

Value Added and Productivity

In 1997, the value added by the Group was \$268.4 million. This was a decrease of \$39.2 million or 12.7% over that for the previous year. The reduction was due to lower trading profits from projects which the Group is developing for sale and lower services income offset by higher rentals from the Group's investment properties.

In terms of segmental contribution, the value added in 1997 can be analysed as follows:

	\$ million	%
Property		
Investment	76.1	28.4
Trading	140.8	52.4
Services	42.6	15.9
	<u>259.5</u>	<u>96.7</u>
Non-Property	8.9	3.3
	<u>268.4</u>	<u>100.0</u>

Income from the Group's investments of \$60.4 million represented 22.5% of total value added.

Excluding this investment income, the Group's value added from operations was 16.7% absorbed by employees in salaries and staff benefits of \$34.7 million, 31.2% absorbed by governments in taxation of \$64.9 million, and 56.3% absorbed by providers of capital in interest and dividends totalling \$117.2 million. These absorptions were \$8.8 million in excess of the Group's total value added.

