



KERRY PROPERTIES LIMITED

(Incorporated in Bermuda with limited liability)

嘉里建設有限公司*

website: www.kerryprops.com

(Stock Code: 00683)

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Turnover of PRC Property Division in FY2013 increased 108% YoY Group's Reported Profit registered 89% increase YoY

FY2013 Financial Highlights

Items	Amount	Change (%) (vs FY2012)
Turnover		
- PRC property	HK\$5,840 mill	+108%
- HK property	HK\$8,130 mill	-34%
- Total	HK\$13,970 mill	-8%
Profit Attributable to Shareholders		
- underlying profit	HK\$4,413 mill	-6%
- reported profit	HK\$13,154 mill	+89%
Earnings per Share		
- based on underlying profit	HK\$3.06	-6%
- based on reported profit	HK\$9.13	+89%
Dividend per Share		
- final	HK\$0.55	+0%
- total	HK\$0.90	-5%
Net Asset Value (per share)	HK\$52.45	+7% (vs. 31.12.12)

Business Highlights

- In 2013, property sales revenue was HK\$11.3bn, a 14% decrease YoY and property rental and hotel revenue increased 28% YoY to approximately HK\$2.7 bn
 - The drop in property sales revenue is due to lower revenue recognition of HK property sales compared to 2012. In 2013, SOHO189, Lions Rise and Bayview were the key contributors to HK property sales recognition. In PRC property sales, Hangzhou Parkview Residence Ph 2 was the key contributor, followed by Chengdu Metropolis-Arcadia Court Ph 1 and inventory unit sales from projects in Shanghai and Beijing
 - Property rental increase was mainly from Jingan Kerry Centre, Shenzhen Kerry Plaza Ph II in PRC and MegaBox and Enterprise Square 5 in HK.
- In terms of contracted sales, we achieved HK\$5.5bn from projects in HK, and HK\$5.2bn from projects in PRC, totalling HK\$10.7 bn
 - In HK, we continued to sell Lions Rise, Bayview, SOHO189 and Altitude
 - In PRC, we sold Hangzhou Parkview Residence Ph 2, Chengdu Metropolis-Arcadia Court Ph 1, Tianjin Arcadia Court, Tangshan Arcadia Court Ph 1, Shenyang Arcadia Court Ph 1, Qinhuangdao Habitat Ph 1 and Changsha Arcadia Court Ph 1, as well as inventory units in projects at Shanghai and Beijing.
 - We also launched a new project at Ningbo Berylville Ph 1
- The reported profit registered a 89% increase to HK\$13.2bn, which includes
 - (i) a gain of HK\$4.3bn arising from the spin-off of the shares of Kerry Logistics Network Limited in 2013; and
 - (ii) a fair value increase of investment properties (net of tax) attributable to shareholders amounting to HK\$ 4.4bn for 2013, comprising mainly HK\$ 1.0bn from HK completed investment property and HK\$ 2.8bn from PRC completed and under-development investment properties.
- Delivery of the office at Jing An Kerry Centre began during 1H of 2013, while the retail mall had its soft opening in mid-July. Also, Shangri-La Hotels at Jing An Kerry Centre and Shenyang Kerry Centre had been soft-opened in June and August 2013 respectively
- We acquired a site located at Sheung Lok Street in Ho Man Tin, with buildable gross floor area of 1.14million s.f. in March 2013.
- Our balance sheet position is solid, with HK\$11.5bn in cash and bank balances and HK\$ 11.2bn in available undrawn bank loan and overdraft facilities, making up a total of HK\$22.7bn in available funds as of December 31, 2013. Net asset value increased 7% from HK\$ 49.16 per share as of December 31, 2012 to HK\$52.45 per share as of December 31, 2013
- Gearing was 31% as of December 31, 2013.
- Final dividend per share is HK\$ 0.55, leading to a full year dividend of HK\$ 0.90 per share
- In November, S&P re-affirmed our investment grade credit rating of "BBB-" with a positive outlook, taking into consideration of Kerry Logistics spin-off plan.