

Wheelock Properties contributed to a record first half

HIGHLIGHTS

- With its completion of the highly successful One Island South in Hong Kong, Wheelock Properties became the largest contributor to a record first half for the Group.
- Wheelock Properties' interest in China property development in Foshan, Guangdong was sold to Wharf in June at a consideration of HK\$3.4 billion to increase Wharf's China landbank to 12.4 million square metres. A total profit of about HK\$1.3 billion will be recognised upon the staged completion and sales of the respective properties.
- Attributable non-recurrent items accounted for HK\$601 million of net profit in 2010. Excluding non-recurrent items, underlying profit increased by 72% to HK\$3.8 billion. Attributable profit increased by 56% to HK\$10.2 billion.
- Interim dividend increases by 60% to 4.0 cents per share.
- Net debt (excluding debts of non-wholly owned subsidiaries) decreased by HK\$2.6 billion in the first half to HK\$7.4 billion, after subscribing HK\$5.0 billion to Wharf's rights issue in March.
- In separate government tenders subsequent to the period end, Wheelock Properties acquired two prime sites in Kowloon East for commercial development, with a total GFA of 1.5 million square feet, at a total cost of HK\$7.6 billion. This increased its attributable landbank to 2.7 million square feet.

GROUP RESULTS

Unaudited Group profit attributable to equity shareholders increased by 56% to HK\$10,219 million (2010: HK\$6,533 million). Earnings per share were HK\$5.03 (2010: HK\$3.22).

Excluding the net investment property revaluation surplus and Wharf's one-off exceptional gains recorded in 2010, the Group's underlying recurrent profit increased by 72% to HK\$3,825 million (2010: HK\$2,225 million).

INTERIM DIVIDEND

An interim dividend of 4.0 cents (2010: 2.5 cents) per share will be paid on 30 September 2011 to Shareholders on record as at 22 September 2011, absorbing a total amount of HK\$81 million (2010: HK\$51 million).