

Full Year Sales Target Completed in First Half

Wheelock and Company Limited
2014 Interim Results Presentation

12 August 2014



2014 Interim Results Highlights



Focused HKDP Core Business and Growth Strategy



Wheelock and Company Limited

HK stock code: 20

Core Business

100%

Wheelock Properties Limited

WHEELOCK
PROPERTIES

Development Properties
Hong Kong

Equity Investments

54.8%

The Wharf (Holdings) Limited

HK stock code: 4


WHARF
Established 1886

Development Properties
China

Investment Properties
Hong Kong & China

Non-Properties
Hong Kong & China

75.8%

Wheelock Properties (Singapore) Limited

Singapore stock code: M35

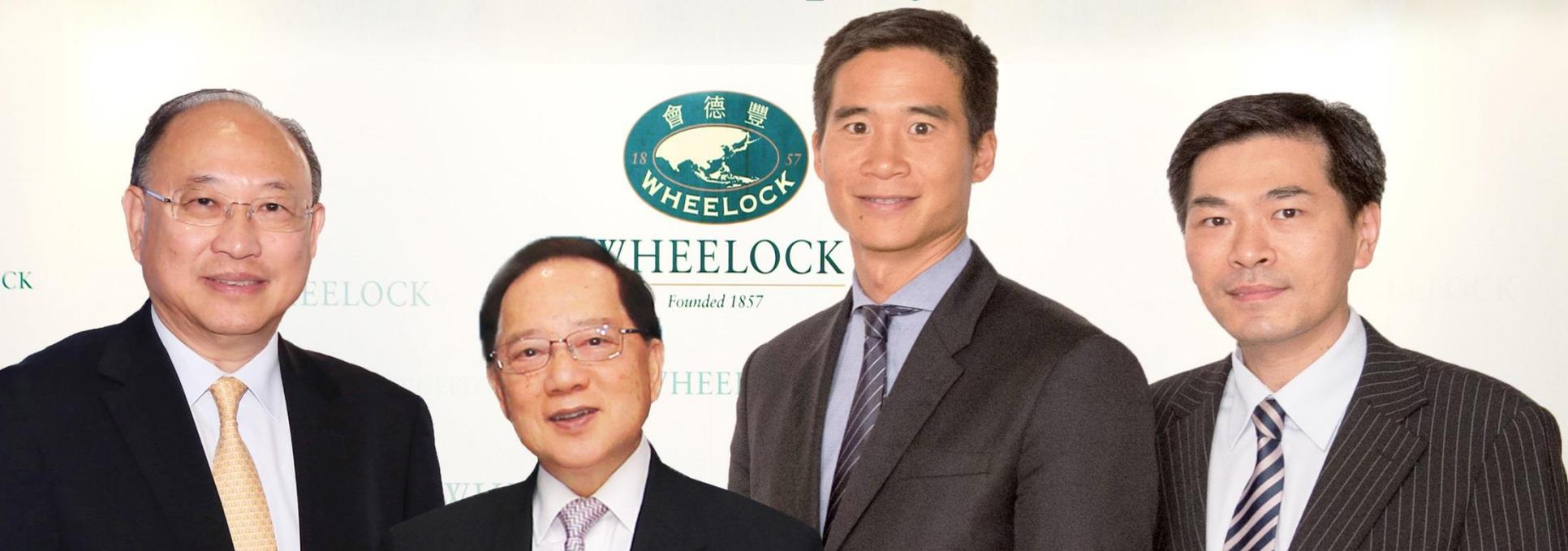
WHEELOCK
PROPERTIES

Development Properties
Singapore

Investment Properties
Singapore

Energetic and Seasoned Management Team

Wheelock and Company Limited



Mr. Paul Tsui

Executive Director &
Group Chief Financial Officer

-FCCA, FCPA, FCMA, CGMA, FCIS, CGA-
Canada

Mr. Stewart Leung

Vice Chairman

-Chairman of REDA Executive Committee
-Over 40 years of experience in
property industry

Mr. Douglas Woo

Chairman &
Managing Director

-Director of REDA
-APEC (HK/ PRC) Alternative Representative
-HKGCC Economic Policy Committee member
-WWF Executive Committee
-Christies Asia Advisory Board
-Member of the HKUST Business School
Advisory Council

Mr. Ricky Wong

Director

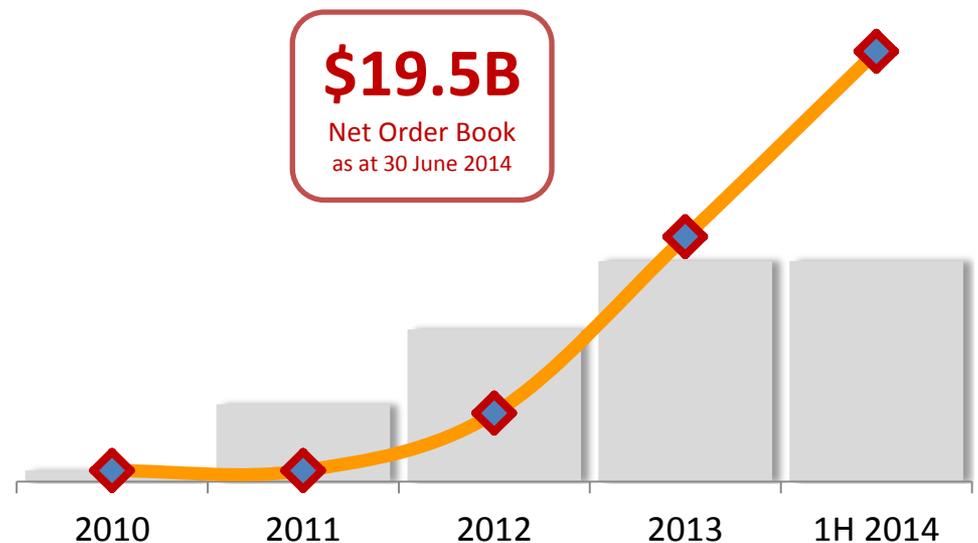
-Associate Member of HKSAR - Central Policy
Unit (CPU)
-Vice Chairman of the Real Estate and
Infrastructure Committee of HKGCC
-Member of Legal Sub-committee of REDA

Profit Contribution from HKDP

- Lexington Hill completed in Mar 2014
- Core business HKDP's operating profit was \$0.7B
- \$19.5B net order book, locking in steady future HKDP revenue



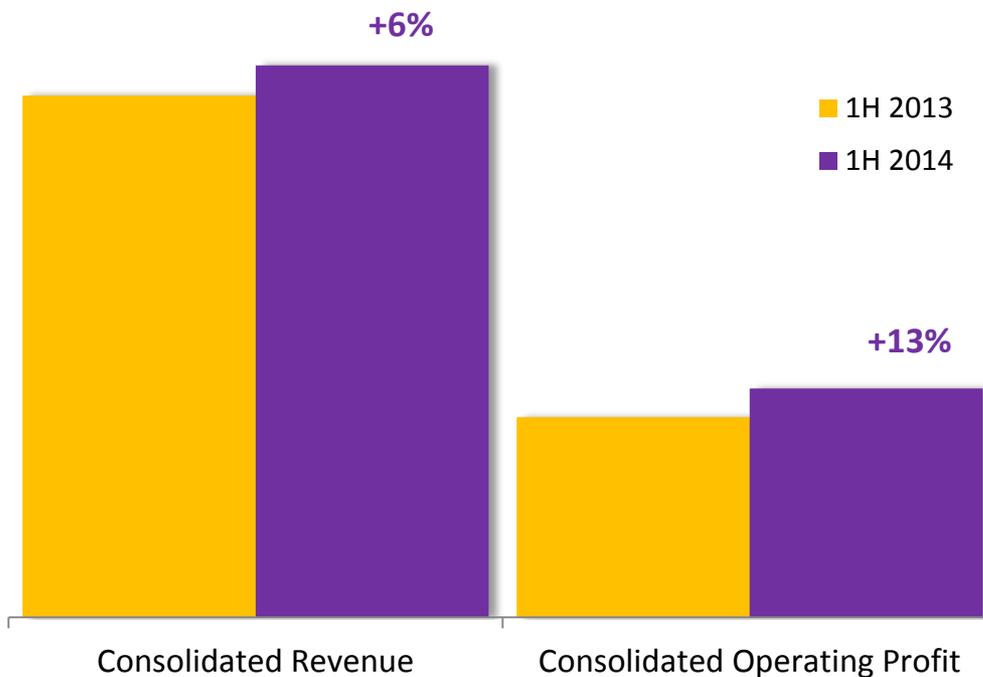
HKDP Operating Profit Breakdown



Net Order Book on hand

Consolidated Operating Results

- ❑ Consolidated revenue +6%
- ❑ Consolidated operating profit +13%
- ❑ Consolidated underlying profit was \$3.5B
- ❑ Interim dividend +10% to 38.5 cents per share

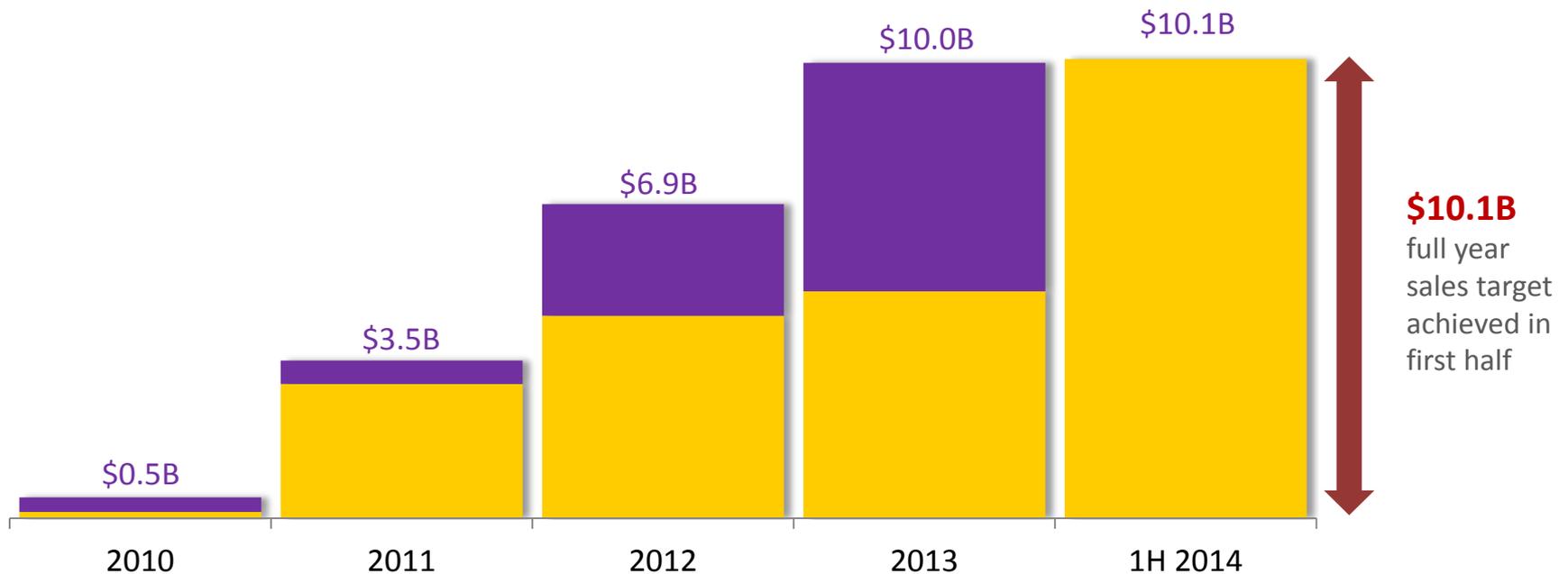


Wheelock Consolidated – Financial Highlights

	1H2013 (HK\$M)	1H2014 (HK\$M)	% Change
Revenue	17,398	18,474	+6%
Operating Profit	7,292	8,241	+13%
Underlying Profit*	4,761	3,547	-25%
Profit Before IP Revaluation Gain	5,155	3,979	-23%
IP Revaluation Gain <small>(net of Tax & NCI)</small>	5,690	3,696	-35%
Profit after IP Revaluation Gain	10,845	7,675	-29%
Earning Per Share			
- Underlying*	HK\$2.34	HK\$1.75	-25%
- Attributable to Shareholders	HK\$5.34	HK\$3.78	-29%
Dividend Per Share			
- First Interim	HK\$0.35	HK\$0.385	+10%

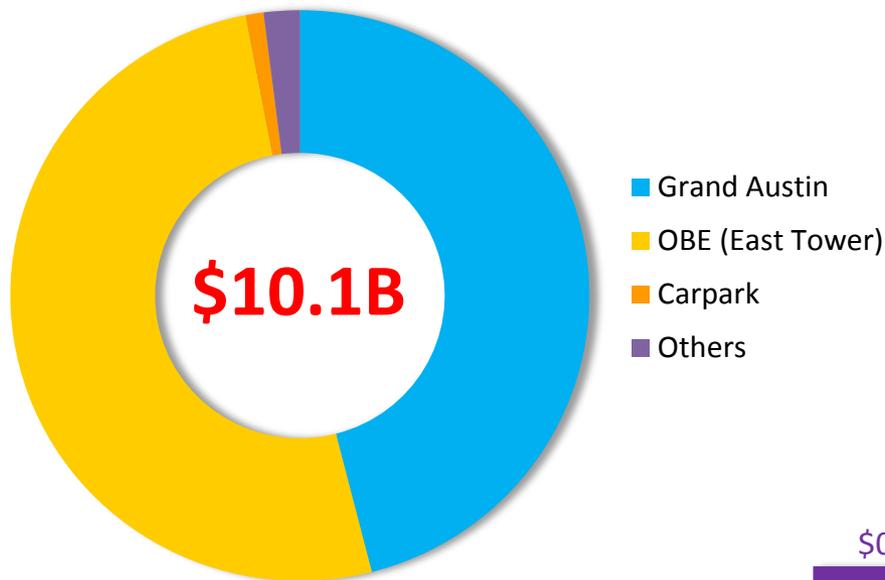
\$10B HKDP Contracted Sales Achieved

- Successfully meeting full year sales target in first half
- Already matched 2013 full year sales

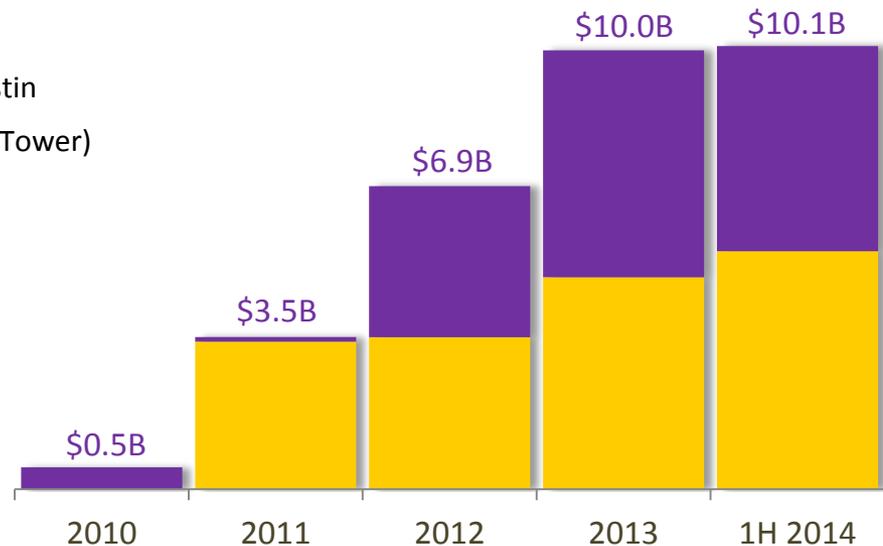


Diversification of Revenue Stream

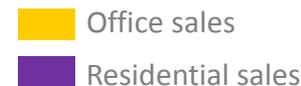
- About half of contracted sales from office in 1H 2014
- Steady office's sales contribution since 2011



1H 2014 HKDP contracted sales breakdown



HKDP contracted sales breakdown (2010 – 1H 2014)



One Office Tower Launched Per Year

**2010
& before**

2011

2012

2013

2014

2015



One Island South

\$3.3B Sales
722,300 sq. ft.



One Midtown

\$2.7B Sales
641,000 sq. ft.



Delta House

\$1.3B Sales
350,000 sq. ft.



**One Bay East
(West Tower)**

\$4.5B Sales
512,000 sq. ft.



**One Bay East
(East Tower)**

\$5.4B Sales
512,000 sq. ft.



One HarbourGate

Under
Planning

One Bay East – \$10B Record Breaking Sales



ONE BAY EAST
HKD4,500,000,000
 has acquired the West Tower of
 One Bay East project
 March 2013

WHEELLOCK
 PROPERTIES



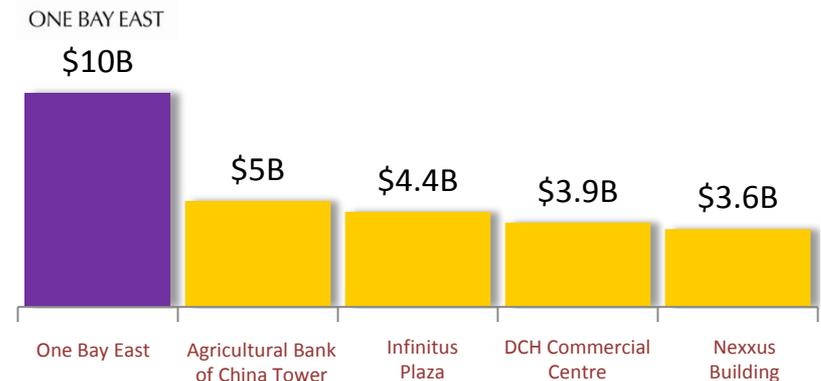

ONE BAY EAST
HKD5,425,000,000
 has acquired the East Tower of
 One Bay East project
 June 2014

WHEELLOCK
 PROPERTIES

Dovetailed precisely with Gov't
 CBD2 concept in that region



HK's largest transacted office
 project



Source: CBRE

Austin – \$25B MTRC Joint Development Project

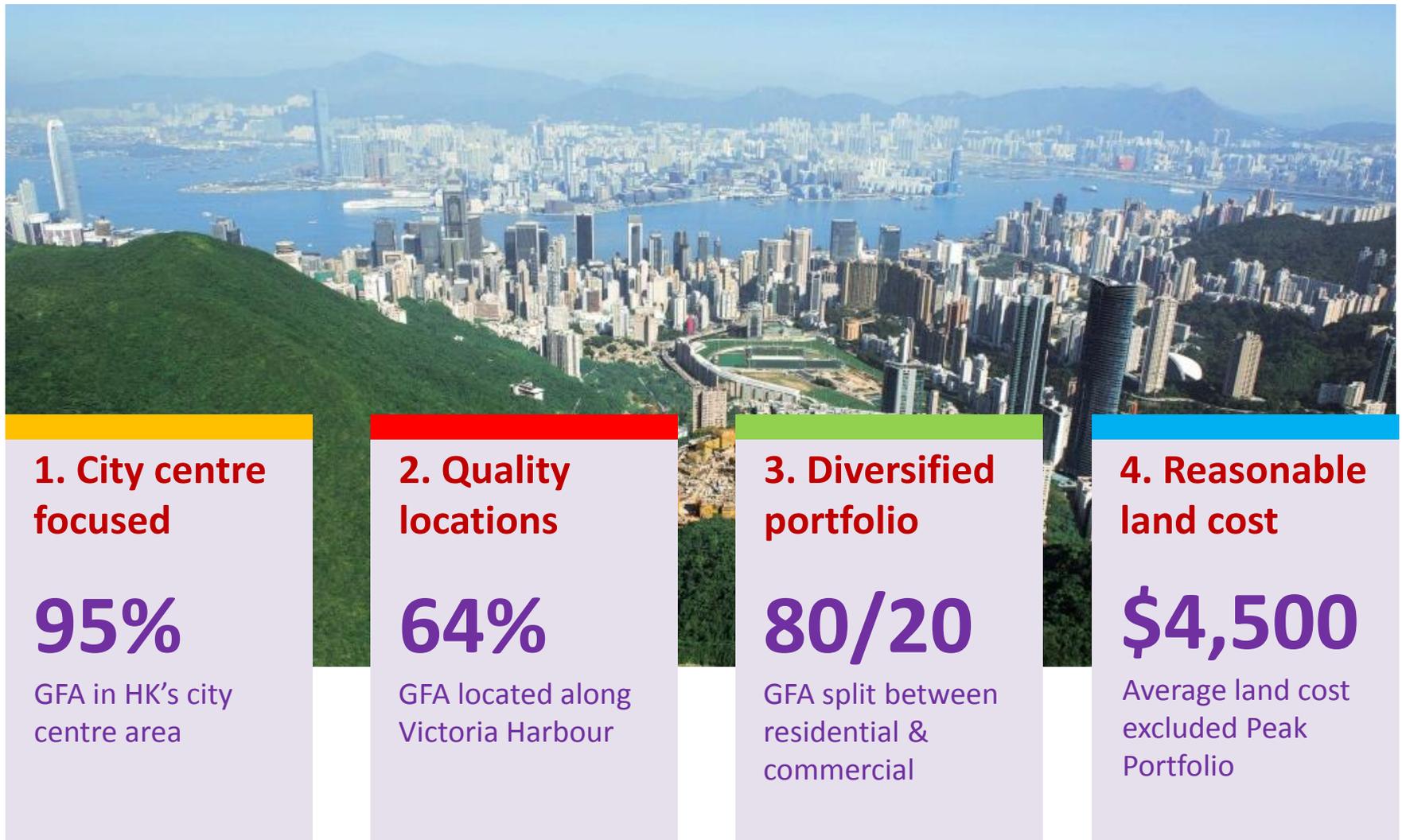
- ❑ Grand Austin presold 99% of total units for \$15B up to July 2014
- ❑ The Austin was fully presold for \$10B in Nov 2013
- ❑ Completing \$25B MTRC joint development project

\$10B
The
Austin

\$15B
Grand
Austin

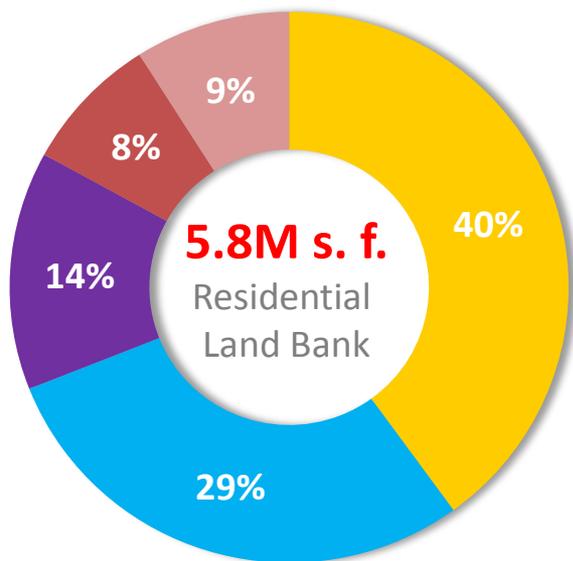


7.4M sq. ft. HKDP Land Bank Under Management



Strategic Focus on HK's Urban Residential Regions

Residential



- TKO South
- Kowloon East
- Kowloon South
- Peak Portfolio
- Others

TKO South

2.0M sq. ft. residential GFA
\$4,200 psf land cost
2,500 residential units

Kowloon East

1.6M sq. ft. residential GFA
All 3 projects at historic cost

Kowloon South

1.1M sq. ft. residential GFA
\$8,380 psf land cost

Including Kai Tak residential
site acquired in May 2014

Peak Portfolio

0.5M sq. ft. residential GFA
3 out of 4 historic land bank

Focusing on HKDP as Core Business

- Crawford House sold to Wharf for \$5.8B on 11 Aug 2014
- Rationalization of resources for Wheelock to focus on HKDP



Tseung Kwan O South – Low Density + Green



- ❑ South facing Harbour view
- ❑ 6.6x avg. plot ratio
- ❑ 2.2M sq. ft. green area
- ❑ 3 MTR stops to Quarry Bay
- ❑ 2M sq. ft. retail facilities
- ❑ International school

70% price premium over other TKO areas

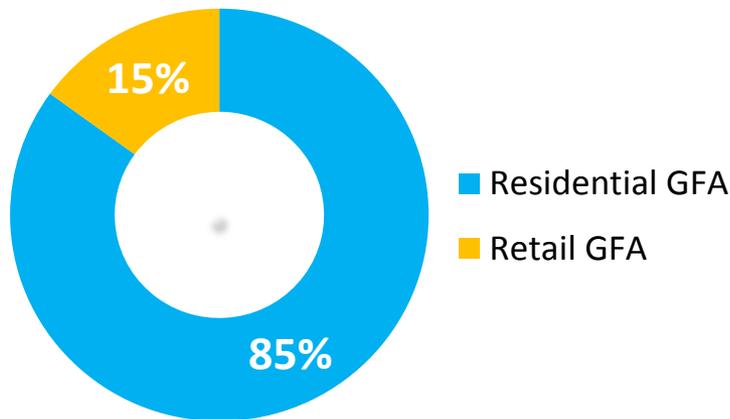


Unit price per gross area
HK\$/sq.ft.

Tseung Kwan O South Portfolio

- ❑ 2.3M sq. ft. GFA land bank
- ❑ 3 out of 4 waterfront sites
- ❑ 560-metre water frontage
- ❑ 6.1x avg. plot ratio vs. 6.6x avg. in the area
- ❑ \$4,200 psf competitive land cost
- ❑ Lot119 presales in 1Q15 or earlier

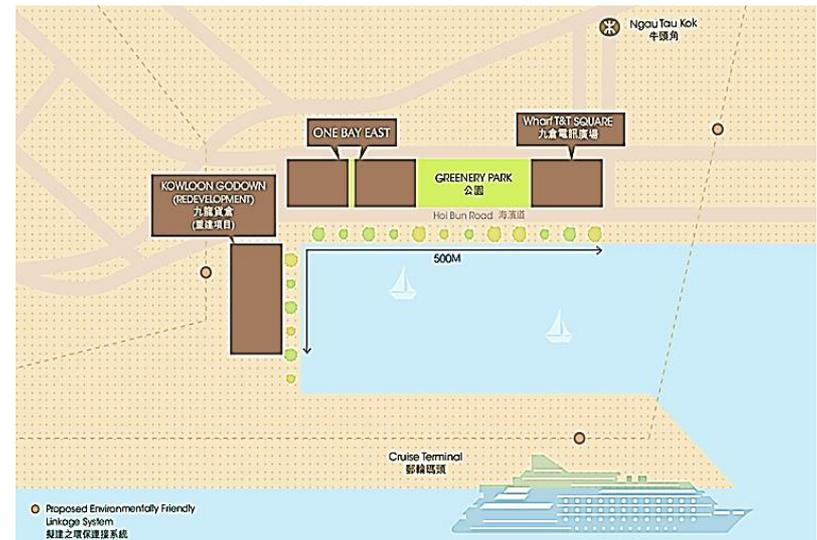
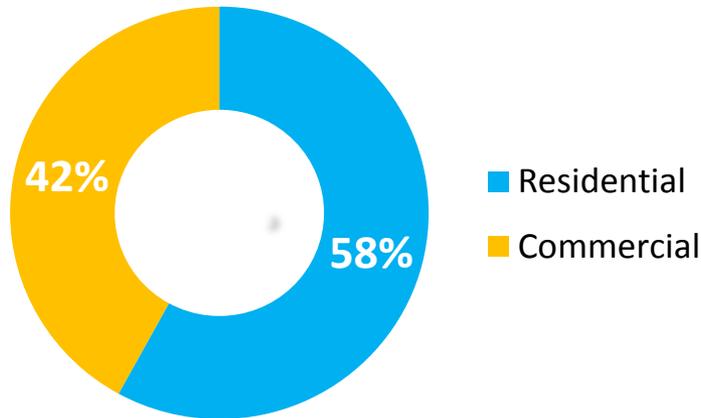
	GFA (sq.ft.)	AV (\$/psf)	Aspect
TL119 (Jan 2012)	0.49M	3,800	Park
TL125 (Dec 2012)	0.43M	4,600	Harbour
TL112 (Apr 2013)	0.57M	4,300	Waterfront
TL126 (Jul 2013)	0.86M	4,300	Harbour
Total GFA	2.35M		



Kowloon East Waterfront Portfolio – Bay East Waterfront Cluster

- ❑ 1.4M sq. ft waterfront land bank
- ❑ 2 projects fronting Victoria Harbour
- ❑ Panoramic Kai Tai Cruise Terminal view
- ❑ MTR + future mono-rail connections
- ❑ Wharf T&T Square redevelopment in 2015

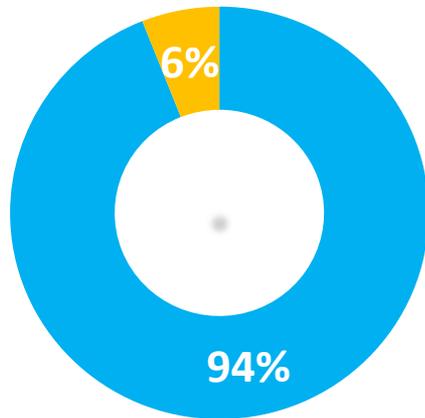
Bay East Waterfront Cluster	GFA (sq. ft.)
Wharf T&T Square	0.60M
Kowloon Godown	0.83M
Total GFA	1.43M



Kowloon East Waterfront Portfolio – Yau Tong Harbourfront Cluster

- ❑ 0.9M sq. ft. waterfront land bank
- ❑ 2 projects fronting Victoria Harbour
- ❑ Proximity to Yau Tong MTR station
- ❑ 2 MTR stops to Quarry Bay
- ❑ Next to East Harbour tunnel

Yau Tong Harbourfront Cluster	Attributed GFA (sq. ft.)
Yau Tong Godown	0.26M
Yau Tong Bay (4M sq.ft. mega residential redevelopment)	0.60M @15% ownership
Total GFA	0.86M



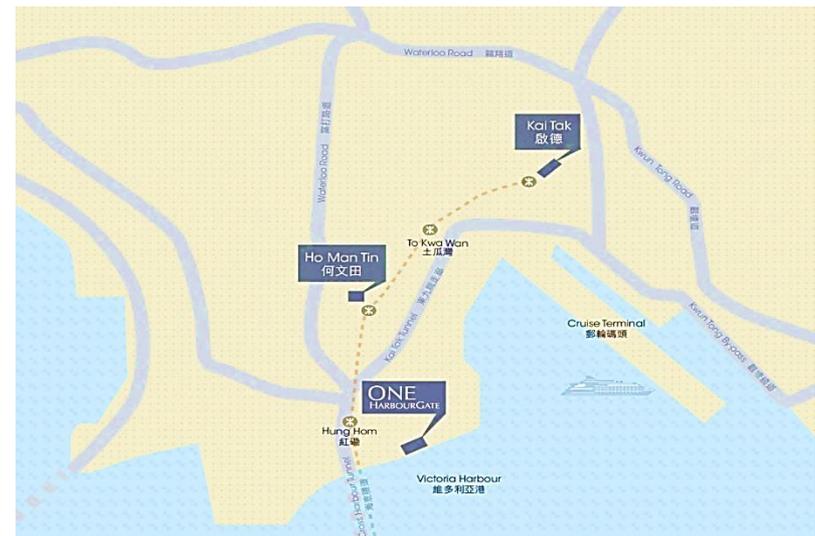
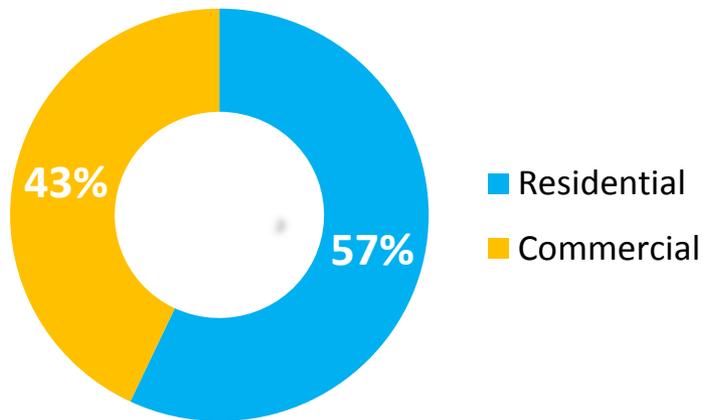
- Residential
- Commercial



Kowloon South Portfolio

- ❑ 1.4M sq. ft. total land bank (up to July 2014)
- ❑ 3 projects in prime urban area
- ❑ Close proximity to MTR stations
- ❑ 1,400 premium residential units
- ❑ 2 harbour-side Grade A office towers

Kowloon South Portfolio	GFA (sq. ft.)	No. of residential units
One Harbour Gate	0.59M	-
Ho Man Tin	0.39M	500
Kai Tak	0.41M	900
Total GFA	1.39M	1,400



The Peak Portfolio

- ❑ Rare 500,000 sq. ft. GFA of luxury land bank
- ❑ **Limited supply**, no available government land supply since 2010
- ❑ **Good locations** for 4 projects under development
- ❑ **Low land cost**, 3 out of 4 are historical land bank, less cashflow pressure

Peak Portfolio	GFA (sq. ft.)
Mount Nicholson	324,900
1 Plantation	91,000
11 Plantation	46,000
77 Peak Road	42,200
Total GFA	0.5M



* Aerial view of Mount Nicholson

Branding Presence in Asia's Key Financial Centres



Wheelock House

- ❑ Group HQ in the historical heart of Central
- ❑ 99% office occupancy
- ❑ 3 Wheelock landmarks in Asia's key financial centers



1. Wheelock House

Hong Kong
Central
1984 completion

2. Wheelock Place

Singapore
Orchard Road
1993 completion

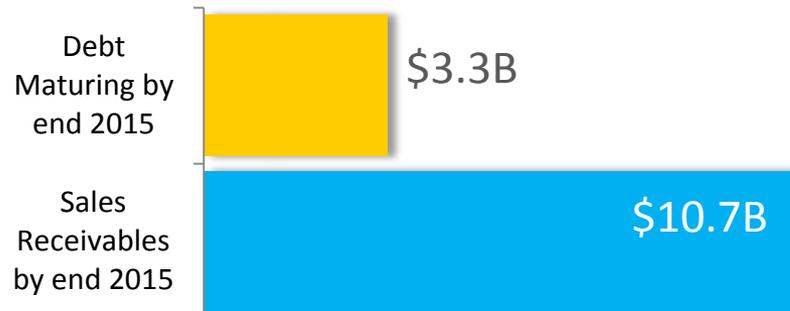
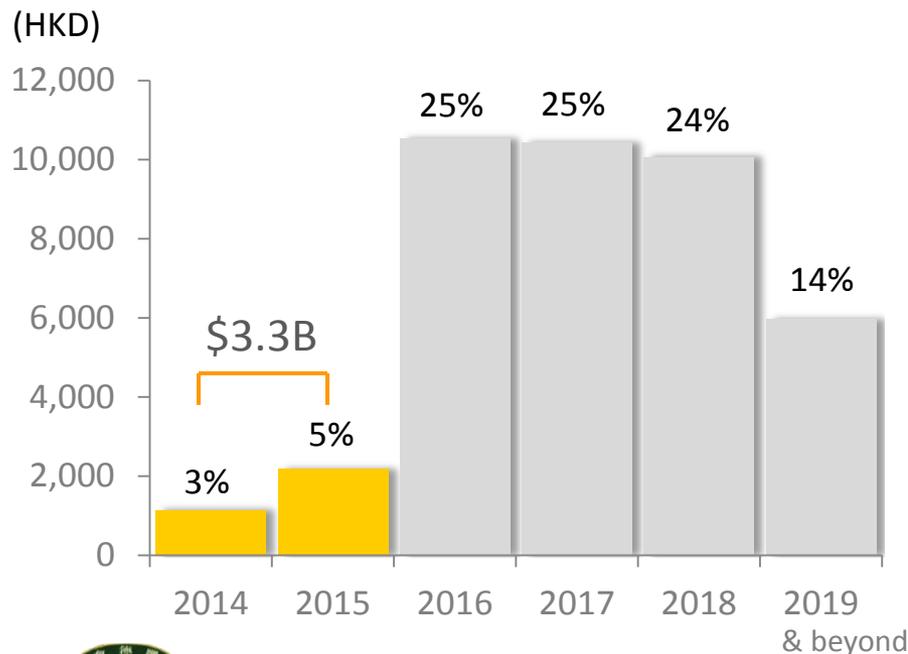
3. Wheelock Square

Shanghai
Nanjing Road West
2010 completion

Strong Financial Position Backed By \$11B Receivables

- Wheelock own net gearing at 23.7%
- \$3.3B or 8 % of debt maturing by end 2015

- \$10.7B sales receivables to recouped by end 2015
- \$2.3B steady dividend cash income in 1H 2014 (received)



Firm Commitment in Business in Community

CSR Key Focuses:

Project *WeCan*

Sustainable
Development

Community

Delivery Quality



Project WeCan – *We Can, Yes We Can!*

- ❑ Youth development programme launched in 2011
- ❑ Support secondary schools with limited resource by funding & staff volunteering
- ❑ 14 schools + 25,000 student counts joined various activities
- ❑ Project *WeCan* 2 will have 30 more schools joining in Sep 2014

**Empower disadvantaged students
with opportunities**



**Wheelock supports
2 secondary schools**



Fung Kai No.1
Secondary School



Ng Yuk
Secondary School

Sustainable Development is What We Treasure

- Sustainable development is an important issue for Wheelock as a developer
- Focus on 4 key areas:

1. Research Funding

14

Research projects Funded by
Woo Wheelock Green Fund
("WWGF")



吳氏會德豐環保基金

2. Green Building Standard

BEAM plus GOLD

3 upcoming developments
provisionally voted BEAM
plus Gold



3. Office's CO2 Emission

-15% CO2

emission by 2017 award in
the WWF HK's low-carbon
office operation gold label
programme for 3 consecutive
years



4. CSR Reporting

GRI G4

sustainability reporting
guidelines 3 Consecutive
years of CSR reporting,
2014 report in accordance
with GRI G4



Community – Well-recognized commitment

- ❑ Actively participated in community activities
- ❑ Fully supported local art and culture developments
- ❑ Proactive participation by staff volunteers



Social Responsibility Award
Of the Year by RICS in
Mar 2014



Caring Company Award

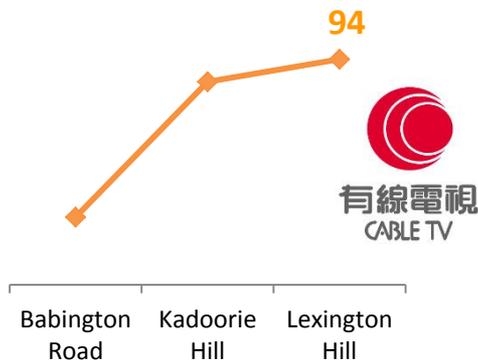


Delivering quality

- ❑ Commitment to quality excellence is a continual process
- ❑ Focused on quality products and services
- ❑ Encouraged by industrial recognition

Quality Products

- BCI Asia's Top 10 Developers Award for 3 straight years
- Residential products ranked in the top percentile in an industrially recognized quality index by Cable TV



Quality Services

Best of the Best Property Management Awards for 2 consecutive years by squarefoot.com



Wharf – IP Drives Value

- ❑ Wheelock holds 54.8% of Wharf, +2.66% from 52.1% since last results announcement. Avg. acquisition cost was \$54 per share.
- ❑ IP underlying profit +18%, accounted for 91% of total profit including net revaluation surplus
- ❑ IP portfolio book value increased to \$270B, excluded hotels in operation and under development
- ❑ Retail malls account for 60% of total value
- ❑ Chengdu IFS, 8.2M sq. ft. development area, size of another Harbour City, is a mega mixed used complex in the core city centre; retail mall was opened in Jan 2014, presently 99% of area leased and nearly 90% commenced operations
- ❑ Acquisition of Crawford House in Central adds to its IP portfolio

End of Presentation

Wheelock and Company Limited [HKEx Stock Code: 0020.HK]

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