

**HONG KONG**

16 HK Outperform

Price (at 07:59, 06 Mar 2015 GMT) HK\$121.70

Valuation	HK\$	177.11
- DCF		
12-month target	HK\$	136.52
Upside/Downside	%	+12.2
12-month TSR	%	+14.9
Volatility Index		Low
GICS sector		Real Estate
Market cap	HK\$m	346,086
Market cap	US\$m	44,608
Free float	%	34
30-day avg turnover	US\$m	61.3
Number shares on issue	m	2,844

Investment fundamentals

Year end 30 Jun	2014A	2015E	2016E	2017E
Revenue	m 75,100	67,834	92,405	90,484
EBIT	m 24,982	25,617	25,768	27,453
EBIT growth	% 29.4	2.5	0.6	6.5
Reported profit	m 33,520	28,183	23,999	23,524
Adjusted profit	m 21,415	21,287	23,086	23,524
EPS rep	HK\$ 12.49	10.30	8.68	7.94
EPS rep growth	% -19.3	-17.6	-15.7	-8.5
EPS adj	HK\$ 7.98	7.80	8.36	7.94
EPS adj growth	% 11.3	-2.2	7.1	-4.9
PER rep	x 9.7	11.8	14.0	15.3
PER adj	x 15.2	15.6	14.6	15.3
Total DPS	HK\$ 3.34	3.37	3.23	3.21
Total DPS growth	% -0.2	0.8	-4.3	-0.6
Total div yield	% 2.7	2.8	2.7	2.6
ROA	% 4.7	4.4	4.2	4.3
ROE	% 5.3	5.0	5.1	4.9
EV/EBITDA	x 12.0	13.1	13.4	12.8
Net debt/equity	% 15.5	9.4	1.5	-4.2
P/BV	x 0.8	0.8	0.8	0.7

16 HK rel HSI performance, & rec history

Note: Recommendation timeline - if not a continuous line, then there was no Macquarie coverage at the time or there was an embargo period.

Source: FactSet, Macquarie Research, March 2015
(all figures in HKD unless noted)

Analyst(s)

David Ng, CFA
+852 3922 1291 david.ng@macquarie.com
Raymond Liu, CFA
+852 3922 3629 raymond.liu@macquarie.com

9 March 2015
Macquarie Capital Securities Limited

Sun Hung Kai Properties

The leader, in numbers and in spirit

Event

- SHKP ranked number one in HK in 2014, with an 18% market share. We believe it will remain the champion during 2015-17, with over a 20% market share. Visibility is high, as it has the largest land bank in Hong Kong and was still the most active buyer of land in 2014 (33% of all land sales in GFA). We estimate saleable resources of HKD243bn in HK and HKD107bn in China. Each of its office, retail and hotel rentals will remain the highest in HK. It has proven its leadership position in both bad (2013 was 5-year low) and good (2014 was record high year) HK residential markets. We keep our NAV flat at HK\$177.11 but raise our TP 4% to HK\$136.52, due to improved risk profile.
- Management has stood out from other HK developers in terms of in terms of good asset turnover, consistency and reliability over the last 6 months. With its strong balance sheet and easy credit access, the company can choose to slow down its sales, but it continues to deliver on time, unlike most peers. Management had promised to launch one new project per month since late 2013 and has largely delivered (11 launched). It targets HKD25bn sales for FY15 and we estimate it will reach HKD30bn, slightly below our previous forecast of HKD31bn, but still 43% YoY higher than FY14. Growth should continue to HKD35bn in FY16 and HKD42bn in FY17.
- We do not know whether the perseverance was an attempt to restore investors' and home buyers' confidence in the company after a 3-year ICAC investigation and the eventual sentencing of ex-Chairman Thomas Kwok last Dec. We expect management to remain proactive with new launches (Tung Chung, Yuen Long, Tseung Kwan O, Ho Man Tin and The Peak) and land acquisitions in 2015, widening its gap versus other major players.

Impact

- Family feud and court cases have been largely settled without much overhang left. Adam Kwok, the son of Thomas Kwok, appeared at the analyst briefing for the first time. But these factors are already priced in, in our view.
- Exceeding sales target and showing stable growth are great but they may not be strong enough catalysts to attract investors back to the stock. We expect the stock market will focus on US rate hike or its potential delay and wants to see how this will impact HK property sales and developers' margins. Another consideration is potential rotation from landlords and REITs upon rate hike. Before that happens, we remain cautious on the HK property sector and only see 15% TSR for SHKP, after it rose 29% (HSI +6%) over last 12 months.

Earnings and target price revision

- TP up 4% to HK\$136.52; 2015-16 core earnings revised by -1.7%/+3.4%.

Price catalyst

- 12-month price target: HK\$136.52 based on a Sum of Parts methodology.
- Catalyst: rate hike or its delay

Action and recommendation

- We maintain Outperform rating with 15% TSR to our TP. The stock is trading at 14.6x FY16 PE and at a 31% discount to NAV.

What has changed?

We raise our price target and NAV by 4.1% and 0.1%, respectively, due to the following changes in our assumptions:

- Higher ASP assumptions of its mass market projects, including Century Link in Tung Chung and Grand YOHO in Yuen Long;
- Inclusion of land purchases in Tin Wings light Rail station and Tuen Mun projects;
- HK property sales revenue rose 7% in 2015, due to delayed sales from 2014, contributing to an 11% rise in total revenue. 2016 revenue dropped despite addition of aircraft revenue of HKD1.1bn as we smooth sales over the next four years in view of a lack of land bank replenishment;
- We lower our beta assumption from 1.7 to 1.2 to reflect our confidence in SHKP's strong execution and the removal of overhang after the step down of Thomas Kwok from the executive director position in December 2014;
- Inclusion of cash proceeds of HK10.0bn from the exercise of warrants issued in April 2014. We estimate the company will receive another HK\$12bn in the coming 14 months, as the remaining warrants are exercised given the current share price is 20% over the subscription price of HK\$98.6/sh; and,
- Better than expected sales performance (price and volume) in Century Link. We thereby expect the company to launch Acappella P1 in 3Q15 instead of 2Q15, as the company should largely exceed its FY15 (June year-end) sales target of HK\$25bn.

Fig 1 Changes and versus consensus (HKD m)

	Price target HK\$	NAV HK\$	Revenue (HK\$ m)		Underlying profits* (HK\$m)	
			2015E	2016E	2015E	2016E
New	136.52	177.11	67,834	92,405	21,287	23,086
Old	131.20	176.87	68,025	89,401	21,662	22,307
Difference (%)	4.1%	0.1%	-0.3%	3.4%	-1.7%	3.5%
Consensus			67,076	85,981	21,048	23,661
Difference (%)			1.1%	7.5%	1.1%	-2.4%

* Adjusted for revaluation gains on investment properties and net of deferred tax.

Source: Bloomberg, Macquarie Research, March 2015

Valuation methodology

Our end-1H15 NAV estimate of HK\$177.11 includes HK\$56.50 of development properties for sale, HK\$136.87 of investment properties for lease and HK\$18.10 of net debt and other assets. Our new target price of HK\$136.52 is at a 23% discount to our end-1H15E NAV.

Our NAV estimate is the sum of GAV (gross asset value, before deducting net debt and other working capital) of individual projects plus net cash, net working capital and other investments of the whole company. Non-real estate assets and investments are stated at the latest reported book value. GAV is the sum of our estimate of all projects' free cash flows (FCF) over the next ten years, as shown in the table below. We assume all rental assets will be disposed of in 2023, and there is no terminal value.

We assume property prices in Hong Kong continue to trend down, with 5% downside in 2015. For mainland China, we assume property prices increase by 5% for the luxury segment in tier-one cities and 5-10% for the rest of tier-1/2 cities, respectively, in 2015, and rise another 5-10% in 2016E. In our scenario analysis, Fig 9, price and rental growth, occupancy and transaction volume assumptions are modified to result in different NAVs, implied values and earnings forecasts. The discount rate we use is based on a risk-free rate of 2%, an equity risk premium of 5% and a historical beta of 0.78. For projects with negative total free cash flows, especially investment properties, we keep a floor value at the costs already incurred and carried on the book.

Our target price is an adjusted version of NAV. For our target price calculation, we factor in only the next three years of FCF derived from a bottom-up project launch projection but followed by FCF based on top-down company-wide volume and price growth or decline assumptions in the remaining seven years, without considering individual project performance. The three stages of FCF are: 1) near-term (10% of total GAV), based on the current land bank without factoring in any new acquisitions between 2014 and 2016; 2) medium-term (21% of total GAV), based on continuous replenishment to keep the land bank size unchanged over 2017-19; and 3) long-term (69% of total GAV) based on a gradually depleting land bank after 2019 without acquisitions. Our target price values non-real estate assets using P/E, P/B or EV/EBITDA multiples. A subjective forward beta of 1.20 is used for our target price instead of historical beta of 0.78 for NAV to account for higher management execution risks and future market volatilities affecting the valuation of assets.

NAV reflects the value of the land bank and tends to be higher than reported book value (HK\$155.94/sh at December 2014). In our view, the latter does not give sufficient credit or discount to the company's market positioning, growth aspirations and execution track record. We believe our target price captures all the above aspects and is heavily influenced by our judgment of management's quality, as reflected in our choice of beta and our medium-term assumptions for the company's overall volume, price and cost growth. A detailed valuation breakdown is shown in Fig 4.

Fig 2 Enterprise free cash flows

(in HKD billion) fiscal year	Near term 10% of GAV		Medium term 21% of GAV			Long term 69% of GAV			
	2015F	2016F	2017F	2018F	2019F	2020F	2021F	2022F	2023F
	Cash flows of development properties only (based on existing land bank, attributable basis unless specified)								
Contracted sales (Gross)	43.3	51.1	65.2	83.7	76.9	50.6	45.8	54.4	24.2
Cash sales	36.5	45.6	57.1	75.8	71.2	47.8	42.6	47.2	19.3
Land purchase	(10.4)	(3.2)	(4.8)	(13.9)	(10.4)	(8.1)	-	-	-
Construction capex	(14.7)	(16.1)	(16.6)	(19.1)	(17.0)	(14.7)	(14.1)	(9.3)	(2.8)
SGA outflows	(2.2)	(2.7)	(3.4)	(4.5)	(4.3)	(2.9)	(2.6)	(2.9)	(1.2)
Taxes and other outflows	(3.1)	(3.4)	(3.2)	(7.0)	(6.4)	(5.8)	(4.3)	(4.1)	(3.3)
#1 Free cash flows	6.1	20.1	29.1	31.3	33.2	16.3	21.6	30.9	12.1
Cash flows of investment properties only (attributable)									
Rental income of operating assets	23.7	24.7	25.6	26.2	27.5	30.3	30.9	31.1	31.4
Related expenses	(10.6)	(11.1)	(11.4)	(11.6)	(12.8)	(14.8)	(14.6)	(14.6)	(14.9)
Total capex	(1.8)	(4.0)	(9.8)	(9.7)	(6.8)	(1.6)	(1.4)	(1.0)	-
#2 Free cash flows	11.3	9.6	4.4	4.9	7.9	14.0	15.0	15.4	16.5
Attributable free cash flow (including both development properties and investment properties)									
	17.3	29.7	33.5	36.2	41.1	30.3	36.6	46.3	28.6
For valuation purposes of development properties: existing land bank + land bank replenishment during medium term (attributable)									
Cash sales	36.5	45.6	38.6	38.6	38.6	38.6	38.6	38.6	38.6
Total capex	30.4	25.5	21.6	21.9	22.1	15.9	15.9	15.9	15.9
#3 Free cash flows	6.1	20.1	16.9	16.7	16.4	22.7	22.7	22.7	22.7

Source: Macquarie Research, March 2015

Fig 3 Target price derivation

	HKD/share	
DCF for development properties	67.63	A / shares
GAV for investment properties	82.12	B / shares
Net cash	(18.83)	C / shares
Other assets	5.60	D / shares
Target price	136.52	(A+B+C+D) / shares
Valuation breakdown		
	HK\$m	A + B
Total development properties (DCF)	191,724	A
Near term from 2014 to 2016	18,736	
Medium term from 2017 to 2019	40,484	
Long term beyond 2019	132,504	
Total investment properties (NAV)	388,008	B
Hotel	32,397	
Retail for Lease	175,230	
Office for Lease	152,488	
Residential for Lease	17,784	
Carparks	10,109	

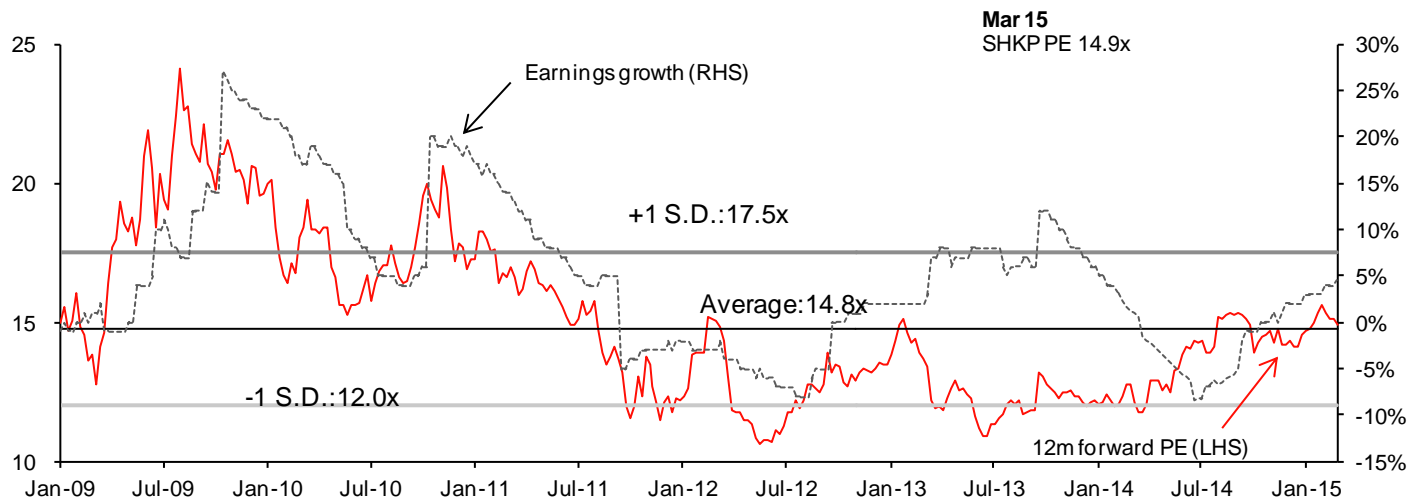
Source: Macquarie Research, March 2015

Fig 4 NAV derivation

	HKD/share	
NAV/share	177.11	E / shares
	HK\$m	-
NAV	502,078	E = F + X + Y + Z
Total gross asset value	548,190	F = G + H
Net cash	(53,394)	X
Net working capital	(7,039)	Y
Other investments	14,321	Z
Total development properties	160,181	G
Residential	144,644	
Retail for Sale	191	
Office for Sale	15,346	
Total investment properties	388,008	H
Hotel	32,397	
Residential for Lease	17,784	
Retail for Lease	175,230	
Office for Lease	152,488	
Carparks	10,109	
No. of outstanding shares	2,835	

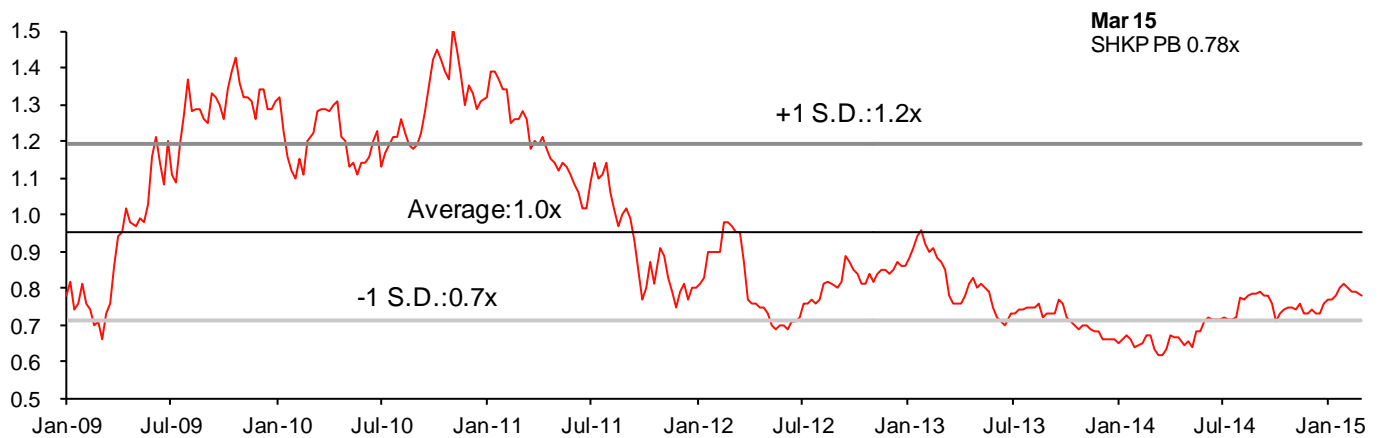
Source: Macquarie Research, March 2015

Fig 5 Consensus 12mth forward PER for SHKP



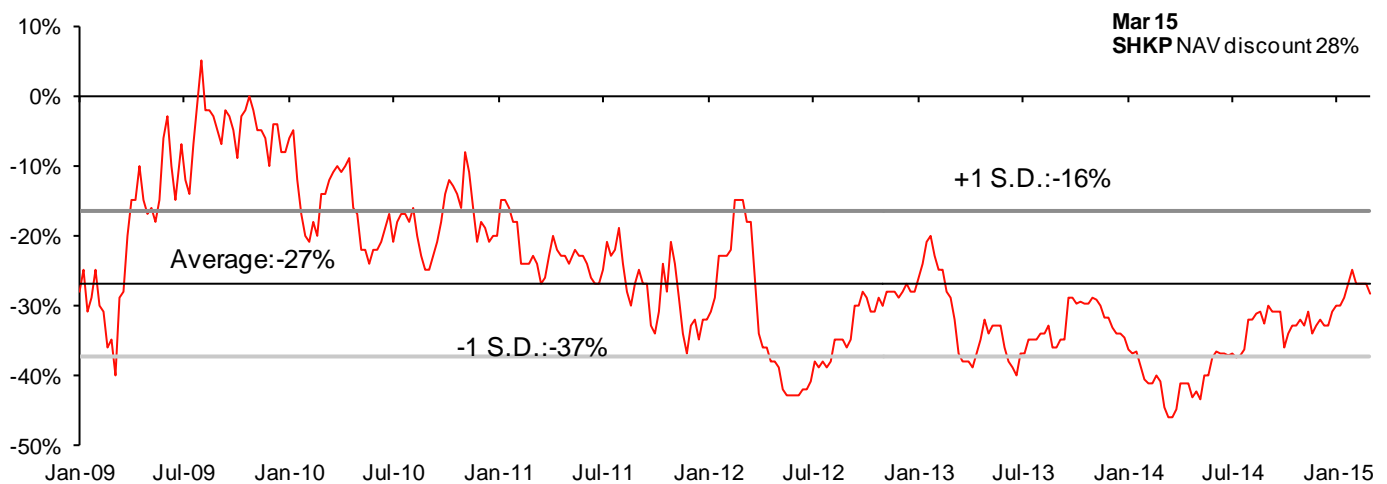
Source: Datastream, Macquarie Research, March 2015

Fig 6 P/BV for SHKP



Source: Datastream, Macquarie Research, March 2015

Fig 7 12-mth forward NAV for SHKP



Source: Datastream, Macquarie Research, March 2015

Fig 8 Key price and rental assumptions

Residential price growth	China – Tier-one cities			China – Tier-two cities			Hong Kong		
	2015F	2016F	Cap rate	2015F	2016F	Cap rate	2015F	2016F	Cap rate
Villas	5%	5%		5%	5%		0%	0%	
Luxury	5%	5%		5%	5%		0%	5%	
Above average	10%	10%		10%	10%		-5%	5%	
Mass market	10%	10%		5%	10%		-5%	5%	
Remote	5%	5%		5%	5%		-5%	5%	
Office rental growth									
Top Grade A	0%	0%	6.0%	0%	0%	9.0%	6%	5%	4.0%
Grade A	0%	0%	8.0%	0%	0%	10.0%	5%	5%	3.5%
Grade B	0%	0%	10.0%	0%	0%	11.0%	5%	5%	5.5%
Retail rental growth									
Mall	0%	0%	7.0%	0%	0%	8.0%	4%	3%	4.5%
Street	0%	0%	8.0%	0%	0%	9.0%	4%	3%	3.5%
Auxiliary	0%	0%	9.0%	0%	0%	10.0%	2%	1%	5.5%
Hotel rental growth									
5-star	0%	0%	8.0%	0%	0%	9.0%	0%	0%	6.5%
4-star	0%	0%	9.0%	0%	0%	10.0%	0%	0%	7.5%
3-star	0%	0%	10.0%	0%	0%	11.0%	0%	0%	8.5%

Source: Macquarie Research, March 2015

Fig 9 Scenario analysis

	Worst	Worse	Better	Best	Base
Results					
NAV (HKD/share)	136.4	155.3	191.8	205.3	177.11
Implied value (HKD /share)	101.4	115.3	150.2	158.9	136.52
FY15E net gearing (%)	11%	11%	9%	8%	9%
Revenue (HKD bn)					
2015E	62.3	64.2	69.5	71.7	67.8
2016E	82.3	85.5	98.3	101.2	92.4
Earnings (HKD bn)					
2015E	17.4	18.6	22.3	23.8	21.3
2016E	14.5	17.2	27.7	30.0	23.1
Free Cash Flows (HKD bn)					
2015E	(0.2)	1.1	8.3	9.7	6.1
2016E	13.5	15.5	24.6	24.3	20.1
Price					
2015 Variance	-10%	-10%	5%	5%	n/a
2016 Growth	-5%	5%	5%	0%	n/a
Volume					
2015 Variance	-5%	0%	0%	0%	0%
2016 Variance	0%	0%	0%	0%	0%

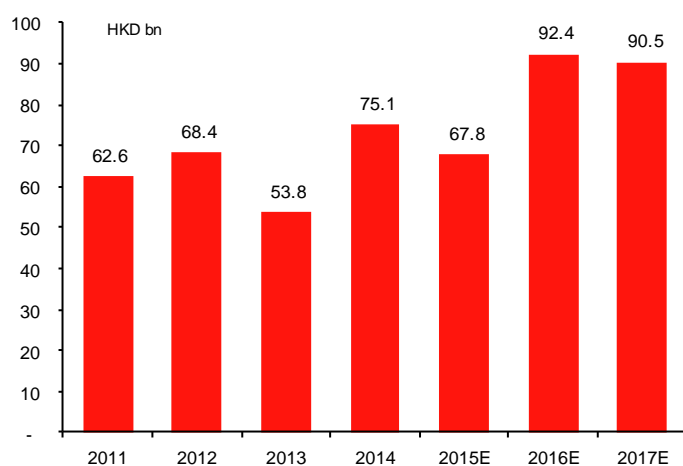
Source: Macquarie Research, March 2015

Fig 10 Financial summary (HKD m)

Summary	2013	2014	2015F	2016F	2017F
Revenue	53,793	75,100	67,834	92,405	90,484
Cost of sales	(29,907)	(44,989)	(36,594)	(60,573)	(56,878)
Gross profit	23,886	30,111	31,241	31,833	33,606
Adjusted net profit	18,619	21,415	21,287	23,086	23,524
Gross margin	44%	40%	46%	34%	37%
Underlying profit margin	35%	29%	31%	25%	26%
Financial stability					
Net gearing	12%	16%	9%	1%	-4%
Interest coverage	8.6	10.3	9.4	9.6	10.2
Associates/Net profit	41%	26%	16%	16%	14%
SGA/Revenue	10%	8%	10%	8%	8%
Tax/Pre-tax income	9%	18%	19%	18%	21%
Net operating cash flow	20,599	(3,706)	26,557	37,365	49,472
Net investing cash flow	(6,756)	(10,840)	(2,990)	(4,926)	(12,117)
Net financing cash flow	(11,679)	16,615	(1,339)	2,542	(9,575)

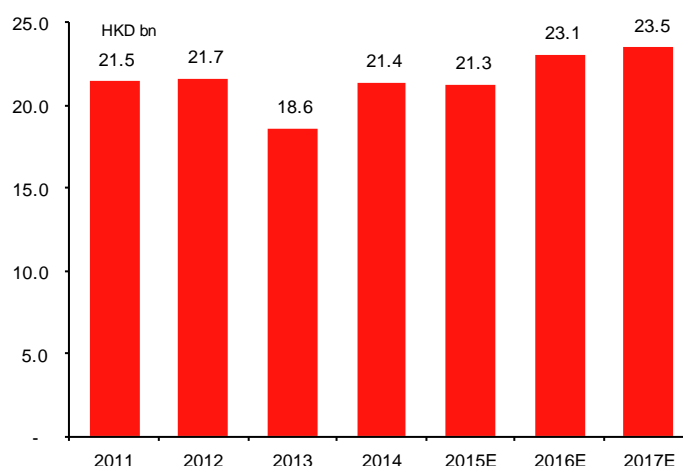
Source: Company data, Macquarie Research, March 2015

Fig 11 SHKP revenue growth, FY11–17E



Source: Company data, Macquarie Research, March 2015

Fig 12 SHKP adjusted earnings growth, FY11–17E

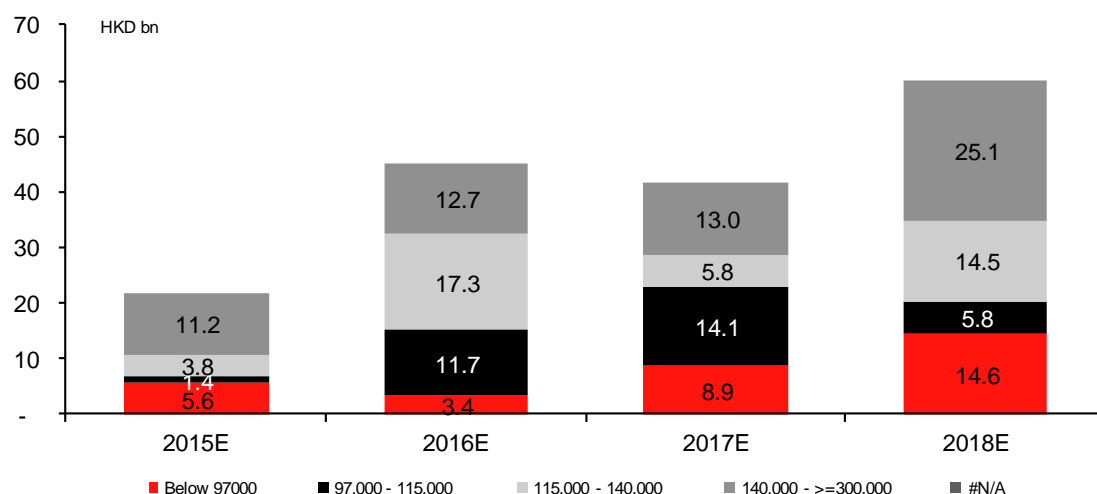


Source: Company data, Macquarie Research, March 2015

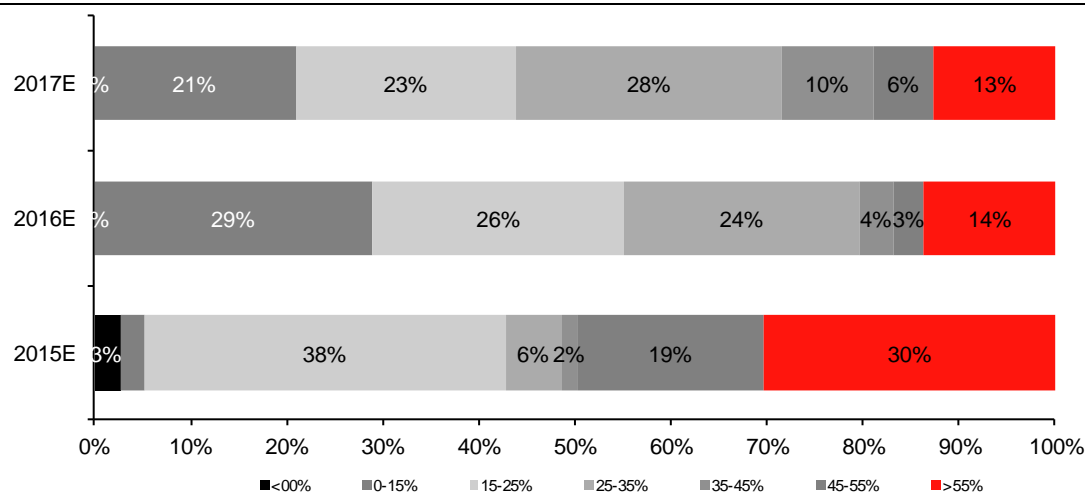
Fig 13 Property-related revenue breakdown and contributions of associates (HKD m)

Revenue	2015E	2016E	Share of associates	2015E	2016E
Residential for Sale	16,358	44,438	Residential for Sale	144	341
Retail for Sale	-	418	Retail for Sale	-	26
Office for Sale	5,597	234	Office for Sale	307	295
Development properties	21,956	45,089	Development properties	451	662
Hotel	4,317	4,317	Hotel	53	52
Residential for Lease	656	667	Residential for Lease	69	71
Retail for Lease	9,096	9,304	Retail for Lease	988	1,027
Office for Lease	5,204	5,679	Office for Lease	1,456	1,524
Investment properties	19,274	19,968	Investment properties	2,566	2,674
Car parks	595	605	Car parks	-	-
Total	41,825	65,662	Total	3,017	3,336
China and others	10,039	8,283	China and others	895	1,164
Hong Kong	31,786	57,379	Hong Kong	2,123	2,172
Total	41,825	65,662	Total	3,017	3,336

Source: Company data, Macquarie Research, March 2015

Fig 14 Revenue breakdown of development projects by ASP (HKD psm)

Source: Macquarie Research, March 2015

Fig 15 Breakdown of contracted sales by gross margin (%) – forecasts

Source: Macquarie Research, March 2015

Fig 16 Breakdown of property sales and GFA completion

In reported currency, fiscal year	2015E	2016E	2017E	2018E
Development and investment properties, gross, before sharing (000 sqm)				
GFA Completed	1,459	922	318	1,238
For sales (development properties)	1,140	654	309	1,047
For rent (investment properties)	318	268	9	191
Development properties, gross, before sharing (000 sqm)				
GFA sold by contract	632	742	980	1,044
GFA inventory	767	559	240	147
Attributable GFA sold by contract, after sharing (000 sqm)	458	555	732	839
Development properties of subsidiaries, after sharing				
GFA Booked (000 sqm)	311	526	404	877
Previous years' inventory sold this year	78	157	122	99
Pre-sold last year, completed this year	140	294	164	527
Sold and completed this year	92	75	119	251
Revenue (m)	21,956	45,089	41,787	59,930
Previous year's inventory sold this year	13,912	17,084	14,539	15,345
Pre-sold last year, completed this year	4,756	19,560	12,034	27,509
Sold and completed this year	3,288	8,446	15,215	17,075
Gross contracted sales, including 100% associates, before sharing (m, reported currency)				
Total amount	43,067	51,594	65,334	83,843
Consolidated amount of subsidiaries after sharing	35,843	43,799	55,694	70,547
Breakdown of booked sales (Rmb/sqm)				
Average selling price, after sharing	56,563	68,567	82,701	54,649
Average construction cost, after sharing	9,287	20,964	22,567	15,978
Average land cost, after sharing	10,523	22,327	24,018	19,829

Source: Macquarie Research, March 2015

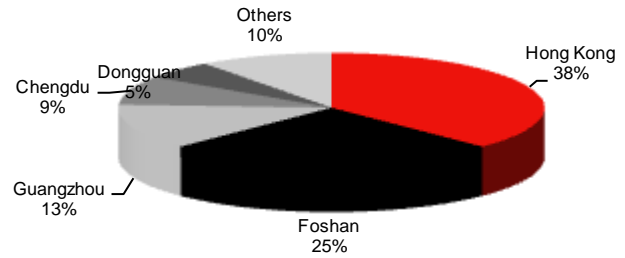
Fig 17 End-14E land bank breakdown by city

	000 sqm	% of total
Hong Kong	2,893	38%
Foshan	1,925	25%
Guangzhou	1,032	13%
Chengdu	658	9%
Dongguan	419	5%
Others	783	10%
Total	7,710	100%

The company has projects spread over 10 cities. In terms of GFA, Hong Kong has the largest land bank, accounting for 38% of total GFA, followed by Foshan, Guangzhou, Chengdu and Dongguan. Tier-one cities, including HK and Macau, contribute 54% of GFA while tier-two cities account for 11%.

Source: Company data, Macquarie Research, March 2015

Fig 18 End-14E land bank breakdown by city



Source: Company data, Macquarie Research, March 2015

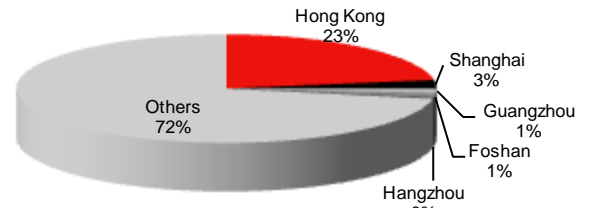
Fig 19 End-FY14E GAV breakdown by city

	HKD m	% of total
Hong Kong	121,159	22%
Shanghai	13,383	2%
Guangzhou	7,117	1%
Foshan	7,113	1%
Hangzhou	2,451	0%
Others	387,381	72%
Total	538,603	100%

We estimate end-14 GAV of Hong Kong accounts for 22% of the value, followed by Shanghai, Guangzhou, Foshan and Hangzhou. Tier-one cities, including HK and Macau, contribute 26% of value while tier-two and tier-three cities account for 1% and 73%.

Source: Company data, Macquarie Research, March 2015

Fig 20 End-14E GAV breakdown by city



Source: Company data, Macquarie Research, March 2015

Fig 21 SHKP property development exposure by city

	BJ	SH	GZ	Tier-1 cities SZ	HK	Singapore+ Macau	Tier-2 cities	Tier-3 cities	Others	Total
Revenue – 2015E	0%	3%	11%	0%	37%	0%	1%	0%	48%	100%
Revenue - 2016E	0%	2%	2%	0%	62%	0%	0%	3%	31%	100%
GAV - 2014E	0%	2%	1%	0%	22%	0%	1%	2%	71%	100%
GAV - 2015E	0%	3%	1%	0%	22%	0%	1%	2%	71%	100%
GFA – 2014E	0%	3%	13%	0%	38%	0%	12%	34%	0%	100%
GFA – 2015E	0%	4%	13%	0%	37%	0%	11%	35%	0%	100%

Source: Company data, Macquarie Research, March 2015

Fig 22 Major revenue contribution by development properties in coming years (HKDm)

Revenue	City	2015F	2016F	2017F	2018F
The Wings II	Tseung Kwan O	0	0	0	0
Riva	Yuen Long	416	416	416	0
Century Gateway	Tuen Mun	387	0	0	0
Arch	Shanghai	1,164	1,222	611	4,564
The Cullinan	Yau Tsim Mong	4,761	0	0	0
Forest Hills	Guangzhou	3,605	670	1,686	1,824
One Harbour Square	Kwun Tong	3,420	0	0	4,982
W50	Island South	1,944	0	0	0
Twelve Peaks	Peak	1,584	767	767	767
Mount One	Fanling	1,113	0	0	0
Grand YOHO	Yuen Long	0	7,533	5,797	4,543
Fat Kwong St Project	Homantin	0	7,471	6,978	4,071
The Wings IIIA	Tseung Kwan O	0	7,298	0	0
Century Link	Tung Chung	0	6,914	4,864	0
Acappella	Yuen Long	0	4,551	8,539	5,143
Xujiahui project	Shanghai	0	0	2,807	2,807
Lake Geneve	Suzhou	0	0	2,331	293
Kau To project	Sha Tin	0	0	1,644	986
23 Babington P	Mid-Levels	0	0	1,308	0
KCC	Kwai Chung	234	234	1,168	1,168
Stubbs Road Project	Mid-Levels	0	0	0	7,364
Java Road project	North Point	0	0	0	5,139
Tseung Kwan O Area 66D2	Tseung Kwan O	0	0	0	4,954
Oriental Bund	Foshan	0	1,666	0	2,768
Dongtou project	Yuen Long	0	0	0	1,871
Others		3,329	6,348	2,871	6,685
Total		21,956	45,089	41,788	59,930

Source: Company data, Macquarie Research, March 2015

Fig 23 Major gross contracted sales contribution in coming years (HKDm)

Contracted sale		2015F	2016F	2017F	2018F
Riva	Yuen Long	416	416	416	0
Century Gateway	Tuen Mun	430	0	0	0
The Cullinan	Yau Tsim Mong	4,761	0	0	0
*Riviera	Guangzhou	3,887	2,189	969	157
MIXc	Guangzhou	483	1,394	2,636	2,513
The Wings IIIA	Tseung Kwan O	6,933	365	0	0
Century Link	Tung Chung	6,914	4,864	0	0
One Harbour Square	Kwun Tong	3,420	0	2,491	2,491
The Wings IIIB	Tseung Kwan O	2,312	122	0	0
W50	Island South	1,944	0	0	0
Grand YOHO	Yuen Long	0	7,533	5,797	4,543
Fat Kwong St Project	Homantin	0	7,471	6,978	4,071
Tseung Kwan O Area 66D2	Tseung Kwan O	0	4,954	0	0
Acappella	Yuen Long	0	4,551	8,539	5,143
Xujiahui project	Shanghai	0	2,807	2,807	2,860
Stubbs Road Project	Mid-Levels	0	0	4,419	2,946
Java Road project	North Point	0	0	3,597	4,483
Arch	Shanghai	1,164	1,222	2,893	2,282
TODTOWN	Shanghai	0	0	2,858	953
1-3 Church Lane	Island East	0	2,028	2,130	0
Nam Cheong Station Project	Nam Cheong	0	0	0	11,618
LOHAS Park	Tseung Kwan O	0	0	0	8,037
Tin Shui Wai Area 115	Tin Shui Wai	0	0	0	5,918
98 How Ming Street	Kwun Tong	0	0	0	5,819
18-20 Caine Road	Mid-Levels	0	0	0	2,400
Others		10,405	11,679	18,805	17,610
Total		43,067	51,594	65,334	83,843

Source: Company data, Macquarie Research, March 2015

Fig 24 Summary of development properties (HKDm) – 2015

Development properties	City	Own (%)	GFA*	Sales	Time of Delivery	Cost^ of		Current Price^ margin	GFA sold	During the year		Projected Attributable free cash flows										Disc Rate	Gross asset value					
						Land	Const.			year-end	Revenue	Asso	2014	2015	2016	2017	2018	2019	2020	2021	2022		2014	2015	2016			
2015																												
The Cullinan (Diamond Sky)	Mong/HK	100%	14	Mar 15	Jun 09	5,790	0	25,000	77%	0%	3,671	-	-	2,761	(334)	-	-	-	-	-	-	-	-	5.3%	2,382	(325)	-	
Forest Hills (峻林, Residential) P1	Guangzhou	70%	86	Dec 12	Mar 15	5,200	8,000	38,000	65%	73%	3,605	-	454	(49)	238	(95)	-	-	-	-	-	-	-	6.1%	88	144	(92)	
One Harbour Square (181 Hoi Bun Road) P1	Kwun Tong/HK	64%	29	Jun 14	Sep 13	1,988	3,484	13,000	58%	15%	3,420	-	230	1,628	(148)	-	-	-	-	-	-	-	-	5.3%	1,449	(144)	-	
*Riviera (Office, Top Plaza 天盈广场) P2	Guangzhou	33%	60	Sep 13	Mar 15	9,890	7,000	50,000	66%	57%	-	332	336	220	(16)	(21)	(2)	-	-	-	-	-	-	6.0%	180	(35)	(22)	
Zhijiang Foothill Residence (JV CRLN 之江九里) P1	Hangzhou	40%	137	Mar 13	Sep 14	11,120	6,000	17,000	-1%	42%	-	(38)	(20)	232	299	14	-	-	-	-	-	-	-	6.3%	509	303	14	
W50 (50 Wong Chuk Hang Road)	Island South/HK	100%	13	Jul 14	Mar 15	836	3,484	13,500	68%	0%	1,944	-	(127)	1,367	(158)	-	-	-	-	-	-	-	-	5.3%	1,186	(154)	-	
Twelve Peaks (House 6,7,9,12)	Peak/HK	100%	1	Aug 14	Mar 12	35,974	6,968	98,400	56%	0%	1,584	-	-	1,191	(101)	-	-	-	-	-	-	-	-	5.3%	1,067	(99)	-	
Arch P1	Shanghai	100%	50	Mar 12	Sep 13	20,230	20,000	115,000	65%	61%	1,164	-	299	587	617	183	(120)	-	-	-	-	-	-	6.1%	1,195	663	68	
Mount One (Residential)	Fanling/HK	100%	11	Apr 14	Sep 14	4,000	3,484	9,700	23%	99%	1,113	-	735	(38)	(0)	-	-	-	-	-	-	-	-	5.3%	(38)	(0)	-	
The Cullinan (Ocean Sky; Tower 20- Zone 2)	Mong/HK	100%	17	Oct 13	Jun 09	5,790	0	20,000	71%	70%	1,089	-	1,911	609	(90)	-	-	-	-	-	-	-	-	5.3%	510	(88)	-	
*Riviera (Residential) P1b	Guangzhou	33%	100	Sep 12	Sep 13	9,890	8,000	55,000	67%	85%	-	91	42	121	(20)	(15)	-	-	-	-	-	-	-	6.0%	86	(34)	(15)	
Park Royale (Shiling) P1B	Guangzhou	100%	100	Mar 14	Sep 14	1,500	3,500	8,500	41%	40%	889	-	61	225	135	(23)	-	-	-	-	-	-	-	6.1%	322	110	(23)	
ICC-Sirius (Residential 1B) P2	Chengdu	40%	55	Sep 13	Sep 14	3,660	5,000	11,500	25%	40%	-	33	28	117	(0)	-	-	-	-	-	-	-	-	6.1%	113	(0)	-	
Deauville (星岸, 26 apartments)	Tuen Mun/HK	100%	4	Oct 14	Mar 14	3,921	5,226	14,000	35%	0%	575	-	(101)	432	30	(2)	-	-	-	-	-	-	-	5.3%	447	27	(2)	
Shouson Peak (relaunched) P4	Peak/HK	100%	7	Nov 14	Mar 12	10,989	5,806	69,000	76%	0%	547	-	-	411	362	608	579	579	579	579	(79)	5.3%	3,005	2,743	2,517			
Taihu International Community (Residential) P4	Wuxi	40%	142	Sep 12	Sep 13	3,630	4,000	12,000	36%	76%	-	18	251	125	(13)	-	-	-	-	-	-	-	-	6.3%	109	(13)	-	
Riva (48 villas, Residential)	Yuen Long/HK	100%	9	May 13	Sep 13	3,375	4,065	18,000	59%	28%	416	-	297	283	284	284	(28)	-	-	-	-	-	-	5.3%	765	515	251	
Jovo Town (2B-1) P4	Chengdu	91%	38	Mar 14	Mar 15	390	4,000	7,000	37%	70%	345	-	78	3	(7)	-	-	-	-	-	-	-	-	6.1%	(3)	(6)	-	
Century Gateway P1	Tuen Mun/HK	100%	78	Sep 12	Mar 13	2,258	2,903	12,000	57%	96%	344	-	(249)	258	(14)	-	-	-	-	-	-	-	-	5.3%	239	(14)	-	
Taihu International Community (Residential) P5	Wuxi	40%	143	Sep 14	Sep 14	3,630	4,000	12,000	36%	0%	-	16	(115)	66	336	199	(31)	-	-	-	-	-	-	6.3%	516	481	165	
Chatham Gate (Residential)	To Kwa Wan/HK	29%	32	Sep 11	Sep 13	2,764	3,484	12,600	50%	93%	-	28	355	33	(4)	-	-	-	-	-	-	-	-	5.3%	28	(4)	-	
ICC (天玺, 64 units)	Shanghai	100%	20	Jun 15	Sep 13	11,960	15,000	90,000	70%	0%	237	-	(22)	164	116	400	303	303	(156)	-	-	-	-	6.1%	976	866	800	
KCC (Office) P1B	Kwai Chung/HK	100%	13	Sep 14	Sep 08	716	2,903	8,300	56%	0%	234	-	-	176	161	161	161	161	(14)	-	-	-	-	5.3%	714	572	437	
Zhijiang Foothill Residence (JV CRLN 之江九里) P2	Hangzhou	40%	82	Mar 15	Sep 14	11,120	6,000	17,000	-1%	0%	-	(4)	(148)	4	298	249	10	-	-	-	-	-	-	6.3%	497	524	250	
Deauville (星岸, 7 villas)	Tuen Mun/HK	100%	2	Oct 14	Mar 14	3,921	5,806	32,000	70%	0%	149	-	(54)	112	100	325	(37)	-	-	-	-	-	-	5.3%	456	365	282	
Others											631	(26)																
Sub-total											21,956	451																

Source: Company data, Macquarie Research, March 2015; *Refers to '000 sqm. ^ China: Rmb/sqm. HK: HK\$/sqft/ # reported currency mn

Fig 25 Summary of development properties (HKDm) – 2016

Development properties	City	Own (%)	GFA*	Sales	Time of Delivery	Cost^ of		Current Price^ margin	GFA sold year-end	During the year Revenue	Asso	Projected Attributable free cash flows										Disc Rate	Gross asset value																		
						Land	Const.					2014	2015	2016	2017	2018	2019	2020	2021	2022	2014		2015	2016																	
2016																																									
Grand YOHO P1	Yuen Long/HK	100%	67	Sep 15	Jun 16	2,837	4,065	11,000	37%	0%	7,533	-	(625)	(625)	5,038	(265)	-	-	-	-	-	-	5.3%	3,820	4,664	(258)															
Fat Kwong St Project P1	Homantin/HK	100%	34	Sep 15	Mar 15	13,933	5,806	23,000	14%	0%	7,471	-	(671)	(504)	5,618	594	(7)	-	-	-	-	-	5.3%	5,223	6,017	572															
	Tseung Kwan O/HK																																								
The Wings IIIA (Residential, Area 66A)	O/HK	100%	58	Aug 14	Aug 15	4,479	4,065	12,300	31%	0%	7,298	-	(677)	4,536	(23)	(10)	-	-	-	-	-	-	5.3%	4,391	(31)	(9)															
Century Link (Residential) P1	Tung Chung/HK	100%	65	Dec 14	Dec 15	3,092	4,065	10,400	31%	0%	6,914	-	(759)	4,441	(571)	-	-	-	-	-	-	-	5.3%	3,799	(557)	-															
Acappella (Residential, Kam Tin Shapu)	O/HK																																								
	Yuen Long/HK	100%	62	Sep 15	Jun 15	3,348	4,065	9,500	22%	0%	4,551	-	(935)	(1,251)	3,422	1,130	(24)	-	-	-	-	-	5.3%	2,920	4,359	1,079															
MIXc (Serviced Apt. CROWN 悦玺)	Hangzhou	40%	94	Sep 13	Sep 15	6,740	10,000	37,280	55%	50%	-	294	488	(156)	80	108	108	108	(40)	-	-	6.3%	156	327	265																
*Riviera (Office/SA) P3b	Guangzhou	33%	57	Sep 14	Sep 15	9,890	6,000	55,000	71%	0%	-	284	(38)	252	255	95	(37)	(12)	-	-	-	6.0%	521	293	48																
	Tseung Kwan O/HK																																								
The Wings IIIB (Residential, Area 66C1)	O/HK	100%	19	Oct 14	Apr 16	4,512	4,065	12,500	31%	0%	2,434	-	(222)	1,517	(158)	(3)	-	-	-	-	-	-	5.3%	1,329	(157)	(3)															
	Kennedy Town/HK																																								
Imperial Kennedy (Residential)	Town/HK	92%	9	Nov 13	Nov 15	6,968	4,645	22,000	47%	67%	2,055	-	846	39	196	(18)	-	-	-	-	-	-	5.3%	203	174	(18)															
Oriental Bund (Residential 滙景花园) P1	Foshan	80%	130	Mar 14	Sep 15	2,960	4,000	7,500	7%	50%	1,248	-	171	200	(29)	-	-	-	-	-	-	-	6.1%	168	(28)	-															
Taihu International Community (Residential) P5	Wuxi	40%	143	Sep 14	Sep 14	3,630	4,000	12,000	36%	0%	-	60	(115)	66	336	199	(31)	-	-	-	-	-	6.3%	516	481	165															
Arch P1	Shanghai	100%	50	Mar 12	Sep 13	20,230	20,000	115,000	65%	61%	1,222	-	299	587	617	183	(120)	-	-	-	-	-	6.1%	1,195	663	68															
Zhijiang Foothill Residence (JV CRLN 之江九里) P2	Hangzhou	40%	82	Mar 15	Sep 14	11,120	6,000	17,000	-1%	0%	-	(20)	(148)	4	298	249	10	-	-	-	-	-	6.3%	497	524	250															
Zhijiang Foothill Residence (JV CRLN 之江九里) P1	Hangzhou	40%	137	Mar 13	Sep 14	11,120	6,000	17,000	-1%	42%	-	(29)	(20)	232	299	14	-	-	-	-	-	-	6.3%	509	303	14															
MIXc (Office for sale 180m) P1	Hangzhou	40%	99	Sep 15	Mar 15	6,740	10,000	20,000	16%	0%	-	(25)	(197)	(198)	241	251	216	8	-	-	-	-	6.3%	424	655	447															
Twelve Peaks (remaining 8 houses)	Peak/HK	100%	3	Sep 15	Mar 12	35,974	6,968	113,000	62%	0%	767	-	-	-	577	522	522	522	522	(55)	-	-	5.3%	2,196	2,312	1,843															
Forest Hills (峻林, Residential) P1	Guangzhou	70%	86	Dec 12	Mar 15	5,200	8,000	38,000	65%	73%	670	-	454	(49)	238	(95)	-	-	-	-	-	-	6.1%	88	144	(92)															
Shouson Peak (relaunched) P4	Peak/HK	100%	7	Nov 14	Mar 12	10,989	5,806	69,000	76%	0%	547	-	-	411	362	608	579	579	579	579	(79)	5.3%	3,005	2,743	2,517																
City Crossing (Retail for sale)	Hangzhou	40%	16	Sep 15	Mar 15	6,740	12,000	37,280	50%	0%	-	26	(31)	(23)	127	62	(15)	-	-	-	-	-	6.3%	134	167	46															
ICC-Sirius (Residential 1C) P3	Chengdu	40%	44	Sep 15	Mar 15	3,660	5,000	12,000	28%	0%	-	16	(44)	(33)	116	72	(3)	-	-	-	-	-	6.1%	133	175	67															
Oriental Bund (Retail) P1	Foshan	80%	17	Apr 14	Oct 15	2,960	8,000	20,000	45%	100%	418	-	189	(73)	(14)	-	-	-	-	-	-	-	6.1%	(84)	(14)	-															
Riva (48 villas, Residential)	Yuen Long/HK	100%	9	May 13	Sep 13	3,375	4,065	18,000	59%	28%	416	-	297	283	284	284	(28)	-	-	-	-	-	5.3%	765	515	251															
*Riviera (Office, Top Plaza 天盈广场) P2	Guangzhou	33%	60	Sep 13	Mar 15	9,890	7,000	50,000	66%	57%	-	36	336	220	(16)	(21)	(2)	-	-	-	-	-	6.0%	180	(35)	(22)															
Park Royale (Shiling) P1B	Guangzhou	100%	100	Mar 14	Sep 14	1,500	3,500	8,500	41%	40%	256	-	61	225	135	(23)	-	-	-	-	-	-	6.1%	322	110	(23)															
ICC (天堡, 64 units)	Shanghai	100%	20	Jun 15	Sep 13	11,960	15,000	90,000	70%	0%	249	-	(22)	164	116	400	303	303	(156)	-	-	-	6.1%	976	866	800															
Others											1,042	20																													
Sub-total											45,089	662																													

Source: Company data, Macquarie Research, March 2015; *Refers to '000 sqm. ^ China: Rmb/sqm. HK: HK\$/sqft/ # reported currency mn

Fig 26 Upcoming investment properties (HKDm)

Investment properties	City	Own (%)	GFA*	Time of Delivery	Costs [^] of		Spot Rent [^]	Occupancy			Average rent [^]			Gross rental#			Share of asso.#			Fair value#		
					Land	Const.		2014E	2015E	2016E	2014E	2015E	2016E	2014E	2015E	2016E	2014E	2015E	2016E	2014E	2015E	2016E
2015																						
Redevelopment - Hip Lik Industrial Building (Office)	San Po Kong	100%	11	Mar 15	21,399	37,500	215	0%	15%	70%	215	219	226	-	4	20	-	-	-	657	340	356
Redevelopment - Hip Lik Industrial Building (Retail)	San Po Kong	100%	11	Mar 15	21,399	37,500	531	0%	16%	78%	535	537	539	-	8	38	-	-	-	709	588	614
Redevelopment - Life @ KCC	Kwai Chung	100%	9	Jun 15	27,771	25,000	319	0%	0%	60%	321	322	324	-	-	14	-	-	-	475	187	201
Acappella (Retail, Kam Tin Shapu)	Yuen Long	100%	3	Jun 15	36,039	43,750	266	0%	0%	78%	267	268	270	-	-	5	-	-	-	245	67	72
Mount One (Retail)	Fanling	100%	0	Sep 14	39,211	31,250	319	0%	49%	78%	321	322	324	-	0	1	-	-	-	26	11	12
Taihu International Community (Retail for lease MIXc)	Wuxi	40%	145	Sep 14	4,538	12,500	188	0%	52%	78%	188	188	188	-	-	-	-	(10)	3	988	355	368
Parc Central (天環)	Guangzhou	50%	80	Mar 15	15,609	10,000	500	0%	14%	73%	500	500	500	-	-	-	-	(7)	(2)	1,025	870	903
ICC (Office) P2	Shanghai	100%	59	Mar 15	14,949	18,750	375	0%	19%	100%	375	375	375	-	47	250	-	-	-	3,535	3,115	3,157
Sub-total			318											-	59	328	-	(17)	1	7,660	5,534	5,683
2016																						
Century Link (Retail)	Tung Chung	100%	3	Dec 15	33,286	43,750	319	0%	0%	32%	321	322	324	-	-	2	-	-	-	171	193	72
The Wings IIIB (Retail, Area 66C1)	O Tseung Kwan	100%	2	Apr 16	48,570	43,750	319	0%	0%	11%	321	322	324	-	-	1	-	-	-	179	206	64
The Wings IIIA (Retail, Area 66A)	O	100%	7	Aug 15	48,216	43,750	319	0%	0%	54%	321	322	324	-	-	10	-	-	-	599	615	193
Grand YOHO (Retail)	Yuen Long Kennedy	100%	44	Jun 16	30,535	18,750	637	0%	0%	0%	642	644	647	-	-	-	-	-	-	2,783	3,057	2,748
Imperial Kennedy (Retail)	Town	92%	4	Nov 15	75,000	50,000	319	0%	0%	38%	321	322	324	-	-	4	-	-	-	395	418	94
*Conrad Guangzhou (Hotel 350 rooms)	Guangzhou	33%	39	Sep 15	12,366	12,500	938	0%	0%	34%	938	938	938	-	-	-	-	-	(1)	313	327	171
*Riviera (Retail mall)	Guangzhou	33%	99	Sep 15	12,363	8,750	500	0%	0%	56%	500	500	500	-	-	-	-	-	3	763	850	767
*Riviera (Office) P3a	Guangzhou	33%	70	Sep 15	12,363	10,000	275	0%	0%	30%	275	275	275	-	-	-	-	-	(2)	622	692	648
Sub-total			268											-	-	16	-	-	(0)	5,824	6,359	4,758

Source: Company data, Macquarie Research, March 2015; *Refers to '000 sqm. ^ China: Rmb/sqm. HK: HK\$/sqft/ # reported currency mn

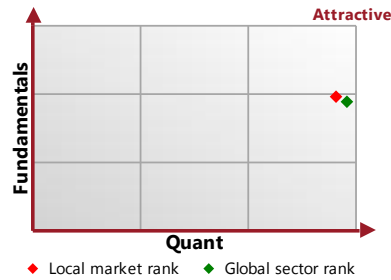
Macquarie Quant View

The quant model currently holds a strong positive view on Sun Hung Kai Properties. The strongest style exposure is Earnings Momentum, indicating this stock has received earnings upgrades and is well liked by sell side analysts. The weakest style exposure is Profitability, indicating this stock is not efficiently converting its investments to earnings as proxied by ratios such as ROE, ROA etc.

24/835

Global rank in Real Estate

% of BUY recommendations 74% (14/19)
Number of Price Target downgrades 0
Number of Price Target upgrades 6

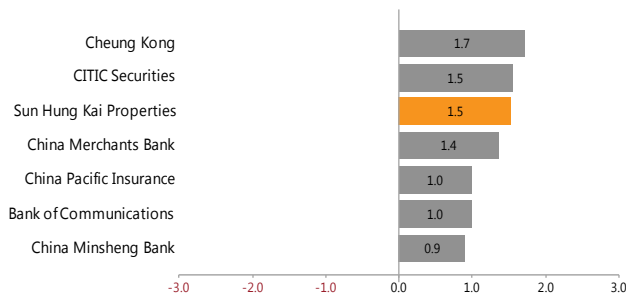


Displays where the company's ranked based on the fundamental consensus Price Target and Macquarie's Quantitative Alpha model.

Two rankings: Local market (Hong Kong) and Global sector (Real Estate)

Macquarie Alpha Model ranking

A list of comparable companies and their Macquarie Alpha model score (higher is better).



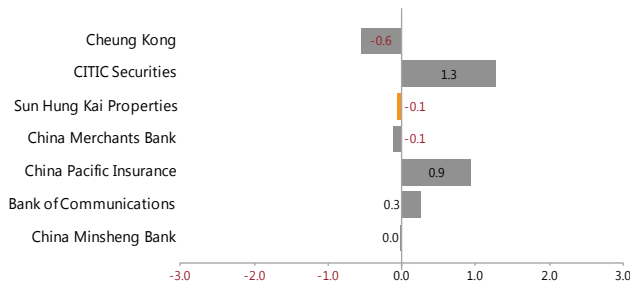
Factors driving the Alpha Model

For the comparable firms this chart shows the key underlying styles and their contribution to the current overall Alpha score.



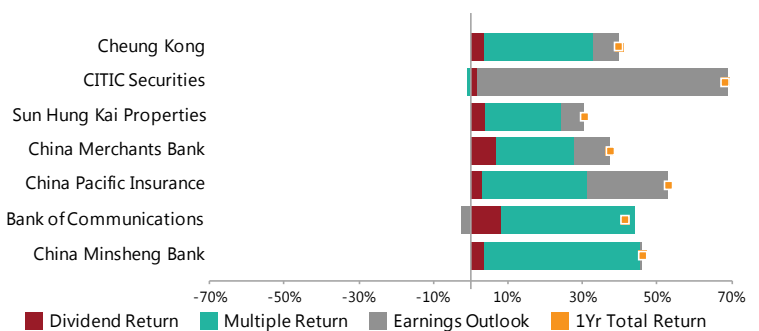
Macquarie Earnings Sentiment Indicator

The Macquarie Sentiment Indicator is an enhanced earnings revisions signal that favours analysts who have more timely and higher conviction revisions. Current score shown below.



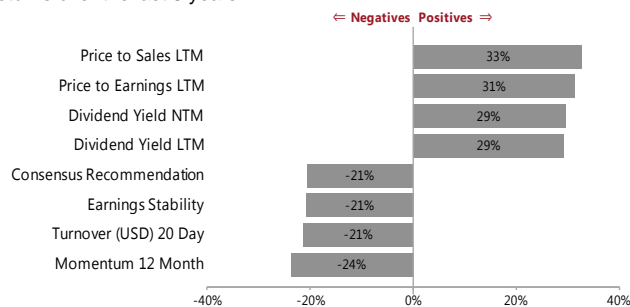
Drivers of Stock Return

Breakdown of 1 year total return (local currency) into returns from dividends, changes in forward earnings estimates and the resulting change in earnings multiple.



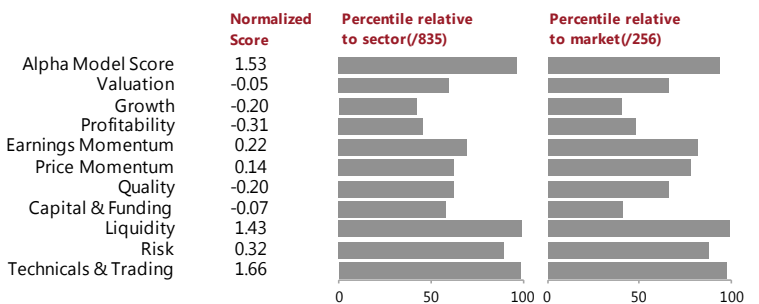
What drove this Company in the last 5 years

Which factor score has had the greatest correlation with the company's returns over the last 5 years.



How it looks on the Alpha model

A more granular view of the underlying style scores that drive the alpha (higher is better) and the percentile rank relative to the sector and market.



Source (all charts): FactSet, Thomson Reuters, and Macquarie Research. For more details on the Macquarie Alpha model or for more customised analysis and screens, please contact the Macquarie Global Quantitative/Custom Products Group (cpq@macquarie.com)

Sun Hung Kai Properties (16 HK, Outperform, Target Price: HK\$136.52)

Interim Results					Profit & Loss						
	1H/15A	2H/15E	1H/16E	2H/16E		2014A	2015E	2016E	2017E		
Net Property Income	m	10,008	9,861	10,286	10,286	Net Property Income	m	18,907	19,869	20,572	21,190
Development Income	m	8,320	13,636	26,186	18,903	Development Income	m	33,607	21,956	45,089	41,787
Other Revenue	m	13,765	12,245	13,372	13,372	Other Revenue	m	22,586	26,010	26,744	27,507
Total Revenue	m	32,093	35,741	49,844	42,561	Total Revenue	m	75,100	67,834	92,405	90,484
Management Fees	m	0	0	0	0	Management Fees	m	0	0	0	0
Other Expenses	m	0	0	0	0	Other Expenses	m	0	0	0	0
EBITDA	m	11,387	16,111	14,611	13,102	EBITDA	m	26,860	27,498	27,713	29,509
Dep & Amortisation	m	941	941	972	972	Dep & Amortisation	m	1,878	1,882	1,945	2,056
EBIT	m	10,446	15,171	13,638	12,130	EBIT	m	24,982	25,617	25,768	27,453
Net Interest Income	m	-1,122	-880	-916	-916	Net Interest Income	m	-2,050	-2,002	-1,832	-1,732
Associates	m	2,529	813	2,043	1,649	Associates	m	5,467	3,342	3,693	3,380
Exceptionals	m	6,934	0	0	0	Exceptionals	m	12,131	6,934	0	0
Other Pre-Tax Income	m	0	0	0	0	Other Pre-Tax Income	m	0	0	0	0
Pre-Tax Profit	m	18,787	15,104	14,766	12,863	Pre-Tax Profit	m	40,530	33,891	27,629	29,101
Tax Expense	m	-2,279	-3,613	-2,314	-2,037	Tax Expense	m	-6,195	-5,892	-4,351	-5,315
Net Profit	m	16,508	11,491	12,452	10,826	Net Profit	m	34,335	27,999	23,277	23,785
Minority Interests	m	-812	-110	-161	-30	Minority Interests	m	-815	-922	-191	-261
Reported Earnings	m	15,696	12,487	12,748	11,251	Reported Earnings	m	33,520	28,183	23,999	23,524
Adjusted Earnings	m	8,463	12,824	12,291	10,795	Adjusted Earnings	m	21,415	21,287	23,086	23,524
EPS (rep)		5.65	4.63	4.67	4.02	EPS (rep)		12.49	10.30	8.68	7.94
EPS (adj)		3.05	4.76	4.50	3.85	EPS (adj)		7.98	7.80	8.36	7.94
EPS Growth yoy (adj)	%	-23.5	18.9	47.7	-19.0	EPS Growth (adj)	%	11.3	-2.2	7.1	-4.9
						PE (rep)	x	9.7	11.8	14.0	15.3
						PE (adj)	x	15.2	15.6	14.6	15.3
EBITDA Margins	%	35.5	45.1	29.3	30.8	Total DPS		3.34	3.37	3.23	3.21
EBIT Margins	%	32.5	42.4	27.4	28.5	Total Div Yield	%	2.7	2.8	2.7	2.6
Earnings Split	%	39.8	60.2	53.2	46.8	Basic Shares Outstanding	m	2,697	2,835	2,962	2,962
Revenue Growth	%	-1.3	-16.1	55.3	19.1	Diluted Shares Outstanding	m	2,683	2,737	2,766	2,962
EBIT Growth	%	-16.4	21.6	30.6	-20.0						
Profit & Loss Ratios					Cashflow Analysis						
	2014A	2015E	2016E	2017E		2014A	2015E	2016E	2017E		
Revenue Growth	%	39.6	-9.7	36.2	-2.1	EBITDA	m	26,860	27,498	27,713	29,509
EBITDA Growth	%	27.8	2.4	0.8	6.5	Tax Paid	m	3,218	3,529	1,634	2,190
EBIT Growth	%	29.4	2.5	0.6	6.5	Chg in Working Capital	m	-33,185	-5,325	6,649	16,587
EBITDA Margins	%	35.8	40.5	30.0	32.6	Net Interest Paid	m	-2,262	-2,488	-2,323	-2,195
EBIT Margins	%	33.3	37.8	27.9	30.3	Other	m	3,108	3,342	3,693	3,380
Net Profit Margins	%	28.5	31.4	25.0	26.0	Operating Cashflow	m	-2,261	26,557	37,365	49,472
Payout Ratio	%	41.9	43.2	38.6	40.4	Acquisitions	m	-13,631	-1,058	-2,128	-8,552
EV/EBITDA	x	12.0	13.1	13.4	12.8	Capex	m	0	0	0	0
EV/EBIT	x	12.7	14.0	14.3	13.6	Asset Sales	m	81	-1,931	-2,797	-3,566
						Other	m	2,710	0	0	0
Balance Sheet Ratios					Investing Cashflow	m	-10,840	-2,990	-4,926	-12,117	
ROE	%	5.3	5.0	5.1	4.9	Dividend (Ordinary)	m	-3,820	-9,022	-9,497	-9,497
ROA	%	4.7	4.4	4.2	4.3	Equity Raised	m	34	9,672	12,550	0
ROIC	%	4.8	4.4	4.4	4.7	Debt Movements	m	19,787	-1,000	0	0
Net Debt/Equity	%	15.5	9.4	1.5	-4.2	Other	m	-843	-990	-511	-78
Interest Cover	x	12.2	12.8	14.1	15.8	Financing Cashflow	m	15,158	-1,339	2,542	-9,575
Price/Book	x	0.8	0.8	0.8	0.7						
Book Value per Share		153.8	156.5	158.9	163.7	Net Chg in Cash/Debt	m	2,057	22,228	34,981	27,780
						Free Cashflow	m	-2,261	26,557	37,365	49,472
						Balance Sheet					
							2014A	2015E	2016E	2017E	
						Cash	m	18,528	40,756	75,737	103,517
						Receivables	m	18,034	21,626	21,626	21,626
						Inventories	m	153,896	169,855	157,171	151,329
						Investments	m	277,640	280,292	283,475	291,653
						Fixed Assets	m	25,675	25,725	26,577	28,086
						Intangibles	m	4,539	4,539	4,539	4,539
						Other Assets	m	58,736	58,250	58,107	58,482
						Total Assets	m	557,048	601,041	627,233	659,231
						Payables	m	31,382	45,847	44,130	57,828
						Short Term Debt	m	9,241	10,741	10,741	10,741
						Long Term Debt	m	74,490	71,990	71,990	71,990
						Provisions	m	22,246	24,008	25,185	29,274
						Other Liabilities	m	0	0	0	0
						Total Liabilities	m	137,359	152,586	152,046	169,833
						Shareholders' Funds	m	414,783	443,617	470,670	484,697
						Minority Interests	m	4,906	4,838	4,518	4,701
						Total S/H Equity	m	419,689	448,455	475,188	489,398
						Total Liab & S/H Funds	m	557,048	601,041	627,233	659,231

All figures in HKD unless noted.

Source: Company data, Macquarie Research, March 2015

Important disclosures:

Recommendation definitions**Macquarie - Australia/New Zealand**

Outperform – return >3% in excess of benchmark return
Neutral – return within 3% of benchmark return
Underperform – return >3% below benchmark return

Benchmark return is determined by long term nominal GDP growth plus 12 month forward market dividend yield

Macquarie – Asia/Europe

Outperform – expected return >+10%
Neutral – expected return from -10% to +10%
Underperform – expected return <-10%

Macquarie First South - South Africa

Outperform – expected return >+10%
Neutral – expected return from -10% to +10%
Underperform – expected return <-10%

Macquarie - Canada

Outperform – return >5% in excess of benchmark return
Neutral – return within 5% of benchmark return
Underperform – return >5% below benchmark return

Macquarie - USA

Outperform (Buy) – return >5% in excess of Russell 3000 index return
Neutral (Hold) – return within 5% of Russell 3000 index return
Underperform (Sell) – return >5% below Russell 3000 index return

Volatility index definition*

This is calculated from the volatility of historical price movements.

Very high–highest risk – Stock should be expected to move up or down 60–100% in a year – investors should be aware this stock is highly speculative.

High – stock should be expected to move up or down at least 40–60% in a year – investors should be aware this stock could be speculative.

Medium – stock should be expected to move up or down at least 30–40% in a year.

Low–medium – stock should be expected to move up or down at least 25–30% in a year.

Low – stock should be expected to move up or down at least 15–25% in a year.

* Applicable to Asia/Australian/NZ/Canada stocks only

Recommendations – 12 months

Note: Quant recommendations may differ from Fundamental Analyst recommendations

Financial definitions

All "Adjusted" data items have had the following adjustments made:

Added back: goodwill amortisation, provision for catastrophe reserves, IFRS derivatives & hedging, IFRS impairments & IFRS interest expense
Excluded: non recurring items, asset revals, property revals, appraisal value uplift, preference dividends & minority interests

EPS = adjusted net profit / efpowa*

ROA = adjusted ebit / average total assets

ROA Banks/Insurance = adjusted net profit / average total assets

ROE = adjusted net profit / average shareholders funds

Gross cashflow = adjusted net profit + depreciation

*equivalent fully paid ordinary weighted average number of shares

All Reported numbers for Australian/NZ listed stocks are modelled under IFRS (International Financial Reporting Standards).

Recommendation proportions – For quarter ending 31 December 2014

	AU/NZ	Asia	RSA	USA	CA	EUR	
Outperform	51.80%	58.06%	45.07%	44.42%	60.54%	46.81%	(for US coverage by MCUSA, 5.29% of stocks followed are investment banking clients)
Neutral	31.80%	27.37%	30.99%	50.10%	35.37%	33.51%	(for US coverage by MCUSA, 3.08% of stocks followed are investment banking clients)
Underperform	16.39%	14.57%	23.94%	5.48%	4.08%	19.68%	(for US coverage by MCUSA, 0.44% of stocks followed are investment banking clients)

16 HK vs HSI, & rec history

(all figures in HKD currency unless noted)

Note: Recommendation timeline – if not a continuous line, then there was no Macquarie coverage at the time or there was an embargo period.

Source: FactSet, Macquarie Research, March 2015

12-month target price methodology

16 HK: HK\$136.52 based on a Sum of Parts methodology

Company-specific disclosures:

16 HK: Macquarie Capital Securities Limited, makes a market in the securities of Sun Hung Kai Properties Ltd.

Important disclosure information regarding the subject companies covered in this report is available at www.macquarie.com/disclosures.

Date	Stock Code (BBG code)	Recommendation	Target Price
13-Sep-2014	16 HK	Outperform	HK\$131.20
20-May-2014	16 HK	Outperform	HK\$133.15
03-Mar-2014	16 HK	Outperform	HK\$133.85
20-Dec-2013	16 HK	Outperform	HK\$118.72
25-Oct-2013	16 HK	Outperform	HK\$118.84
13-Sep-2013	16 HK	Neutral	HK\$96.88
09-Sep-2013	16 HK	Neutral	HK\$98.57
04-Jun-2013	16 HK	Neutral	HK\$100.31
18-Apr-2013	16 HK	Underperform	HK\$109.26
01-Mar-2013	16 HK	Underperform	HK\$107.46
06-Nov-2012	16 HK	Neutral	HK\$97.45
14-Sep-2012	16 HK	Neutral	HK\$98.50
24-May-2012	16 HK	Neutral	HK\$89.70
25-Apr-2012	16 HK	Neutral	HK\$89.69

Target price risk disclosures:

16 HK: Any inability to compete successfully in their markets may harm the business. This could be a result of many factors which may include geographic mix and introduction of improved products or service offerings by competitors. The results of operations may be materially affected by global economic conditions generally, including conditions in financial markets. The company is exposed to market risks, such as changes in interest rates, foreign exchange rates and input prices. From time to time, the company will enter into transactions, including transactions in derivative instruments, to manage certain of these exposures.

Analyst certification:

The views expressed in this research accurately reflect the personal views of the analyst(s) about the subject securities or issuers and no part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this research. The

analyst principally responsible for the preparation of this research receives compensation based on overall revenues of Macquarie Group Ltd ABN 94 122 169 279 (AFSL No. 318062) (MGL) and its related entities (the Macquarie Group) and has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

General disclaimers:

Macquarie Securities (Australia) Ltd; Macquarie Capital (Europe) Ltd; Macquarie Capital Markets Canada Ltd; Macquarie Capital Markets North America Ltd; Macquarie Capital (USA) Inc; Macquarie Capital Securities Ltd and its Taiwan branch; Macquarie Capital Securities (Singapore) Pte Ltd; Macquarie Securities (NZ) Ltd; Macquarie First South Securities (Pty) Limited; Macquarie Capital Securities (India) Pvt Ltd; Macquarie Capital Securities (Malaysia) Sdn Bhd; Macquarie Securities Korea Limited and Macquarie Securities (Thailand) Ltd are not authorized deposit-taking institutions for the purposes of the Banking Act 1959 (Commonwealth of Australia), and their obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542 (MBL) or MGL. MBL does not guarantee or otherwise provide assurance in respect of the obligations of any of the above mentioned entities. MGL provides a guarantee to the Monetary Authority of Singapore in respect of the obligations and liabilities of Macquarie Capital Securities (Singapore) Pte Ltd for up to SGD 35 million. This research has been prepared for the general use of the wholesale clients of the Macquarie Group and must not be copied, either in whole or in part, or distributed to any other person. If you are not the intended recipient you must not use or disclose the information in this research in any way. If you received it in error, please tell us immediately by return e-mail and delete the document. We do not guarantee the integrity of any e-mails or attached files and are not responsible for any changes made to them by any other person. MGL has established and implemented a conflicts policy at group level (which may be revised and updated from time to time) (the "Conflicts Policy") pursuant to regulatory requirements (including the FCA Rules) which sets out how we must seek to identify and manage all material conflicts of interest. Nothing in this research shall be construed as a solicitation to buy or sell any security or product, or to engage in or refrain from engaging in any transaction. In preparing this research, we did not take into account your investment objectives, financial situation or particular needs. Macquarie salespeople, traders and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions which are contrary to the opinions expressed in this research. Macquarie Research produces a variety of research products including, but not limited to, fundamental analysis, macro-economic analysis, quantitative analysis, and trade ideas. Recommendations contained in one type of research product may differ from recommendations contained in other types of research, whether as a result of differing time horizons, methodologies, or otherwise. Before making an investment decision on the basis of this research, you need to consider, with or without the assistance of an adviser, whether the advice is appropriate in light of your particular investment needs, objectives and financial circumstances. There are risks involved in securities trading. The price of securities can and does fluctuate, and an individual security may even become valueless. International investors are reminded of the additional risks inherent in international investments, such as currency fluctuations and international stock market or economic conditions, which may adversely affect the value of the investment. This research is based on information obtained from sources believed to be reliable but we do not make any representation or warranty that it is accurate, complete or up to date. We accept no obligation to correct or update the information or opinions in it. Opinions expressed are subject to change without notice. No member of the Macquarie Group accepts any liability whatsoever for any direct, indirect, consequential or other loss arising from any use of this research and/or further communication in relation to this research. Clients should contact analysts at, and execute transactions through, a Macquarie Group entity in their home jurisdiction unless governing law permits otherwise. The date and timestamp for above share price and market cap is the closed price of the price date. #CLOSE is the final price at which the security is traded in the relevant exchange on the date indicated.

Country-specific disclaimers:

Australia: In Australia, research is issued and distributed by Macquarie Securities (Australia) Ltd (AFSL No. 238947), a participating organisation of the Australian Securities Exchange. **New Zealand:** In New Zealand, research is issued and distributed by Macquarie Securities (NZ) Ltd, a NZX Firm. **Canada:** In Canada, research is prepared, approved and distributed by Macquarie Capital Markets Canada Ltd, a participating organisation of the Toronto Stock Exchange, TSX Venture Exchange & Montréal Exchange. Macquarie Capital Markets North America Ltd., which is a registered broker-dealer and member of FINRA, accepts responsibility for the contents of reports issued by Macquarie Capital Markets Canada Ltd in the United States and sent to US persons. Any US person wishing to effect transactions in the securities described in the reports issued by Macquarie Capital Markets Canada Ltd should do so with Macquarie Capital Markets North America Ltd. The Research Distribution Policy of Macquarie Capital Markets Canada Ltd is to allow all clients that are entitled to have equal access to our research. **United Kingdom:** In the United Kingdom, research is issued and distributed by Macquarie Capital (Europe) Ltd, which is authorised and regulated by the Financial Conduct Authority (No. 193905). **Germany:** In Germany, this research is issued and/or distributed by Macquarie Capital (Europe) Limited, Niederlassung Deutschland, which is authorised and regulated by the UK Financial Conduct Authority (No. 193905). and in Germany by BaFin. **France:** In France, research is issued and distributed by Macquarie Capital (Europe) Ltd, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority (No. 193905). **Hong Kong & Mainland China:** In Hong Kong, research is issued and distributed by Macquarie Capital Securities Ltd, which is licensed and regulated by the Securities and Futures Commission. In Mainland China, Macquarie Securities (Australia) Limited Shanghai Representative Office only engages in non-business operational activities excluding issuing and distributing research. Only non-A share research is distributed into Mainland China by Macquarie Capital Securities Ltd. **Japan:** In Japan, research is issued and distributed by Macquarie Capital Securities (Japan) Limited, a member of the Tokyo Stock Exchange, Inc. and Osaka Securities Exchange Co. Ltd (Financial Instruments Firm, Kanto Financial Bureau (kin-sho) No. 231, a member of Japan Securities Dealers Association and The Financial Futures Association of Japan and Japan Investment Advisers Association). **India:** In India, research is issued and distributed by Macquarie Capital Securities (India) Pvt. Ltd. (CIN: U65920MH1995PTC090696), formerly known as *Macquarie Capital (India) Pvt. Ltd.*, 92, Level 9, 2 North Avenue, Maker Maxity, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, India, which is a SEBI registered stockbroker having membership with National Stock Exchange of India Limited (INB231246738) and BSE Limited (INB011246734). **Malaysia:** In Malaysia, research is issued and distributed by Macquarie Capital Securities (Malaysia) Sdn. Bhd. (Company registration number: 463469-W) which is a Participating Organisation of Bursa Malaysia Berhad and a holder of Capital Markets Services License issued by the Securities Commission. **Taiwan:** In Taiwan, research is issued and distributed by Macquarie Capital Securities Ltd, Taiwan Branch, which is licensed and regulated by the Financial Supervisory Commission. No portion of the report may be reproduced or quoted by the press or any other person without authorisation from Macquarie. Nothing in this research shall be construed as a solicitation to buy or sell any security or product. Research Associate(s) in this report who are registered as Clerks only assist in the preparation of research and are not engaged in writing the research. **Thailand:** In Thailand, research is produced, issued and distributed by Macquarie Securities (Thailand) Ltd. Macquarie Securities (Thailand) Ltd. is a licensed securities company that is authorized by the Ministry of Finance, regulated by the Securities and Exchange Commission of Thailand and is an exchange member of the Stock Exchange of Thailand. The Thai Institute of Directors Association has disclosed the Corporate Governance Report of Thai Listed Companies made pursuant to the policy of the Securities and Exchange Commission of Thailand. Macquarie Securities (Thailand) Ltd does not endorse the result of the Corporate Governance Report of Thai Listed Companies but this Report can be accessed at: <http://www.thai-iod.com/en/publications.asp?type=4>. **South Korea:** In South Korea, unless otherwise stated, research is prepared, issued and distributed by Macquarie Securities Korea Limited, which is regulated by the Financial Supervisory Services. Information on analysts in MSKL is disclosed at <http://dis.kofia.or.kr/websquare/index.jsp?w2xPath=/wq/fundMgr/DISFundMgrAnalystStut.xml&divisionId=MDIS03002001000000&serviceId=SDIS03002001000>. **South Africa:** In South Africa, research is issued and distributed by Macquarie First South Securities (Pty) Limited, a member of the JSE Limited. **Singapore:** In Singapore, research is issued and distributed by Macquarie Capital Securities (Singapore) Pte Ltd (Company Registration Number: 198702912C), a Capital Markets Services license holder under the Securities and Futures Act to deal in securities and provide custodial services in Singapore. Pursuant to the Financial Advisers (Amendment) Regulations 2005, Macquarie Capital Securities (Singapore) Pte Ltd is exempt from complying with sections 25, 27 and 36 of the Financial Advisers Act. All Singapore-based recipients of research produced by Macquarie Capital (Europe) Limited, Macquarie Capital Markets Canada Ltd, Macquarie First South Securities (Pty) Limited and Macquarie Capital (USA) Inc. represent and warrant that they are institutional investors as defined in the Securities and Futures Act. **United States:** In the United States, research is issued and distributed by Macquarie Capital (USA) Inc., which is a registered broker-dealer and member of FINRA. Macquarie Capital (USA) Inc. accepts responsibility for the content of each research report prepared by one of its non-US affiliates when the research report is distributed in the United States by Macquarie Capital (USA) Inc. Macquarie Capital (USA) Inc.'s affiliate's analysts are not registered as research analysts with FINRA, may not be associated persons of Macquarie Capital (USA) Inc., and therefore may not be subject to FINRA rule restrictions on communications with a subject company, public appearances, and trading securities held by a research analyst account. Information regarding futures is provided for reference purposes only and is not a solicitation for purchases or sales of futures. Any persons receiving this report directly from Macquarie Capital (USA) Inc. and wishing to effect a transaction in any security described herein should do so with Macquarie Capital (USA) Inc. Important disclosure information regarding the subject companies covered in this report is available at www.macquarie.com/research/disclosures, or contact your registered

Auckland Tel: (649) 377 6433	Bangkok Tel: (662) 694 7999	Calgary Tel: (1 403) 294 9541	Denver Tel: (303) 952 2800	Frankfurt Tel: (069) 509 578 000	Geneva Tel: (41) 22 818 7777	Hong Kong Tel: (852) 2823 3588
Jakarta Tel: (62 21) 515 1818	Johannesburg Tel: (2711) 583 2000	Kuala Lumpur Tel: (60 3) 2059 8833	London Tel: (44 20) 3037 2000	Manila Tel: (63 2) 857 0888	Melbourne Tel: (613) 9635 8139	Mumbai Tel: (91 22) 6653 3000
Munich Tel: (089) 2444 31800	New York Tel: (1 212) 231 2500	Paris Tel: (33 1) 7842 3823	Perth Tel: (618) 9224 0888	Seoul Tel: (82 2) 3705 8500	Shanghai Tel: (86 21) 6841 3355	Singapore Tel: (65) 6601 1111
Sydney Tel: (612) 8232 9555	Taipei Tel: (886 2) 2734 7500	Tokyo Tel: (81 3) 3512 7900	Toronto Tel: (1 416) 848 3500	Vancouver Tel: (1 604) 605 3944		

Available to clients on the world wide web at www.macquarieresearch.com and through Thomson Financial, FactSet, Reuters, Bloomberg, and CapitalIQ.



Asia Research

Head of Equity Research

John O'Connell (Global – Head)	(612) 8232 7544
Peter Redhead (Asia – Head)	(852) 3922 4836

Automobiles/Auto Parts

Janet Lewis (China)	(852) 3922 5417
Zhixuan Lin (China)	(8621) 2412 9006
Amit Mishra (India)	(9122) 6720 4084
Takuo Katayama (Japan)	(813) 3512 7856

Banks and Non-Bank Financials

Ismael Pili (Asia, Hong Kong, China)	(852) 3922 4774
Jian Li (China, Hong Kong)	(852) 3922 3579
Matthew Smith (China)	(8621) 2412 9022
Suresh Ganapathy (India)	(9122) 6720 4078
Nicolaos Oentung (Indonesia)	(6221) 2598 8366
Alastair Macdonald (Japan)	(813) 3512 7476
Chan Hwang (Korea)	(822) 3705 8643
Gilbert Lopez (Philippines)	(632) 857 0892
Thomas Stoegner (Singapore)	(65) 6601 0854
Dexter Hsu (Taiwan)	(8862) 2734 7530
Passakorn Linmaneechote (Thailand)	(662) 694 7728

Conglomerates

Gilbert Lopez (Philippines)	(632) 857 0892
-----------------------------	----------------

Consumer and Gaming

Linda Huang (China, Hong Kong)	(852) 3922 4068
Jamie Zhou (China, Hong Kong)	(852) 3922 1147
Elaine Lai (Hong Kong)	(852) 3922 4749
Zibo Chen (Hong Kong)	(852) 3922 1130
Amit Mishra (India)	(9122) 6720 4084
Lyall Taylor (Indonesia)	(6221) 2598 8489
Hendy Soegiarto (Indonesia)	(6221) 2598 8369
Toby Williams (Japan)	(813) 3512 7392
HongSuk Na (Korea)	(822) 3705 8678
Karisa Magpayo (Philippines)	(632) 857 0899
Somesh Agarwal (Singapore)	(65) 6601 0840
Best Waiyanont (Thailand)	(662) 694 7993

Emerging Leaders

Jake Lynch (China, Asia)	(8621) 2412 9007
Kwang Cho (Korea)	(822) 3705 4953

Industrials

Janet Lewis (Asia)	(852) 3922 5417
Patrick Dai (China)	(8621) 2412 9082
Saiyi He (China)	(852) 3922 3585
Inderjeetsingh Bhatia (India)	(9122) 6720 4087
Andy Lesmana (Indonesia)	(6221) 2598 8398
Kenjin Hotta (Japan)	(813) 3512 7871
James Hong (Korea)	(822) 3705 8661
Somesh Agarwal (Singapore)	(65) 6601 0840
David Gambrell (Thailand)	(662) 694 7753

Insurance

Scott Russell (Asia, Japan)	(852) 3922 3567
Jian Li (China, Hong Kong)	(852) 3922 3579
Chan Hwang (Korea)	(822) 3705 8643

Asia Sales

Regional Heads of Sales

Miki Edelman (Asia)	(813) 3512 7857
Jeffrey Shiu (China & Hong Kong)	(852) 3922 2061
Thomas Renz (Geneva)	(41) 22 818 7712
Bharat Rawla (India)	(9122) 6720 4100
Riaz Hyder (Indonesia)	(6221) 2598 8486
Mark Chadwick (Japan)	(813) 3512 7827
John Jay Lee (Korea)	(822) 3705 9988
Nik Hadi (Malaysia)	(603) 2059 8888
Eric Roles (New York)	(1 212) 231 2559
Gino C Rojas (Philippines)	(632) 857 0861

Software and Internet

David Gibson (Asia)	(813) 3512 7880
Wendy Huang (Hong Kong)	(852) 3922 3378
Alice Yang (China, Hong Kong)	(852) 3922 1266
Hillman Chan (China, Hong Kong)	(852) 3922 3716
Nitin Mohta (India)	(9122) 6720 4090
Nathan Ramler (Japan)	(813) 3512 7875
Prem Jearajasingam (Malaysia)	(603) 2059 8989

Oil, Gas and Petrochemicals

James Hubbard (Asia)	(852) 3922 1226
Aditya Suresh (Hong Kong, China)	(852) 3922 1265
Abhishek Agarwal (India)	(9122) 6720 4079
Polina Diyachkina (Japan)	(813) 3512 7886
Anna Park (Korea)	(822) 3705 8669
Trevor Buchinski (Thailand)	(662) 694 7829

Pharmaceuticals and Healthcare

John Yung (Hong Kong, China)	(852) 3922 1132
Abhishek Singhal (India)	(9122) 6720 4086

Property

Tuck Yin Soong (Asia, Singapore)	(65) 6601 0838
David Ng (China, Hong Kong)	(852) 3922 1291
Raymond Liu (China, Hong Kong)	(852) 3922 3629
Kai Tan (China)	(852) 3922 3720
Abhishek Bhandari (India)	(9122) 6720 4088
Andy Lesmana (Indonesia)	(6221) 2598 8398
William Montgomery (Japan)	(813) 3512 7864
RJ Aguirre (Philippines)	(632) 857 0890
Corinne Jian (Taiwan)	(8862) 2734 7522
David Liao (Taiwan)	(8862) 2734 7518
Patti Tomaitrichit (Thailand)	(662) 694 7727

Resources / Metals and Mining

Matty Zhao (Asia, China)	(852) 3922 1293
Hefei Deng (China)	(852) 3922 1136
Rakesh Arora (India)	(9122) 6720 4093
Polina Diyachkina (Japan)	(813) 3512 7886
Anna Park (Korea)	(822) 3705 8669
David Liao (Taiwan)	(8862) 2734 7518

Technology

Jeffrey Su (Asia, Taiwan)	(8862) 2734 7512
Nitin Mohta (India)	(9122) 6720 4090
Claudio Aritomi (Japan)	(813) 3512 7858
Damian Thong (Japan)	(813) 3512 7877
David Gibson (Japan)	(813) 3512 7880
George Chang (Japan)	(813) 3512 7854
Daniel Kim (Korea)	(822) 3705 8641
Soyun Shin (Korea)	(822) 3705 8659
Ellen Tseng (Taiwan)	(8862) 2734 7524
Tammy Lai (Taiwan)	(8862) 2734 7525

Telecoms

Nathan Ramler (Asia, Japan)	(813) 3512 7875
Danny Chu (China, Hong Kong, Taiwan)	(852) 3922 4762
David Lee (Korea)	(822) 3705 8686
Prem Jearajasingam (Malaysia, Singapore)	(603) 2059 8989

Regional Heads of Sales cont'd

Ruben Boopalan (Singapore)	(603) 2059 8888
Paul Colacco (San Francisco)	(1 415) 762 5003
Erica Wang (Taiwan)	(8862) 2734 7586
Angus Kent (Thailand)	(662) 694 7601
Ben Musgrave (UK/Europe)	(44) 20 3037 4882
Julien Roux (UK/Europe)	(44) 20 3037 4867

Sales Trading

Adam Zaki (Asia)	(852) 3922 2002
Stanley Dunda (Indonesia)	(6221) 515 1555

Transport & Infrastructure

Janet Lewis (Asia)	(852) 3922 5417
Andrew Lee (Asia)	(852) 3922 1167
Azita Nazrene (ASEAN)	(603) 2059 8980
Corinne Jian (Taiwan)	(8862) 2734 7522

Utilities & Renewables

Gary Chiu (Asia)	(852) 3922 1435
Alan Hon (Hong Kong)	(852) 3922 3589
Inderjeetsingh Bhatia (India)	(9122) 6720 4087
Prem Jearajasingam (Malaysia)	(603) 2059 8989
Karisa Magpayo (Philippines)	(632) 857 0899

Commodities

Colin Hamilton (Global)	(4420) 3037 4061
Jim Lennon	(4420) 3037 4271
Matthew Turner	(4420) 3037 4340
Graeme Train	(8621) 2412 9035
Angela Bi	(8621) 2412 9086
Rakesh Arora	(9122) 6720 4093

Economics

Peter Eadon-Clarke (Asia, Japan)	(813) 3512 7850
Richard Gibbs (Australia)	(612) 8232 3935
PK Basu (ASEAN)	(603) 2059 8993
Larry Hu (China, Hong Kong)	(852) 3922 3778
Tanvee Gupta Jain (India)	(9122) 6720 4355

Quantitative / CPG

Gurvinder Brar (Global)	(4420) 3037 4036
Woei Chan (Asia)	(852) 3922 1421
Anthony Ng (Asia)	(852) 3922 1561
Jason Zhang (Asia)	(852) 3922 1168
Suni Kim (Japan, Hong Kong)	(852) 3922 3342

Special Situations

Matthew Hook (Asia)	(852) 3922 3743
---------------------	-----------------

Strategy/Country

Viktor Shvets (Asia)	(852) 3922 3883
Chetan Seth (Asia)	(852) 3922 4769
Joshua van Lin (Asia Micro)	(852) 3922 1425
Peter Eadon-Clarke (Japan)	(813) 3512 7850
David Ng (China, Hong Kong)	(852) 3922 1291
Erwin Sanft (China, Hong Kong)	(852) 3922 1516
Rakesh Arora (India)	(9122) 6720 4093
Nicolaos Oentung (Indonesia)	(6121) 2598 8366
Chan Hwang (Korea)	(822) 3705 8643
PK Basu (Malaysia)	(603) 2059 8993
Gilbert Lopez (Philippines)	(632) 857 0892
Conrad Werner (Singapore)	(65) 6601 0182
David Gambrell (Thailand)	(662) 694 7753

Find our research at

Macquarie:	www.macquarie.com.au/research
Thomson:	www.thomson.com/financial
Reuters:	www.knowledge.reuters.com
Bloomberg:	MAC GO
Factset:	http://www.factset.com/home.aspx
CapitalIQ	www.capitaliq.com
Email	macresearch@macquarie.com for access

Sales Trading cont'd

Suhaida Samsudin (Malaysia)	(603) 2059 8888
Michael Santos (Philippines)	(632) 857 0813
Kenneth Cheung (Singapore)	(65) 6601 0288
Chris Reale (New York)	(1 212) 231 2555
Marc Rosa (New York)	(1 212) 231 2555
Isaac Huang (Taiwan)	(8862) 2734 7582
Dominic Shore (Thailand)	(662) 694 7707
Mike Keen (UK/Europe)	(44) 20 3037 4905