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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 2017

This statement contains certain operating information about Swire Properties Limited in relation to the fourth quarter of 2017. 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 year ended 31 Dec 2017)	Reversion ⁽¹⁾ (For the year ended 31 Dec 2017) (including rent reviews)	Latest Rentals (Headline)
	(As at 31 Dec 2016)	(As at 31 Dec 2017)			
<u>Hong Kong</u>			(sq ft)		(HK\$ psf)
Pacific Place	100%	100%	347,162	+ 15%	1PP / 2PP: 125 – 150 3PP: 110 – 115
Cityplaza	100%	97%	252,248	+ 6%	mid 40s – high 40s
Taikoo Place ^{(2) (3)}	98%	99%	752,783	+ 3%	low 40s – low 50s
One Island East	100%	100%	269,627	+ 10%	mid 50s – high 60s
Overall HK Office	99% ⁽³⁾	99% ⁽³⁾	N/A	N/A	N/A
<u>Mainland China</u>			(sq m)		(RMB psm)
TaiKoo Hui Offices	99%	99%	23,648	N/A	mid 100s – low 200s
ONE INDIGO	90%	98%	24,539	N/A	mid 200s – high 200s
HKRI Centre 1 & Centre 2	N/A	82% ⁽⁴⁾	73,457	N/A	mid 300s – high 300s

Retail

Principal Properties	Occupancy		Retail Sales Growth
	(As at 31 Dec 2016)	(As at 31 Dec 2017)	(For the year ended 31 Dec 2017)
<u>Hong Kong</u>			
The Mall, Pacific Place	100%	100%	+ 7.2%
Cityplaza	100%	100%	- 3.0%
Citygate Outlets	100%	100%	+ 0.2% ⁽⁵⁾
<u>Mainland China</u>			
Taikoo Li Sanlitun	94%	99%	+ 4.3%
TaiKoo Hui, Guangzhou	99%	99%	+ 27.3%
INDIGO	98%	99%	+ 59.7%
Sino-Ocean Taikoo Li Chengdu	92%	95%	+ 48.8%
HKRI Taikoo Hui, Shanghai	N/A	96% ⁽⁴⁾	N/A
<u>Miami, Florida, USA</u>			
Brickell City Centre	91% ⁽⁴⁾	88% ⁽⁴⁾	N/A

Notes:

- (1) Reversion is the percentage change in rent on lease renewals, entry into new leases and rent reviews.
- (2) Including PCCW Tower but excluding certain long-term leases.
- (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 year.

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	- The building was topped out in January 2018. - The facade and finishing works are in progress.
Tung Chung Town Lot No. 11	~474,000 ⁽⁶⁾	2018	- Superstructure works in progress.
New Kowloon Inland Lot No. 6312 ⁽⁷⁾	~555,000	2017	- Occupation permit was obtained in December 2017.
South Island Place (formerly known as "8 – 10 Wong Chuk Hang Road")	~382,500	2018	- Superstructure works in progress.
Two Taikoo Place	~1,000,000	2021 / 2022	- Demolition of Cornwall House in progress. - Foundation works for Two Taikoo Place in progress.
Po Wah Building, 1-11 Landale Street and 2-12 Anton Street	To be determined	To be determined	- Redevelopment under planning.

Principal Properties	GFA (100% basis)	Expected Completion	Development Status
<u>Mainland China</u>	(sq m)		
HKRI Taikoo Hui, Shanghai	322,315	From 2016	- Shopping mall started to open in May 2017. - Tenants moving into the HKRI Centre 1 and HKRI Centre 2 progressively. - Hotels and serviced apartments expected to open later in the first half of 2018.
<u>Miami, Florida, USA</u>	(sq ft)		
Brickell City Centre	1,967,000 ^{(8) (9)}	To be determined	- Future development under planning.

Notes:

- (6) Excluding a public transport terminus of approximately 65,000 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 or saleable area.
- (9) Including residential portion.

3. Trading Properties

Trading Properties	GFA (100% basis)	Expected Completion	Expected Handover	Development Status
<u>Hong Kong</u>	(sq ft)			
21-31 Wing Fung Street	29,928 ⁽¹⁰⁾	2021	2022	- Redevelopment under planning.

Trading Properties (As at 8 February 2018)	Saleable Area ⁽¹¹⁾ (100% basis)	Total Houses/ Units	Houses/ Units Sold	Average Sale Price (based on saleable area)
<u>Hong Kong</u>	(sq ft)			(HK\$ psf)
WHITESANDS	21,801	28	19 ⁽¹²⁾	20,378
<u>Miami, Florida, USA</u>	(sq ft)			(US\$ psf)
REACH, Brickell City Centre	51,053	390	363 ⁽¹³⁾	mid 600s
RISE, Brickell City Centre	266,244	390	211 ⁽¹⁴⁾	high 600s

Notes:

- (10) Excluding a retail podium of approximately 4,200 sq ft which will be retained by the Company for investment purposes.
- (11) Represents the saleable area of the remaining unsold units.
- (12) The profit from the sale of two houses was recognised before 2017. The profit from the sale of 14 houses was recognised in 2017 and the profit from the sale of three houses is expected to be recognised in the first half of 2018.
- (13) The profit from the sale of 347 units was recognised in 2016. The profit from the sale of 12 units was recognised in 2017 and the profit from the sale of four units is expected to be recognised in 2018.
- (14) The profit from the sale of 171 units was recognised in 2016. The profit from the sale of 28 units was recognised in 2017 and the profit from the sale of 12 units is expected to be recognised in 2018.

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), I.K.L. Chu, D.P. Cogman, M.M.S. Low;
Non-Executive Directors: M.B. Swire, S.C. Swire; and
Independent Non-Executive Directors: P.K. Etchells, T.G. Freshwater, C. Lee, R.W.M. Lee and G.R.H. Orr.

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

Executive Directors: J.R. Slosar (Chairman), G.M.C. Bradley, F.N.Y. Lung;
Non-Executive Directors: P. Healy, R.S.K. Lim, M.M.S. Low, M.B. Swire; and
Independent Non-Executive Directors: S.E. Bradley, L.K.L. Cheng, S.T. Fung, S.C. Liu and M.Y. Wu.

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

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

Hong Kong, 9th February 2018

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