

To: Business/Property Editor

 Date: 2 August 2016
 For immediate release

HYSAN DEVELOPMENT COMPANY LIMITED
2016 INTERIM RESULTS

HIGHLIGHTS

- Turnover up 2.7% year-on-year; Recurring Underlying Profit up 1.3%
- Strong occupancy across our commercial portfolio (Retail: 99%; Office: 96%) against challenging global and local economic conditions
- Steady performance expected for full year, despite uncertain economic climate: majority of 2016 expiring commercial leases already committed
- Reported profit decline reflecting fair value loss on investment properties valuation

RESULTS

	<i>Notes</i>	Six months ended 30 June		Change
		2016 HK\$ million	2015 HK\$ million	
Turnover	1	1,760	1,714	+2.7%
Recurring Underlying Profit	2	1,178	1,163	+1.3%
Underlying Profit	3	1,178	1,163	+1.3%
Reported Profit	4	899	2,289	-60.7%
		HK cents	HK cents	
Earnings per share, based on:				
Recurring Underlying Profit	2	112.41	109.32	+2.8%
Underlying Profit	3	112.41	109.32	+2.8%
Reported Profit	4	85.78	215.15	-60.1%
First interim dividend per share		26.00	25.00	+4%
		At 30 June 2016 HK\$ million	At 31 December 2015 HK\$ million	
Shareholders' Funds	5	67,587	68,172	-0.9%
		HK\$	HK\$	
Net Asset Value per Share	6	64.65	64.48	+0.3%

Notes:

1. **Turnover** comprises rental income and management fee income derived from the Group's investment property portfolio in Hong Kong.
2. **Recurring Underlying Profit** is a performance indicator of the Group's core property investment business and is arrived at by excluding from Underlying Profit items that are non-recurring in nature (such as gains or losses on disposal of long-term assets).
3. **Underlying Profit** is arrived at by excluding from Reported Profit unrealised fair value changes on investment properties. As a property investor, the Group's results are principally derived from the rental revenues on its investment properties. The inclusion of the unrealised fair value changes on investment properties in the consolidated income statement causes an increase in fluctuation in earnings and poses limitations on the use of the unadjusted earning figures, financial ratios, trends and comparison against prior period(s). Accordingly, unrealised fair value changes on investment properties are excluded in arriving at the Underlying Profit.
4. **Reported Profit** is the profit attributable to owners of the Company. It is prepared in accordance with Hong Kong Financial Reporting Standards issued by Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance.
5. **Shareholders' Funds** is the equity attributable to owners of the Company.
6. **Net Asset Value per Share** represents Shareholders' Funds divided by the number of issued shares at interim period end/year-end.

HYSAN DEVELOPMENT FIRST HALF 2016 TURNOVER UP 2.7% TO HK\$1,760 MILLION

Results

Hysan Development Company Limited (Stock Code: 00014) today (2 August 2016) announced the Group's **turnover** was HK\$1,760 million in the first half of 2016, representing a year-on-year increase of 2.7% from HK\$1,714 million in the first half of 2015.

Recurring Underlying Profit, the key measurement of our core leasing business performance, was up 1.3% to HK\$1,178 million (2015: HK\$1,163 million). This primarily reflected the continued improvement in gross profit generated from our retail and office leasing activities. The **Underlying Profit** was also HK\$1,178 million (2015: HK\$1,163 million).

The Group's **Reported Profit** for the first half of 2016 was HK\$899 million (2015: HK\$2,289 million), down 60.7% after taking into consideration capital expenditures during the period. Fair value loss of HK\$280 million (2015: fair value gain of HK\$1,160 million) on the Group's investment properties valuation was recorded this interim period. As at 30 June 2016, the independent professional valuation of the Group's investment property portfolio increased by 0.3% to HK\$70,008 million (31 December 2015: HK\$69,810 million), reflecting the net effect of a positive office rental outlook, a challenging retail rental outlook, as well as enhancement works made during the period.

The **Shareholders' Funds** movement during the interim period, from HK\$68,172 million as at 31 December 2015 to HK\$67,587 million as at 30 June 2016, principally reflected the valuation change of the investment properties.

Dividends

The Board of Directors has declared a first interim dividend of HK26 cents per share (2015: HK25 cents). The dividend will be payable in cash. Please see the table for all the relevant dates:

Closure of register of members	Wednesday, 17 August 2016
Ex-dividend date	Monday, 15 August 2016
Latest time to lodge transfer documents	4p.m. on Tuesday, 16 August 2016
Record date for first interim dividend	Wednesday, 17 August 2016
First interim dividend payment date	On or about Friday, 26 August 2016

Financial Management

Hysan adhered to a policy of financial prudence and maintained a strong financial position.

Low Gearing

- Total Gross Debt: HK\$5,125 million (31 December 2015: HK\$4,875 million), after a loan repayment of HK\$250 million and new drawdown of HK\$500 million during the interim period
- Net Debt to Equity: 3.4% (31 December 2015: 3.0%)

Stable Debt Profile

- Fixed Rate Debt: Approximately 90.2% of the total gross debt (31 December 2015: 94.9%)
- Average Debt Maturity: 5.8 years (31 December 2015: 6.3 years)
- Capital Market Issuance: 90.2% (31 December 2015: 94.9%)
- Average Cost of Finance: 3.8% (2015: 3.4%)

Strong Credit Rating

- Net Interest Coverage: 21.6 times (2015: 20.3 times)
- Moody's: A3; Standard and Poor's: BBB+

COMMENTS BY MS. IRENE YUN LIEN LEE, CHAIRMAN

Overview

“The first half of 2016 proved to be a challenging one globally, with socio-political volatility exerting further pressure on the already fragile economic and financial conditions in many parts of the world,” said Ms. Lee. “Not surprisingly, Hong Kong has been adversely affected by the strong headwinds from abroad. Exports have continued to contract. External negative influences together with local market consolidations are among the probable reasons for the slowdown in the otherwise reliable consumer spending.”

“Weaker domestic demand, compounded by the well-documented decline in the number of in-bound tourists from Mainland China, significantly impacted Hong Kong’s retail sales. A large single-digit percentage decrease in retail sales, as compared to similar periods in 2015, was regularly recorded throughout the first six months of 2016. Significantly, the falls were no longer limited to the luxury goods category. Most of the other retail segments, including day-to-day consumables, also registered declines.”

“At Hysan, we had long anticipated the normalisation of retail growth after a nearly decade-long rise fuelled by tourist spending. We have been carefully curating and fine tuning our retail portfolio. Among the products which consumers are willing to buy in this weaker spending climate are sports and lifestyle items, and we continued to add them into our tenant mix. We have also focused our strategy on quality food and beverage outlets.”

“We continue to make changes to our retail tenant mix to appeal to our mall customers. Among the key demographic groups are the Millennials. Hysan needs to ensure that our venues are set to cater to the Millennials’ evolving mindsets. Such retail destinations need to have significant “pull” and “retain” elements to attract these younger consumers.”

“Apart from providing new and exciting events and activities, we also have to enhance the cross-channel shopping experience. Hysan has been testing a number of online-plus-offline sales models, which have proven popular amongst our VIP members, and we will continue to invest in suitable technology to stay ahead of these inevitable retail developments.”

“The Hong Kong office leasing market remained strong in the first half of 2016 with tight supply and robust demand, especially in the core commercial districts, and Hysan continued to benefit from this. Causeway Bay remained a top choice and a preferred alternative to Central and Admiralty. This is due to its convenient location, well-connected transportation options, and its renowned lifestyle offerings of shops and entertainment venues.”

“As part of Hysan’s medium term planning, we are exploring the provision of two tunnels to link our existing and soon-to-be-completed car parks. These tunnels are designed to help reduce street-level vehicular traffic, which in turn will improve on-grade pedestrian safety and reduce pollution. Furthermore, we have submitted applications to build two footbridges linking our buildings, in our bid to improve all-weather connectivity in the area.”

“We have also set up a Lee Gardens Association with neighbouring businesses as members. The aim is to have coordinated area-wide events and activities, and to provide a forum for members to give input to and support future developments.”

Outlook

“Economic volatility abroad and weaker Hong Kong fundamentals have made the first half of 2016 a challenging period. We anticipate continued volatility affected by global political and economic instability, which will adversely impact local consumer sentiment for the foreseeable future.”

“We believe Hysan’s quality office and retail offerings, backed by our commitment to provide short, medium and long term solutions for our stakeholders, will stand us in good stead while the economic climate remains uncertain. As the majority of our commercial leases expiring in 2016 have been committed, we expect a steady performance for the rest of the year.”

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CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2016 (unaudited)

	<u>Notes</u>	Six months ended 30 June	
		<u>2016</u>	<u>2015</u>
		HK\$ million	HK\$ million
Turnover	4	1,760	1,714
Property expenses		(205)	(187)
Gross profit		1,555	1,527
Investment income		25	34
Administrative expenses		(116)	(117)
Finance costs		(92)	(105)
Change in fair value of investment properties		(280)	1,160
Share of results of associates		118	134
Profit before taxation		1,210	2,633
Taxation	6	(229)	(223)
Profit for the period	7	981	2,410
Profit for the period attributable to:			
Owners of the Company		899	2,289
Non-controlling interests		82	121
		981	2,410
Earnings per share (expressed in HK cents)			
Basic	8	85.78	215.15
Diluted	8	85.78	215.12

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2016 (unaudited)

	Six months ended 30 June	
	<u>2016</u>	<u>2015</u>
	HK\$ million	HK\$ million
Profit for the period	<u>981</u>	<u>2,410</u>
Other comprehensive income		
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Revaluation of properties held for own use:		
Gains on revaluation of properties held for own use	13	6
Deferred taxation arising on revaluation	(2)	(1)
	<u>11</u>	<u>5</u>
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Derivatives designated as cash flow hedges:		
Net gains (losses) arising during the period	64	(40)
Reclassification adjustments for net (gains) losses included in profit or loss	(3)	5
	<u>61</u>	<u>(35)</u>
Amortisation of forward element excluded from hedge designation	-	(6)
	<u>61</u>	<u>(41)</u>
Share of translation reserve of an associate	(74)	(4)
	<u>(13)</u>	<u>(45)</u>
Other comprehensive expenses for the period (net of tax)	<u>(2)</u>	<u>(40)</u>
Total comprehensive income for the period	<u><u>979</u></u>	<u><u>2,370</u></u>
Total comprehensive income attributable to:		
Owners of the Company	897	2,249
Non-controlling interests	82	121
	<u><u>979</u></u>	<u><u>2,370</u></u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2016 (unaudited)

	<u>Notes</u>	At 30 June 2016 HK\$ million	At 31 December <u>2015</u> HK\$ million (audited)
Non-current assets			
Investment properties		70,008	69,810
Property, plant and equipment		711	705
Investments in associates		3,727	3,683
Term notes		836	935
Other financial assets		3	7
Other receivables	10	97	227
		<hr/> 75,382	<hr/> 75,367
Current assets			
Accounts and other receivables	10	224	201
Term notes		254	415
Other financial assets		4	1
Time deposits		2,746	2,743
Cash and bank balances		41	61
		<hr/> 3,269	<hr/> 3,421
Current liabilities			
Accounts payable and accruals	11	525	470
Rental deposits from tenants		290	296
Amounts due to non-controlling interests		327	327
Borrowings		-	250
Taxation payable		233	120
		<hr/> 1,375	<hr/> 1,463
Net current assets		<hr/> 1,894	<hr/> 1,958
Total assets less current liabilities		<hr/> 77,276	<hr/> 77,325
Non-current liabilities			
Borrowings		5,113	4,609
Other financial liabilities		6	71
Rental deposits from tenants		640	594
Deferred taxation		714	683
		<hr/> 6,473	<hr/> 5,957
Net assets		<hr/> 70,803	<hr/> 71,368
Capital and reserves			
Share capital		7,643	7,642
Reserves		59,944	60,530
		<hr/> 67,587	<hr/> 68,172
Equity attributable to owners of the Company		<hr/> 67,587	<hr/> 68,172
Non-controlling interests		3,216	3,196
		<hr/> 70,803	<hr/> 71,368
Total equity		<hr/> 70,803	<hr/> 71,368

Notes:**1. Independent Review**

The interim results for the six months ended 30 June 2016 are unaudited, but have been reviewed in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), by Deloitte Touche Tohmatsu, whose report on review of condensed consolidated financial statements is included in the interim report to be sent to shareholders. The interim results have also been reviewed by the Group’s Audit Committee.

2. Basis of Preparation

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2016 have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the HKICPA.

The financial information relating to the year ended 31 December 2015 that is included in this result announcement as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

- The Company has delivered the financial statements for the year ended 31 December 2015 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.
- The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

3. Principal Accounting Policies

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at revalued amounts or fair values, as appropriate.

In the current period, the Group has applied all of the Amendments to Standards issued by the HKICPA that are relevant to its operations and effective for the Group’s financial year beginning on 1 January 2016. The adoption of these Amendments to Standards had no material effect on the results and financial position of the Group and/or disclosures set out in these unaudited condensed consolidated financial statements for the current and/ or prior accounting periods.

The accounting policies and methods of computations followed in the preparation of the unaudited condensed consolidated financial statements are the same as those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2015.

New and revised HKFRSs issued but not yet effective

The Group has not early applied the following new Standard and Amendments to Standards that have been issued but are not yet effective.

HKFRS 9	Financial Instruments ³
HKFRS 15	Revenue from Contracts with Customers ²
HKFRS 16	Leases ⁴
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵
Amendments to HKFRS 15	Clarifications to HKFRS 15 Revenue from Contracts with Customers ²
Amendments to HKAS 7	Disclosure Initiative ¹
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses ¹

¹ Effective for annual periods beginning on or after 1 January 2017.

² Effective for annual periods beginning on or after 1 January 2018.

³ Effective for annual periods beginning on or after 1 January 2018, except for the 2010 version of HKFRS 9 and the new requirements for hedge accounting issued in 2013, which the Group has early adopted.

⁴ Effective for annual periods beginning on or after 1 January 2019.

⁵ Effective for annual periods beginning on or after a date to be determined.

Hong Kong Financial Reporting Standard (“HKFRS”) 16 “Leases”

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. It distinguishes leases and service contracts on the basis of whether an identified asset is controlled by a customer. Subject to limited exceptions for short-term leases and low value assets, distinctions of operating and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees. However, the standard does not significantly change the accounting of lessors. As the Group acts as lessor under its operating leases, the Directors of the Company do not anticipate that the application of HKFRS 16 will have a material impact on the Group's consolidated financial statements.

The Directors of the Company anticipate that the application of these new Standards and Amendments to Standards will have no material impact on the results and financial position of the Group.

4. Turnover

Turnover represents gross rental income from investment properties and management fee income for the period.

The Group's principal activities are property investment, management and development, and its turnover and results are principally derived from investment properties located in Hong Kong.

5. Segment Information

Based on the internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (i.e. Chief Executive Officer of the Group) in order to allocate resources to segments and to assess their performance, the Group's operating and reportable segments are as follows:

Retail segment – leasing of space and related facilities to a variety of retail and leisure operators

Office segment – leasing of high quality office space and related facilities

Residential segment – leasing of luxury residential properties and related facilities

Segment turnover and results

The following is an analysis of the Group's turnover and results by operating and reportable segment.

	<u>Retail</u> HK\$ million	<u>Office</u> HK\$ million	<u>Residential</u> HK\$ million	<u>Consolidated</u> HK\$ million
<i>For the six months ended</i>				
<i>30 June 2016 (unaudited)</i>				
Turnover				
Gross rental income from investment properties	916	560	124	1,600
Management fee income	70	75	15	160
Segment revenue	986	635	139	1,760
Property expenses	(102)	(78)	(25)	(205)
Segment profit	884	557	114	1,555
Investment income				25
Administrative expenses				(116)
Finance costs				(92)
Change in fair value of investment properties				(280)
Share of results of associates				118
Profit before taxation				1,210

	<u>Retail</u> HK\$ million	<u>Office</u> HK\$ million	<u>Residential</u> HK\$ million	<u>Consolidated</u> HK\$ million
<i>For the six months ended 30 June 2015 (unaudited)</i>				
Turnover				
Gross rental income from investment properties	882	545	130	1,557
Management fee income	68	73	16	157
	<hr/>	<hr/>	<hr/>	<hr/>
Segment revenue	950	618	146	1,714
Property expenses	(111)	(53)	(23)	(187)
	<hr/>	<hr/>	<hr/>	<hr/>
Segment profit	839	565	123	1,527
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Investment income				34
Administrative expenses				(117)
Finance costs				(105)
Change in fair value of investment properties				1,160
Share of results of associates				134
				<hr/>
Profit before taxation				2,633
				<hr/> <hr/>

All of the segment turnover reported above is from external customers.

Segment profit represents the profit earned by each segment without allocation of investment income, administrative expenses (including central administration costs and directors' salaries), finance costs, change in fair value of investment properties and share of results of associates. This is the measure reported to the Chief Executive Officer of the Group for the purposes of resource allocation and performance assessment.

Segment assets

The following is an analysis of the Group's assets by operating and reportable segment.

	<u>Retail</u> HK\$ million	<u>Office</u> HK\$ million	<u>Residential</u> HK\$ million	<u>Consolidated</u> HK\$ million
<i>As at 30 June 2016 (unaudited)</i>				
Segment assets	34,007	23,562	7,793	65,362
Investment properties under redevelopment				4,654
Investments in associates				3,727
Other assets				4,908
Consolidated assets				78,651

As at 31 December 2015 (audited)

Segment assets	34,236	23,111	7,834	65,181
Investment properties under redevelopment				4,637
Investments in associates				3,683
Other assets				5,287
Consolidated assets				78,788

No segment liabilities analysis is presented as the Group's liabilities are monitored on a group basis.

6. Taxation

	Six months ended 30 June	
	<u>2016</u> HK\$ million	<u>2015</u> HK\$ million
Current tax		
Hong Kong profits tax (for current period)	200	197
Deferred tax	29	26
	229	223

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods.

7. Profit For The Period

	Six months ended 30 June	
	<u>2016</u>	<u>2015</u>
	HK\$ million	HK\$ million
Profit for the period has been arrived at after charging (crediting):		
Depreciation of property, plant and equipment	<u>9</u>	<u>9</u>
Gross rental income from investment properties including contingent rental of HK\$28 million (2015: HK\$50 million)	(1,600)	(1,557)
Less:		
- Direct operating expenses arising from properties that generated rental income	198	183
- Direct operating expenses arising from properties that did not generate rental income	<u>7</u>	<u>4</u>
	<u>(1,395)</u>	<u>(1,370)</u>
Net interest income	<u>(25)</u>	<u>(34)</u>
Staff costs, comprising:		
- Directors' emoluments	16	21
- Other staff costs	<u>129</u>	<u>130</u>
	<u>145</u>	<u>151</u>
Share of income tax of an associate (included in share of results of associates)	<u>52</u>	<u>57</u>

8. Earnings Per Share

(a) Basic and diluted earnings per share

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	Earnings	
	Six months ended 30 June	
	<u>2016</u>	<u>2015</u>
	HK\$ million	HK\$ million
Earnings for the purposes of basic and diluted earnings per share:		
Profit for the period attributable to owners of the Company	899	2,289
	<hr/> <hr/>	<hr/> <hr/>
	Number of shares	
	Six months ended 30 June	
	<u>2016</u>	<u>2015</u>
Weighted average number of ordinary shares for the purpose of basic earnings per share	1,047,978,938	1,063,884,548
Effect of dilutive potential ordinary shares:		
Share options issued by the Company	66,139	156,570
	<hr/> <hr/>	<hr/> <hr/>
Weighted average number of ordinary shares for the purpose of diluted earnings per share	1,048,045,077	1,064,041,118
	<hr/> <hr/>	<hr/> <hr/>

In both periods, the computation of diluted earnings per share does not assume the exercise of certain of the Company's outstanding share options as the exercise prices of those options were higher than the average market price for shares.

(b) Adjusted basic earnings per share

For the purpose of assessing the performance of the Group's principal activities (i.e. leasing of investment properties), the management is of the view that the profit for the period attributable to the owners of the Company should be adjusted in the calculation of basic earnings per share as follows:

	Six months ended 30 June			
	2016		2015	
	<u>Profit</u>	<u>Basic</u>	<u>Profit</u>	<u>Basic</u>
	<u>HK\$ million</u>	<u>earnings</u>	<u>HK\$ million</u>	<u>earnings</u>
		<u>per</u>		<u>per</u>
		<u>share</u>		<u>share</u>
		<u>HK cents</u>		<u>HK cents</u>
Profit for the period attributable to owners of the Company	899	85.78	2,289	215.15
Change in fair value of investment properties	280		(1,160)	
Effect of non-controlling interests' shares	1		44	
Share of change in fair value of investment properties (net of deferred taxation) of an associate	(2)		(10)	
Underlying Profit	1,178	112.41	1,163	109.32
Recurring Underlying Profit	1,178	112.41	1,163	109.32

Notes:

- (1) Recurring Underlying Profit is arrived at by excluding from Underlying Profit items that are non-recurring in nature (such as gains or losses on disposal of long-term assets). As there were no such adjustments in both the six months ended 30 June 2016 and 30 June 2015, the Recurring Underlying Profit is the same as the Underlying Profit.
- (2) The denominators used in calculating the adjusted earnings per share are the same as those detailed above for basic earnings per share.

9. Dividends

(a) Dividends recognised as distribution during the period:

	Six months ended 30 June	
	<u>2016</u>	<u>2015</u>
	HK\$ million	HK\$ million
2015 second interim dividend paid – HK107 cents per share	1,122	-
2014 second interim dividend paid – HK100 cents per share	-	1,064
	<u>1,122</u>	<u>1,064</u>

(b) Dividend declared after the end of the reporting period:

	Six months ended 30 June	
	<u>2016</u>	<u>2015</u>
	HK\$ million	HK\$ million
First interim dividend declared – HK26 cents per share (2015: HK25 cents per share)	272	266

The first interim dividend is not recognised as a liability as at 30 June 2016 and 30 June 2015 because it has been declared after the end of the reporting period.

The declared 2016 first interim dividend will be payable in cash.

10. Accounts and Other Receivables

	At 30 June <u>2016</u> HK\$ million	At 31 December <u>2015</u> HK\$ million
Accounts receivable	8	8
Interest receivable	52	59
Prepayments in respect of investment properties	42	121
Other receivables and prepayments	219	240
	<hr/> 321 <hr/>	<hr/> 428 <hr/>
Analysis for reporting purposes as:		
Current assets	224	201
Non-current assets	97	227
	<hr/> 321 <hr/>	<hr/> 428 <hr/>

Rents from leasing of investment properties are normally received in advance. At 30 June 2016, accounts receivable of the Group with carrying amount of HK\$8 million (31 December 2015: HK\$8 million) mainly represented rents receipts in arrears, which were aged less than 90 days.

11. Accounts Payable and Accruals

	At 30 June <u>2016</u> HK\$ million	At 31 December <u>2015</u> HK\$ million
Accounts payable	145	146
Interest payable	86	73
Other payables	294	251
	<hr/> 525 <hr/>	<hr/> 470 <hr/>

As at 30 June 2016, accounts payable of the Group with carrying amount of HK\$84 million (31 December 2015: HK\$99 million) were aged less than 90 days.