

## Corporate Profile

For over a century since 1886, The Wharf (Holdings) Limited has enjoyed a distinguished history of Building for Tomorrow.

Prime real estate is Wharf's primary strategic focus. Site acquisition, financing, development planning, design, construction and marketing are its core competencies. Mall management is its strategic differentiation.

With a combined valuation of HK\$87 billion, landmarks Harbour City and Times Square account for an exceptional 8% share of total retail sales throughout Hong Kong. The two assets together represent 51% of the Group's total business assets and 62% of operating profit.

Property Development is an additional cylinder for growth. From a land bank in Mainland China of over 100 million square feet, only 3.7 million square feet were recognised in 2009 but operating profit surpassed HK\$1 billion for the first time, at an attractive margin of 33%.

Wharf has been Building for Tomorrow in the property sector and achieved a few firsts. That includes the first all-weather mall in Hong Kong (Ocean Terminal), the first vertical mall in Hong Kong with nearly HK\$1 billion of annual rental income (Times Square) and the first 40-storey industrial building in Hong Kong (Cable TV Tower).

Wharf has also been Building for Tomorrow in other sectors. That includes the first and only cruise terminal in Hong Kong (Ocean Terminal), the first container terminal in Hong Kong (Modern Terminals), the first cross-harbour tunnel in Hong Kong (Hung Hom Tunnel), the first electronic toll collection system in Hong Kong (Autopass), the first multi-channel Pay TV service in Hong Kong (CABLE TV), the first 24-hour news channel in Cantonese and the first 24-hour entertainment news channel in Cantonese in the world (i-CABLE News and i-CABLE Entertainment News).

Wharf's strategic thrust into the Mainland started in 2007. Off a very humble base, a medium term target weighting of 50% for Mainland assets was set, and communicated to investors. Currently at 32%, we are making reasonable progress. In addition to the land bank, included are key port assets along the China coast, the most dynamic coast line in the world for cargo movement in the coming decades.

The Group remains enthusiastic about the fundamentals for the Mainland real estate market. Continuation of urbanization at a break neck pace will stimulate demand not only quantitatively but also qualitatively. We will be seeking to increase our land bank.

China West and China East account for about 46% and 50% of the current land bank respectively. Alongside the Times Squares, a series of IFCs (International Finance Centres) will be developed in Chengdu, Chongqing, Suzhou and Wuxi. The first two will be comparable in scale and significance to Harbour City in Hong Kong.

Wharf's commitment to Building for Tomorrow extends to corporate social responsibility and organizational development. The Group is firmly committed to the sustainability of the community.