

CORE BUSINESS IN PROGRESS IN A CHALLENGING ENVIRONMENT

HONG KONG DEVELOPMENT PROPERTIES HIGHLIGHTS

- **Contracted sales** on track and with HK\$5.8 billion in the first half. The main contributors being Savannah, ONE HOMANTIN and Mount Nicholson.
- **Recognised** HK\$6.7 billion of sales due to the completion of One HarbourGate and Mount Nicholson.
- **Net order book** was HK\$11.6 billion, locking in future revenue stream.
- **Land bank** under management amounted to 8.3 million square feet, with diverse product offerings at competitive cost.
- Subsequent to 30 June 2016:
 - One HarbourGate's East Office Tower and Retail Villa were sold. Together with the West Office Tower and Retail Villa sold in November 2015, the development is fully sold and achieved total sales of HK\$10.4 billion. The site was bought in 2011 for HK\$4.0 billion.
 - Total office sales since 2011 amounted to HK\$28 billion, demonstrating the Group's successful office development strategy.
 - Mount Nicholson's House No. 8 was sold, representing the third house sold since the project was launched in February 2016. To date, the development has generated HK\$2.2 billion of sales (HK\$1.1 billion on attributable basis) and represented one of the best selling luxury residential projects in Hong Kong this year.

WHEELOCK GROUP CONSOLIDATED HIGHLIGHTS

- Group core profit decreased to HK\$5.1 billion since 2015's profit was mainly driven by the significant contribution from One Bay East.
- Strong balance sheet and holding power as Wheelock's net gearing before consolidation was reduced to 12.7% (December 2015: 16.0%). Sales receivable was HK\$7.1 billion.
- Attributable core profit from Wharf increased by 20% to HK\$3.6 billion.

GROUP RESULTS (UNAUDITED)

Excluding investment property revaluation gain and exceptional items, core profit was HK\$5,126 million (2015: HK\$6,329 million).

Group profit attributable to equity shareholders was HK\$5,662 million (2015: HK\$8,006 million). Earnings per share were HK\$2.79 (2015: HK\$3.94).

INTERIM DIVIDEND

An interim dividend of 45.0 cents (2015: 42.5 cents) per share will be paid on 19 September 2016 to Shareholders on record as at 9 September 2016, absorbing a total amount of HK\$914 million (2015: HK\$864 million).