Tsim Sha Tsui Properties Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 247)

CHAIRMAN'S STATEMENT

I am pleased to present my interim report to the shareholders.

INTERIM RESULTS

The Group's unaudited underlying net profit attributable to shareholders, excluding the effect of fair-value changes on investment properties for the six months ended 31st December, 2015 ("Interim Period") was HK$1,530.2 million, representing an increase of 78.4% from HK$857.6 million for the corresponding period last year. Underlying earnings per share was HK$0.915 (2014: HK$0.527).

The Group's net profit attributable to shareholders for the Interim Period was HK$1,977.7 million, representing an increase of 5.0% from HK$1,883.4 million for the corresponding period last year. Earnings per share was HK$1.183 (2014: HK$1.156). The reported profit for the Interim Period included a revaluation surplus (net of deferred taxation) on investment properties of HK$447.4 million compared with a revaluation surplus (net of deferred taxation) of HK$1,025.8 million for the last period.

The unaudited results for the Interim Period have been reviewed by the Company's auditor, Deloitte Touche Tohmatsu and they reflect the adoption of all Hong Kong Financial Reporting Standards applicable to the Group that are effective for the accounting period.

DIVIDEND

The Directors have declared an interim dividend of 13 cents per share payable on 20th April, 2016 to those shareholders whose names appear on the Register of Members of the Company on 14th March, 2016.

The interim dividend will be payable in cash but shareholders will be given the option of electing to receive the interim dividend in the form of new shares in lieu of cash in respect of part or all of such dividend. The new shares to be issued pursuant to the scrip dividend scheme are subject to their listing being granted by the Listing Committee of The Stock Exchange of Hong Kong Limited.

A circular containing details of the scrip dividend scheme will be despatched to the shareholders together with a form of election for scrip dividend on or about 18th March, 2016. It is expected that the interim dividend warrants and share certificates will be despatched to the shareholders on or about 20th April, 2016.

REVIEW OF OPERATIONS

The operations under Sino Land Company Limited ("Sino Land") represent a substantial portion of the operations of the Group as a whole. As at 31st December, 2015, Tsim Sha Tsui Properties Limited (the "Company") had 51.21% interest in Sino Land. Therefore, for discussion purposes, we have focused on the operations of Sino Land.

(1) Sales Activities

Sino Land's total revenue from property sales for the Interim Period, including property sales of associates and joint ventures recognized by Sino Land, was HK$7,187.4 million (2014 : HK$4,090.4 million).

Total revenue from property sales of Sino Land comprises mainly the sales of residential units in Dragons Range in Kau To, Mayfair By The Sea I and II in Pak Shek Kok and The Avenue Phase 2 in Wan Chai and to date, approximately 92%, 95%, 89% and 97% of the units in the respective projects have been sold.

During the Interim Period, Sino Land launched Cluny Park at 53 Conduit Road and The Mediterranean in Sai Kung for sale and to date, approximately 22% and 11% of the respective projects have been sold.

In China, 1,121 residential units in The Palazzo in Chengdu and 455 residential units in Dynasty Park in Zhangzhou were launched for sale by Sino Land during the Interim Period. To date, a total of 2,663 residential units in The Palazzo and 1,601 residential units in Dynasty Park have been launched for sale and approximately 64% and 83% of the units in the respective projects have been sold.

(2) Land Bank

As at 31st December, 2015, Sino Land has a land bank of approximately 32.9 million square feet of attributable floor area in Hong Kong, China, Singapore and Sydney which comprises a balanced portfolio of properties of which 56.5% is residential; 27.3% commercial; 6.9% industrial; 4.6% car parks and 4.7% hotels. In terms of breakdown of the land bank by status, 19.5 million square feet were properties under development, 11.8 million square feet of properties for investment and hotels, together with 1.6 million square feet of properties held for sale. Sino Land will continue to be selective in replenishing its land bank to optimise its earnings potential.

During the Interim Period, Sino Land acquired a site from the HKSAR Government and details of the project are as follows:

Location	Usage	Group's Interest	Attributable Floor Area *(Square feet)*
YLTL 532 Junction of Wang Yip Street West and Hong Yip Street, Tung Tau Industrial Area, Yuen Long, New Territories, Hong Kong	Commercial	100%	497,620

(3) Property Development

During the Interim Period, Sino Land obtained Occupation Permit for the following project in Hong Kong and details of the project are as follows:

Location	Usage	Group's Interest	Attributable Floor Area *(Square feet)*
Riverwalk 6 Ngan Kwong Wan Road, Mui Wo, Hong Kong	Residential/ Commercial	100%	49,407

(4) Rental Activities

For the Interim Period, Sino Land's gross rental revenue, including attributable share from associates and joint ventures, increased 4.4% to HK$1,894.4 million (2014: HK$1,814.9 million) and net rental income increased 3.2% to HK$1,646.7 million (2014: HK$1,595.5 million). The increase in rental revenue was mainly due to higher rental rates on renewals.

Overall occupancy of Sino Land's investment property portfolio was at approximately 97% (2014: 98%) for the Interim Period.

Sino Land's retail portfolio in Hong Kong recorded rental growth with overall occupancy rate at approximately 97% (2014: 99%) for the Interim Period mainly due to expiry of leases. Two new malls namely Mayfair Lane in Pak Shek Kok and Lee Tung Avenue in Wan Chai with total attributable floor area of approximately 110,000 square feet started operations during the Interim Period. Leasing of the two retail malls has progressed well with both malls achieving high occupancy.

The leasing performance of Sino Land's office portfolio saw stable rental growth while overall occupancy rate was at approximately 98% (2014: 98%) for the Interim Period. The leasing performance of Sino Land's industrial portfolio was steady with occupancy rate at approximately 97% (2014: 97%).

Sino Land's investment property portfolio primarily serves the need of its customers which include tenants, shoppers and the communities around the properties. The design and condition of the properties together with the quality of service provided to customers are of paramount importance. To ensure that the properties are in good condition with the proper layout and design, Sino Land would perform regular review of the properties. On service quality, Sino Land places a strong emphasis on regular training particularly for all front-line staff to ensure that the service provided to customers meets their expectations. Comments from customers, reports by silent shoppers and recognitions from professional institutions all play a role in assessing the quality of service delivered by the staff.

As at 31st December, 2015, Sino Land has approximately 11.8 million square feet of attributable floor area of investment properties and hotels in Hong Kong, China, Singapore and Sydney. Of this portfolio, commercial developments (retail and office) account for 61.9%, industrial 14.8%, car parks 12.4%, hotels 8.8%, and residential 2.1%.

(5) Hotels

Overall business performance of Sino Land's existing hotels, namely The Fullerton Hotel, The Fullerton Bay Hotel and Conrad Hong Kong was slightly affected by soft demand and competitive business environment during the Interim Period. Sino Land completed the acquisition of 50% interest in The Westin Sydney during the Interim Period which will strengthen Sino Land's recurrent income base. Sino Land will continue to improve the quality of its hotel services to ensure our discerning guests have enjoyable experiences during their stays in the hotels.

(6) China Business

During the Interim Period, the Central Government continued its monetary easing policies to stimulate the economy. The relaxation of loan-to-value ratio for mortgage loans as well as the reduction of interest rates are favourable for homebuyers. The property market has turned active with improvement in sales volume and value. Inventory level has also been decreased.

The reforms on household registration system (or "Hukou" system) have seen recent development. The contemplated changes include an introduction of a residence permit system giving rural residents a better access to social welfare and public services; the reform allowing migrant workers who register to live in the city to keep their land rights in the village and the plan to turn 100 million rural residents into registered urban residents are all positive to increase the demand for housing.

Sino Land has three projects in China mainly for residential development with a total of approximately 16.0 million square feet of attributable plot ratio area. These projects are The Palazzo in Chengdu, Dynasty Park in Zhangzhou and Mayfair By The Lake in Xiamen.

Other than the matters mentioned above, there has been no material change from the information published in the report and accounts for the financial year ended 30th June, 2015.

FINANCE

As at 31st December, 2015, the Group had cash and bank deposits of HK$23,991.2 million. After netting off total borrowings of HK$5,971.0 million, the Group had net cash of HK$18,020.2 million as at 31st December, 2015. Of the total borrowings, 12.7% was repayable within one year and 87.3% repayable between one and two years.

The majority of the Group's debts are denominated in Hong Kong dollars and US dollars, with the balance in Singapore dollars. The Singapore dollars denominated debts are mainly used to fund The Fullerton Heritage project in Singapore. Other than the above-mentioned, there was no material change in foreign currency borrowings and the capital structure of the Group for the Interim Period. The majority of the Group's cash are denominated in Hong Kong dollars with a portion of Renminbi, Australian dollars and New Zealand dollars deposits. The Group has maintained a sound financial management policy and foreign exchange exposure has been prudently kept at a minimal level.

CORPORATE GOVERNANCE

The Group places great importance on corporate integrity, business ethics and good governance. With the objective of practising good corporate governance, the Group has formed Audit, Compliance, Remuneration and Nomination Committees. The Group is committed to maintaining corporate transparency and disseminates information about new developments through various channels, including press releases, its corporate website, results briefings, site visits, participation in non-deal roadshows and investor conferences.

CUSTOMER SERVICE

Sino Land is committed to building quality projects. In keeping with its mission to enhance customer satisfaction, Sino Land will, wherever possible, ensure that attractive design concepts and features are also environmentally friendly for its developments. Management conducts regular reviews of Sino Land’s properties and service so that improvements can be made on a continuous basis.

CORPORATE SOCIAL RESPONSIBILITY

As a committed corporate citizen, Sino Land has been actively participating in a wide range of community programmes, voluntary services, charitable activities and green initiatives to promote environmental protection, arts and culture, heritage conservation and teamwork. In recognition of Sino Land’s continuous efforts in promoting sustainability and upholding high standards in environmental, social and corporate governance aspects, Sino Land has been named a constituent company of the Hang Seng Corporate Sustainability Index Series since September 2012.

During the Interim Period, Sino Land published its Sustainability Review 2015, its fifth annual report highlighting the corporate sustainability footprints and initiatives. The Sustainability Review has been prepared with reference to Hong Kong Exchanges and Clearing Limited’s ‘Environmental, Social and Governance Reporting Guide’ under Appendix 27 to the Main Board Listing Rules.

Sino Land encourages staff of all levels to serve the community and care for those in need; this commitment has been extended to support staff in joining voluntary service during office hours for at least one day in a year. Sino Land is dedicated to playing a part in building a better community through participating in voluntary services and charity events, with a strong emphasis on children and youth development. Sino Land appreciates the importance of providing guidance to the young generation in their learning stage, and collaborates with various community partners to provide learning opportunities for children and teenagers from underprivileged families.

Dedicated to promoting arts and culture to enrich daily lives, Sino Land initiated ‘Sino Art’ in 2006. Sino Art provides local and international artists with opportunities to showcase their works through exhibitions and related activities at the properties of Sino Land. With the launch of ‘Sino Art in Community’ in 2013, Sino Land has extended its reach to community facilities such as hospitals, kindergartens and children’s homes, where local artists create community art together with the underprivileged, children and educators. During the Interim Period, Sino Land launched two ‘Sino Art in Community’ projects in partnership with Society of Boys’ Centres Shing Tak Centre and Hong Kong Christian Service Tai Hang Tung Nursery School.

Sino Heritage was established in 2011 with the belief that conservation of cultural heritage helps the community build a sense of identity and strengthen relationships in the city. Sino Heritage identifies and showcases the heritage significance of historical projects in both Hong Kong and Singapore. In March 2008, the Ng Teng Fong Family, the major shareholder of the Group, set up a non-profit-making organisation, Hong Kong Heritage Conservation Foundation Limited (‘HCF’). HCF revitalised and converted the Old Tai O Police Station, a Grade II historic building, into a boutique hotel. Named Tai O Heritage Hotel (‘Hotel’), it is home to nine colonial-style rooms and suites, and commenced operation in March 2012. The Hotel, operated by HCF as a non-profit-making social enterprise, is part of the HKSAR Government's 'Revitalising Historic Buildings Through Partnership Scheme'. To raise public awareness on the importance of conserving heritage buildings, free hotel daily guided tours are offered for the public and charity groups to visit the Hotel. The Hotel is an award winner of the '2013 UNESCO Asia-Pacific Awards for Cultural Heritage Conservation'. In recognition of its contributions to heritage conservation in Hong Kong, HCF was honoured by the American Institute of Architects Hong Kong Chapter with a 'Citation Award' in November 2014.

PROSPECTS

There is an uneven economic growth among countries. In the United States, its economy has been growing at a moderate pace with improvement in labour market, household spending and housing market. Whilst the United States continues with the path of recovery and has started tightening its monetary policy, the Euro zone extended its quantitative easing programme. With concerns over a possible slowdown in global growth, strengthening of the US$ against other currencies and the decrease in oil prices, equity markets have been volatile and emerging markets have seen capital outflows.

In China, the Central Economic Work Conference convened by the Central Committee of the Communist Party and the State Council held in December 2015 maps out plans for 2016 including policies on managing the economy. The Central Government's "One Belt, One Road" initiative will strengthen economic ties across Asia, Europe and Africa and benefit a wide range of industries. Since the publication of the "Vision and Actions on Jointly Building Silk Road Economic Belt and 21st-Century Maritime Silk Road" authorized by the State Council in March 2015, a sequence of actions have taken place to turn the "One Belt, One Road" vision into reality. These include setting up policy measures to support the opening of key border regions; agreeing and signing joint statements to establish comprehensive strategic partnership between China and other countries; and devising action plans for advancing the initiative in key cities in China. The initiative will bring in new business opportunities and economic growth for Hong Kong in the years to come.

With effect from 1st October, 2016, Renminbi will be included in the Special Drawing Right ("SDR") basket as a fifth currency, along with the US$, Euro, British Pound and Japanese Yen, making Renminbi a global reserve currency. IMF's decision to include the Renminbi in the SDR basket is an important milestone in the integration of the Chinese economy into the global financial system. This together with the "One Belt, One Road" initiatives, demand for Renminbi and Renminbi denominated investments is expected to grow.

The Hong Kong property market continues to consolidate as a result of economic and property-related policies. Both sales volume and value showed a modest decrease in 2015 when compared to a year ago. The housing policy in the Policy Address announced on 13th January, 2016 states that there will be a consistent supply of land in Hong Kong. The HKSAR Government's effort in zoning or rezoning of sites, introducing new development areas and extending new towns should offer a solution to the long-term supply of both residential and commercial property developments.

Hong Kong experienced a decline in retail sales and visitor arrivals last year after over a decade of growth, which suggests that Hong Kong may face more economic headwinds going forward.

Management is mindful of the upcoming uncertainties as the business environment in Hong Kong may turn more difficult. Sino Land's recurrent businesses, which comprise property leasing, hospitality and property management services, continue to contribute stable stream of income. With a good financial position, Sino Land is well-positioned to respond to challenges ahead.

Management will continue to optimise earnings, enhance efficiency and productivity and improve the quality of products and services. In respect of property development and property management, Sino Land will incorporate more environmentally friendly elements in our projects. Sino Land will maintain a policy of selectively and continuously replenishing its land bank, which will enable it to strengthen earnings and shareholders' value.

STAFF AND MANAGEMENT

On behalf of the Board, I would like to take this opportunity to express my sincere appreciation to all staff for their commitment, dedication and continuing support. I would also like to express my gratitude to my fellow Directors for their guidance and wise counsel.

Robert NG Chee Siong
Chairman

Hong Kong, 24th February, 2016

Tsim Sha Tsui Properties Limited

(Incorporated in Hong Kong with limited liability)

(Stock Code: 247)

INTERIM RESULTS

The unaudited results of the Group for the six months ended 31st December, 2015 are as follows:

Consolidated Statement of Profit or Loss

	Notes	**Six months ended 31st December, 2015 HK$ (Unaudited)**	Six months ended 31st December, 2014 HK$ (Unaudited)
Turnover	2	**5,503,322,393**	5,298,008,885
Cost of sales		**(1,785,988,619)**	(2,244,577,637)
Direct expenses		**(1,166,687,332)**	(1,080,605,252)
Gross profit		**2,550,646,442**	1,972,825,996
Other income and other gains or losses		**45,243,794**	53,088,301
Change in fair value of investment properties		**725,986,992**	1,675,864,294
Gain on disposal of investment properties		**469,536,276**	7,217,307
Loss arising from change in fair value of trading securities		**(3,604,783)**	(39,963,650)
Administrative expenses		**(583,373,570)**	(377,420,844)
Other operating expenses		**(77,302,615)**	(89,041,823)
Finance income		**249,077,144**	233,948,708
Finance costs		**(114,529,223)**	(135,747,228)
Less: Interest capitalised		**6,835,105**	8,208,135
Finance income, net		**141,383,026**	106,409,615
Share of results of associates	3	**1,084,159,124**	553,776,934
Share of results of joint ventures	4	**21,980,471**	185,913,686
Profit before taxation	5	**4,374,655,157**	4,048,669,816
Income tax expense	6	**(426,264,833)**	(320,941,799)
Profit for the period		**3,948,390,324**	3,727,728,017
Profit for the period attributable to:			
The Company's shareholders		**1,977,718,392**	1,883,441,030
Non-controlling interests		**1,970,671,932**	1,844,286,987
		3,948,390,324	3,727,728,017
Interim dividend at HK13 cents *(2014: HK12 cents)* per share		**220,405,311**	198,893,273
Earnings per share (reported earnings per share) – basic	7(a)	**1.183**	1.156
Earnings per share (underlying earnings per share) – basic	7(b)	**0.915**	0.527

Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the six months ended 31st December, 2015

	Six months ended	
	31st December, 2015	31st December, 2014
	HK$	HK$
	(Unaudited)	(Unaudited)
Profit for the period	**3,948,390,324**	3,727,728,017
Other comprehensive expense		
Items that may be reclassified subsequently to profit or loss:		
Loss on fair value change of available-for-sale investments	**(118,081,158)**	(99,702,141)
Exchange differences arising on translation of foreign operations	**(746,816,090)**	(134,925,063)
Other comprehensive expense for the period	**(864,897,248)**	(234,627,204)
Net comprehensive income for the period	**3,083,493,076**	3,493,100,813
Net comprehensive income attributable to:		
The Company's shareholders	**1,535,843,690**	1,772,010,939
Non-controlling interests	**1,547,649,386**	1,721,089,874
	3,083,493,076	3,493,100,813

Consolidated Statement of Financial Position
At 31st December, 2015

	Notes	**31st December, 2015 HK$ (Unaudited)**	30th June, 2015 HK$ (Audited)
Non-current assets			
Investment properties		**58,910,628,109**	58,409,286,223
Hotel properties		**1,606,605,588**	1,695,741,835
Property, plant and equipment		**134,842,825**	139,070,293
Goodwill		**739,233,918**	739,233,918
Prepaid lease payments – non-current		**1,114,156,949**	1,177,613,796
Interests in associates		**16,334,495,766**	15,630,975,681
Interests in joint ventures		**3,013,193,958**	3,100,573,692
Available-for-sale investments		**825,957,254**	910,567,069
Advances to associates		**8,042,069,436**	8,270,997,179
Advances to joint ventures		**1,113,376,022**	1,058,033,279
Advance to an investee company		**13,670,132**	16,354,049
Long-term loans receivable		**369,502,675**	227,559,528
		92,217,732,632	91,376,006,542
Current assets			
Properties under development		**20,220,800,053**	20,454,301,162
Stocks of completed properties		**6,130,696,007**	7,258,620,820
Hotel inventories		**17,419,335**	17,357,382
Prepaid lease payments – current		**19,103,190**	20,710,267
Trading securities		**12,122,836**	15,688,163
Amounts due from associates		**160,916,838**	500,370,877
Amounts due from joint ventures		**583,315,058**	20,176,534
Accounts and other receivables	8	**1,351,580,855**	2,896,447,101
Current portion of long-term loans receivable		**7,879,733**	5,276,127
Taxation recoverable		**106,742,326**	98,649,164
Restricted bank deposits		**198,613,039**	194,566,781
Time deposits, bank balances and cash		**23,792,559,370**	19,607,731,659
		52,601,748,640	51,089,896,037
Assets classified as held for sale		**-**	317,000,000
		52,601,748,640	51,406,896,037
Current liabilities			
Accounts and other payables	9	**6,001,893,880**	8,228,563,195
Deposits received on sales of properties		**6,340,614,503**	1,229,453,253
Amounts due to associates		**1,233,831,461**	1,177,213,063
Amounts due to non-controlling interests		**142,601,151**	367,503,811
Taxation payable		**1,065,919,102**	1,136,081,255
Bank loans – secured		**655,587,203**	801,295,227
Other loans – unsecured		**102,728,158**	97,766,579
		15,543,175,458	13,037,876,383
Net current assets		**37,058,573,182**	38,369,019,654
Total assets less current liabilities		**129,276,305,814**	129,745,026,196

Consolidated Statement of Financial Position – continued
At 31st December, 2015

	31st December, 2015 HK$ (Unaudited)	30th June, 2015 HK$ (Audited)
Capital and reserves		
Share capital	**9,499,814,700**	8,869,463,206
Reserves	**51,166,456,295**	50,160,601,283
Equity attributable to the Company's shareholders	**60,666,270,995**	59,030,064,489
Non-controlling interests	**58,970,057,284**	58,628,888,325
Total equity	**119,636,328,279**	117,658,952,814
Non-current liabilities		
Long-term bank and other borrowings – due after one year	**3,863,359,326**	5,238,278,939
Other loans – due after one year	**1,349,321,864**	2,136,489,301
Deferred taxation	**2,047,093,808**	2,044,659,435
Advances from associates	**1,835,081,719**	1,685,891,370
Advances from non-controlling interests	**545,120,818**	980,754,337
	9,639,977,535	12,086,073,382
	129,276,305,814	129,745,026,196

Notes:

1. **Basis of preparation and disclosure required by section 436 of the Hong Kong Companies Ordinance**

The unaudited interim financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Hong Kong Accounting Standard 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants. The unaudited interim financial statements have been prepared on the historical cost basis, except for investment properties and certain financial instruments, which are measured at fair values, as appropriate.

The accounting policies used in the unaudited interim financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30th June, 2015.

The financial information relating to the year ended 30th June, 2015 included in the consolidated statement of financial position as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 30th June, 2015 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company's auditor has reported on these financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

2. Segment information

The following is an analysis of the Group's revenue and results by reportable and operating segments for the period under review:

Six months ended 31st December, 2015

	The Company and its subsidiaries		Associates and joint ventures		Total	
	External revenue HK$	Results HK$	Share of revenue HK$	Share of results HK$	Segment revenue HK$	Segment results HK$
Property						
Property sales	**2,961,757,256**	**892,568,582**	**4,225,714,249**	**898,335,429**	**7,187,471,505**	**1,790,904,011**
Property rental	**1,492,606,860**	**1,273,691,626**	**414,655,329**	**376,309,491**	**1,907,262,189**	**1,650,001,117**
	4,454,364,116	**2,166,260,208**	**4,640,369,578**	**1,274,644,920**	**9,094,733,694**	**3,440,905,128**
Property management and other services	**580,053,530**	**125,287,983**	**47,283,459**	**8,313,146**	**627,336,989**	**133,601,129**
Hotel operations	**436,677,161**	**170,122,762**	**203,574,188**	**98,084,929**	**640,251,349**	**268,207,691**
Investments in securities	**31,365,767**	**31,365,767**	**1,950**	**1,950**	**31,367,717**	**31,367,717**
Financing	**861,819**	**861,819**	**805,785**	**805,785**	**1,667,604**	**1,667,604**
	5,503,322,393	**2,493,898,539**	**4,892,034,960**	**1,381,850,730**	**10,395,357,353**	**3,875,749,269**

Six months ended 31st December, 2014

	The Company and its subsidiaries		Associates and joint ventures		Total	
	External revenue HK$	Results HK$	Share of revenue HK$	Share of results HK$	Segment revenue HK$	Segment results HK$
Property						
Property sales	2,821,663,364	331,139,767	1,268,803,402	153,885,480	4,090,466,766	485,025,247
Property rental	1,445,369,817	1,240,666,237	395,870,922	367,750,287	1,841,240,739	1,608,416,524
	4,267,033,181	1,571,806,004	1,664,674,324	521,635,767	5,931,707,505	2,093,441,771
Property management and other services	530,592,003	114,188,163	46,780,800	9,844,501	577,372,803	124,032,664
Hotel operations	468,335,990	193,532,208	119,176,200	64,061,100	587,512,190	257,593,308
Investments in securities	31,427,653	31,427,598	1,950	1,950	31,429,603	31,429,548
Financing	620,058	620,058	571,572	571,572	1,191,630	1,191,630
	5,298,008,885	1,911,574,031	1,831,204,846	596,114,890	7,129,213,731	2,507,688,921

Segment results represent the profit earned by each segment without allocation of certain other income and other gains or losses, certain administrative expenses and other operating expenses, changes in fair value of investment properties and trading securities, gain on disposal of investment properties and certain finance income net of finance costs. The profit earned by each segment also includes the share of results from the Group's associates and joint ventures without allocation of the associates' and joint ventures' certain other income and other gains or losses, certain administrative expenses and other operating expenses, change in fair value of investment properties, gain on disposal of investment properties, finance costs net of finance income and income tax expense. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment.

2. Segment information – continued

Reconciliation of profit before taxation

	Six months ended	
	31st December, 2015	31st December, 2014
	HK$	HK$
Segment profit	**3,875,749,269**	2,507,688,921
Other income and other gains or losses	**42,225,734**	50,102,108
Change in fair value of investment properties	**725,986,992**	1,675,864,294
Gain on disposal of investment properties	**469,536,276**	7,217,307
Loss arising from change in fair value of trading securities	**(3,604,783)**	(39,963,650)
Administrative expenses and other operating expenses	**(600,727,783)**	(402,022,074)
Finance income, net	**141,200,587**	106,207,180
Results shared from associates and joint ventures		
- Other income and other gains or losses	**29,197,234**	14,715,791
- Change in fair value of investment properties	**185,093,105**	401,956,085
- Gain on disposal of investment properties	**5,465,986**	31,266,395
- Administrative expenses and other operating expenses	**(193,266,569)**	(144,262,974)
- Finance costs, net	**(81,020,943)**	(82,805,039)
- Income tax expense	**(221,179,948)**	(77,294,528)
	(275,711,135)	143,575,730
Profit before taxation	**4,374,655,157**	4,048,669,816

During the six months ended 31st December, 2015, inter-segment sales of HK$45,070,680 *(six months ended 31st December, 2014: HK$39,198,556)* were not included in the segment of "property management and other services". There were no inter-segment sales in other operating segments. Inter-segment sales were charged at cost plus margin basis as agreed between both parties.

3. Share of results of associates

Share of results of associates included the Group's share of change in fair value of investment properties of the associates of HK$146,422,956 *(six months ended 31st December, 2014: HK$271,241,719).*

4. Share of results of joint ventures

Share of results of joint ventures included the Group's share of change in fair value of investment properties of the joint ventures of HK$38,670,149 *(six months ended 31st December, 2014: HK$130,714,366).*

5. Profit before taxation

	Six months ended 31st December, 2015 HK$	Six months ended 31st December, 2014 HK$
Profit before taxation has been arrived at after charging (crediting):		
Release of prepaid lease payments (included in other operating expenses)	**9,783,580**	12,218,562
Cost of properties sold recognised as cost of sales	**1,785,988,619**	2,244,577,637
Cost of hotel inventories recognised as direct expenses	**58,911,034**	59,990,972
Depreciation of owner-operated hotel properties	**13,019,552**	14,129,238
Depreciation of property, plant and equipment	**25,310,383**	29,418,368
Loss (gain) on disposal of property, plant and equipment	**1,490,284**	(160,091)
Recognition (reversal) of impairment loss on trade receivables	**69,061**	(1,114,582)

6. Income tax expense

	Six months ended 31st December, 2015 HK$	Six months ended 31st December, 2014 HK$
The charge comprises:		
Current taxation		
Hong Kong Profits Tax	**313,395,707**	140,199,244
Other jurisdictions	**42,135,764**	56,397,345
Land Appreciation Tax ("LAT") in the People's Republic of China (the "PRC")	**8,715,619**	56,207,247
	364,247,090	252,803,836
Deferred taxation	**62,017,743**	68,137,963
	426,264,833	320,941,799

Hong Kong Profits Tax is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year. The estimated average annual tax rate used is 16.5% *(six months ended 31st December, 2014: 16.5%).*

Taxes on profits assessable in Singapore and the PRC are recognised based on management's best estimate of the weighted average annual income tax rates prevailing in the countries and the regions in which the Group operates. The estimated weighted average annual tax rates used are 17% in Singapore and 25% in the PRC *(six months ended 31st December, 2014: 17% in Singapore and 25% in the PRC).*

The provision of LAT is calculated according to the requirements set forth in the relevant tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

Deferred taxation has been provided in relation to the change in fair value of certain investment properties and other temporary differences.

7. Earnings per share

(a) Reported earnings per share

The calculation of the basic earnings per share attributable to the Company's shareholders is based on the following data:

	Six months ended 31st December, 2015 HK$	31st December, 2014 HK$
Earnings for the purpose of basic earnings per share	**1,977,718,392**	1,883,441,030
	Number of shares	Number of shares
Weighted average number of ordinary shares for the purpose of basic earnings per share	**1,671,419,926**	1,628,770,846

(b) Underlying earnings per share

For the purpose of assessing the underlying performance of the Group, basic earnings per share calculated based on the underlying profit attributable to the Company's shareholders of HK$1,530,257,773 *(six months ended 31st December, 2014: HK$857,606,123)* is also presented, excluding the net effect of changes in fair value of the Group's, associates' and joint ventures' investment properties. The denominators used are the same as those detailed above for reported earnings per share. A reconciliation of profit is as follows:

	Six months ended 31st December, 2015 HK$	31st December, 2014 HK$
Earnings for the purpose of basic earnings per share	**1,977,718,392**	1,883,441,030
Change in fair value of investment properties	**(725,986,992)**	(1,675,864,294)
Effect of corresponding deferred taxation charges	**25,815,987**	52,731,938
Share of results of associates		
- Change in fair value of investment properties	**(146,422,956)**	(271,241,719)
- Effect of corresponding deferred taxation charges	**1,650,000**	-
Share of results of joint ventures		
- Change in fair value of investment properties	**(38,670,149)**	(130,714,366)
	(883,614,110)	(2,025,088,441)
Non-controlling interests	**436,153,491**	999,253,534
Net effect of changes in fair value of investment properties	**(447,460,619)**	(1,025,834,907)
Underlying profit attributable to the Company's shareholders	**1,530,257,773**	857,606,123

8. Accounts and other receivables

At 31st December, 2015, included in accounts and other receivables of the Group are trade receivables (net of allowance for doubtful debts) of HK$491,956,038 *(30th June, 2015: HK$2,166,321,388)*, of which HK$211,201,251 *(30th June, 2015: HK$1,866,123,067)* are to be settled based on the terms of sales and purchase agreements of property. Rental receivables are billed and payable in advance by tenants. Trade receivables mainly comprise rental receivables and properties sales receivables.

The following is an aged analysis of trade receivables (net of allowance for doubtful debts) at the end of the reporting period:

	31st December, 2015 HK$	30th June, 2015 HK$
Not yet due	**211,201,251**	1,866,123,067
Overdue:		
1-30 days	**96,280,761**	239,661,625
31-60 days	**136,577,209**	21,604,473
61-90 days	**19,869,593**	8,955,887
Over 90 days	**28,027,224**	29,976,336
	491,956,038	2,166,321,388

9. Accounts and other payables

At 31st December, 2015, included in accounts and other payables of the Group are trade payables of HK$183,111,221 *(30th June, 2015: HK$103,021,517).*

The following is an aged analysis of trade payables presented based on invoice date at the end of the reporting period:

	31st December, 2015 HK$	30th June, 2015 HK$
0-30 days	**135,718,547**	68,032,709
31-60 days	**34,374,131**	16,762,681
61-90 days	**4,025,107**	1,261,730
Over 90 days	**8,993,436**	16,964,397
	183,111,221	103,021,517

10. Pledge of assets

(a) At 31st December, 2015, the aggregate facilities of bank loans granted to the Group amounting to HK$655,890,000 *(30th June, 2015: HK$3,302,375,000)* were secured by certain of the Group's assets amounting to a total carrying amount of HK$1,714,725,191 *(30th June, 2015: HK$5,414,434,497).* At that date, the facilities were utilised by the Group to the extent of HK$655,890,000 *(30th June, 2015: HK$2,181,375,000).*

(b) At 31st December, 2015, shares in certain associates and a joint venture with aggregate investment costs amounting to HK$36 *(30th June, 2015: Nil)*, advances to certain associates and a joint venture in aggregate amounting to approximately HK$1,851,808,000 *(30th June, 2015: HK$2,587,824,000)* and certain assets of the associates and joint venture were pledged to or assigned to secure loan facilities made available by banks to such associates and joint venture. Loan facilities granted to certain associates were jointly guaranteed by Sino Land Company Limited ("Sino Land") and the other shareholders of the associates.

11. Contingent liabilities

At the end of the reporting period, the Group had contingent liabilities as follows:

	31st December, 2015 HK$	30th June, 2015 HK$
Guarantees given to banks in respect of:		
Banking facilities of associates attributable to the Group		
- Utilised	**901,750,000**	1,497,783,832
- Unutilised	**985,450,000**	661,600,000
	1,887,200,000	2,159,383,832
Mortgage loans granted to property purchasers	**568,690,426**	440,534,499

At 31st December, 2015 and 30th June, 2015, the Group issued corporate financial guarantees to banks in respect of banking facilities granted to associates. At the end of both reporting periods, the Group did not recognise any liabilities in respect of such corporate financial guarantees as the Directors of the Company consider that the fair values of these financial guarantee contracts at their initial recognition and at the end of the reporting period are insignificant.

12. Capital commitments

On 25th May, 2015, Sino Land entered into a memorandum of agreement with a connected person for the formation of a joint venture company on a 50:50 basis (the "Joint Venture"). The Joint Venture, through its direct wholly-owned subsidiary (the "JV's Subsidiary"), participated in a private bidding process, and entered into a share sale agreement with a vendor, an independent third party, on 25th May, 2015 under which the JV's Subsidiary agreed to purchase all of the issued shares of the then hotel owner of a hotel in Sydney for the total consideration of AUD445,333,000 (approximately HK$2,739,000,000) subject to adjustments, if necessary, according to the relevant completion accounts as at the date of completion (the "Acquisition").

As at 30th June, 2015, the estimated total capital expenditure of the Group in respect of the Acquisition contracted but not provided for in the consolidated financial statements was approximately AUD227,700,000 (approximately HK$1,349,000,000).

The Acquisition was completed on 31st July, 2015. The final consideration payable by the Group was approximately AUD223,982,000 (approximately HK$1,267,000,000) and was fully settled by cash during the period. The Group had no material capital commitments to be disclosed as at 31st December, 2015.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Thursday, 10th March, 2016 to Monday, 14th March, 2016, both dates inclusive, during which period no transfer of shares will be effected. The record date for the interim dividend is at the close of business on Monday, 14th March, 2016.

In order to qualify for the interim dividend, shareholders should ensure that all transfers accompanied by the relevant share certificates are lodged with the Company's Registrars, Tricor Friendly Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 9th March, 2016.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the interim period.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

During the six months ended 31st December, 2015, the Company has complied with all the code provisions as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), except that there was no separation of the roles of the chairman and the chief executive, both of the roles are currently undertaken by the Chairman of the Board.

The Board is of the view that the current management structure has been effective in facilitating the Company's operation and business development and that necessary checks and balances consistent with sound corporate governance practices are in place. The implementation of strategies and policies of the Board and the operations of each business unit are overseen and monitored by designated responsible Executive Directors. The Board has found that the current arrangement has worked effectively in enabling it to discharge its responsibilities satisfactorily. In addition, the three Independent Non-Executive Directors have contributed valuable views and proposals for the Board's deliberation and decisions. The Board will review the management structure regularly to ensure it continues to meet these objectives and is in line with the industry practices.

REVIEW OF INTERIM RESULTS

The unaudited interim results of the Group for the six months ended 31st December, 2015 have been reviewed by the Audit Committee and the auditor of the Company, Deloitte Touche Tohmatsu.

2015-2016 INTERIM REPORT

The 2015-2016 interim report containing all the information required by the Listing Rules will be published on the website of Hong Kong Exchanges and Clearing Limited and the Company's website www.sino.com while printed copies will be sent to shareholders on or about Friday, 11th March, 2016.

By Order of the Board
Velencia LEE
Company Secretary

Hong Kong, 24th February, 2016

As at the date hereof, the Executive Directors of the Company are Mr. Robert Ng Chee Siong and Mr. Daryl Ng Win Kong, the Non-Executive Director is The Honourable Ronald Joseph Arculli, and the Independent Non-Executive Directors are Dr. Allan Zeman, Mr. Adrian David Li Man-kiu and Mr. Steven Ong Kay Eng.