



WHELOCK

Founded 1857



WHARF

Established 1886

**Wheelock and Company Limited
The Wharf (Holdings) Limited**

**2011 Annual Results
22 March 2012**

Chengdu IFC

Financial Highlights of 2011 Annual Results

| |  WHEELOCK <small>Founded 1857</small> | |  WHARF <small>Established 1886</small> | |
|--|--|-----------------|--|-----------------|
| | FY2011 (HK\$M) | % Change | FY2011 (HK\$M) | % Change |
| Turnover | 34,558 | +43% | 24,004 | +24% |
| Operating Profit | 17,730 | +56% | 11,388 | +22% |
| Finance costs * | (1,360) | -112% | (1,180) | -115% |
| Underlying profit ** | 9,038 | +97% | 8,083 | +14% |
| IP revaluation surplus (net of Tax & NCI) | 14,507 | -5% | 23,841 | -14% |
| Profit attributable to shareholders | 22,866 | +13% | 30,568 | -14% |
| EPS | HK\$11.25 | +13% | HK\$10.22[^] | -19% |
| Underlying EPS | HK\$4.45 | +97% | HK\$2.70[^] | +8% |
| DPS – first and second interim | HK\$0.25 | +100% | HK\$1.06[^] | +6% |
| – special dividend | HK\$0.25 | - | - | - |
| – total | HK\$0.50 | +300% | HK\$1.06[^] | +6% |

* exclude unrealized mark-to-market loss ** exclude IP revaluation surplus and exceptional items

[^] on expanded share capital base after the rights issue in 3/2011



Wheelock and Company Limited



*Property Development took
Wheelock to New Record*



Wheelock – Results Highlights

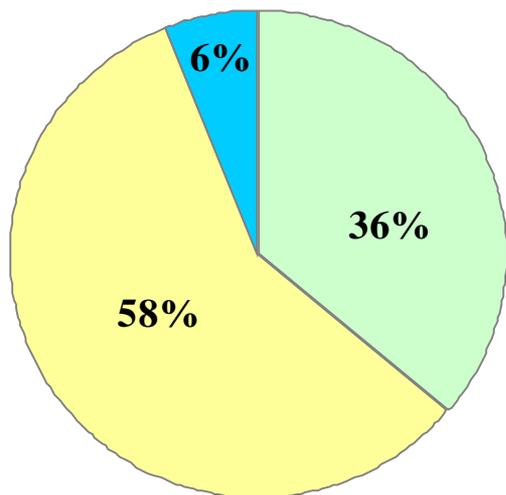
- ❖ Property development became the largest contributor to turnover and underlying profit
- ❖ Property development turnover doubled in 2011, while operating profit tripled that of 2010. Operating margin rose to 50% (2010: 36%)
- ❖ Scotts Square (Singapore) and One Island South (HK) generated 25% and 19% of underlying profit, respectively
- ❖ Including JVs, (a) 6.8M sf recognized in 2011, (b) 2012 opening landbank: 138M sf, (c) 2012 opening net order book: 10M sf

Wheelock – Profit Split

Property development took Wheelock to new record ...

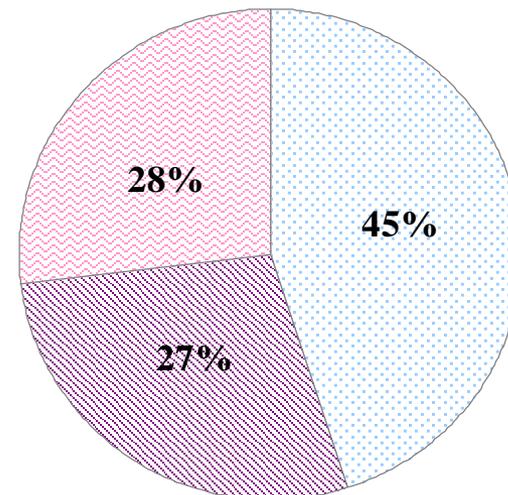
Underlying Profit of HK\$9B*

By Segment



- Property Development
- Property Investment
- Logistics / Others

By Group



- Wharf
- Wheelock Properties
- Wheelock Properties (Singapore)

** Before IP revaluation surplus and exceptional items*



The Wharf (Holdings) Limited



Record turnover and operating profit

*Mainland contribution increased to 21%
of underlying profit*

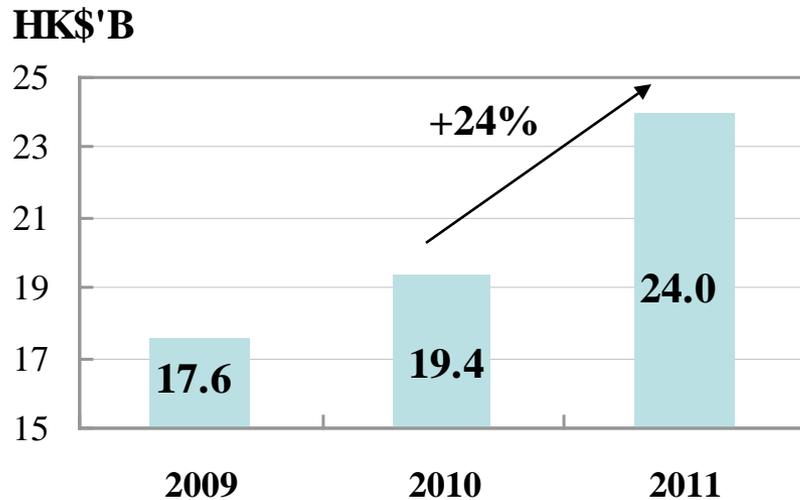


Wharf – Results Highlights

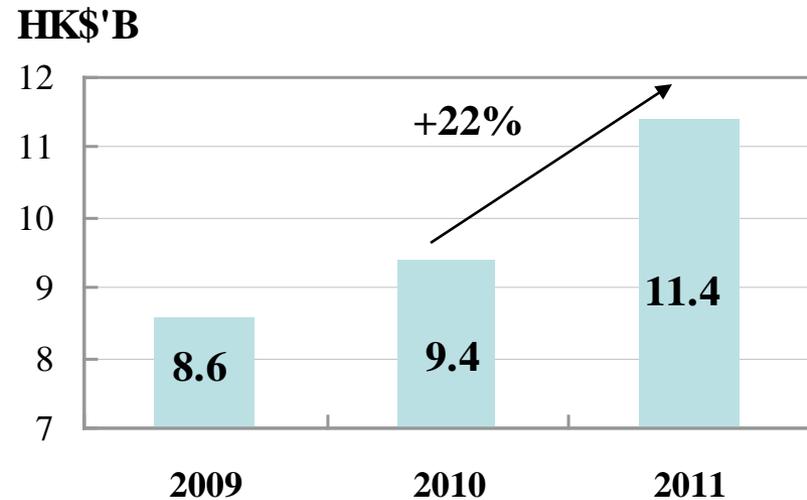
Record turnover and operating profit.....

- ❖ Turnover +24% to HK\$24.0B with strong recurrent rental income growth and China property sales
- ❖ Operating profit +22% to HK\$11.4B

Group Turnover

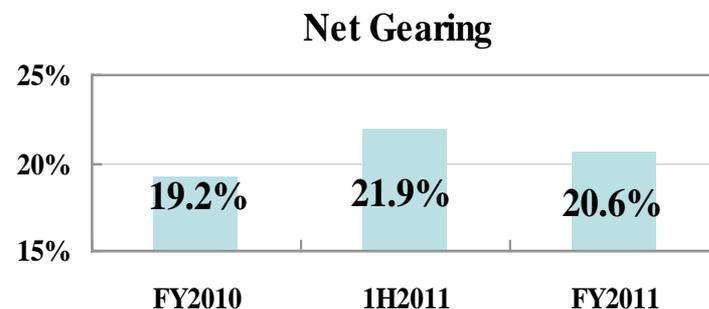
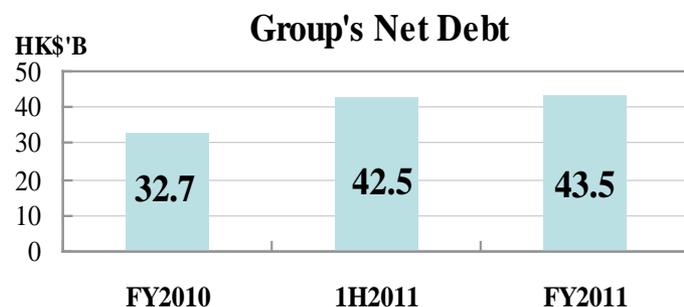


Group Operating Profit



Wharf – Results Highlights

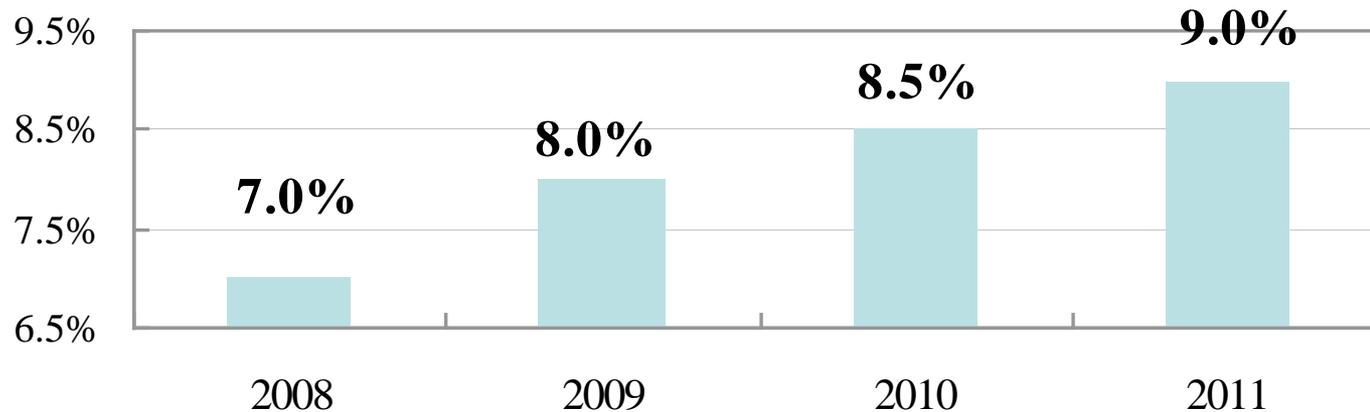
- ❖ Investment properties and hotels turnover exceeded HK\$10B. Operating profit of HK\$7.7B represented over 2/3 of Group's total
- ❖ Mainland property development generated 26% of turnover (2010: 19%) and 20% of operating profit (2010: 13%)
- ❖ Mainland property sales (incl JVs) +44% to RMB12.7B (854K sm), net order book at year-end of RMB13.5B (903K sm)
- ❖ China landbank stood at 12.2M sm at year-end
- ❖ Net debt at HK\$43.5B; gearing at 20.6%



Wharf – Harbour City & Times Square

Command a record 9.0% share of Hong Kong's retail sales, envy of other shopping malls.....

HC's and TS's Combined Market Share in HK



Hong Kong Properties – Harbour City

A record performance for Harbour City.....

| <i>Property Value (excl. Hotels) at 31.12.2011: HK\$93.6B</i> | Attributable GFA (sf) | Revenue | | % Change |
|---|--------------------------|-------------------|-------------------|-------------|
| | | FY2011 (HK\$M) | FY2010 (HK\$M) | |
| Retail | 1,948,000 | 3,571 | 2,928 | +22% |
| Office | 4,435,000 | 1,614 | 1,553 | +4% |
| Serviced Apartments | 670,000 | 300 | 275 | +9% |
| Hotel and Club | 1,364,000 | 1,150 | 1,056 | +9% |
| Total: | 8,417,000 | 6,635 | 5,812 | +14% |



Hong Kong Properties – Harbour City

Harbour City generates 6.7% of HK retail sales.....

- ❖ Largest retail mall in HK, representing 75% of retail area of Canton Road
- ❖ Retail sales +34% in 2011, outperformed HK market by 9%-points
- ❖ Average sales per square foot in 12/2011 set a record at over HK\$3,600
- ❖ Retail represents 28% of HC's total area but generated 65% of rental revenue
- ❖ Retail sales +21% to 2/2012
- ❖ Captivating “shoppertainment” experience that enchants new and regular shoppers



Hong Kong Properties – Harbour City

Strong performance from other segments

Office

- ❖ Occupancy and spot rent trended up strongly for 1Q-3Q & steadied in 4Q 2011
- ❖ Occupancy: 96%
- ❖ Lease renewal retention rate: 69%



Serviced Apartments

- ❖ Occupancy: 89%
- ❖ Awarded the “Best of the Best Serviced Apartments Award 2011 by Squarefoot Magazine



Hong Kong Properties – Times Square

A record performance for Times Square.....

| <i>Property Value at 31.12.2011: HK\$37.0B</i> | Attributable GFA (sf) | Revenue | | % Change |
|--|--------------------------|-------------------|-------------------|-------------|
| | | FY2011 (HK\$M) | FY2010 (HK\$M) | |
| Retail | 936,000 | 1,258 | 1,076 | +17% |
| Office | 1,033,000 | 474 | 457 | +4% |
| Total: | 1,969,000 | 1,732 | 1,533 | +13% |



Hong Kong Properties – Times Square

The most successful vertical shopping mall in HK.....

Retail

- ❖ ~100% occupancy
- ❖ Retail sales +24% in 2011
- ❖ Retail represents 48% of area but generated 73% of revenue
- ❖ Cinema relocation to house new celebrated retail brands
- ❖ Retail sales +10%* to 2/2012, performance partly affected by the cinema relocation

* retail sales +15% to 2/2012 on per square foot basis

Office

- ❖ Occupancy ~99%
- ❖ Lease renewal retention: 41% due to some relocation to fringe areas; but vacated space rapidly taken up by new tenants



Other Hong Kong Properties*

Steady performance.....

The Peak Portfolio

- ❖ Existing developments at 90%+ occupancy

Plaza Hollywood

- ❖ Turnover: +8% to HK\$380M;
Average occupancy: 99%+

Delta House

- ❖ Commercial development sold for HK\$1.3B in 3/2012



**Development properties managed by Wheelock Properties covered in later section*



China Properties – Building for Tomorrow

Mainland assets about 40% of Group business assets... ..

China Portfolio

- ❖ Acquired 11 sites with attri GFA: 2.1M sm for RMB13.5B in 2011
- ❖ Land bank of 12.2M sm across 14 cities
- ❖ Continue to sharpen local execution expertise

Development Properties

- ❖ 2011 contract sales +44% to RMB12.7B, 854,000 sm sold
- ❖ Net order book increased to RMB13.5B for 903,000 sm
- ❖ Area completed & recognized in 2011 +102% to 546,000 sm
- ❖ 2012 sales - base budget of RMB10B reflecting market cautiousness; stretched budget of RMB12.7B
- ❖ Achieved sales to Feb 2012: RMB1.3B

Investment Properties

- ❖ Wheelock Square completed in 2010 is leasing well
- ❖ Completed IPs were valued at HK\$14.5B at 31.12.2011
- ❖ Retail pre-leasing of Chengdu IFC progressed well with over 30% committed, another 30% under final negotiation



China Properties – Acquisitions

Acquired 9 developments in 2011.....

| Site (Usage) | Attributable GFA (sm) | Accommodation value (RMB psm) |
|---|-----------------------|-------------------------------|
| Fu Yang District, Hangzhou (Residential) | 129,000 | 5,000 |
| Yuhang District, Hangzhou (R) | 220,000 | 3,600 |
| Wu Zhong District, Suzhou (R) | 385,000 | 7,600 |
| Changsha IFC, Changsha (Mix Use) | 725,000 | 8,000 |
| Evian Town*, Foshan (R) | 100,000 presold | -- |
| | 86,000 unsold | 13,000* |
| Evian Uptown*, Foshan (R) | 15,000 presold | -- |
| | 96,000 unsold | 6,800* |
| Shishan Town*, Foshan (R) | 155,000 | 2,500* |
| First Ring Rd, Nanhai*, Foshan (R) | 112,200 | 5,800* |
| Guangzhou Development District, Guangzhou (R) | 90,500 | 4,500 |

* acquired from Wheelock; AV included WIP

Total: 2,113,700

- ❖ In early 2012, acquired a residential development in Beijing through a 50:50 JV with CMP; RMB13,000 psm

AV:



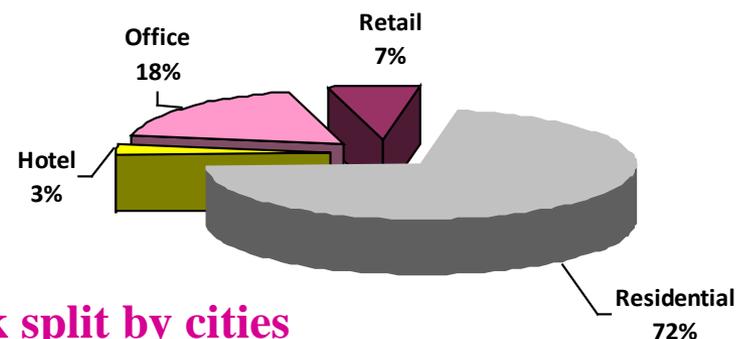
China Properties – Landbank

China landbank maintained at 12.2M sm at year-end.....

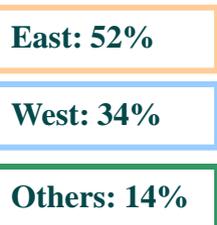
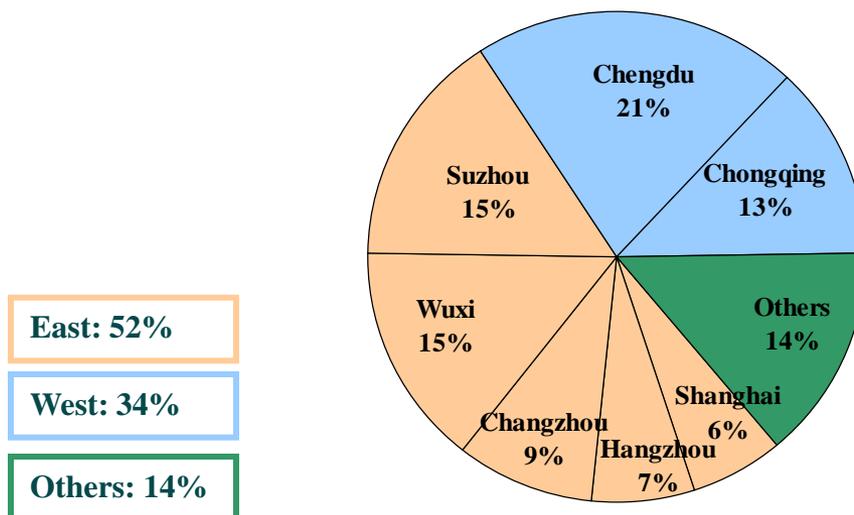
GFA by Region

| Region | Attributable GFA sm |
|--------------|---------------------|
| East | 6.3M |
| West | 4.2M |
| Others | 1.7M |
| TOTAL | 12.2M |

GFA by Land Use



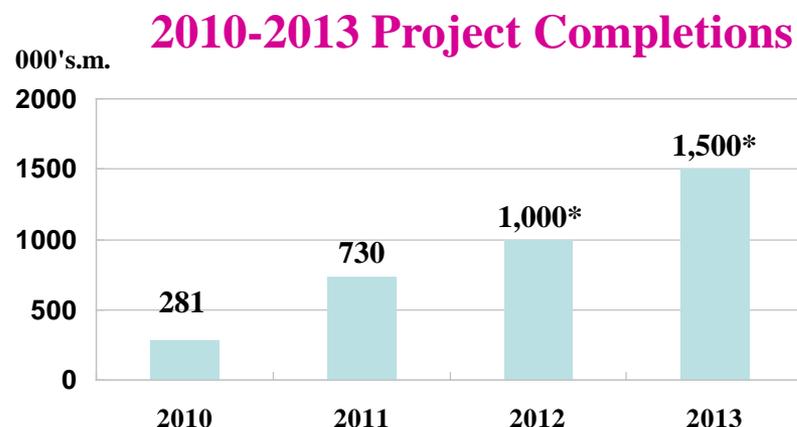
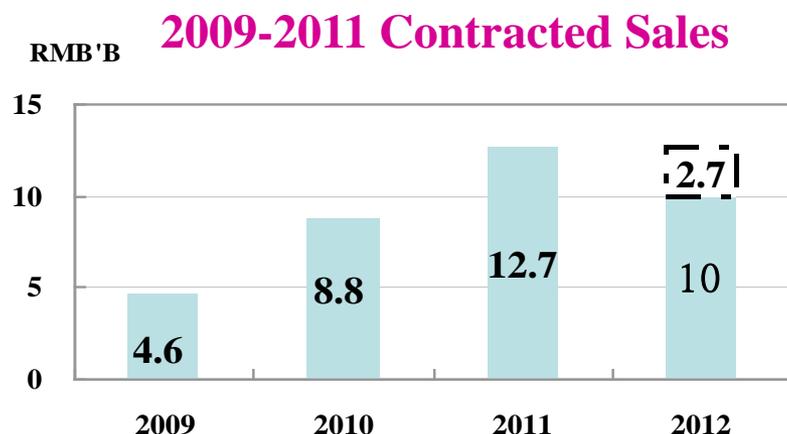
12.2M sm landbank split by cities



China Development Properties

Development business growing as planned.....

- In 2011
- ❖ Turnover +76% to HK\$6,343M
 - ❖ Operating Profit +84% to HK\$2,274M; Operating Margin at 36%
 - ❖ Contracted Sales +44% to RMB12.7B (854,000 sm)
 - ❖ Completion 730,000 sm; recognized 546,000 sm
- In 2012
- ❖ Budgeted base sales of RMB10B (770,000 sm) reflecting market cautiousness; stretched budget of RMB12.7B
 - ❖ Achieved sales to 2/2012 of RMB1.3B



* provisional data



China Development Properties – Sales

Sales diversity to minimize concentration risk.....

RMB12.7B Sales in 2011

| Region | City | Percentage |
|--------|-----------------|-------------|
| East | Shanghai | 12% |
| | Suzhou | 16% |
| | Wuxi | 9% |
| | Changzhou | 7% |
| | Hangzhou | 2% |
| | Subtotal | 46% |
| West | Chengdu | 18% |
| | Chongqing | 14% |
| | Subtotal | 32% |
| Others | Tianjin | 11% |
| | Foshan | 11% |
| | Subtotal | 22% |
| | Total: | 100% |

854,000 sm Sold in 2011

| Region | City | Percentage |
|--------|-----------------|-------------|
| East | Shanghai | 3% |
| | Suzhou | 12% |
| | Wuxi | 13% |
| | Changzhou | 13% |
| | Hangzhou | 1% |
| | Subtotal | 42% |
| West | Chengdu | 18% |
| | Chongqing | 19% |
| | Subtotal | 37% |
| Others | Tianjin | 11% |
| | Foshan | 10% |
| | Subtotal | 21% |
| | Total: | 100% |



China Development Properties – Sales

Sales totaled RMB12.7B in 2011, +44% YoY

| New projects | City | Product | Attributable GFA sold (sm) * | Attributable Proceeds (RMB'M) | Average Price (RMB psm) * |
|-------------------------------------|-------------|-----------------------------|-------------------------------------|--------------------------------------|----------------------------------|
| Times City | Suzhou | High-rise | 82,700 | 1,106 | 13,400 |
| The U World | Chongqing | High-rise | 48,600 | 977 | 20,100 |
| Peaceland Cove | Tianjin | High-rise / retail | 60,000 | 805 | 13,500 |
| Magnificent | Tianjin | High-rise / duplex / retail | 38,000 | 575 | 15,100 |
| Evian Town # | Foshan | High-rise / villa | 48,400 | 1,086 | 19,900 |
| Projects previously launched | City | Product | Attributable GFA sold (sm) * | Attributable Proceeds (RMB'M) | Average Price (RMB psm) * |
| Xiyuan | Shanghai | Medium-rise | 24,600 | 1,265 | 51,300 |
| Tian Fu Times Square | Chengdu | High-rise | 64,200 | 1,353 | 20,500 |
| Crystal Park | Chengdu | High-rise / office | 78,000 | 709 | 9,100 |
| Times Palace | Changzhou | High-rise / villas | 108,000 | 886 | 8,200 |
| Ambassador Villa | Suzhou | Villas | 15,000 | 810 | 53,900 |
| Times City | Wuxi | High/low rise | 81,500 | 760 | 9,200 |
| Int'l Community | Chongqing | High-rise | 106,000 | 772 | 7,200 |

acquired from Wheelock in 6/2011 * excluding carpark



China Investment Properties

Solid growth in recurrent rental income.....

2011 Performance

- ❖ Turnover +69% to HK\$796M, Operating profit +121% to HK\$493M
- ❖ Over 80% office area at Shanghai Wheelock Square leased; average spot rent achieved in 2011 at ~RMB360 psm, highest headline rent at RMB480 psm
- ❖ Chongqing Time Square re-opened in 3Q2011; 93% of retail space committed at year-end
- ❖ Dalian Times Square registered a 28% growth in retail sales with 99% occupancy
- ❖ Shanghai Times Square performed satisfactorily. The retail podium will undergo substantial refurbishment commencing in mid-2012

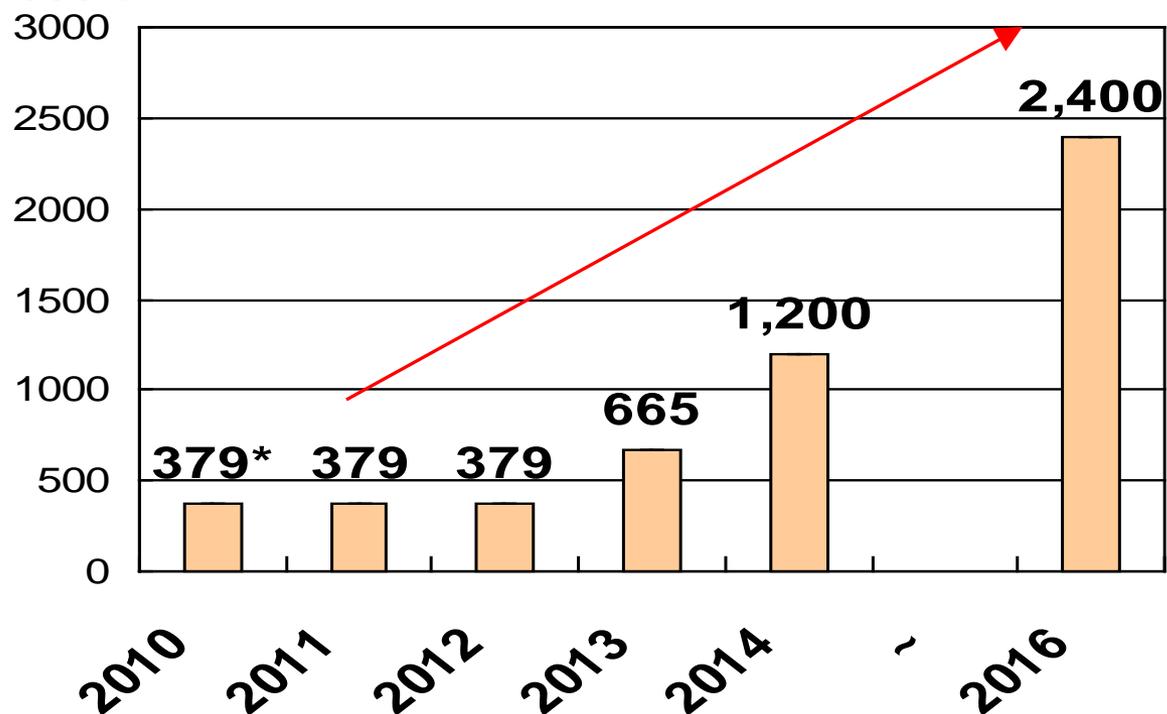


China Investment Properties

Recurrent income base will substantially increase from 2013.....

Growth of IP Portfolio GFA ^

000's.m.



Completion timetable

- ❖ Chengdu IFC 2013-14
- ❖ Chongqing IFC 2014-15
- ❖ Wuxi IFC 2014-16
- ❖ Suzhou IFC By 2016
- ❖ Changsha IFC By 2016

^ Includes office / residential areas that may be monetized for value accretion

* Includes Shanghai Wheelock Square, Times Squares in Shanghai, Chongqing and Dalian



China Investment Properties – Chengdu IFC

Retail pre-leasing progressed exceptionally well.....

- ❖ GFA of 536,000 sm*, comprises retail, Grade A offices, a 5-star hotel and luxury residences
- ❖ Pre-leasing of 200,000 sm^ retail podium, similar size as Harbour City with over 30% committed; another 30% under final negotiation; rental rates above budget
- ❖ Strong demand reflects desired location of Chengdu IFC & the trust of retailers on the development and retail management expertise of Wharf
- ❖ Hong Xing Road frontage to be modeled as a “Canton road Phenomenon”, similar to Harbour City in HK
- ❖ Phase 1 completion (retail podium and one office tower) in 2H2013

* GFA represents plot-ratio GFA and excludes commercial areas below ground

^ include commercial area below ground



China Investment Properties – Other IFCs

All developments progressing as planned.....

Chongqing IFC – GFA 223,000 sm*

- ❖ 50:50 JV with COLI; located in the new CBD of Chongqing
- ❖ Comprises up-market retail, Grade A offices and a 5-star hotel
- ❖ Construction is underway; full completion in 2015

Changsha IFC – GFA 725,000 sm*

- ❖ Acquired in 1/2011, a prime site in the city centre, comprises upscale retail, Grade A offices and a 5-star international hotel
- ❖ The tallest landmark in Hunan (452m) with another tower (>300m) atop a mega-sized 240,000 sm retail podium
- ❖ Retail podium is larger than Harbour City in Hong Kong, among the largest in Changsha
- ❖ Construction work is underway; full completion in 2016

* GFA represents plot-ratio GFA and excludes commercial areas below ground



China Investment Properties – Other IFCs

All developments progressing as planned.....

Wuxi IFC – GFA 280,000 sm*

- ❖ Tallest skyscraper in Taihu Plaza, Wuxi's new CBD
- ❖ Comprises Grade A office and a 5-star hotel
- ❖ Superstructure work is underway; phase 1 completion in 2014

Suzhou IFC - GFA 351,000 sm*

- ❖ Tallest skyscraper in Suzhou overlooking Jinji Lake
- ❖ 80/20 JV with Genway Housing Development
- ❖ Comprises Grade A offices, a 5-star hotel and luxury apartments
- ❖ Construction is underway; full completion in 2016

* GFA represents plot-ratio GFA and excludes commercial areas below ground



Marco Polo Hotels

Solid performer; pipeline of 9 new hotels to be rolled out.....

- ❖ 2011 revenue +10% to HK\$1,277M
Operating profit +13% to HK\$374M
- ❖ The 3 HK hotels occupancy at 85%
Average room rate +20% YoY
- ❖ The Panwa Beach Resort in Phuket added in 2011
The Marco Polo Foshan in Lingnan Tiandi and
Marco Polo Suzhou added in early 2012
- ❖ 13 operating hotels currently; 9 new hotels to be
rolled out by 2016
- ❖ Awarded “Best International Hotel Management
Group of China” by China Hotel Starlight Awards
in 3/2011



Modern Terminals

Steady HK performance; China growth momentum continues.....

2011 Performance

- ❖ Revenue +5% to HK\$3,416M
- ❖ Operating profit -10% to \$1,546M due to one-off items in 2010 & higher operating costs

2011 Throughput

- ❖ Kwai Tsing (HK) dropped marginally to 5.3M TEUs
- ❖ Taicang (YRD) +12% to 1.5M TEUs
- ❖ DCB (PRD) +5% to 707K TEUs



Communications, Media & Entertainment

Steady 2011 results

i-CABLE

- ❖ Revenue +5% to HK2,110M
- ❖ Net loss reduced by 33% to HK\$179M
- ❖ Healthy net cash at HK\$338M



Wharf T&T

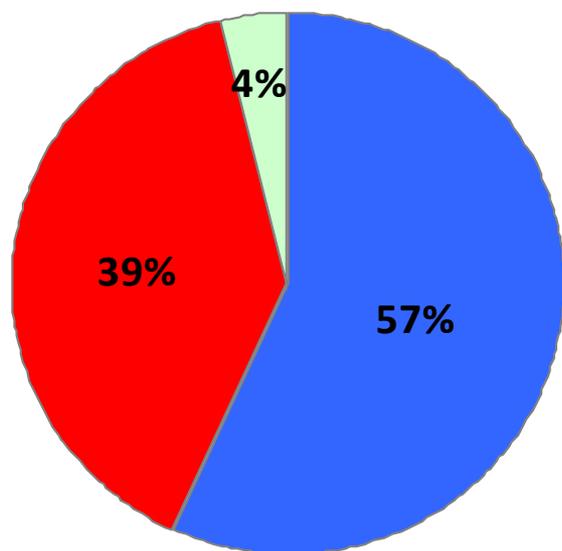
- ❖ Revenue +4% to HK\$1,753M
- ❖ Operating profit +14% to HK\$230M



Financial Highlights

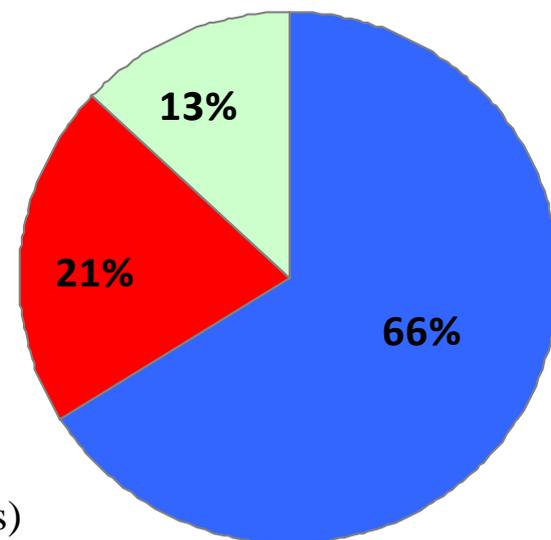
Mainland contribution increased to 21% of underlying profit.....

% of Group total business assets



HK\$280.8B

% of Group underlying profit



HK\$8.1B

■ HK Properties (excl. Hotels)
■ China
■ HK logistics / Others

* China assets: ~40% as at 31.12.2011 (Properties: 34%, Logistics: 5%)



Financial Highlights

Prudent financial management with 20.6% gearing.....

| Net debt / (Cash) | 31.12.2011 (HK\$'B) | 31.12.2010 (HK\$'B) |
|---|------------------------|------------------------|
| Wharf (excluding below subsidiaries) | 35.3 | 23.4 |
| MTL | 11.2 | 9.9 |
| HCDL | (2.7) | (0.2) |
| i-CABLE | (0.3) | (0.4) |
| Total: | 43.5 | 32.7 |
| Gearing (net debt to total equity) | 20.6% | 19.2% |

**Wharf raised HK\$10B equity through a rights issue in 3/2011*



Financial Highlights

Diversified sources of income and funding.....

❖ **Strong recurring income base**

- ❖ Investment Properties – Harbour City, Times Square, China
- ❖ Logistics and Hotels

❖ **Multiple sources of funding and revenue**

- ❖ Equity - HK\$10B rights issue in 3/2011
- ❖ Debt - HK\$6.2B CB in 6/2011
 - S\$670M bonds (HK\$4.1B) in July / October 2011
 - US\$900M bonds (HK\$7.0B) in February 2012
- ❖ At 31.12.11, cash balance: HK\$32.5B, undrawn bank facilities: HK\$16.9B
- ❖ China property sales: RMB12.7B in 2011
- ❖ Sale of non-core assets (e.g. One Midtown, Delta House)



Wheelock Properties (Singapore) Limited



*Completion of Scotts Square
generated attributable net
profit of HK\$2.3 Billion*



WPSL – Singapore Development

Scotts Square generated HK\$2.3B attributable net profit in 2011.....

1. Scotts Square

- ❖ A mixed development atop a retail complex located in the heart of the Orchard Road shopping belt, completed in 8/2011
- ❖ Residential: 84% sold, ASP: ~S\$4,000 psf; attributable profit: HK\$2.3B
- ❖ Retail podium (130,900 sf): 92% leased at year end



2. Orchard View

- ❖ A luxury residential development, comprising 30 four-bedroom apartments with private lift lobbies, completed in 5/2010
- ❖ 43% sold, ASP: S\$3,200+psf

WPSL – Singapore / China Developments

Developments progressing as planned.....

3. Ardmore Three

- ❖ A 36-storey luxury development along Ardmore Park
- ❖ Construction work underway, full completion in 2014
- ❖ A show-flat was completed in preparation for a sale launch in 2012

4. 雍景山

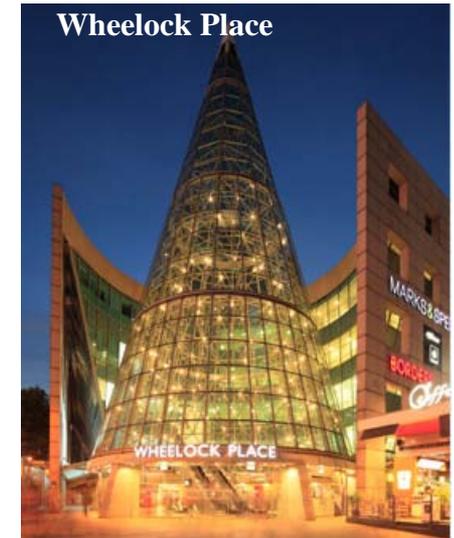
- ❖ Acquired in 2/2011 for RMB1.4B; AV:~RMB4,000 psm
- ❖ High-end residential development in Fuyang District, 22km from the city centre of Hangzhou with a nice mountain view, GFA: 358,000 sm
- ❖ Construction will commence in 2012

WPSL – Investment Properties

Scotts Square retail podium will increase recurrent income.....

5. Wheelock Place

- ❖ An office and retail development at Orchard Road, GFA: 465,400 sf
- ❖ Average occupancy: 97%; average monthly rental: S\$12 psf, lease renewal: 75%+
- ❖ Marks & Spencer will open its flagship store in 2Q2012



6. Scotts Square (Retail Podium)

- ❖ GFA: 130,900 sf, completed in 8/2011
- ❖ 92% leased with international celebrated brands, e.g. Hermes, Michael Kors, Anne Fontaine, etc.
- ❖ Marketing of the remaining space on-going



Wheelock Properties Limited

WHEELOCK
PROPERTIES

*One Island South generated net profit
of HK\$1.7 Billion*

*Developable landbank increased to
6.2 million square feet*



WPL – Hong Kong Developer

Expanding development activities.....

- ❖ Invested HK\$9.4B in 2011 and early 2012 to replenish land bank
- ❖ Developable land bank increased to 6.2M sf
- ❖ A cluster of projects of 4.3M sf within the ‘Energizing Kowloon East’ initiated by the government as Hong Kong’s alternate CBD
- ❖ Launched Lexington Hill in 2/2012 with perfect timing on market revival
- ❖ Kadoorie Hill ready for launch in mid-2012

WPL – Developable Landbank

Developable landbank of 6.2M sf.....

Own landbank

| Properties | Attri GFA (000'sf) |
|--------------------|-----------------------|
| MTR Austin Station | 641 |
| Lexington Hill | 103 |
| Kadoorie Hill | 92 |
| Kwun Tong project | 915 |
| Hung Hom project | 590 |
| Tseung Kwan O | 488 |
| Total: | 2,829 |

Wharf's landbank *

| Properties | Attri GFA (000'sf) |
|------------------|-----------------------|
| One Midtown | 644 |
| Mount Nicholson | 162 |
| Peak Portfolio | 245 |
| Kowloon Godown | 829 |
| Wharf T&T Square | 581 |
| Yau Tong Godown | 256 |
| Yau Tong JV | 651 |
| Total: | 3,368 |

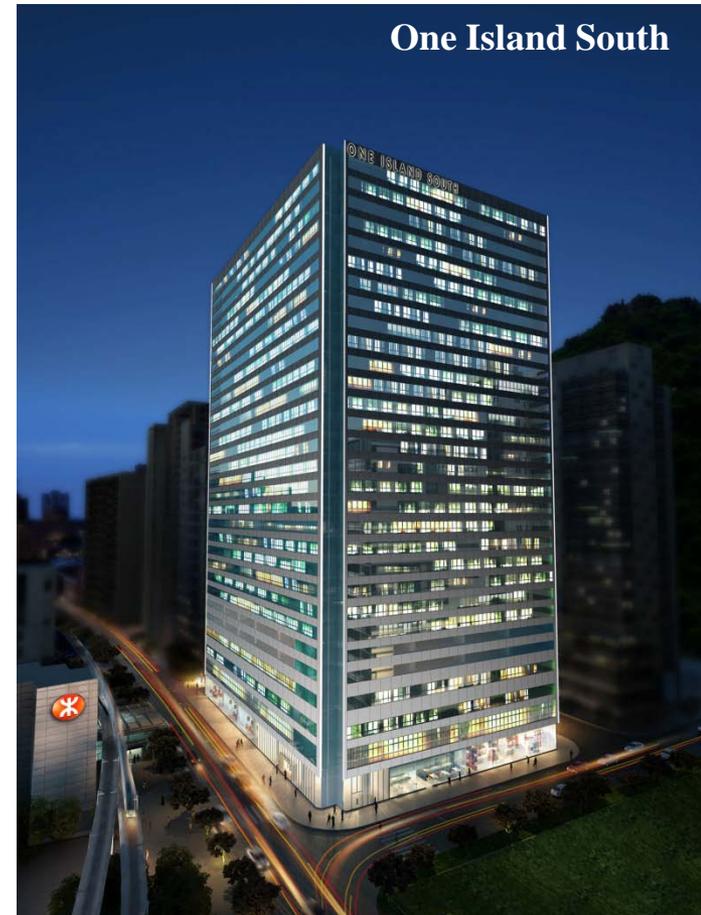
* include investment properties with redevelopment potential



WPL – Key Projects

One Island South generated HK\$1.7B net profit in 2011...

- ❖ Grade A commercial development (722,300 sf office, 90,500 sf retail) in Aberdeen completed in June 2011
- ❖ The only new supply in the vicinity when launched; large floor plate of ~30,000 sf has attracted strong end-user demand
- ❖ Located opposite a future MTR South Island Line station to be opened in 2015
- ❖ All office floors sold to generate proceeds of HK\$3.3B and net profit of HK\$1.7B
- ❖ Retail podium is under leasing



WPL – Key Projects

Lexington Hill.....*

- ❖ Residential development located opposite the MTR Kennedy Town station, target to commence service in 2014
- ❖ GFA: 102,900 sf; AV: HK\$3,300 psf
- ❖ Pre-sales launched in 2/2012 capturing a window of market revival
- ❖ 101 units (of 104) sold at ASP HK\$11,700 psf for HK\$1.1B
- ❖ Construction work underway; completion in 2014

** formerly identified as 46 Belcher's Street*



WPL – Key Projects

Developments progressing as planned...

MTR Austin Station

- ❖ Prime residential development atop MTR Austin station, next to the future terminus for High Speed Rail to the Mainland & the West Kowloon Cultural District
- ❖ 50:50 joint venture with New World Development, attributable GFA: 641,000 sf, AV: HK\$9,130 psf
- ❖ Master layout plan and general building plan approved, foundation work underway
- ❖ Target to launch for pre-sales in 2013 subject to market conditions; completion in 2014

Kadoorie Hill*

- ❖ Residential development in an established vicinity with limited new supply
- ❖ GFA: 91,700 sf; AV: HK\$9,000 psf
- ❖ Target to launch for pre-sales in mid-2012 subject to pre-sales consent
- ❖ Superstructure work underway; completion in 4Q2012

** formerly identified as 211-215C, Prince Edward Road West*



WPL – Acquisitions

Invested HK\$ 9.4B in 2011 and early 2012 to replenish landbank.....

Kwun Tong commercial project (GFA: 914,900 sf)

- ❖ Acquired in 7/2011 for HK\$3.53B or HK\$3,856 psf
- ❖ Two Grade A office buildings overlooking the Victoria Harbour and future Kai Tak Cruise Terminal, with easy access to the MTR

Hung Hom commercial project (GFA: 590,000 sf)

- ❖ Acquired in 8/2011 for HK\$4.03B or HK\$6,827 psf
- ❖ Two Grade A office buildings and two low-rise retail buildings overlooking the Victoria Harbour, with easy MTR access

Tseung Kwan O project (GFA: 488,200 sf)

- ❖ Acquired in 1/2012 for HK\$1.9B or HK\$3,810 psf
- ❖ A residential development near the MTR station to provide convenient connectivity



WPL – Wharf Portfolio

Developable portfolio of 3.4M sf.....

- ❖ **One Midtown** – high rise industrial / loft building with 644,000 GFA; 80% sold at ASP HK\$3,700 psf for HK\$1.9B proceeds by mid-March 2012; completion in 2H2012
- ❖ **Mount Nicholson** – 50:50 JV with Nan Fung for exclusive luxurious residences with attributable GFA of 162,000 sf; foundation work underway; completion in 2014
- ❖ **Peak Portfolio** (77 Peak Road, 1 Plantation Road & Mountain Court) – redevelopment scheduled for 2H2012
- ❖ **Kowloon Godown** – redevelopment into a residential and commercial development of 829,000 sf approved; lease modification underway



WPL – Wharf Portfolio

Developable portfolio of 3.4M sf.....

- ❖ **Wharf T&T Square** – redevelopment into a high-rise Grade A commercial building of 581,000 sf approved; lease modification executed; premium paid
- ❖ **Yau Tong Godown** – development into a residential and commercial development of 256,000 sf; lease modification underway
- ❖ **Yau Tong JV (15% owned by Wharf)** – master layout plan submitted to Town Planning Board for consideration

Financial Highlights

Prudent financial management with 22.5% gearing.....

| Net debt / (cash) | 31.12.2011 (HK\$'B) | 31.12.2010 (HK\$'B) |
|--|------------------------|------------------------|
| Wheelock (excluding below subsidiaries)* | 15.0 | 10.0 |
| Wharf | 43.5 | 32.7 |
| WPSL | <u>(5.5)</u> | <u>(4.6)</u> |
| Group | <u>53.0</u> | <u>38.1</u> |
| Gearing (net debt to total equity) | 22.5% | 19.8% |

** Own net debt of HK\$15.0B after subscribing HK\$5.0B to Wharf's rights issue in 3/2011 and the purchase of 2 commercial sites in Kowloon East*



Financial Highlights – Wheelock Own

Diversified sources of income and funding.....

- ❖ Steady dividend income stream from Wharf and WPSL totaled HK\$1.9B in 2011
- ❖ Recurring rental income from Wheelock House and Crawford House in HK
- ❖ WPL development sales proceed totaled HK\$3.5B in 2011
- ❖ Diversified sources of funding
 - ✧ raised S\$535M (HK\$3.4B) bonds in 2011/2012
 - ✧ raised US\$535M (HK\$4.2B) bonds in 2012
- ❖ Own cash balance and undrawn bank facilities totaled HK\$4.7B at 31.12.11

End of Presentation

Wheelock and Company Limited [HKEx Stock Code: 0020.HK]
The Wharf (Holdings) Limited [HKEx Stock Code: 0004.HK]

Disclaimer

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Appendix

Wharf's underlying earnings +14% to HK\$8,083M.....

| <i>Underlying earnings</i> | FY2011 (HK\$'M) | FY2010 (HK\$'M) |
|--|--------------------|--------------------|
| Profit (before net IP revaluation surplus) | 6,727 | 7,905 |
| Exceptional items in FY2011 / FY2010 | 1,356 | (817) |
| Total | 8,083 | 7,088 |

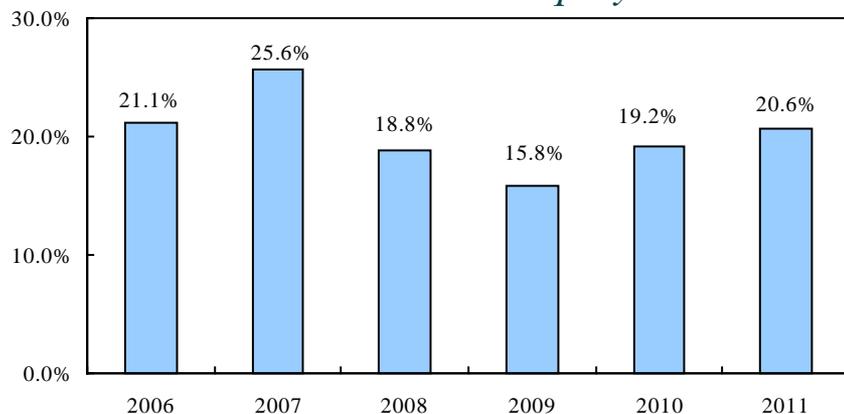
| <i>Exceptional items in FY2011 / FY2010</i> | FY2011 (HK\$'M) | FY2010 (HK\$'M) |
|---|--------------------|--------------------|
| Revaluation surplus on Wharf's interests in Hactl | - | 437 |
| Net tax write-back upon reaching a tax settlement | - | 809 |
| Mark-to-market charge (cross currency / interest rate swap) | (1,356) | (429) |
| Total | (1,356) | 817 |



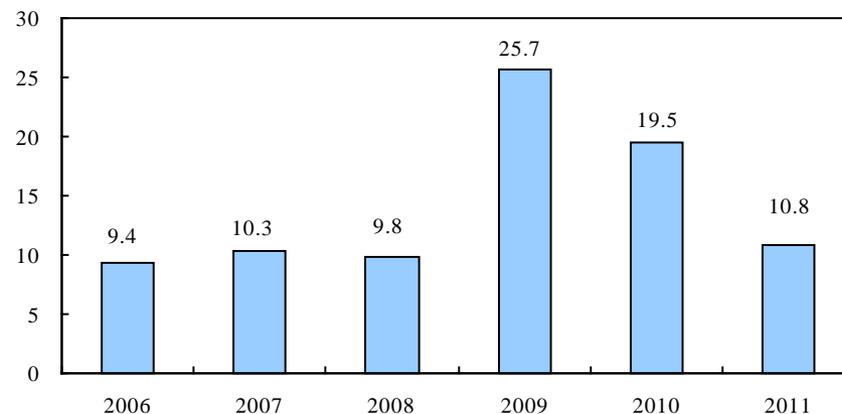
Wharf Financial Highlights

Solid credit metrics.....

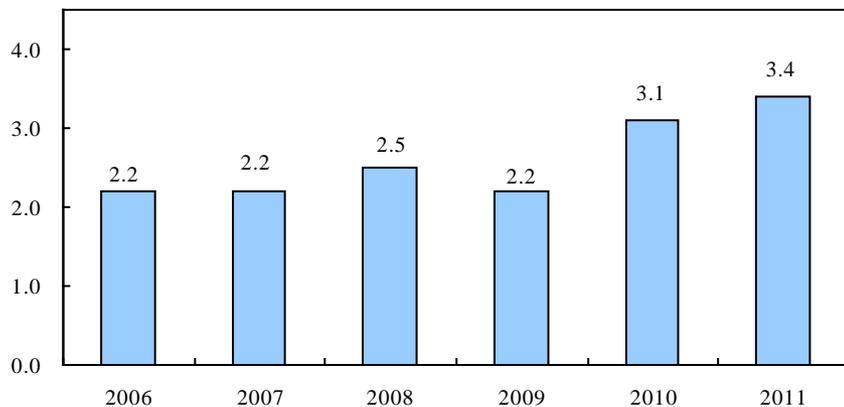
Net Debt / Total Equity



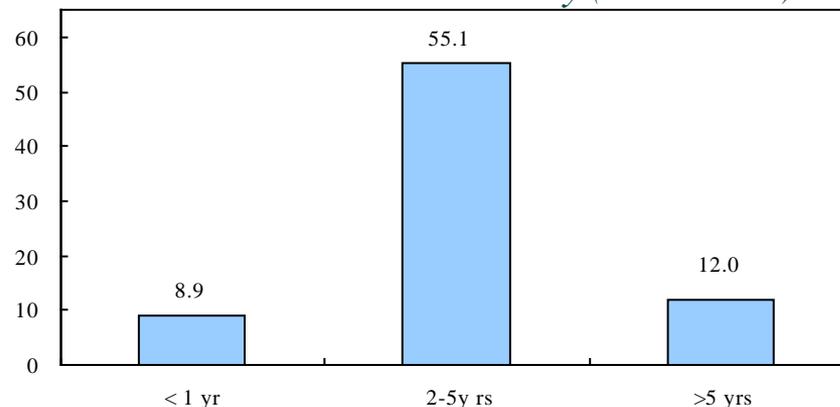
Interest cover



Net debt / EBITDA



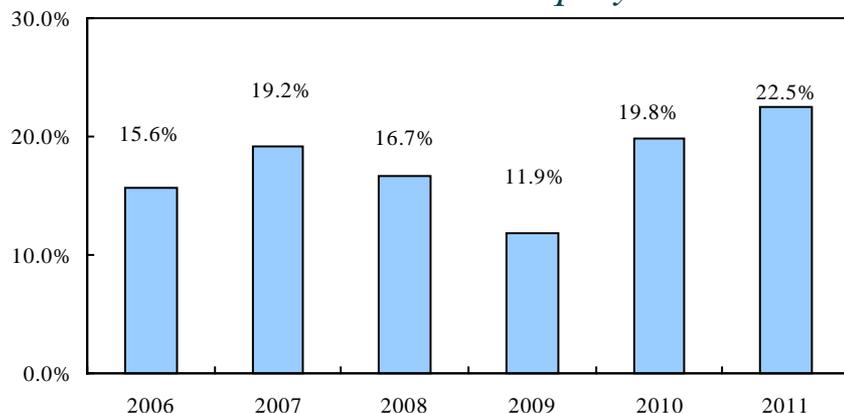
Debt maturity (as at 31.12.2011)



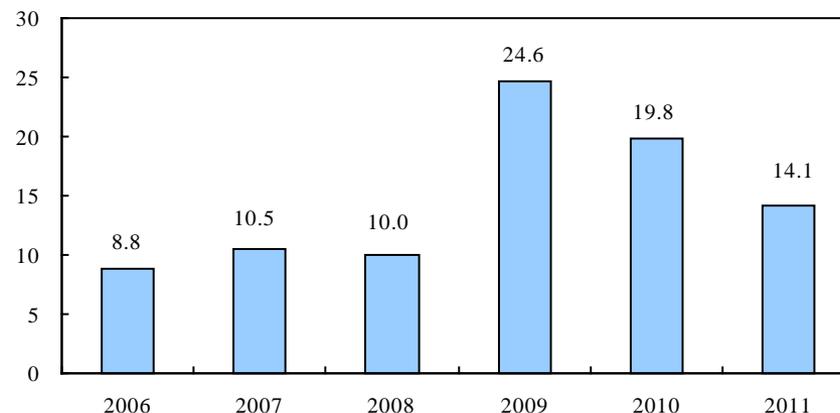
Wheelock Financial Highlights

Solid credit metrics.....

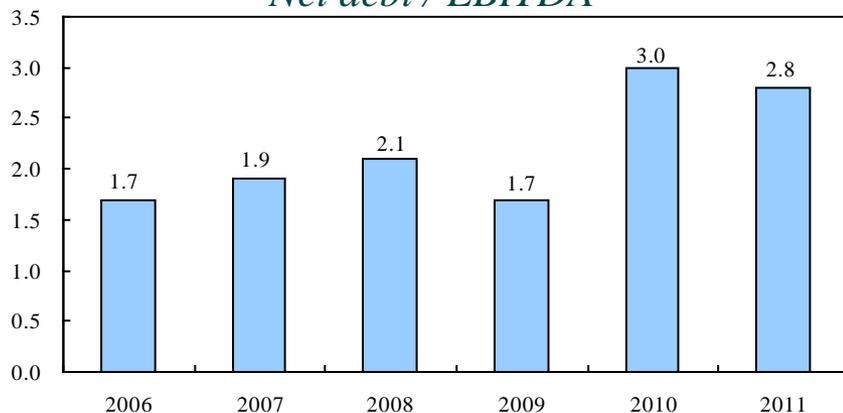
Net Debt / Total Equity



Interest cover



Net debt / EBITDA



Debt maturity (as at 31.12.2011)

