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SWIRE PACIFIC LIMITED

太古股份有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Codes: 00019 and 00087)

SWIRE PROPERTIES LIMITED

太古地產有限公司

(Incorporated in Hong Kong with limited liability)
(Stock Code: 1972)

Announcement

Quarterly Operating Statement of Swire Properties Limited First Quarter 2016

This statement contains certain operating information about Swire Properties Limited in relation to the first quarter of 2016. The information has been prepared on the basis of internal management records. It has not been audited or reviewed by external auditors.

1. Completed Investment Properties

Office

Principal Properties	Occupancy		Area Let (New and renewed tenancies) (For the three months ended 31 Mar 2016)	Reversion ⁽¹⁾ (For the three months ended 31 Mar 2016) (including rent reviews)	Latest Rentals (Headline)
	(As at 31 Dec 2015)	(As at 31 Mar 2016)			
Hong Kong			(sq ft)		(HK\$ psf)
Pacific Place	100%	98%	437,796	+ 13%	1PP / 2PP: 110 – 130 3PP: 95 – 100
Cityplaza	100%	100%	136,508	+ 10%	mid 40s – high 40s
Taikoo Place ^{(2) (3)}	99%	99%	322,473	+ 17%	mid 40s – high 40s
One Island East	99%	100%	258,783	+ 32%	mid 50s – high 60s
Overall HK Office	99%	99%	N/A	N/A	N/A
Mainland China			(sq m)		(RMB psm)
TaiKoo Hui Offices	100%	100%	12,910	N/A	mid 100s – low 200s
ONE INDIGO	92% ⁽⁴⁾	91% ⁽⁴⁾	3,734	N/A	mid 200s – high 200s

Retail

Principal Properties	Occupancy		Retail Sales Growth <i>(For the three months ended 31 Mar 2016)</i>
	<i>(As at 31 Dec 2015)</i>	<i>(As at 31 Mar 2016)</i>	
<u>Hong Kong</u>			
The Mall, Pacific Place	100%	100%	- 15.4%
Cityplaza	100%	100%	- 3.9%
Citygate Outlets	100%	100%	- 14.0%
<u>Mainland China</u>			
Taikoo Li Sanlitun	94% ⁽⁴⁾	92% ⁽⁴⁾	+ 5.4%
TaiKoo Hui, Guangzhou	99% ⁽⁴⁾	99% ⁽⁴⁾	+ 4.9%
INDIGO	97% ⁽⁴⁾	98% ⁽⁴⁾	+ 16.4%
Sino-Ocean Taikoo Li Chengdu	88% ⁽⁴⁾	89% ⁽⁴⁾	+138.9%

Notes:

- (1) Reversion is the percentage change in rent on lease renewals, entry into new leases and rent reviews.
- (2) Including PCCW Tower.
- (3) Excluding techno-centres (because the redevelopment of Cornwall House and Warwick House is being planned).
- (4) Including space allocated to prospective tenants who have signed letters of intent.

2. Investment Properties and Hotels Under Development

Principal Properties	GFA <i>(100% basis)</i>	Expected Completion	Development Status
<u>Hong Kong</u>			
Somerset House redevelopment	<i>(sq ft)</i> ~1,020,000	2018	- Foundation works completed and substructure works in progress.
Tung Chung Town Lot No. 11	~477,700 ⁽⁵⁾	2018	- Excavation and foundation works in progress.
New Kowloon Inland Lot No. 6312	~555,000	2017	- Substructure and superstructure works in progress.
8 – 10 Wong Chuk Hang Road	~382,500	2018	- Excavation and foundation works in progress.
<u>Mainland China</u>			
HKRI Taikoo Hui, Shanghai	<i>(sq m)</i> 322,272	From 2016 ⁽⁶⁾	- Structural works completed. - Interior decoration, mechanical and electrical installation works in progress.

Miami, Florida, USA	(sq ft)		
Brickell City Centre	1,077,000 ⁽⁷⁾	From 2016 ⁽⁸⁾	- Three Brickell City Centre (one of two office buildings in the development) completed in January 2016 and handed over in February 2016.
	(Phase I)		- Occupation permit for EAST, Miami and serviced apartments issued in April 2016.
	1,967,000 ^{(7) (9)}	To be determined	- Construction works of other components of the development in progress.
	(Phase II)		- Phase II, development being planned.

Notes:

- (5) Excluding public transport terminus of approximately 61,900 sq ft to be built and handed over to the Hong Kong Government upon completion.
- (6) The development is expected to open in phases commencing from 2016.
- (7) Represents leasable / saleable area.
- (8) The development is expected to open in phases commencing from 2016.
- (9) Including residential portion.

3. Trading Properties

Trading Properties	GFA (100% basis)	Expected Completion	Expected Handover	Development Status
Hong Kong	(sq ft)			
ALASSIO	195,533	2016	2017	- Interior and exterior finishing works in progress.
Miami, Florida, USA	(sq ft)			
REACH, Brickell City Centre	567,000 ⁽¹⁰⁾	2016	2016	- Occupation permit for most floors issued in March 2016.
RISE, Brickell City Centre	567,000 ⁽¹⁰⁾	2016	2016	- Construction works in progress.

Trading Properties Sold or Being Sold or Pre-sold (As at 12 May 2016)	Saleable Area ⁽¹¹⁾ (100% basis)	Total Units	Units Sold / Pre-sold	Average Sale Price ⁽¹²⁾ (based on saleable area)
Hong Kong	(sq ft)			(HK\$ psf)
MOUNT PARKER RESIDENCES	2,748	92	91 ⁽¹³⁾	24,833
AREZZO	11,818	127	118 ⁽¹⁴⁾	30,713
WHITESANDS	62,957	28	1 ⁽¹⁵⁾	25,754
ALASSIO	29,671	197	176 ⁽¹⁶⁾	27,656
Miami, Florida, USA	(sq ft)			(US\$ psf)
REACH, Brickell City Centre	96,519	390	339 ⁽¹⁷⁾	mid 600s
RISE, Brickell City Centre	328,755	390	168 ⁽¹⁸⁾	high 600s

Notes:

- (10) Represents saleable area.
- (11) Represents the saleable area of the remaining unsold units.
- (12) Excluding car parks.
- (13) The profit from the sale of 91 units was recognised before 2016.
- (14) The profit from the sale of 112 units was recognised in 2015. The profit from the sale of six units is expected to be recognised in 2016.
- (15) The profit from the sale of one unit was recognised in 2015.
- (16) The profit from the sale of 176 pre-sold units is expected to be recognised in 2017.
- (17) 339 units have been sold. Three of the buyers have unexpired statutory rights of rescission. The development is substantially completed and was available for handover to purchasers from April 2016.
- (18) 168 units have been sold. Four of the buyers have unexpired statutory rights of rescission. The development is expected to be completed and available for handover to purchasers in the second half of 2016.

Investors are advised to exercise caution in dealing in shares of Swire Pacific Limited and Swire Properties Limited.

As at the date of this announcement, the Directors of Swire Pacific Limited are:

Executive Directors: J.R. Slosar (Chairman), G.M.C. Bradley, I.K.L. Chu, M. Cubbon, J.B. Rae-Smith, I.S.C. Shiu, A.K.W. Tang;

Non-Executive Directors: M.B. Swire, S.C. Swire; and

Independent Non-Executive Directors: T.G. Freshwater, C. Lee, R.W.M. Lee, G.R. H Orr, M.C.C. Sze and M.M.T. Yang.

As at the date of this announcement, the Directors of Swire Properties Limited are:

Executive Directors: J.R. Slosar (Chairman), G.M.C. Bradley and M.M.S. Low;

Non-Executive Directors: M. Cubbon, P. Healy, R.S.K. Lim and M.B. Swire;

Independent Non-Executive Directors: S.E. Bradley, J.C.C. Chan, P.K. Etchells, S.T. Fung and S.C. Liu.

By Order of the Board
SWIRE PACIFIC LIMITED
太古股份有限公司
David Fu
Company Secretary

Hong Kong, 13th May 2016

By Order of the Board
SWIRE PROPERTIES LIMITED
太古地產有限公司
David Fu
Company Secretary

Hong Kong, 13th May 2016