



WHEELOCK
Founded 1857



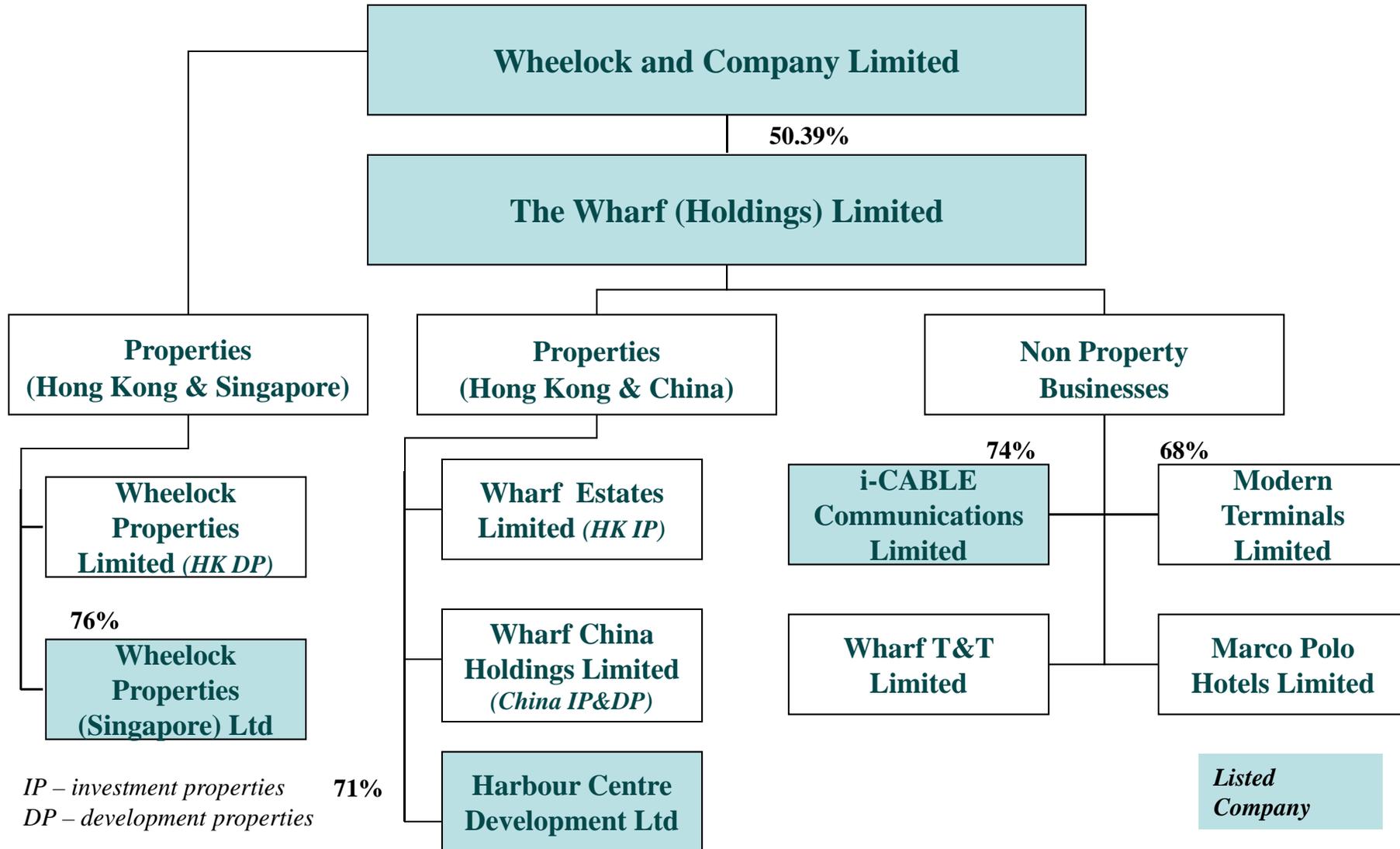
WHARF
Established 1886

Wheelock and Company Limited
The Wharf (Holdings) Limited

June 2012

Chengdu IFC

Corporate Structure



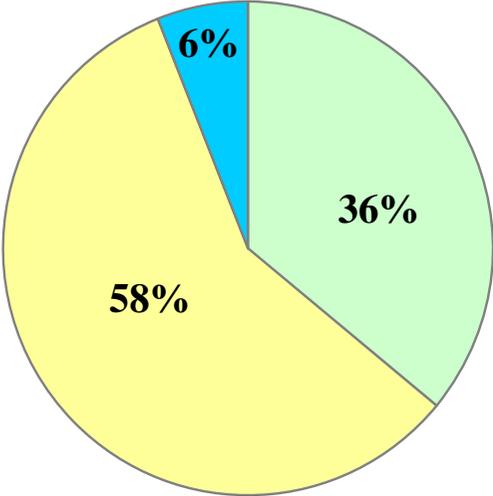
Profit and Asset Split

The principal focus of the Group is properties.....

2011 core profit of HK\$9B*

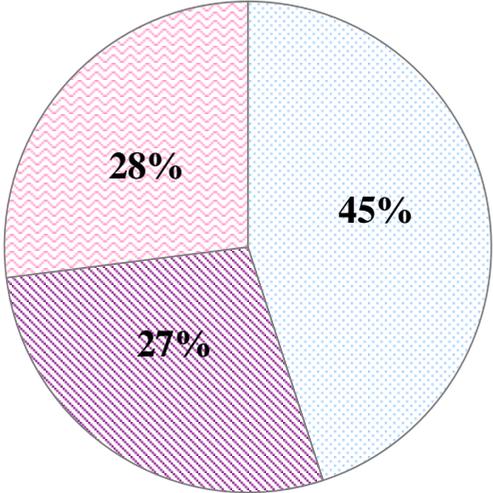
2011 business assets of HK\$312B

By Segment



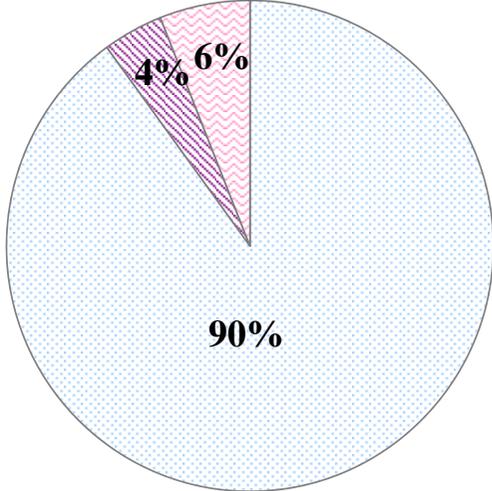
- Property Development
- Property Investment
- Logistics / Others

By Group



- Wharf
- Wheelock Properties
- Wheelock Properties (Singapore)

By Group



* Before IP revaluation surplus and exceptional items



The Wharf (Holdings) Limited

In 2011.....

*Harbour City and Times Square
captured 9% of Hong Kong retail sales*

*Mainland contribution
increased to 21% of core profit*

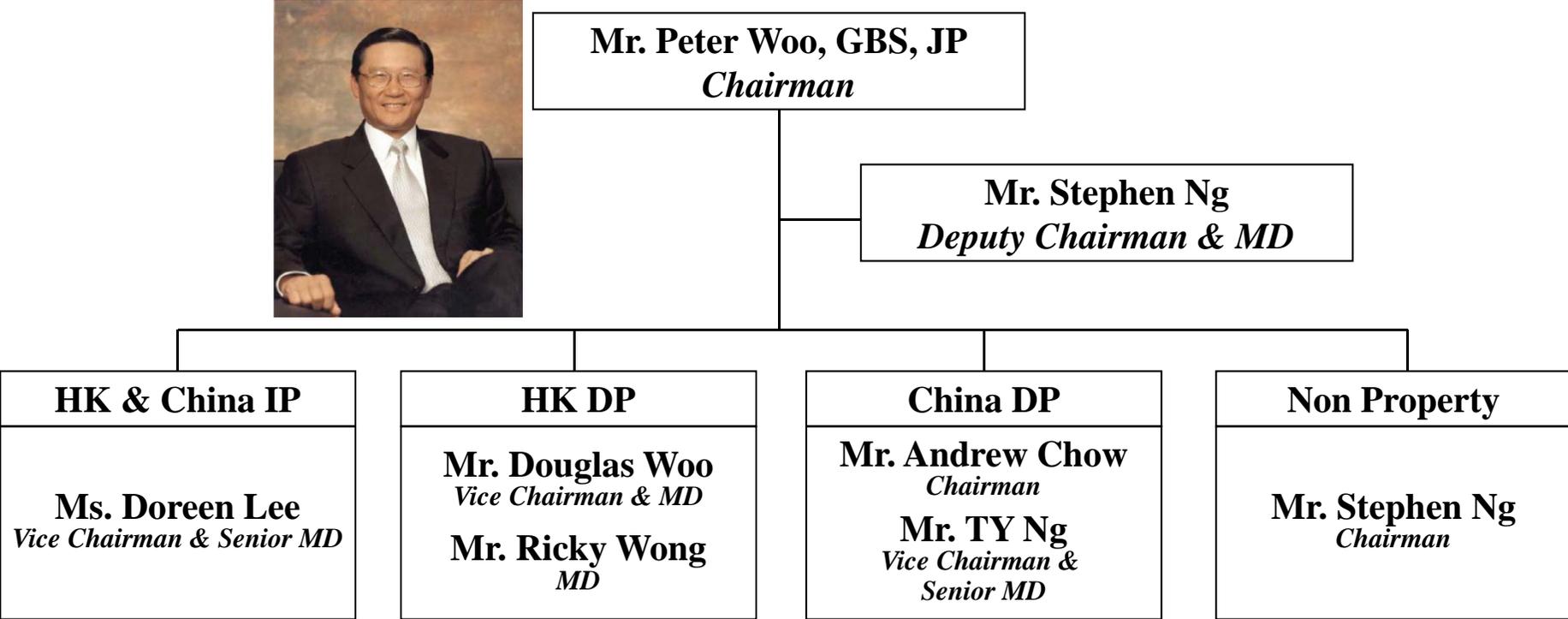


Corporate Profile

- ❖ Established in 1886; “Building for Tomorrow” for over 125 years
- ❖ Primary focus is in Properties (91% of business assets as at 31.12.11)
- ❖ Strategic differentiation is the success of Harbour City and Times Square (represented 58% of operating profit in 2011)
- ❖ At 31.12.2011, ~40% of Group business assets in Mainland China (Target: 50% in medium term); landbank at 12.2M s.m.



Management Structure



HARBOUR CITY
海港城



Wharf China
Estates Limited



Wharf
Development
Limited



Wharf China
Development
Limited



Hong Kong – A unique position

A unique city driven by China's growth and its own characters

- ❖ **HK is the financial / retail services platform for China**
 - ❖ **As an RMB offshore and international asset management centre**
 - ❖ **Financial services platform gains pace with the vast capital flow from China**
 - ❖ **Tourism and the retail services platform continues to grow**
 - ❖ **CEPA (Closer Economic Partnership Arrangement) continues**
- ❖ **China's 12th Five-Year Plan (2011-2015) with key themes to move industries up the value chain, stimulate domestic demand, expand the service sector and accelerate urbanization offer significant opportunities for HK corporates**
- ❖ **Special characters of HK remain – a free port, simple tax regime, wide merchandize selectivity, genuine & authenticity and confidentiality**



China – Phases of economic development

Experimentation
(1978 - 1992)

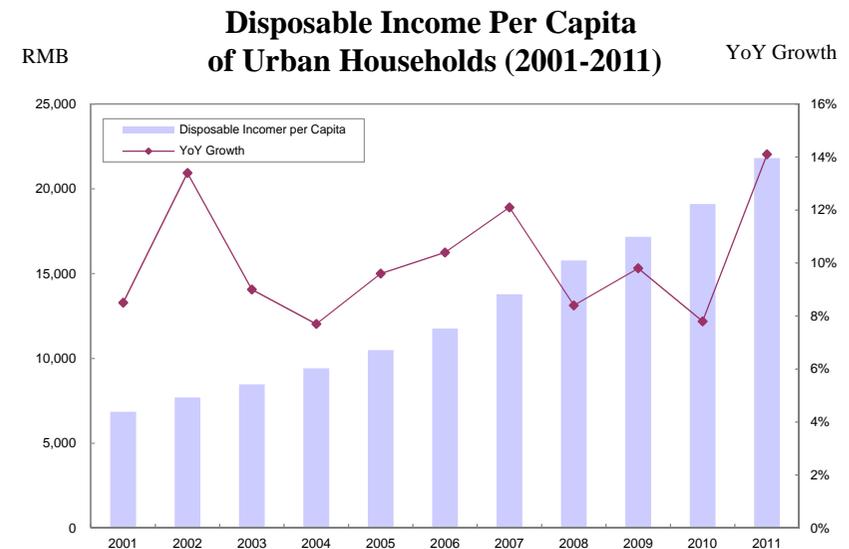
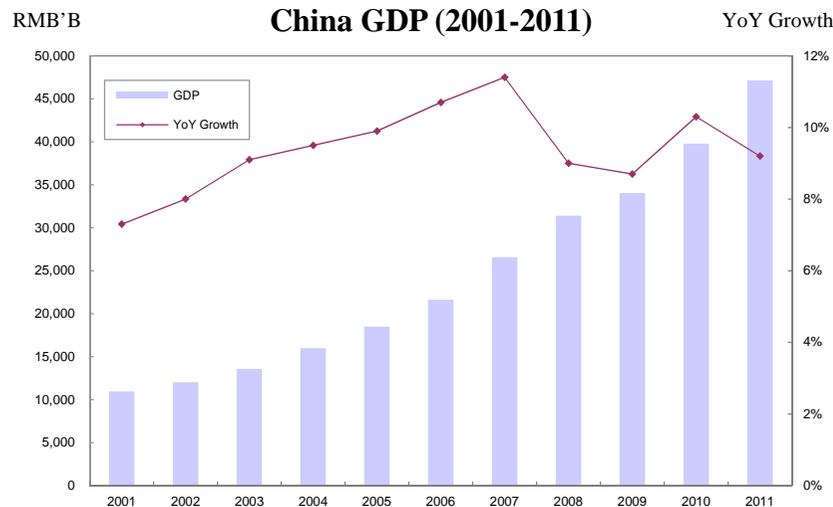
- ❖ Special economic zones in coastal cities as China's nationwide infrastructure support was inadequate

Execution & Growth
(1992 - today)

- ❖ Shanghai economy was opened in 1992 & other cities swiftly followed
- ❖ Economic growth supported by infrastructure buildup to link up the country

The Future
(today + 20 years)

- ❖ High-speed rail grid will 'shrink' the country
- ❖ Dynamic urbanization continues with domestic demand as key growth engine



China – Metropolitan zones will emerge

- ❖ *The nine city clusters account for 52% of population & 74% of GDP*
- ❖ *High speed rail will reduce travelling time between cities to create the “one-day living sphere”*
- ❖ *China is heading towards a dispersed urbanization pattern with midsized and small cities, which together will form megacities that drive future growth*



Source: CB Richard Ellis / McKinsey research



Hong Kong Properties

Command a record 9.0% share of HK's retail sales, envy of others.....

Ms. Doreen Lee
Vice Chairman & Senior MD

Harbour City

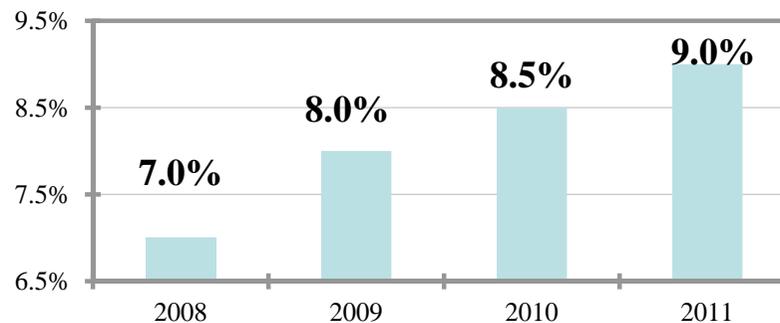


Times Square



- ❖ Harbour City & Times Square represented 47% of the business assets of the Group at 31.12.11, and generated 58% of operating profit
- ❖ In 2011, retail sales at Harbour City and Times Square accounted for an unrivalled 9.0% share of HK's total retail sales, up from 8.5% in 2010

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
- ❖ Retail represents 28% of HC’s rental area but generated 65% of 2011 rental revenue
- ❖ For YTD 4/2012, retail sales +21% YoY (HK retail sales +15% YoY)
- ❖ Captivating “shoppertainment” experience that enchants new and regular shoppers



Hong Kong Properties – Harbour City

Strong performance from other segments

Office

- ❖ Spot rent has remained steady in 2012, following strong growth in 2011
- ❖ Occupancy reached 97% in 4/2012



Serviced Apartments

- ❖ Occupancy reached 90% in 4/2012
- ❖ In 2012, won awards for *Best in Hospitality Sector* (Squarefoot Magazine) and *Service Awards* (Capital Weekly)



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 2011 revenue
- ❖ For YTD 4/2012, retail sales +17% (on psf basis*)
- ❖ Premise improvement with cinema relocation to upper floors; new shops to open in mid 2013, new cinema by end 2013

* - The psf basis is used as a result of the cinema relocation work

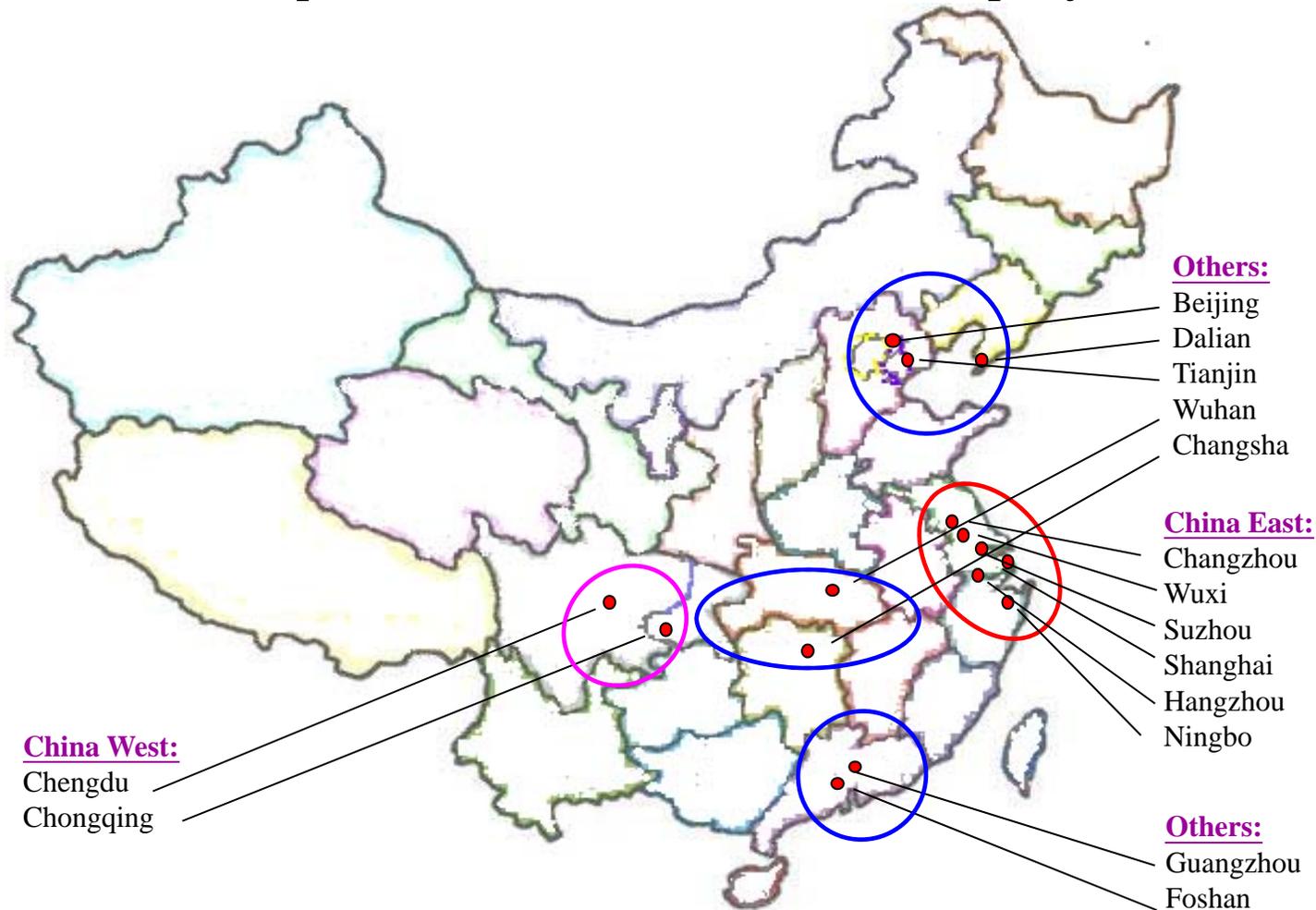
Office

- ❖ Benefited from office decentralization in 2011
- ❖ Spot rent has remained steady in 1Q2012
- ❖ Occupancy reached 99% in 4/2012



China Properties – Building for Tomorrow

Wharf China has expanded to 15 cities with 50+ projects...



...with a team of over 1000 professionals...



China Properties – Building for Tomorrow

Mainland assets reached ~40% of Group business assets... ..

China Portfolio	<ul style="list-style-type: none">❖ In 2011, acquired 11 sites with attri GFA: 2.1M sm for RMB13.5B❖ Land bank increased to 12.2M sm by end 2011❖ Acquired a site in Beijing in early 2012 through a 50:50 JV❖ Continue to sharpen local execution expertise
Development Properties	<ul style="list-style-type: none">❖ 2011 contract sales +44% to RMB12.7B, 854,000 sm sold❖ Net order book increased to RMB13.5B for 903,000 sm❖ 2012 base sales budget of RMB10B reflecting market cautiousness; stretched budget of RMB12.7B❖ Achieved sales YTD 4/2012 of RMB3.4B
Investment Properties	<ul style="list-style-type: none">❖ Completed investment properties were valued at HK\$14.5B at 31.12.2011❖ Wheelock Square completed in 2010 was 87% leased by 4/2012❖ Retail pre-leasing of Chengdu IFC progressed well with over 30% committed, another 30% under final negotiation



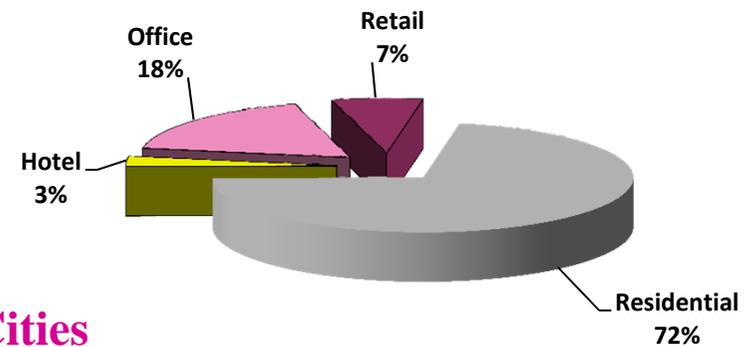
China Properties – Landbank

China landbank was 12.2M sm at end 2011.....

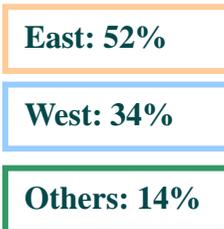
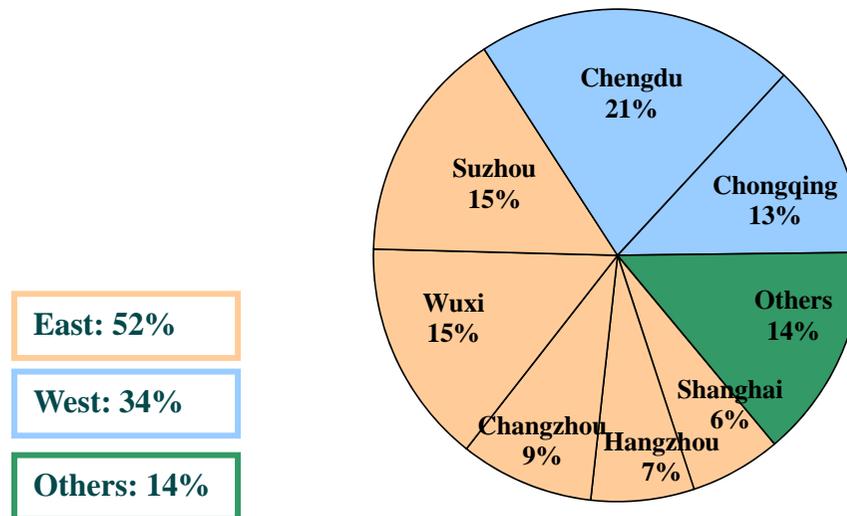
GFA by Region

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

GFA by Land Use



GFA by Cities



China Development Properties

New growth engine.....

Mr. Andrew Chow
Chairman

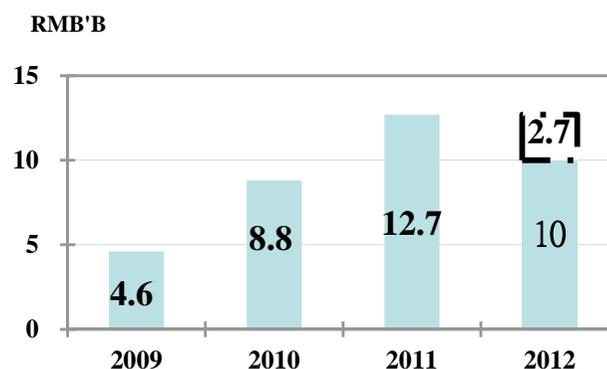
Mr. TY Ng
Vice Chairman & Senior MD

Suzhou Ambassador Villa

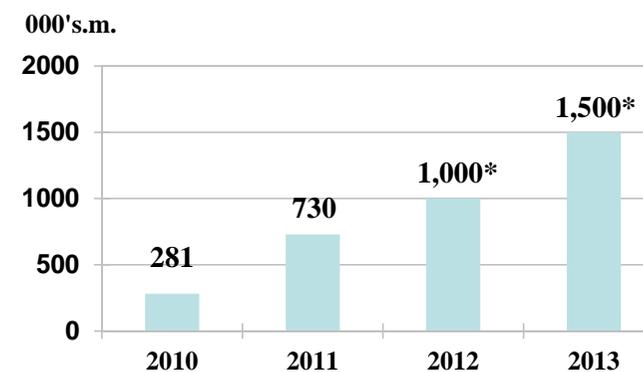


- 2011
 - ❖ Turnover +76% to HK\$6,343M
 - ❖ Operating Profit +84% to HK\$2,274M; operating margin at 36%
 - ❖ Completed 730,000 sm; recognized 546,000 sm, +102% over 2010
 - ❖ Contracted Sales +44% to RMB12.7B (854,000 sm)
- 2012
 - ❖ Budgeted base sales of RMB10B (770,000 sm) reflecting market cautiousness; stretched budget of RMB12.7B
 - ❖ Achieved sales YTD 4/2012 of RMB3.4B

2009-2011 Contracted Sales



2010-2013 Project Completions



* 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 Rental revenue +69% to HK\$796M, Operating profit +121% to HK\$493M
- ❖ Shanghai Wheelock Square was 87% leased by 4/2012; latest office spot rent achieved at over RMB400 psm, among the highest in Shanghai; awarded “Best Business Centre” by MIPIM Asia Awards in 2011
- ❖ Chongqing Time Square re-opened in 3Q2011 as a shopping mall with a slew of international brands
- ❖ Dalian Times Square registered a 28% growth in retail sales in 2011
- ❖ Refurbishment work at Shanghai Times Square retail podium has commenced; to be re-opened in 3Q2013



China Investment Properties

A pipeline of 5 IFCs will be rolled out between 2013-2016.....

**Chengdu IFC
(2013-14)**



**Shanghai Wheelock Square
(2010)**



**Wuxi IFC
(2014-16)**



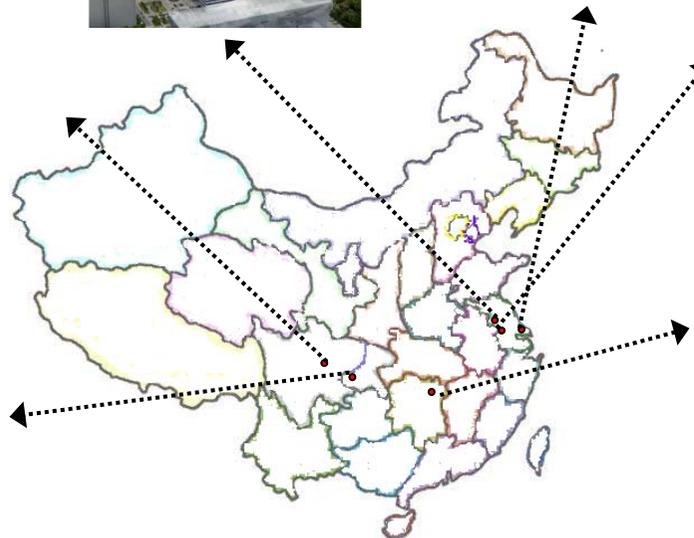
**Suzhou IFC
(2016)**



**Changsha IFC
(2016)**



**Chongqing IFC
(2014-15)**

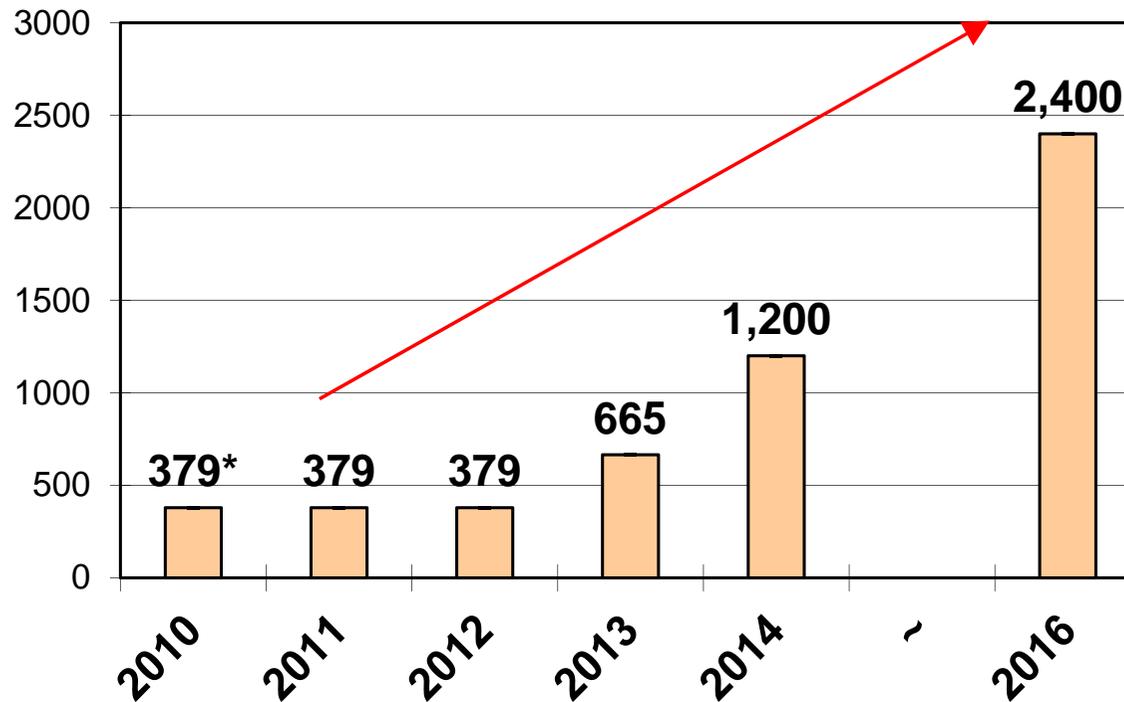


China Investment Properties

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



Strong Economic Indicators

Untapped potential to be realized.....

2011 Figures	Mainland	Chengdu	Chongqing	Wuxi	Suzhou	Changsha
GDP Growth	9.2%	15.2%	16.4%	11.6%	12.0%	14.5%
Population ('M)	1,347	14	29	6	6	7
Total retail sales (RMB'B)	18,392	286	349	212	283	213
YoY growth	17.1%	18.4%	18.7%	17.3%	17.8%	18.0%
Urban disposable income per capita (RMB)	21,800	23,900	21,800	31,600	33,000	26,000
% change	14.1%	14.9%	14.8%	14.0%	13.2%	15.9%
Investment in fixed asset (RMB'B)	30,200	501	763	317	450	351

Source: National Bureau of Statistics , Statistics Bureaus of various cities



China Investment Properties – Chengdu IFC

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

- ❖ GFA of 536,000 sm*, comprises retail, Grade A office, 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 and 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

* Plot-ratio GFA , which excludes commercial areas below ground

^ include commercial area below ground



China Investment Properties – Other IFCs

Development progress 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 office 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 office and a 5-star 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 is underway; full completion in 2016

** Plot-ratio GFA, which excludes commercial areas below ground*



China Investment Properties – Other IFCs

Development progress 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
- ❖ Construction 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 office, a 5-star hotel and luxury apartments
- ❖ Construction is underway; full completion in 2016

* Plot-ratio GFA, which excludes commercial areas below ground



Non-Property Businesses

Strong recurring incomes.....

Mr. Stephen Ng
Chairman



Marco Polo Hotels

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

- ❖ 2011 revenue +10% ; operating profit +13%
- ❖ The 3 HK hotels occupancy at 85%; average room rate +20% YoY
- ❖ 13 operating hotels (incl. MP Lingnan Tiandi in Foshan & MP Suzhou added in 2012); 9 new hotels to be rolled out by 2016
- ❖ Awarded “Best International Hotel Management Group of China” by China Hotel Starlight Awards in 2011



Modern Terminals Limited

The first container terminal operator in HK, 33% market share today...

- ❖ 2011 revenue +5% to HK\$3,416M;
operating profit -10% due to one-off
items in 2010 & higher operating
costs

- ❖ 2011 Throughput
 - ✧ Kwai Tsing (HK): 5.3M TEUs
 - ✧ Taicang (YRD) +12% to 1.5M TEUs
 - ✧ Da Chan Bay (PRD) +5% to 707K TEUs



Communications, Media & Entertainment

Steady 2011 results

i-CABLE

- ❖ 1st multi-channel Pay TV service in HK
- ❖ 2011 revenue +5%; net loss improved
- ❖ Healthy net cash at HK\$338M



Wharf T&T

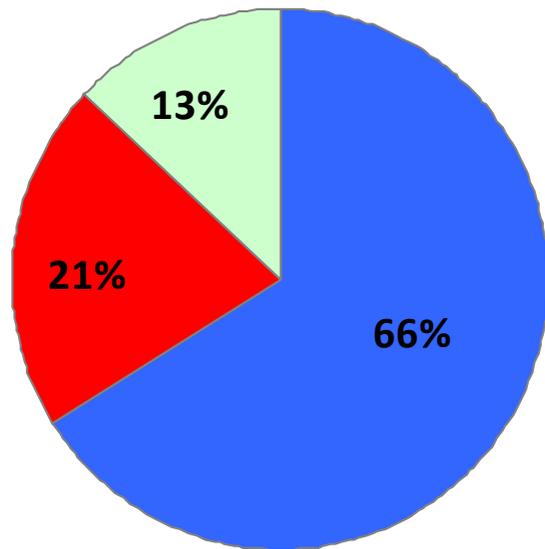
- ❖ 2nd largest fixed line operator and the 1st and only comprehensive ICT service provider in HK focusing on the business sector
- ❖ 2011 revenue +4%; operating profit +14%



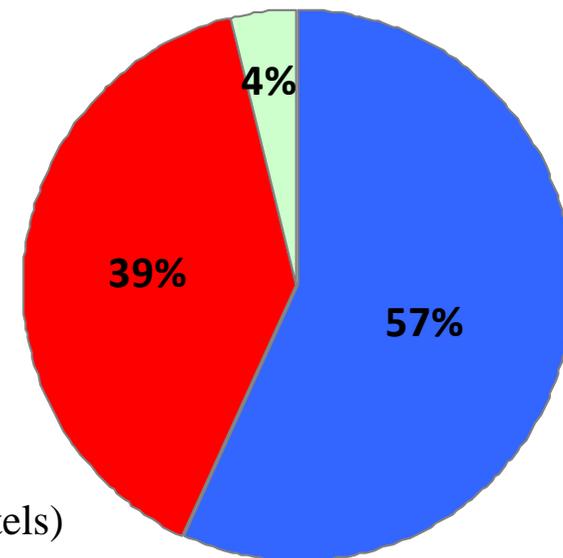
Financial Highlights

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

2011 core profit of HK\$8.1B



2011 business assets of HK\$280.8B



-  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%



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 2/2012
- ✧ At 31.12.11, cash balance of HK\$32.5B, undrawn bank facilities of HK\$16.9B
- ✧ China property contract sales of RMB12.7B in 2011
- ✧ Sale of non-core assets (e.g. One Midtown, Delta House)



Wheelock Properties (Singapore) Limited

In 2011.....

Ms. Tan Bee Kim
Executive Director

Mr. Tan Zing Yan
Executive Director

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



Singapore Developments

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

1. Scotts Square

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



2. Orchard View

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

Singapore / China Developments

Development progress as planned.....

3. Ardmore Three

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

4. 雍景山

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

Investment Properties

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

5. Wheelock Place

- ❖ An office and retail development at Orchard Road, GFA of 465,400 sf
- ❖ 2011 average occupancy of 97%; average monthly rental S\$12 psf, lease renewal 75%+
- ❖ Marks & Spencer opened its flagship store in 2Q2012



6. Scotts Square (Retail Podium)

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



Wheelock Properties Limited

In 2011.....

Mr. Stewart Leung
Chairman

Mr. Douglas Woo
Vice Chairman & MD

Mr. Ricky Wong
MD

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



*Developable landbank
increased to
6.2 million square feet*

Hong Kong Developer

Expanding development activities.....

- ❖ One Island South generated net profit of HK\$1.7B in 2011
- ❖ 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 located in or near 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



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

Key Projects

Launched projects met with favorable responses.....

One Island South

- ❖ Grade A commercial development in Aberdeen completed in 6/2011; 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

One Island South



Lexington Hill*

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

Lexington Hill



** formerly identified as 46 Belcher's Street*

Key Projects

Development progress 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 of 641,000 sf; AV of HK\$9,130 psf
- ❖ Construction is underway; target to launch for pre-sales in 2013; completion in 2014
- ❖ Achieved 'BEAM Plus Gold Certification' issued by HK Green Building Council in recognition of its enhancement of environmental sustainability

Kadoorie Hill*

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

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

Acquisitions

Invested HK\$ 9.4B 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



Wharf Portfolio

Developable portfolio of 3.4M sf.....

- ❖ **One Midtown** – high rise industrial / loft building with 644,000 GFA; 87% sold by 4/2012 at ASP of HK\$3,700 psf for HK\$2.1B proceeds; completion in 2H2012
- ❖ **Mount Nicholson** – 50:50 JV with Nan Fung for exclusive luxurious residences with attributable GFA of 162,000 sf; foundation work is 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 is underway



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** – redevelopment into a residential and commercial development of 256,000 sf; lease modification is underway
- ❖ **Yau Tong JV (15% owned by Wharf)** – master layout plan submitted to Town Planning Board for consideration

Financial Highlights – Wheelock Group

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 2011/12
 - ✧ 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

All information and data are provided for information purposes only. All opinions included herein constitute Wharf's judgment as of the date hereof and are subject to change without notice. The Group, its subsidiaries and affiliates hereby disclaim (i) all express, implied, and statutory warranties of any kind to user and/or any third party including warranties as to accuracy, timeliness, completeness, or fitness for any particular purpose; and (ii) any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the information and data contained herein.



Financial Highlights – Wheelock Group

	2011 (HK\$M)	2010 (HK\$M)
Turnover	34,558	24,186
Operating profit	17,730	11,384
Core profit*	9,038	4,582
Profit attributable to equity shareholders	22,866	20,194
EPS – core profit (HK\$)	4.45	2.26
EPS (HK\$)	11.25	9.94
DPS (HK\$)^	0.50	0.125
	As at 31.12.11	As at 31.12.10
Total assets	364,112	286,236
Total business assets	312,277	246,129
Net debt	53,014	38,142
Total equity	235,194	193,076
NAV per share (HK\$)	60.32	49.40
Net debt to total equity	22.5%	19.8%

* Excludes investment property revaluation surplus and exceptional items

^ Includes special dividend of HK\$0.25 per share in 2011



Financial Highlights – Wharf Group

	2011 (HK\$M)	2010 (HK\$M)
Turnover	24,004	19,380
Operating Profit	11,388	9,372
Core profit*	8,083	7,088
Profit attributable to equity shareholders	30,568	35,750
EPS – core profit (HK\$)	2.70	2.51
EPS (HK\$)	10.22	12.64
DPS (HK\$)	1.06	1.00
	As at 31.12.11	As at 31.12.10
Total assets	317,973	242,768
Total business assets	280,837	220,780
Net debt	43,465	32,689
Total equity	210,874 [^]	170,649
NAV per share (HK\$)	67.10	59.22
Net debt to total equity	20.6%	19.2%

* Excludes investment property revaluation surplus and exceptional items

[^] Wharf raised HK\$10 billion equity through a rights issue in March 2011



Exceptional items

Wharf's core profit +14% to HK\$8,083M.....

<i>Core profit</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

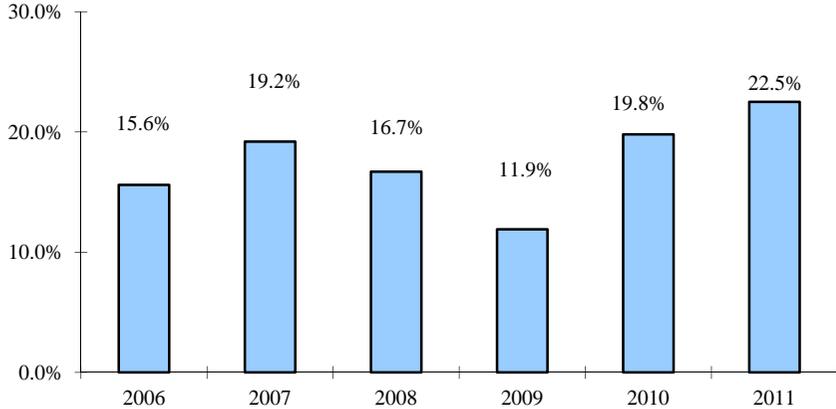
<i>Exceptional items</i>	FY2011 (HK\$'M)	FY2010 (HK\$'M)
Revaluation surplus on Wharf's interests in Hactl	-	437
Net tax write-back upon reaching a tax settlement	-	809
Mark-to-market charge (cross currency / interest rate swap)	(1,356)	(429)
Total	(1,356)	817



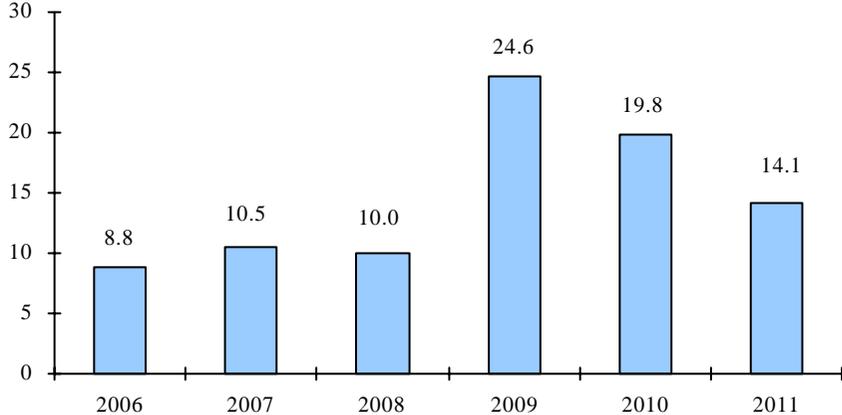
Financial Ratios – Wheelock Group

Solid credit metrics.....

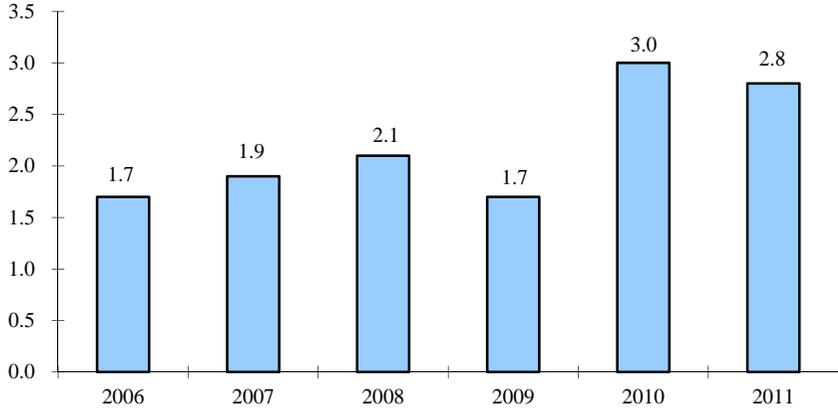
Net Debt / Total Equity



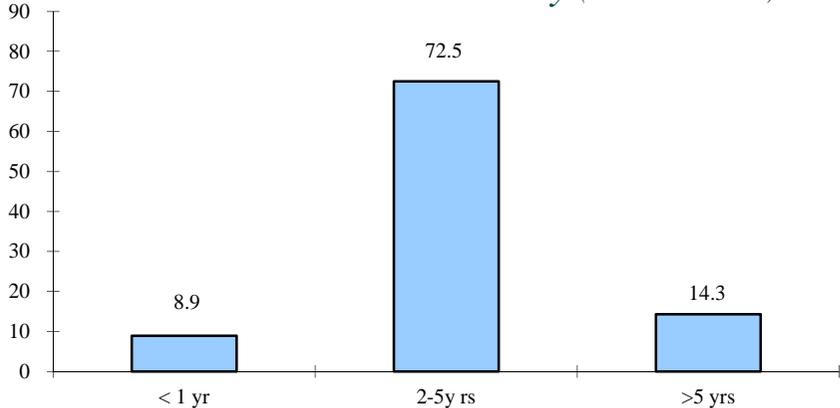
Interest cover



Net debt / EBITDA



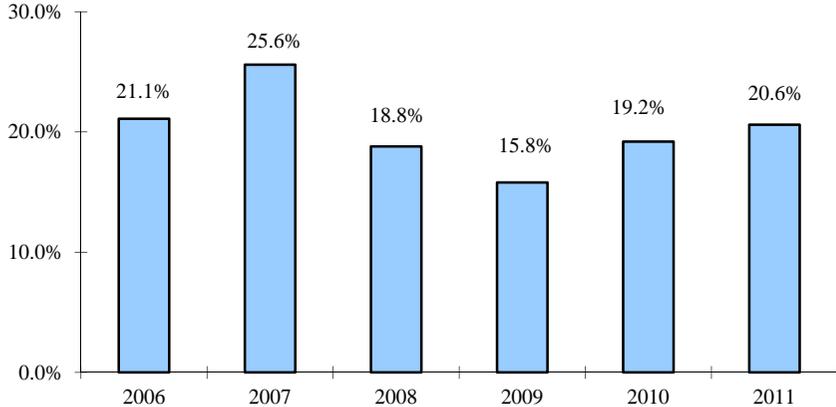
Debt maturity (as at 31.12.2011)



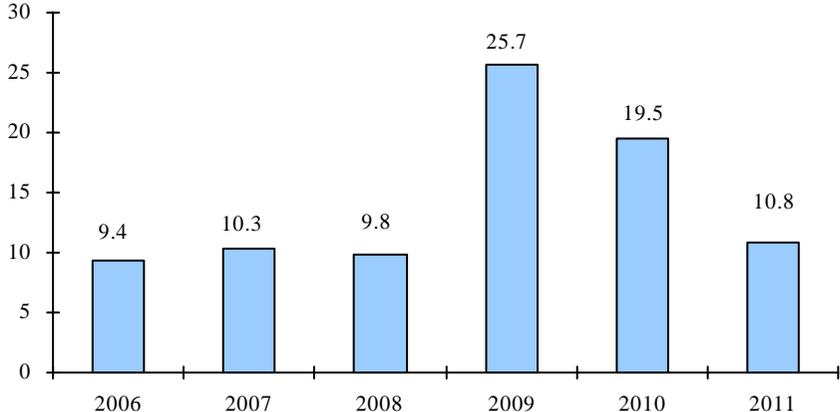
Financial Ratios – Wharf Group

Solid credit metrics.....

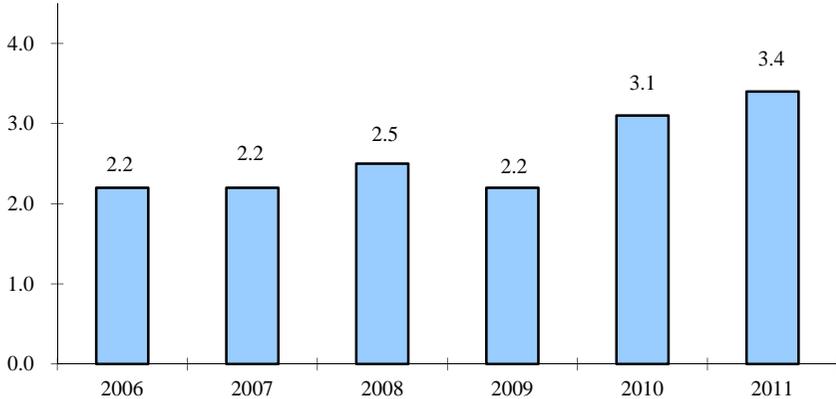
Net Debt / Total Equity



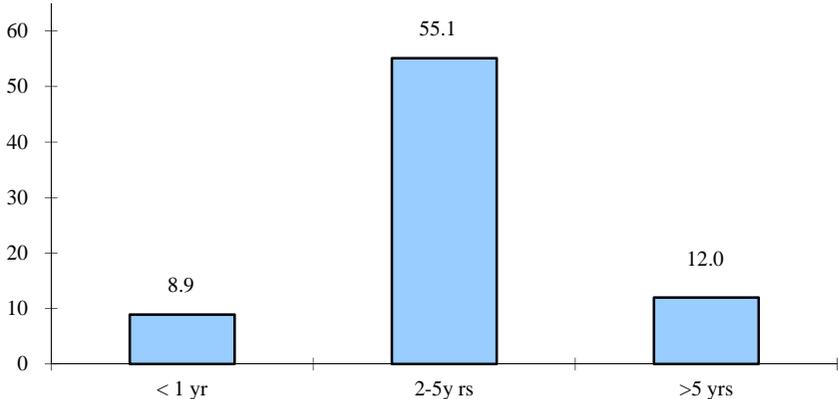
Interest cover



Net debt / EBITDA



Debt maturity (as at 31.12.2011)



Currency Conversion Reference

US\$ 1 = HK\$ 7.80* HK\$ 1 = US\$ 0.128

US\$ 1 = RMB 6.336^ RMB 1 = US\$ 0.158

1 Sq foot = 0.0929 Sq metre 1 Sq metre = 10.764 Sq feet

* - Under the Linked Exchange Rate System of Hong Kong, HK Dollar is fixed with US Dollar

^ - The mid-rate as announced by The People's Bank of China on 31 May 12

