Hongkong Land Holdings Limited

News Release

To: Business Editor

3rd March 2016
For immediate release

The following announcement was issued today to a Regulatory Information Service approved by the Financial Conduct Authority in the United Kingdom.

HONGKONG LAND HOLDINGS LIMITED
2015 PRELIMINARY ANNOUNCEMENT OF RESULTS

Highlights

- Sound result in 2015
- Continued strong performance from commercial portfolio
- Entry into Shanghai with prime mixed-use site
- Stable asset values

"While trading profits from the Group's operations should remain sound in 2016, a reduced contribution from residential developments is expected to result in underlying earnings being lower."

Ben Keswick
Chairman

Results

	Year ended 31st December		
	2015	2014	Change
	US$m	US$m	%
Underlying profit attributable to shareholders*	**905**	930	–3
Profit attributable to shareholders	**2,012**	1,327	+52
Shareholders' funds	**28,685**	27,548	+4
Net debt	**2,341**	2,657	–12
	US¢	US¢	%
Underlying earnings per share*	**38.44**	39.52	–3
Earnings per share	**85.50**	56.42	+52
Dividends per share	**19.00**	19.00	-
	US$	US$	%
Net asset value per share	**12.19**	11.71	+4

* The Group uses 'underlying profit attributable to shareholders' in its internal financial reporting to distinguish between ongoing business performance and non-trading items, as more fully described in note 1 to the financial statements. Management considers this to be a key measure which provides additional information to enhance understanding of the Group's underlying business performance.

The final dividend of US¢13.00 per share will be payable on 11th May 2016, subject to approval at the Annual General Meeting to be held on 4th May 2016, to shareholders on the register of members at the close of business on 18th March 2016.

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HONGKONG LAND HOLDINGS LIMITED

PRELIMINARY ANNOUNCEMENT OF RESULTS
FOR THE YEAR ENDED 31ST DECEMBER 2015

OVERVIEW

Hongkong Land produced a sound performance in 2015, although modestly lower than the record results achieved in the past two years. Results from the Group's commercial portfolio continued to be strong, despite the contribution from Singapore being lower in US dollar terms. Earnings from the residential sector declined, although an improvement was seen in mainland China and there was a gain recognised on a redeveloped property in Hong Kong.

PERFORMANCE

Underlying profit attributable to shareholders was US$905 million, a 3% decrease from 2014. Taking into account the net non-trading gains of US$1,107 million recorded principally on property valuations of the Group's investment properties, the profit attributable to shareholders for the year was US$2,012 million. This compares to US$1,327 million in 2014, which included net valuation gains of US$397 million.

The net asset value per share at 31st December 2015 was US$12.19, compared with US$11.71 at the end of 2014.

The Directors are recommending a final dividend of US¢13.00 per share, providing a total dividend for the year of US¢19.00 per share, unchanged from the previous year.

GROUP REVIEW

Commercial Property

In Hong Kong, demand saw some improvement against a background of little additional supply of premium grade space. Vacancy in the Group's Central office portfolio was 3.4% at the year end, down from 4.2% at 30th June 2015. Rental reversions were marginally positive, and the Group's average office rent was HK$101 per sq. ft, slightly down from 2014 due to timing differences of leases. The Group's retail portfolio remained fully occupied and positive rent reversions continued. The average retail rent rose 3% to HK$221 per sq. ft.

In Singapore, vacancy in the Group's office portfolio at the year end rose to 3.0%, compared with 1.9% at the end of June. The year end vacancy would, however, have been 1.0% if space already committed under new leases had been taken into account.

In mainland China, construction of the Group's prestigious retail complex in Beijing, WF CENTRAL, is progressing satisfactorily. The project, which is located on a prime site at Wangfujing, is now scheduled to open in the first half of 2017.

Residential Developments

As anticipated, the contribution from the Group's residential projects was lower than in 2014.

In Hong Kong, while there was a US$63 million gain from the redevelopment of a residential property owned by the Group, the overall contribution declined due to the absence of Serenade sales which had benefited the prior year's result.

In mainland China, the Group produced a good performance from its wholly-owned and joint venture projects despite challenging market conditions. Profits were higher than in 2014, when the results had been reduced by US$38 million in provisions relating to the Shenyang joint ventures. Revenue recognised during the year, however, including the Group's attributable interest in joint ventures, declined by 19%. The Group's attributable interest in contracted sales for the full year were 26% higher at US$802 million in 2015, which included sales from a new project in the Pudong District of Shanghai.

In 2015, the Group undertook two new developments. In July, the Group acquired jointly with its existing partner, Longfor Properties, two residential sites adjacent to the Bamboo Grove joint venture project in Chongqing, thereby consolidating further its market position in the area. In September, a 50% joint venture was entered into to develop a project located in an established area of Pudong, within Shanghai's inner-ring road. The project will comprise residential and commercial components, with a total developable area of approximately 227,000 sq. m.

In April, the Group disposed of its Park Life joint venture in Shenyang.

In Singapore, at the Group's wholly-owned subsidiary MCL Land, three projects were completed in 2015 including Ripple Bay in the second half of the year. However, the contribution was lower than in 2014 which benefited from significantly higher provision writebacks.

In Indonesia, satisfactory progress continues to be made at the 49%-owned joint venture project, Nava Park, and the 40%-owned joint venture project, Anandamaya Residences. Construction is also progressing well in the Philippines at the Group's 40%-owned 182-unit luxury development, Two Roxas Triangle, in Manila.

Financing

The Group's financial position remained strong with net debt of US$2.3 billion at 31st December 2015, down from US$2.7 billion at the end of 2014. Gearing at the end of the year was 8%, compared with 10% in the prior year.

PEOPLE

On behalf of the Board, I would like to thank all of our staff for their ongoing dedication and commitment to our tenants and customers and to the operations of the Group itself. Their drive and professionalism provides a strong foundation for our continuing success.

Y.K. Pang will step down as Chief Executive on 31st July 2016, while remaining a director of the Group, to become deputy managing director of Jardine Matheson. He will be succeeded by Robert Wong, currently responsible for the Group's residential developments. In addition, John Witt will step down as Chief Financial Officer on

31st March 2016 to take up the position of group finance director of Jardine Matheson, and will be replaced on 28th April by Simon Dixon, currently the finance director of Astra International. We are grateful to Y.K. and John for their leadership and significant contributions to the Group over the past years.

OUTLOOK

While trading profits from the Group's operations should remain sound in 2016, a reduced contribution from residential developments is expected to result in underlying earnings being lower.

Ben Keswick
Chairman

CHIEF EXECUTIVE'S REVIEW

Hongkong Land continued to perform well in 2015 with a continued strong contribution from its commercial property portfolio. Despite increased operating profits from the Group's residential projects in China and Singapore when compared to the prior year, the results reflected the absence of sales in Hong Kong and lower reversal of writedowns in Singapore. Nevertheless, the Group remains well positioned in its key markets in Greater China and Southeast Asia and continues to seek new development opportunities.

STRATEGY

The Group's commercial portfolios in Hong Kong and Singapore continue to be its most important investments, located in the heart of these two key Asian financial centres. The location, quality and scale of these assets strengthen Hongkong Land's competitive position and prominent presence in the Region, while providing a steady stream of earnings. These are the foundations of the Group's stable financial strength that enable it to continue to grow its portfolio in its core markets in Greater China and Southeast Asia.

The recurring source of earnings at the residential business continues to stabilise as the scale of the mainland China operations grows. The Group's share in the developable area of its projects totals 5.3 million sq. m. across five cities in China, including Shanghai, the latest addition to the portfolio. Of the 5.3 million sq. m., construction on only 1.4 million sq. m., or 27%, had been completed by the end of 2015. The projects are well-positioned to provide future earnings from further completions over the coming years. In Singapore, MCL Land, the Group's wholly-owned residential developer, remains a core contributor to earnings and maintains a steady pipeline of projects. Meanwhile, the joint venture projects in Indonesia and the Philippines are still at early stages of development, but will provide additional sources of income as these projects mature in the coming years.

Hong Kong's Central Portfolio

In Hong Kong, the Central portfolio consists of 12 buildings that form the heart of the financial district. These inter-linked buildings, representing over 450,000 sq. m. of Grade A office and luxury retail space, are firmly positioned as the pre-eminent office, retail, restaurant and hotel destination in the city. They continue to be managed as an integrated mixed-use development, and are a unique offering in Hong Kong. The portfolio continues to attract both prime office tenants and luxury retailers who demand the highest quality and service. As a core financial and business centre in Asia, Hong Kong's economic conditions are naturally affected by the global environment. Rental rates and vacancy at the Group's portfolio have, however, remained resilient in the face of uncertain economic factors. This is mainly due to the scarcity of supply of high quality space in the core business district.

The Group's retail portfolio, which is integrated with the office buildings, is critical to the success of the Group's unique mixed-use business model. The portfolio includes the most prestigious global retail brands in over 54,000 sq. m. of prime retail space, with a significant number of luxury brand flagship stores. The restaurants across the portfolio, which have been accorded a total of ten Michelin stars, are performing well and attract customers to Central throughout the day and in the evenings.

Commercial Property Investments in Asia

Outside Hong Kong, the Group has similarly established itself as a leading provider of office and retail space over recent years. In Singapore, Hongkong Land's attributable interests of 160,000 sq. m. include some of the finest premium Grade A office space in the market, principally in the Marina Bay Area. In Indonesia, Jakarta Land, the Group's 50%-owned joint venture, is continuing to extend its 135,000 sq. m. office development, with construction underway on a 73,000 sq. m. fifth tower. The Group continues to look for large scale opportunities to develop premium commercial buildings in the leading cities of Greater China and Southeast Asia. An example of this is Hongkong Land's WF CENTRAL project. This development, scheduled for completion in the first half of 2017, is located at a prime Wangfujing site in Beijing and will be developed into a prestigious retail complex, including an exclusive Mandarin Oriental hotel.

The performance of the Group's commercial portfolio remains subject to market fluctuations driven by supply and demand as well as macro-economic conditions. Nevertheless, the Group is committed to uphold its reputation for quality and service in order to continue to retain current tenants and attract new premium tenants and customers.

Residential Developments

Based on the Group's experience and reputation, it has established a strong and profitable residential trading business focusing primarily on the premium market in Greater China and Southeast Asia. While the capital invested in this sector is significantly lower than the commercial business, the residential projects enhance the Group's overall profits and returns on capital.

Annual returns from residential developments fluctuate due to the nature of the projects and the Group's accounting policy of only recognising profits on sold units at completion. Demand is also dependent on overall economic conditions, which can be significantly affected by government policies. Ongoing land acquisitions are necessary to continue to build this income stream over the longer term.

REVIEW OF COMMERCIAL PROPERTY

Hong Kong

Sentiment in the Hong Kong office leasing market remained positive in 2015. This was due to the continued scarcity in Grade A office supply coupled with incremental demand, mainly from the financial services sector. Consequently, the Group's vacancy decreased to 3.4% at the end of 2015, compared to 5.4% at the end of 2014, as it continued to focus on yield management. Vacancy for the overall Central Grade A market was 1.2% at the end of 2015, down from 3.7% in 2014. The Group's average office rent in 2015 was HK$101 per sq. ft. While this was consistent with the second half of 2014, it was marginally down from 2014's full-year average of HK$102 per sq. ft. This decrease was due to timing differences of leases becoming effective, as reversions turned marginally positive in 2015, having been slightly negative in 2014. Financial institutions, legal firms and accounting firms continue to be occupants for 78% of the Group's total leasable area.

The Group's retail portfolio remained resilient in spite of the relatively challenging conditions in the luxury retail sector in Hong Kong. Demand for the Group's premium retail space in the Central District of Hong Kong remained strong and the portfolio was fully occupied. The average rent was HK$221 per sq. ft in 2015, up from HK$214 per sq. ft in 2014, as rental reversions continued to be positive overall.

The value of the Group's portfolio in Hong Kong at 31st December 2015, based on independent valuations, increased by 6% to US$23.4 billion when compared to the prior year due to a small reduction in capitalisation rates used by the independent valuers for the office portfolio.

Singapore

The office leasing market in Singapore was relatively stable in 2015. Vacancy in the Group's office portfolio was 3.0% at the year end, an increase from 1.7% at the end of 2014 due to transitions in the portfolio. If the effect of leases already committed but commencing after 31st December 2015 had been taken into account, the adjusted year end vacancy would have been 1.0%. This compares to the overall vacancy across the entire Grade A CBD market of 5.0% as at 31st December 2015, compared to 6.1% at the end of 2014. The Group's average rent was S$9.5 per sq. ft, an increase of 3% from S$9.2 per sq. ft in the previous year as rental reversions continued to be modestly positive in 2015. Due to the financial nature of the district in which the Group's portfolio is located, financial institutions, legal firms and accounting firms occupy 83% of the total leasable area. There is, however, an increasing demand for Grade A space from other sectors.

Other Commercial Property Investments

In mainland China, the development of WF CENTRAL, the Group's prestigious retail project located on a prime site in the heart of Beijing, is making good progress. This unique development will be an iconic lifestyle destination for shopping and dining in the Capital for both local and international customers. The project is scheduled to open in the first half of 2017. The complex will also include an exclusive 74-room Mandarin Oriental hotel. In the CBD Core Area of Beijing's Chaoyang District, planning continues at the Group's 30%-owned proposed office development. This project will be developed as a prime Grade A office building of some 120,000 sq. m.

In Shanghai, following the signing of a framework agreement with the Lujiazui Group in September 2015, further discussions are in progress to finalise a joint venture project in the Qiantan area of Pudong. With a developable area of some 200,000 sq. m., this prime site project will comprise both office and retail components.

In One Central, Macau, occupancy remained high at 96% at the end of 2015, unchanged from the previous year. The challenging market conditions, however, resulted in a decrease in sales-based rental income and revenues fell by 8%, with the decrease partially offset by the significant increase in the Group's fixed rents over the past two years.

In Jakarta, development of the fifth tower at the Group's 50%-owned joint venture, Jakarta Land, is progressing well. The project is scheduled for completion in 2018. Occupancy across the portfolio was 93% at the year end, a modest decline from 95% at the end of 2014. Nonetheless, the average rent in 2015 was US$25.3 per sq. m., an increase of 5% from US$24.0 per sq. m. in the prior year.

In Cambodia, the Group's 30,000 sq. m. prime mixed-use complex comprising retail and office components in the heart of the Phnom Penh is scheduled for completion in late 2016.

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Performance at the Group's other commercial investment properties in Hanoi and Bermuda remained within expectation, while Gaysorn Plaza in Bangkok continued to be adversely affected by local market conditions.

REVIEW OF RESIDENTIAL PROPERTY

The contribution from the Group's residential property business fell as anticipated. Despite the Group benefiting from an increase in profits from mainland China, a solid performance from Singapore, and a gain which arose from the redevelopment of a property in Hong Kong, the uplift in results was more than offset by the absence of residential sales in Hong Kong and reduced reversal of writedowns at MCL Land in Singapore.

Hong Kong and Macau

In Hong Kong, the contribution was lower than the previous year as sales at the Group's 97-unit Serenade project were concluded in 2014. This decrease was, however, partially offset by the US$63 million gain recognised from the redevelopment of a residential property. This property, which was previously classified as a trading property, will now be maintained by the Group as a long-term investment.

Similar to Hong Kong, the contribution from Macau also fell in 2015 as a result of the completion of sales in the prior year at the Group's One Central joint venture development.

Mainland China

The Group's residential business in mainland China consists of projects in Beijing, Chengdu, Chongqing, Shanghai and Shenyang. These are predominantly long-term projects of different product types that are being developed in phases over time.

While sentiment in the residential market continued to be cautious, the contribution from the Group's China residential projects increased over the prior year. This was in part due to the 2014 results being adversely affected by provisions of US$38 million made against the value of the Group's joint ventures in Shenyang. The Group's attributable interest in revenue recognised, including its subsidiaries and its share of joint ventures, however, was 19% lower at US$505 million due to the timing of completion of projects and general market sentiment.

In 2015, the Group's attributable interest in contracted sales was US$802 million compared with US$635 million in the previous year. This amount, however, includes sales from a new project in Shanghai's Pudong District. On a like-for-like basis, the Group's share of contracted sales was 2% higher than the prior year.

At 31st December 2015, the value of sold but unrecognised contracted sales (inclusive of the new Shanghai project) at the Group's wholly-owned and joint venture residential projects amounted to US$821 million compared with US$533 million at the end of 2014. Excluding the new project, the Group's share in sold but unrecognised sales was US$663 million at the year end.

Chongqing, the largest city in western China, remains the Group's most important residential market in the country. It accounts for approximately 80% of the Group's total residential investments in mainland China. These consist of two 100%-owned projects, Yorkville South and the adjacent Yorkville North, and four 50%-owned joint ventures, Bamboo Grove, Landmark Riverside, Central Avenue and the Group's latest project adjacent to Bamboo Grove. This new project was jointly acquired with the existing partner, Longfor Properties, for some US$400 million in the second half of the year. It occupies a site area of approximately 348,000 sq. m. and will further consolidate the Group's market position in the city.

Both of the Group's wholly-owned projects in Chongqing, Yorkville South and Yorkville North, are in relatively early stages of development. Revenue recognised during the period totalled US$236 million, and compares with US$318 million in 2014 due to timing of completions. Yorkville South is a 39 hectare development at Zhaomushan near the core of the Two-River New Area of Chongqing. Construction of approximately

32% of the some 880,000 sq. m. developable area has been completed. At the adjacent Yorkville North, 19% of the developable area of 1.1 million sq. m. has been built.

Of the Group's other joint venture projects in Chongqing, Bamboo Grove is scheduled to be fully completed in 2018, while Landmark Riverside and Central Avenue are both at earlier stages of development. Hongkong Land's attributable interest in sales recognised from Bamboo Grove and Landmark Riverside in 2015 totalled US$125 million compared to US$185 million in 2014, while Central Avenue will see its first completions in 2016.

Bamboo Grove, the Group's initial joint venture with Longfor Properties, occupies a 78 hectare site at Dazhulin in Chongqing. The primarily residential site will be fully developed into some 1.5 million sq. m. of developable area upon full completion. Currently, 87% has already been developed.

Landmark Riverside, the Group's joint venture with China Merchants Property Development, is a 34 hectare site consisting of 1 million sq. m. of developable space at Dan Zishi in Chongqing. Development on approximately 26% of the developable area has been completed so far.

At Central Avenue, the Group's second joint venture with China Merchants in Chongqing, development is underway on this 40 hectare site next to the city's Central Park in the Yubei District. When completed, the project will consist of approximately 1.1 million sq. m. of developable area, of which only 12% is under construction.

In Chengdu, construction continues at WE City, the Group's 50% joint venture with KWG Property Holding Group. The 19 hectare site provides developable area of approximately 900,000 sq. m., of which around 26% has been completed. The Group's share of the first full year of sales from WE City in 2015 was US$108 million, compared to US$66 million in the prior year.

In Beijing, at the Group's 90%-owned Maple Place project, 22 units were sold and handed over during the year, compared with 16 units in the prior year. A further 39 units consisting of villas, townhouses and apartments remain available for future sale and are currently mostly leased. Meanwhile, at Central Park, Hongkong Land's 40%-owned joint venture with Vantone Group, the Group continues to hold an interest in 72 apartments which are being operated as serviced apartments.

In Shanghai, the Group entered into a 50% joint venture with the CIFI Group to develop a prime site in Pudong in the second half of the year. The project, which is located within Shanghai's inner-ring road, will consist of residential and commercial space with developable area totalling 227,000 sq. m.

In Shenyang, the Group disposed of its Park Life joint venture in April.

Singapore

Results from operations in 2015 increased marginally over the previous year. MCL Land, the Group's wholly-owned subsidiary, completed three projects during the year. These were the 32-unit Palms@Sixth Avenue and the 679-unit Ripple Bay, both of which were fully sold; and the 75-unit Hallmark Residences, which was 97% sold. Provisions previously made on two of these developments in 2008 have largely been written back in 2014 and 2015, in line with sales of these projects. At the 221-unit Marina Bay Suites development, which was 33%-owned by Hongkong Land, all of the remaining 18 units were sold during the year. In 2014, three units were handed over to buyers.

Beyond 2015, MCL Land has three 100%-owned projects scheduled for completion from 2016 to 2018, with one scheduled in each year. The 738-unit J Gateway project, which is expected to complete in 2016, is 100% pre-sold. LakeVille, consisting of 699 units and expecting to complete in 2017, was 79% pre-sold. The 1,327-unit Sol Acres executive condominium development (previously known as Choa Chu Kang Grove), which is scheduled for completion in 2018, was 22% pre-sold.

In the first half of 2015, MCL Land acquired a residential site located adjacent to its LakeVille project for US$250 million. Planning has begun for the project and some 700 units are planned for sale. The project, which comprises developable area of approximately 537,000 sq. ft, is expected to complete in 2019.

Other Residential Developments

In Indonesia, development continues at the Group's two residential projects. At Nava Park, the Group's 49%-owned joint venture with PT Bumi Serpong Damai in southwest of central Jakarta, 70% of the 377 units which have been launched for sale were pre-sold at the year end. This project comprises a mix of residential towers, semi-detached houses and villas on a 67 hectare site. The first and second phases are scheduled for completion in 2016 and in 2018, respectively. At Anandamaya Residences, 90% of the 509 units had been pre-sold at the year end. This luxury apartment project, which is a 40%-owned joint venture development with affiliate Astra International, is expected to complete in 2018.

In the Philippines, construction continues at Two Roxas Triangle, the Group's 40%-owned luxury condominium tower in Manila's central Makati area. The 182-unit development, which is expected to complete in 2019, was 91% pre-sold at the year end. At Mandani Bay, the Group's 40%-owned joint venture in Cebu, construction is due to start in the first half of 2016. This 20 hectare site will consist principally of residential units, with some office and retail components, and will be developed in phases over ten years.

OUTLOOK

The Group's solid performance from both its commercial and residential businesses is expected to continue in 2016. In the residential sector, a significant portion of profits will continue to be derived from mainland China. Contributions from these projects, notably the Group's wholly-owned projects in Chongqing, are anticipated to be higher than in 2015 as larger phases are due to complete during the year. However, the gain from the newly redeveloped property in Hong Kong will not be repeated in 2016. In addition, the provisions at MCL Land's projects have now been largely written back as sales are almost complete. As a result, overall earnings in 2016 are anticipated to be lower.

We continue to maintain our well-established, strong market positions in Greater China and Southeast Asia, which enable us to seize future opportunities when they arise.

We pride ourselves on delivering outstanding service to our tenants and customers, and on upholding the highest standards of quality. These are our core values to which we will continue to adhere. These values are fundamental to our long-term success as they enable us to withstand the test of challenging market conditions and competition, thus maintaining and strengthening our market positions.

Y.K. Pang
Chief Executive

Hongkong Land Holdings Limited
Consolidated Profit and Loss Account
for the year ended 31st December 2015

	2015 Underlying business performance US$m	**2015** Non-trading items US$m	**2015** Total US$m	2014 Underlying business performance US$m	2014 Non-trading items US$m	2014 Total US$m
Revenue *(note 2)*	**1,932.1**	**-**	**1,932.1**	1,876.3	-	1,876.3
Net operating costs *(note 3)*	**(938.3)**	**-**	**(938.3)**	(809.0)	(1.1)	(810.1)
	993.8	**-**	**993.8**	1,067.3	(1.1)	1,066.2
Change in fair value of investment properties *(note 7)*	**-**	**999.9**	**999.9**	-	15.9	15.9
Asset impairment reversals	**-**	**13.9**	**13.9**	-	9.2	9.2
Operating profit *(note 4)*	**993.8**	**1,013.8**	**2,007.6**	1,067.3	24.0	1,091.3
Net financing charges						
- Financing charges	**(114.8)**	**-**	**(114.8)**	(113.5)	-	(113.5)
- Financing income	**40.4**	**-**	**40.4**	44.5	-	44.5
	(74.4)	**-**	**(74.4)**	(69.0)	-	(69.0)
Share of results of associates and joint ventures *(note 5)*						
- before change in fair value of investment properties	**140.5**	**0.2**	**140.7**	122.8	0.1	122.9
- change in fair value of investment properties	**-**	**69.0**	**69.0**	-	392.2	392.2
	140.5	**69.2**	**209.7**	122.8	392.3	515.1
Profit before tax	**1,059.9**	**1,083.0**	**2,142.9**	1,121.1	416.3	1,537.4
Tax *(note 6)*	**(150.8)**	**13.6**	**(137.2)**	(187.9)	(7.8)	(195.7)
Profit after tax	**909.1**	**1,096.6**	**2,005.7**	933.2	408.5	1,341.7
Attributable to:						
Shareholders of the Company	**904.5**	**1,107.2**	**2,011.7**	929.9	397.5	1,327.4
Non-controlling interests	**4.6**	**(10.6)**	**(6.0)**	3.3	11.0	14.3
	909.1	**1,096.6**	**2,005.7**	933.2	408.5	1,341.7
	US¢		**US¢**	US¢		US¢
Earnings per share *(note 8)*	**38.44**		**85.50**	39.52		56.42

Hongkong Land Holdings Limited
Consolidated Statement of Comprehensive Income
for the year ended 31st December 2015

	2015 US$m	2014 US$m
Profit for the year	**2,005.7**	1,341.7
Other comprehensive income/(expense)		
Items that will not be reclassified to profit or loss:		
Remeasurements of defined benefit plans	**(3.4)**	(2.5)
Tax on items that will not be reclassified	**0.5**	0.4
	(2.9)	(2.1)
Items that may be reclassified subsequently to profit or loss:		
Net exchange translation differences	**(193.4)**	(119.2)
Revaluation of other investments	**8.3**	(4.5)
Cash flow hedges		
- net (loss)/gain arising during the year	**(32.2)**	21.1
- transfer to profit and loss	**(2.5)**	(0.8)
	(34.7)	20.3
Tax relating to items that may be reclassified	**5.8**	(3.5)
Share of other comprehensive expense of associates and joint ventures	**(214.4)**	(106.5)
	(428.4)	(213.4)
Other comprehensive expense for the year, net of tax	**(431.3)**	(215.5)
Total comprehensive income for the year	**1,574.4**	1,126.2
Attributable to:		
Shareholders of the Company	**1,583.2**	1,113.3
Non-controlling interests	**(8.8)**	12.9
	1,574.4	1,126.2

Hongkong Land Holdings Limited
Consolidated Balance Sheet
at 31st December 2015

	2015 US$m	2014 US$m
Net operating assets		
Tangible fixed assets	**34.0**	24.2
Investment properties *(note 10)*	**24,957.3**	23,697.3
Associates and joint ventures	**4,617.6**	4,904.1
Other investments	**61.3**	53.0
Non-current debtors	**41.2**	54.9
Deferred tax assets	**13.1**	3.7
Pension assets	**0.5**	4.7
Non-current assets	**29,725.0**	28,741.9
Properties for sale	**2,713.9**	2,923.1
Current debtors	**355.7**	292.2
Current tax assets	**8.3**	12.7
Bank balances	**1,569.2**	1,662.6
Current assets	**4,647.1**	4,890.6
Current creditors	**(1,483.8)**	(1,441.7)
Current borrowings *(note 11)*	**(168.9)**	(288.6)
Current tax liabilities	**(69.0)**	(101.9)
Current liabilities	**(1,721.7)**	(1,832.2)
Net current assets	**2,925.4**	3,058.4
Long-term borrowings *(note 11)*	**(3,740.8)**	(4,031.0)
Deferred tax liabilities	**(102.0)**	(110.8)
Pension liabilities	**(0.2)**	-
Non-current creditors	**(87.0)**	(60.1)
	28,720.4	27,598.4
Total equity		
Share capital	**235.3**	235.3
Share premium	**370.0**	370.0
Revenue and other reserves	**28,079.7**	26,942.8
Shareholders' funds	**28,685.0**	27,548.1
Non-controlling interests	**35.4**	50.3
	28,720.4	27,598.4

Hongkong Land Holdings Limited
Consolidated Statement of Changes in Equity
for the year ended 31st December 2015

	Share capital US$m	Share premium US$m	Revenue reserves US$m	Hedging reserves US$m	Exchange reserves US$m	Attributable to Shareholders of the Company US$m	Attributable to non-controlling interests US$m	Total equity US$m
2015								
At 1st January	**235.3**	**370.0**	**26,651.9**	**17.5**	**273.4**	**27,548.1**	**50.3**	**27,598.4**
Total comprehensive income	**-**	**-**	**2,017.1**	**(26.6)**	**(407.3)**	**1,583.2**	**(8.8)**	**1,574.4**
Dividends paid by the Company	**-**	**-**	**(447.0)**	**-**	**-**	**(447.0)**	**-**	**(447.0)**
Dividends paid to non-controlling shareholders	**-**	**-**	**-**	**-**	**-**	**-**	**(6.1)**	**(6.1)**
Unclaimed dividends forfeited	**-**	**-**	**0.7**	**-**	**-**	**0.7**	**-**	**0.7**
At 31st December	**235.3**	**370.0**	**28,222.7**	**(9.1)**	**(133.9)**	**28,685.0**	**35.4**	**28,720.4**
2014								
At 1st January	235.3	370.0	25,753.3	(0.4)	498.8	26,857.0	42.1	26,899.1
Total comprehensive income	-	-	1,320.8	17.9	(225.4)	1,113.3	12.9	1,126.2
Dividends paid by the Company	-	-	(423.5)	-	-	(423.5)	-	(423.5)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	(4.7)	(4.7)
Unclaimed dividends forfeited	-	-	1.3	-	-	1.3	-	1.3
At 31st December	235.3	370.0	26,651.9	17.5	273.4	27,548.1	50.3	27,598.4

The comprehensive income included in revenue reserves mainly comprises profit attributable to shareholders of the Company of US$2,011.7 million *(2014: US$1,327.4 million)* and a fair value gain on other investments of US$8.3 million *(2014: loss of US$4.5 million)*. The cumulative fair value gain on other investments amounted to US$23.5 million *(2014: US$15.2 million)*.

Hongkong Land Holdings Limited
Consolidated Cash Flow Statement
for the year ended 31st December 2015

	2015 US$m	2014 US$m
Operating activities		
Operating profit	**2,007.6**	1,091.3
Depreciation	**2.9**	2.4
Reversal of writedowns on properties for sale	**(21.4)**	(55.6)
Gain on reclassification of a trading property to investment property	**(63.2)**	-
Change in fair value of investment properties	**(999.9)**	(15.9)
Asset impairment reversals	**(13.9)**	(9.2)
Decrease/(increase) in properties for sale	**45.2**	(310.5)
Increase in debtors	**(13.3)**	(28.6)
Increase in creditors	**88.0**	88.2
Interest received	**41.2**	50.7
Interest and other financing charges paid	**(118.9)**	(132.0)
Tax paid	**(174.8)**	(134.3)
Dividends from associates and joint ventures	**116.7**	152.5
Cash flows from operating activities	**896.2**	699.0
Investing activities		
Major renovations expenditure	**(57.8)**	(37.8)
Developments capital expenditure	**(152.3)**	(136.6)
Investments in and loans to associates and joint ventures	**(255.8)**	(215.6)
Advances and repayments from associates and joint ventures	**390.9**	478.2
Payment of deposit for a joint venture	**(70.9)**	-
Cash flows from investing activities	**(145.9)**	88.2
Financing activities		
Drawdown of borrowings	**229.1**	1,216.9
Repayment of borrowings	**(575.7)**	(1,307.5)
Dividends paid by the Company	**(444.9)**	(421.1)
Dividends paid to non-controlling shareholders	**(4.4)**	(4.7)
Cash flows from financing activities	**(795.9)**	(516.4)
Effect of exchange rate changes	**(47.1)**	(14.5)
Net (decrease)/increase in cash and cash equivalents	**(92.7)**	256.3
Cash and cash equivalents at 1st January	**1,658.6**	1,402.3
Cash and cash equivalents at 31st December	**1,565.9**	1,658.6

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION

The financial information contained in this announcement has been based on the audited results for the year ended 31st December 2015 which have been prepared in conformity with International Financial Reporting Standards, including International Accounting Standards and Interpretations adopted by the International Accounting Standards Board.

The following amendments which are effective in the current accounting year and relevant to the Group's operations are adopted in 2015:

Amendments to IAS 19	Defined Benefit Plans: Employee Contributions
Annual Improvements to IFRSs	2010 – 2012 Cycle
	2011 – 2013 Cycle

The adoption of these amendments does not have a material impact on the Group's accounting policies and disclosures.

Amendments to IAS 19 'Employee Benefits' clarify the accounting for defined benefit plans that require employees or third parties to contribute towards the cost of the benefits. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.

Annual Improvements to IFRSs 2010 – 2012 Cycle and 2011 – 2013 Cycle comprise a number of amendments to IFRSs. The amendments which are relevant to the Group's operations include the followings:

Amendment to IFRS 2 'Share-based Payment' clarifies the definition of a 'vesting condition' and separately defines 'performance condition' and 'service condition'.

Amendment to IFRS 3 'Business Combinations' clarifies that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in IAS 32 'Financial Instruments: Presentation'. The standard is further amended to clarify that all non-equity contingent consideration, both financial and non-financial, is measured at fair value at each reporting date, with changes in fair value recognised in profit and loss. It also clarifies that IFRS 3 does not apply to the accounting for the formation of any joint arrangement under IFRS 11.

Amendment to IFRS 8 'Operating Segments' requires disclosure of the judgements made by management in aggregating operating segments. This includes a description of the segments which have been aggregated and the economic indicators which have been assessed in determining that the aggregated segments share similar economic characteristics.

Amendment to IAS 24 'Related Party Disclosures' requires the reporting entity to disclose the fees paid for key management personnel services from another entity ('the management entity'). The reporting entity is not required to disclose the compensation paid by the management entity to the management entity's employees or directors.

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION *(continued)*

Amendment to IFRS 13 'Fair Value Measurement' clarifies that the portfolio exception in IFRS 13, which allows an entity to measure the fair value of a group of financial assets and financial liabilities on a net basis, applies to all contracts within the scope of IAS 39 or IFRS 9.

Amendment to IAS 40 'Investment Property' clarifies that IAS 40 and IFRS 3 are not mutually exclusive when distinguishing between investment property and owner-occupied property and determining whether the acquisition of an investment property is a business combination.

2. REVENUE

	2015 US$m	2014 US$m
Rental income	**851.1**	842.5
Service income	**126.1**	123.9
Sales of properties	**954.9**	909.9
	1,932.1	1,876.3

Service income includes service and management charges and hospitality service income.

Total contingent rents included in rental income amounted to US$10.5 million *(2014: US$14.4 million)*.

3. NET OPERATING COSTS

	2015 US$m	2014 US$m
Cost of sales	**(904.6)**	(718.6)
Gain on reclassification of a trading property to investment property	**63.2**	-
Other income	**10.0**	13.6
Administrative expenses	**(106.9)**	(105.1)
	(938.3)	(810.1)

4. OPERATING PROFIT

	2015 US$m	2014 US$m
By business		
Commercial Property	**802.3**	800.7
Residential Property	**253.3**	328.9
Corporate	**(61.8)**	(62.3)
	993.8	1,067.3
Change in fair value of investment properties	**999.9**	15.9
Asset impairment reversals	**13.9**	9.2
Expenses relating to transfer of listing segment of the Company's shares	**-**	(1.1)
	2,007.6	1,091.3

5. SHARE OF RESULTS OF ASSOCIATES AND JOINT VENTURES

	2015 US$m	2014 US$m
By business		
Commercial Property		
- operating profit	**139.4**	152.4
- net financing charges	**(38.0)**	(35.8)
- tax	**(16.6)**	(18.6)
- net profit	**84.8**	98.0
Residential Property		
- operating profit	**100.4**	69.5
- net financing charges	**5.2**	2.0
- tax	**(41.6)**	(41.4)
- non-controlling interests	**(8.3)**	(5.3)
- net profit	**55.7**	24.8
Underlying business performance	**140.5**	122.8
Change in fair value of investment properties (net of deferred tax)		
- Commercial Property	**63.2**	390.8
- Residential Property	**5.8**	1.4
	69.0	392.2
Asset disposals	**0.2**	0.1
	69.2	392.3
	209.7	515.1

Results are shown after tax and non-controlling interests in the associates and joint ventures.

6. TAX

Tax charged to profit and loss is analysed as follows:

	2015 US$m	2014 US$m
Current tax	**(148.0)**	(169.0)
Deferred tax		
- changes in fair value of investment properties	**13.6**	(7.8)
- other temporary differences	**(2.8)**	(18.9)
	10.8	(26.7)
	(137.2)	(195.7)

6. TAX *(continued)*

Tax relating to components of other comprehensive income is analysed as follows:

	2015 **US$m**	2014 US$m
Remeasurements of defined benefit plans	**0.5**	0.4
Cash flow hedges	**5.8**	(3.5)
	6.3	(3.1)

Tax on profits has been calculated at the rates of taxation prevailing in the territories in which the Group operates. The Group has no tax payable in the United Kingdom *(2014: nil)*.

Share of tax charge of associates and joint ventures of US$62.7 million *(2014: US$86.0 million)* is included in share of results of associates and joint ventures.

7. NON-TRADING ITEMS

Non-trading items are separately identified to provide greater understanding of the Group's underlying business performance. Items classified as non-trading items include fair value gains or losses on revaluation of investment properties; gains and losses arising from the sale of businesses, investments and investment properties; impairment of non-depreciable intangible assets and other investments; provisions for the closure of businesses; acquisition-related costs in business combinations; and other credits and charges of a non-recurring nature that require inclusion in order to provide additional insight into underlying business performance.

An analysis of non-trading items after interest, tax and non-controlling interests is set out below:

	2015 **US$m**	2014 US$m
Change in fair value of investment properties	**999.9**	15.9
Deferred tax on change in fair value of investment properties	**13.6**	(7.8)
Share of change in fair value of investment properties of associates and joint ventures (net of deferred tax)	**69.0**	392.2
Asset impairment reversals	**13.9**	9.2
Share of asset disposals of associates and joint ventures	**0.2**	0.1
Expenses relating to transfer of listing segment of the Company's shares	**-**	(1.1)
Non-controlling interests	**10.6**	(11.0)
	1,107.2	397.5

8. EARNINGS PER SHARE

Earnings per share are calculated on profit attributable to shareholders of US$2,011.7 million *(2014: US$1,327.4 million)* and on the weighted average number of 2,352.8 million *(2014: 2,352.8 million)* shares in issue during the year.

Earnings per share are additionally calculated based on underlying profit attributable to shareholders. A reconciliation of earnings is set out below:

	2015		2014	
	US$m	**Earnings per share US¢**	US$m	Earnings per share US¢
Underlying profit attributable to shareholders	**904.5**	**38.44**	929.9	39.52
Non-trading items *(note 7)*	**1,107.2**		397.5	
Profit attributable to shareholders	**2,011.7**	**85.50**	1,327.4	56.42

9. DIVIDENDS

	2015 US$m	2014 US$m
Final dividend in respect of 2014 of US¢13.00 *(2013: US¢12.00) per share*	**305.8**	282.3
Interim dividend in respect of 2015 of US¢6.00 *(2014: US¢6.00)* per share	**141.2**	141.2
	447.0	423.5

A final dividend in respect of 2015 of US¢13.00 *(2014: US¢13.00)* per share amounting to a total of US$305.8 million *(2014: US$305.8 million)* is proposed by the Board. The dividend proposed will not be accounted for until it has been approved at the Annual General Meeting. The amount will be accounted for as an appropriation of revenue reserves in the year ending 31st December 2016.

10. INVESTMENT PROPERTIES

	2015 US$m	2014 US$m
At 1st January	**23,697.3**	23,583.0
Exchange differences	**(58.7)**	(48.2)
Additions	**318.8**	146.6
Increase in fair value	**999.9**	15.9
At 31st December	**24,957.3**	23,697.3

11. BORROWINGS

	2015 US$m	2014 US$m
Current		
Bank overdrafts	**3.3**	4.0
Current portion of long-term borrowings		
- bank loans	**165.6**	0.3
- notes	**-**	284.3
	168.9	288.6
Long-term		
Bank loans	**836.7**	1,119.6
Medium term notes		
- due 2017	**35.8**	39.3
- due 2019	**103.1**	103.1
- due 2020	**303.7**	311.3
- due 2021	**69.8**	68.8
- due 2022	**605.0**	601.1
- due 2023	**179.4**	179.1
- due 2024	**407.7**	408.5
- due 2025	**653.2**	654.4
- due 2026	**38.6**	38.6
- due 2027	**186.2**	185.9
- due 2028	**79.7**	79.5
- due 2029	**50.9**	50.8
- due 2030	**103.2**	103.2
- due 2031	**25.4**	25.4
- due 2032	**30.3**	30.3
- due 2040	**32.1**	32.1
	2,904.1	2,911.4
	3,740.8	4,031.0
	3,909.7	4,319.6

12. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

Total capital commitments at 31st December 2015 amounted to US$502.9 million *(2014: US$652.6 million)*.

Various Group companies are involved in litigation arising in the ordinary course of their respective businesses. Having reviewed outstanding claims and taking into account legal advice received, the Directors are of the opinion that adequate provisions have been made in the condensed financial statements.

13. RELATED PARTY TRANSACTIONS

The parent company of the Group is Jardine Strategic Holdings Limited and the ultimate holding company is Jardine Matheson Holdings Limited ('JMH'). Both companies are incorporated in Bermuda.

In the normal course of business, the Group has entered into a variety of transactions with the subsidiaries, associates and joint ventures of JMH ('Jardine Matheson group members'). The more significant of these transactions are described below:

Management fee
The management fee payable by the Group, under an agreement entered into in 1995, to Jardine Matheson Limited ('JML') in 2015 was US$4.5 million *(2014: US$4.7 million)*, being 0.5% per annum of the Group's underlying profit in consideration for management consultancy services provided by JML, a wholly-owned subsidiary of JMH.

Property and other services
The Group rented properties to Jardine Matheson group members. Gross rents on such properties in 2015 amounted to US$19.1 million *(2014: US$19.0 million)*.

The Group provided consultancy services to Jardine Matheson group members in 2015 amounting to US$0.4 million *(2014: US$0.4 million)*.

Jardine Matheson group members provided property construction, maintenance and other services to the Group in 2015 in aggregate amounting to US$50.7 million *(2014: US$30.6 million)*.

Hotel management services
Jardine Matheson group members provided hotel management services to the Group in 2015 amounted to US$2.8 million *(2014: US$3.2 million)*.

Outstanding balances with associates and joint ventures
Amounts of outstanding balances with associates and joint ventures are included in debtors and creditors as appropriate. The amounts are not material.

Hongkong Land Holdings Limited
Principal Risks and Uncertainties

The Board has overall responsibility for risk management and internal control. The process by which the Group identifies and manages risk will be set out in more detail in the Corporate Governance section of the Company's 2015 Annual Report (the 'Report'). The following are the principal risks and uncertainties facing the Company as required to be disclosed pursuant to the Disclosure Rules and Transparency Rules issued by the Financial Conduct Authority in the United Kingdom and are in addition to the matters referred to in the Chairman's Statement and Chief Executive's Review.

Economic Risk

The Group is exposed to the risk of negative developments in global and regional economies, and financial and property markets, either directly or through the impact on the Group's joint venture partners, bankers, suppliers or tenants. These developments can result in:

- recession, inflation, deflation and currency fluctuations;
- restrictions in the availability of credit, increases in financing and construction costs and business failures; and
- reductions in office and retail rents, office and retail occupancy and sales prices of, and demand for, residential developments.

Such developments might increase costs of sales and operating costs, reduce revenues, or result in reduced valuations of the Group's investment properties or in the Group being unable to meet in full its strategic objectives.

Commercial Risk and Financial Risk

Risks are an integral part of normal commercial practices, and where practicable steps are taken to mitigate such risks. These risks are further pronounced when operating in volatile markets.

The Group makes significant investment decisions in respect of commercial and residential development projects that take time to come to fruition and achieve the desired returns and are, therefore, subject to market risks. These risks are further pronounced when operating in volatile markets.

The Group operates in areas that are highly competitive, and failure to compete effectively in terms of price, product specification or levels of service can have an adverse effect on earnings as can construction risks in relation to new developments. Significant pressure from such competition may lead to reduced margins. The quality and safety of the products and services provided by the Group are also important and there is an associated risk if they are below standard.

The steps taken by the Group to manage its exposure to financial risk will be set out in the Financial Review and in a note to the Financial Statements in the Report.

Regulatory and Political Risk

The Group is subject to a number of regulatory environments in the territories in which it operates. Changes in the regulatory approach to such matters as foreign ownership of assets and businesses, exchange controls, planning controls, tax rules and employment legislation have the potential to impact the operations and profitability of the Group. Changes in the political environment in such territories can also affect the Group.

Terrorism, Pandemic and Natural Disasters

A number of the Group's interests are vulnerable to the effects of terrorism, either directly through the impact of an act of terrorism or indirectly through the impact of generally reduced economic activity in response to the threat of or an actual act of terrorism.

The Group would be impacted by a global or regional pandemic which could be expected to seriously affect economic activity and the ability of our business to operate smoothly. In addition, many of the territories in which the Group is active can experience from time to time natural disasters such as earthquakes and typhoons.

Responsibility Statement

The Directors of the Company confirm to the best of their knowledge that:

(a) the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, including International Accounting Standards and Interpretations adopted by the International Accounting Standards Board; and

(b) the sections of the Company's 2015 Annual Report, including the Chairman's Statement, Chief Executive's Review and Principal Risks and Uncertainties, which constitute the management report include a fair review of all information required to be disclosed by the Disclosure Rules and Transparency Rules 4.1.8 to 4.1.11 issued by the Financial Conduct Authority in the United Kingdom.

For and on behalf of the Board

Y.K. Pang
John R. Witt

Directors

The final dividend of US¢13.00 per share will be payable on 11th May 2016, subject to approval at the Annual General Meeting to be held on 4th May 2016, to shareholders on the register of members at the close of business on 18th March 2016. The shares will be quoted ex-dividend on the Singapore Exchange and the London Stock Exchange on 16th and 17th March 2016, respectively. The share registers will be closed from 21st to 25th March 2016, inclusive.

Shareholders will receive their cash dividends in United States dollars, unless they are registered on the Jersey branch register where they will have the option to elect for sterling. These shareholders may make new currency elections for the 2015 final dividend by notifying the United Kingdom transfer agent in writing by 22nd April 2016. The sterling equivalent of dividends declared in United States dollars will be calculated by reference to a rate prevailing on 27th April 2016.

Shareholders holding their shares through CREST in the United Kingdom will receive their cash dividends only in sterling as calculated above. Shareholders holding their shares through The Central Depository (Pte) Limited ('CDP') in Singapore will receive their cash dividends in United States dollars unless they elect, through CDP, to receive Singapore dollars.

Shareholders on the Singapore branch register who wish to deposit their shares into the CDP system by the dividend record date, being 18th March 2016, must submit the relevant documents to M & C Services Private Limited, the Singapore branch registrar, no later than 5.00 p.m. (local time) on 17th March 2016.

Hongkong Land Group

Hongkong Land is a listed leading property investment, management and development group. Founded in 1889, Hongkong Land's business is built on excellence, integrity and partnership.

The Group owns and manages almost 800,000 sq. m. of prime office and luxury retail property in key Asian cities, principally in Hong Kong and Singapore. Hongkong Land's properties attract the world's foremost companies and luxury brands.

Its Hong Kong Central portfolio represents some 450,000 sq. m. of prime property. It has a further 165,000 sq. m. of prestigious office space in Singapore mainly held through joint ventures, and a 50% interest in a leading office complex in Central Jakarta. The Group also has a number of high quality residential and mixed-use projects under development in cities across Greater China and Southeast Asia, including a luxury retail centre at Wangfujing in Beijing. In Singapore, its subsidiary, MCL Land, is a well-established residential developer.

Hongkong Land Holdings Limited is incorporated in Bermuda and has a standard listing on the London Stock Exchange as its primary listing, with secondary listings in Bermuda and Singapore. The Group's assets and investments are managed from Hong Kong by Hongkong Land Limited. Hongkong Land is a member of the Jardine Matheson Group.

- end -

For further information, please contact:

Hongkong Land Limited

Y.K. Pang	(852) 2842 8428
John R. Witt	(852) 2842 8101

Brunswick Group Limited

Annabel Arthur	(852) 3512 5075

Full text of the Preliminary Announcement of Results and the Preliminary Financial Statements for the year ended 31st December 2015 can be accessed through the Internet at 'www.hkland.com'.