



# Annual General Meeting

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25 April 2017





Gramercy Park, Singapore

# **AGENDA**

**FINANCIAL HIGHLIGHTS**

**SINGAPORE OVERVIEW**

**INTERNATIONAL OVERVIEW**

**HOTEL OPERATIONS**

**MOVING FORWARD**



# FINANCIAL HIGHLIGHTS

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# Key Highlights

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- 1** Achieved creditable financial performance despite headwinds and challenges
  - PATMI for FY 2016: \$653 million
  - Record revenue achieved for FY 2016: 18.2% increase to \$3.9 billion
- 2** Diversified portfolio of development projects and recurring income segments
  - EBITDA of \$1.2 billion
- 3** Stellar performance by property development business segment
  - 57% of FY 2016 pre-tax profits respectively
  - 1,017 units with sales value of approx. \$1.2 billion for FY 2016 in Singapore
- 4** Strong progress on diversification
  - Maiden profit contribution of Phase 1 of Suzhou Hong Leong City Center in Q4 2016
  - Key milestones achieved for overseas development projects
- 5** Active funds management and capital recycling strategy
  - Unlocked value in Nouvel 18, a 156-unit luxury freehold residential project, raising \$977.6 million via 3<sup>rd</sup> Profit Participation Securities (PPS) platform
- 6** Robust financial position with prudent financial management
  - \$3.9 billion cash position with net gearing ratio of 16%<sup>^</sup> as at 31 Dec 2016



<sup>^</sup> Without factoring in fair value gains on investment properties

# Resilient Performance amidst Macroeconomic Challenges

## Summary of Financial Results

	FY 2016	FY 2015	% Change
Revenue (\$m)	3,905	3,304	18.2
PATMI (\$m)	653	773	(15.5)
Basic Earnings Per Share (cents)	70.4	83.6	(15.8)
NAV Per Share (\$)	10.22	9.89	3.3
Return on Equity (%)	7.03	8.59	(1.6) pts

No fair values adopted on investment properties.

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses.



# Portfolio Composition – FY 2016

S\$ million	Recurring Income Segments				Total	Funds
	Property Development	Hotel Operations	Rental Properties	Others		

<u>EBITDA *</u>						
Local	367	53	123	(34)	509	
Overseas	183	211	201	112	707	
	<b>550</b>	<b>264</b>	<b>324</b>	<b>78</b>	<b>1,216</b>	

<u>Total Assets ^</u>						
Local	6,478	645	3,229	420	10,772	<b>AUM = \$3.5B</b>
Overseas	2,960	4,826	974	229	8,989	
	<b>9,438</b>	<b>5,471</b>	<b>4,203</b>	<b>649</b>	<b>19,761</b>	

\* Earnings before interest, tax, depreciation and amortisation.

^ Excludes tax recoverable and deferred tax asset.





# Portfolio Composition – FY 2016

EBITDA



Total Assets



- **Stability from Recurring Income segments** comprising 55% of EBITDA / 52% of Total Assets (excluding tax recoverable and deferred tax asset)
- **De-risking Singapore exposure** via growing international segments which accounts for 58% of EBITDA and 45% of Total Assets



# Diversified Land Bank

## Land Area (as of 31 Dec 2016) – CDL's Attributable Share

Type of Development	Land Area (sq ft)			
	Singapore	International	Total	%
Residential	507,333	1,878,895	2,386,228	91
Commercial / Hotel	20,886	226,273	247,159	9
<b>Total</b>	<b>528,219</b>	<b>2,105,168</b>	<b>2,633,387</b>	<b>100</b>

## Proposed GFA (sq ft)

Country	Residential	Commercial / Hotel	Total	%
Singapore	903,894	92,671	996,565	17
International Sub-Total	3,131,383	1,670,698	4,802,081	83
- China	1,073,604	1,560,698	2,634,302	46
- UK	1,408,710	110,000	1,518,710	26
- Others*	649,069	-	649,069	11
<b>Total</b>	<b>4,035,277</b>	<b>1,763,369</b>	<b>5,798,646</b>	<b>100</b>

\* Includes Japan and Malaysia





# Recognition for Performance Excellence

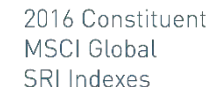
## Business & Performance Excellence

- Governance and Transparency Index (GTI) 2016  
– Ranked 10<sup>th</sup> out of 631 SGX-listed companies evaluated
- SIAS Investors' Choice Awards 2016  
– Most Transparent Company Award, Winner – Real Estate  
– Singapore Corporate Governance Award, Merit – Diversity  
– Internal Audit Excellence Award, Runner-up
- Singapore Corporate Awards 2016  
– Special Recognition Award for Sustainability



## Most Sustainable Company in Real Estate Worldwide\*

- Global 100 Most Sustainable Corporations in the World  
– Ranked Top in Real Estate in 2017 for 2<sup>nd</sup> consecutive year; listed since 2010
- Channel NewsAsia Sustainability Ranking  
– Top Property Developer in Asia & Top Singapore Corporation since 2014
- Listed on other sustainability indices / rankings:
  - FTSE4Good Index Series (since 2002)
  - Dow Jones Sustainability Indices (since 2011)
  - Global Real Estate Sustainability Benchmark (GRESB) Report 2016 - Green Star
  - MSCI Global Sustainability Indexes 2016
  - RobecoSAM The Sustainability Yearbook 2016
  - Singapore Exchange (SGX) Sustainability Indexes
  - United Nations Global Compact 100 Index
- BCA Quality Excellence Award – Quality Champion (Platinum) since 2013  
– Most accorded private sector developer in Singapore with over 80 BCA Green Mark properties

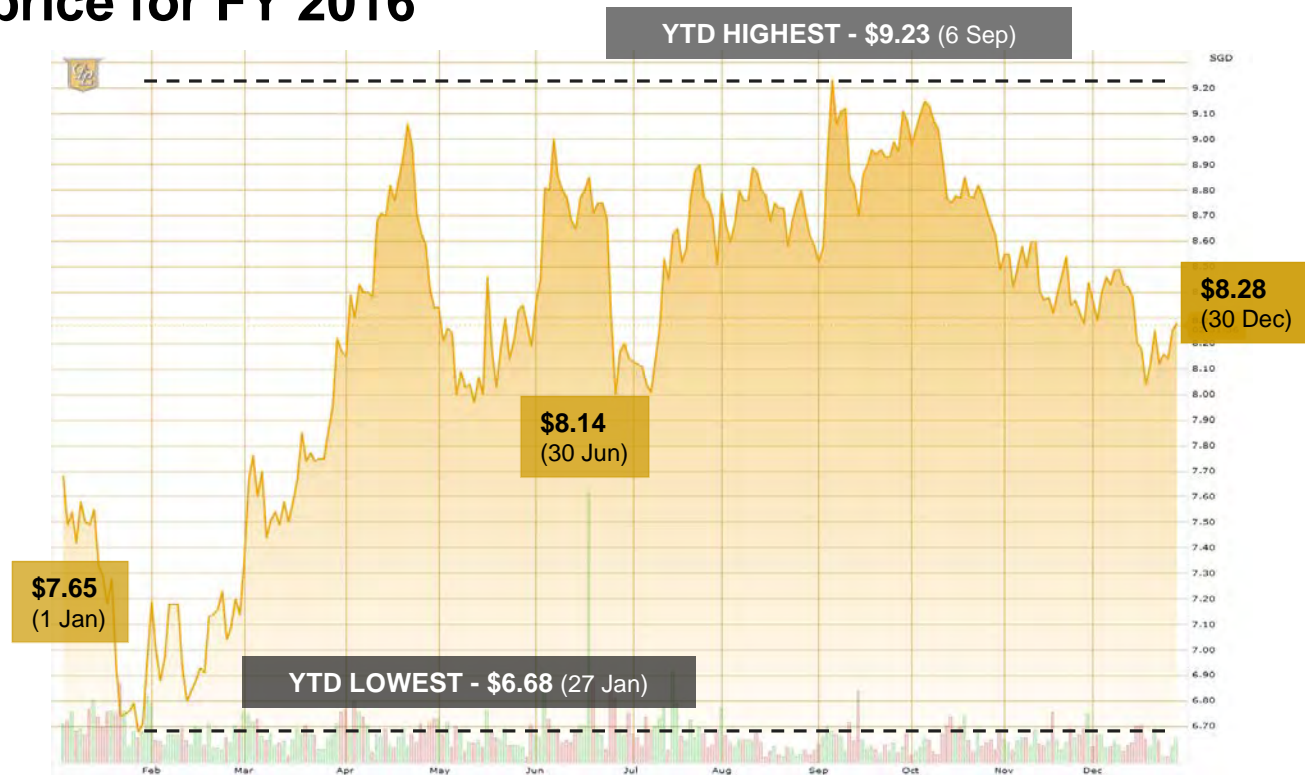


# Share Price Performance

## Strong Performance for FY 2016

 **8.2% in share price for FY 2016\***

- **FY 2016 Highest - \$9.23**  
(6 Sep)  
(↑ **20.7%** from 1 Jan)
- **FY 2016 Lowest - \$6.68**  
(27 Jan)  
(↓ **12.7%** from 1 Jan)



**FY 2016 Total Shareholder Return: 10.3%^**

\*As of 30 Dec 2016

^ Includes proposed special final dividend of 4.0 cents per share and proposed ordinary dividend of 8.0 cents per share.



# SINGAPORE OVERVIEW

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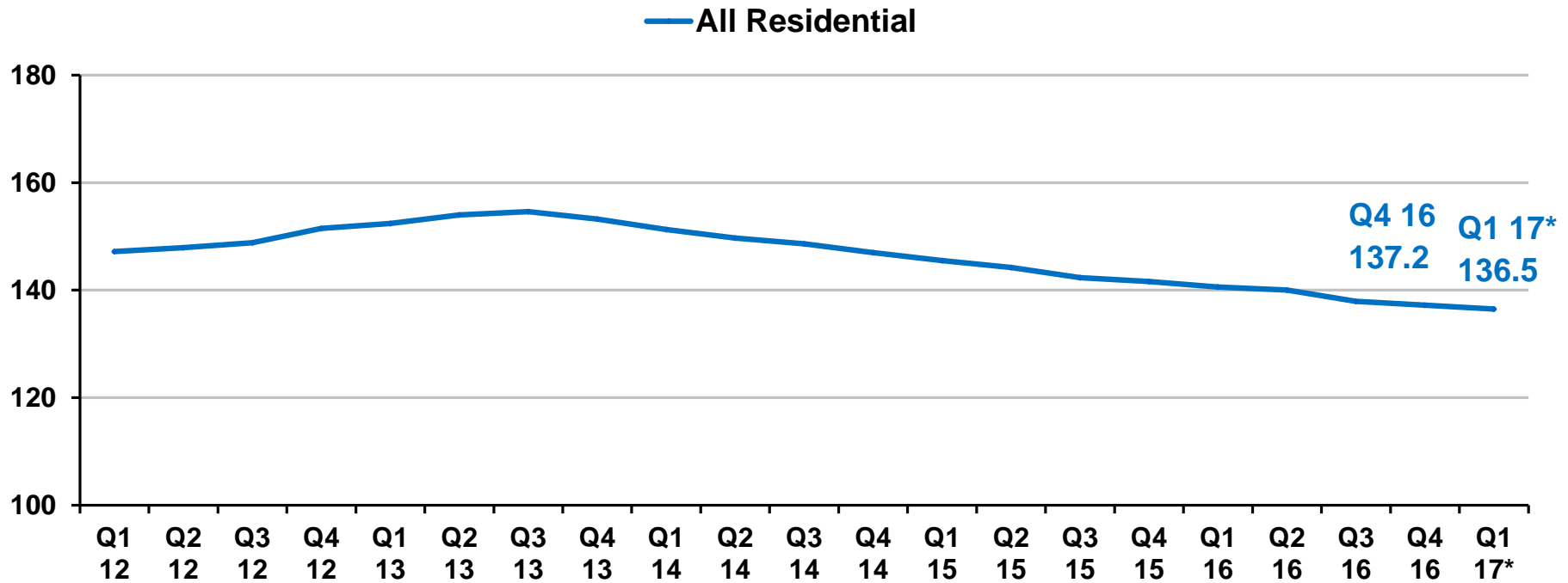


Forest Woods, Singapore  
*Artist's impression*



# Singapore Property Market

## Property Price Index – Residential (2012 – Q1 2017)



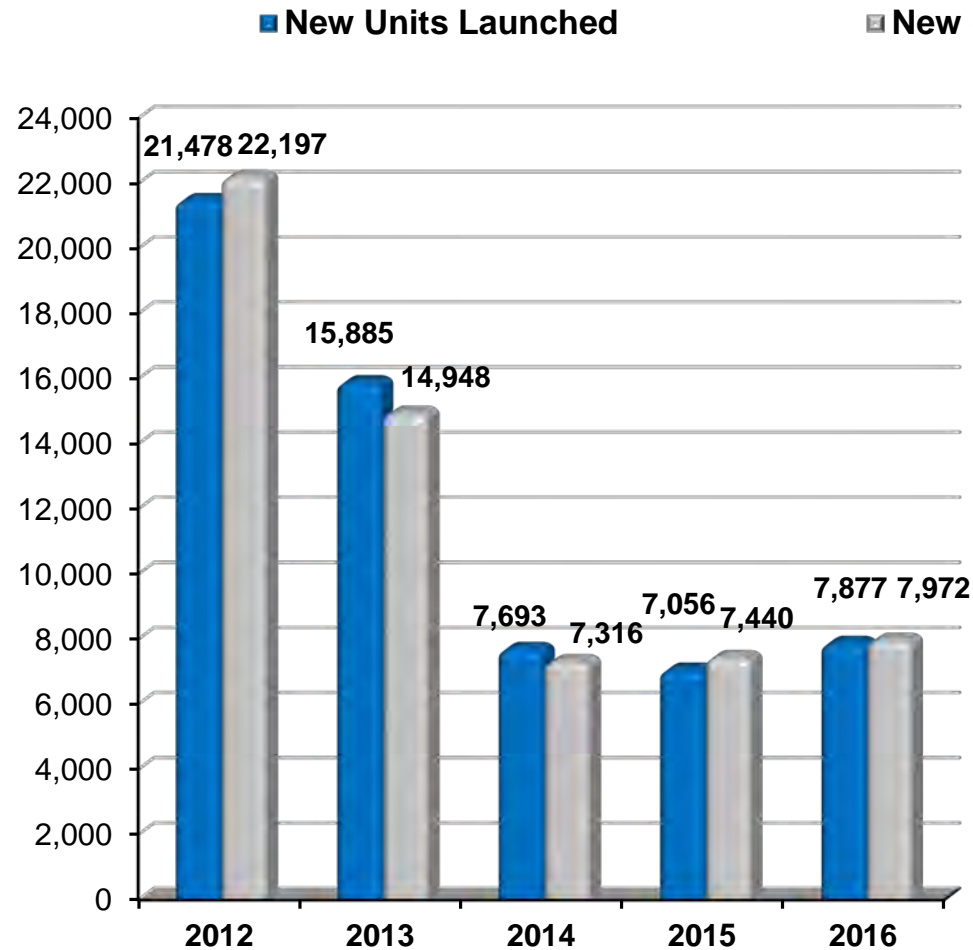
Source : URA, Q1 2017

\* Based on Flash Estimates



# Singapore Property Market

## No. of New Private Residential Units Launched vs Units Sold (2012 – 2016)



	New Units Launched (excl. EC units)	New Units Sold Directly By Developers (excl. EC units)
2012	21,478	22,197
2013	15,885	14,948
2014	7,693	7,316
2015	7,056	7,440
2016	7,877	7,972

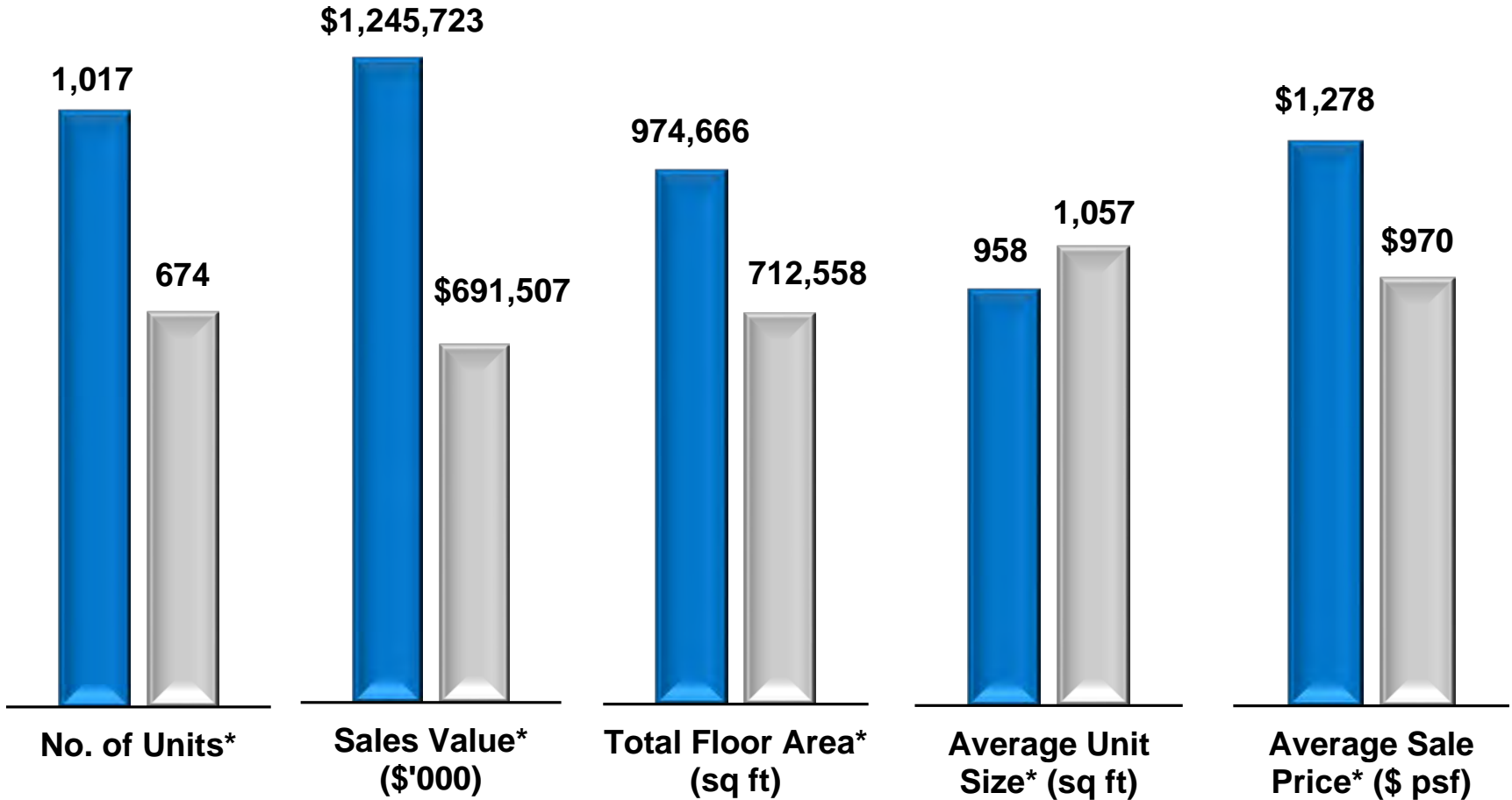


Source : URA, Q4 2016

# Singapore Property Development

## Residential Units Sold (2015 – 2016)

■ FY 2016    ■ FY 2015



\* Includes share of JV partners



# Singapore Property Development

## Gramercy Park – Positive Sales Momentum

Project	Location	Tenure	Equity Stake	Total Units	Total Units Sold*	% Sold	Total Saleable Area (sq ft)
Gramercy Park	Grange Road	Freehold	100%	174	86	80 <sup>#</sup>	368,743

### Phase 1 (North Tower) – 84% sold:

- 73 units sold at average of over \$2,600 psf
- All 2-bedroom + study units were sold
- 5-bedroom Penthouse (5,533 sq ft) was sold for \$16.88 million (\$3,051 psf).

### Phase 2 (South Tower) – Soft Launched in end Mar 2017:

- 13 units of 20 released units sold (65%)
- Achieved average selling price of over \$2,800 psf



Gramercy Park



<sup>#</sup> Based on number of units released in Phase 1 (87) and Phase 2 (20)

<sup>\*</sup>As of 23 Apr 2017

# Singapore Property Development

## One of 2016's Bestselling Residential Projects

Project	Location	Tenure	Equity Stake	Total Units	Total Units Sold*	% Sold*	Total Saleable Area (sq ft)	Expected TOP
Forest Woods	Lorong Low Lian	99-year leasehold	50%	519	423	82	431,265	2021

### Strong Uptake:

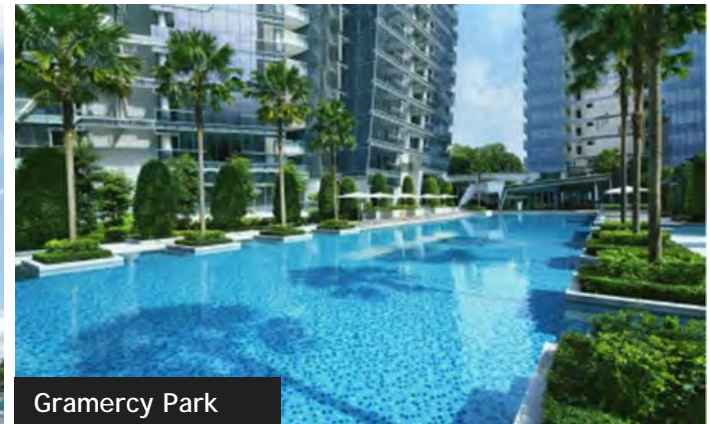
- Launched in Oct 2016 and 82% sold to-date
- Achieved average selling price of about \$1,400 psf
- All 1-bedroom + study, 2-bedroom apartment types and penthouses have been sold
- Remaining units comprise of 2-bedroom + study to 4-bedroom unit types



# Singapore Property Development

## Completed Residential Projects in 2016

Project	Location	Equity Stake	Total Units	% Sold*	TOP Obtained
<b>HAUS@SERANGOON GARDEN</b>	Serangoon Garden Close	70%	97 Terraces	100	Mar 2016
<b>The Inflora</b>	Flora Drive	33%	396	100	Apr 2016
<b>Gramercy Park</b>	Grange Road	100%	174	80#	May 2016
<b>Lush Acres (Exec Condo)</b>	Fernvale Close	100%	380	100	Jun 2016
<b>Jewel @ Buangkok</b>	Compassvale Bow	100%	616	100	Aug 2016
<b>Echelon</b>	Alexandra View	50%	508	99	Sep 2016
<b>Bartley Ridge</b>	Mount Vernon Road	30%	868	100	Oct 2016
<b>South Beach Residences</b>	Beach Road	50.1%	190	^	Dec 2016



\* As of 23 Apr 2017

# Based on number of units released in Phase 1 (87) and Phase 2 (20)

^ Not launched yet



# Singapore Property Development

## Upcoming Residential Project Launch for 2H 2017 (Subject to market conditions)

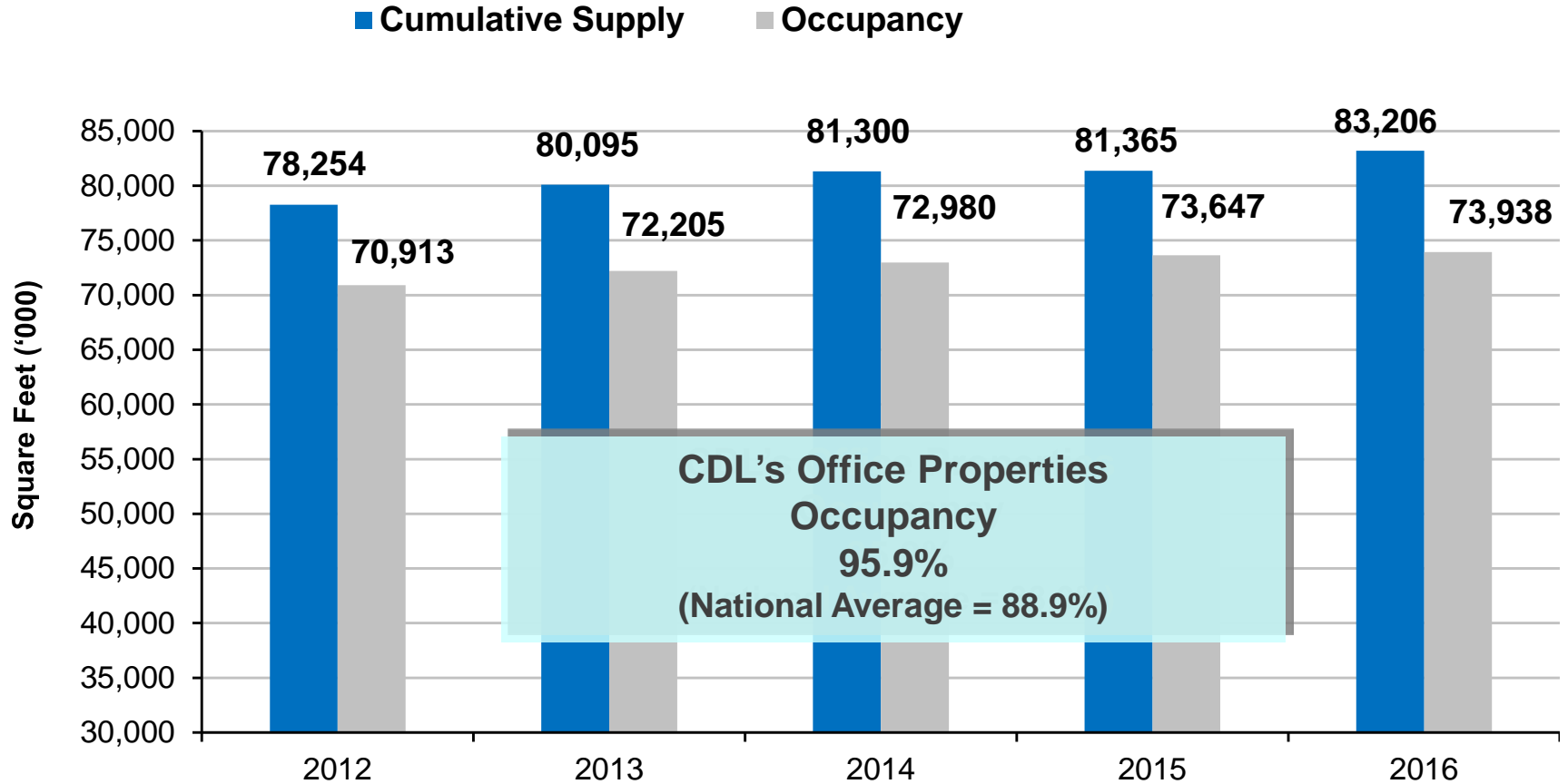
Project	Location	Tenure	Equity Stake	Total Units	Gross Floor Area (sqm)	Expected TOP
<b>New Futura</b>	Leonie Hill Road	Freehold	100%	124	23,066	2017

- Upmarket freehold condominium in District 9, designed by world-renowned architect SOM
- Comprises 124 units in two iconic 36-storey towers, with six sky terraces
- 5-minutes walk from Orchard Road
- All apartments enjoy private lift access, and are fitted with premium finishes and branded appliances



# Singapore Office Market

## Office Space Demand & Supply (2012 – 2016) Private & Public Sector



Occupancy as of 31 Dec 2016  
Source : URA, Q4 2016



# South Beach

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## Fully Completed in December 2016

### Strong Performance for Office & Retail

- South Beach Tower (510,000 sq ft office space) and retail space are fully leased

### JW Marriott Hotel Singapore South Beach

- Rebranded hotel soft opened in mid-Dec 2016
- Business performance is within expectations
- Ongoing works at NCO Club are expected to complete by Q3 2017, along with the remodelled Ballroom

### South Beach Residences

- 190-unit luxury residence may be launched in 2H 2017, subject to market conditions





# INTERNATIONAL OVERVIEW

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Hong Leong City Center, Suzhou, China  
*Artist's impression*



# International Property Development

## Australia

### Merivale Street Residential Project – Ivy and Eve

City	Equity Stake	Total Units	Total Units Sold*	% Sold	Expected Completion
Brisbane	33%#	472	450	95	1H 2018

- Freehold project with two 30-storey towers of 1-, 2- and 3-bedroom apartments in the heart of South Bank
- Strong sales bookings with approx. 95% of project sold to date
- Construction commenced in late 2015, on track for completion in early 2018
- Profits will be recognised upon hand over of the units



# Effective economic interest is ~49%

\*As of 23 Apr 2017



# International Property Development

## China – Maiden Profits Recognised in Q4 2016

### Suzhou – Hong Leong City Center (丰隆城市中心)

City	Equity Stake	Total Units	Total Units Sold / Booked*	% Sold	Expected Completion
Suzhou	100%^	1,804	1,238	69	Completed (Phase 1) Q4 2017 (Phase 2)

- Mixed-use waterfront project in Suzhou Industrial Park
  - Phase 1: Tower 1 (462-unit residential) & Tower 3 (912-unit SOHO)
  - Phase 2: Tower 2 (430-unit residential), 30,000 sqm office tower, 56,000 sqm retail mall & 287-room hotel
- Phased completion – 446 units (Tower 1) and 524 units (Tower 3) handed over to date
- Strong sales achieved to date:
  - Phase 1 – 77% sold/booked with sales value of RMB 2.24 billion achieved
  - Phase 2 – 43% sold/booked with sales value of RMB 542 million
  - Carpark lots – 223 sold
- Phase 2 completion by Q4 2017



\*As of 23 Apr 2017  
^ With effect from 30 Nov 2016

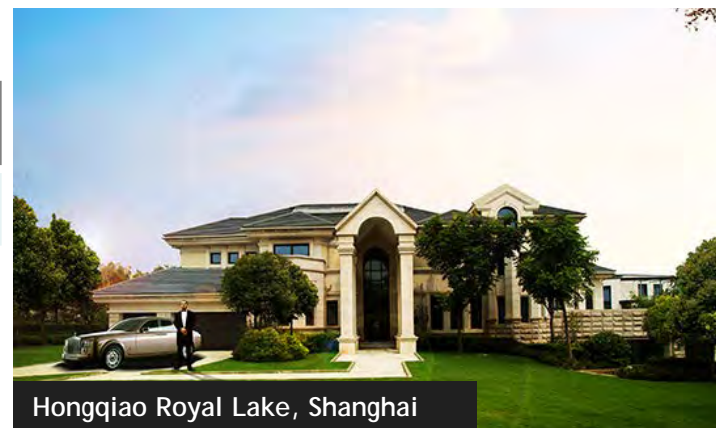
# International Property Development

## China – Good Progress on Launched Luxury Projects

### Shanghai – Hongqiao Royal Lake (御湖)

City	Equity Stake	Total Units	Total Units Sold / Booked*	% Sold	Expected Completion
Shanghai	100%	85	39	46	Completed

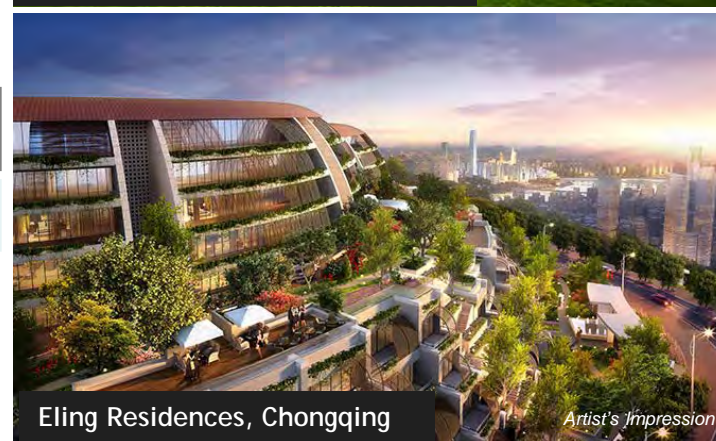
- Stable sales despite tightening measures in Shanghai
- 39 units sold/booked with sales value of RMB 808.7 million achieved to date



### Chongqing – Eling Residences (鹅岭峰)

City	Equity Stake	Total Units	Total Units Sold / Booked*	% Sold	Expected Completion
Chongqing	100%	126	8	6	Q2 2017

- Launched in Oct 2016
- 8 units sold/booked with sales value of RMB 85 million – achieved highest average values of close to RMB 40,000 psm



### Chongqing – Huang Huayuan (黄花园)

- Scheduled launch of mixed-use development with over 600 residential units in 2019



# International Investment Platforms

## Strategic Acquisition of 20% Equity Stake in mamahome for RMB 100 million

### China's Fast-Growing Online Apartment Rental Platform



- Over 150,000 apartment listings spanning over 20 cities in China
- Offers one-stop solution for apartment owners and rental customers
- Investment provides immediate entry into this fast-growing, new economy sector
  - Complement business portfolio
  - Contributes to future long-term recurring income stream
- Synergies to be shared with the Group's properties in Shanghai, Suzhou and Chongqing





# International Property Development

## Japan – Invested in 2 Prime Residential Projects in Tokyo

### Tokyo – Park Court Aoyama The Tower

City	Equity Stake	Total Units	Total Units Sold *	Expected Completion
Freehold	20%	163	Over 50%	1H 2018

- Located within prestigious Aoyama area within Minato ward in Tokyo
- Project targeted at high-end domestic and foreign buyers
- Good uptake with over 50% of units sold since its launch in Oct 2016



### Tokyo – Shirokane

Tenure	Equity Stake	Site Area (sqm)
Freehold	94.7%	16,815

- Discussions with potential JV partner for project development ongoing



# International Property Development

## UK – Upcoming Launches in Q2 2017

### Teddington Riverside, Teddington TW11



Tenure	Equity Stake	Total Units	Est. Total Saleable Area (sq ft)	Expected Completion
Freehold	100%	220	240,000	2018 (Phased)

- Full planning received; works on basement car park in advanced stage
- Block A (57 units) will be launched in Q2 2017, followed by another five blocks

Project	Tenure	Equity Stake	Total Units	Est. Total Saleable Area (sq ft)	Expected Completion
Belgravia	Freehold	100%	6	12,375	Q2 2017
Knightsbridge	Freehold	100%	3	5,193	Q2 2017



# International Property Development

## UK – Pipeline Projects

### Chelsea, 90-100 Sydney Street, London SW3 6NJ



Tenure	Equity Stake	Total Units	Est. Total Saleable Area (sq ft)	Expected Completion
Freehold	100%	9	16,143	Q2 2018

- Good progress on works
- Expected completion in Q2 2018

### Stag Brewery, Mortlake, London SW14



Tenure	Equity Stake	Est. Total Saleable Area (sq ft)
Freehold	100%	1,000,000 sq ft

- Advanced master plan at public consultation stage
- Planning applications to be submitted by end Q2 2017
- Proposed scheme to comprise two phases
  - Parameter plan covering the entire site
  - Detailed planning application for Phase 1



# International Property Development

## UK – Pipeline Projects

### 28 Pavilion Road, Knightsbridge, London SW1

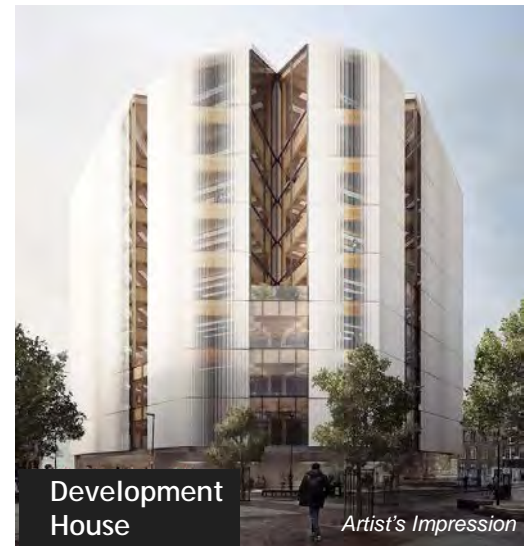
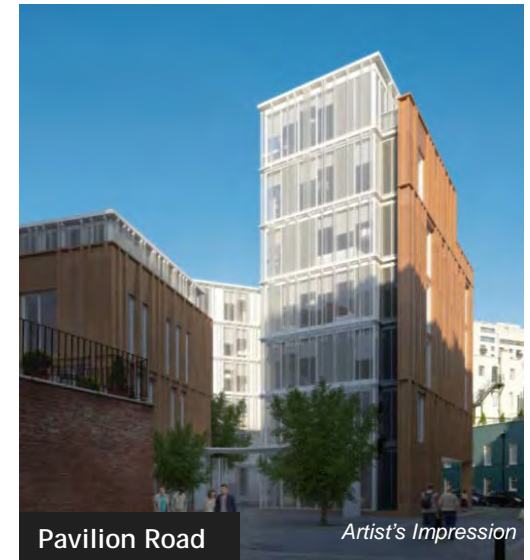
Tenure	Equity Stake	Total Units	Est. GFA (sq ft)
Freehold	100%	34	135,000

- First luxury home care development to be built in Central London – planning consent obtained
- Project on target to commence demolition works in Q2 2017

### Development House, Leonard Street in Shoreditch

Tenure	Equity Stake	Est. Total Lettable Area (sq ft)
Freehold	100%	90,000 sq ft

- Planning application to be submitted in Q2 2017
- Existing 28,000 sq ft remains fully leased and vacant possession expected from Q2 2018





# HOTEL OPERATIONS

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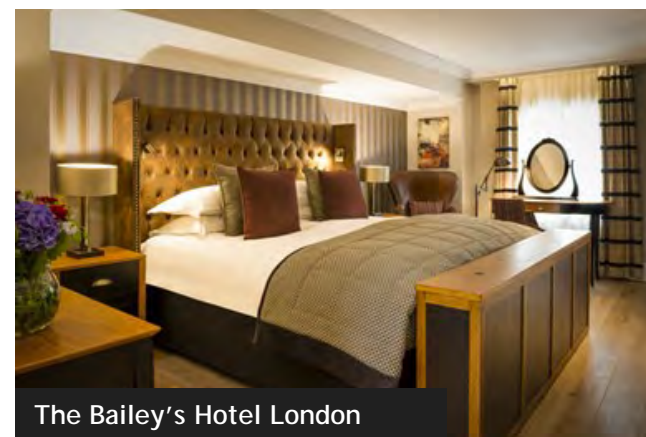
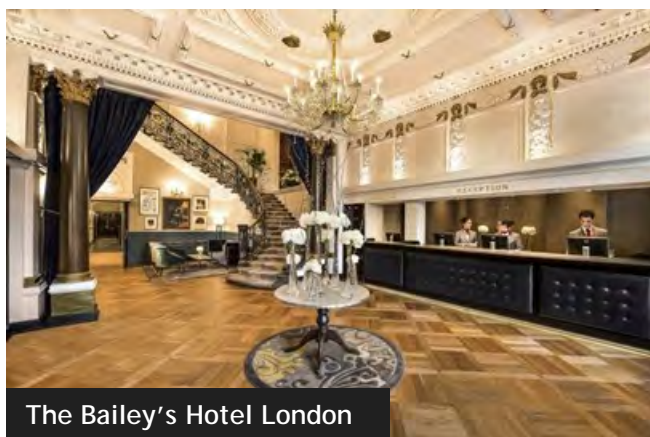


# M&C Hotel Operations

## Trading Performance

	Reported Currency			Constant Currency	
	FY 2016	FY 2015	Change	FY 2015	Change
Revenue	£926m	£847m	9.3%	£926m	-
Revenue (hotel)	£814m	£765m	6.4%	£833m	(2.3%)
Profit before tax	£108m	£109m	(0.9%)	£124m	(12.9%)
PATMI	£78m	£65m	20.0%		

- Increase in reported revenue attributed to higher land sales in New Zealand and a higher contribution from Millennium Mitsui Garden Hotel Tokyo, coupled with favourable foreign exchange movements as a result of weak pound against major currencies.





# M&C Hotel Operations

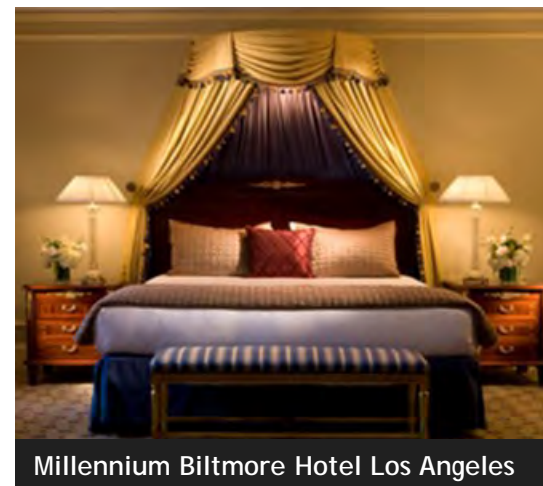
## Hotel Room Count and Pipeline

Hotel and Room Count	Hotels		Rooms	
	31 Dec 2016	31 Dec 2015	31 Dec 2016	31 Dec 2015
<b>By region:</b>				
• New York	4	4	2,238	2,238
• Regional US	15	15	4,559	4,463
• London	8	8	2,651	2,651
• Rest of Europe	19	18	3,081	2,867
• Middle East *	26	22	7,805	6,450
• Singapore	7	6	3,011	2,716
• Rest of Asia	27	26	10,036	9,430
• Australasia	25	27	3,641	3,903
<b>Total:</b>	<b>131</b>	<b>126</b>	<b>37,022</b>	<b>34,718</b>

### Pipeline

#### By region:

• Middle East *	17	16	5,465	4,663
• Rest of Asia	4	3	1,608	1,674
• Regional USA	1	1	263	263
• Rest of Europe	1	-	153	-
<b>Total:</b>	<b>23</b>	<b>20</b>	<b>7,489</b>	<b>6,600</b>



\* Mainly management contracts

# CDL Hospitality Trusts

## Trading Performance

S\$'000	FY 2016	FY 2015	Change
<b>Gross Revenue</b>	<b>180,857</b>	172,410	4.9%
<b>Net Property Income (NPI)</b>	<b>137,560</b>	137,003	0.4%



Gross revenue and NPI increased mainly due to :

- Inorganic contribution from Hilton Cambridge City Centre, United Kingdom, which was acquired on 1 Oct 2015
- Strong contribution from New Zealand hotels as a result of higher variable rental income
- Incremental income boost from Japan hotels and Claymore Connect retail mall.

This was partially offset by :

- Continued weakness in Singapore and Maldives markets due to soft trading conditions amid the global economic slowdown
- Lower contribution from Australia due to weaker AUD and lower variable income contribution for FY 2016





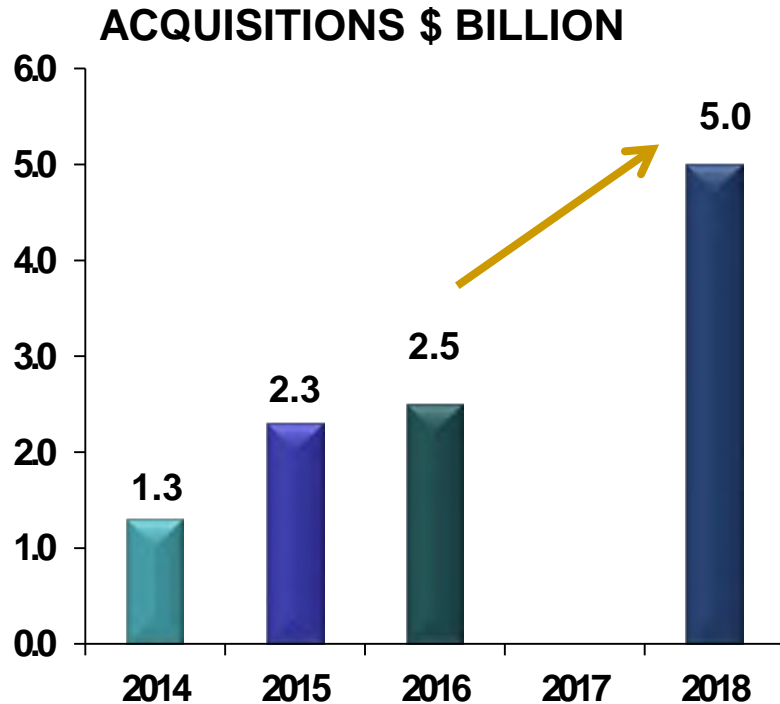
# MOVING FORWARD

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Teddington Riverside, London, UK  
*Artist's impression*

# Geographical Diversification

On target to meet \$5 billion in Acquisition Objective by end 2018



## FY 2016 Acquisition Highlights:



**£37.4 million**  
Acquisition of Development House, an existing office building in Shoreditch, north of City of London



**RMB 100 million**  
Investment for 20% equity stake in mamahome, China's fast growing online apartment rental platform

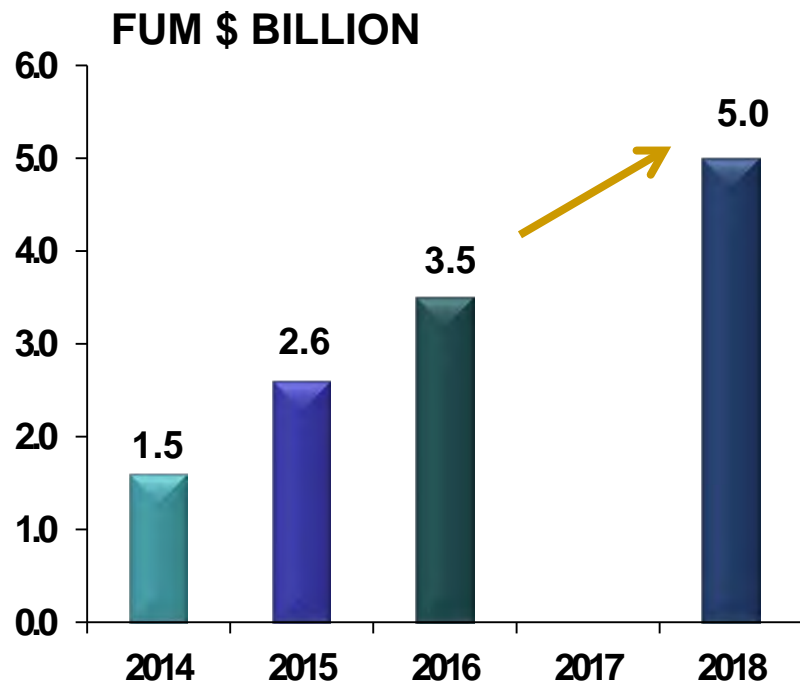


Acquisition of 20% equity stake in luxury Tokyo residential project, Park Court Aoyama The Tower with total GDV of over JPY 50 billion



# Product Diversification

On target to raise \$5 billion in Funds under Management (FUM) by end 2018



**70% to target**  
with 3<sup>rd</sup> Profit Participation Securities (PPS) in 2016



**\$977.6 million**  
Raised from PPS transaction and exited interest to luxury freehold residential project to a group of Singaporean investors

	PPS 1 The Quayside Collection	PPS 2 Office Portfolio with 3 Prime Assets	PPS 3 Nouvel 18
Date	Dec 2014	Dec 2015	Oct 2016
Asset Type	Mixed Use	Office	Residential
Partner	Blackstone & CIMB	Alpha	Singaporean HNWI & Companies Wholly-owned by Singaporeans
AUM	\$1.5 billion	\$1.1 billion	\$977.6 million





# Strategic Thrusts for FY 2017

## Acquisitive Position with Value Driven Focus

### Q1 2017 Acquisition Highlights:



**RMB 72 million**

Investment for 24% equity stake in Distrii, China's leading co-working space operator



**£58 million**

Acquisition of 1.6 acre Ransomes Wharf site in Battersea, South West London



**RMB 900 million**

Acquisition of Shanghai commercial project, Meidao Business Plaza in Hongqiao

- Focus on assets with in-place income in Singapore and overseas:
  - \$304 million investments in Q1 2017
  - Disciplined capital deployment – for physical assets, equities or debt instruments
- Grow funds management and capital recycling programme
  - PPS
  - Traditional private equity structures
- Future-proof business through investments in new economy platforms



## **Disclaimer:**

*This document may contain forward-looking statements that involve assumptions, risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other developments or companies, shifts in customer demands, customers and partners, expected levels of occupancy rate, property rental income, charge out collections, changes in operating expenses (including employee wages, benefits and training costs), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of management on future events. Numbers in tables and charts may not add up due to rounding.*





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