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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 Second Quarter 2019

This statement contains certain operating information about Swire Properties Limited in relation to the second quarter of 2019. 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 six months ended 30 Jun 2019) | Reversion ⁽¹⁾ <i>(For the six months ended 30 Jun 2019)</i> <i>(including rent reviews)</i> | Latest Rentals <i>(Headline)</i> |
|------------------------------------|----------------------------|----------------------------|---|--|--|
| | <i>(As at 31 Dec 2018)</i> | <i>(As at 30 Jun 2019)</i> | | | |
| <u>Hong Kong</u> | | | <i>(sq ft)</i> | | <i>(HK\$ psf)</i> |
| Pacific Place | 100% | 99% | 427,708 | + 19% | 1PP / 2PP: 130 – 160 3PP: 115 – 125 |
| Taikoo Place ⁽²⁾ | 99% | 99% | 295,875 | + 13% | high 40s – mid 50s |
| One Island East & One Taikoo Place | 99% | 100% | 266,521 ⁽³⁾ | + 11% ⁽³⁾ | mid 50s – low 70s |
| Overall HK Office | 99% ⁽⁴⁾ | 99% | N/A | N/A | N/A |
| <u>Mainland China</u> | | | <i>(sq m)</i> | | <i>(RMB psm)</i> |
| Taikoo Hui Offices | 99% | 99% | 18,279 | N/A | mid 100s – low 200s |
| ONE INDIGO | 97% | 86% | 5,977 | N/A | high 200s – low 300s |
| HKRI Centre 1 & Centre 2 | 98% ⁽⁴⁾ | 99% | 5,623 | N/A | mid 300s – mid 400s |

Retail

| Principal Properties | Occupancy | | Retail Sales Growth |
|-----------------------------------|---------------------|---------------------|--|
| | (As at 31 Dec 2018) | (As at 30 Jun 2019) | (For the six months ended 30 Jun 2019) |
| <u>Hong Kong</u> | | | |
| The Mall, Pacific Place | 100% | 100% | - 4.2% ⁽⁵⁾ |
| Cityplaza | 100% | 100% | + 0.1% |
| Citygate Outlets ⁽⁶⁾ | 100% | 99% | + 0.1% |
| <u>Mainland China</u> | | | |
| Taikoo Li Sanlitun | 100% | 100% | + 9.0% |
| Taikoo Hui, Guangzhou | 100% | 100% | + 14.6% |
| INDIGO | 99% | 99% | + 18.3% |
| Sino-Ocean Taikoo Li Chengdu | 99% | 98% | + 18.9% |
| HKRI Taikoo Hui, Shanghai | 97% ⁽⁴⁾ | 98% | + 66.8% |
| <u>Miami, Florida, USA</u> | | | |
| Brickell City Centre | 89% ⁽⁴⁾ | 90% ⁽⁴⁾ | + 37.8% |

Notes:

- (1) Reversion is the percentage change in rent on lease renewals, entry into new leases and rent reviews.
- (2) Including PCCW Tower.
- (3) Excluding One Taikoo Place which was completed in September 2018.
- (4) Including space allocated to prospective tenants who have signed letters of intent.
- (5) 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.
- (6) 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.

2. Investment Properties and Hotels under Development

| Principal Properties | GFA (100% basis) | Expected Completion | Development Status |
|---|-----------------------|---------------------|--|
| <u>Hong Kong</u> | | | |
| Two Taikoo Place | (sq ft) ~1,000,000 | 2021 / 2022 | - Superstructure works in progress. |
| 46-56 Queen's Road East, 1A-11 Lanale Street, 2A-12 Anton Street | ~218,000 | 2023 | - Foundation works in progress. |
| <u>Mainland China</u> | | | |
| Taikoo Li Qiantan, Shanghai | (sq m) 115,852 | 2020 | - Construction of basement and superstructure in progress. |

| Principal Properties | GFA (100% basis) | Expected Completion | Development Status |
|-----------------------------------|---|------------------------|--------------------------------------|
| <u>Miami, Florida, USA</u> | (sq ft) | | |
| One Brickell City Centre | 1,967,000 ⁽⁷⁾ ⁽⁸⁾ | To be determined | - Future development under planning. |

Notes:

- (7) Represents leasable or saleable area.
(8) Including residential portion.

3. Trading Properties

| Trading Properties (As at 29 Jul 2019) | GFA (100% basis) | Expected Completion | Expected Handover | Development Status |
|---|-----------------------|------------------------|----------------------|---------------------------------|
| <u>Hong Kong</u> | (sq ft) | | | |
| 21-31 Wing Fung Street | 30,511 ⁽⁹⁾ | 2022 | 2022 | - Foundation works in progress. |
| <u>Singapore</u> | | | | |
| EDEN | 77,212 | 2019 | 2020 | - Fitting out works in progress |
| <u>Jakarta, Indonesia</u> | | | | |
| South Jakarta Project | 1,123,000 | 2023 | 2023 | - Demolition works in progress |

| Trading Properties (As at 29 Jul 2019) | Saleable Area ⁽¹⁰⁾ (100% basis) | Total Units | Units Sold | Average Sale Price (based on saleable area) |
|---|--|----------------|---------------------|--|
| <u>Miami, Florida, USA</u> | (sq ft) | | | (US\$ psf) |
| Reach, Brickell City Centre | 49,260 | 390 | 364 ⁽¹¹⁾ | mid 600s |
| Rise, Brickell City Centre | 163,163 | 390 | 280 ⁽¹²⁾ | high 600s |

Notes:

- (9) Excluding a retail podium of approximately 3,281 sq ft which will be retained by the Company for investment purposes.
(10) Represents the saleable area of the remaining unsold units.
(11) The profit from the sale of 361 units was recognised before 2019. The profit from the sale of three units is expected to be recognised in the second half of 2019.
(12) The profit from the sale of 234 units was recognised before 2019. The profit from the sale of 25 units was recognised in the first half of 2019 and the profit from the sale of 21 units is expected to be recognised in the second half of 2019.

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

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

Executive Directors: M.B. Swire (Chairman), G.M.C. Bradley, F.N.Y. Lung;
Non-Executive Directors: N.A.H. Fenwick, P. Healy, R.S.K. Lim, M.M.S. Low; and
Independent Non-Executive Directors: L.K.L. Cheng, T.T.K. Choi, S.T. Fung 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
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Hong Kong, 2nd August 2019

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