

PRICING SUPPLEMENT

3 January 2018

Swire Properties MTN Financing Limited
Issue of U.S.\$500,000,000 3.50 per cent. Guaranteed Notes due 2028
Guaranteed by Swire Properties Limited
under the U.S.\$4,000,000,000
Medium Term Note Programme

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the conditions set forth in the Offering Circular dated 26 May 2017 (as supplemented by the supplement dated 15 November 2017) (the **Offering Circular**). This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular.

This Pricing Supplement is for distribution to professional investors (as defined in Chapter 37 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited) and to professional investors (as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong) (together, the **Professional Investors**) only. Investors should not purchase the Notes in the primary or secondary markets unless they are Professional Investors and understand the risks involved. The Notes are only suitable for Professional Investors.

The Stock Exchange of Hong Kong Limited (the **Hong Kong Stock Exchange**) has not reviewed the contents of this Pricing Supplement, other than to ensure that the prescribed form disclaimer and responsibility statements, and a statement limiting distribution of this Pricing Supplement to Professional Investors only, have been reproduced in this Pricing Supplement. Listing of the Programme and the Notes on the Hong Kong Stock Exchange is not to be taken as an indication of the commercial merits or credit quality of the Programme, the Notes, the Issuer or the Guarantor or quality of disclosure in this Pricing Supplement. Hong Kong Exchanges and Clearing Limited and the Hong Kong Stock Exchange take no responsibility for the contents of this Pricing Supplement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss however arising from or in reliance upon the whole or any part of the contents of this Pricing Supplement.

This Pricing Supplement, together with the Offering Circular includes particulars given in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to each of the Issuer and the Guarantor. The Issuer and the Guarantor accept full responsibility for the accuracy of the information contained in this Pricing Supplement and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

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|----|-------|--|--|
| 1. | (i) | Issuer: | Swire Properties MTN Financing Limited |
| | (ii) | Guarantor: | Swire Properties Limited |
| 2. | (i) | Series Number: | 026 |
| | (ii) | Tranche Number: | 001 |
| | (iii) | Date on which the Notes will be consolidated and form a single Series: | Not Applicable |
| 3. | | Specified Currency or Currencies: | United States Dollars (U.S.\$) |

4.	Aggregate Nominal Amount:	
	– Series:	U.S.\$500,000,000
	– Tranche:	U.S.\$500,000,000
5.	(i) Issue Price:	99.566 per cent. of the Aggregate Nominal Amount
	(ii) Net proceeds:	U.S.\$497,430,000
6.	(i) Specified Denominations:	U.S.\$200,000 and integral multiples of U.S.\$1,000 in excess thereof
	(ii) Calculation Amount:	U.S.\$1,000
7.	(i) Issue Date:	10 January 2018
	(ii) Interest Commencement Date:	10 January 2018
8.	Maturity Date:	10 January 2028
9.	Interest Basis:	3.50 per cent. Fixed Rate (further particulars specified below)
10.	Redemption/Payment Basis:	Redemption at par
11.	Change of Interest Basis or Redemption/Payment Basis:	Not Applicable
12.	Put/Call Options:	Not Applicable
13.	Listing:	Hong Kong. Permission to deal in the Notes is expected to become effective on or around 11 January 2018
14.	Method of distribution:	Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15.	Fixed Rate Note Provisions	Applicable
	(i) Rate(s) of Interest:	3.50 per cent. per annum payable semi-annually in arrear
	(ii) Interest Payment Date(s):	10 January and 10 July in each year up to and including the Maturity Date
	(iii) Fixed Coupon Amount(s) for Notes in Definitive Form (and in relation to Notes in Global Form see Conditions):	U.S.\$17.50 per Calculation Amount

(iv)	Broken Amount(s) for Notes in Definitive Form (and in relation to Notes in Global Form see Conditions):	Not Applicable
(v)	Day Count Fraction:	30/360
(vi)	Determination Date:	Not Applicable
(vii)	Other terms relating to the method of calculating interest for Fixed Rate Notes:	None
16.	Floating Rate Note Provisions	Not Applicable
17.	Zero Coupon Note Provisions	Not Applicable
18.	Index Linked Interest Note Provisions	Not Applicable
19.	Dual Currency Interest Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

20.	Issuer Call	Not Applicable
21.	Investor Put	Not Applicable
22.	Final Redemption Amount	U.S.\$1,000 per Calculation Amount
23.	Early Redemption Amount of each Note payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in Condition 8(e)):	U.S.\$1,000 per Calculation Amount

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24.	Form of Notes:	Registered Notes: Registered Global Note (U.S.\$500,000,000 nominal amount) registered in the name of a common depository for Euroclear and Clearstream, Luxembourg
25.	Additional Financial Centre(s) or other special provisions relating to Payment Dates:	Not Applicable
26.	Talons for future Coupons or Receipts to be attached to Definitive Bearer Notes (and dates on which such Talons mature):	No

27. Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment: Not Applicable
28. Details relating to Instalment Notes:
- (i) Instalment Amount(s): Not Applicable
- (ii) Instalment Date(s): Not Applicable
29. Redenomination applicable: Redenomination not applicable
30. Other terms or special conditions: Not Applicable

DISTRIBUTION

31. (i) If syndicated, names of Managers: The Hongkong and Shanghai Banking Corporation Limited
Merrill Lynch (Asia Pacific) Limited
- (ii) Stabilising Manager (if any): The Hongkong and Shanghai Banking Corporation Limited
32. If non-syndicated, name of relevant Dealer: Not Applicable
33. U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA not applicable
34. Additional selling restrictions: Not Applicable

GENERAL AND OPERATIONAL INFORMATION

35. Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): Not Applicable
36. Delivery: Delivery against payment
37. In the case of Registered Notes, specify the location of the office of the Registrar if other than London: Not Applicable
38. Additional Paying Agent(s) (if any): Not Applicable
39. Investment and other considerations in respect of the Notes: The Notes will be issued in accordance with Swire Properties' Green Bond Framework, a copy of which is set out in the Schedule to this Pricing Supplement (the **Green Bond Framework**).

40. Ratings: The Notes are expected to be rated A2 by Moody's Investors Service Limited and A by Fitch Ratings Limited
41. Use of Proceeds: The net proceeds from the issue of the Notes will be used to fund or refinance, in whole or in part, eligible investments as set out in the section "*Use of Proceeds*" of the Green Bond Framework.
42. Others: This Pricing Supplement should be read and construed in conjunction with the following, which shall be deemed to be incorporated in, and to form part of, this Pricing Supplement:
- (1) the following sections of the annual report of the Guarantor for the year ended 31 December 2016, which is posted on the website of the Guarantor (www.swireproperties.com) and the Hong Kong Stock Exchange (www.hkex.com.hk):
 - (i) Financial Highlights;
 - (ii) Key Business Strategies;
 - (iii) Review of Operations;
 - (iv) Financing; and
 - (v) Sustainable Development; and
 - (2) the following sections of the interim report of the Guarantor for the six months ended 30 June 2017, which is posted on the website of the Guarantor (www.swireproperties.com) and the Hong Kong Stock Exchange (www.hkex.com.hk):
 - (i) Financial Highlights;
 - (ii) Review of Operations; and
 - (iii) Financing.

ISIN: XS1743657683
Common Code: 174365768

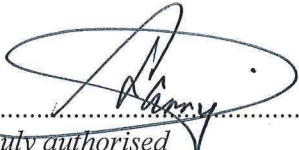
LISTING APPLICATION

This Pricing Supplement comprises the final terms required to list the issue of Notes described herein pursuant to the U.S.\$4,000,000,000 Medium Term Note Programme of Swire Properties MTN Financing Limited.

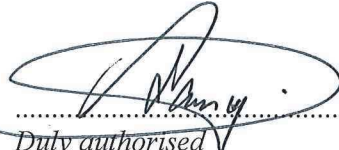
RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By: 
.....
Duly authorised

Signed on behalf of the Guarantor:

By: 
.....
Duly authorised

SCHEDULE
GREEN BOND FRAMEWORK

Please refer to the Green Bond Framework on the next page.

THE INFORMATION CONTAINED HEREIN IS FOR INFORMATION PURPOSES ONLY AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE FOR SECURITIES.

Swire Properties Green Bond Framework

Founded in Hong Kong in 1972, Swire Properties Limited (“**Swire Properties**”) is listed on The Stock Exchange of Hong Kong Limited and is one of the Hong Kong’s leading property developers and investors. Swire Properties engages in property investment, that is the design, development, leasing and management of commercial, retail and some residential properties; property trading, that is the development and construction of properties, principally residential apartments, for sale; and investments in and operation of hotels.

Swire Properties’ vision is to be the leading sustainable development (“**SD**”) performer in the real estate industry globally by 2030. In support of this vision, we have developed a SD 2030 Strategy that is organised around five pillars. At the heart of our holistic strategy is the creative transformation of *Places* into vibrant, high quality sustainable communities. This is achieved through proactive investment in our *People* and long-term, mutually beneficial relationships with our *Partners*. Importantly, we are committed to delivering a positive contribution to our communities through sound *Environmental Performance*, while ensuring we deliver sustainable *Economic Performance* combined with good corporate governance and high ethical standards.

Our Green Bond(s) will reinforce our commitment to our SD 2030 Strategy, which includes designing, constructing and managing high quality developments that contribute positively to the communities in which they are located. While we take great care to develop high quality buildings, as part of our SD 2030 Strategy we also seek to continually improve our environmental performance. We focus beyond the direct impact of our buildings and seek to reduce climate impact and optimise resource efficiency.

Framework Overview

For the purpose of issuing Green Bond(s), Swire Properties has developed the following framework, which addresses the four key pillars of the 2017 Green Bond Principles (“**2017 GBP**”):

1. Use of proceeds;
2. Process for project evaluation and selection;
3. Management of proceeds; and
4. Reporting.

1. Use of Proceeds

The net proceeds of the Green Bond(s) will be used to fund or refinance, in whole or in part, new or existing eligible green projects at Swire Properties’ real estate assets or properties that meet one or more of the following categories of eligibility as recognised in the 2017 GBP (“**Eligible Green Projects**”):

- i. Projects relating to *Renewable Energy*, such as solar and waste-to-energy projects;
- ii. Projects relating to *Energy Efficiency*, such as adoption of smart technologies and/or systems for optimizing energy management in our new and existing developments. In addition, the net proceeds may also be used to upgrade the existing equipment (for example, lighting or chillers) in such developments to higher efficiency models to achieve at least a 10% improvement in energy efficiency;
- iii. Projects relating to *Sustainable Water and Wastewater Management*, including grey water treatment systems and water conservation installations;
- iv. Projects relating to *Climate Change Adaptation*, such as projects for the design, construction, maintenance and upgrades of buildings / assets for adapting to more frequent and extreme weather events caused by climate change (for example, projects for the upgrade of flood defence or storm water management systems); and
- v. Projects relating to *Green Buildings* that have received within the last two years, or that receive during the tenor of the Green Bond(s), a third-party-verified green building certification such as LEED® (Gold / Platinum), BEAM Plus (Gold / Platinum) or other equivalent green building certifications. Such projects may include the development or redevelopment of such Green Buildings, and/or renovations and/or tenant improvements relating to the environmental performance of such buildings. Such Green Building projects may also include improving the wellbeing of occupiers with a view to achieving the WELL Building Standard™ (Silver / Gold / Platinum) certification for such buildings. Please refer to Appendix 1 for details on the LEED®, BEAM Plus and WELL Building Standard™ certifications.

2. Process for Project Evaluation and Selection

The Eligible Green Projects are identified and selected via a process that involves participants from various functional areas. Representatives from Swire Properties' technical services and sustainability department and treasury department will form a working group to review and select Eligible Green Projects according to the criteria outlined above. The working group will identify and manage potentially material environmental and social risks associated with the Eligible Green Projects, if applicable. The shortlisted projects will be presented to the Sustainable Development Steering Committee or the Executive Committee of Swire Properties for approval.

3. Management of Proceeds

The net proceeds from each Green Bond issued will be managed by Swire Properties' treasury team. Swire Properties will keep an internal record, containing information including:

- i. Green Bond details including principal amount, maturity date, coupon, etc.;
- ii. List of Eligible Green Projects and brief description of the projects; and
- iii. The amount of net proceeds allocated to the projects.

Pending allocation, the net proceeds from the Green Bond(s) issued may be invested in cash or cash equivalents, or used to repay existing borrowings under general credit facilities of Swire Properties group.

4. Reporting

Swire Properties will provide information on the allocation of the net proceeds of its Green Bond(s) on Swire Properties' website and in Swire Properties' Sustainable Development Reports. Such information will be provided on an annual basis until all the net proceeds have been allocated. The information will contain at least the following details:

- i. A list of Eligible Green Projects funded through Swire Properties' Green Bond(s), including amounts allocated; and
- ii. Remaining balance of unallocated proceeds.

The allocation of the net proceeds will be reviewed by an independent accountant.

In addition, where feasible, Swire Properties will provide qualitative and (if reasonably practicable) quantitative environmental performance indicators of the Eligible Green Projects funded. Such performance indicators include:

- i. Energy consumption reduction (kWh);
- ii. Carbon emission reduction (tonnes of CO₂e);
- iii. Water consumption reduction (m³); and
- iv. Amount of waste diverted from landfills (tonnes).

Appendix 1 (External Certifications)

Leadership in Energy and Environmental Design™ (“LEED”)

LEED is a voluntary, third party building certification process developed by the U.S. Green Building Council®. LEED certification provides independent verification of a building or neighborhood’s green features, allowing for the design, construction, operations and maintenance of resource-efficient, high-performing, healthy, cost-effective buildings. LEED works for all buildings at all phases of development, from new construction to existing buildings, as well as all building sectors, from homes to hospitals to corporate headquarters. For more information, please visit www.usgbc.org/LEED.

Building Environmental Assessment Method (BEAM) Plus (“BEAM Plus”)

Recognised and certified by the Hong Kong Green Building Council, BEAM Plus offers a comprehensive set of performance criteria for a wide range of sustainability issues relating to the planning, design, construction, commissioning, management, operation and maintenance of a building. By providing a fair and objective assessment of a building’s overall performance throughout its life cycle, BEAM Plus enables organisations and companies of all sizes to demonstrate their commitment to sustainable development. For more information, please visit www.hkgbc.org.hk.

WELL Building Standard™ (“WELL”)

WELL is a performance-based system for measuring, certifying, and monitoring features of the built environment that impact the health and wellness of the people who live, work, and learn in the buildings. WELL focuses on seven categories of building performance: air, water, nourishment, light, fitness, comfort, and mind. It is administered by the International WELL Building Institute™ and third party certified by Green Business Certification Inc. For more information, please visit www.wellcertified.com.