



New World Development Company Limited



FY2013 interim results announcement

27 February 2013



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Agenda

- 1 Corporate structure**
- 2 Financial highlights**
- 3 Hong Kong property development**
- 4 Hong Kong property investment**
- 5 Hotel operations**



New World Development Company Limited

HK stock code: 17

Hong Kong Property Development and Investment

NWS (HK stock code: 659)

▪ Infrastructure & Service

61.0%

NWCL (HK stock code: 917)

▪ Mainland Property

69.8%

NWDS (HK stock code: 825)

▪ Mainland Department Store

72.3%

As at 31 December 2012



Financial highlights

(HK\$ million)	1HFY2013	1HFY2012		Change
Revenues	24,455.0	19,103.1	↑	28.0%
Total segment results	9,126.2	7,159.8	↑	27.5%
Other gains, net	688.2	1,584.7	↓	56.6%
Changes in fair value of investment properties	5,650.7	1,852.3	↑	205.1%
Profit attributable to shareholders	9,985.9	5,223.8	↑	91.2%
Underlying profit	4,099.9	2,825.6	↑	45.1%
	31 Dec 2012	30 Jun 2012		
Net debt (HK\$bil)	59.8	57.8		
Total equity (HK\$bil)	171.7	158.0		
Net gearing (%)	34.8	36.6		

Financial highlights

Segment results (HK\$ million)	1HFY2013	1HFY2012		Change
Property development	4,215.9	3,262.5	↑	29.2%
Property investment	1,716.5	924.0	↑	85.8%
Service	881.8	932.2	↓	5.4%
Infrastructure	1,301.9	1,292.1	↑	0.8%
Hotel operations	336.4	327.2	↑	2.8%
Department stores	361.1	369.3	↓	2.2%
Telecommunications	125.2	81.6	↑	53.4%
Others	187.4	(29.1)	↑	NA
Total	9,126.2	7,159.8	↑	27.5%

Hong Kong property sales

Contracted sales, as at 24 Feb 2013

Key projects	Launch date	No of units sold (1 Jan 12 – 30 Jun 12)	No of units sold (1 Jul 12 – 31 Dec 12)	No of units sold (1 Jan 13 – 24 Feb 13)	Total units sold	Total units unsold
The Masterpiece	Aug 09	13	6	-	19	28
The Signature	Mar 12	60	2	4	66	Sold out
The Riverpark	Jun 12	521	297	45	863	118
Double Cove	Sep 12	Not yet launched	642	59	701	227
The Reach **	Oct 12	Not yet launched	582	649	1,231	1,349
Total		594	1,529	757	2,880	1,722

** Only 1,380 units were launched until Feb 2013

- 2 new projects launched in 1HFY2013
 - Double Cove at Ma On Shan – Sep 2012
 - The Reach at Yuen Long – Oct 2012
- Non-core asset sales in 1HFY2013– attri around HK\$ 101 million
- Disposal of Riviera Plaza at Tsuen Wan in Jan 2013 – around HK\$508 million

Hong Kong property launches

Key launches in 2013

Location

NWD %

Total GFA

Total units

Attri GFA

Attri units

Land source

A. Presale consent application submitted

Park Signature - Lung Tin Tsuen project	Yuen Long	100%	1,055,407	1,620	1,055,407	1,620	Agricultural
Austin Station project Site C (JV project)	South West KLN	50%	543,324	576	271,662	288	MTRC tender
The Woodville - Tai Tao Tsuen project	Yuen Long	100%	228,993	236	228,993	236	Agricultural
Hung Shui Kiu project	Yuen Long	100%	79,664	98	79,664	98	Agricultural

B. Completed project pending for launching

Park Villa - Tong Yan Sun Tsuen project	Yuen Long	100%	170,854	51	170,854	51	Agricultural
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C. Old building redevelopment under non-consent scheme

Eight South Lane - South Lane project	Kennedy Town	100%	40,137	100	40,137	100	Old building
Kwai Fong St project	Happy Valley	87%	65,150	156	56,417	135	Old building

D. Pending to submit presale consent application

Double Cove Phase II (JV project)	Ma On Shan	32%	638,628	865	204,361	277	Agricultural
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Total (units or GFA/ sq ft)			2,822,157	3,702	2,107,495	2,805	
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Landbank replenishment in Hong Kong

- 2 new projects were acquired by public tenders

Mong Kok Sai Yee Street project – September 2012

NWD interest: 100% in residential/ 50% in commercial

Source: URA tender

GFA breakdown

Attri. GFA (sq ft)

Residential	186,712
Commercial	26,673
Total	<u>213,385</u>

Tsuen Wan West Station project – January 2013

NWD interest: 80%/ JV with Vanke Property (Hong Kong)

Source: MTRC Tender

GFA breakdown

Attri. GFA (sq ft)

Residential	540,017
Others	103,334
Total	<u>643,351</u>

Hong Kong landbank (ready land and agricultural)

Hong Kong ready landbank as at Feb 2013

Location	attri. GFA (sq ft)	%
<u>HK Island</u>	<u>690,269</u>	<u>7%</u>
- North Point	229,320	
- Tin Hau	337,064	
- Happy Valley	56,417	
- Mid Levels	26,334	
- Western District	41,134	
<u>Kowloon</u>	<u>4,474,071</u>	<u>44%</u>
- Tsim Sha Tsui & South-west Kln	3,592,368	
- Mong Kok	213,385	
- Kowloon East	631,639	
- Hung Hom	36,679	
<u>New Territories</u>	<u>5,086,645</u>	<u>49%</u>
- Yuen Long & Tuen Mun	1,928,573	
- Sha Tin & Ma On Shan	1,910,731	
- Tsuen Wan	643,351	
- Sai Kung	603,990	
Total	<u>10,250,985</u>	<u>100%</u>

Hong Kong farmland

Location	Attri land area (sq ft)	%
Yuen Long	12,913,500	69%
Fanling	2,386,000	13%
Sha Tin/ Tai Po	2,162,000	11%
Sai Kung	1,100,000	6%
Tuen Mun	120,000	1%
Total	18,681,500	100%

**Landbanking replenishment strategy:
equal emphasis on...**

Public auction and tender

Old building redevelopment

Farmland conversion



Hong Kong property investment

Projects	Atti GFA	Avg occupancy
New World Tower, Central - Office	562,187	97%
New World Tower, Central - Retail	77,948	100%
Manning House, Central - Office	46,657	97%
Manning House, Central - Retail	63,383	100%
Pearl City, Causeway Bay	46,158	100%
K11, Tsim Sha Tsui	264,552	100%
Sogo, Tsim Sha Tsui	141,439	100%
Telford Plaza, Kowloon Bay	335,960	100%
Discovery Park Shopping Centre, Tsuen Wan	466,400	98%

Asset enhancement program

Completed

- ❑ **New World Tower in Central:** new G/F duplex shop and additional retail area at 1/F were completed in Jan 2013
- ❑ **Discovery Park Shopping Centre in Tsuen Wan:** phase 1 revamp was completed in Feb 2013
- ❑ **Pearl City in Causeway Bay:** asset enhancement work was completed in Nov 2012

Under progress

- ❑ **Manning House in Central:** asset enhancement has started in Dec 2012

Hotel operations

- HK hotels – satisfactory performance in ARR and average occupancy
- Total 15 hotels with 6,976 rooms in HK, Mainland China and Southeast Asia

Key hotels performance (Jul - Dec 2012)

Projects	ARR (HK\$)	Avg occupancy
Grand Hyatt Hong Kong	3,317	75.8%
Renaissance Harbour View Hotel	2,126	72.3%
Hyatt Regency Hong Kong, TST	2,104	89.6%
Hyatt Regency Hong Kong, Sha Tin	1,344	85.1%

NWD hotel portfolio

Location	Hotels	Rooms
Hong Kong	5	2,787
Mainland China	7	2,722
Southeast Asia	3	1,467
Total	15	6,976

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HOTELS & RESORTS

▪ Ultra luxury

NEW WORLD
— HOSPITALITY —

NEW WORLD
HOTELS

▪ Five star



pentahotels

▪ Selective



New World Development Company Limited

One Step Forward

We create new living experience