

**For Immediate Release**
**Swire Properties Announces 2015 Interim Results**

	<i>Note</i>	Six months ended 30th June		Change
		2015 HK\$M	2014 HK\$M	
<b>Results</b>				
Revenue		9,386	8,338	+12.6%
Operating profit		9,605	7,103	+35.2%
Profit attributable to the Company's shareholders				
Underlying	(a), (b)	3,938	3,775	+4.3%
Reported		8,493	6,461	+31.5%
Cash generated from operations		5,579	5,618	-0.7%
Net cash inflow before financing		2,220	1,468	+51.2%
		HK\$	HK\$	
<b>Earnings per share</b>				
Underlying	(c)	0.67	0.65	+3.1%
Reported	(c)	1.45	1.10	+31.8%
<b>Dividends per share</b>				
First interim		0.23	0.22	+4.5%
		30th June 2015 HK\$M	31st December 2014 HK\$M	Change
<b>Financial Position</b>				
Total equity (including non-controlling interests)		215,108	208,547	+3.1%
Net debt		33,773	34,071	-0.9%
Gearing ratio	(a)	15.7%	16.3%	-0.6%pt.
		HK\$	HK\$	
<b>Equity attributable to the Company's shareholders per share</b>				
Underlying	(a), (b)	38.08	36.95	+3.1%
Reported	(a)	36.50	35.50	+2.8%

**Notes:**

- Refer to glossary on page 59 of the announcement of 2015 Interim Results of Swire Properties Limited dated 20 August 2015 (the "Results Announcement") for definition.
- A reconciliation between reported profit and underlying profit, and between reported equity and underlying equity attributable to the Company's shareholders is provided on page 6 of the Results Announcement.
- Refer to Note 11 in the financial statements in the Results Announcement for the weighted average number of shares.

**20 August 2015, Hong Kong** - Swire Properties Limited today announced its interim results for 2015. Underlying profit attributable to shareholders, which principally adjusts for changes in the valuation of investment properties, increased by HK\$163 million from HK\$3,775 million in the first half of 2014 to HK\$3,938 million in the first half of 2015. The increase principally reflected increased income from retail and office investment properties, and higher trading profits from the sale of luxury residential properties in Hong Kong. The Directors have declared a first interim dividend of HK¢23 (2014: HK¢22) per share for the period ended 30th June 2015.

Gross rental income amounted to HK\$5,368 million in the first half of 2015 compared with HK\$5,045 million in the first half of 2014. The increase principally reflected higher rents from office properties in Hong Kong and from retail properties in Mainland China.

There was an operating profit of HK\$1,025 million from property trading in the first half of 2015, compared to an operating profit of HK\$807 million in the first half of 2014. The profits in the first half of 2015 largely arose from the sales of 96 units at the AREZZO development and from sales of remaining units at the AZURA and MOUNT PARKER RESIDENCES developments in Hong Kong.

Profits from hotels were lower than in the first half of 2014. This mainly reflected weaker results in Hong Kong.

In his published statement about the interim results for 2015, John Slosar, Chairman of Swire Properties said this about prospects: "The pick-up in demand for office space in Hong Kong experienced in the first half of 2015 is expected to continue. There is demand for space in the central district. Rents are being renewed at higher rates at Taikoo Place.

In Guangzhou, demand for Grade-A office space in the Tianhe business district is expected to be robust despite the substantial supply of new office space in the city expected in the coming years. Office rents in Beijing are expected to weaken against a background of reduced demand and increased supply.

The fall in retail sales in Hong Kong has made retailers more cautious. However, Swire Properties' retail properties in Hong Kong remain fully let.

In the second half of 2015, retail sales are expected to continue to grow at rates above the national average in Guangzhou, Beijing and Chengdu despite the fact that demand for luxury goods has weakened in those cities."

Mr Slosar added: "In the second half of 2015, property trading profits are expected to be recognised on the sales of residential units at the AREZZO, ARGENTA, AZURA, MOUNT PARKER RESIDENCES and WHITESANDS developments in Hong Kong. Profits are also expected to be recognised on the sale of the office portion of the Daci Temple development in Chengdu, Mainland China.

Profits from property trading in Miami are expected to be recognised commencing from late 2015, when some pre-sold units will start to be handed over to purchasers.

The performance of the hotels in Hong Kong and in Beijing is expected to remain weak in the second half of 2015. The results of the hotels in Guangzhou and Miami are expected to improve despite difficult trading conditions.”

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**About Swire Properties**

Swire Properties develops and manages commercial, retail, hotel and residential properties, with a particular focus on mixed-use developments in prime locations. Swire Properties is listed on the Main Board of the Stock Exchange of Hong Kong and its investment portfolio in Hong Kong comprises Taikoo Place, Cityplaza and Pacific Place as its core holdings. In addition to Hong Kong, the Company has investments in Mainland China, the United States, Singapore and the United Kingdom. Visit Swire Properties’ website at [www.swireproperties.com](http://www.swireproperties.com).

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