>	<b><u>3,430,624</u></b>

It is noted that the ... [CLICK TO ORDER FULL ARTICLE](#)

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