

時代廣場

TIMES SQUARE



時代廣場

1 Matheson Street, 香港中環

Times Square



Balance Sheet (Extract)

As at December 31, 2006

	HK\$ Million
Properties	19,200
Net current liabilities	(278)
Other non-current liabilities	(280)
*Net business assets (before debt)	18,642

**Excluding deferred tax on revaluation of investment properties*

Gross Revenue

	2006 HK\$ Million	2005 HK\$ Million
Retail	706	630
Office	294	256
	1,000	886

Operating Profit

	2006 HK\$ Million	2005 HK\$ Million
Retail	598	531
Office	242	213
	840	744

Times Square was valued at HK\$19,200 million at the end of 2006, representing 16% of total Group assets

Times Square, another core investment property asset of the Group, turned over HK\$1,000 million in 2006, an increase of 13% over 2005; operating profit increased by 13% to HK\$840 million.

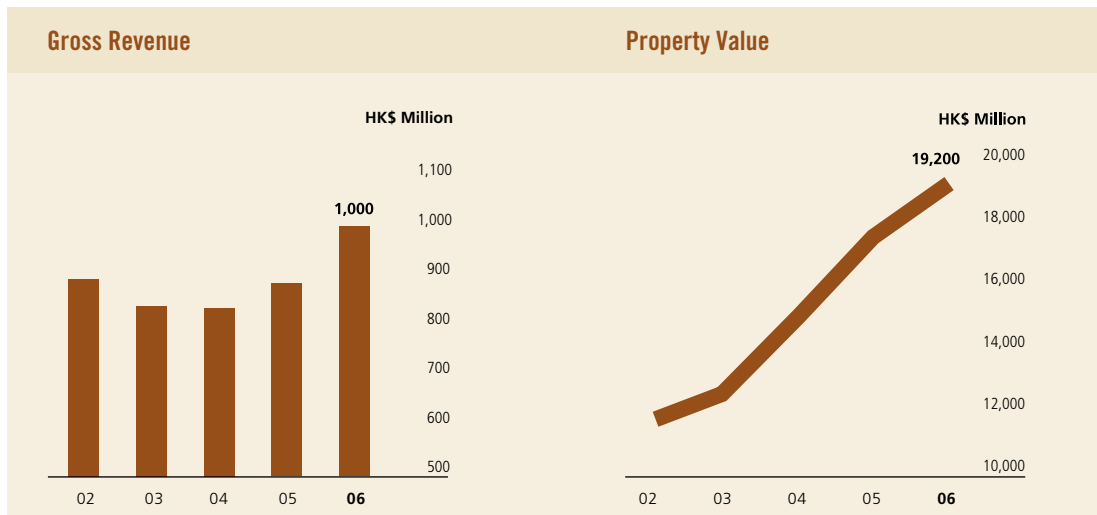
Times Square, another core investment property asset of the Group, turned over HK\$1,000 million in 2006, an increase of 13% over 2005; operating profit increased by 13% to HK\$840 million. Times Square was valued at HK\$19,200 million at the end of 2006, which represented 16% of total Group assets.

Retail

Times Square's retail sector reported a turnover of HK\$706 million for an increase of 12% over 2005.

Average retail occupancy was maintained at nearly 100% during the year, with favourable rental growth for all new lettings and renewals. Tenants enjoyed solid sales growth, with a 12% increase in average sales per square foot achieved in December 2006.

The use of themes and zoning successfully focus shopper's attention and distribute traffic evenly around the Times Square retail mall. Trade-mix refinement continued with many prestigious fashion brand names, including AX Armani Exchange, Daks, Lancel and Vivienne Westwood joined, during 2006. The cosmetics cluster on Basement 2 was further strengthened with more popular cosmetics brands to capture the foot traffic from the MTR subway. New and interesting international and specialty cuisines were also recruited at the Food Forum.



Strong branding and marketing programmes underpin the success of Times Square. Its annual Apple Countdown has become one of the most captivating experience for Hong Kong enjoyed by tens of thousands of locals and visitors. Times Square remains a top venue for talk-of-the-town events, including various community and cultural initiatives.

Times Square: Retail Tenant Mix (by Rental and Area)

As at December 31, 2006

	% by Rental	% by Area
Fashion	30.5	18.5
Jewellery, Beauty and Accessories	19.9	9.5
Restaurant, Fast Food, F&B	13.7	27.0
Department Stores, Confectionery Products	13.6	20.7
Electrical & Audio-visual Equipment & Entertainment	11.2	13.4
Sports Wear	7.2	5.2
Others	3.9	5.7
	100.0	100.0

Office

Turnover for the office sector rose by 15% to HK\$294 million during 2006, resulting from strong rental reversions. Office occupancy stood at 93% at the end of 2006, and rental rates increased steadily throughout the year.

Times Square remained the preferred location for many multinationals engaged in the service or consumer goods sectors. New lettings included relocations and in-house expansions, and retention rate for office tenancies expiring in 2006 was 63%. Renewed multinational tenants included AT&T Global, Hudson Global and L'Oreal.

Times Square: Portfolio Information

	Area (sq ft)	Gross Revenue (HK\$ Million)	Average Occupancy (%)	Year-end Valuation (HK\$ Million)	Anchor Tenants
Retail	936,000	706	99	12,157	Agnès b., Anna Sui, Anteprema-Plastiq, Bally, Broadway, City'Super, Club Monaco, Coach, D-mop, Fortress, Gucci, i.t, Lane Crawford, Marks & Spencer, Max Mara, Montblanc, Moussy, PageOne Bookshop, Salvatore Ferragamo, UA Cinema, Vivienne Westwood, Zara
Office	1,033,000	294	93	7,043	ABN Amro Bank, AIA, Apple Computer, AT&T Global, AXA, Boston Consulting, Coca-Cola, Walt Disney, L'Oreal, Richemont Luxury, Shell