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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 Fourth Quarter 2016

This statement contains certain operating information about Swire Properties Limited in relation to the fourth 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) <i>(For the year ended 31 Dec 2016)</i>	Reversion ⁽¹⁾ <i>(For the year ended 31 Dec 2016)</i> <i>(including rent reviews)</i>	Latest Rentals <i>(Headline)</i>
	<i>(As at 31 Dec 2015)</i>	<i>(As at 31 Dec 2016)</i>			
Hong Kong			<i>(sq ft)</i>		<i>(HK\$ psf)</i>
Pacific Place	100%	100%	657,362	+ 14%	1PP / 2PP: 115 – 135 3PP: 100 – 105
Cityplaza	100%	100%	220,646	+ 9%	mid 40s – high 40s
Taikoo Place ^{(2) (3)}	99%	98%	432,253	+ 15%	low 40s – high 40s
One Island East	99%	100%	294,469	+ 29%	mid 50s – high 60s
Overall HK Office	99%	99% ⁽³⁾	N/A	N/A	N/A
Mainland China			<i>(sq m)</i>		<i>(RMB psm)</i>
TaiKoo Hui Offices	100%	99%	20,443	N/A	mid 100s – low 200s
ONE INDIGO	92% ⁽⁴⁾	90% ⁽⁴⁾	8,152	N/A	mid 200s – high 200s

Retail

Principal Properties	Occupancy		Retail Sales Growth
	(As at 31 Dec 2015)	(As at 31 Dec 2016)	(For the year ended 31 Dec 2016)
<u>Hong Kong</u>			
The Mall, Pacific Place	100%	100%	- 12.8%
Cityplaza	100%	100%	- 3.7%
Citygate Outlets	100%	100%	- 8.0% ⁽⁵⁾
<u>Mainland China</u>			
Taikoo Li Sanlitun	94% ⁽⁴⁾	94% ⁽⁴⁾	+ 5.6%
TaiKoo Hui, Guangzhou	99% ⁽⁴⁾	99% ⁽⁴⁾	+ 9.9%
INDIGO	97% ⁽⁴⁾	98% ⁽⁴⁾	+ 20.0%
Sino-Ocean Taikoo Li Chengdu	88% ⁽⁴⁾	92% ⁽⁴⁾	+78.3%

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.
- (4) Including space allocated to prospective tenants who have signed letters of intent.
- (5) Excluding area closed for renovation and upgrading works during the fourth quarter.

2. Investment Properties and Hotels Under Development

Principal Properties	GFA (100% basis)	Expected Completion	Development Status
<u>Hong Kong</u>			
One Taikoo Place	(sq ft) ~1,020,000	2018	- Substructure and superstructure works in progress.
Tung Chung Town Lot No. 11	~475,000 ⁽⁶⁾	2018	- Excavation, substructure and superstructure works in progress.
New Kowloon Inland Lot No. 6312 ⁽⁷⁾	~555,000	2017	- Superstructure works in progress.
8 – 10 Wong Chuk Hang Road	~382,500	2018	- Substructure and superstructure works in progress.
Two Taikoo Place	~1,000,000	2021 / 2022	- Works preparatory to demolition of Warwick House in progress.
<u>Mainland China</u>			
HKRI Taikoo Hui, Shanghai	(sq m) 322,315	From 2016	- Shopping mall and HKRI Center 1 (one of two office buildings in the development) completed in August 2016 and tenants fit out work in progress. - Construction of HKRI Center 2 (another office building in the development), hotels and serviced apartment in progress.

Miami, Florida, USA	(sq ft)		
Brickell City Centre	1,967,000 ^{(8) (9)}	To be determined	- Phase II development under planning.
	(Phase II)		

Notes:

- (6) Excluding a public transport terminus of approximately 64,200 sq ft to be built and handed over to the Hong Kong Government upon completion.
- (7) Swire Properties Limited entered into a conditional sale and purchase agreement on 28th October 2016 for the sale of Swire Properties Limited's 100% interest in the company which owns the investment property situated at New Kowloon Inland Lot No. 6312.
- (8) Represents leasable / saleable area.
- (9) Including residential portion.

3. Trading Properties

Trading Properties Sold or Being Sold or Pre-sold <i>(As at 9 Feb 2017)</i>	Saleable Area ⁽¹⁰⁾ <i>(100% basis)</i>	Total Units	Units Sold / Pre-sold	Average Sale Price ⁽¹¹⁾ <i>(based on saleable area)</i>
Hong Kong	(sq ft)			(HK\$ psf)
MOUNT PARKER RESIDENCES	0	92	92 ⁽¹²⁾	25,363
AREZZO	0	127	127 ⁽¹³⁾	30,477
WHITESANDS	60,647	28	2 ⁽¹⁴⁾	23,031
ALASSIO	0	197	197 ⁽¹⁵⁾	30,787
Miami, Florida, USA	(sq ft)			(US\$ psf)
REACH, Brickell City Centre	73,059	390	353 ⁽¹⁶⁾	mid 600s
RISE, Brickell City Centre	301,806	390	185 ⁽¹⁷⁾	high 600s

Notes:

- (10) Represents the saleable area of the remaining unsold units.
- (11) Excluding carparks.
- (12) The profit from the sale of 91 units was recognised before 2016. The profit from the sale of the other unit was recognised in 2016.
- (13) The profit from the sale of 112 units was recognised in 2015. The profit from the sale of 15 units was recognised in 2016.
- (14) The profit from the sale of one unit was recognised in 2015. The profit for the sale of the other unit was recognised in 2016.
- (15) Occupation permit was issued in December 2016. The profit from the sale of 197 pre-sold units is expected to be recognised in 2017.
- (16) The profit from the sale of 347 units was recognised in 2016. The profit from the sale of six units is expected to be recognised in 2017.
- (17) The profit from the sale of 171 units was recognised in 2016. The profit from the sale of 14 units is expected to be recognised in 2017.

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, 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; and

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, 10th February 2017

By Order of the Board

SWIRE PROPERTIES LIMITED

太古地產有限公司

David Fu

Company Secretary

Hong Kong, 10th February 2017