

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibilities for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



萬邦投資有限公司
MELBOURNE ENTERPRISES LIMITED
(Incorporated in Hong Kong with limited liability)

(Stock Code: 158)

ANNUAL RESULTS ANNOUNCEMENT 2009/2010

The Board of Directors is pleased to announce the consolidated results of the Group for the year ended 30 September 2010 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 September 2010

	Note	2010 HK\$'000	2009 HK\$'000
Revenue	2	146,253	132,289
Operating costs		<u>(25,649)</u>	<u>(26,423)</u>
Gross profit		120,604	105,866
Other income		1,601	1,089
Administrative expenses		<u>(8,316)</u>	<u>(8,029)</u>
Changes in fair value of investment properties		<u>719,100</u>	<u>252,700</u>
Operating profit	3	832,989	351,626
Share of results of associated companies		<u>174</u>	<u>(182)</u>
Profit before taxation		833,163	351,444
Taxation	4	<u>(137,430)</u>	<u>(57,910)</u>
Profit for the year and total comprehensive income for the year attributable to equity holders		<u>695,733</u>	<u>293,534</u>
Earnings per share			
Basic and diluted	6	<u>HK\$ 27.83</u>	<u>HK\$ 11.74</u>

CONSOLIDATED BALANCE SHEET

At 30 September 2010

		2010	2009
	Note	HK\$'000	HK\$'000
Non-current assets			
Property, plant and equipment	7	631	722
Investment properties	7	3,686,000	2,966,900
Associated companies		1,033	841
Available-for-sale investment		1	1
Advances to an investee company		29,605	29,605
		<u>3,717,270</u>	<u>2,998,069</u>
Current assets			
Debtors, deposits and prepayments	8	4,966	4,866
Cash and bank balances		95,705	93,481
		<u>100,671</u>	<u>98,347</u>
Current liabilities			
Creditors, accruals and deposits	9	33,219	32,348
Amount due to an associated company		225	225
Current tax payable		19,655	19,172
		<u>53,099</u>	<u>51,745</u>
Net current assets		<u>47,572</u>	<u>46,602</u>
Total assets less current liabilities		<u>3,764,842</u>	<u>3,044,671</u>
Non-current liabilities			
Provision for long service payments		7,863	7,215
Deferred tax liabilities		588,175	469,385
		<u>596,038</u>	<u>476,600</u>
Net assets		<u>3,168,804</u>	<u>2,568,071</u>
Equity			
Share capital		125,000	125,000
Retained profits		2,978,804	2,388,071
Proposed final dividend		65,000	55,000
Total equity		<u>3,168,804</u>	<u>2,568,071</u>

1. PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), and accounting principles generally accepted in Hong Kong. They have been prepared under the historical cost convention, as modified by the revaluation of investment properties and available-for-sale investment, which are measured at fair value.

The Group has assessed the impact of the adoption of these new or revised standards and amendments and considered that there were neither any significant impact on the Group's results and financial position nor any substantial changes in the Group's accounting policies and presentation of the financial statements except for the presentation of the consolidated statement of comprehensive income as required under HKAS 1 (Revised) and the segment information as required under HKFRS 8.

The Group has not applied the new or revised HKFRSs that have been issued but are not effective for the accounting period of these financial statements. The Group has already commenced an assessment of the impact of these new or revised 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.

2. SEGMENT INFORMATION

The Board collectively has been identified as the chief operation decision-maker. The Board reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Board considers property investment and investment holding as the sole operating segment of the Group.

	2010	2009
	HK\$'000	HK\$'000
(a) Revenue		
Property investment	146,253	132,289
	<u> </u>	<u> </u>
(b) Contribution to operating profit		
Property investment -		
Rental operation	113,889	98,926
Changes in fair value of investment properties	719,100	252,700
	<u>832,989</u>	<u>351,626</u>

Revenue (representing turnover) represents gross rental and service income from investment properties.

3. OPERATING PROFIT

Operating profit is stated after crediting and charging the following:

	2010	2009
	HK\$'000	HK\$'000
Crediting:		
Bad debts recovered	1,152	38
Interest income	77	656
	<u> </u>	<u> </u>
Charging:		
Depreciation	91	103
Impairment loss on trade debtors	389	1,487
	<u> </u>	<u> </u>

4. TAXATION

	2010	2009
	HK\$'000	HK\$'000
Hong Kong profits tax		
Current taxation	18,640	16,029
Deferred taxation -		
Changes in fair value of investment properties	118,651	41,695
Origination and reversal of temporary differences	139	186
	<u> </u>	<u> </u>
Taxation	<u>137,430</u>	<u>57,910</u>

Hong Kong profits tax has been provided at the rate of 16.5% (2009: 16.5%) on the estimated assessable profits for the year.

5. DIVIDENDS

	2010	2009
	HK\$'000	HK\$'000
Interim dividend paid of HK\$1.60 (2009: HK\$1.50) per share	40,000	37,500
Final dividend proposed of HK\$2.60 (2009: HK\$2.20) per share	<u>65,000</u>	<u>55,000</u>
	<u>105,000</u>	<u>92,500</u>

At a meeting held on 17 December 2010, the Directors recommended a final dividend of HK\$2.60 per share. This proposed dividend will be accounted for as an appropriation of retained profits for the year ending 30 September 2011.

6. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to equity holders of HK\$695,733,000 (2009: HK\$293,534,000) and the 25,000,000 shares in issue throughout the two years ended 30 September 2010 and 2009.

Diluted earnings per share equal basic earnings per share because there were no potential dilutive shares outstanding during the last two years.

7. INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT

	Investment properties HK\$'000	Property, plant and equipment HK\$'000	Total HK\$'000
Net book value at 30 September 2009	2,966,900	722	2,967,622
Changes in fair value	719,100	-	719,100
Depreciation	<u>-</u>	<u>(91)</u>	<u>(91)</u>
Net book value at 30 September 2010	<u><u>3,686,000</u></u>	<u><u>631</u></u>	<u><u>3,686,631</u></u>

The investment properties are held under long leases (over 50 years) in Hong Kong and were revalued on 30 September 2010 and 2009 on an open market value basis by an independent professionally qualified valuer, C S Surveyors Limited.

8. DEBTORS, DEPOSITS AND PREPAYMENTS

	2010 HK\$'000	2009 HK\$'000
Trade debtors		
Within 30 days past due	2,265	2,384
31 to 60 days past due	665	418
61 to 90 days past due	<u>178</u>	<u>129</u>
Amount past due but not impaired	3,108	2,931
Deposits and prepayments	<u>1,858</u>	<u>1,935</u>
	<u><u>4,966</u></u>	<u><u>4,866</u></u>

Trade debtors represent rental receivable. The Group normally does not grant credit period to trade debtors. During the year, impairment loss on trade debtors of HK\$389,000 (2009: HK\$1,487,000) was recognised in the statement of comprehensive income (operating profit).

9. CREDITORS, ACCRUALS AND DEPOSITS

	2010 HK\$'000	2009 HK\$'000
Trade creditors		
Within 30 days	561	967
Accruals and deposits	32,658	31,381
	<u>33,219</u>	<u>32,348</u>

BUSINESS REVIEW

Group Results

Profit attributable to equity holders for the year amounted to HK\$695.7 million (2009: HK\$293.5 million). The increase in profit mainly resulted from current year's uplift in fair value of investment properties of HK\$719.1 million compared with the HK\$252.7 million in 2009. Turnover for the year amounted to HK\$146.3 million, up 11% year-on-year. Rental operation contributed HK\$113.9 million (2009: HK\$98.9 million) to the operating profit, representing an increase of 15% as compared to last year.

Significant Investments

The Group's investment properties at Melbourne Plaza and Kimley Commercial Building in Central were approximately 92% and 95% let respectively.

Liquidity and Financial Resources

Basically, the Group's working capital requirement was financed by its rental income. As at 30 September 2010, the Group had cash and bank balances totalling HK\$95.7 million (2009: HK\$93.5 million). During the year, the Group did not require any borrowings or overdraft facilities.

Employees and Remuneration Policies

The Group employs a total of 16 employees. The Group recognises the importance of the strength of its human resources for its success. Remuneration for employees is maintained at competitive levels and promotion and salary increments are assessed on a performance basis.

Material Acquisitions, Disposals and Future Developments

There were no acquisitions or disposals of subsidiaries and associated companies during the year. The Group is likely to contribute additional shareholder's loan to Billion Park Investment Limited, the available-for-sale investment, for the development of golf courses and related commercial and residential facilities in Foshan. There are no other plans for material capital investments or future developments.

CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from Tuesday, 25 January 2011 to Friday, 28 January 2011, both days inclusive, during which period no transfer of shares will be registered. To ensure their entitlement to the final dividend, shareholders are reminded to lodge their transfers not later than 4:30 p.m. on Monday, 24 January 2011 with Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Hong Kong. Dividend warrants will be posted to shareholders by 1 February 2011.

PURCHASE, SALE OR REDEMPTION OF SHARES

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

AUDIT COMMITTEE

The Audit Committee was established in accordance with the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee consists of three Independent Non-executive Directors, one Non-executive Director and one Executive Director as Secretary.

The Audit Committee has reviewed the annual results for the year ended 30 September 2010 and has discussed the financial related matters with management. The figures in respect of this preliminary announcement of the Group's results for the year ended 30 September 2010 have been agreed by the Company's joint auditors, H. C. Watt & Company Limited and PricewaterhouseCoopers, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by H. C. Watt & Company Limited and PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by H. C. Watt & Company Limited and PricewaterhouseCoopers on this preliminary announcement.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules throughout the year except that non-executive directors are not appointed for a specific term as they are subject to retirement by rotation and re-election at annual general meeting in accordance with the Articles of Association of the Company.

PUBLICATION OF ANNUAL REPORT ON THE INTERNET

The annual report will be available from Group's website at www.irasia.com and the Stock Exchange's website at www.hkexnews.hk on or before 28 January 2011.

Dato' Dr. Cheng Yu Tung
Chairman

Hong Kong, 17 December 2010

As at the date of this announcement, the Board of the Company comprises (a) three executive directors, namely Dato' Dr. Cheng Yu Tung, Mr. Chung Ming Fai and Mr. Chung Yin Shu, Frederick; (b) one non-executive director, namely Mr. Chung Wai Shu, Robert; and (c) four independent non-executive directors, namely Mr. Yuen Pak Yiu, Philip, Dr. Fong Yun Wah, Mr. Lo Pak Shiu and Mr. Yuen Sik Ming, Patrick.