



One Taikoo Place

2019 INTERIM RESULTS | ANALYST BRIEFING

8TH AUGUST 2019

DISCLAIMER

This presentation has been prepared by Swire Properties Limited (“the “Company”, and together with its subsidiaries, the “Group”) solely for information purposes and certain information has not been independently verified. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the accuracy, fairness, completeness, reasonableness or correctness of the information or opinions presented herein or any verbal or written communication in connection with the contents contained herein. Neither the Company nor any of its affiliates, directors, officers, employees, agents, advisers or representatives shall have any responsibility or liability whatsoever, as a result of negligence, omission, error or otherwise, for any loss howsoever arising in relation to any information presented or contained in this presentation. The information presented or contained in this presentation is subject to change without notice and shall only be considered current as of the date of this presentation.

This presentation may contain certain forward-looking statements that reflect the Company’s beliefs, plans or expectations about the future or future events. These forward-looking statements are based on a number of assumptions, current estimates and projections, and are therefore subject to inherent risks, uncertainties and other factors beyond the Company’s control. The actual results or outcomes of events may differ materially and/or adversely due to a number of factors, including changes in the economies and industries in which the Group operates (in particular in Hong Kong and Mainland China), macro-economic and geopolitical uncertainties, changes in the competitive environment, foreign exchange rates, interest rates and commodity prices, and the Group’s ability to identify and manage risks to which it is subject. Nothing contained in these forward-looking statements is, or shall be, relied upon as any assurance or representation as to the future or as a representation or warranty otherwise. Neither the Company nor its directors, officers, employees, agents, affiliates, advisers or representatives assume any responsibility to update these forward-looking statements or to adapt them to future events or developments or to provide supplemental information in relation thereto or to correct any inaccuracies.

This presentation is for information purposes only and does not constitute or form any part of, and should not be construed as, an invitation or offer to acquire, purchase or subscribe for securities nor is it calculated to invite any such offer or invitation, whether in Hong Kong, the United States, or elsewhere.

This presentation does not constitute, and should not be construed as, any recommendation or form the basis for any investment decisions regarding any securities of the Company. Potential investors and shareholders of the Company should exercise caution when investing in or dealing in the securities of the Company.

AGENDA

1. Results Highlights
2. Investment Portfolio
3. Trading Portfolio
4. Hotel Portfolio
5. Financial Highlights
6. Financing
7. Prospects
8. Q&A

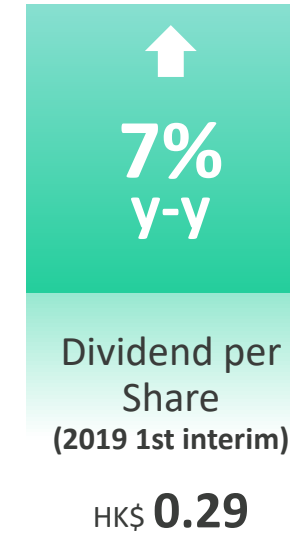
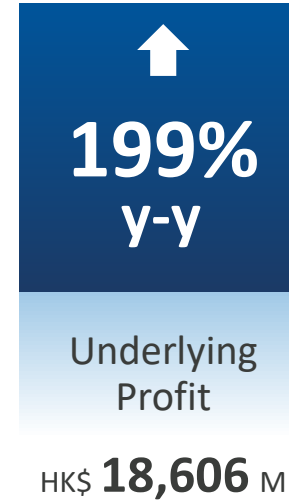
Guy Bradley,
Chief Executive

Fanny Lung,
Finance Director



2019 INTERIM RESULTS HIGHLIGHTS

- Active capital recycling efforts boosted underlying profit growth and balance sheet strength.
- Solid rental income growth supporting sustainable dividends.
- Well-positioned for opportunities with a historical-low gearing since listing.



KEY DEVELOPMENTS

MAJOR DISPOSALS



CITYPLAZA THREE/ CITYPLAZA FOUR ⁽¹⁾

Sale for HK\$15bn completed.

April 2019



625 KING'S ROAD OFFICE BUILDING

Sale of 50% interest for HK\$2.4bn completed.

July 2019

NEW PROJECTS



EDEN

First residential project in Singapore announced.

April 2019

20 units



RESIDENTIAL PROJECT IN JAKARTA

Acquisition of a plot of land completed by 50%-owned JV.

July 2019

over 400 units



SUSTAINABILITY- LINKED LOAN

Signed.

July 2019

PROJECT PIPELINE WITH AN ENHANCED MIX

Continue to look for new investment opportunities.



(1) Two Taikoo Place is expected to be completed in 2021 or 2022.

(2) Two sites in Hong Kong are intended for redevelopment for office and other commercial uses, subject to Swire Properties having successfully bid in the compulsory sale of the sites.

(3) This site can be redeveloped for residential and retail uses, subject to a joint venture company in which Swire Properties holds a 50% interest having successfully bid in the compulsory sale and in accordance with applicable town planning controls.

6 (4) A joint venture company in which Swire Properties holds an 80% interest is negotiating land exchange terms (including a land premium) with the Hong Kong government to redevelop the relevant land into a residential and commercial complex. The acquisition of the relevant land is expected to be completed in September 2019.

(5) Excluding future development at Brickell City Centre in Miami.



INVESTMENT PORTFOLIO

HONG KONG OFFICE

A BALANCED AND RESILIENT PORTFOLIO

Pacific Place	
2.2 M sq ft GFA	
	
Rental Reversion ⁽¹⁾	Occupancy
+ 19%	99%
Latest Rentals (HK\$ psf)	One/Two PP: 130 – 160 Three PP : 115 – 125

Taikoo Place Office Towers	
3.1 M sq ft GFA	
	
Rental Reversion ⁽¹⁾	Occupancy
+ 13%	99%
Latest Rentals (HK\$ psf)	high 40s to mid 50s

One Island East & One Taikoo Place	
2.6 M sq ft GFA	
	
Rental Reversion ⁽¹⁾⁽³⁾	Occupancy
+ 11%	100%
Latest Rentals (HK\$ psf)	mid 50s to low 70s



↑ 1%	Attributable Valuation ⁽⁴⁾
	(vs Dec 2018) HK\$ 170.0 bn

(1) Reversion is the percentage change in rent on lease renewals, entry into new leases and rent reviews.

(2) Occupancy at 30th June 2019. GFA based on 100% basis.

(3) Excluding One Taikoo Place which was completed in September 2018.

(4) Excluding 625 King's Road office building which was transferred to assets held for sale.

HONG KONG RETAIL

HIGHER RENTAL INCOME IN THE FIRST HALF OF 2019



- **The Mall, Pacific Place** - Renovation and reconfiguration of department store ongoing.
- **Citygate Outlets** - New extension set to open in August 2019.



⁽¹⁾ The department store at The Mall, Pacific Place has been undergoing renovation and reconfiguration since the end of May 2019. No adjustment has been made to the retail sales figures to reflect sales lost as a result of such closure.

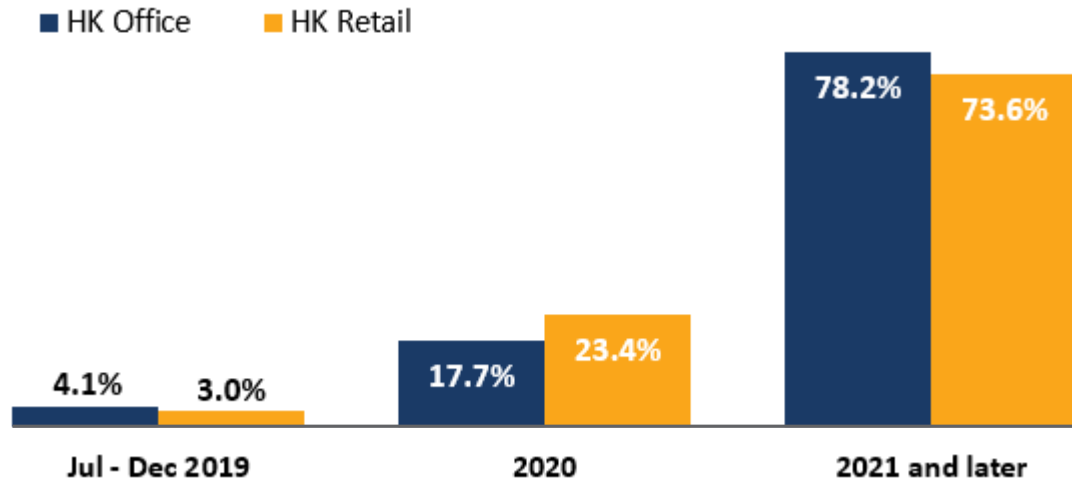
⁽²⁾ Excluding area closed for renovation and upgrading works and Citygate Outlets' new extension (formerly known as Tung Chung Town Lot No.11) at which shops are scheduled to open progressively from August 2019.

⁽³⁾ Occupancy at 30th June 2019. GFA based on 100% basis. Retail sales growth for the six months ended 30th June 2019.

HONG KONG PORTFOLIO

LEASES EXPIRING IN 2019 MOSTLY COMMITTED

Lease Expiry Profile ⁽¹⁾⁽²⁾



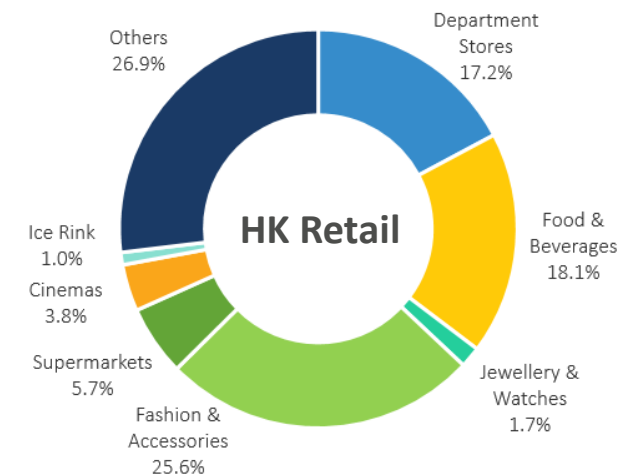
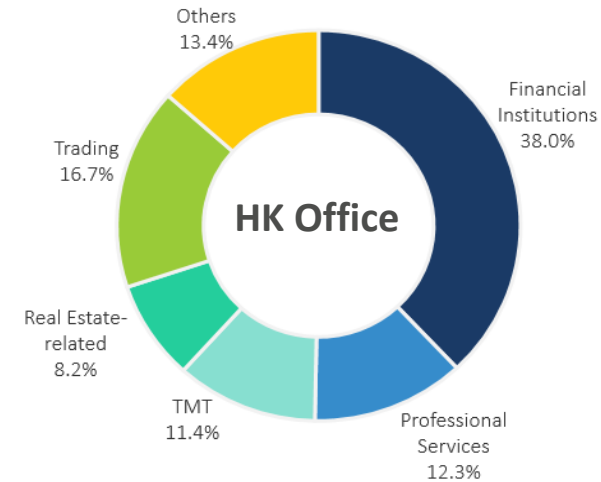
- Strong and diverse tenant base.
- Well-balanced lease expiry profile.
- Top 10 office tenants occupied approx. 21% of office area in HK.
- Top 10 retail tenants occupied approx. 27% of retail area in HK.

(1) At 30th June 2019.

(2) Based on the percentage of attributable gross rental income for the month ended 30th June 2019.

(3) Based on the percentage of area at 30th June 2019.

HK Portfolio Tenant Mix ⁽³⁾



CITYGATE OUTLETS

RETAIL SPACE TO ALMOST DOUBLE



- **~800,000 sq ft GFA** upon opening of new extension.
- **98%** leased for new extension, shops to open progressively from August 2019.
- **150** international brands , over **30** F&B outlets altogether with existing phase.
- **New Retail Tenants:**
Versace, Ermenegildo Zegna, ba&sh, GAP, Superdry, Breitling, Claudie Pierlot, HOUR PASSION, Maje, PINKO, REISS, Ted Baker, Theory and cdf Beauty.
- **New F&B Tenants:**
SIXA, Xihe Bistro, Hana, Chun Shui Tang Cultural Tea House, Law Mark Kee, Food Opera, Paradise Dynasty, Dab-pa Peking & Szechuan Cuisine and Lian Thai.

HONG KONG PROJECT PIPELINE

CONTINUING SCALE-UP OF EXISTING CLUSTERS

TUNG CHUNG



Citygate Outlets' new extension

- ~474,000 sq ft GFA
- 20% owned.
- Opening in August 2019.

2019

QUARRY BAY



Two Taikoo Place

- ~1M sq ft GFA
- 100% owned.
- Superstructure works in progress.

2021/2022

WANCHAI

Wah Ha Factory Building and Zung Fu Industrial Building ⁽¹⁾

- ~779,000 sq ft GFA
- Compulsory sale applications submitted in 2018.

TBD

46-56 Queen's Road East, 1A-11 Landale Street, 2A-12 Anton Street

- ~218,000 sq ft GFA
- 100% owned.
- Foundation works in progress.

2023

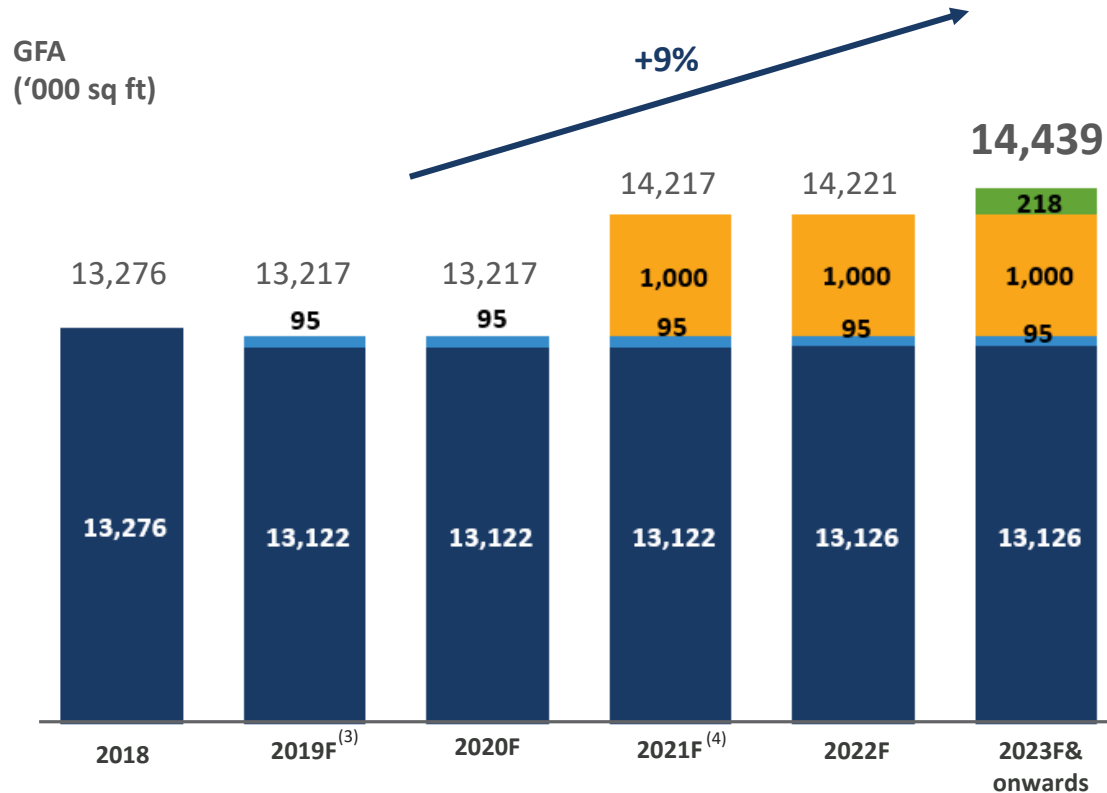
Retail-Led

Office

HONG KONG PORTFOLIO

A HEALTHY PROJECT PIPELINE

Expected Attributable GFA of Completed Property Portfolio in Hong Kong ⁽¹⁾⁽²⁾



Other

- Wah Ha Factory Building and Zung Fu Industrial Building
 - Compulsory sale applications submitted in 2018.
 - ~779,000 sq ft GFA.



(1) Includes GFA of the hotels and excludes the two sites (Wah Ha Factory Building and Zung Fu Industrial Building) which are under compulsory sale applications.

(2) At 30th June 2019.

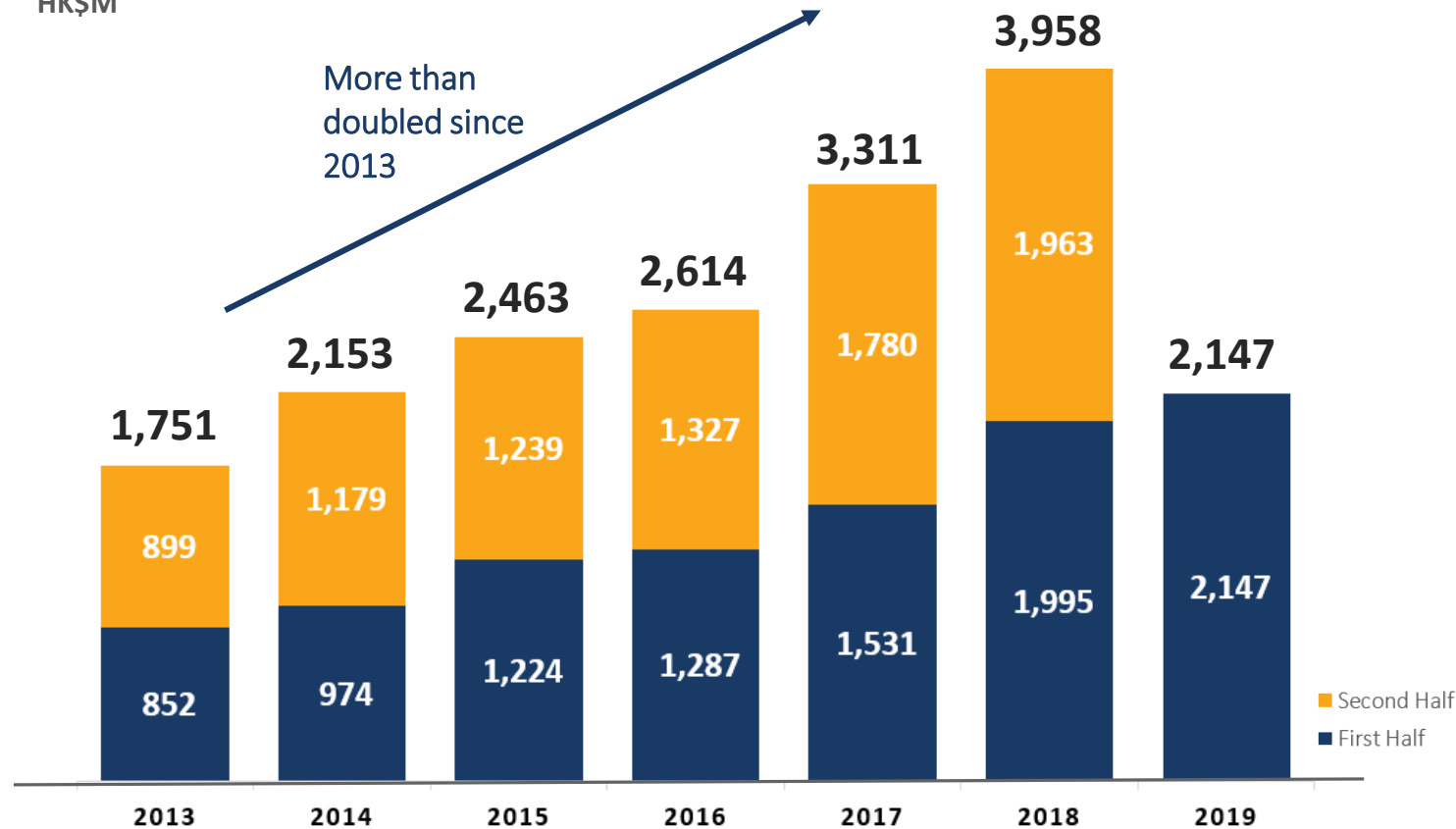
(3) The lower attributable GFA of the existing portfolio in 2019 primarily reflected the transfer of 625 King's Road office building to assets held for sale.

(4) Two Taikoo Place is expected to be completed in 2021 or 2022.

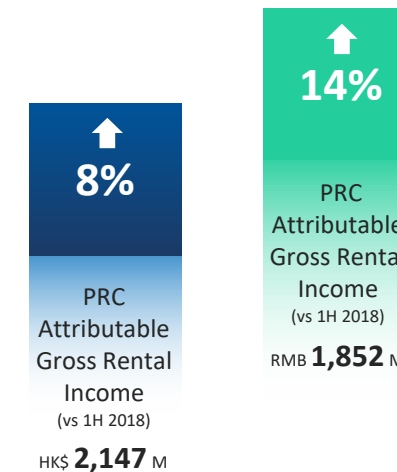
MAINLAND CHINA PORTFOLIO

RENTAL GROWTH REMAINING STRONG

Attributable Gross Rental Income ⁽¹⁾
HK\$M



Attributable gross rental income from Mainland China contributed 29% of the Group's total in 1H 2019.



MAINLAND CHINA PORTFOLIO ⁽¹⁾

ROBUST RETAIL SALES GROWTH DESPITE A HIGHER BASE

Beijing

Taikoo Li Sanlitun



Retail Sales	Occupancy
+ 9.0%	100% <small>Retail</small>
Year of Opening : 2008/2010	

Shanghai

HKRI Taikoo Hui



Retail Sales	Occupancy
+ 66.8%	98% 99% <small>Retail Office</small>
Year of Opening : 2016/2017	

Guangzhou & Chengdu

Taikoo Hui



Retail Sales	Occupancy
+ 14.6%	100% 99% <small>Retail Office</small>
Year of Opening : 2011	

INDIGO



Retail Sales	Occupancy
+ 18.3%	99% 86% <small>Retail Office</small>
Year of Opening : 2011/2012	

Taikoo Li Qiantan



- 50%-owned.
- Retail project under development.
- Expected completion in late 2020.

Sino-Ocean Taikoo Li



Retail Sales	Occupancy
+ 18.9%	98% <small>Retail</small>
Year of Opening : 2014	

(1) Excluding Pinnacle One which was developed for trading purposes.

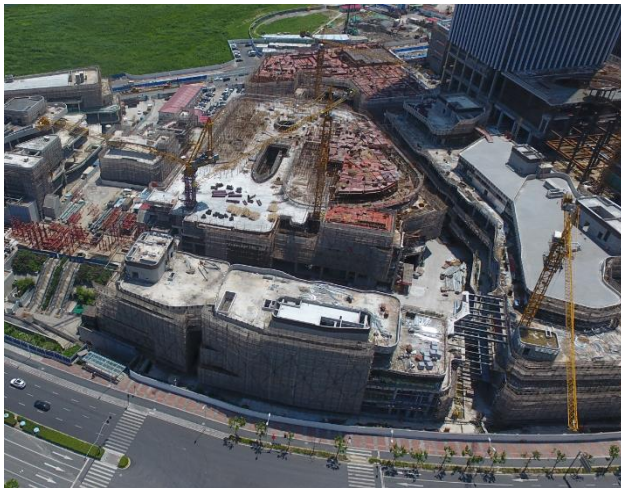
15 (2) Retail sales year-on-year growth quoted in RMB for the six months ended 30th June 2019.

(3) Occupancy at 30th June 2019.

MAINLAND CHINA PROJECT PIPELINE

SIXTH PROJECT UNDER DEVELOPMENT

Shanghai



Taikoo Li Qiantan

~ 1,250,000 sq ft GFA ⁽³⁾

- 50%-owned; a low-rise retail development.
- Construction of basement and superstructure in progress.
- Expected completion in late 2020.

Beijing



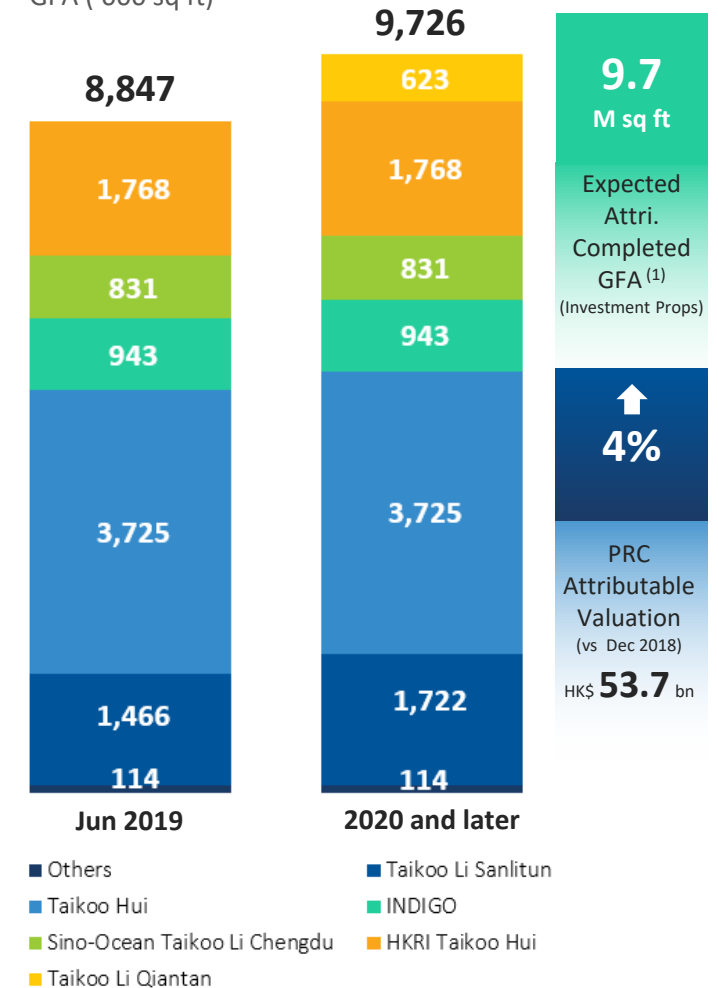
Taikoo Li Sanlitun West

~ 256,000 sq ft GFA

- Refurbishment as an extension to Taikoo Li Sanlitun.
- Expected completion in 2020.

Attributable GFA of PRC Completed Property Portfolio ⁽¹⁾⁽²⁾

GFA ('000 sq ft)



(1) Includes GFA of the hotel but excludes GFA of car parks at these projects at 30th June 2019.

(2) Excludes Pinnacle One, which was developed for trading purposes.

(3) GFA on 100% basis.

BRICKELL CITY CENTRE, MIAMI

INCREASING RENTAL CONTRIBUTIONS

Shopping Mall



Retail sales

+ 37.8%

Occupancy ⁽¹⁾

90%

RETAIL TENANTS:

Saks Fifth Avenue, Apple, Zara, CMX The VIP Cinema,
La Centrale Italian Food Hall

Offices



Occupancy

100%

OFFICE TENANTS:

WeWork, Akerman, KPMG, McKinsey&Company,
Bloomberg, Interaudi Bank





South Jakarta Project

TRADING PORTFOLIO

TRADING PORTFOLIO

NEW PROJECTS ADDED IN SINGAPORE AND JAKARTA

Existing	Upcoming in Singapore and Jakarta	Upcoming in Hong Kong				
<div>Reach</div> <table><tr><th>Average Price</th><th>Units Sold ⁽¹⁾</th></tr><tr><td>mid US\$ 600s psf ⁽²⁾</td><td>93% / 364</td></tr></table>	Average Price	Units Sold ⁽¹⁾	mid US\$ 600 s psf ⁽²⁾	93% / 364	<div>EDEN, Singapore</div> <div><div>Artist Impression</div><ul style="list-style-type: none">First residential project in Singapore.100% owned.20 residential units.Fitting out works in progress.To be completed in 4Q 2019.<div>~77,200 sq ft GFA</div></div>	<div>21-31 Wing Fung Street</div> <ul style="list-style-type: none">100% owned.Foundation works in progress.To be completed in 2022. <div>~30,500 sq ft GFA ⁽⁴⁾</div>
Average Price	Units Sold ⁽¹⁾					
mid US\$ 600 s psf ⁽²⁾	93% / 364					
<div>Rise</div> <table><tr><th>Average Price</th><th>Units Sold ⁽¹⁾</th></tr><tr><td>high US\$ 600s psf ⁽²⁾</td><td>72% / 280</td></tr></table> <div><div>Rise</div></div>	Average Price	Units Sold ⁽¹⁾	high US\$ 600 s psf ⁽²⁾	72% / 280	<div>South Jakarta Project</div> <div><div>Artist Impression</div><ul style="list-style-type: none">First residential project in Indonesia.50% owned.Over 400 residential units.Demolition works in progress.To be completed in 2023.<div>~1.1M sq ft GFA</div></div>	<div>983-987A King's Road and 16-94 Pan Hoi Street, Quarry Bay ⁽³⁾</div> <ul style="list-style-type: none">50% owned.Redevelopment for residential and retail uses.Compulsory sale application submitted in 2018. <div>~0.4M sq ft GFA</div>
Average Price	Units Sold ⁽¹⁾					
high US\$ 600 s psf ⁽²⁾	72% / 280					
		<div>Chai Wan Inland Lot No.88 ⁽³⁾</div> <ul style="list-style-type: none">80% owned.The acquisition of the relevant land is expected to be completed in September 2019 . <div>~0.7M sq ft GFA</div>				

(1) At 29th July 2019. The profit from the sale of three of these units from Reach and 21 of these units from Rise is expected to be recognised in 2H 2019.

(2) Average selling price is based on saleable area.

19 (3) Proposed developments subject to successful bids in compulsory sales and applicable town planning controls (for 983-987A King's Road and 16-94 Pan Hoi Street) and agreement with the Hong Kong government (for Chai Wan Inland Lot No.88).

(4) Excluding a retail podium of approximately 3,281 sq ft which will be retained for investment purposes.



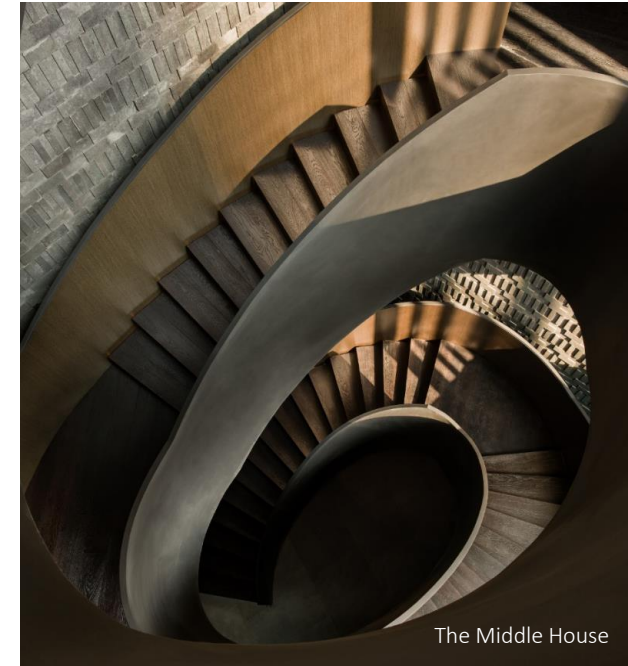
The Opposite House

HOTEL PORTFOLIO

HOTEL PORTFOLIO

IMPROVING RESULTS

- **Managed Hotels-** Operating profit (before depreciation) : **+18%** to HK\$ **122 M** in 1H 2019.
- **Non-managed Hotels-** The Silveri Hong Kong – MGallery ⁽¹⁾ (206 rooms and suites) at Tung Chung opening in late 2019.



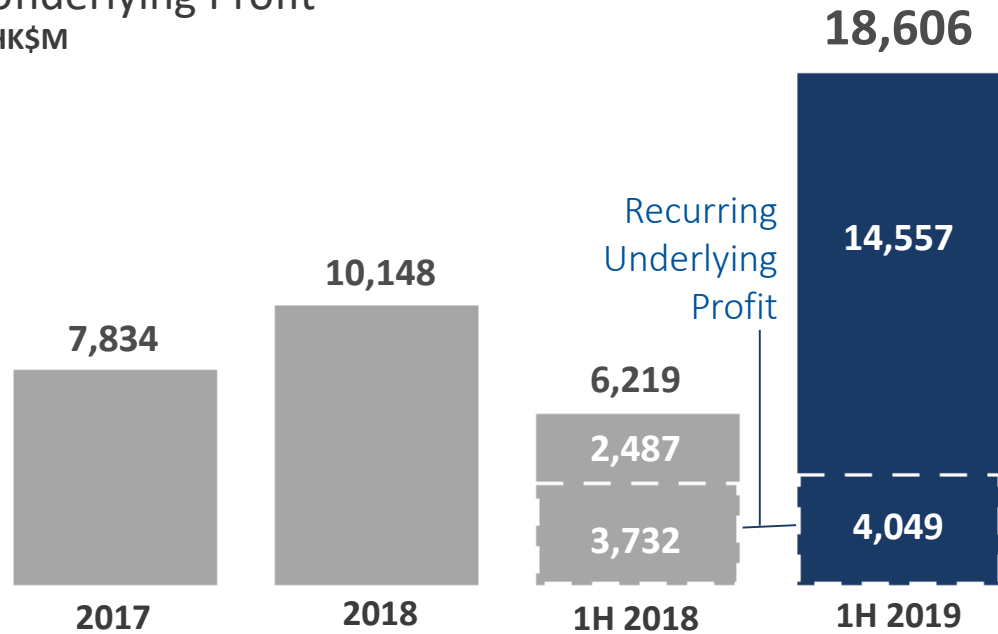


Taikoo Hui

FINANCIAL HIGHLIGHTS

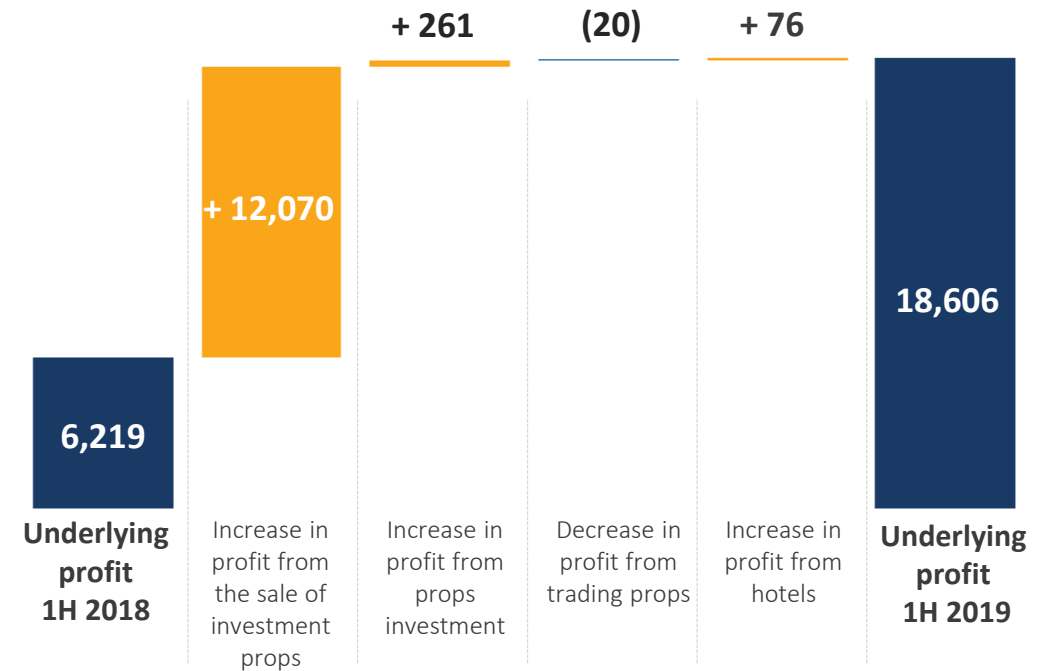
STRONG GROWTH IN UNDERLYING PROFIT

Underlying Profit
HK\$M



Underlying Profit by Segment (HK\$M)	1H 2018	1H 2019	Change
Property investment	3,734	3,995	↑ 7%
Property trading	22	2	n.m.
Hotels	(24)	52	n.m.
Sale of interests in investment properties	2,487	14,557	n.m.
Total	6,219	18,606	↑ 199%

Movement in Underlying Profit
HK\$M



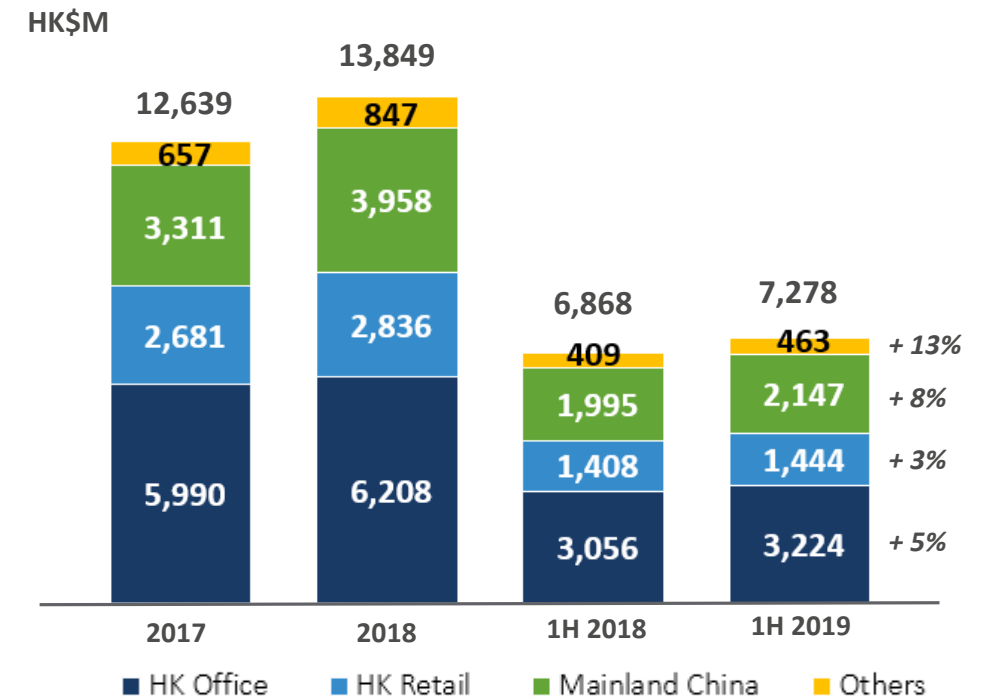
Recurring underlying profit from property investment increased by 7% in 1H 2019, with satisfactory growth at the Hong Kong and Mainland China portfolios.

RENTAL INCOME

CONTINUED GROWTH FROM ALL SEGMENTS

- **HK Office + 5%**
 - Positive rental reversions and contribution from One Taikoo Place opened in September 2018.
 - Partly offset by rental loss from disposals.
- **HK Retail + 3%**
 - Rental income growth from The Mall at Pacific Place and Cityplaza of 2% and 1% respectively.
 - Effectively 100% occupancy.
- **PRC Props + 8%** (or + 14% in RMB terms)
 - Positive rental reversions.
 - Higher retail sales.
- **Others + 13%**
 - Higher rental contributions from Miami.

Attributable Gross Rental Income⁽¹⁾



↑
6%

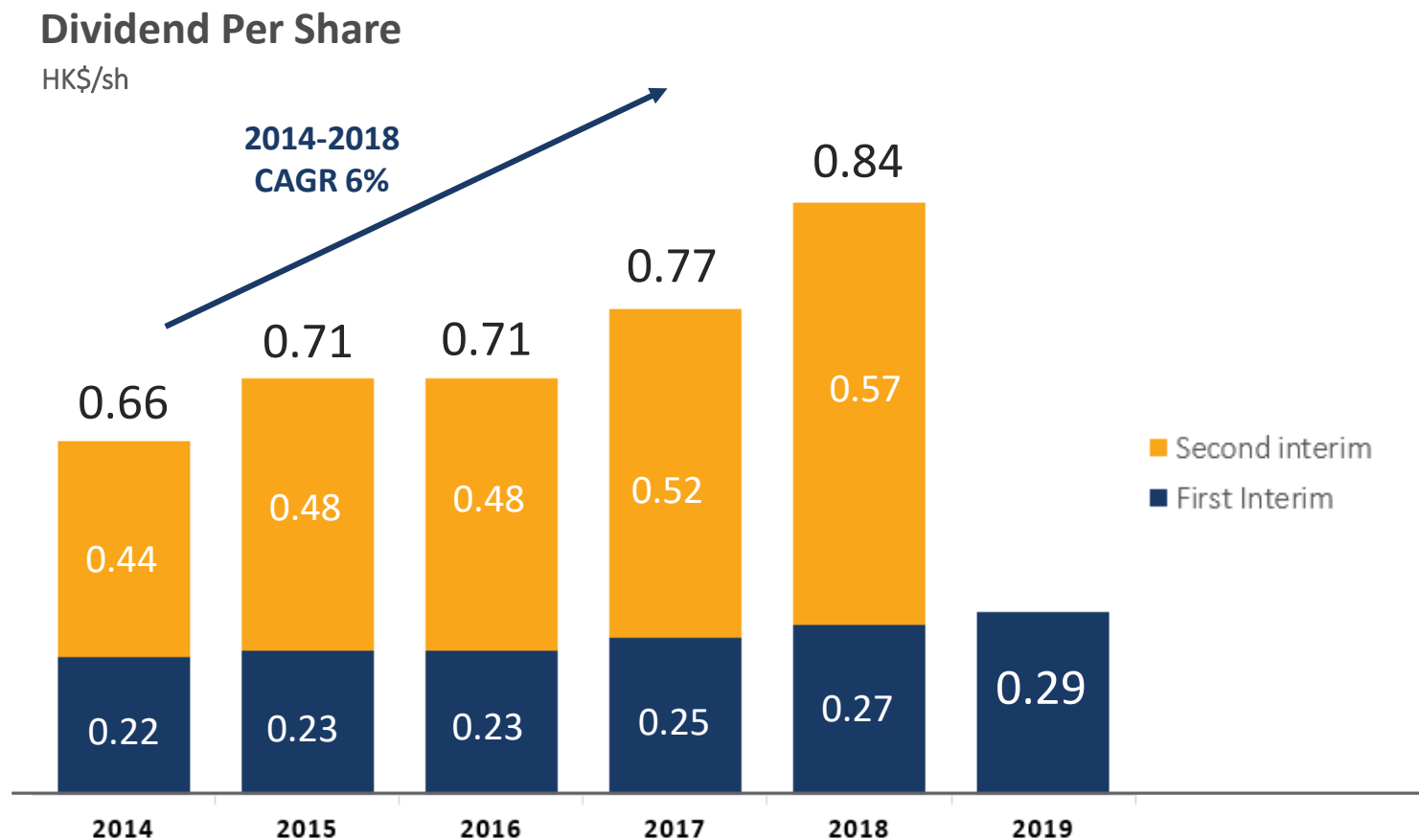
Attributable
Gross Rental
Income ⁽¹⁾

HK\$ **7,278** M

SUSTAINABLE GROWTH IN DIVIDENDS

Dividend Policy

To deliver sustainable growth in dividends and to pay out approximately half of our underlying profits in ordinary dividend over time.

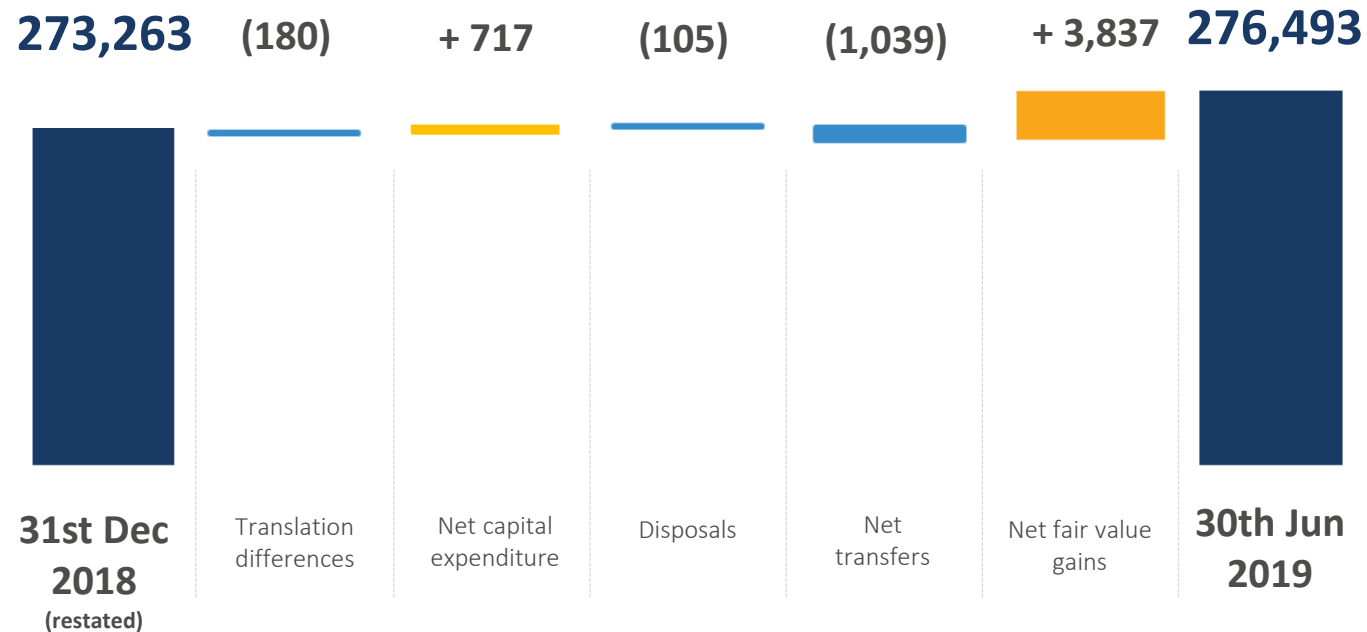


MOVEMENT IN INVESTMENT PROPERTIES

Movement in Investment Properties ⁽¹⁾

(excl. hotels and investment properties held under JVCs)

HK\$M



The increase in the valuation of the investment property portfolio is mainly due to increases in the valuation of the office properties in Hong Kong and of the investment properties in Mainland China following rental increases.





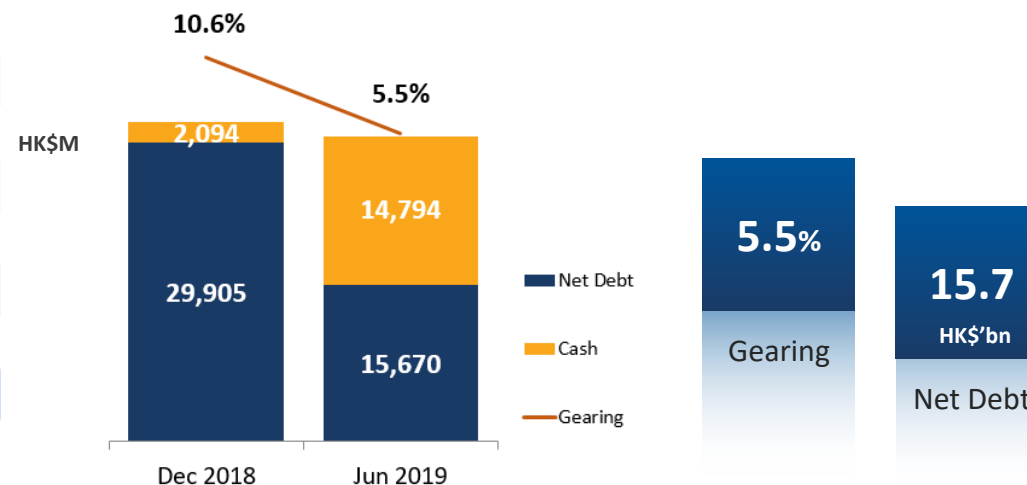
Taikoo Li Sanlitun

FINANCING

NET DEBT AND GEARING

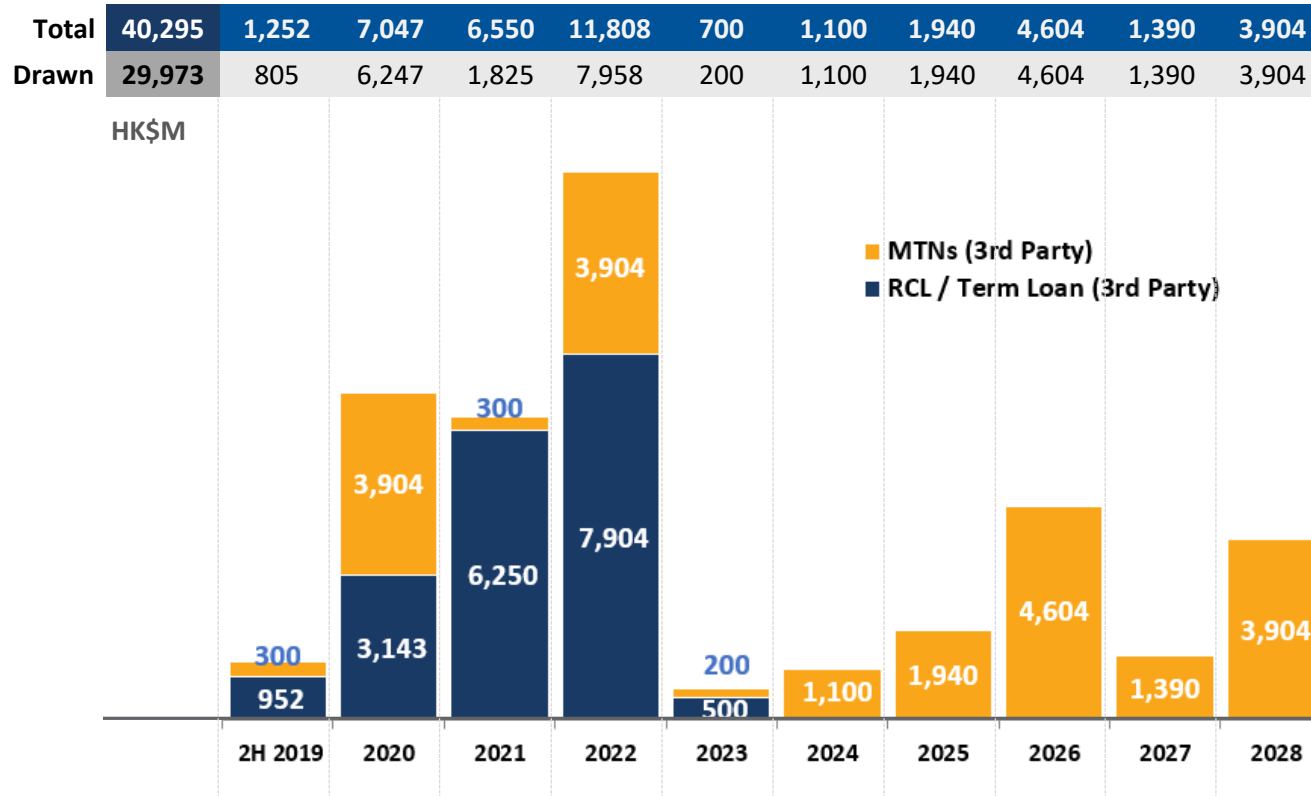
Net Debt Reconciliation (HK\$M)			
Net debt at 31st December 2018			(29,905)
Net rental and fee receipts	5,360		
Proceeds from property trading / development	316		
Net proceeds from disposals of investment properties	14,054		
Capex – PP&E and property investment		(724)	
Development costs – property trading		(39)	
Net investments in JVCs and Associates	414		
Dividends from JVCs and Associates	35		
Net interest paid		(442)	
Tax paid		(422)	
Dividends paid to the Company's shareholders		(3,335)	
Other operating items		(434)	
Sub-total	20,179	(5,396)	14,783
Leasing liabilities			(548)
Net debt at 30th June 2019			(15,670)

Financial Ratios ⁽¹⁾	2015	2016	2017	2018	June 2019
Total equity (HK\$M)	217,949	227,225	259,378	281,291	286,714
Net debt (HK\$M)	33,348	35,377	35,347	29,905	15,670
Gearing	15.3%	15.6%	13.6%	10.6%	5.5%
Underlying interest cover (x)	7.8	8.9	10.7	12.6	59.6
Underlying cash interest cover (x)	5.9	6.3	7.5	9.7	41.8

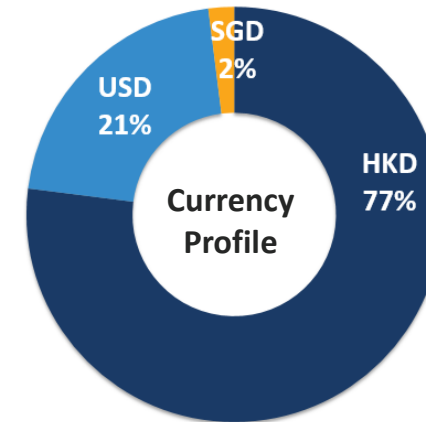


MATURITY PROFILE & LIQUIDITY

Maturity Profile of Available Committed Facilities (at 30th June 2019)



HK\$M	Dec 2018	Jun 2019
Cash	2,094	14,794
Undrawn - committed	12,053	10,322
	14,147	25,116
Undrawn - uncommitted	858	755
	15,005	25,871



Fixed : Floating

80% : 20%

Credit Rating

Fitch "A"
Moody's "A2"

Major financing activities in 1H 2019

- Prepayment of term loan facilities and repayment of revolving loan facilities totalling HK\$ 1,700 M and RMB 399 M.

Subsequent to 30th June 2019

- First sustainability-linked loan amounting to HK\$ 500 M, with financing mechanism against year-on-year ESG performance target.

Cash & Undrawn Committed Facilities	Available Committed Facilities
HK\$ 25,116 M	HK\$ 40,295 M

CAPITAL COMMITMENTS

Profile of Capital Commitments for Investment Properties and Hotels – at 30th June 2019

HK\$M	Expenditure	Forecast Expenditure				Commitments*
	Six months ended 30th Jun 2019	Six months ended 31st Dec 2019	2020	2021	2022 & later	At 30th Jun 2019
Hong Kong	1,023	1,323	3,928	2,783	6,786	14,820
Mainland China	72	721	868	225	144	1,958
U.S.A. and elsewhere	115	8	-	-	-	8
Total	1,210	2,052	4,796	3,008	6,930	16,786

* The capital commitments represent the Group's capital commitments of HK\$ 15,180 M plus the Group's share of the capital commitments of joint venture companies of HK\$ 1,606 M. The Group was committed to funding HK\$ 363 M of the capital commitments of joint venture companies.

CASH FLOW FROM DISPOSALS MOSTLY RECEIVED

Disposal Proceeds and Underlying Profit on Disposal

Asset Disposal (HK\$'bn)	Disposal Proceeds			
	Before 2019	1H 2019	2H 2019	Total
Cityplaza Three & Cityplaza Four ⁽¹⁾	3.0	12.0	-	15.0
625 King's Road Office Building (50% basis)	-	0.2	2.2	2.4
Kowloon Bay Office Building	6.5	-	-	6.5
Other non-core properties in Hong Kong	2.0 ⁽²⁾	1.8	0.2	4.0
Total	11.5	14.0	2.4	27.9

- Underlying profit on sale of interests in investment properties
 - HK\$ 14,557 M was recognised in 1H 2019.
 - ~HK\$ 1,759 M is expected to be recognised from the sale of 50% interest in 625 King's Road in 2H 2019.



One Taikoo Place

PROSPECTS

PROSPECTS

HONG KONG

- With reduced demand for office space and relocations to other districts, more vacancies and downward pressure on office rents are expected in Central. Strong demand and high occupancy are expected to result in office rents at our Taikoo Place developments being resilient despite increased supply in Kowloon East and other districts.
- Global trade uncertainties and the adverse effect of Renminbi weakness on spending by tourists from Mainland China have affected retail spending in Hong Kong. The protests in Hong Kong have had some effect on retail sales at our malls, particularly at Pacific Place. If the protests continue, sales are likely to continue to be affected.
- Rental demand for our residential investment properties is expected to be stable in the second half of 2019.

MAINLAND CHINA

- Downward pressure on office rents are expected in Guangzhou and Beijing due to new supply and a weak market. Rents will remain resilient at HKRI Taikoo Hui due to high occupancy despite weaker demand and increased vacancy rates expected for the central business district of Shanghai.
- Retail sales are expected to grow steadily in Beijing and Guangzhou, moderately in Shanghai and satisfactorily in Chengdu.
- Strong demand for retail space is expected from international retailers in Guangzhou and from cosmetic, fashion, lifestyle and food and beverages outlets in Shanghai. In Chengdu, demand for luxury goods and for retail space in prime locations is expected to be strong. In Beijing, demand for luxury, fashion and lifestyle brands and food and beverages is expected to be solid.

MIAMI, U.S.A.

- Retail sales are growing with steady demand for retail space in the metropolitan area.
- The supply of new Grade-A office space in the central business district and the Brickell area is limited and demand is firm.
- Demand for condominiums is expected to continue to be affected by weak South American economies and the relative strength of the US dollar.

OTHERS

- The property markets in Singapore and in Jakarta, Indonesia are expected to be stable.
- Trading conditions for our hotels are expected to be stable in the second half of 2019 except that occupancy in Hong Kong has been affected somewhat by the protests and this is likely to continue if the situation persists.

SUSTAINABLE DEVELOPMENT 2030 STRATEGY: 1H2019 HIGHLIGHTS



Performance (Economic)

Green Financing

Launched HK's first sustainability-linked loan (HK\$ 500 M) that ties with year-on-year SD performance improvement targets

Disclosure & Reporting

Excellent performance in SD benchmarks and indices



Member of World Index



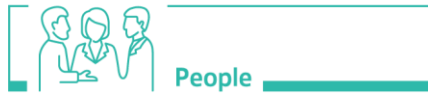
Global Sector Leader



Highest total score; "AAA" rating



"AAA" rating



People

Diversity & Inclusion

Launched Staggered Working Hours, as part of the flexible working policy

Safety, Health and Wellbeing

Lost Time Injury Rate ("LTIR"): 1.7

Talent Retention

Voted as Top Three of the 2019 Randstad Employer Brand Awards

Volunteering

Organised cross-city volunteering to build homes as part of Habitat For Humanity's "Global Village Building Project"



Places



Two Taikoo Place

Achieved Platinum on BEAM Plus, LEED and WELL (pre-certification)



Taikoo Li Qiantan

Achieved Platinum on WELL (pre-certification)



Partners

NGOs/Academics

Extended partnership with Tsinghua University for another 3 years via the Joint Research Centre for Building Energy Efficiency and Sustainability to develop AI technologies and increase use of renewable energy

Tenants

8.6 million kWh potential annual energy savings from free energy audits for Hong Kong & Mainland China tenants (since 2008)

19 F&B tenants participating in municipal solid waste charging pilot scheme



Performance (Environment)

Climate Change

Carbon Intensity

HK Portfolio	Mainland Portfolio
↓27%	↓18%

Committed to the Science-Based Target initiative ("SBTi") and working on establishing long-term decarbonisation targets

Energy

Energy reduction

HK Portfolio	Mainland Portfolio
↓59M kWh/year	↓21M kWh/year
↓27%	↓17%

Waste

Commercial waste diversion rate

HK Portfolio	Mainland Portfolio
22%	29%*

*Excluding HKRI Taikoo Hui, Shanghai

Building/Asset Investment

92% of all existing buildings are certified green buildings, of which 75% achieved the highest ratings



One Taikoo Place

Q&A



Taikoo Place

APPENDIX

KEY BUSINESS STRATEGIES

- Continue to create long-term value by conceiving, designing, developing, owning and managing transformational mixed-use and other projects in urban areas.
- Maximise the earnings and value of our completed properties through active asset management and by reinforcing our assets through enhancement, redevelopment and new additions.
- Continue with our luxury residential property activities.
- Remain focused principally on Hong Kong and Mainland China.
- Manage our capital base conservatively.

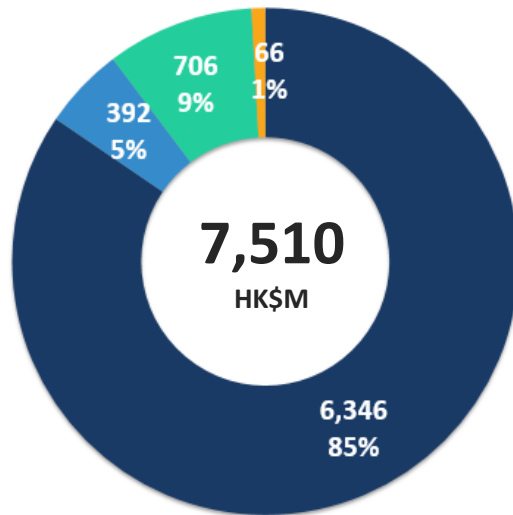


2019 INTERIM RESULTS SUMMARY

HK\$M	1H 2018	1H 2019	Change
Revenue	7,309	7,510	↑ 3%
Valuation gains on investment properties	15,535	3,837	↓ 75%
Operating profit	21,309	9,725	↓ 54%
Underlying profit	6,219	18,606	↑ 199%
Recurring underlying profit	3,732	4,049	↑ 8%
Reported profit	21,205	8,973	↓ 58%
Underlying earnings per share (HK\$ per share)	1.06	3.18	↑ 199%
Recurring underlying earnings per share (HK\$ per share)	0.64	0.69	↑ 8%
Reported earnings per share (HK\$ per share)	3.62	1.53	↓ 58%
First interim dividend per share (HK\$ per share)	0.27	0.29	↑ 7%
HK\$M	Dec 2018	Jun 2019	Change
NAV attributable to the Company's shareholders ⁽²⁾	279,275	284,680	↑ 2%
Net debt	29,905	15,670	↓ 48%
Gearing ratio	10.6%	5.5%	↓ 5.1%pt.
NAV per share (HK\$ per share)	47.74	48.66	↑ 2%

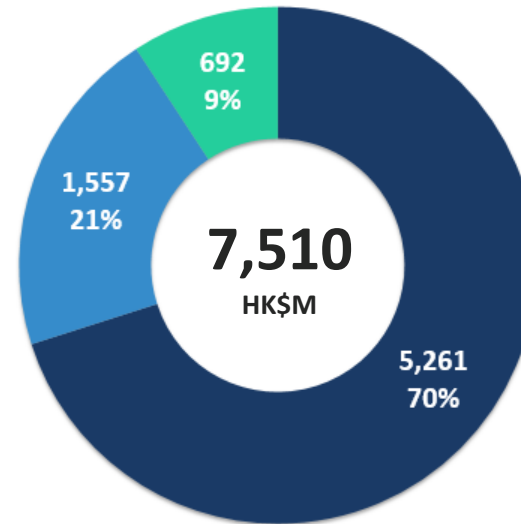
REVENUE ANALYSIS

1H 2019 Revenue Breakdown by Segment



Comparison	1H 2018	1H 2019
Rental Income	5,996	6,346
Property Trading	530	392
Hotels	720	706
Others	63	66
Total	7,309	7,510

1H 2019 Revenue Breakdown by Region



Comparison	1H 2018	1H 2019
Hong Kong	5,339	5,261
Mainland China	1,473	1,557
U.S.A.	497	692
Total	7,309	7,510

The turnover increased by 3% principally due to higher rental income from investment properties, partially offset by lower revenue from the sale of residential units.

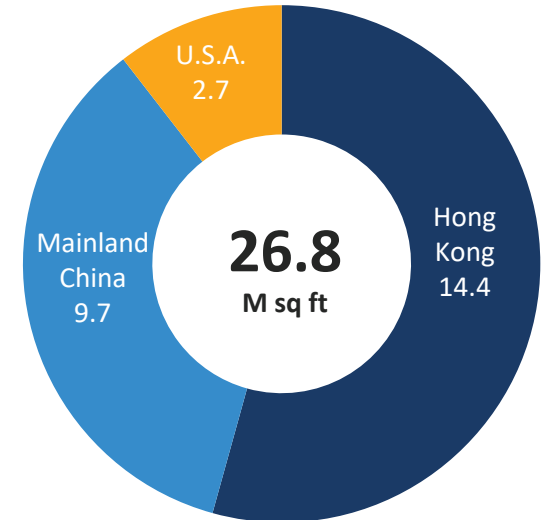


PROPERTY PORTFOLIO AT 30TH JUNE 2019

Investment Props / Hotels Attributable GFA (M sq ft)	Office	Retail	Hotels ⁽¹⁾	Resid./Serviced apartments	Under Planning	Total
Completed						
<i>Hong Kong</i>	9.3	2.5	0.8	0.6	-	13.2
<i>Mainland China</i>	2.9	4.5	1.2	0.2	-	8.8
<i>U.S.A.</i>	0.3	0.3	0.5	0.1	-	1.2
Sub-Total (A)	12.5	7.3	2.5	0.9	-	23.2
Under Development or Held for Future Development						
<i>Hong Kong</i>	1.2	-	-	-	-	1.2
<i>Mainland China</i>	-	0.9	-	-	-	0.9
<i>U.S.A.</i>	-	-	-	-	1.5 ⁽²⁾	1.5
Sub-Total (B)	1.2	0.9	-	-	1.5	3.6
TOTAL = (A) + (B)	13.7	8.2	2.5	0.9	1.5	26.8

Trading Props Attributable GFA (M sq ft)	Completed Prop Held for Sale	Under Development / Held for Development	Total
<i>Hong Kong ⁽³⁾</i>	-	-	-
<i>Mainland China</i>	0.2	-	0.2
<i>U.S.A. and elsewhere</i>	0.3	2.0	2.3
Total	0.5	2.0	2.5

Attributable Investment Props by Region
(GFA M sq ft)



Attributable
Investment Portfolio
26.8 M sq ft

Attributable
Trading Portfolio
2.5 M sq ft

Total Attributable Property Portfolio

29.3 M sq ft

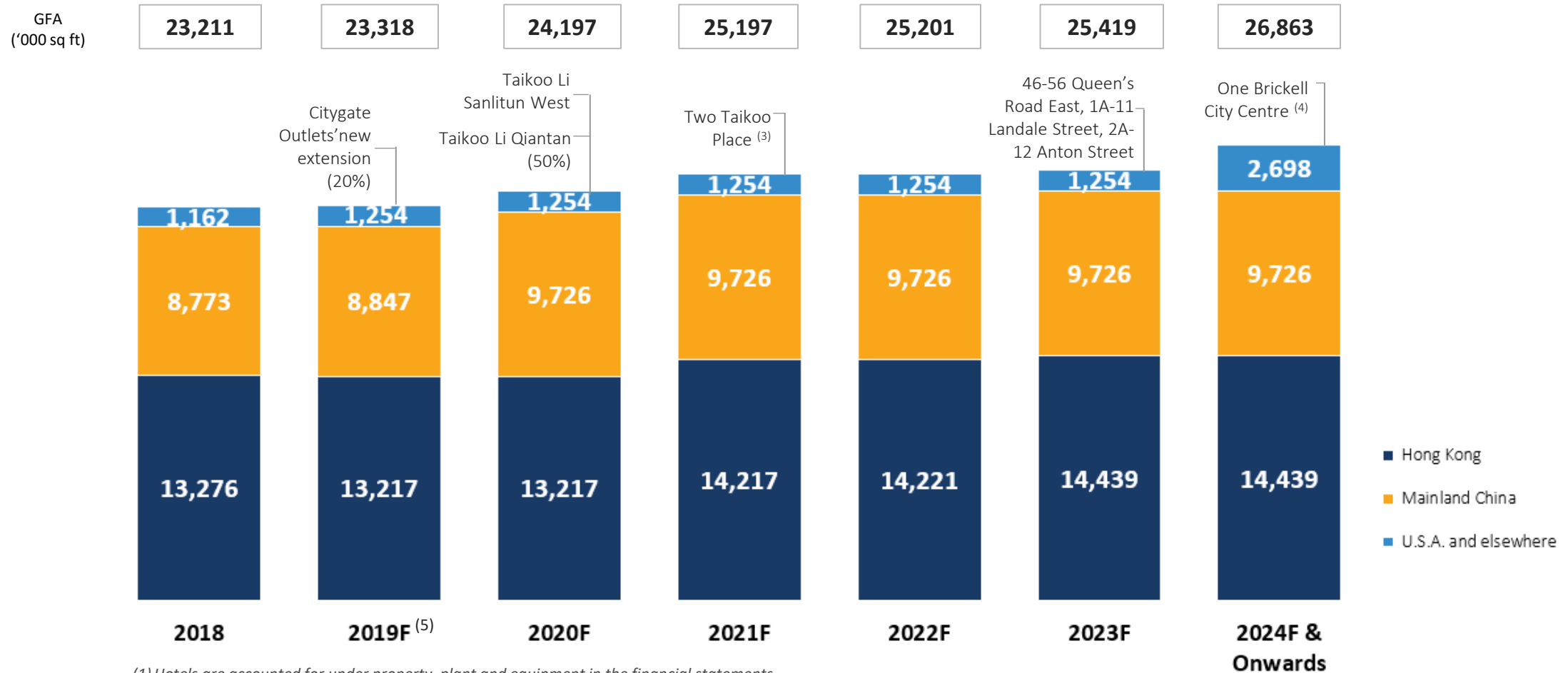
(1) Hotels are accounted for under property, plant and equipment in the financial statements.

(2) This property is accounted for under properties held for development in the financial statements.

(3) This aggregate GFA in Hong Kong is less than 0.1 M.

COMPLETED INVESTMENT PORTFOLIO

Expected Attributable GFA of Completed Investment Portfolio (incl. Hotels) ⁽¹⁾⁽²⁾



(1) Hotels are accounted for under property, plant and equipment in the financial statements.

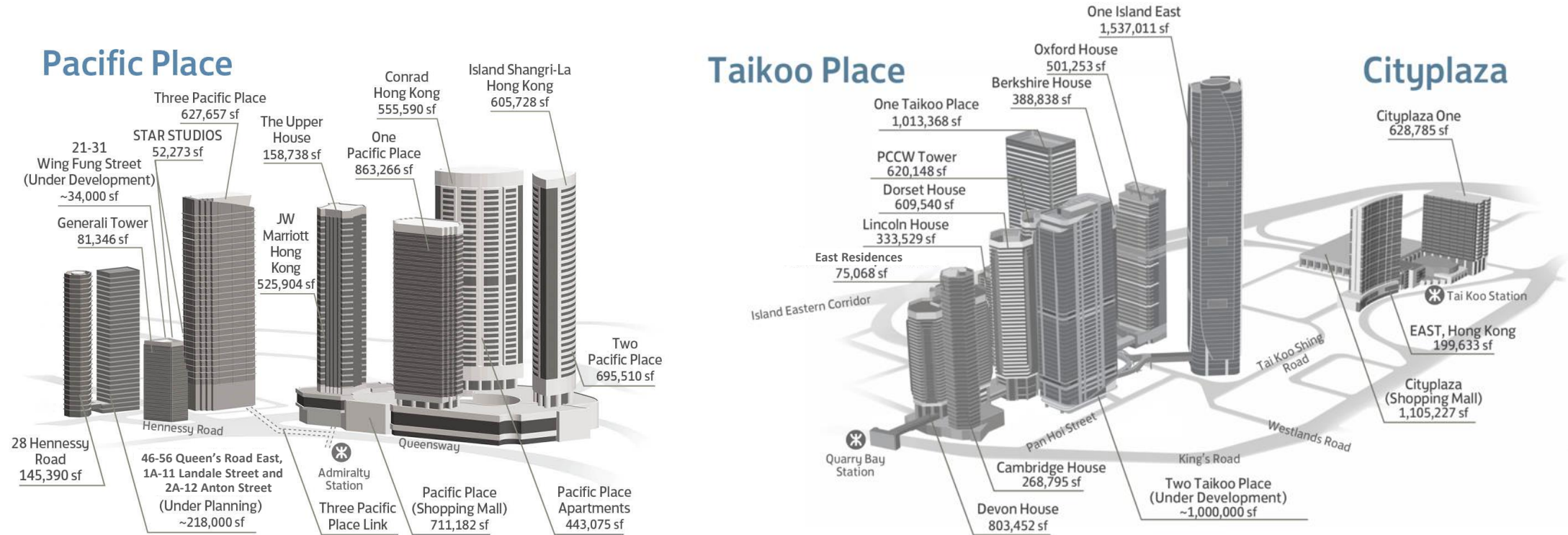
(2) Excludes GFA of property trading components, two sites (Wah Ha Factory Building, No. 8 Shipyard Lane and Zung Fu Industrial Building, No. 1067 King's Road), and car parks but includes GFA of the hotel portion of these projects.

(3) Two Taikoo Place is expected to be completed in 2021 or 2022.

(4) Development under planning.

(5) The lower attributable GFA of the Hong Kong portfolio in 2019 primarily reflected the transfer of 625 King's Road office building to assets held for sale.

HONG KONG PORTFOLIO MAP



COMPLETED PRC PORTFOLIO – BEIJING

Taikoo Li Sanlitun

1.47 M sq ft GFA⁽¹⁾



Project Summary (100% Basis)

Components	TKL Sanlitun South TKL Sanlitun North TKL Sanlitun West The Opposite House (TOH)
Interest	Retail : 100% TOH : 100%
Yr of Opening	2008 (TKL South) 2008 (TOH) 2010 (TKL North) Expected in 2020 (TKL West)
Retail Sales	Occupancy
+ 9.0%	100%

INDIGO

1.89 M sq ft GFA



Project Summary (100% Basis)

Components	Retail ONE INDIGO EAST, Beijing
Interest	50%
Yr of Opening	2011 / 2012
Retail Sales	Occupancy
+ 18.3%	99% 86% Retail Office

43 (1) Excluding Taikoo Li Sanlitun West which is expected to be completed in 2020.
(2) Occupancy at 30th June 2019. GFA based on 100% basis. Retail sales year-on-year growth for the six months ended 30th June 2019.

COMPLETED PRC PORTFOLIO – GUANGZHOU AND CHENGDU

Taikoo Hui, Guangzhou

3.84 M sq ft GFA



Project Summary (100% Basis)

Components	Retail Taikoo Hui Towers 1&2 Mandarin Oriental GZ	
Interest	97%	
Yr of Opening	2011 / 2012 / 2013	
Retail Sales	Occupancy	
+ 14.6%	100% Retail	99% Office

Sino-Ocean Taikoo Li, Chengdu

2.13 M sq ft GFA



Project Summary (100% Basis)

Components	Retail Pinnacle One (for trading) The Temple House	
Interest	50%	
Yr of Opening	2014 / 2015	
Retail Sales	Occupancy	
+ 18.9%	98% Retail	

COMPLETED PRC PORTFOLIO – SHANGHAI

HKRI Taikoo Hui

3.54 M sq ft GFA

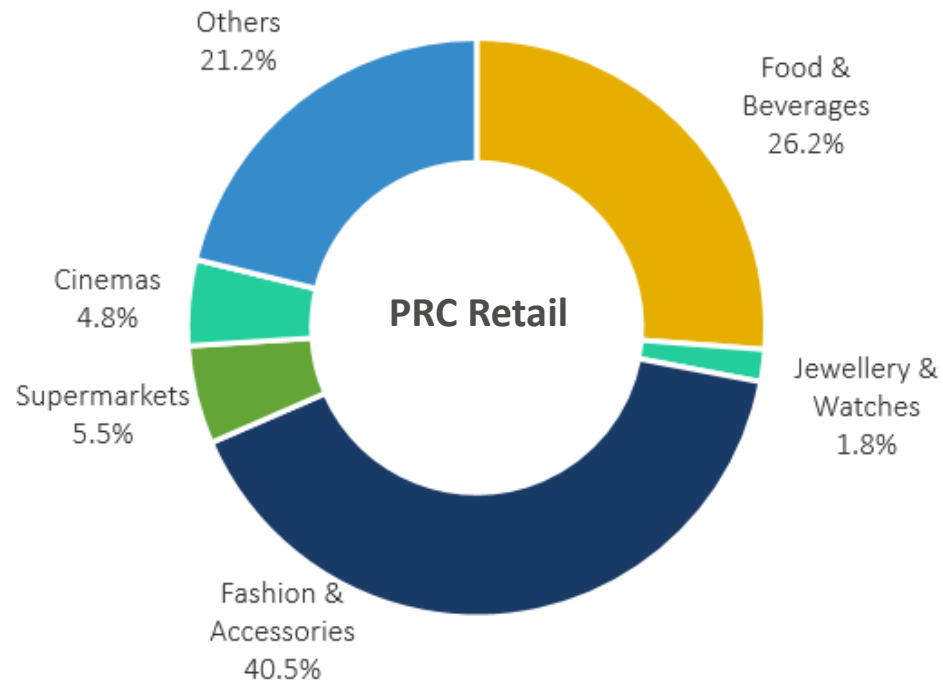


Project Summary (100% Basis)

Components	Retail HKRI Centre 1 & Centre 2 The Middle House and The Sukhothai Shanghai The Middle House Residences	
Interest	50%	
Yr of Opening	2016 / 2017 / 2018	
Retail Sales	Occupancy	
+ 66.8%	98% Retail	99% Office

PRC PORTFOLIO RETAIL TENANT MIX ⁽¹⁾

Well-balanced tenant mix.



U.S.A. PORTFOLIO – MIAMI



Brickell City Centre

BCC: 1.30 M sq ft GFA OBCC: 1.97 M sq ft GFA

Project Summary (100% Basis)

Components	Retail Two and Three Brickell City Centre EAST Miami (<i>w Serv Apmt</i>) 2 Condo Towers (<i>Reach / Rise</i>) One BCC and a Condo Tower (under planning)		
Interest	Retail: 62.93% Others: 100%		
Yr of Opening	2016 (BCC) TBC (OBCC & others)		
Retail Sales	Occupancy		
+ 37.8%	90% ⁽²⁾ Retail	100% Office	

(1) GFA based on 100% basis. Retail sales year-on-year growth for the six months ended 30th June 2019.
(2) Retail occupancy after taking into account letters of intent.

COMPLETED TRADING PORTFOLIO

Trading Properties (At 29th July 2019)	Total Units	Units Sold	Actual Completion	Actual Handover from	Units for which Profit Recognised or Expected to be Recognised (Year)	Interest
Miami, Florida, U.S.A.						
Reach, Brickell City Centre	390	364	2016	2016	347(2016), 12(2017), 2(2018), 0(1H 2019) and 3(2H 2019) ⁽¹⁾	100%
Rise, Brickell City Centre	390	280	2016	2016	171(2016), 28(2017), 35(2018), 25(1H 2019) and 21(2H 2019) ⁽¹⁾	100%

48 (1) The profit from the sale of these units is expected to be recognised in 2H 2019.
 (2) Excluding Pinnacle One office building at Sino-Ocean Taikoo Li Chengdu, which was developed for trading purposes.

HOTEL PORTFOLIO

Managed Hotels		No. of Rooms	Interest
Completed		(100% basis)	
Hong Kong	The Upper House	117	100%
	EAST, Hong Kong	345	100%
	Headland Hotel ⁽¹⁾	501	0%
Mainland China	The Opposite House, Beijing	99	100%
	EAST, Beijing	369	50%
	The Temple House, Chengdu ⁽²⁾	142	50%
	The Middle House, Shanghai ⁽²⁾	213	50%
U.S.A.	EAST, Miami ⁽³⁾	352	100%
Total		2,138	

Owned but Non-managed Hotels		No. of Rooms	Interest
Completed		(100% basis)	
Hong Kong	Island Shangri-La HK	565	20%
	JW Marriott Hotel HK	602	20%
	Conrad HK	513	20%
	Novotel Citygate HK	440	20%
	The Silveri Hong Kong – MGallery	206	20%
Mainland China	Mandarin Oriental, Guangzhou ⁽³⁾	287	97%
	The Sukhothai, Shanghai	201	50%
U.S.A.	Mandarin Oriental, Miami	326	75%
Total		3,140	

2,138

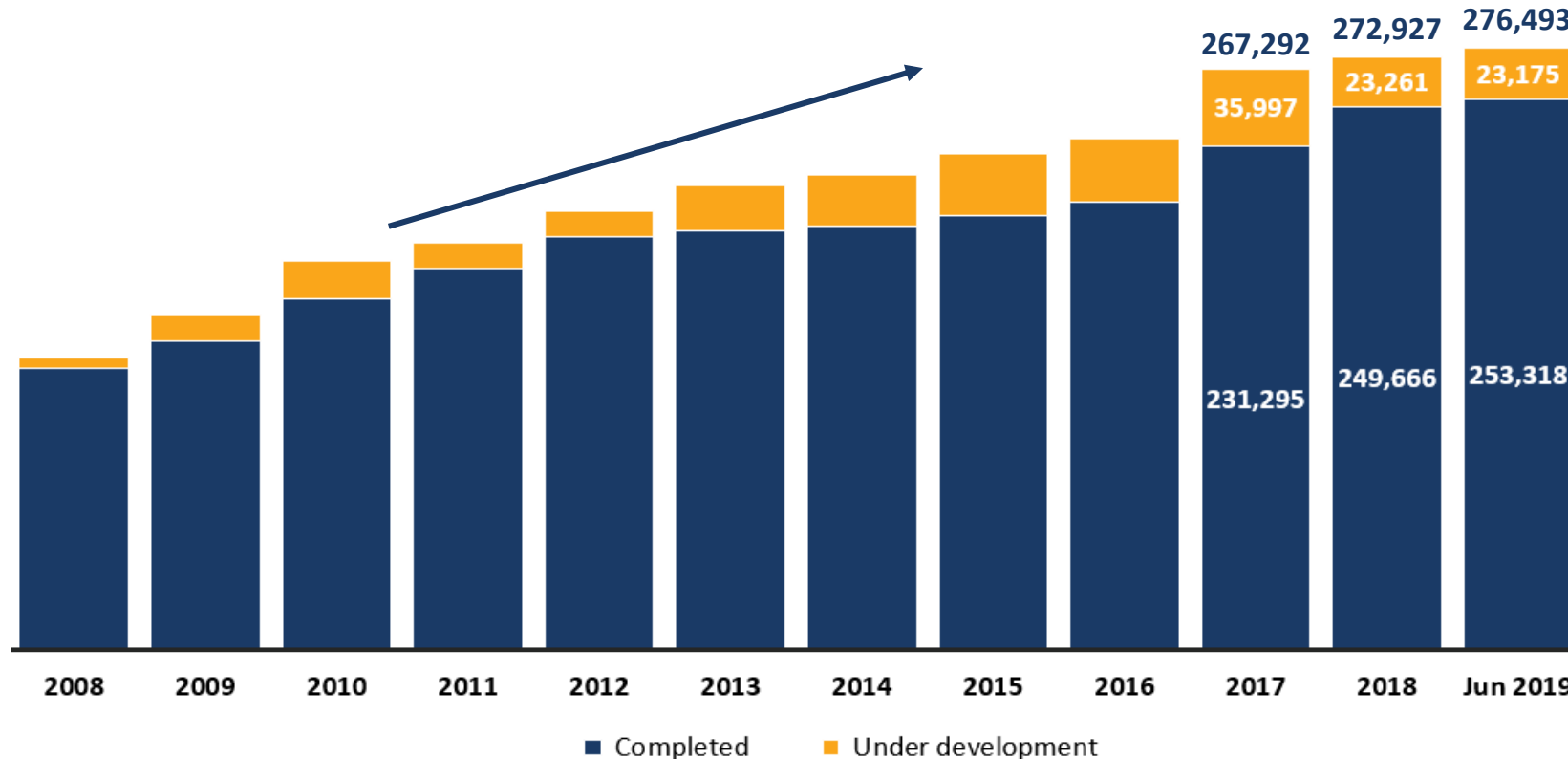
Total
Managed
Rooms

⁴⁹ (1) Headland Hotel is owned by Airline Property Limited, a wholly-owned subsidiary of Cathay Pacific Airways Limited.
 (2) Comprising one hotel tower and one serviced apartment tower.
 (3) Including serviced apartments in a hotel tower.

VALUATION OF COMPLETED INVESTMENT PROPERTIES

2008 – June 2019 Valuation of Completed Investment Properties (excl. Hotels)

HK\$M



↑
106%
Valuation of investment properties portfolio more than doubled since 2008

Consistent value creation through continuous property investment and asset reinforcement.

Per June 2019 financial statements on accounting basis (before initial leasing costs). Hotels are accounted for under property, plant and equipment in the financial statements. Valuation after 2010 does not include Festival Walk (which was sold in August 2011 for HK\$ 18.8 bn) and valuation after 2017 excludes Cityplaza Three and Cityplaza Four (which was sold in June 2018 for HK\$ 15.0 bn). Valuation at June 2019 excludes 625 King's Road Office Building. In May 2019, Swire Properties conditionally agreed to sell its entire 50% interest in a company which owns an office building at 625 King's Road in Hong Kong. Completion of the sale took place in July 2019. Cityplaza Three / Cityplaza Four is currently known as 14 Taikoo Wan Road / 12 Taikoo Wan Road respectively.

