

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



## 恒隆集團有限公司 HANG LUNG GROUP LIMITED

(Incorporated in Hong Kong with limited liability)  
(Stock Code: 00010)

### 2015 Interim Results

#### FINANCIAL HIGHLIGHTS

in HK\$ Million (unless otherwise stated)

##### RESULTS

	Note	For the six months ended June 30		Change
		2015	2014	
<b>Turnover</b>		<b>4,893</b>	4,746	+3%
Property Leasing		4,148	3,845	+8%
Property Sales		745	901	-17%
<b>Operating Profit</b>		<b>3,725</b>	3,613	+3%
Property Leasing		3,163	3,073	+3%
Property Sales		562	540	+4%
<b>Net Profit Attributable to Shareholders</b>		<b>1,779</b>	2,060	-14%
<b>Earnings Per Share (HK\$)</b>		<b>\$1.31</b>	\$1.52	-14%
<b>Interim Dividend Per Share (HK\$)</b>		<b>\$0.19</b>	\$0.19	-

##### UNDERLYING RESULTS

		For the six months ended June 30		Change
		2015	2014	
<b>Underlying Net Profit Attributable to Shareholders</b>	1	<b>1,509</b>	1,516	-
<b>Underlying Earnings Per Share (HK\$)</b>	2	<b>\$1.11</b>	\$1.12	-1%

##### FINANCIAL POSITION

		At June 30	At December 31	Change
		2015	2014	
<b>Shareholders' Equity</b>		<b>77,048</b>	76,026	+1%
<b>Net Assets</b>		<b>145,229</b>	144,696	-
<b>(Net Debt) / Net Cash</b>	3	<b>(2,947)</b>	228	N/A
<b>Debt to Equity Ratio</b>	3	<b>27.1%</b>	27.7%	-0.6pts
<b>Shareholders' Equity Per Share (HK\$)</b>		<b>\$56.9</b>	\$56.1	+1%
<b>Net Assets Per Share (HK\$)</b>		<b>\$107.2</b>	\$106.8	-

Notes:

1. Underlying net profit attributable to shareholders is presented by excluding the effect of adopting Hong Kong Accounting Standard 40, Investment Property, which requires changes in fair value of investment properties and investment properties under development, net of related deferred tax and non-controlling interests, be accounted for in profit or loss.
2. The relevant calculation is based on underlying net profit attributable to shareholders.
3. (Net debt) / Net cash represents bank loans and other borrowings net of cash and deposits with banks. Equity comprises shareholders' equity and non-controlling interests.

## **REVIEW OF OPERATIONS**

### **GROUP RESULTS**

For the first half of 2015, total turnover of the Group was up 3% to HK\$4,893 million. Rental turnover rose 8% to HK\$4,148 million while property sales income decreased 17% to HK\$745 million because of fewer residential units sold compared to the last corresponding period. Overall operating profit of the Group increased by 3% to HK\$3,725 million.

Underlying net profit attributable to shareholders stayed at HK\$1,509 million. When including a smaller revaluation gain on investment properties compared to the same period last year, net profit attributable to shareholders decreased by 14% to HK\$1,779 million. Earnings per share decreased similarly to HK\$1.31.

### **DIVIDEND**

The Board of Directors has declared an interim dividend of HK19 cents per share (2014: HK19 cents) to be paid by cash on September 30, 2015 to shareholders. Details of the payment of the interim dividend are set out under the paragraph headed “Book Close Dates” of this announcement.

### **PROPERTY LEASING**

Turnover of our core business, property leasing, increased by 8% to HK\$4,148 million year-on-year. When excluding new investment properties which commenced operation for less than 12 months, leasing turnover rose 4% against a year ago. Operating profit advanced by 3% as profit growth from the Hong Kong portfolio was partially offset by a lower contribution from newly opened properties in mainland China. The overall leasing profit margin was 76%.

## **Mainland China**

Rental income of our mainland China leasing portfolio grew 8% to HK\$2,332 million in the first half of 2015. When excluding new properties such as the Riverside 66 shopping mall in Tianjin, the office towers at Center 66 in Wuxi and Forum 66 in Shenyang, turnover on a like-for-like basis was up 1%. Operating profit slipped 1% to HK\$1,607 million as new properties generally contributed lower profits during their early years. Overall rental margin retreated six points to 69%.

Our seven shopping malls in mainland China collectively posted an 11% rental income growth to HK\$1,684 million. The portfolio comprises two malls each in Shanghai and Shenyang, and one each in Jinan, Wuxi and Tianjin. The two malls in Shanghai, Plaza 66 and Grand Gateway 66, contributed 9% more in rents to HK\$1,059 million and were almost fully let. The young malls outside Shanghai cumulatively contributed 16% more in rents year-on-year mainly attributable to contribution from the Riverside 66 shopping mall in Tianjin which commenced operation last September. All the young malls are going through different stages of gestation period with ongoing tenants or trade adjustments. Their occupancy rates ranged from 80% to 90%.

Total rental turnover of our five Grade A office towers in mainland China rose 3% to HK\$585 million. Three of the office towers are located in Shanghai, and one each at Center 66 in Wuxi and Forum 66 in Shenyang. Against the backdrop of increase in supply of office space in Shanghai, rental income of our Shanghai offices declined 4% over a year ago. The office tower at Center 66 opened last October and that at Forum 66 commenced operation in January 2015. Rental turnover of apartments in Shanghai contracted by 20% to HK\$63 million due to lower occupancy, as the ambience was persistently affected by construction works nearby.

## **Hong Kong**

Rental turnover of our diversified Hong Kong leasing portfolio posted a 7% growth to HK\$1,816 million against the backdrop of declining overall retail sales in the local market. All business segments of our portfolio recorded growth with total profit rose 7% to HK\$1,556 million. The resulting leasing margin was 86%.

Benefitted from positive rental reversions, our commercial portfolio in Hong Kong generated 6% more in rents to HK\$1,040 million. All the malls, which are situated in prime locations of Hong Kong, were virtually fully let. Grand Plaza in Mongkok and Amoy Plaza in Kowloon East both enjoyed a 13% rental growth. The Causeway Bay commercial portfolio posted a 5% rental income growth, despite Hang Lung Centre has been closed for renovation by H&M since January 2015. The properties in Central collected 7% more in rents. The Peak Galleria at the Peak contributed extra 5% leasing income to the Group. Kornhill Plaza, our regional mall in

Hong Kong East, posted a stable rental growth of 4% during the period.

The entire office portfolio in Hong Kong collected 9% more in rents to HK\$619 million compared with a year ago. The occupancy rate of the office portfolio improved two points to 96%. Rental turnover of our residential and serviced apartments gained 14% to HK\$157 million as marketing efforts boosted up occupancy effectively.

## **PROPERTY SALES**

Property sales contributed HK\$745 million to the Group's turnover in the first half of 2015. We sold a total of 26 apartments (first half of 2014: 88 units) and some car parking spaces. Due to a different product mix, operating profit was higher by 4% when compared to the same period last year, despite a decrease in turnover by 17%. Overall profit margin realized was 75%.

Relevant information about the 18 semi-detached houses at 23-39 Blue Pool Road was released to the market in April 2015. The houses will be launched for sale when appropriate.

## **PROPERTY REVALUATION**

For the first half of 2015, the total property revaluation gain was HK\$445 million, compared to a gain of HK\$763 million in the corresponding period last year. Our investment properties portfolio was re-valued by independent valuer Savills as at June 30, 2015. Hong Kong investment properties recorded a revaluation gain of HK\$352 million. Mainland portfolio had a moderate gain of HK\$93 million.

## **PROPERTY DEVELOPMENT AND CAPITAL COMMITMENT**

The aggregate value of investment properties under development was HK\$24 billion. They comprised projects in Dalian, Kunming, Wuhan and the remaining phases of those in Shenyang and Wuxi in mainland China. The portfolio comprises shopping malls, office towers, serviced apartments and hotels. Upon completion of these projects, the total gross floor area of the Group in mainland China will increase 2.6 million square meters to 4.7 million square meters. These projects represented the majority of the Group's capital commitments amounting to HK\$44 billion as at June 30, 2015. Those projects will take many years to develop. The Group has ample financial resources to complete their development.

Final preparations are underway for the opening of our shopping mall at Olympia 66 in Dalian towards the end of the year. This new landmark in Dalian comprises almost 222,000 square meters of retail area and 1,200 car parking spaces.

## **FINANCIAL RESOURCES**

The Group continued to maintain a strong balance sheet. As at June 30, 2015, the Group had liquid funds of HK\$36,481 million. The majority of the liquid funds were held as RMB bank deposits to meet future construction payments in mainland China while earning much higher deposit yields than HKD deposits. In addition, the Group had approximately HK\$18,300 million of committed undrawn banking facilities and a bond issuance platform under the Medium Term Note Program established in 2012 by a wholly owned subsidiary under Hang Lung Properties Limited.

As at the balance sheet date, the Group had total borrowings of HK\$39,428 million with an average tenor of 3.6 years. The loan portfolio comprised 40% HKD floating rates bank borrowings, 32% fixed rates bonds, and 28% RMB bank loans raised in mainland China. The increasing portion of the fixed rate bonds, when compared to a year ago, will help the Group to further mitigate future interest rate volatility and re-financing risks. The coupon rates of those bonds range from 2.95% to 4.75% per annum. The average remaining tenor of the bonds was 6.6 years.

Out of the total fixed rate bonds issued, HK\$7,753 million (US\$1,000 million) was denominated in USD. With the Group's strict policy on management of foreign currency risks, the related USD foreign exchange exposure was fully covered by cross currency swap contracts. The swap contracts were entered into in order to fix the exchange rate between USD and HKD for future interest payments and principal repayments. The Group also benefits from interest savings compared to the coupon rates throughout the remaining tenure of the bonds, but this was only incidental to the currency hedging objective. However, accounting rules stipulate that the swap contracts be marked to market value at each balance sheet date. Any differences in the marked to market valuation between the reporting dates shall be recognized as other gain or loss for the period. For the six months ended June 30, 2015, the Group's swap contracts had unrealized fair value losses amounting to HK\$65 million. Any related valuation gains and losses will be self-correcting at the end of the swap contracts.

After netting off the bank deposits, the Group had a net debt balance of HK\$2,947 million, representing a net debt to equity ratio of 2% at the reporting date. With this strong financial position and recurring cash flows generated from its operations, the Group has ample financial

capacity to meet all capital commitments and other obligations, and is well positioned to seize new investment opportunities when they arise.

## **OUTLOOK**

In the absence of unforeseen circumstances, rental turnover of the Group is expected to grow in the second half of 2015. In mainland China, newly opened investment properties will make additional contributions to the Group. Our diversified Hong Kong portfolio is expected to generate higher leasing income upon the progressive completion of various asset enhancement initiatives.

The Group will closely monitor the residential property market in Hong Kong. We will seize opportunities to part with some of the residential units on hand when market conditions are favorable.

Final preparations are taking place for the opening of the Group's shopping mall in Dalian, Olympia 66. It is scheduled for opening in the last quarter of 2015.

**CONSOLIDATED INCOME STATEMENT  
FOR THE SIX MONTHS ENDED JUNE 30, 2015 (UNAUDITED)**

	<i>Note</i>	<b>2015 HK\$ Million</b>	2014 HK\$ Million
Turnover	3(a)	<b>4,893</b>	4,746
Direct costs and operating expenses		<b>(1,168)</b>	(1,133)
Gross profit		<b>3,725</b>	3,613
Other net income/(loss)	4	<b>68</b>	(3)
Administrative expenses		<b>(367)</b>	(341)
Operating profit before change in fair value of investment properties		<b>3,426</b>	3,269
Increase in fair value of investment properties		<b>445</b>	763
Operating profit after change in fair value of investment properties		<b>3,871</b>	4,032
Interest income		<b>628</b>	534
Finance costs		<b>(588)</b>	(305)
Net interest income	5	<b>40</b>	229
Share of profits of joint ventures		<b>135</b>	218
Profit before taxation	3(a) & 6	<b>4,046</b>	4,479
Taxation	7(a)	<b>(716)</b>	(697)
Profit for the period		<b>3,330</b>	3,782
Attributable to:			
Shareholders		<b>1,779</b>	2,060
Non-controlling interests		<b>1,551</b>	1,722
		<b>3,330</b>	3,782
Earnings per share	9(a)		
Basic		<b>HK\$ 1.31</b>	HK\$ 1.52
Diluted		<b>HK\$ 1.31</b>	HK\$ 1.52

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE SIX MONTHS ENDED JUNE 30, 2015 (UNAUDITED)**

	<i>Note</i>	<b>2015</b> <b>HK\$ Million</b>	2014 HK\$ Million
<b>Profit for the period</b>		<b>3,330</b>	3,782
<b>Other comprehensive income</b>	<i>7(b)</i>		
Items that may be reclassified subsequently to profit or loss:			
Net movement in investment revaluation reserve		<b>(38)</b>	1
Exchange difference arising from translation of overseas subsidiaries		<b>(6)</b>	(1,471)
<b>Other comprehensive income for the period</b>		<b>(44)</b>	(1,470)
<b>Total comprehensive income for the period</b>		<b>3,286</b>	2,312
<b>Total comprehensive income attributable to:</b>			
Shareholders		<b>1,748</b>	1,258
Non-controlling interests		<b>1,538</b>	1,054
		<b>3,286</b>	2,312



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AT JUNE 30, 2015**

		(Unaudited) June 30, 2015 HK\$ Million	(Audited) December 31, 2014 HK\$ Million
	<i>Note</i>		
<b>Non-current assets</b>			
Fixed assets			
Investment properties	<i>10</i>	133,547	128,357
Investment properties under development	<i>10</i>	23,932	25,611
Other fixed assets		294	306
		<u>157,773</u>	<u>154,274</u>
Interest in joint ventures		3,402	3,300
Other assets		1,344	1,438
Deferred tax assets		30	23
		<u>162,549</u>	<u>159,035</u>
<b>Current assets</b>			
Cash and deposits with banks		36,481	40,323
Trade and other receivables	<i>11</i>	1,273	1,947
Properties for sale		3,955	4,068
		<u>41,709</u>	<u>46,338</u>
<b>Current liabilities</b>			
Bank loans and other borrowings		8,816	7,937
Trade and other payables	<i>12</i>	7,164	8,249
Taxation payable		1,618	1,606
		<u>17,598</u>	<u>17,792</u>
<b>Net current assets</b>		<u>24,111</u>	<u>28,546</u>
<b>Total assets less current liabilities</b>		<u>186,660</u>	<u>187,581</u>
<b>Non-current liabilities</b>			
Bank loans and other borrowings		30,612	32,158
Deferred tax liabilities		10,819	10,727
		<u>41,431</u>	<u>42,885</u>
<b>NET ASSETS</b>		<u>145,229</u>	<u>144,696</u>
<b>Capital and reserves</b>			
Share capital		3,893	3,893
Reserves		73,155	72,133
Shareholders' equity		<u>77,048</u>	<u>76,026</u>
Non-controlling interests		68,181	68,670
<b>TOTAL EQUITY</b>		<u>145,229</u>	<u>144,696</u>

## NOTES

1. The financial statements have been reviewed by the Audit Committee.
2. Basis of preparation

The unaudited interim financial report has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure provisions of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The preparation of this interim financial report in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The accounting policies and methods of computation used in the interim financial statements are consistent with those applied in the consolidated financial statements for the year ended December 31, 2014.

The HKICPA has issued certain amendments to Hong Kong Financial Reporting Standards ("HKFRSs") that are first effective for the current accounting period of the Group. These revised HKFRSs have no significant impact on the interim report of the Group for the periods ended June 30, 2015 and 2014, respectively.

3. Turnover and segment information

The Group manages its businesses according to the nature of services and products provided. Management has determined three reportable operating segments for the measurement of performance and the allocation of resources. The segments are property leasing in Hong Kong and mainland China and property sales in Hong Kong.

The property leasing segment relates leasing of the Group's investment properties portfolio in Hong Kong and mainland China, which consists of commercial / mall, office, residential, serviced apartments and carparks. The property sales segment relates to the development and sale of the Group's trading properties in Hong Kong.

Management evaluates performance primarily based on profit before taxation.

Segment assets principally comprise all non-current assets and current assets directly attributable to each segment with the exception of interest in joint ventures, other assets, deferred tax assets and cash and deposits with banks. The investment properties of the Group are included in segment assets at their fair values whilst the change in fair value of investment properties is not included in segment profits.

### 3. Turnover and segment information (Continued)

#### (a) Turnover and results by segments

<u>Segment</u>	<u>Turnover</u>		<u>Profit before taxation</u>	
	<b>2015</b> HK\$ Million	2014 HK\$ Million	<b>2015</b> HK\$ Million	2014 HK\$ Million
Property leasing				
- Mainland China	<b>2,332</b>	2,155	<b>1,607</b>	1,621
- Hong Kong	<b>1,816</b>	1,690	<b>1,556</b>	1,452
	<b>4,148</b>	3,845	<b>3,163</b>	3,073
Property sales				
- Hong Kong	<b>745</b>	901	<b>562</b>	540
Segment total	<b>4,893</b>	4,746	<b>3,725</b>	3,613
Other net income/(loss)			<b>68</b>	(3)
Administrative expenses			<b>(367)</b>	(341)
Operating profit before change in fair value of investment properties			<b>3,426</b>	3,269
Increase in fair value of investment properties			<b>445</b>	763
- property leasing in Hong Kong			<b>352</b>	718
- property leasing in mainland China			<b>93</b>	45
Interest income			<b>628</b>	534
Finance costs			<b>(588)</b>	(305)
Net interest income			<b>40</b>	229
Share of profits of joint ventures			<b>135</b>	218
Profit before taxation			<b>4,046</b>	4,479

#### (b) Total assets by segments

<u>Segment</u>	<u>Total assets</u>	
	<b>June 30,</b> <b>2015</b> HK\$ Million	December 31, 2014 HK\$ Million
Property leasing		
- Mainland China	<b>99,335</b>	96,318
- Hong Kong	<b>59,490</b>	58,917
	<b>158,825</b>	155,235
Property sales		
- Hong Kong	<b>4,176</b>	5,054
Segment total	<b>163,001</b>	160,289
Interest in joint ventures	<b>3,402</b>	3,300
Other assets	<b>1,344</b>	1,438
Deferred tax assets	<b>30</b>	23
Cash and deposits with banks	<b>36,481</b>	40,323
Total assets	<b>204,258</b>	205,373

4. Other net income / (loss)

	<b>2015</b> <b>HK\$ Million</b>	2014 HK\$ Million
Gain on disposal of investment properties	<b>67</b>	3
Gain on disposal of listed investments	<b>62</b>	-
Dividend income from listed investments	-	4
Dividend income from unlisted investments	<b>1</b>	-
Loss on remeasurement of derivative financial instruments (note)	<b>(65)</b>	-
Net exchange gain/(loss)	<b>3</b>	(10)
	<b>68</b>	(3)

Note: Derivative financial instruments represent cross currency swaps, which were entered into for the purpose of fixing the exchange rate for the Medium Term Notes denominated in USD.

5. Net interest income

	<b>2015</b> <b>HK\$ Million</b>	2014 HK\$ Million
Interest income on bank deposits	<b>628</b>	534
Interest expenses on borrowings	<b>757</b>	699
Other borrowing costs	<b>67</b>	51
Total borrowing costs	<b>824</b>	750
Less: Borrowing costs capitalized	<b>(236)</b>	(445)
Finance costs	<b>588</b>	305
Net interest income	<b>40</b>	229

6. Profit before taxation

	<b>2015</b> <b>HK\$ Million</b>	2014 HK\$ Million
Profit before taxation is arrived at after charging:		
Cost of properties sold	<b>113</b>	267
Staff costs, including employee share-based payments of HK\$75 million (2014: HK\$77 million)	<b>658</b>	563
Depreciation	<b>28</b>	25

## 7. Taxation

- (a) Provision for Hong Kong Profits Tax is calculated at 16.5% (2014: 16.5%) of the estimated assessable profits for the period. China Income Tax mainly represents China Corporate Income Tax calculated at 25% (2014: 25%) and China withholding income tax at the applicable rates. A withholding tax of 5% is levied on the Hong Kong companies in respect of dividend distributions arising from profits of foreign investment enterprises in mainland China earned after January 1, 2008.

	<b>2015</b>	2014
	<b>HK\$ Million</b>	HK\$ Million
Current tax		
Hong Kong Profits Tax	<b>269</b>	254
China Income Tax	<b>365</b>	377
	<u><b>634</b></u>	<u>631</u>
Deferred tax		
Change in fair value of investment properties	<b>24</b>	11
Other origination and reversal of temporary differences	<b>58</b>	55
	<u><b>82</b></u>	<u>66</u>
Total income tax expense	<u><b>716</b></u>	<u>697</u>

- (b) There is no tax effect relating to the component of the other comprehensive income for the period.

## 8. Dividend

- (a) Interim dividend

	<b>2015</b>	2014
	<b>HK\$ Million</b>	HK\$ Million
Proposed after the end of the reporting period: HK19 cents (2014: HK19 cents) per share	<u><b>257</b></u>	<u>257</u>

The dividend proposed after the end of the reporting period has not been recognized as a liability at the end of the reporting period.

- (b) Final dividend approved and paid during the period

	<b>2015</b>	2014
	<b>HK\$ Million</b>	HK\$ Million
2014 Final dividend of HK62 cents (2013: HK61 cents) per share	<u><b>840</b></u>	<u>827</u>

## 9. Earnings per share

(a) The calculation of basic and diluted earnings per share is based on the following data:

	<b>2015</b>	2014
	<b>HK\$ Million</b>	HK\$ Million
Earnings for calculation of basic and diluted earnings per share - net profit attributable to shareholders	<b>1,779</b>	2,060
	<b>Number of shares</b>	
	<b>2015</b>	2014
	<b>Million Shares</b>	Million Shares
Weighted average number of shares used in calculating basic earnings per share	<b>1,355</b>	1,352
Effect of dilutive potential shares - share options	<b>3</b>	4
Weighted average number of shares used in calculating diluted earnings per share	<b>1,358</b>	1,356

(b) The underlying net profit attributable to shareholders which excluded changes in fair value of investment properties net of related deferred tax and non-controlling interests, is calculated as follows:

	<b>2015</b>	2014
	<b>HK\$ Million</b>	HK\$ Million
Net profit attributable to shareholders	<b>1,779</b>	2,060
Effect of changes in fair value of investment properties	<b>(445)</b>	(763)
Effect of corresponding deferred tax	<b>24</b>	11
Effect of changes in fair value of investment properties of joint ventures	<b>(49)</b>	(144)
Non-controlling interests	<b>200</b>	352
	<b>(270)</b>	(544)
Underlying net profit attributable to shareholders	<b>1,509</b>	1,516

The earnings per share based on underlying net profit attributable to shareholders are:

	<b>2015</b>	2014
Basic	<b>HK\$ 1.11</b>	HK\$ 1.12
Diluted	<b>HK\$ 1.11</b>	HK\$ 1.12

## 10. Investment properties and investment properties under development

### (a) Addition

During the period, additions to investment properties and investment properties under development amounted to HK\$3,061 million (2014: HK\$2,651 million).

### (b) Valuation

The investment properties and investment properties under development of the Group were revalued as at June 30, 2015 by Mr. Charles C.K. Chan, Registered Professional Surveyor (General Practice), of Savills Valuation and Professional Services Limited, on a market value basis.

## 11. Trade and other receivables

### (a) Included in trade and other receivables are trade receivables (based on the due date) with the following aging analysis:

	<b>June 30, 2015</b>	December 31, 2014
	<b>HK\$ Million</b>	HK\$ Million
Current and within 1 month	<b>253</b>	1,008
1 - 3 months	<b>18</b>	8
Over 3 months	<b>10</b>	8
	<b><u>281</u></b>	<u>1,024</u>

The balance of bad and doubtful debts is insignificant. The Group maintains a defined credit policy including stringent credit evaluation on and payment of a rental deposit from tenants. In addition to the payment of rental deposits, tenants are required to pay monthly rents in respect of leased properties in advance. Proceeds from property sales are receivable pursuant to the terms of the sale and purchase agreements. Except for sale of properties developed by the Group, it does not hold any collateral over the receivables. Receivables are regularly reviewed and closely monitored to minimize any associated credit risk.

### (b) Included in other receivables of the Group is deposit of land acquisition in mainland China of HK\$317 million (December 31, 2014: HK\$317 million).

## 12. Trade and other payables

Included in trade and other payables are trade creditors with the following aging analysis:

	<b>June 30, 2015</b>	December 31, 2014
	<b>HK\$ Million</b>	HK\$ Million
Due within 1 month	<b>3,395</b>	4,350
Due after 3 months	<b>629</b>	565
	<b><u>4,024</u></b>	<u>4,915</u>

## **Purchase, Sale or Redemption of Listed Securities**

During the six months ended June 30, 2015, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of its listed securities.

## **Compliance with Corporate Governance Code**

During the six months ended June 30, 2015, the Company has complied with the code provisions set out in the Corporate Governance Code as stated in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

## **Book Close Dates**

Book close dates (both days inclusive)	September 15 to 16, 2015
Latest time to lodge transfers	4:30 pm on September 14, 2015
Record date for interim dividend	September 16, 2015
Interim dividend payment date	September 30, 2015

On Behalf of the Board

**Ronnie C. Chan**

*Chairman*

Hong Kong, July 30, 2015

*As at the date of this announcement, the board of directors of the Company comprises the following directors:*

*Executive Directors:* Mr. Ronnie C. CHAN, Mr. Philip N.L. CHEN and Mr. H.C. HO

*Non-Executive Directors:* Mr. Gerald L. CHAN and Mr. George K.K. CHANG

*Independent Non-Executive Directors:* Mr. Simon S.O. IP, Prof. L.C. TSUI, Mr. Martin C.K. LIAO and Prof. P.W. LIU