



Sun Hung Kai Properties
FY 2000 / 2001 Interim Results

16 March 2001



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Interim Results Highlights

- Complete 3 million square feet of development properties
- Occupancy of rental portfolio maintains at 96%
- New investment properties provide rental income growth
 - Full six-month contribution from One IFC and Millennium City Phase 2



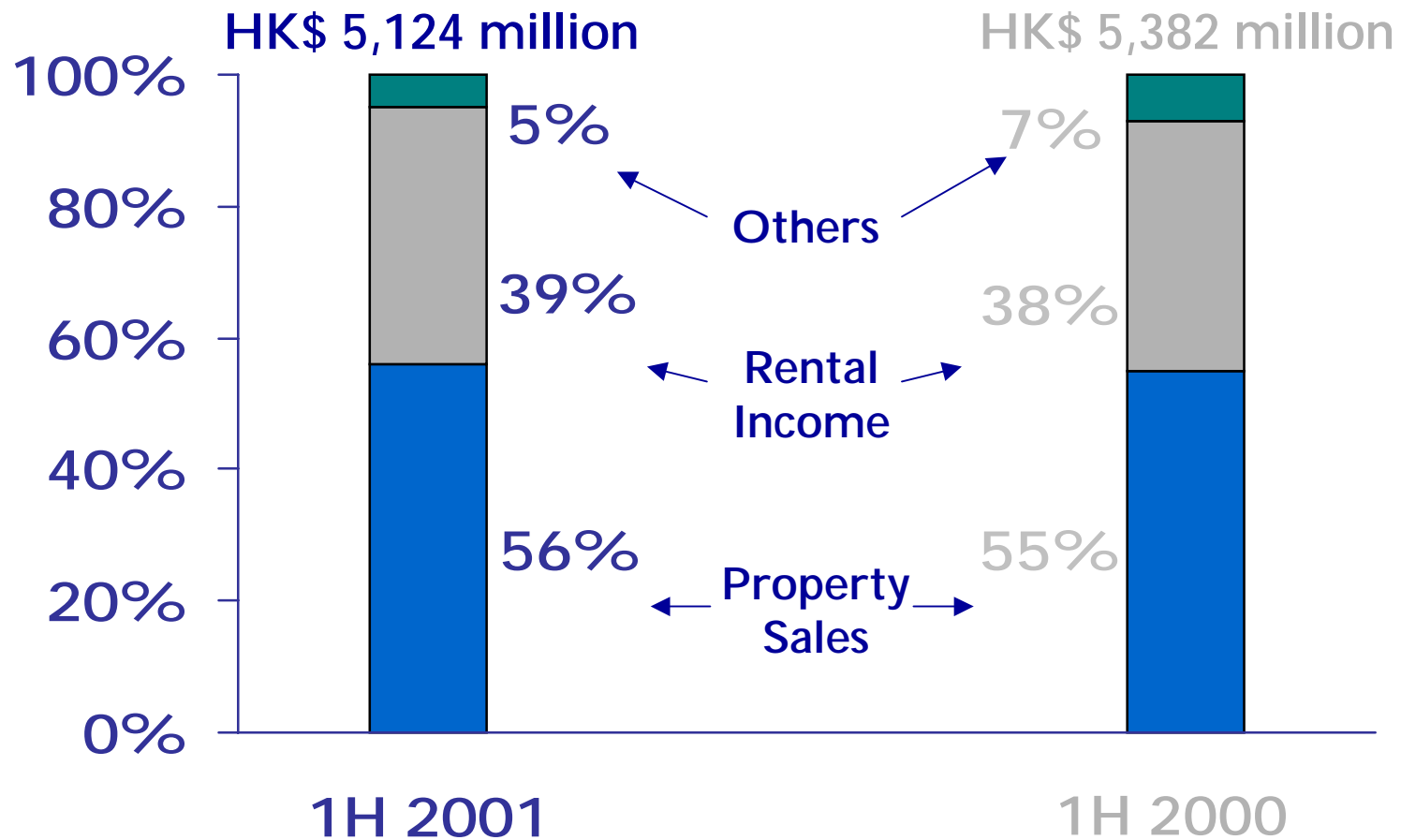
Interim Results

HK\$ million	<u>1H2001</u>	<u>1H2000</u>	<u>change +/-(-)</u>
Operating profit	5,124	5,382	(5%)
Net finance cost	(675)	(555)	22%
Profit on disposal of investments	282	801	(65%)
Share of profits less losses			
- associates	488	24	19 times
- jointly controlled entities	493	87	4.7 times
Profit before tax	5,712	5,739	*
Net profit	5,301	5,253	1%
Earnings per share (HK\$)	2.21	2.19	1%
Interim dividend per share (HK\$)	0.55	0.55	Nil

* Less than 0.5 per cent



Operating Profit by Business





Projects Completed During 1H 2001

Project	Usage	Group's Interest (%)	Attributable Gross Floor Area (square feet)
Royal Peninsula	R	50	739,000
Le Sommet	R	100	390,000
Ocean Shores (Blocks 5 & 6)	R	49	267,000
Villa Premiere	R	100	217,000
Chelsea Heights Phase 2	R/S	100	667,000
The Belcher's Phase 1	R/S	29	386,000
Grand Villa	R/S	100	30,000
MEGA-iAdvantage	ISC	84	293,000
Total Gross Floor Area			2,989,000

Key : R:Residential, S:Shops or Shopping Centre, ISC:Internet Service Centre



Land Bank Acquired During 1H 2001

Project	Usage	Group's Interest (%)	Attributable Gross Floor Area (square feet)
Airport Railway Kowloon Station Development Packages 5, 6 & 7	O/R/S/A/H	Joint Venture	4,698,000
KIL 11145, Farm Road	R/S	100%	268,000
Total			4,966,000

Key : O:Office, S:Shopping Centre, R:Residential, A:Service Apartment, H:Hotel



Strong Financial Position

- Cash on hand of HK\$9 billion as at 31 December 2000
- Net debt to shareholders' funds ratio of 17.5% as at 31 December 2000
- Interest coverage for 1H2001 was 5.4 times

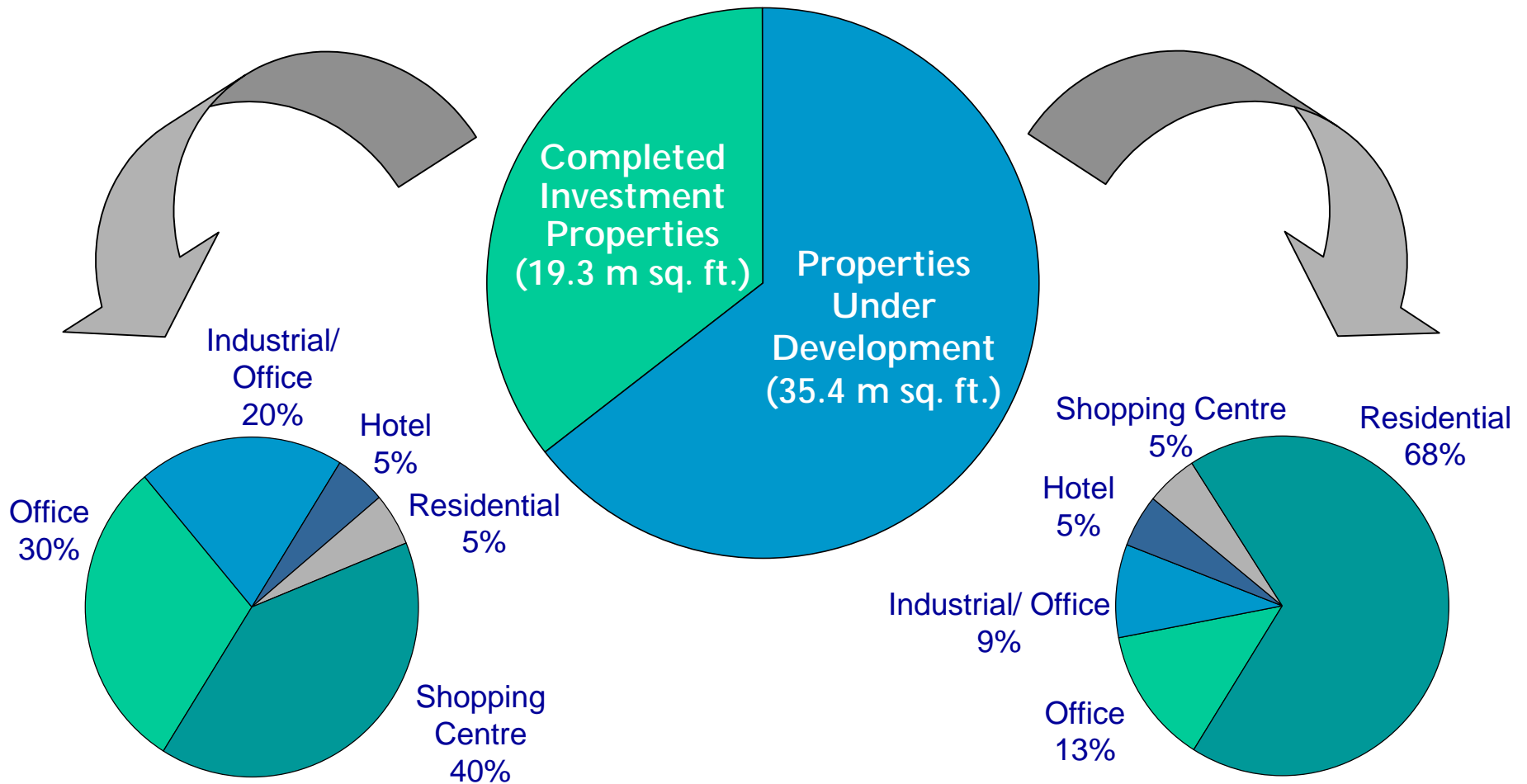


Business Review



Total Land Bank

54.7 million square feet





Property Development

- Large-scale quality projects with comprehensive facilities
- Wide-range of flat sizes, mainly small-to-medium units
- Increase production volume of residential properties
- Brand name recognition of products and service



Upcoming Completions

(Attributable GFA in million square feet)

Financial Year	Residential properties	Others	Total
2001	3.6	0.5	4.1
2002	4.5	0.1	4.6
2003	5.2	1.0	6.1*

* figures may not add up due to rounding



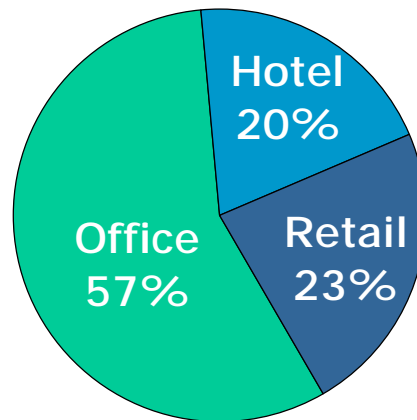
Agricultural Land

- Sizeable and quality sites
- Total site area of 22 million square feet
 - Land use conversion and negotiation of conversion premium under way
- Majority is located along existing and future railway lines



Property Investment

- Occupancy rate is high at 96%
- Maintain an optimal mix of quality portfolio
- Plan to develop 8.0 million square feet of investment properties



- Disposal of non-core rental properties



Prospects





Hong Kong Property Market

- Improving market sentiment
- Narrowing gap between mortgage rate and rental yield
- End-user driven market with sizeable pent up demand
- Supportive government policy on housing and land supply
- Strong fundamentals underpinning a gradual recovery



Business Prospects

- Increase production volume of residential properties for sale
- Expand rental property portfolio
- Strengthen brand name and develop premium quality properties
- Selectively invest on mainland China



Thank You

