

# Investor Newsletter

Issue 10  
Aug 2015

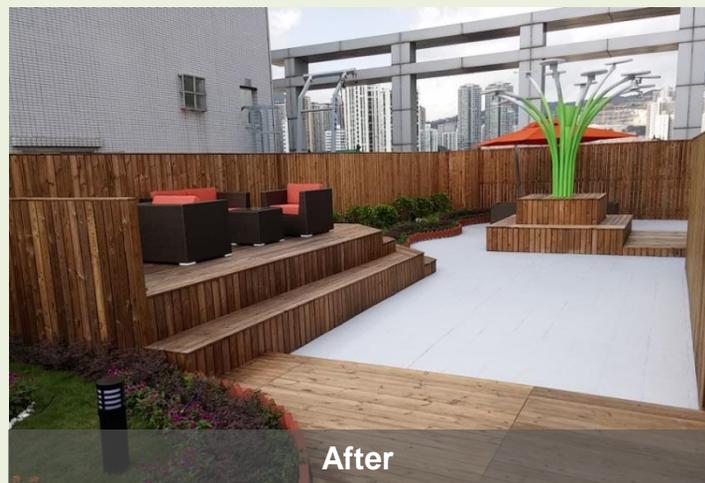
## Completed AEI works at 9 Chong Yip Street

In order to unlock the potentials of the newly acquired property, 9 Chong Yip Street, we had planned an asset enhancement program to modernize the building with designs in line with similar properties in the vicinity.

These asset enhancement works involves the façade, ground floor lobby, lift lobbies, common corridors and common washrooms. All these asset enhancement work was completed in 2014 and in the first half of 2015, we have also set up a rooftop garden in order to provide green building facilities for tenants' enjoyment.



Before



After

## 2015 Interim Results

During the six months ended 30 June 2015 (Reporting Period), Prosperity REIT achieved a rental reversion rate of 16.8%, complemented with a high occupancy rate of 98.5%. Revenue and net property income increased 9.1% and 10.0% to HK\$215.8 million and HK\$170.7 million respectively. The portfolio average effective unit rent recorded a solid growth of 10.7% to HK\$22.40 per sq. ft.. The unaudited distributable income was HK\$124.8 million, representing a DPU of HK\$0.0871, uplift by 6.9% YoY and an annualized distribution yield of 6.3%.

For more information, please refer to our [announcement](#) and [presentation](#).



## Strong performance in 9 Chong Yip Street

During the reporting period, outstanding performance was achieved in 9 Chong Yip Street with occupancy rate at 100% (2014: 95.8%) and revenue increased y-o-y by 25.2%.

In addition, we are pleased to announce that the rental income of 9 Chong Yip Street for the reporting period is HK\$16,902,683, which is greater than the agreed Rental Income support for the six-months period of HK\$16.16 million. Therefore no rental support payment for the reporting period is required.

For more information, please refer to our [announcement](#).

## Prosperity Place Promotion Activities

In order to promote the retail / service trade tenants in Prosperity Place, we hosted a summer education promotion event with the support of our tenants across the portfolio. The event was very successful and had drawn more foot traffic into Prosperity Place.



## Research Coverage

Prosperity REIT is covered by three major research houses. Target prices and ratings are as follows.

Research House	Target Price (HK\$)	Rating
Daiwa	3.42	Buy
DBS Vickers	3.06	Buy
Macquarie	2.78	Neutral

## Unit Data

(as at 31 July 2015)

Closing Price	HK\$2.92
Market Cap	HK\$4.2 billion (US\$536.2 million)
Issued Units	1,432,382,505
Yield	6.0%

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