

Hopewell Holdings Limited

合和實業有限公司

FY2011/12 Annual Results

2011/12 財政年度全年業績

20 August 2012

Presentation slides are available in www.hopewellholdings.com

Group Messages

集團信息

- **Positive Operating Performance**

業務表現理想

- **Strong and solid financial position for future investments**

具備穩健的財務實力投資未來的新項目

- **Poised to grow with the Pearl River Delta economy**

緊貼珠江三角洲的經濟發展



Key Highlights

摘要

- **Accepted Government's land exchange offer for Hopewell Centre II project in Jul 2012**
在2012年7月，接納政府提出合和中心二期的換地建議
 - ◆ **Target to start construction by end-2012**
計劃於2012年底前動工

- **Healthy growth in property rental business. Starting to see results from the marketing program that began 2 years ago**
物業租賃業務穩健增長，2年前展開的市場推廣活動漸見成果
 - **Occupancy rates remained at high levels with rise in average rental rates** 出租率維持在高水平，平均租金持續上升

- **Sales of Hopewell New Town received encouraging response**
合和新城的銷售反應令人鼓舞

- **Attributable share of net toll revenue from toll expressways ↑ 5% to HK\$2,386 million**
收費公路的應佔淨路費收入上升5%至港幣23.86億元

Key Highlights


摘要

A strong financial position

充裕的財務狀況

 **Net cash on hand – HHL corporate level: HK\$1,648 million (HK\$1.9/share)**

手頭淨現金 (合和實業公司層面)：港幣16.48億元 (每股港幣1.9元)

 **Net cash + available committed banking facilities on hand - HHL corporate level: HK\$7,268 million**

手頭淨現金及已承諾的銀行備用信貸額 (合和實業公司層面)：港幣72.68億元

Key Highlights

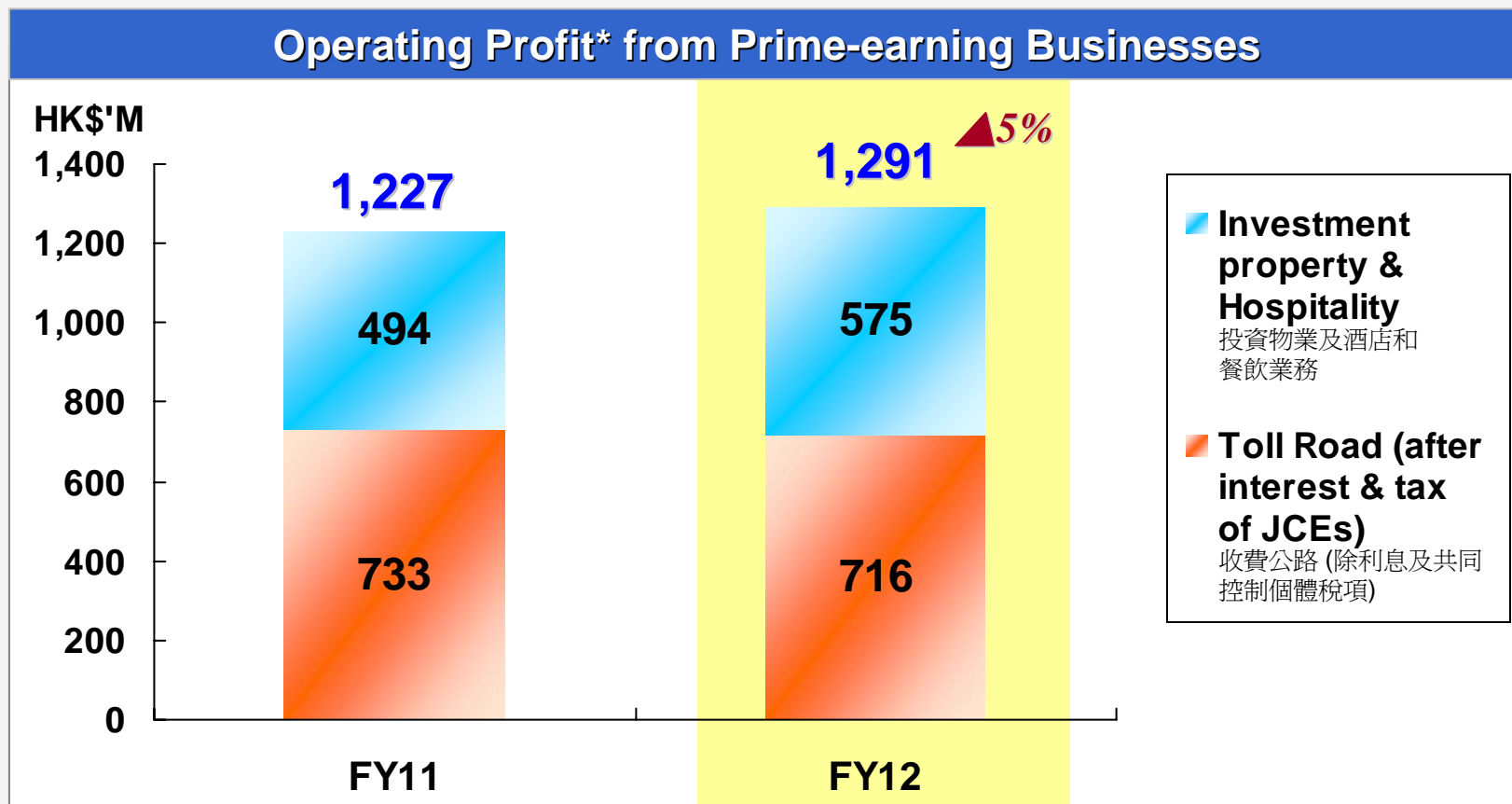
摘要

- **Annual operating profit* from prime-earning businesses exceeded HK\$1.2 billion in FY12**

2012財政年度重點收益業務的全年營運溢利逾港幣12億元

- ◆ **From toll road, investment property and hospitality**

來自收費公路、投資物業及酒店和餐飲業務



* Being EBIT net of minority interests' portion

Financial Highlights 財務摘要

Year ended 30-Jun (HK\$'M) 截至6月30日止年度 (港幣百萬元)	2011	2012	% change 轉變(%)
EBIT 除利息及稅項前溢利	1,855	2,136	+15%
Profit attributable to owners of the Company 公司股東應佔溢利	5,576	3,631	-35%

- Difference in profit \$3,631 million and EBIT \$2,136 million mainly due to fair value gain of investment properties \$2,264 million**
 溢利港幣36.31億元與除利息及稅項前溢利港幣21.36億元的差別，主要源於投資物業公平值收益港幣22.64億元
- EBIT ↑ 15% mainly due to** 除利息及稅項前溢利上升15%，主要由於
 - Continued growth of investment properties and hospitality businesses**
投資物業及酒店和餐飲業務的業務持續增長
 - Increased residential property sales of Hopewell New Town**
合和新城的住宅單位銷售增加
 - Rise in treasury income** 財資收入上升
- Core profit attributable to the Company's shareholders (excluding fair value gain on completed investment properties and exceptional item) ↑ 11% to \$1,347 million**
 公司股東應佔核心溢利 (不包括已落成投資物業公平值收益及特殊項目) 上升11%至港幣13.47億元
- Profit attributable to owners of the Company ↓ 35% mainly because fair value gain of investment properties ↓ 48% to \$2,264 million**
 公司股東應佔溢利下跌35%，主要由於投資物業公平值收益下跌48%至港幣22.64億元

HK\$ in million 港幣(百萬元)	Revenue 收益		EBIT ^{N1} 除利息及稅項前溢利	
	2011	2012	2011	2012
For the year ended 30-Jun 截至6月30日止年度				
Property investment 物業投資	650	707	400	445
Hotel, restaurant & catering 酒店、餐館及餐飲	388	461	94	130
Property development 物業發展	1,918	1,267	184	335
Toll road (after interest & tax of JCE) 收費公路(包括共同控制個體的利息及稅項)	2,275	2,386	1,065	1,036
Power plant (after interest & tax of JCE) 電廠(包括共同控制個體的利息及稅項)	1,530	1,493	123	86
Treasury income 財資收入	106	246	106	246
Others 其他	106	-	(117)	(142)
Revenue / EBIT 收益 / 除利息及稅項前溢利	6,973	6,560	1,855	2,136

-6%

+15%

N1: EBIT of the Co. & its subsidiaries, & share of net profit (after interest & tax) of Jointly Controlled Entities

	Results 業績	
	2011	2012
Earnings before interest & tax 除利息及稅項前溢利	1,855	2,136
Finance costs 財務成本	(79)	(92)
Exceptional items 特殊項目	-	20
Fair value change of completed investment properties 已落成投資物業公平值變動	4,395	2,264
Profit before tax 除稅項前溢利	6,171	4,328
Taxation 稅項	(219)	(365)
Deferred tax for changes in fair value of Broadwood Twelve ^{N2} 樂天峯公平值變動之遞延稅項	(33)	-
Profit for the year 本年度溢利	5,919	3,963
Minority interests 少數股東應佔淨溢利	(343)	(332)
Profit attributable to owners of the Company 公司股東應佔溢利	5,576	3,631

-35%

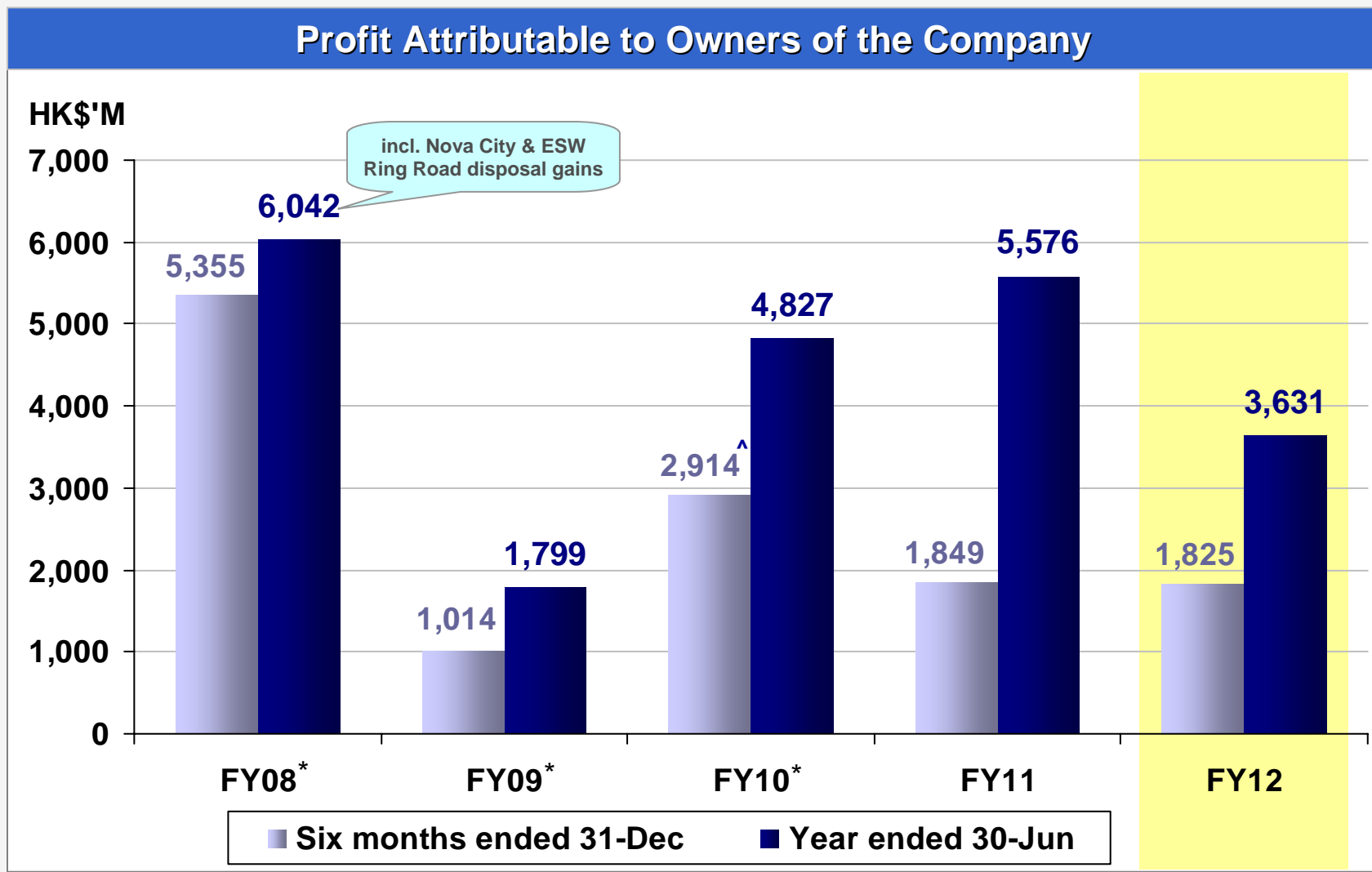
N2: Deferred tax after 24.5.2010 (when HHL decided to sell Broadwood Twelve instead of holding it for rental as originally planned)

Financial Highlights 財務摘要

	Year ended 30-Jun 截至6月30日止年度		% change 轉變(%)
	2011	2012	
EPS (HK\$) 每股溢利 (港元)	6.36	4.15	-35%
DPS (HK cents) 每股股息 (港仙)	Interim 中期: 45	Interim 中期: 45	
	Final 末期: 58	Final 末期: 54	
	Special Final: 45 特別末期	Special Final: 40 特別末期	
	Total 合計: 148	Total 合計: 139	

Profit Attributable to Owners of the Company

公司股東應佔溢利



* Figures in FY08-FY10 have been restated

[^] Incl. completion gain \$1,696m from Broadwood Twelve

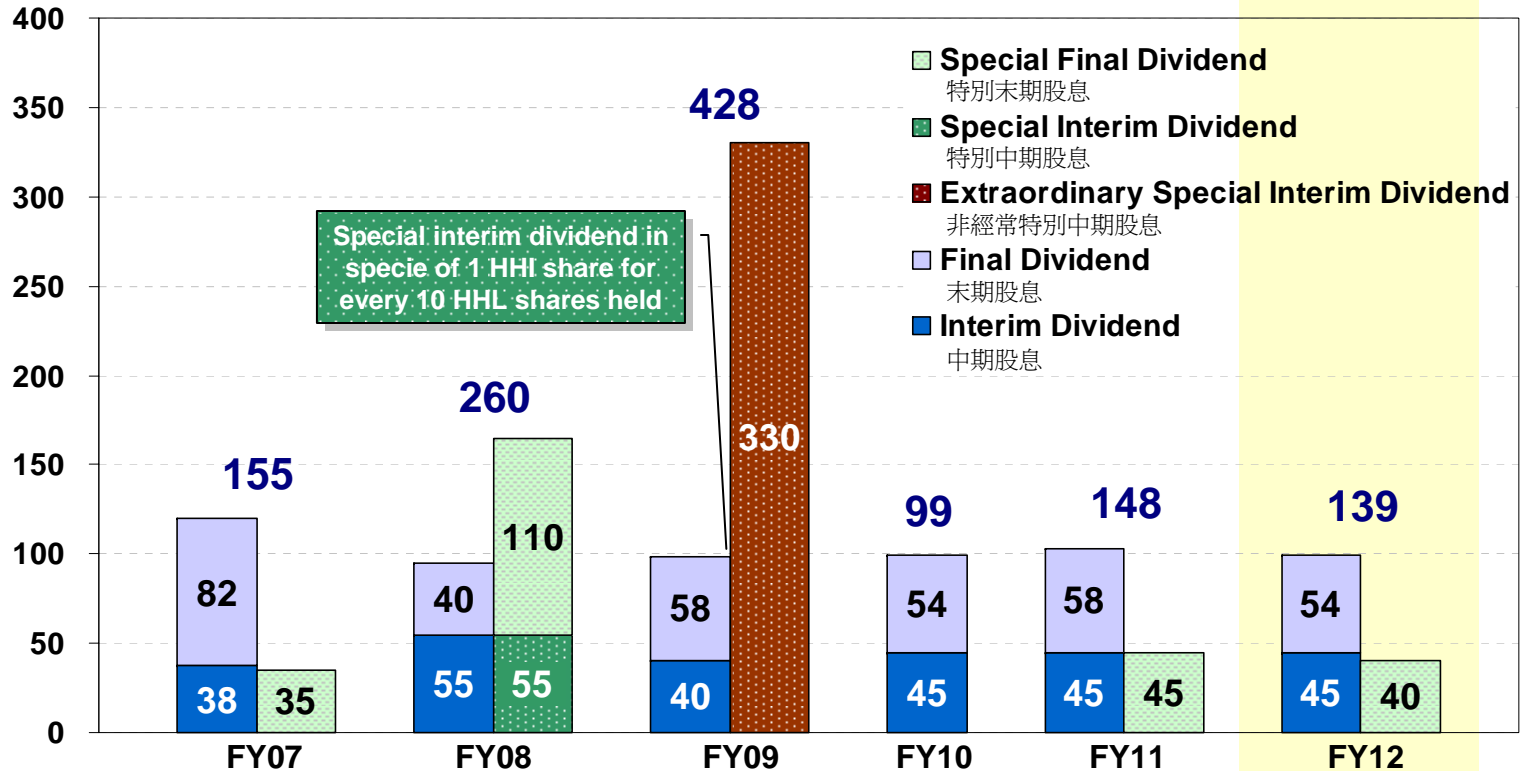
Incl. exceptional gains of \$20m (FY12), \$30m (FY10), \$144m (FY09) & \$4,791m (FY08)

HHL Dividend History – Steady Dividend

合和實業的股息 - 穩健股息

HHL Dividend History

HK cents/share (港仙/每股)



Total Dividend Payout Ratio ^{N2}	FY07	FY08	FY09	FY10	FY11	FY12
	57%	40%	57% ^{N1}	30%	56% ^{N3}	64% ^{N3}
				82% (net profit ex-ALL inv' properties net fair value gain)		

N1: Exclude extraordinary special dividend of \$3.3/share paid in Nov 08 and special interim dividend by way of distribution in specie of shares

N2: - Based on net profit excluding net fair value change of completed investment properties

- Profits in FY07-FY10 have not been restated to reflect the actual payout ratio decided in those years

N3: Based on (i) net profit excluding fair value change of completed investment properties & (ii) net realised gain on Broadwood Twelve units sold in the review year (recorded in FY10) approx. \$500m (FY12); \$1.1b (FY11). If only based on (i) payout ratio = 89% (FY12); 107% (FY11)

Strong Cash Position

持有充裕的現金

- **HHL corporate level net cash on hand: HK\$1,648 million (HHI not included)**
合和實業公司層面手頭淨現金為港幣16.48億元 (不包括合和公路基建)
- **HHL corporate level net cash + available committed banking facilities on hand: HK\$7,268 million (HHI not included)**
合和實業公司層面手頭淨現金及已承諾的銀行備用信貸額達港幣72.68億元 (不包括合和公路基建)
- **Strong financial resources to meet funding requirements of HK\$5.9 billion in FY13-15 for current projects under development**
財務資源充裕，足以應付發展中項目於2013—2015財政年度港幣59億元的資金需求

<u>HHL Corporate Level</u> 合和實業 公司層面	<u>30-Jun-11</u> HK\$'M	<u>30-Jun-12</u> HK\$'M
Net Cash 淨現金	1,843	1,648
Available Committed Banking Facilities 已承諾的銀行備用信貸額	6,920	5,620
Net Cash + Available Committed Banking Facilities 淨現金+已承諾的銀行備用信貸額	8,763	7,268

Existing Projects

◆ Property

現有項目：物業

Investment Properties - Occupancy & Rental Rates

投資物業：出租率及租金

● Occupancy rate of investment properties remained at high levels

投資物業的出租率維持在高水平

● Average rental rates increased vs previous year

平均租金較去年同期上升

	Average Occupancy Rate ^{N1} 平均出租率			Change in Average Rental Rate 平均租金的轉變
	FY11	FY12	yoy 按年轉變	
Hopewell Centre 合和中心	91%	94%	+3%	+5%
KITEC Office 九龍灣國際展貿中心寫字樓	83%	94%	+11%	+4%
KITEC E-Max 九龍灣國際展貿中心E-Max	92%	94%	+2%	+13%
Panda Place 悅來坊商場	93%	77% (Reopen Dec-12)	-16%	+14%
QRE Plaza	90%	86%	-4%	+13%
GardenEast (apartments)	96%	93%	-3%	+12%

Areas already leased & occupied by tenants + Areas reserved for specific use
+ Areas where leases have been committed but not yet commenced

N1: Occupancy rates in the whole presentation =

Total lettable area

Investment Properties (Office) Highlights

投資物業(寫字樓)摘要

Continued rise in office average spot rent and passing rent

寫字樓平均市值租金和平均現收租金持續上揚

	Average Spot Rent (HK\$/ft ²) 平均市值租金 (港幣/平方呎)		Average Passing Rent ^{N1} (HK\$/ft ²) 平均現收租金 (港幣/平方呎)		
	FY11	FY12	FY11	FY12	FY13 (Target not less than)
Hopewell Centre Office 合和中心寫字樓 <i>yoy 按年變動</i>	31.0	37.0 +19%	26.1	27.9 +7%	31.0 +11%
KITEC Office 九展寫字樓 <i>yoy 按年變動</i>	9.8	12.0 +22%	9.2	9.5 +4%	10.5 +11%

Hopewell Centre office rental contracts on hand for FY13 approx. \$190m (as of 15.8.12) = 100% of FY12's rental revenue

在2012年8月15日，合和中心寫字樓在2013財政年度的手頭租約約港幣1.9億元，相等於2012財政年度租金收入的100%

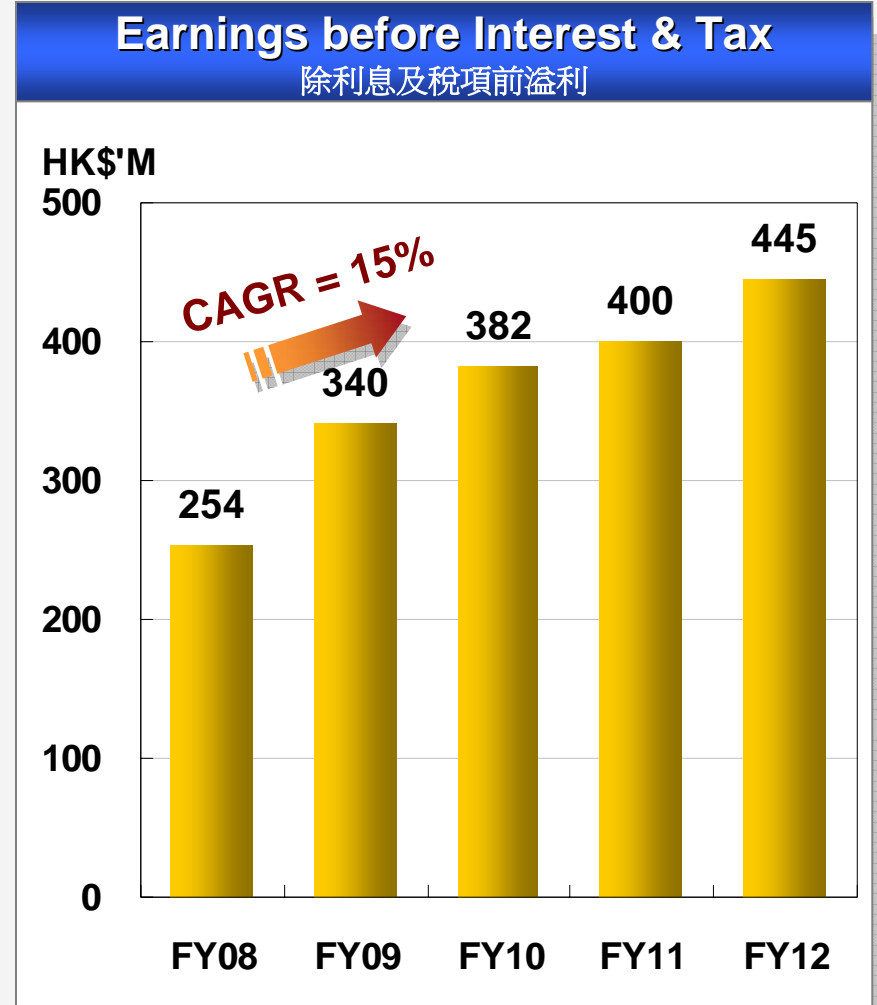
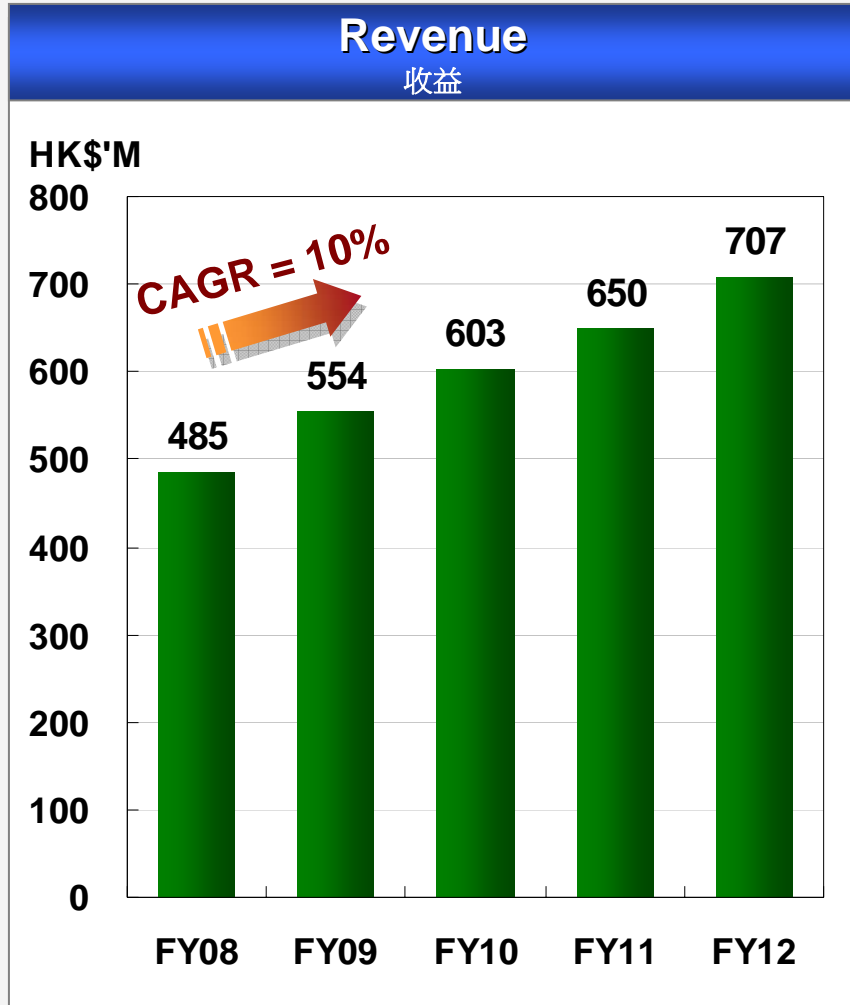
N1: Average rental rates of existing contracted tenancies

Investment Properties - Strong Growth in past 5 years

投資物業：過去5年增長強勁

● Investment properties EBIT 5-year CAGR 15% (FY08-FY12)

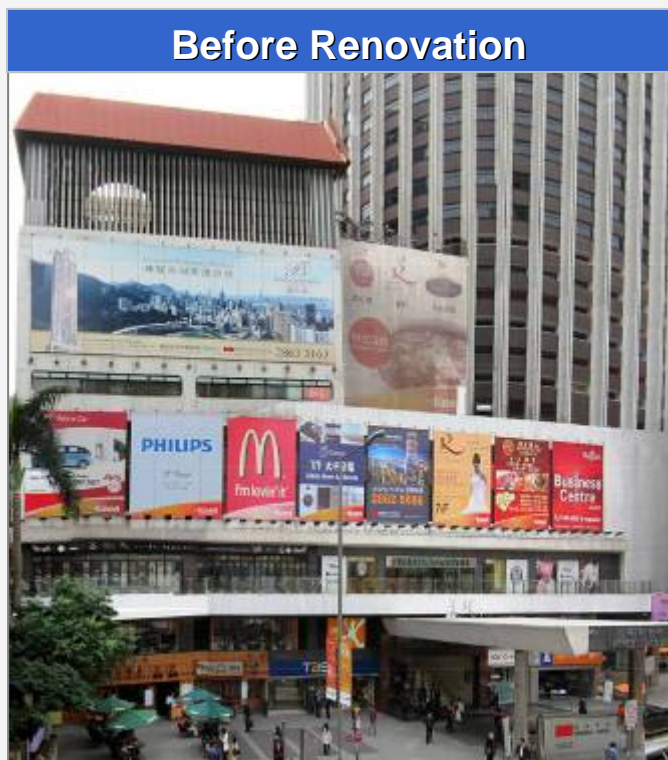
投資物業的除利息及稅項前溢利的5年複合增長率為15% (以2008至2012財政年度計)



Hopewell Centre – Continuous Enhancement

合和中心：不斷革新服務

- **Continuous enhancement of services & facilities and improved tenant mix**
不斷革新服務和設施及改善商戶組合
- **Signed leases with Tricor Services Ltd, Principal Financial Group & Bayer Group in FY12**
於2012財政年度，與卓佳專業商務有限公司、信安金融集團及拜耳集團簽訂租約
- **Revamp of podium facade targeted to commence in 3Q2012**
革新平臺外牆的工程預計在2012年第3季動工
- **View62 by Paco Roncero opened Jun 2012 – the only revolving restaurant in Hong Kong**
View62 by Paco Roncero已在2012年6月開業：它是香港唯一一間的旋轉餐廳



* Perspective of Hopewell Centre, present planning & subject to change

KITEC - Benefits from Government's Plan to Promote Kowloon East's Development

九龍灣國際展貿中心：受惠於政府積極推動九龍東發展計劃

- **Transform Kowloon East into another CBD**

把九龍東轉型為另一個核心商業區

- **Clustering effect**

群聚效應

- **Improve transport links:**

改善交通網絡

- ◆ **Proposed Rail-based Environmentally Friendly Linkage System**

倡議環保鐵路連接系統

- ◆ **Pedestrian connection**

行人連接系統

- **Cruise terminal (planned opening mid-2013)**

郵輪碼頭 (計劃於2013年中啓用)

Superb Intra-district Connectivity 緊密連繫各區



Integrated transportation network: 綜合交通網絡

- **MTR Shatin to Central Link (2018-2020)**
港鐵沙田至中環綫 (2018-2020)
- **Environmentally Friendly Linkage System** 
環保連接系統
- **Enhanced pedestrian connection** 
行人連接系統



起 *energizing* 動 **Kowloon East**
九龍東



Broadwood Twelve, Broadwood Road, Happy Valley

- Residential 樂天峯, 跑馬地樂活道(住宅)

- **Total GFA approx. 113,900ft²**
總樓面面積約113,900平方呎
- **45-storey luxury apartment building with 76 units**
樓高45層, 擁有76個單位的豪華住宅



Broadwood Twelve



Broadwood Twelve's location

Updates 最新概況

- **As of 15 Aug 2012,**
 - ◆ **Sold 53 out of 76 units, with sales proceeds \$2.3 billion^{N1}**
在2012年8月15日, 76個單位中已售出53個單位, 帶來港幣23億元的收益
 - **15 units booked in FY12 vs 36 units booked in FY11**
其中15個單位已在2012財政年度內入賬 (2011財政年度: 36個單位入賬)
 - ◆ **Average selling price of units sold: \$25,400/ft² (based on GFA in marketing brochure)**
已售出的單位的平均售價為每平方呎港幣25,400元 (按售樓書的總樓面面積計算)
 - ◆ **11 units were leased at an average monthly rental rate of about \$53/ft²**
已租出11個單位, 平均每平方呎月租港幣53元
 - **The leased units are still available for sale**
已租出的單位仍然可供銷售

N1: Includes carpark

Hopewell New Town

Huadu, Guangzhou – Residential & Commercial

廣州花都合和新城（住宅及商業）

● Encouraging market responses

市場反應令人鼓舞

- ◆ **89% of the units completed in FY12 were sold as of 15 Aug 2012
(59 townhouses of 17,000sq.m. and 443 apartments of 34,500sq.m.)**

在2012年8月15日，已售出89%在2012財政年度落成的單位（59間或17,000平方米聯排別墅及443個或34,500平方米高層洋房單位）

● Plan to start pre-sale in 1HFY13 (for units to be completed in FY13)

計劃於2013財政年度上半年內開始預售將在2013財政年度落成的單位

Sales Highlights

	FY11			FY12		
	Apartment	Townhouse	Total	Apartment	Townhouse	Total
Average Selling Price (RMB/m²)	6,200	8,600	n/a	7,800	20,700	n/a
Plot ratio GFA (m²) sold & booked	56,000	1,000	57,000	24,500	13,800	38,300
No. of units sold & booked	574	4	578	306	48	354

Hopewell New Town, Huadu, Guangzhou – Residential & Commercial

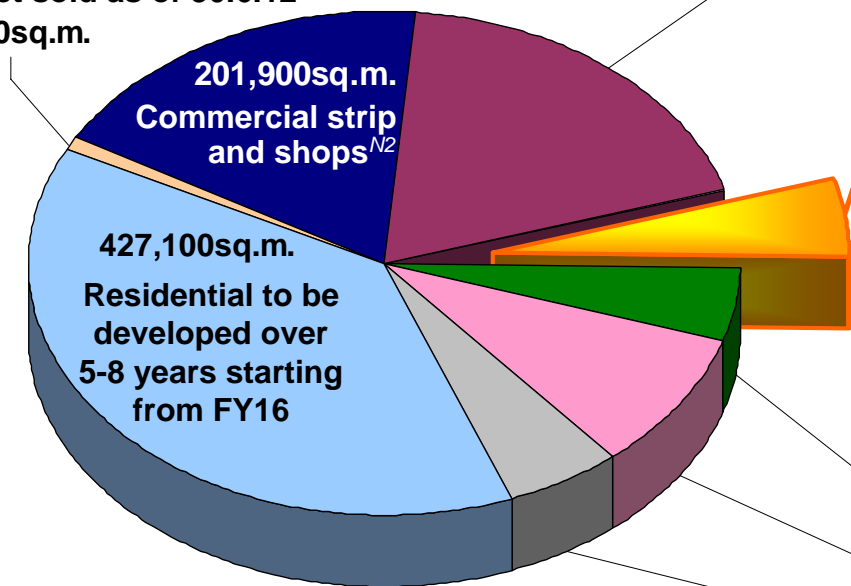
廣州花都合和新城（住宅及商業）

- **210,000sq.m. residential area scheduled to be completed in FY13-FY15**
預計210,000平方米住宅將在2013-2015財政年度內落成
- **Will be developed by phase** 將會分期發展

Plot ratio GFA breakdown 地積比率樓面面積的分布

Approx. plot ratio GFA: 1.11M sq.m.^{N1}

Completed residential stock
not yet sold as of 30.6.12
6,900sq.m.



Residential sold & booked up to 30.6.12
210,500sq.m.

Residential sold in FY12: 53,600sq.m.^{N3}
- 38,300sq.m. booked in FY12
- 15,300sq.m. to be booked in FY13

Completion time	Residential plot ratio GFA	Pre-sale
FY13	54,000sq.m.	1H FY13
FY14	98,000sq.m.	2H FY13
FY15	58,000sq.m.	2H FY14

N1: Plot ratio GFA does not include 0.45 million sq.m. basement car parks
 N2: Including approximately 150,000sq.m. commercial strip planned to be developed
 N3: Including 2,100sq.m. residential area completed before FY12

Hopewell New Town, Huadu, Guangzhou – Residential & Commercial

廣州花都合和新城 (住宅及商業)

Development Plan 發展計劃

Sales Booking 銷售入賬時間	Plot Ratio GFA (sq.m.) 地積比率樓面面積 (平方米)				
	Apartments	Townhouses	Residential sub-total	Commercial & Others ^{N2}	Total
Sold & booked up to 30.6.11	181,500	29,000	210,500	-	210,500
Sold & booked in FY12 ^{N3}	24,500	13,800	38,300	-	38,300
Sold & to be booked in FY13 ^{N3}	12,200	3,100	15,300	-	15,300
Planned Completion^{N1} 計劃落成時間					
FY13	54,000	-	54,000	6,000	60,000
FY14	98,000	-	98,000	5,000	103,000
FY15	42,000	16,000	58,000	-	58,000
FY16 & Beyond	384,200	42,900	427,100	185,200	612,300
Remaining stock not yet sold as of 30.6.12	500	6,400	6,900	5,700	12,600
Total	796,900	111,200	908,100	201,900	1,110,000

N1: Present planning, subject to change

N2: Including 6,000sq.m. shops, and approximately 150,000sq.m. commercial strip planned to be developed

N3: Including 2,100sq.m. residential area completed before FY12

Hopewell New Town

Huadu, Guangzhou – Commercial Strip

廣州花都合和新城 (商業帶)

● A commercial strip with a permissible GFA of **150,000sq.m.** is **planned to start construction** in about **2-3 years***, depending on market condition

我們會根據市況，計劃於2-3年內籌建總樓面面積達150,000平方米的商業帶

Commercial Strip of around 150,000sq.m.
約150,000平方米的商業帶



Breakdown of Plot Ratio GFA by Type of Unit*

以單位類型劃分的地積比率樓面面積

	Planned Completion 計劃落成時間		
	FY13	FY14	FY16 & Beyond
Commercial and Others (sq.m.) 商業及其他用途 (以平方米計)	6,000	5,000	185,200

- Guangzhou Metro Station 廣州地鐵站
- China Railway High-speed (Guangzhou Stations) 廣州高鐵路

* Under current planning, subject to change

Existing Project

◆ Power Plant

現有項目：電廠

Heyuan Power Plant, Guangdong

廣東省河源電廠



Heyuan Power Plant

HHL's Share^{N1} of Joint Venture Results

合和實業應佔合營企業

(RMB'M) (人民幣百萬元計)	FY11	FY12
Revenue 營業額	1,304	1,222
Net Profit 淨溢利	107	72

N1: Representing both HHL's effective stake of 35% and the minority interest of 5% in the joint venture

Updates 最新概況

- **FY12 revenue down 6%. Net profit fell 33% as the rise in on-grid electricity tariff was offset by fall in utilisation rate (due to scheduled overhaul) and rise in coal price**

2012財政年度的營業額下跌6%。淨溢利下跌33%是由於使用率下跌(由於定期檢修)和煤價上升抵銷了上網電價上升

- **HHL provided RMB500 million shareholder's loans to JV (as of 30.6.12) to increase financial resources & lower finance cost of JV**

在2012年6月30日，合和實業共提供人民幣5億元的股東貸款予合營企業，有助進一步增加合營企業的財務資源及減低財務成本

- **Stable contribution to HHL given strong power demand in Guangdong**

在廣東省強勁的電力需求下，該項目將為合和實業提供穩定的溢利

Heyuan Power Plant, Guangdong

廣東省河源電廠

- **One of the most efficient and environmentally friendly coal-fired power plants in Guangdong**

為廣東省最具效率及最環保的燃煤電廠之一

Key Operating Statistics 主要營運數據

	FY11	FY12
Utilization rate ^{N1} 使用率 (Utilization hours) (使用小時)	77% (6,760 hrs)	70% (6,175 hrs)

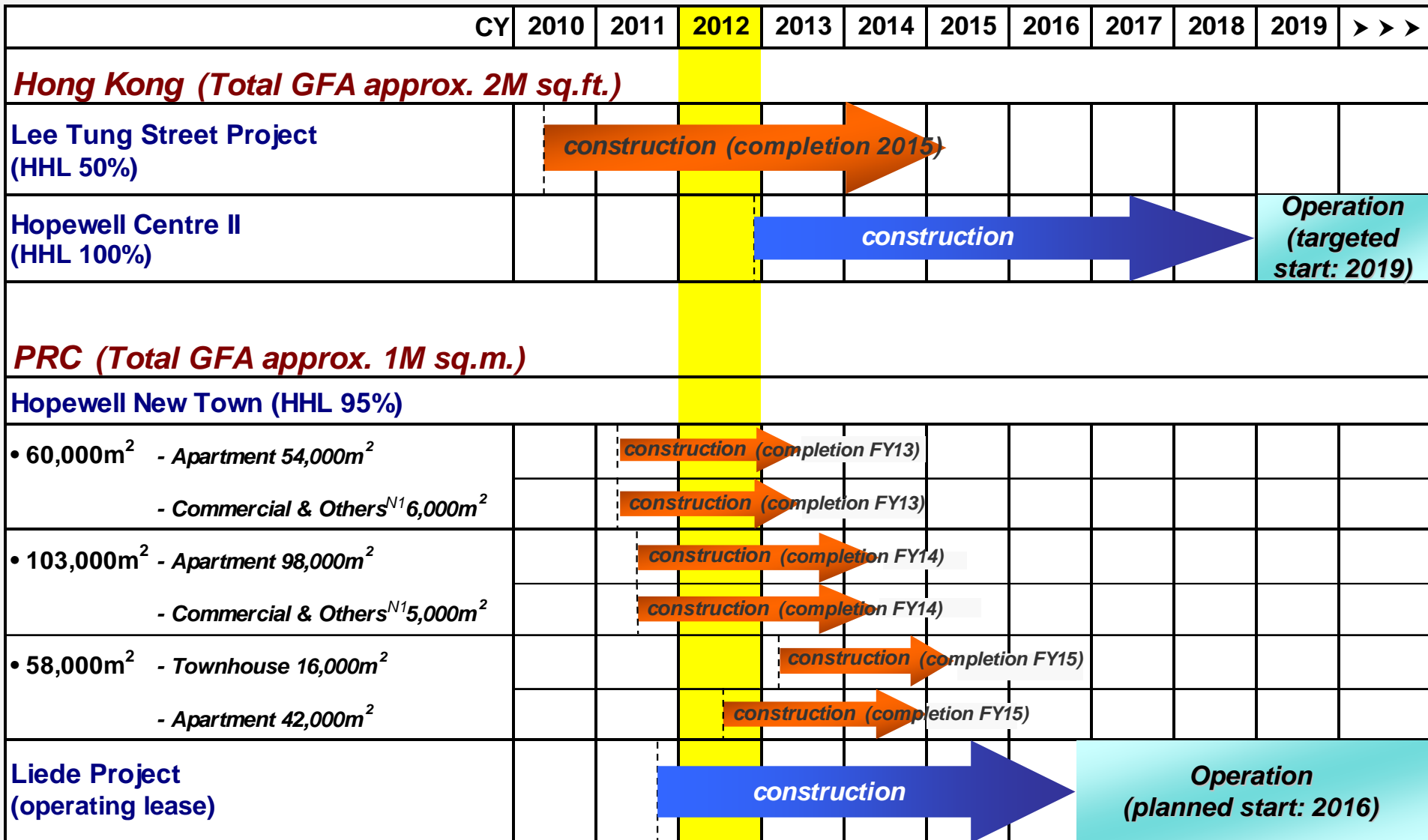
$$N1 = \frac{\text{Gross generation during the year under review 回顧年內機組總發電量}}{\text{Total no. of hours during the year under review x installed capacity 回顧年內總時數 X 裝機容量}}$$

New Projects

新項目

Construction Timeline for Projects*

項目的工程進度



* Present planning, subject to change

N1: Including car parks 8,000sqm, shops 6,000sqm and commercial strip 150,000sqm planned to be developed in phases

Major Projects Plan 主要項目計劃

Projects	Target Completion	Total Investment ^{N1} HK\$'M	Interest %	HHL's Portion of Total Investment ^{N1} HK\$'M	HHL's Injection FY13 to FY15 ^{N1} HK\$'M
Hong Kong 香港					
Lee Tung Street Project 利東街項目	2015	9,000	50%	4,500	0 ^{N2}
Hopewell Centre II 合和中心二期	2018	9,000	100%	9,000	4,553
PRC 中國					
Hopewell New Town 合和新城					
• 60,000m ²	FY13	260	95%	250	1,090
• 103,000m ²	FY14	590		560	
• 58,000m ²	FY15	290		280	
Liede Project 獵德項目	2016	1,221	Operating Lease	1,221	281
Total 合計				15,811	5,924

N1: Present planning, subject to change

N2: The investment is financed by the project's bank loan

Based on exchange rate RMB1 = HK\$1.221 (Jun-12)

- **Sufficient financial resources for new projects from:** 充足的財務資金發展新項目：
 - 1) **Net cash of approx. \$1.6 billion on hand (approx. \$1.9 per share) as of 30 Jun 2012**
在2012年6月30日的手頭淨現金約港幣16億元 (約每股港幣1.9元)
 - 2) **Healthy cash-flow from prime-earning businesses** 重點收益業務帶來強勁的現金流
 - 3) **Proceeds for property sales of Broadwood Twelve, Lee Tung Street project and Hopewell New Town** 出售樂天峯、利東街項目及合和新城帶來的銷售收益
 - 4) **HK\$5.6 billion available committed banking facilities** 港幣56億元的已承諾銀行備用信貸額

Lee Tung Street Project, Wanchai

- linked with Wanchai MTR Station 灣仔利東街項目：連接灣仔港鐵站

- **Total GFA approx. 835,000sq.ft.**^{N1}
總樓面面積約835,000平方呎
- **Residential: approx. 731,000sq.ft.**
住宅約731,000平方呎
- **Retail: approx. 86,000sq.ft.**
商舖約86,000平方呎
- **50:50 JV with Sino Land**
與信和置業組成50:50 的聯營公司

N1: Approx. 18,000sq.ft. will be handed over to URA after restoration of historical buildings



Artist Impression of Shopping Mall



Lee Tung Street Site Location

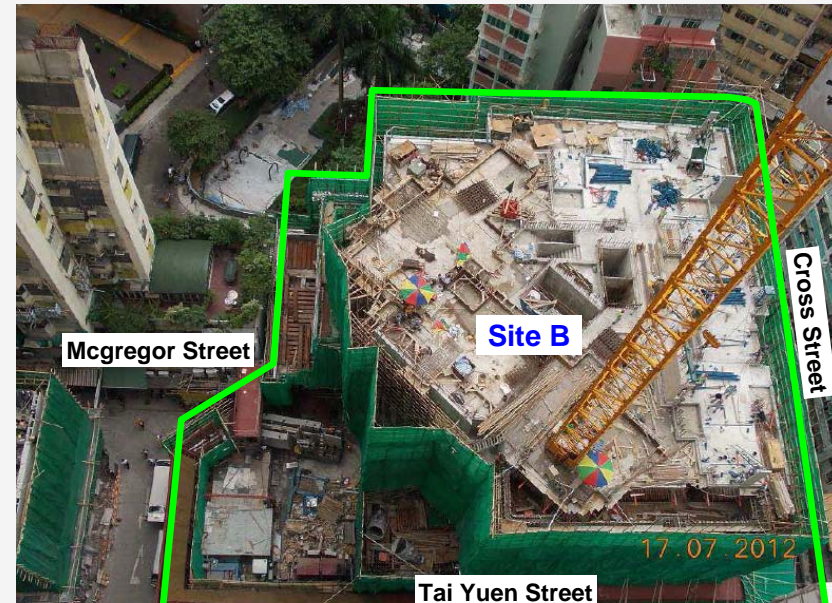
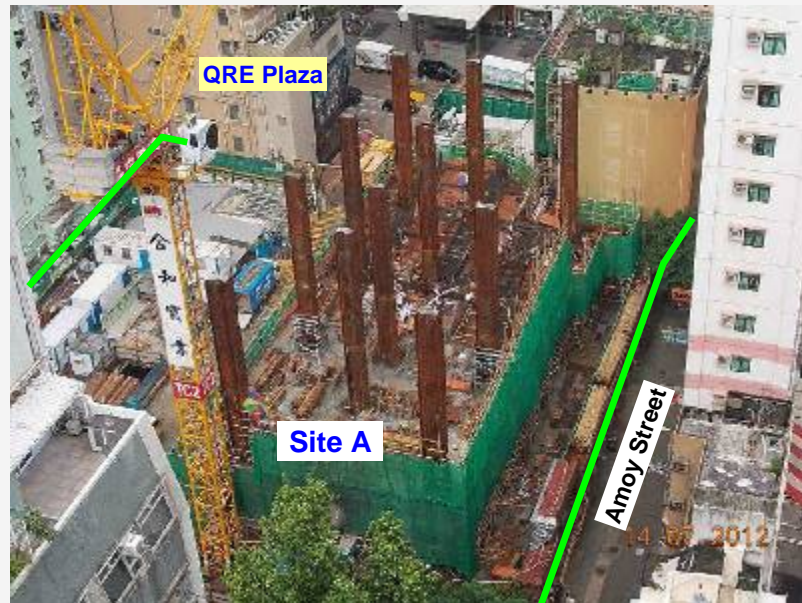
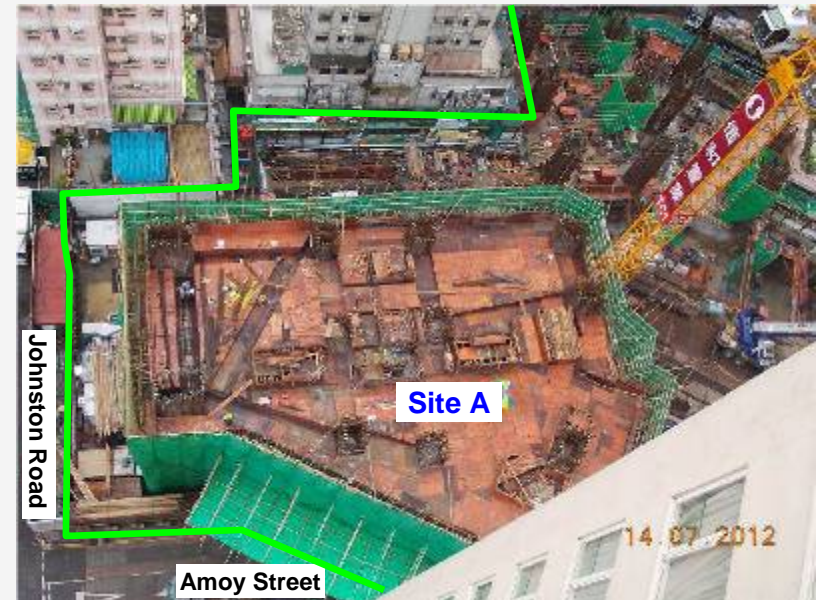
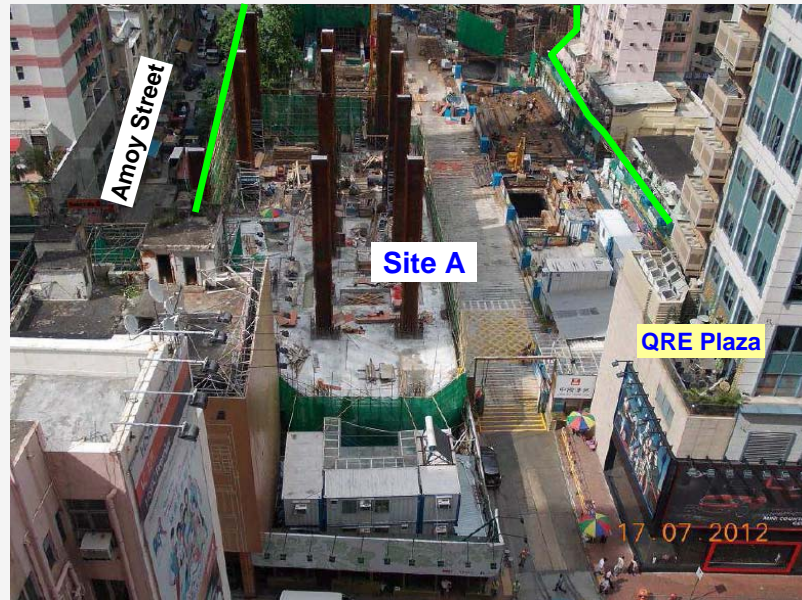
Updates 最新概況

- **Construction is underway and planned to complete in 2015***
項目正在興建中及計劃於2015年完工
- **About 1,300 residential units. Planned to start pre-sale in 2013***
約1,300個住宅單位。計劃於2013年開始預售
- **Current planned investment* about \$9 billion (HHL: \$4.5 billion)**
現計劃投資額為港幣90億元 (合和實業：港幣45億元)
- **HHL injected approx. \$2.1 billion as of 30 Jun 2012**
在2012年6月30日，合和實業已投入約港幣21億元
- **Adequately funded - JV signed \$5 billion bank loan facilities in Jul 2011**
足夠資金 - 2011年7月合營企業簽訂港幣50億元的銀行備用信貸

* Present planning, subject to change

Lee Tung Street Project, Wanchai

- Construction Progress 灣仔利東街項目：工程進度



Hopewell Centre II, Wanchai - Synergy & Enhances HHL's Recurrent Income

灣仔合和中心二期：為合和實業帶來協同效應及增加經常性收入

- **Planned total floor area: about 101,600m²* or 1.1M ft²**

計劃總建築樓面面積：約101,600平方米或110萬平方呎

- **Hotel: 70,500m²** 酒店：70,500平方米

- **Retail: 27,700m²** 零售：27,700平方米

- **Office: 3,400m²** 寫字樓：3,400平方米

- **Conference hotel with approx. 1,024 rooms***

約1,024間房間的會議酒店



Hopewell Centre II Perspective*



Hopewell Centre II Perspective*

Updates** 最新概況

- **Accepted Government's Land Exchange Offer: 25 Jul 2012**
接納政府提出的換地建議：2012年7月25日
- **Currently planned total investment about \$9 billion* (including land premium \$3.7 billion)**
計劃投資總額約為港幣90億元 (計及補地價港幣37億元)
- **Target to start construction by end 2012 and complete in 2018***
計劃於2012年底前動工及於2018年完工
- **Funded by internal resources and/or bank borrowings**
資金由內部資源及／或銀行借貸提供

* Present planning, subject to change

** Now working to form 2 preparatory committees for HC II Green Park and for Conservation & Revitalization of Nam Koo Terrace

Hopewell Centre II - Unlock the Land Value

灣仔合和中心二期：揭示土地價格

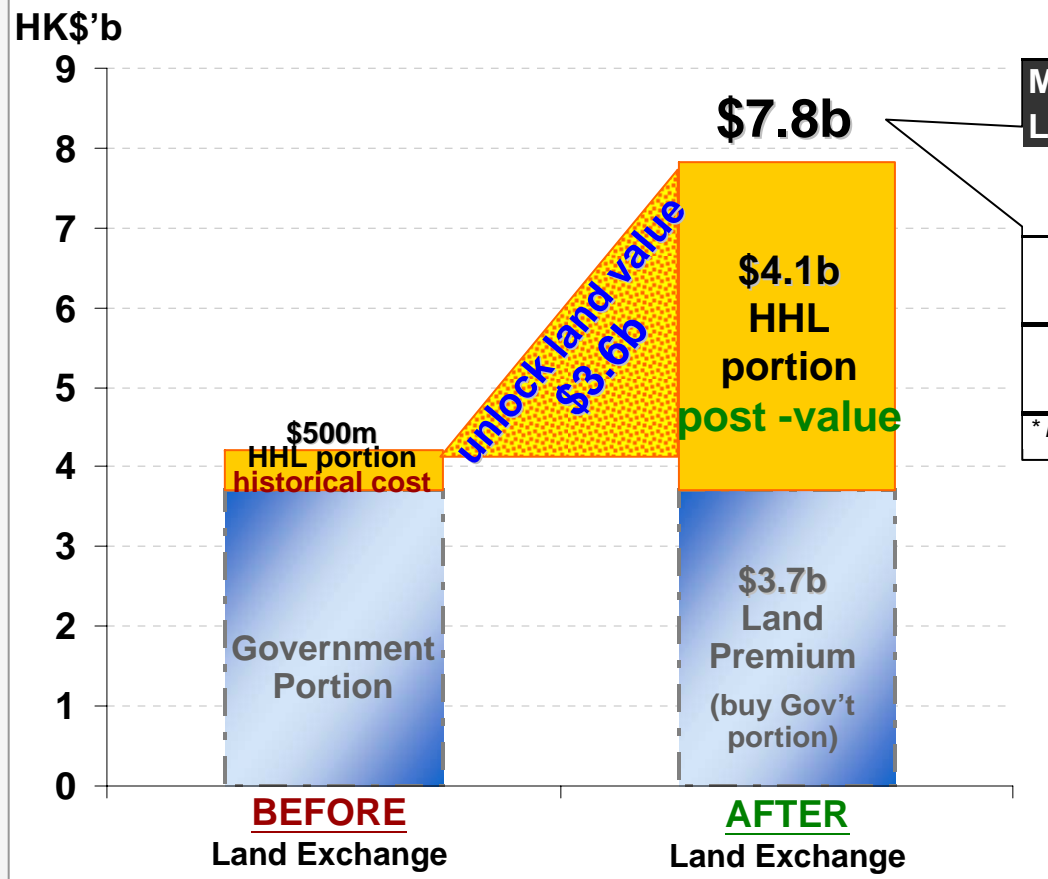
● **Unlock \$3.6b^{N1} of land value** 揭示土地價格為港幣36億元

◆ **Market's estimated value of land HHL already owns^{N2} : \$4.1b**

vs Book value (at historical cost) : around \$500m (30.6.2012)

合和實業已擁有的土地估值為港幣41億元，相比其在2012年6月30日的賬面值（按歷史成本入賬）約港幣5億元

Hopewell Centre II – Market's Estimated Land Value^{N2}



Market's Estimated Land Value*	HK\$/sqft	GFA sqft	Land value
Hotel	5,600	758,000	HK\$4.2b
Retail*	10,700	335,000	HK\$3.6b
Total			HK\$7.8b

* including office GFA approx. 37,000sqft

N1: Of which the fair value gain of investment property portion will be reflected in HHL's accounts in future

N2: As of 15 Aug 2012

~ End of Presentation ~



Supplementary Information (Analyst)

Major Assets in Balance Sheet

資產負債表的主要資產

Consolidated Balance Sheet as of 30 Jun 2012

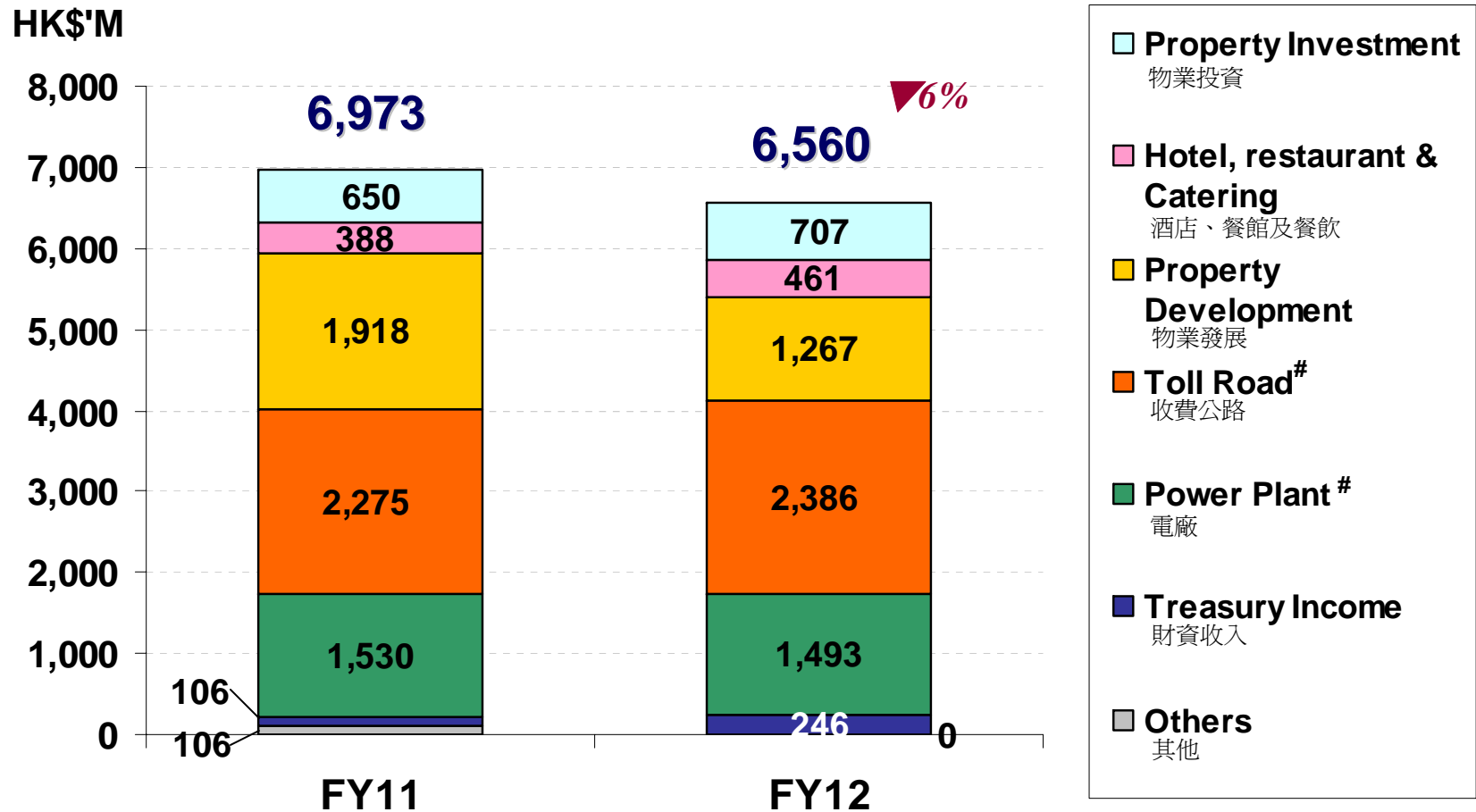
Major Assets Included

	HK\$'M	
Investment properties	17,429	<ul style="list-style-type: none"> Hopewell Centre 840,000 QRE Plaza 77,000 GardenEast 96,500 Wu Chung shops 18,000 KITEC/E-Max 1,770,000 Panda Place 229,000
Property, plant and equipment	716	incl. Panda Hotel
Properties under development	1,171	incl. Hopewell Centre II (GFA: 1.1M sqft)
Interests in JCE	9,073	
Amounts due from JCE (non-current)	2,117	Amount injected in Lee Tung Street project (Attr. GFA : 418,000sqft)
Other non-current assets	24	
Properties held for sale	1,992	<ul style="list-style-type: none"> Huadu project (Attr. GFA of stock: 861,200sqm) Broadwood Twelve (GFA of stock: 34,451sqft)
Amounts due from JCE (current)	652	Shareholder loan: <ul style="list-style-type: none"> Heyuan Phase III West
Bank balances and cash	7,976	
Other current assets	491	
Total assets	41,641	
Corporate bonds & bank borrowings	(5,452)	<ul style="list-style-type: none"> HHL corp bank loans HHI RMB1.98b corp bonds HHI corp bank loans (RMB1.6b & HK\$300m)
Other non-current liabilities	(475)	
Other current liabilities	(1,132)	
Total liabilities	(7,059)	
Non-controlling interests	(2,784)	<ul style="list-style-type: none"> HHI (listed, 70% owned): Market Value \$7.9b* Heyuan Power Plant (35% owned)
Shareholders' equity	31,798	

*Based on closing price of \$3.77 as of 15.8.2012

Revenue 收益

Revenue 收益



[#] Group's attributable share of revenue of JCEs engaging in expressway & power plant

Reconciliation of Revenue & Results with Consolidated Statement of Comprehensive Income

收益及業績與綜合全面收益表對賬

For the year ended 30-Jun 截至6月30日止年度	Revenue 收益		Results 業績	
	<u>2011</u> HK\$'M	<u>2012</u> HK\$'M	<u>2011</u> HK\$'M	<u>2012</u> HK\$'M
Revenue/EBIT per "HHL Results" slide 按照"合和實業業績"投影片的財務回顧的收益／除利息及稅項前溢利	6,973	6,560	1,855	2,136
Less: 減:				
Sales proceeds of Broadwood Twelve units 樂天峯單位銷售收益	(1,519)	(677)	-	-
Treasury income 財資收入	(106)	(246)	-	-
Shares of revenue of jointly controlled entities engaged in 應佔共同控制個體之收入				
- Toll road 收費公路	(2,275)	(2,386)	-	-
- Power plant 電廠	(1,530)	(1,493)	-	-
Add: 加:				
Fair value change of completed investment properties 已落成投資物業公平值變動	-	-	4,395	2,264
Exceptional items 特殊項目	-	-	-	20
Finance costs 財務成本	-	-	(79)	(92)
Turnover/Profit before taxation per Consolidated Statement of Comprehensive Income 按照綜合全面收益表的營業額／除稅前溢利	1,543	1,758	6,171	4,328

Hopewell Centre 合和中心

For FY12 vs FY11 2012與2011財政年度的比較

- **Average occupancy rate at 94% in FY12**
2012財政年度的平均出租率為94%
- **Occupancy rate was 97% as of 30.6.2012**
在2012年6月30日的出租率為97%
- **Rental income increased by 7%**
租金收入增長7%
- **Higher rents on renewals & new leases for office and retail**
寫字樓和商舖續租及新租約的租金均上升



QRE Plaza, Wanchai – Commercial

灣仔QRE Plaza (商業)



- **Total GFA approx. 77,000ft²**
總樓面面積約77,000 平方呎
- **Completed in Nov 2007**
於2007年11月竣工

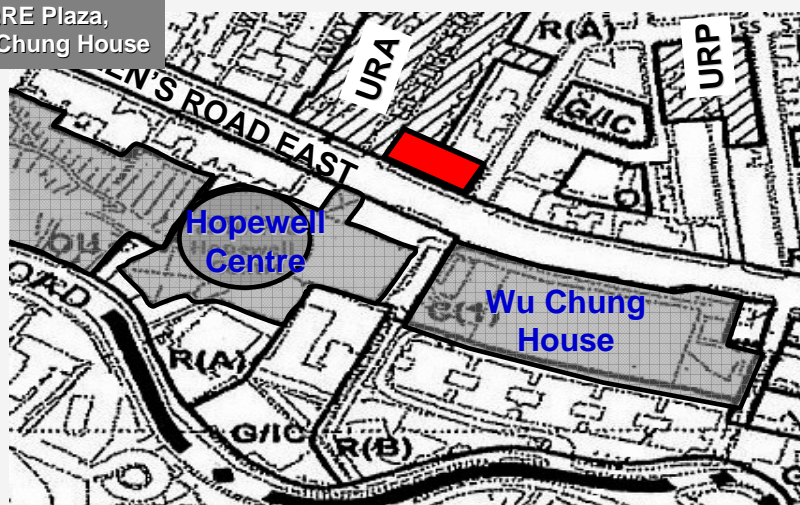


QRE Plaza main entrance lobby

Updates 最新概況

- **25-storey commercial building – dining and entertainment**
25層高包含飲食及娛樂的商業大廈
- **Attracted renowned retailers e.g. MINI car showroom**
吸引了著名的零售商，例如：MINI 汽車展銷廳
- **Main entrance lobby enhancement work completed Jan 2012**
優化大堂入口工程已在2012年1月完工
- **Average occupancy rate at 86% in FY12 (FY11: 90%) mainly due to tenant mix reshuffling**
2012財政年度的平均出租率為86% (2011財政年度：90%)，下跌主要受重整租戶組合的影響
- **Occupancy rate was 88% as of 30.6.2012**
在2012年6月30日的出租率為88%

Footbridge linking QRE Plaza, Hopewell Centre & Wu Chung House

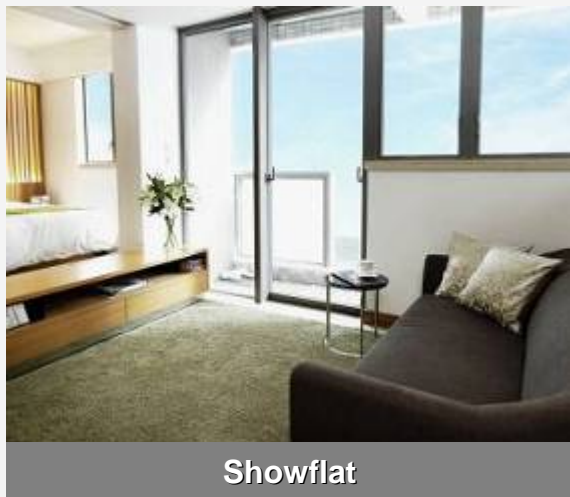


QRE Plaza's location

GardenEast, Wanchai – Serviced Apartment

灣仔GardenEast (服務式住宅)

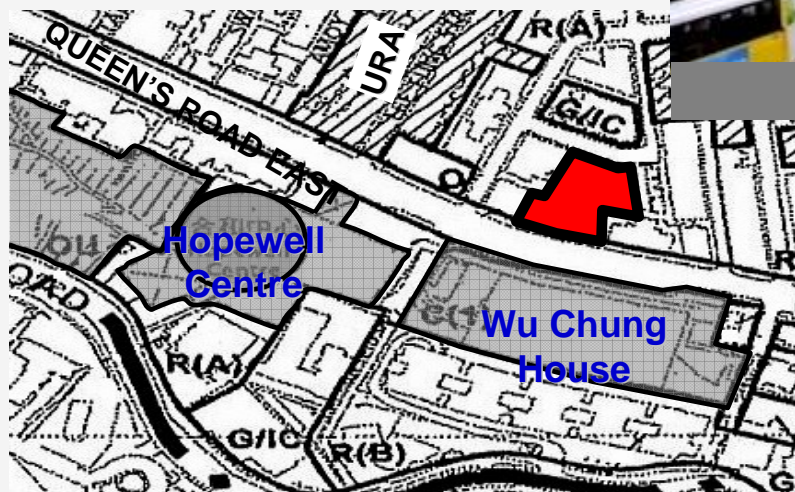
- **Total GFA approx. 96,500ft²**
總樓面面積約96,500平方呎
- **Operations started in Feb 2009**
於2009年2月開始營運



Showflat



GardenEast



GardenEast's location

Updates 最新概況

- **28-storey high quality serviced apartments with 216 units**
樓高28層，擁有216個高級服務式住宅單位
- **Average occupancy rate at 93% in FY12 (FY11: 96%)**
2012財政年度的平均出租率為93% (2011財政年度：96%)
- **Apartments average rental rate rose 12% yoy in FY12**
2012財政年度的單位平均租金較去年同期上升12%

Top-notch Brand: Success of the East

建立高檔品牌：The East的成功



- Retail elements at the heart of Queen's Road East in Wan Chai**
 一個位於灣仔皇后大道東中心地帶的零售集中地
- Hopewell Centre, QRE Plaza, Wu Chung House and GARDENEast converges into an interconnected zone of superb dining and entertainment**
 由位於合和中心、QRE Plaza、胡忠大廈及GardenEast之眾多一流餐飲，娛樂和零售商舖所組成的一個相互聯繫綜合區
- Customer spending rose remarkably, with growth in sales turnover of tenants**
 顧客消費顯著增加，帶動租戶的營業額上升
- Brand enhancement by introducing quality tenants:**
 高檔優質的租戶帶動品牌提升

Mercedes-Benz



梅賽德斯·賓士

Mini



迷你

McLaren



麥拿輪

Rolls-Royce



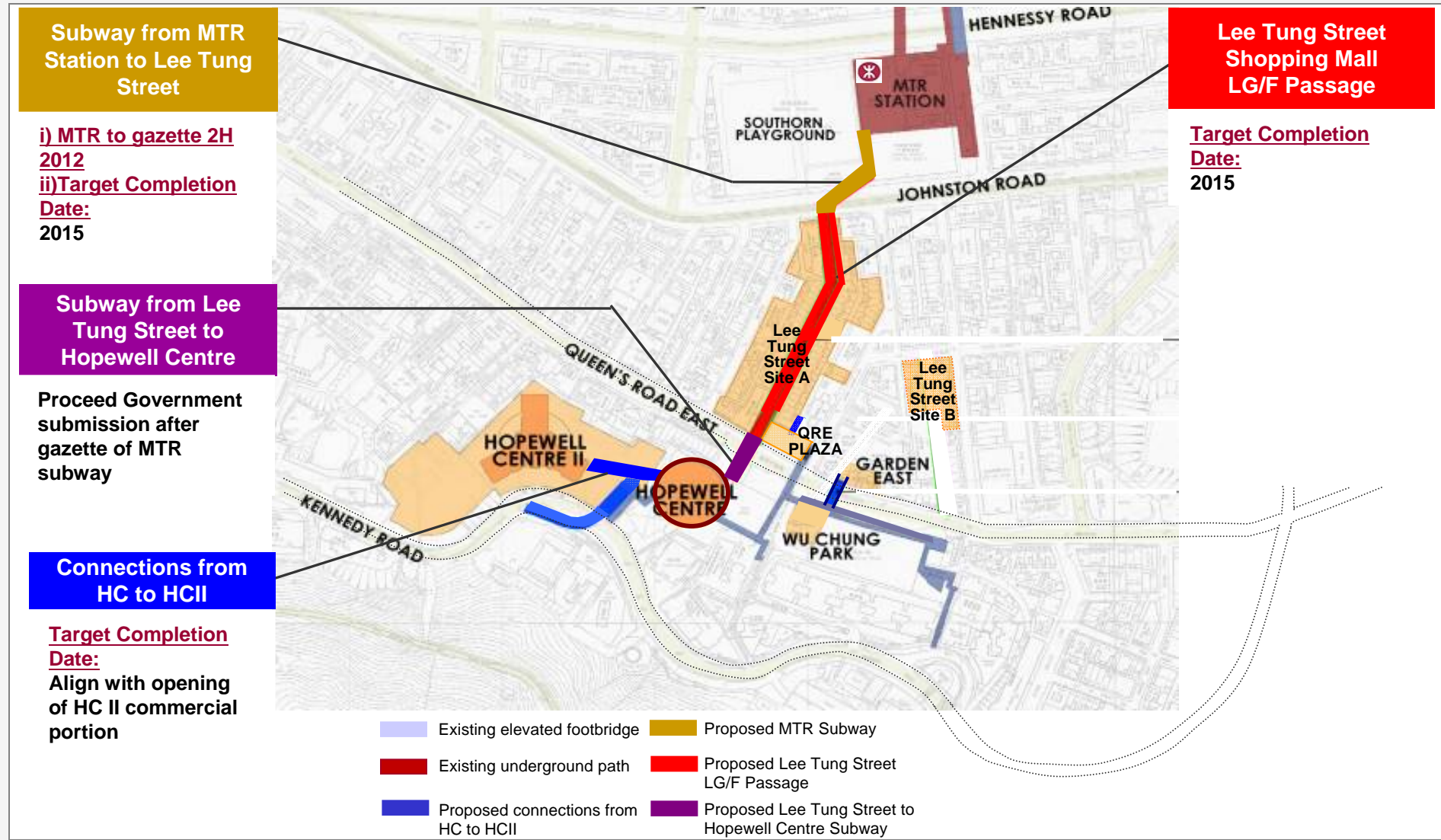
勞斯萊斯

Hopewell Centre II Project, Wanchai

灣仔合和中心二期項目

Wanchai Pedestrian Walkway – connects mid-levels to MTR through Lee Tung Street and Hopewell Centre

「灣仔步行道」貫通利東街項目及合和中心，連接半山到灣仔港鐵站



Source: Internal estimation – Present planning, subject to change

KITEC & E-Max, Kowloon Bay

九龍灣國際展貿中心及E-Max

Office total GFA approx. 650,000ft²^{N1}

寫字樓總樓面面積約650,000平方呎



KITEC & E-Max

Highlights 重點

- **Will benefit from government's plan to transform Kowloon East into another CBD**
將受惠於政府計劃把九龍東轉型為另一個核心商業區

KITEC – Office Portion 寫字樓部份

- **Average occupancy rate was 94% in FY12 (FY11: 83%)**
2012財政年度的平均出租率為94% (2011財政年度：83%)
- **Rental contracts on hand for FY13 approx. \$77m (as of 15.8.2012)**
在2012年8月15日，KITEC寫字樓2013財政年度的手頭租約約港幣7,700萬元
 - ◆ **= 107% FY12's rental revenue**
相等於2012財政年度租金收入的107%

N1: Exclude C&E GFA approx. 225,000ft²

KITEC & E-Max, Kowloon Bay

九龍灣國際展貿中心及E-Max



- **Total GFA approx. 900,000ft²**
總樓面面積約900,000平方呎
- **Opened in 2H CY07**
於2007年下半年開幕



E-Max events



STAR HALL
匯星

Star Hall

- **30,000ft² & accommodating 3,600 people**
30,000平方呎和可容納3,600人



Concerts (Star Hall)

E-Max

- **Average occupancy rate was 94% in FY12 (FY11: 92%)**
2012財政年度的平均出租率為94% (2011財政年度：92%)
- **Will introduce “Live House” Concept to HK - “Music Zone @E-Max”**
打造全港首個以“Live House”為概念的表演場地 - Music Zone @E-Max
 - ◆ **Max. capacity 600 people**
最多可容納600人
 - ◆ **Professional sound, lighting & band**
設備完善具備專業的音響及燈光器材
 - ◆ **Opened Jul 2012**
已在2012年7月揭幕

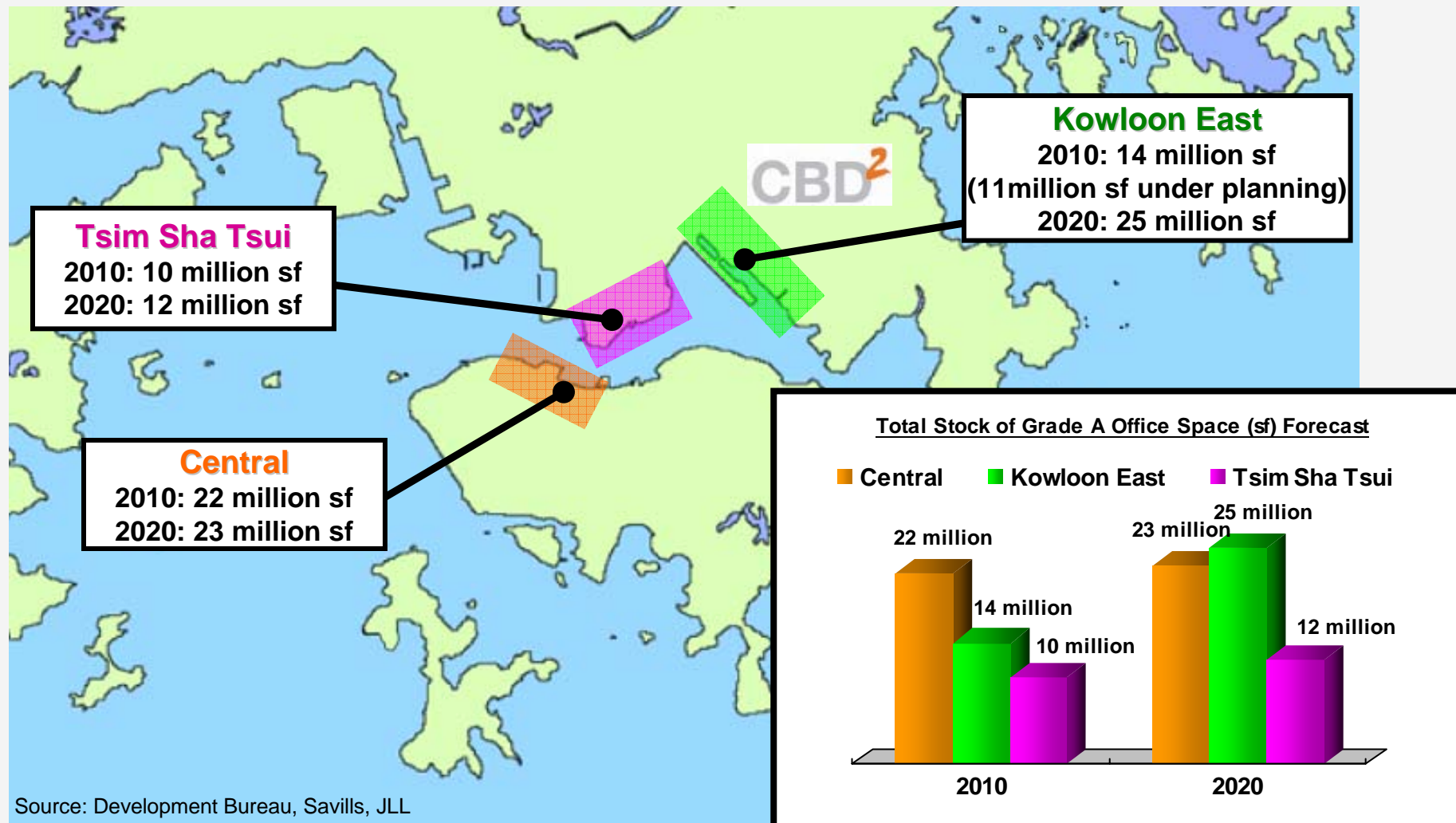
Star Hall 匯星

- **A popular venue for: 場地受各類活動歡迎：**
 - ◆ **Banquets 宴會**
 - ◆ **Concerts 演唱會**
 - ◆ **Exhibitions & Conferences 展覽及會議**
 - ◆ **Sports 運動**
- **Continue to drive customer footfall**
繼續帶動人流

CBD2: Vibrant Office Node in Kowloon East

中心商業區2：活力商業樞紐在九龍東

- **Government sites are released for development to facilitate the regeneration**
政府騰出土地有助發展及配合整區的轉型
- **New commercial hub takes shape and draws large working population**
形成新的商業中心及吸引大量就業人口



Source: Development Bureau, Savills, JLL
The diagrams for reference only and are not drawn to scale.

KITEC Benefits from Government's Policy "Energizing Kowloon East"

九龍灣國際展貿中心受惠於政府發展計劃「起動九龍東」

2013



Kai Tak Cruise Terminal - The tourism node
1st berth will commence operation
啓德郵輪碼頭-旅遊中心點，首個泊位啓用

2014

Completion of Kai Tak Gov't Offices
Expedite business activities in proximity

啓德政府寫字樓竣工，加快鄰近商業活動



After 2014



MTR Shatin to Central Link
Develops convenient transport network
港鐵的沙田至中環線，建立便捷的交通網絡

Tremendous growth in local residents
Site 1A-5,200 flats scheduled for completion
該區居民數目大幅增長，1A期5,200個單位落成



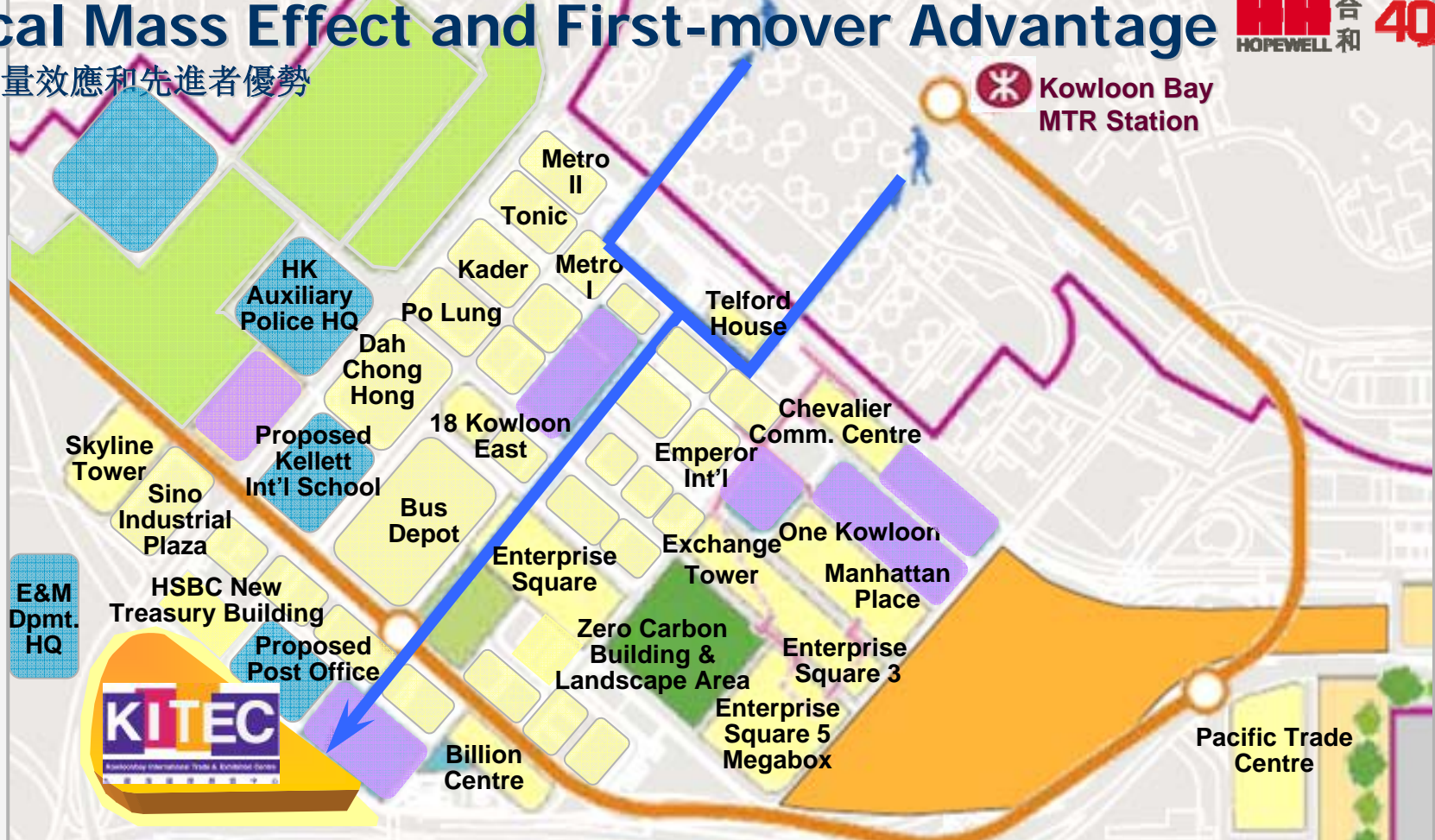
Kwun Tong Promenade Stage 2
Offers quality open space and waterfront
觀塘海濱長廊第二期提供優質公眾休憩空間及海濱

Proposed elevated monorail (EFLS)
Connects areas within Kowloon East
擬建的高架環保連接系統，連接九龍東內的區域



Critical Mass Effect and First-mover Advantage

有利於質量效應和先進者優勢



Completed Development	
Planned Development / Potential Site	
Govt., institutional or community (GIC)	
Open Space	
Action Area for Redevelopment	
Environmentally Friendly Linkage System	
Enhanced Pedestrian Connection	
Promenade	

Source: Development Bureau
The map is for reference only and is not drawn to scale.

For FY12 vs FY11 2012與2011財政年度的比較

- **Average occupancy rate 77% in FY12**
在2012財政年度的平均出租率為77%
 - ◆ **Due to upgrading works**
主要受到翻新工程的影響
- **Upgrading works planned to complete in 4Q2012**
翻新工程計劃在2012年第4季完工
 - ◆ **Negative impacts on occupancy rate and rental income**
對出租率及租金收入造成負面影響
- **Over 90% of the arcade spaces have been pre-committed**
超過90%的商場用地租約已獲預先承諾
- **Jusco and new tenants planned to open for business by 4Q2012**
預計在2012年第4季，吉之島和其他新租客開始營業

GFA approx. 229,000ft²
總樓面面積約229,000平方呎



* Perspective, present planning & subject to change

Panda Hotel 悅來酒店

For FY12 vs FY11 2012與2011財政年度的比較

- **Turnover ↑ 23% to \$328m**

營業額上升23%達港幣3.28億元

- **Average occupancy rate 90% (FY11: 89%)**

平均入住率為90% (2011財政年度：89%)

- **Average room rate rose 24%**

平均房間價格上升24%

- **To maintain competitiveness through:**

通過以下措施以保持競爭力：

- ◆ **Ongoing facilities & services upgrade**

不斷提升設施及服務質素

- ◆ **Tap into potential new leisure markets & MICE business**

探索具潛質和新興的休閒市場及會議展覽業務



Hopewell New Town

Huadu, Guangzhou – Residential & Commercial

廣州花都合和新城（住宅及商業）



Townhouse



Liede Integrated Commercial (Operating Lease) Project

Zhujiangxincheng, Tianhe District, Guangzhou

廣州天河區珠江新城獵德綜合商業(營業租約)項目

- **Total GFA^{N1} approx. 230,000m²**

總樓面面積約230,000平方米

- **Signed agreement with Guangzhou Liede Economic Co Ltd**

與廣州市獵德經濟發展有限公司簽訂協議



Liede Project Perspective[^]



- Close to Guangzhou's new central axis area 鄰近廣州新核心地區

- Located in Guangzhou's CBD 位於廣州中心商業區

Updates 最新概況

- **An operating lease arrangement - pay fixed rental**
營業租約的安排：支付固定租金
- **A high quality commercial complex**
高級綜合商業項目
- **Construction started in 3Q2011 and planned to complete in 2016^{N2}**
已於2011年第3季動工，及計劃於2016年完工
- **Invest not less than RMB1 billion^{N2} - fitting out and equipping**
投資額不少於人民幣10億元：用於裝修及設備

N1: Present planning, subject to change. Incl. basement car parks.

N2: Present planning, subject to change

Heyuan Power Plant – Key Operating Statistics

Guangdong 廣東省河源電廠: 主要營運數據

- On track to maintain utilization rate of at least 80% during the available hours for electricity generation

在可利用的發電時數中能維持至少80%的使用率

Key Operating Statistics 主要營運數據

	FY11	FY12
Gross generation 總發電量	8,100GWh 81億千瓦時	7,400GWh 74億千瓦時
Availability factor^{N1} 可利用率	92%	87%
No. of days in which daily utilization rate^{N2} > 80% 當天使用率 > 80% 之日數	224 days	154 days
Average on-grid tariff rate (excl. VAT) 平均上網電價 (不包括增值稅)	RMB425.6/MWh	RMB436.7/MWh
Coal cost (incl. transport; excl.VAT) 煤炭成本 (包括運費; 但不包括增值稅)	RMB710/ton	RMB750/ton

$N1 = \frac{\text{The no. of available hours for electricity generation during the year under review}}{\text{Total no. of hours during the year under review}}$ 回顧年內可發電時數 / 回顧年內總時數

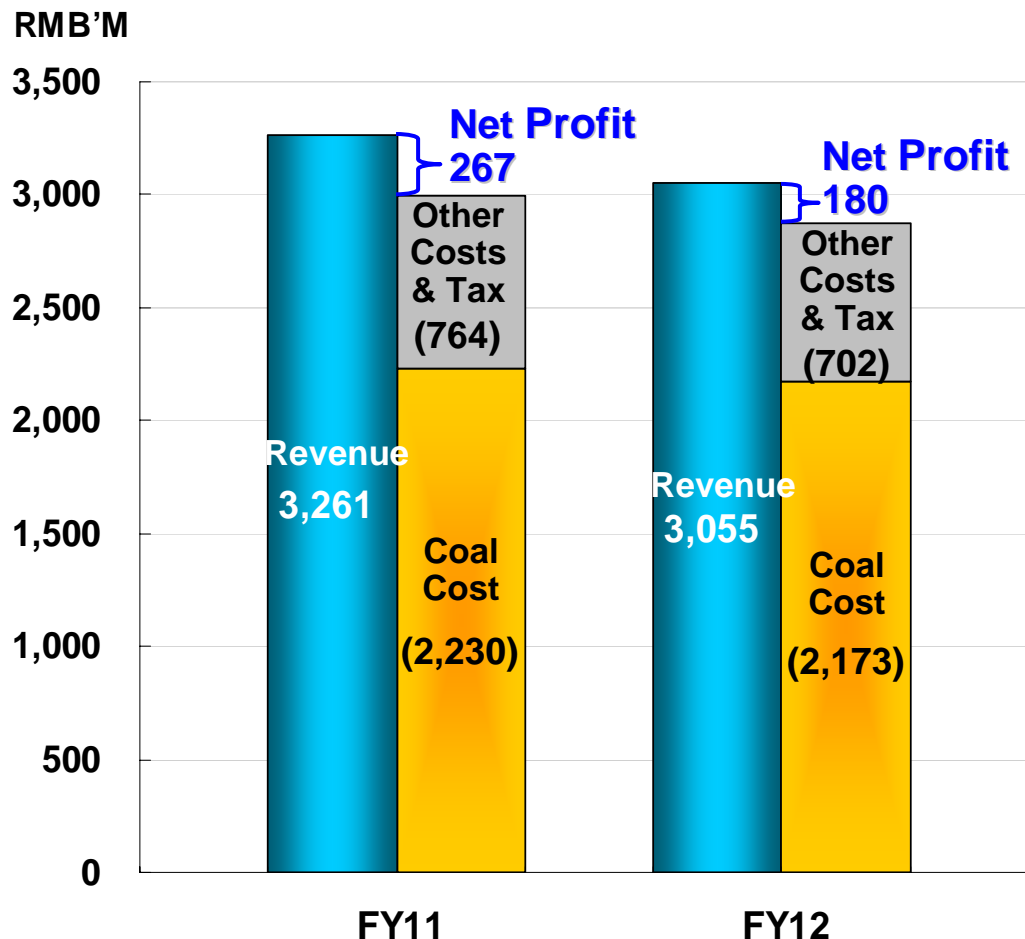
$N2 = \frac{\text{Daily electricity generation during the year under review}}{24 \text{ hours} \times \text{Installed capacity}}$ 回顧年內每天發電量 / 24小時 x 裝機容量

Heyuan Power Plant, Guangdong

- P&L Highlight 廣東省河源電廠：收益表摘要

P&L Highlight

Joint Venture Level 100%



	FY11 RMB'M	FY12 RMB'M
Revenue	3,261	3,055
Coal cost	(2,230)	(2,173)
Other costs & tax	(764)	(702)
Net profit	267	180

HHL's share*		
• Revenue	1,304	1,222
• Net profit	107	72

* Representing both HHL's effective stake of 35% & minority interest of 5% in the joint venture

Corporate Sustainability

企業可持續發展

Highlights 重點

Awards & Recognitions 獎項及嘉許

- HHL and HHI were selected as constituents of the **Hang Seng Corporate Sustainability Benchmark Index** by Hang Seng Indexes Company Limited

合和實業及合和公路基建獲選為恒生可持續發展企業基準指數成份股



- HHL consecutively received **“Best Investor Relations”** and **“Best Corporate Social Responsibility”** awards at the **“2nd Asian Excellence Recognition Awards 2012”**, organized by Corporate Governance Asia; and Managing Director Mr. Thomas Wu was recognized as **Asia’s Best CEO (Investor Relations)**

合和實業連續兩年獲Asian Excellence Recognition Awards 2012頒予「最佳投資者關係」及「最佳企業社會責任」兩項殊榮；公司董事總經理胡文新先生獲選為「亞洲最佳行政總裁」（投資者關係）



- HHL gained **“Top Ten Developers 2012” Award** from BCI Asia Awards 2012

合和實業榮獲 BCI Asia Awards 2012的「Top Ten Developers 2012」獎項

- HHL awarded **Class of 2012 – The Best of Asia**; and Managing Director Mr. Thomas Wu was honored with the **Asian Corporate Director Recognition Award**

合和實業獲頒Class of 2012 – The Best of Asia及董事總經理胡文新先生榮獲 Asian Corporate Director



- HHL and 9 Subsidiaries Awarded the **Caring Company Logo**

合和實業及旗下9間附屬公司獲頒「商界顯關懷」標誌

Highlights 重點

Care for the Employees 關心員工

- **HHL garnered “ERB Manpower Developers 1st Award” again**
合和實業再次榮獲僱員再培訓局頒予的「ERB人才企業嘉許計劃 - 人才企業 1st」獎項
- **Implemented Volunteer Service Leave Scheme to encourage staff participation in voluntary activities**
推行義工服務假期計劃，鼓勵員工參加義工活動
- **Promoted Work-Life Balance by organizing company sponsored activities or trainings, including bowling competitions, outings, dinner gathering, staff parties, and Employee Assistance Programme**
透過贊助或舉辦活動及培訓班，包括保齡球比賽、郊遊、聚餐、員工派對、僱員輔助計劃等，推廣員工的工作與生活平衡



Care for the Environment 關注環保

- **The on-going Lee Tung Street project has achieved a top-rated Platinum Standard Provisional BEAM 4/04 Certificate of the HK-BEAM Society**
進行中的利東街重建項目，經香港環保建築協會評審，並按「建築環境評估法4/04版」，初步評定為最高的環保建築「白金級別」
- **E-Max signed “Energy-saving Charter”**
E-Max 簽訂「節能約章」
- **Strengthened corporate green car fleet by extending the practice to the subsidiary, HHI, which added the first hybrid electric vehicle to its car fleet in China**
為加強公司環保車隊的規模，合和實業旗下的合和公路基建引入首輛混合動力電動車，於內地運行



Highlights 重點

Care for the Community 關懷社區

- Collaborated with Yan Oi Tong for the **“Hopewell-Yan Oi Tong Green Adventure – Mount Everest Program”**

與仁愛堂攜手呈獻「合和·仁愛堂極地之旅 — 西藏珠穆朗瑪峰」

- Over 150 cross-sectional and cross-regional volunteers joined the **“Tuen Ng Volunteer Visit to Elderly”**. They visited 155 units of singleton elderly in 4 districts

「合和心·連心」端陽探訪號召了150名跨界別及地域的義工在活動當日到訪4個地區，合共探訪155戶獨居長者

- Co-organized the **“Hopewell-Newsweek Education Program”** with *Newsweek* for local university students

合和實業與*Newsweek*為本港大學生舉辦合和·*新聞周刊* (*Newsweek*)學習計劃

- Granted full support to the **“Appreciation Ceremony of Youth Arch Student Improvement Award cum Cheering Concert 2012”**

全力支持「2012青苗學界進步獎嘉許禮暨打氣音樂會」

- Fully sponsored the **“Wan Chai 40 Stories Campaign”**, which featured 40 community members

全力贊助「灣仔40動人故事」計劃，由作者與40名在灣仔極具代表性的人物作專訪



~ END ~