



遠東發展有限公司

Far East Consortium International Limited

(Incorporated in Cayman Islands with limited liability)

Stock Code: 035

FY2016 Annual Results

24 June 2016

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An aerial night view of Melbourne, Australia, showcasing the city's skyline and the Yarra River. The image captures the illuminated skyscrapers of the central business district, the Melbourne Cricket Ground (MCG) with its distinctive blue lighting, and the surrounding urban landscape. The Yarra River flows through the city, reflecting the lights of the buildings and bridges. The sky is a mix of dark blue and orange, indicating the time is either dusk or dawn. A semi-transparent blue box with white text is overlaid on the right side of the image.

1. Key Achievements

Melbourne night view, Australia

Key Achievements

Corporate Action

- Completed privatisation of Dorsett
- Completed refinancing of FEC CNH bond with unsecured syndicated loan at attractive refinancing rate

New Projects Acquired

- Queen's Wharf development project
- JV with Star/CTF to develop Sydney and Gold Coast casino sites
- Alexandra View, Singapore
- Shatin Heights, Hong Kong
- Pipeline GDV now at HK\$39bn

Projects Completed

- Upper West Side Stage 3 – Midtown, Melbourne
- King's Manor, Shanghai ⁽¹⁾
- View Pavilion, Shanghai ⁽²⁾

New Project Launched

- Aspen Crest, Hong Kong
- The Towers at Elizabeth Quay, Perth
- King's Manor, Shanghai ⁽¹⁾
- Royal Riverside, Guangzhou (Tower 2)

Corporate Recognition

- Won numerous international awards on company management, investor relations, corporate governance and corporate social responsibility

(1) King's Manor (second phase) launched in FY2016 with a portion of which completed during the last week of FY2016

(2) Completion in FY2015 with a portion of the revenue recognized in FY2016



Financial Highlights

	FY2016	FY2015	YoY change
Revenue (HK\$ M)	3,995	5,110	-21.8%
Gross profit (HK\$ M)	1,706	1,946	-12.3%
Gross profit margin	42.7%	38.1%	+4.6ppts
Net profit attributable to shareholders (HK\$ M)	734	957	-23.3%
Adjusted cash profit ⁽¹⁾ (HK\$ M)	853	836	2.0%
EPS (HK cents)			
- Basic	37	51	-27.5%
- Fully diluted	36	51	-29.4%
Dividend per share (HK cents)			
- Interim	3	3	Maintained
- Final	13	13	Maintained
- Total	16	16	Maintained
	As at 31.3.2016	As at 31.3.2015	
Total cumulative presales (HK\$ M)	7,517	6,496 ⁽²⁾	15.7%
Net asset value attributable to shareholders (HK\$ M)	10,140	9,144	10.9%
Group cash and investment securities (HK\$ M)	3,750	3,487	7.5%
Net gearing ratio ⁽³⁾	37.7%	29.8%	+7.9 ppts

(1) Adjusted cash profit is calculated by adding depreciation and amortisation charges to, and subtracting fair value gain in investment properties from net profit attributable to shareholders of the Company. The amount is adjusted for minority interests.

(2) Total cumulative presales for FY2015 comprised HK\$4.8bn contracted presales and HK\$1.7bn registered presale of The Towers at Elizabeth Quay, Perth, Australia. A registered presale is an expression of interest for an apartment where a booking fee has been paid to reserve that apartment. No sales and purchase agreement for that apartment has been entered into and there is no assurance that this expression of interest will lead to the eventual entering of a sale and purchase agreement for that reserved apartment

(3) Total bank loans and bonds less investment securities, bank and cash balances divided by carrying amount of total equity and hotel revaluation surplus

Continued Growth in Adjusted Cash Profit ⁽¹⁾

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
	HK\$ M	HK\$ M	HK\$ M	HK\$ M	HK\$ M	HK\$ M	HK\$ M	HK\$ M
Profit attributable to shareholders of the Company	86	324	394	448	903	914	957	734
Add / (less): Attributable revaluation loss / (gain) of investment properties	3	(166)	(312)	(138)	(304)	(200)	(343)	(192)
Add: Attributable depreciation and amortisation	76	80	94	113	136	176	222	311
Adjusted cash profit	165	238	176	423	735	890	836	853
						7-year CAGR		26.5%

(1) Adjusted cash profit is calculated by adding depreciation and amortisation charges to, and subtracting fair value gain in investment properties from (or adding fair value loss in investment properties to) net profit attributable to shareholders of the Company. The amount is adjusted for minority interests.

Privatisation of Dorsett – Value Enhancing Transaction

Vote of Confidence

- Transaction completed in October 2015
- 97.8% of independent shareholders voted in favour

Cost Savings

- Efficiency gain from streamlined operations

Flexibility in Capital Allocation

- Direct access to Dorsett's cash flow (stronger credit recognition)
- 8 unencumbered hotel assets worth HK\$3bn
- Capital can be redeployed to invest in higher IRR projects

Value Enhancing

- FEC's NAV enhanced
- Enlarging FEC's share base by 7.2%, adding further to liquidity



Sydney and Gold Coast – Expanding our Production Base

- New JV MOUs with CTF and The Star signed to develop The Star casino sites in Sydney and Gold Coast
- Planning approval in progress



Sydney



Gold Coast

Queen's Wharf Brisbane – Adding to Our Future Recurring Income



For details: <http://www.destinationbrisbaneconsortium.com.au/>



Queen's Wharf Brisbane – Adding to Our Development Pipeline

Investment Plan

	Total (A\$ million)	FEC's Stake	FEC Portion (A\$ million)
Total investment of IR (100%)	1,930	n/a	n/a
Bank financing of IR (60%)	1,157	n/a	n/a
Equity portion of IR (40%)	773	25%	193
Land premium for the residential component	65	50%	33
FEC total capital commitment			226

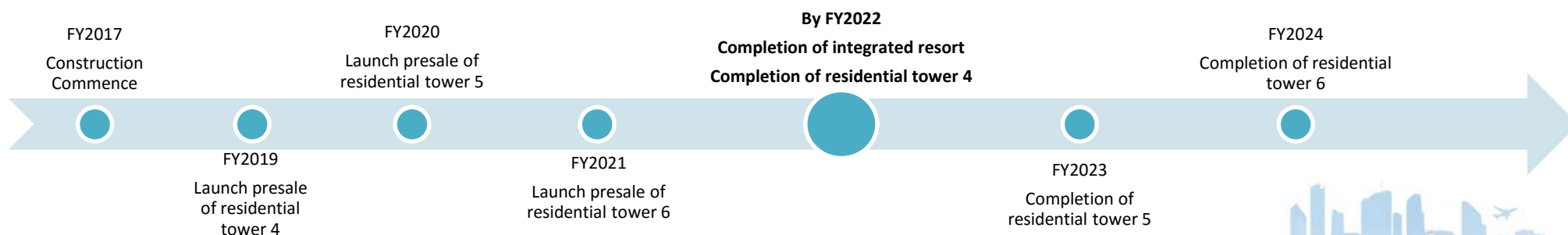
Residential Component (Approx., subject to planning)

Component	Expected SFA (sq.m.)	Expected GDV (A\$ million)
Tower 4	48,200	480
Tower 5	43,800	480
Tower 6	39,200	430
Total	131,200	1,390

FEC has 50% stake of the residential component

Casino Licence Term

- 99 years with a 25 year casino exclusivity period within 60 kilometers from the Brisbane CBD
- Gaming tax rates consistent with current levels
- Maximum approved electronic gaming machines of 2,500
- Unlimited gaming tables (including electronic derivations)



Brisbane Casino – A Significant Market with Favorable Licence Conditions

City	Sydney	Melbourne	Brisbane	Gold Coast	Perth	Adelaide	Darwin	
City population('000)(2015 June)	4,904 (+1.7% yoy)	4,513 (+2.1% yoy)	2,345 (+2.3% yoy)	614 (+1.6% yoy)	2,112 (+3.4% yoy)	1,277 (+1.0%)	123 (+1.7% yoy)	
State/territory	New South Wales	Victoria	Queensland	Queensland	Western Aus.	South. Aus.	Northern Terr.	
Casino	The Star	Crown Melbourne	Queen's Wharf Brisbane	Treasury	Jupiters	Crown Perth	Adelaide Casino	SKYCITY Darwin
Owner	The Star	Crown	DBC	The Star	The Star	Crown	SKYCITY	SKYCITY
Licence expiry	2093	2050	2121	2070	Perpetual	2060	2085	2031
Current exclusivity period	Until 2019	n.a.	2047	n.a.	n.a.	n.a.	Until 2035	Until 2026
Revenue (FY15 norm ² , A\$m)	1,639 (+25.7% yoy)	2,234 (+15.7% yoy)	n.a.	692 (+9.9%)		957 (+10.4% yoy)	174 (+4.8% yoy)	137 (+3.0% yoy)
EBITDA (FY15 norm ² , A\$m)	356 (+25.5% yoy)	662 (+17.8% yoy)	n.a.	165 (+21.5%)		254 (+5.3% yoy)	27 (-19.2% yoy)	39 (+7.2% yoy)
Permitted tables	Unlimited (303 currently)	540	Unlimited	Unlimited (83 currently)	Unlimited (79 currently)	320	200	65 (currently)
Permitted EGMs ¹	1,500	2,628	2,500	1,632 (1,450 currently installed)	1,651	2,500	1,500	633 (currently)
Permitted MTGMs ¹	Unlimited (471 currently)	250	Unlimited	Under EGM licence cap (84 currently)	Under EGM licence cap (89 currently)	n.a.	300 ³	n.a.
Hotel rooms	647	1,604	>1,100	128	592	686	100	9
Food and Beverage venues	32	29	~50	13	14	12	150	13
EGM bet limits	\$10 (except 250 machines)	\$10 (except 1,000 machines)	No limit	No limit	No limit	\$5 (Range of limits depending on game)	\$10 (except premium room)	n.a.
EGM maximum note acceptors	\$100	\$50	\$100	\$100	\$100	\$100	"Coin in – Coin out"	\$100
Tax regime (% of gross gaming revenue)	VIP: 10% Non-VIP: 27.5% + super tax	VIP play: 10% Slots: 32.57% + super tax Tables: 22.25% + super tax	VIP: 10% Slots: 30% Tables: 20% (No super tax)	VIP: 10% Slots: 30% Tables: 20% (No super tax)	VIP: 10% Slots: 30% Tables: 20%	VIP: 12% Slots: 23.5% Tables: 19% MTGMs: 23%	Commission tables: 0.91% Slots: Clubs rate (max 41%) Tables: 3.41% MTGMs and commission slots: 10.91% ⁴	VIP: 9.09% Slots: 20% Tables: 12% ⁴

(1) EGM stand for electronic gaming machine and MTGM stand for multi-terminal gaming machine;

(2) Normalised results calculated using an average win rate and average number of turns of front money experienced over the last 5 years in VIP Rebate business, calculated on a rolling basis ended 30 June;

(3) 15 tables may be substituted for 300 MTGMs;

(4) Adelaide tax regime based on gaming revenue after 10% GST(goods and services tax) and any rebate expenses, Darwin tax regime based on gross profit less GST;



Pipeline Addition in SG/HK during Down Cycle

➤ Singapore - Alexandra View

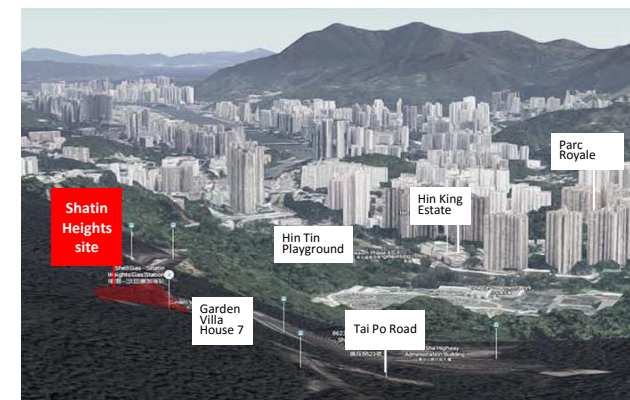
Allowable Development	Residential with Commercial at 1st storey
GFA	442,970 sq. ft.
Land price	S\$377 million (S\$851 / sq. ft.)
Number of apartments ⁽¹⁾	400



Alexandra View, Singapore

➤ Hong Kong - Shatin Heights

GFA	88,800 sq. ft.
Land price	HK\$245 million (HK\$2,760 / sq. ft.)
Number of apartments ⁽¹⁾	60 apartments 3 townhouses



Shatin Heights, Hong Kong

(1) Subject to change



A nighttime photograph of the Perth skyline across the Swan River. The image shows several prominent skyscrapers, including the Rio Tinto building with its distinctive spire and the Deloitte building. The city lights are reflected in the water. In the foreground, there is a blue canopy structure on the left and a white circular sculpture on the right. A semi-transparent white box with blue text is overlaid on the right side of the image.

2. FY2016 Results Summary

Water's edge of the Swan River, Perth

Strong HK\$ Beneficial to FEC During Overseas Investment Phase

- Net profit would have been HK\$27.6m higher assuming constant exchange rates

Rates as at	31.3.2016	31.3.2015	% change
HK\$/AUD	5.93	5.92	0.2%
HK\$/RMB	1.20	1.25	-4.0%
HK\$/MYR	1.97	2.09	-5.7%
HK\$/GBP	11.12	11.46	-3.0%
HK\$/SGD	5.74	5.63	2.0%

Average rates for	FY2016	FY2015	% change
HK\$/AUD	5.93	6.54	-9.3%
HK\$/RMB	1.23	1.26	-2.4%
HK\$/MYR	2.03	2.23	-9.0%
HK\$/GBP	11.29	12.17	-7.2%
HK\$/SGD	5.69	5.89	-3.4%

Overall GP Margin Expanded Albeit Challenging Hotel Market

	FY2016					FY2015				
	Revenue	Gross profit (before depreciation)		Gross profit (after depreciation)		Revenue	Gross profit (before depreciation)		Gross profit (after depreciation)	
	HK\$ M	HK\$ M	%	HK\$ M	%	HK\$ M	HK\$ M	%	HK\$ M	%
Sales of properties	1,979	1,002	50.6%	1,002	50.6%	2,962	1,086	36.7%	1,086	36.7%
Hotel operations and management	1,321	820	62.0%	541	41.0%	1,454	951	65.4%	691	47.5%
Car park operations and facilities management	623	137	22.0%	117	18.8%	616	143	23.2%	124	20.1%
Leasing and others	72	46	63.9%	46	63.9%	78	45	57.7%	45	57.7%
	3,995	2,005	50.2%	1,706	42.7%	5,110	2,225	43.5%	1,946	38.1%

Interest Coverage Remains Healthy

HK\$ M	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
Profit before tax	222	493	555	718	1,024	1,246	1,328	979
Finance costs	126	110	186	166	168	281	224	228
Depreciation and amortisation	79	84	129	152	181	231	294	316
EBITDA	427	687	870	1,036	1,373	1,758	1,846	1,523
Interest Coverage (EBITDA / finance costs)	3.4	6.2	4.7	6.2	8.2	6.3	8.2	6.7



Substantial War Chest to Drive Future Growth

- Presales HK\$7.5bn provides clear visibility of cash flow stream
- War chest can be enhanced by leveraging unencumbered hotels

War chest	HK\$ M
Group cash and liquidity @ 31.3.2016	3,750
Undrawn banking facilities - Corporate use	1,900
Undrawn banking facilities - Construction Development	3,500
Total war chest (excluding cashflow from presales)	9,150

Market value of hotel @ 31.3.2016	Number	HK\$ M
Unencumbered hotel assets	8	3,000

Application of funds	HK\$ M
Hong Kong Shatin Height ⁽¹⁾	220
Queen's Wharf integrated resort	1,124
Queen's Wharf residential land premium	193
Capex (committed @ 31.3.2016)	353
Expected total capex	1,890

(1) Settled post year-end



Prudently Gearing Up Amid Favorable Rate Environment

Bank loans and bonds ⁽¹⁾

Due within 1 year

Due 1-2 years

Due 2-5 years

Due more than 5 years

Total bank loans and bonds

Investment securities

Bank and cash balances

Liquidity position

Net debts ⁽²⁾

Carrying amount of the total equity

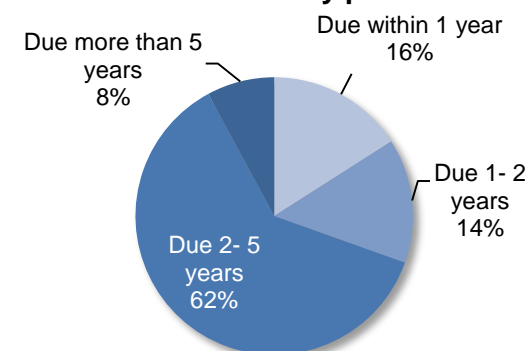
Add: hotel revaluation surplus

Total equity adjusting for hotel revaluation surplus

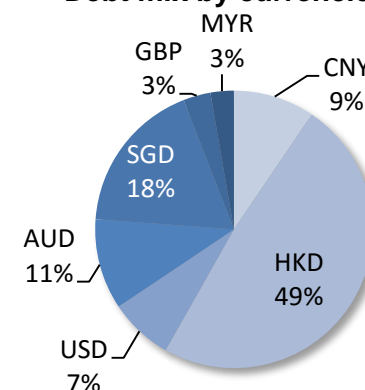
Net gearing ratio (net debts to adjusted equity)

	As at 31.3.2016 HK\$ M	As at 31.3.2015 HK\$ M
Due within 1 year	1,864	3,821
Due 1-2 years	1,691	530
Due 2-5 years	7,198	5,167
Due more than 5 years	920	301
Total bank loans and bonds	11,673	9,819
Investment securities	1,219	1,151
Bank and cash balances	2,531	2,336
Liquidity position	3,750	3,487
Net debts ⁽²⁾	7,923	6,332
Carrying amount of the total equity	10,267	10,261
Add: hotel revaluation surplus	10,732	10,976
Total equity adjusting for hotel revaluation surplus	20,999	21,237
Net gearing ratio (net debts to adjusted equity)	37.7%	29.8%

Debt maturity profile



Debt mix by currencies



- Latest HK\$1.35bn 3-year syndicated loan completed (due Feb 2019), substantially reducing overall finance costs of the Group

(1) The borrowings in the Company's consolidated statement of financial position include an amount of approximately HK\$1,073mn reflected as current liabilities even though such sum is not repayable within one year, as the banks and/or financial institutions have discretionary rights to demand immediate repayment. There has been no demands for immediate repayment from any bank and/or financial institution

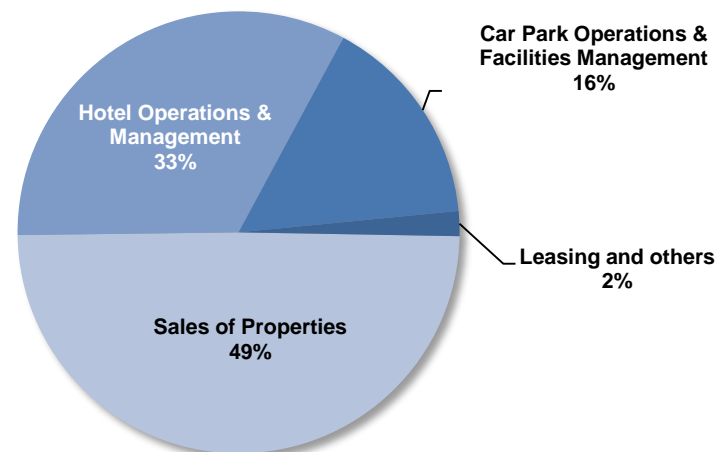
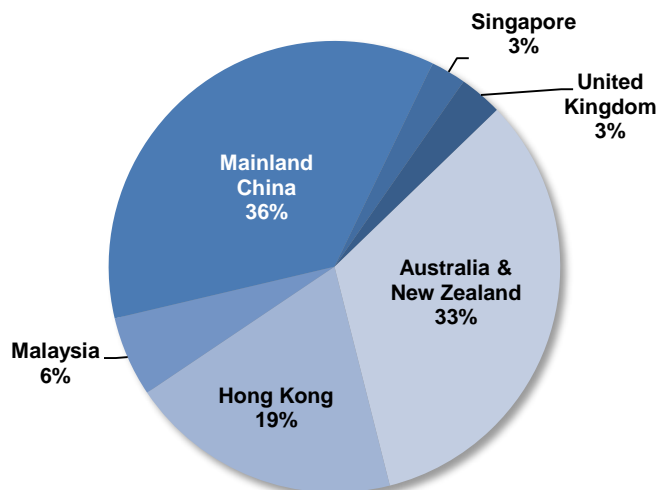
(2) Net debt represents total bank loans and bonds less bank and cash balances, and investment securities

Increasingly Diversified and Balanced Portfolio

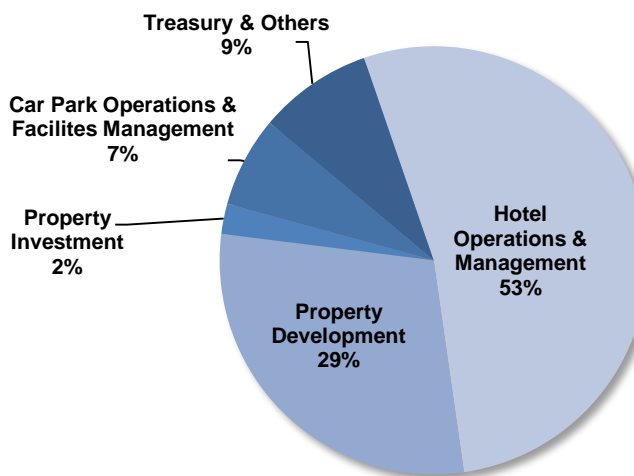
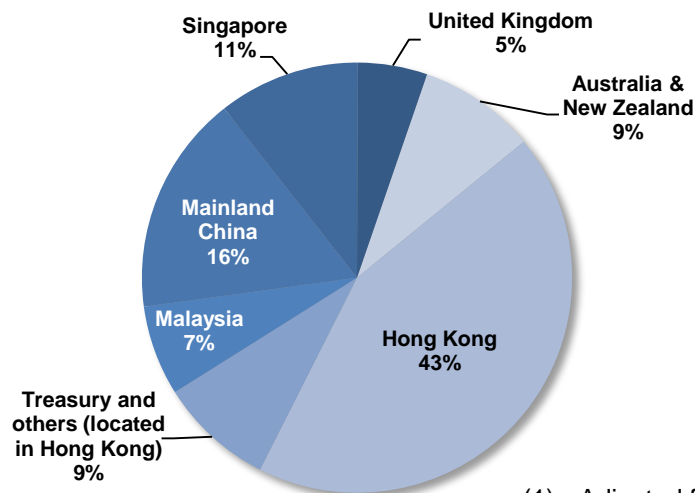
By Geography

By Business

Revenue Breakdown (FY2016)



Total Assets Breakdown (31.3.2016) ⁽¹⁾



(1) Adjusted for hotel revaluation surplus



Proven Track Record

	For the year ended / as at 31 March								
<i>(In HK\$m, unless otherwise stated)</i>	2009	2010	2011	2012	2013	2014	2015	2016	CAGR
Revenue	1,733	2,342	1,654	1,761	3,732	4,066	5,110	3,995	13%
Sales of properties	951	1,376	245	46	1,946	1,589	2,962	1,979	11%
Hotel operations and management	679	616	867	1,096	1,153	1,785	1,454	1,321	10%
Car park operations	n/a	279	464	537	567	613	616	623	14%
Gross profit	728	799	756	848	1,027	1,553	1,946	1,706	13%
Profit before tax	222	493	555	718	1,024	1,246	1,328	979	24%
Profit after tax	105	358	446	615	1,078	1,026	998	758	33%
Adjusted cash profit ⁽¹⁾	165	238	176	423	735	890	836	853	27%
Net profit attributable to shareholders	86	324	394	448	903	914	957	734	36%
Net assets value attributable to shareholders	4,744	6,126	7,027	7,452	8,013	8,750	9,144	10,140	11%
Net assets value attributable to shareholders (adjusting for hotel revaluation surplus)	7,671	11,126	11,397	13,117	14,942	16,864	17,263	20,872	15%

(1) Adjusted cash profit is calculated by adding depreciation and amortisation charges to, and subtracting fair value gain in investment properties from net profit attributable to shareholders of the Company. The amount is adjusted for minority interests.



Reliable Return to Shareholders Whilst Maintaining Growth

	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
Year-end NAV/share ⁽¹⁾ (HK\$)	n/a	n/a	6.00	6.70	8.45	9.12	9.02	9.79
Basic EPS (HK cents)	5	18	21	23	50	51	51	37
Diluted EPS (HK cents)	2	18	21	23	50	51	51	36
Dividend								
Total dividend per share (HK cents)	3	6	7	6	13	15	16	16
Interim	1	2	2	1	2	3	3	3
Final	2	4	5	5	11	12	13	13
Payout ratio	56.6%	33.3%	33.3%	26.1%	26.0%	29.4%	31.4%	43.2%
Share Buyback								
No. of share buyback (million)	12.4	2.25	1.82	230	n/a	n/a	n/a	29.6
Value of share buyback (HK\$M)	26.04	5.12	4.15	283	n/a	n/a	n/a	81.7

(1) Adjusted for hotel revaluation surplus





3. Review of Operations Property Development

Strong Pipeline for Sustainable Growth

Projects under presale @31.3.2016	Location	Cumulative presales (HK\$ M)	Expected attributable SFA ⁽¹⁾ (sq. ft.)	Expected attributable GDV ⁽¹⁾ (HK\$ M)	Expected completion ⁽²⁾	Cumulative presale as % of GDV %
1 Eivissa Crest ⁽³⁾	Hong Kong	629	36,000	767	FY2017	82%
2 Aspen Crest	Hong Kong	882	64,000	1,069	FY2019	83%
3 UWS stage 4 - Manhattan	Melbourne	1,741	388,000	1,741	FY2017	100%
4 The FIFTH	Melbourne	1,225	284,000	1,225	FY2018	100%
5 The Towers at Elizabeth Quay	Perth	1,411	320,000	2,733	FY2019	52%
6 Dorsett Bukit Bintang	Kuala Lumpur	316	215,000	825	FY2017/18	38%
7 King's Manor (remaining)	Shanghai	1,260	386,000	1,681	FY2017	75%
8a Royal Riverside (Tower 2)	Guangzhou	53	86,000	255	FY2017/18	21%
Total presales value		7,517	1,779,000	10,296		73%

Other active development pipeline

Active Projects	Location	Expected presale Launch Time ⁽¹⁾	Expected attributable SFA ⁽¹⁾ (sq. ft.)	Expected attributable GDV ⁽¹⁾ (HK\$ M)	Expected completion ⁽²⁾
8b Royal Riverside (Tower 1, 3-5)	Guangzhou	FY2017	642,000	1,881	FY2017/18
9 Royal Crest II	Shanghai	FY2017	259,000	1,380	FY2017/18
10 Tan Kwai Tsuen	Hong Kong	FY2017	51,000	581	FY2017/18
11 Sha Tau Kok	Hong Kong	FY2017	99,000	771	FY2019
12 Tai Wai	Hong Kong	FY2018	33,000	399	Planning
13 Sham Shui Po	Hong Kong	FY2018	28,000	366	Planning
14 Shatin Heights	Hong Kong	FY2018	70,000	1,200	Planning
15 Tower 1		FY2017	585,000	3,076	FY2020/21
16 Tower 2		FY2017	487,000	2,561	FY2020/21
17 West Side Place Tower 3	Melbourne	Planning	400,000	2,103	Planning
18 Tower 4		Planning	576,000	3,028	Planning
19 Alpha Square	London	Planning	388,000	4,314	Planning Obtained
20 Queen's Wharf ⁽⁴⁾ Tower 4		FY2018	259,000	1,428	Planning
21 (residential) Tower 5	Brisbane	Planning	236,000	1,417	Planning
22 Tower 6		Planning	211,000	1,270	Planning
23 Alexandra View ⁽⁵⁾	Singapore	FY2018	290,000	2,840	Planning
Sub total (pipeline)			4,614,000	28,615	
Total (presales+ pipeline)			6,393,000	38,911	

(1) Approximate saleable residential floor areas and expected gross development value may vary subject to finalization of development plans

(2) Expected completion and launch time may vary which subject to construction program and relevant authority permits obtained

(3) This development is treated as an investment property. Upon completion and when the titles of the development have been passed to buyers, the difference between the net disposal proceeds and the carrying amount of the asset will be presented as gains or losses on disposal of investment properties held for sale in the consolidated statement of profit or loss for the compliance of that relevant accounting standard

(4) The Group has 50% interest in the development

(5) The Group has 70% interest in the development



West Side Place, Melbourne – Strong Response



Feature	4 Residential Towers, Ritz Carlton Hotel and commercial area
SFA	Approx. 2,000,000 sq.ft.
Net lettable area	Approx. 65,000 sq.ft.
Number of apartments	2,500+
Number of hotel rooms	263 (Ritz Carlton Hotel)
Launch time	Tower 1 and 2: June 2016



Other Projects in Australia – Balanced Pipeline in Portfolio



Upper West Side Stage 4, Melbourne
388,000 sq. ft. SFA
641 apartments



The Towers at Elizabeth Quay, Perth
320,000 sq. ft. SFA
379 apartments



The FIFTH, Melbourne
284,000 sq. ft. SFA
402 apartments



Queen's Wharf, Brisbane
706,000 sq.ft. attributable SFA
~2,000 residential apartments (50% stake)
4 Hotels with 1,004 rooms (25% stake)

Alpha Square, London – Entrance into UK Residential Market

- Planning recently obtained



Features	Residential and hotel component
SFA	388,000 sq.ft.
Net lettable area	221,000 sq.ft. (incl. retail and other facilities)
Number of hotel rooms	231

Royal Riverside, Guangzhou



Feature	5 Residential Towers
SFA	728,000 sq.ft.
Number of apartments	607
Launch time	Tower 2: Jan 2016 Tower 1: Apr 2016 Tower 3 – 5: 2016Q4



California Garden, Shanghai



King's Manor
712,000 sq.ft. SFA
479 apartments and
90 townhouses

Royal Crest II
259,000 sq.ft. SFA
180 apartments and
42 townhouses



Projects in Hong Kong



Eivissa Crest
36,000 sq.ft. SFA
106 apartments



Aspen Crest
64,000 sq.ft. SFA
234 apartments



Tai Wai
33,000 sq.ft. SFA
118 apartments



Sham Shui Po
28,000 sq.ft., SFA
72 apartments



Sha Tau Kok
99,000 sq.ft. SFA
263 apartments



Tan Kwai Tsuen
51,000 sq.ft. SFA
24 town houses

Projects in Malaysia / Singapore



Alexandra View, Singapore
290,000 sq. ft. attributable SFA (70% stake)
400 apartments



Dorsett Bukit Bintang, Kuala Lumpur
215,000 sq. ft. SFA
252 apartments

Land Bank – Future Pipeline

Land Bank	Location	Attributable GFA (sq.ft.)
Fong Lok Wai	Hong Kong	410,000 ⁽¹⁾
California Garden - remaining	Shanghai	3,800,000 ⁽²⁾
Gangtonyuan	Guangzhou	500,000
New Times Plaza	Guangzhou	115,000 ⁽³⁾
		4,825,000

(1) FEC has a 25.33% stake. GFA indicated is the portion attributable to FEC

(2) Subject to planning permit approval

(3) FEC has a 50% stake. GFA indicated is the portion attributable to FEC



Details of Investment Properties

Current Investment Properties	GFA (sq. ft.)	Pipeline Investment Properties	Attributable GFA (sq. ft.)
FEC Building, Central, Hong Kong (O)	16,000	Upper West Side Stage 4, Melbourne (R)	4,900
FEC Building, Nathan Road, Hong Kong (O)	38,000	The FIFTH Retail, Melbourne (R)	3,200
Basement to 5th floor, Silka Far East Hotel, Tsuen Wan, Hong Kong (R)	38,000	West Side Place, Melbourne (R)	84,000
Tsuen Wan Garden, Hong Kong (R)	41,000	Elizabeth Quay, Perth (R)	18,000
Xintiandi Shopping Mall, California Garden, Shanghai (R)	250,000	Aspen Crest, Hong Kong (R)	12,000
Rebecca Walk, Melbourne (R)	8,700	Sha Tau Kok, Hong Kong (R)	6,700
Upper West Side Stage 1, Melbourne (R)	7,500	Queen's Wharf Brisbane ⁽¹⁾ (R)	100,000
Upper West Side Stage 2, Melbourne (R)	7,500	Alexandra View, Singapore ⁽²⁾ (R)	14,000
Upper West Side Stage 3, Melbourne (R)	10,200	Total	242,800
Star Ruby, Hong Kong (R)	10,000		
Wuhan Shopping Mall (R)	423,000		
Dorsett, Singapore (R)	7,000		
Dorsett, Shanghai (R)	19,000		
Total	875,900		

Note: (R) – Retail (O) – Office

(1) FEC owned 25% stake of this project

(2) FEC owned 70% stake of this project





3. Review of Operations

Hotel operations and management

Dorsett Shepherd's Bush, London

Overall Occupancy Maintained Albeit Challenging HK Market

	FY2016	FY2015
Hong Kong		
Occupancy rate ⁽ⁱ⁾	86.0%	92.7%
Average room rate (HK\$) ⁽ⁱ⁾	731	856
RevPAR (HK\$) ⁽ⁱ⁾	629	794
Malaysia		
Occupancy rate	65.8%	64.7%
Average room rate (HK\$)	384	491
RevPAR (HK\$)	252	318
Mainland China		
Occupancy rate	50.9%	47.4%
Average room rate (HK\$)	507	545
RevPAR (HK\$)	258	258
Singapore		
Occupancy rate	82.0%	77.3%
Average room rate (HK\$)	1,091	1,188
RevPAR (HK\$)	894	918
United Kingdom		
Occupancy rate	79.3%	61.1%
Average room rate (HK\$)	1,109	1,185
RevPAR (HK\$)	879	724
Group Total		
Occupancy rate	72.7%	73.6%
Average room rate (HK\$)	666	762
RevPAR (HK\$)	484	561

- Strength in HK\$ and decline in number of overnight visitors' arrivals in Hong Kong affected overall performance.
- Dorsett Shepherds Bush, London performed well since opening a year ago
- Proactive promotion and marketing initiatives amid the challenging environment
- Two new hotels, Silka Tsuen Wan, Hong Kong (409 rooms) and Dorsett City, London (270 rooms), to open in next 12 months.
- Long term fundamental of hotel business remain good with outbound tourist number from China increasing

Noted:

(i) Included only hotels owned by the Group. RevPAR = Occupancy rate x average room rate



Proactive Branding and Marketing Initiatives

- Hotel upgrades completed
 - Cosmopolitan Hotel, Hong Kong – to be renamed Dorsett Wan Chai
 - Dorsett Kuala Lumpur
- Diversify customer sources
 - e.g. Korea, Japan, South East Asia, Australia, Europe and US
- Active use of E-marketing
 - WeChat
 - Dorsett online booking website



Cosmopolitan Hotel, Hong Kong (after renovation)

New Hotel in HK Opening Soon – Silka Tsuen Wan, Hong Kong



- A new build hotel development in Tsuen Wan, Hong Kong
- 157,066 sq.ft. with 409 bedroom 3-star business hotel

Dorsett City – A New Pearl in the City of London



- A new build hotel development in Aldgate, City of London
- 103,000 sq. ft. 13-storey (basement + 12 storey)
270 bedroom 4-star business hotel
- 253 guests rooms, 17 guest suites
- Restaurants, executive lounge, fitness centre, meeting rooms, and a roof top bar with views over the City of London



Substantial Development Profit Not Yet Recognised

	City	Description	Rooms	Capital Value @ 31.3.2016 (HK\$ M)	Book Value @ 31.3.2016 (HK\$ M)	Revaluation Surplus (HK\$ M)	
Hotels in operation							
Hong Kong							
1	Cosmopolitan Hotel (to be renamed as Dorsett Wan Chai)	Hong Kong	Near Wanchai and Causeway Bay	454	2,543	348	2,195
2	Silka West Kowloon	Hong Kong	Booming new city in Hong Kong	141	394	109	285
3	Cosmo Hotel	Hong Kong	Hong Kong's prime business area	142	664	124	540
4	Lan Kwai Fong Hotel @ Kau U Fong	Hong Kong	CBD & premiere dining and entertainment zone	162	1,000	177	823
5	Silka Seaview	Hong Kong	Close to Yau Ma Tei station next to Jade market	268	880	398	482
6	Silka Far East	Hong Kong	Easy access to commercial hubs of Central & TST	240	634	139	495
7	Dorsett Mongkok	Hong Kong	Shopping neighbourhood of Mong Kok	285	1,063	237	826
8	Dorsett Kwun Tong	Hong Kong	Located in the heart of Hong Kong East	361	1,063	316	747
9	Dorsett Tsuen Wan	Hong Kong	Easy access to airport	547	1,401	898	503
Malaysia							
10	Dorsett Kuala Lumpur	Kuala Lumpur	Heart of Kuala Lumpur's Golden Triangle	320	303	101	202
11	Dorsett Grand Subang	Subang Jaya	Commercial hub of Subang Jaya	478	691	236	455
12	Dorsett Grand Labuan	Labuan	Revitalised business district of Labuan	178	329	92	237
13	Silka Maytower Hotel & Serviced Residences	Kuala Lumpur	Central Kuala Lumpur	179	162	173	(11)
14	Silka Johor Bahru	Johor	Gateway between Singapore and Malaysia	252	158	113	45
Mainland China							
15	Dorsett Wuhan	Wuhan	Heart of downtown	317	952	619	333
16	Dorsett Shanghai	Shanghai	Heart of Pudong	264	578	335	243
17	Dorsett Grand Chengdu	Chengdu	Famous historical Luoma Market	556	972	455	517
18	Lushan Resort	Lushan	Well known tourist destination	297	228	209	19
Singapore							
19	Dorsett Singapore	Singapore	Singapore's CBD	285	1,492	622	870
United Kingdom							
20	Dorsett Shepherds Bush	London	Close to Westfield Shopping Centre, Earls Court and Olympia Exhibition Centres	317	805	527	278
				6,043	16,312	6,228	10,084
Owned hotels under development							
21	Silka Tsuen Wan	Hong Kong	Densely populated Kwai Chung district	409	638	430	208
22	Dorsett Zhongshan	Zhongshan	Heart of the business district	416	264	125	139
23	Dorsett City	London	Situated above the Aldgate tube station	270	591	320	271
24	Dorsett Shepherd's Bush II	London	Close to Westfield Shopping Centre, Earls Court and Olympia Exhibition Centres	75	129	99	30
25 - 28	Destination Brisbane Consortium*	Brisbane	4 world class hotels including Dorsett and Rosewood	1,004	n/a	n/a	n/a
29	Alpha Square	London	Part of mixed-used development including private and affordable residential units, school, health centre and retail unit	231	n/a	n/a	n/a
30	Ritz Carlton Hotel	Melbourne	Occupies the top 18 floors of the West Side Place (Tower 1) with the hotel reception and restaurant at the top of the tower	263	n/a	n/a	n/a
31	Ritz Carlton Hotel	Perth	"The Ritz-Carlton, Perth", which is part of the iconic luxury chain of Ritz-Carlton hotels and resorts	204	n/a	n/a	n/a
32	Sri Jati Service Apartment	Kuala Lumpur	n/a	150	n/a	n/a	n/a
Total as at 31.3.2016				9,065	17,934	7,201	10,732

* Part of Queen's Wharf Brisbane, in which the Group has 25% interests

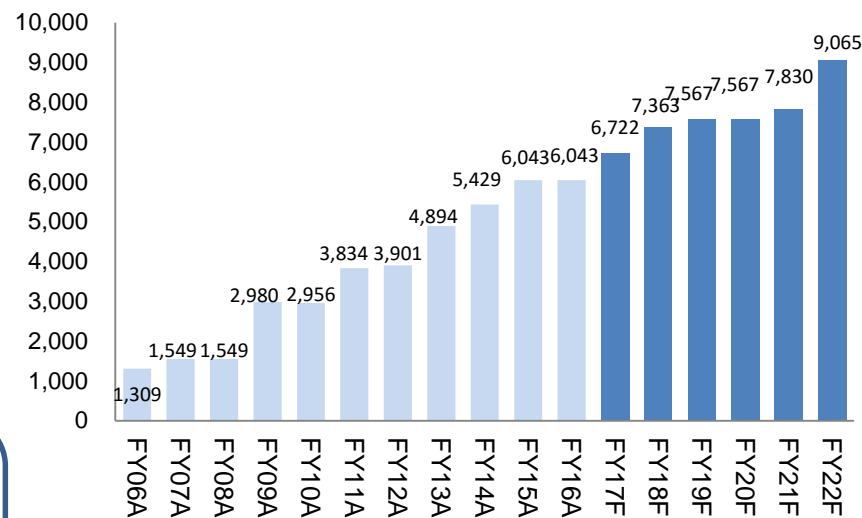
- Revaluation surplus of **HK\$10.7bn** in hotel portfolio as at 31.3.2016
- Group evaluating strategy to sell non-core hotel assets
- Cash generated will be used as capital for other development projects



Clear Pipeline for Room Growth

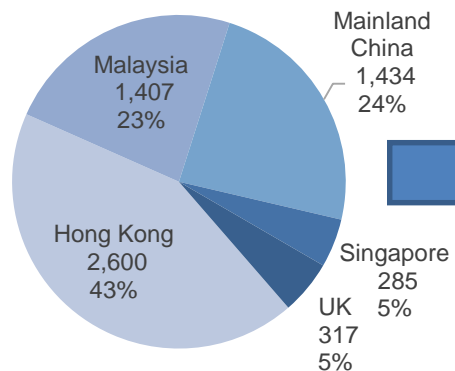
- Approximately 6,000 rooms as at 31 March 2016
- 12 owned and/or managed hotels in the development pipeline in next 6 years

No. of rooms

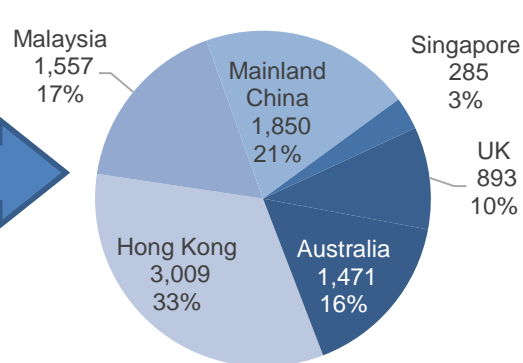


Pursue of “Chinese Wallet” – A More Balanced Portfolio

Owned and Operating Rooms
as at 31.3.2016
(6,043 rooms)



Owned and Operating Rooms
by 2022
(9,065 rooms)



Hotel in Development Pipeline

Number of Hotel	Location	No. of rooms ⁽¹⁾	Hotel operators ⁽²⁾
1	Hong Kong	409	to be managed by Dorsett
1	Kuala Lumpur	150	to be managed by Dorsett
1	Mainland China	416	to be managed by Dorsett
3	London	576	to be managed by Dorsett
1	Melbourne	263	to be managed by Ritz Carlton
1	Perth	204	to be managed by Ritz Carlton
4	Brisbane ⁽³⁾	1,004	to be managed by Dorsett and other brand operators
12		3,022	

(1) Number of rooms may change, subject to planning approval and finalization of the master and building plan

(2) Hotel operators may change, subject to finalization of the operating agreement and other terms

(3) Part of Queen's Wharf Brisbane, in which the Group has 25% interest (the integrated resort component). Other than Ritz Carlton Hotel (owned by The Star) 4 hotels with 1,004 rooms will be built in this component

3. Review of Operations

Car park operations and facilities management



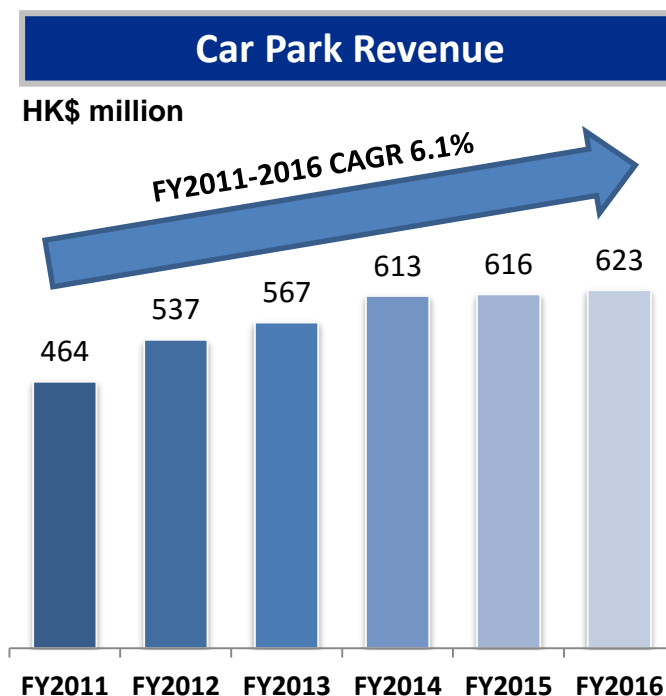
Care Park – Steady Cash Flow with Constant Growth

- 4,600 car park bays added to the car park portfolio in FY16, up 7% YoY
- Assuming constant exchange rate, revenue from this division increased by 11.5%



	As at 31 March 2016		As at 31 March 2015	
	No. of Car Park	No. of Bays	No. of Car Park	No. of Bays
Australia				
Owned and managed	19	3,521	19	3,521
Managed only	283	54,331	269	52,649
Joint Venture owned	1	367*	-	-
New Zealand				
Owned and managed	3	970	2	497
Managed only	44	7,225	44	7,519
Malaysia				
Owned and managed	2	2,170	2	2,170
Managed only	2	2,405	-	-
Total	354	70,989	336	66,356

*FEC have 25% stake of the 367 car park bays



Steadily Growing Facilities Management Services – APM

- Asset-light business model with steady growth expected



NorthBank

- 188 apartments, 16 floors
- Services Provided: Building Management, Cleaning, Security & Car Park Management



Upper West Side

- “UWS” is a 2,200 apartment development located in the heart of Melbourne’s CBD, situated between Spencer Street, Bourke Street and Lonsdale Streets



Vogue

- 505 apartments, 30 floors
- Services Provided: Building Management, Owners Corporation Management, Cleaning, Security, Car Park Management & Concierge Services



4. Prospects

The Towers at Elizabeth Quay, Perth



Company Outlook – Solid Foundation For Growth

Property development business momentum remains strong

- Strong response to the launch of West Side Place
- Residential sites at Singapore and Hong Kong added into development pipeline
- JV with the Star and CTF for Sydney and Gold Coast development

Growth in recurring cash flow

- 3,000+ rooms will be added to current room inventory of 6,043 rooms in next 6 years
- Queen's Wharf Brisbane project with potential Sydney and Gold Coast Project
- Car park continues organic growth

High cash flow visibility

- Record high cumulative presales of HK\$7.5bn
- Development pipeline amounting to HK\$39bn

Strong balance sheet

- Liquidity position of HK\$3.8bn, undrawn credit facilities of HK\$5.4bn
- 8 unencumbered hotel assets worth HK\$3bn can provide extra liquidity
- Net gearing at a healthy 37.7%



Company Awards FY2016 Demonstrate Recognitions



Mr. Chris Hoong, MD of FEC (Middle) accepted the "2015 Asiamoney Best Managed Company Awards in Hong Kong, Small Cap" in Hong Kong." on September 16, 2015 at the Hong Kong JW Marriott Hotel



AsiaMoney	Top 3 Best for Shareholder's Rights & Equitable Treatment across Asia (excluding Japan)
AsiaMoney	Top 3 Best Overall for Corporate Governance in Hong Kong
AsiaMoney	Top 3 Best for Disclosure & Transparency in Hong Kong
AsiaMoney	Top 2 Best for Shareholder's Rights & Equitable Treatment in Hong Kong
AsiaMoney	Top 3 Best for Responsibilities of Management and Board of Directors in Hong Kong
AsiaMoney	Top 3 Best for Corporate Social Responsibility in Hong Kong
AsiaMoney	Top 3 Best Investor Relations in Hong Kong
AsiaMoney	Best Small Cap Companies 2015
China Financial Market	Best Listed Company
FinanceAsia	Top 8 Best at Corporate Social Responsibility
HKIRA	Best IR Company (Small Cap)
IR Magazine	Grand Prix for Overall Investor Relations (small cap)
IR Magazine	Best in Sector: Real Estate
IR Magazine	Top 4 in Best Investor Relations Officer (small & mid cap) – Ms. Venus Zhao
iNova	Corporate Website Bronze Award 2015
Travel Weekly Asia	Best Regional Hotel Chain award



Thank You

Questions & Answers

FEC Official WeChat

