

Capital Investment Fund

STATEMENT OF INVESTMENTS

| Descriptions | Balances at 1.4.2007 \$'000 | Investments Approved \$'000 | Payments Made \$'000 | Other Investments \$'000 | Total Investments at 31.3.2008 \$'000 | Nominal Holdings (No. of shares) |
|---|-----------------------------------|-----------------------------------|----------------------------|--------------------------------|--|--|
| EQUITY HOLDINGS | | | | | | |
| Airport Authority | 30,648,000 | 36,648,000 | - | - | 30,648,000 | 306,480 |
| | | | 36,369,760 | (5,721,760) | | |
| Asian Development Bank | 87,243 | 87,688 | - | - | 87,243 | 1,350 |
| | | | 87,243 | - | | |
| Digital Trade and Transportation Network Ltd. | 31,500 | 31,500 | - | - | 31,500 | 31,500,000 |
| | | | 31,500 | - | | |
| Hong Kong Science and Technology Parks Corporation | 2,685,000 | 2,685,000 | - | - | 2,685,000 | 4,271,397,594 |
| | | | 2,685,000 | - | | |
| Hongkong International Theme Parks Ltd. | 7,250,000 | 3,250,000 | - | - | 7,250,000 | 7,250,000,000 |
| | | | 3,250,000 | 4,000,000 | | |
| IEC Holdings Ltd. | 2,000,000 | 2,000,000 | - | - | 2,000,000 | 2,000,000,000 |
| | | | 2,000,000 | - | | |
| Kowloon-Canton Railway Corporation | 39,120,000 | 37,500,000 | - | - | 39,120,000 | 391,200 |
| | | | 36,999,862 | 2,120,138 | | |
| MTR Corporation Ltd. | 29,867,570 | 32,244,236 | - | (a) 1,025,117 | 30,892,687 | (b) 4,301,750,382 |
| | | | 32,188,100 | (1,295,413) | | |
| New Hong Kong Tunnel Company Ltd. | 56,250 | N.A. | - | - | 56,250 | 5,625,000 |
| | | | - | 56,250 | | |
| The Applied Research Council | 175,000 | 175,000 | - | - | 175,000 | (c) 175,000,000 |
| | | | 175,000 | - | | |
| Tradelink Electronic Commerce Ltd. | 19,135 | 56,125 | - | - | 19,135 | 95,673,000 |
| | | | 56,125 | (36,990) | | |
| TOTAL FOR EQUITY HOLDINGS | 111,939,698 | N.A. | - | 1,025,117 | 112,964,815 | |
| | | | 113,842,590 | (877,775) | | |

N.A.-Not applicable

2007-08 figures

Cumulative figures

Capital Investment Fund

STATEMENT OF INVESTMENTS (Continued)

| Descriptions | Balances at 1.4.2007 \$'000 | Investments Approved \$'000 | Payments Made \$'000 | Other Investments \$'000 | Total Investments at 31.3.2008 \$'000 | Nominal Holdings (No. of shares) |
|---|-----------------------------------|-----------------------------------|----------------------------|--------------------------------|--|--|
| OTHER CAPITAL INVESTMENTS | | | | | | |
| Hong Kong Housing Authority— | | | | | | |
| Permanent government capital | 13,488,797 | N.A. | - | - | 13,488,797 | N.A. |
| | | | | 13,488,797 | | |
| Contributions to domestic housing | 337,438,574 | N.A. | - | 3,790,548 | (d) 341,229,122 | N.A. |
| | | | | 341,229,122 | | |
| Non-domestic equity | 21,989,793 | N.A. | - | 366,474 | (d) 22,356,267 | N.A. |
| | | | | 22,356,267 | | |
| Hong Kong Export Credit Insurance Corporation | 20,000 | 20,000 | - | - | 20,000 | N.A. |
| | | | 20,000 | - | | |
| Urban Renewal Authority | 10,000,000 | 10,000,000 | - | - | 10,000,000 | N.A. |
| | | | 10,000,000 | - | | |
| Companies Registry Trading Fund | 138,460 | N.A. | - | - | 138,460 | N.A. |
| | | | | 138,460 | | |
| Electrical and Mechanical Services Trading Fund | 706,600 | N.A. | - | - | 706,600 | N.A. |
| | | | | 706,600 | | |
| Land Registry Trading Fund | 118,300 | N.A. | - | - | 118,300 | N.A. |
| | | | | 118,300 | | |
| Office of the Telecommunications Authority Trading Fund | 212,400 | N.A. | - | - | 212,400 | N.A. |
| | | | | 212,400 | | |
| Post Office Trading Fund | 2,101,000 | N.A. | - | - | (e) 2,101,000 | N.A. |
| | | | | 2,101,000 | | |
| TOTAL FOR OTHER CAPITAL INVESTMENTS | 386,213,924 | N.A. | - | 4,157,022 | 390,370,946 | N.A. |
| | | | 10,020,000 | 380,350,946 | | |
| GRAND TOTAL | 498,153,622 | N.A. | - | 5,182,139 | 503,335,761 | N.A. |
| | | | 123,862,590 | 379,473,171 | | |

N.A.-Not applicable

2007-08 figures

Cumulative figures

Notes:

- (a) This represents the amount of the scrip dividends issued to the Government in 2007-08 financial year.
- (b) This represents Government's 76.66% share holding in MTRCL as at 31 March 2008.
- (c) The Applied Research Council reported an accumulated loss as at 31 March 2007, on which date its net worth was lower than the original cost of the Government's investment in the Council.
- (d) Consistent with the Supplemental Agreement on the Financial Arrangements between the Government and Housing Authority signed in August 1994, land values included in these two items amounting to \$336,416.805 million and \$21,714.161 million respectively are shown by way of note in the accounts of the Housing Authority.
- (e) During the financial years 1998-99 to 2006-07, Post Office Trading Fund (POTF) increased its capital to a net total of \$2,585.3 million. The increase was due to the capitalization of its development reserve that had already been spent to finance the acquisition of fixed assets, partly offset by a deduction to recognize the cost of the accumulated untaken leave of its staff as at 1 April 2002. There was no such capitalization from development reserve in the financial year 2007-08. The original cost of the Government's investment in POTF remains unchanged.