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[Presentation Slides on Half Year Financial Results 2013 * Financial Statement And Related Announcement](#)

* Asterisks denote mandatory information


Name of Announcer *	CITY DEVELOPMENTS LIMITED
Company Registration No.	196300316Z
Announcement submitted on behalf of	CITY DEVELOPMENTS LIMITED
Announcement is submitted with respect to *	CITY DEVELOPMENTS LIMITED
Announcement is submitted by *	Enid Ling Peek Fong
Designation *	Company Secretary
Date & Time of Broadcast	06-Aug-2013 07:27:38
Announcement No.	00009

>> [Announcement Details](#)

The details of the announcement start here ...

For the Financial Period Ended *	30-06-2013
Description	Presentation Slides on Half Year Financial Results 2013 are attached for your information.

Attachments

 [06082013_1H2013_Presentation.pdf](#)
 Total size = **1384K**
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**HALF YEAR
FINANCIAL REPORT**

1 Jan – 30 Jun 2013

**6 August 2013
ANALYST / MEDIA BRIEFING**

AGENDA

1. FINANCIAL HIGHLIGHTS

2. SINGAPORE PROPERTY MARKET

3. OPERATIONS REVIEW

- Property Development
- Hotel Operations & CDLHT

4. MOVING FORWARD



FINANCIAL HIGHLIGHTS



KEY FINANCIAL HIGHLIGHTS

- Achieved sterling performance with profit up 48.0% for Q2 2013.
- No revaluation surpluses on investment properties and hotels (including CDL Hospitality Trusts).
- No profit recognition from fully sold Executive Condominiums (ECs) until completion of construction, in accordance with prevailing accounting treatment.
- Strong balance sheet with cash and cash equivalents of \$2.5 billion as at 30 June 2013.
- Healthy net gearing ratio at 22% (excluding any revaluation surpluses for investment properties) and interest cover at 15.0 times for 1H 2013.
- Special interim ordinary dividend of 8.0 cents per ordinary share.



SUMMARY OF FINANCIAL HIGHLIGHTS

	Q2 2013	Q2 2012	% Change	1H 2013	1H 2012	% Change
Revenue (\$m)	802	788	1.8	1,565	1,635	(4.2)
Profit Before Tax (\$m)	273	203	34.6	459	418	9.8
PATMI (\$m)	204	138	48.0	341	294	16.0
Basic Earnings Per Share (cents)	21.7	14.4	50.7	36.8	31.7	16.1
NAV Per Share (\$)				8.30	7.66	8.4

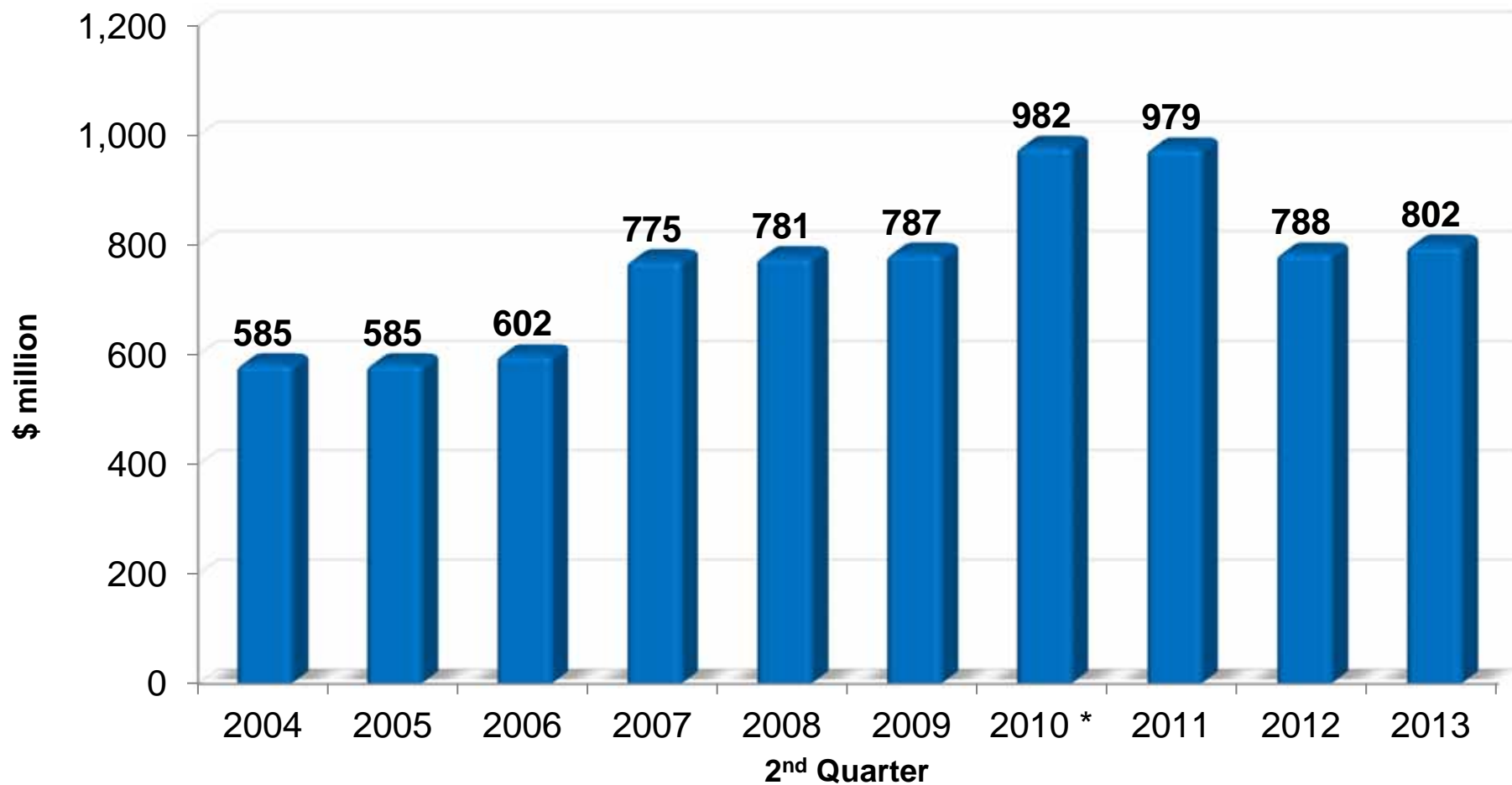
No fair value adopted on investment properties.

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



FINANCIAL HIGHLIGHTS

Revenue for the 2nd Quarter (2004 – 2013)



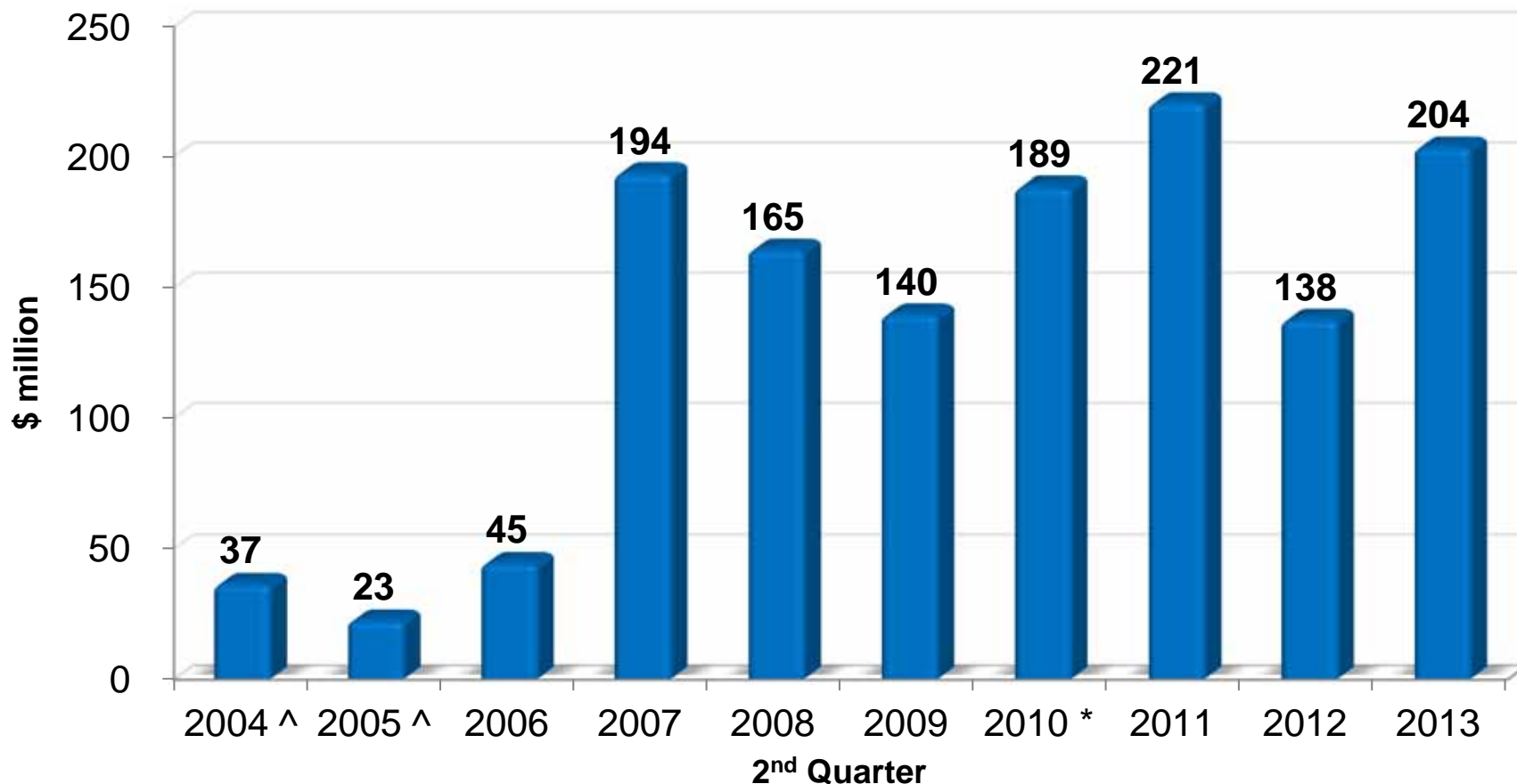
* Restated due to the adoption of INT FRS 115 for 2010 only.

Note : The above financial information is extracted from half-yearly announcements of respective years.



FINANCIAL HIGHLIGHTS

PATMI for 2nd Quarter (2004 – 2013)



^ Restated

* Restated due to the adoption of INT FRS 115 for 2010 only.

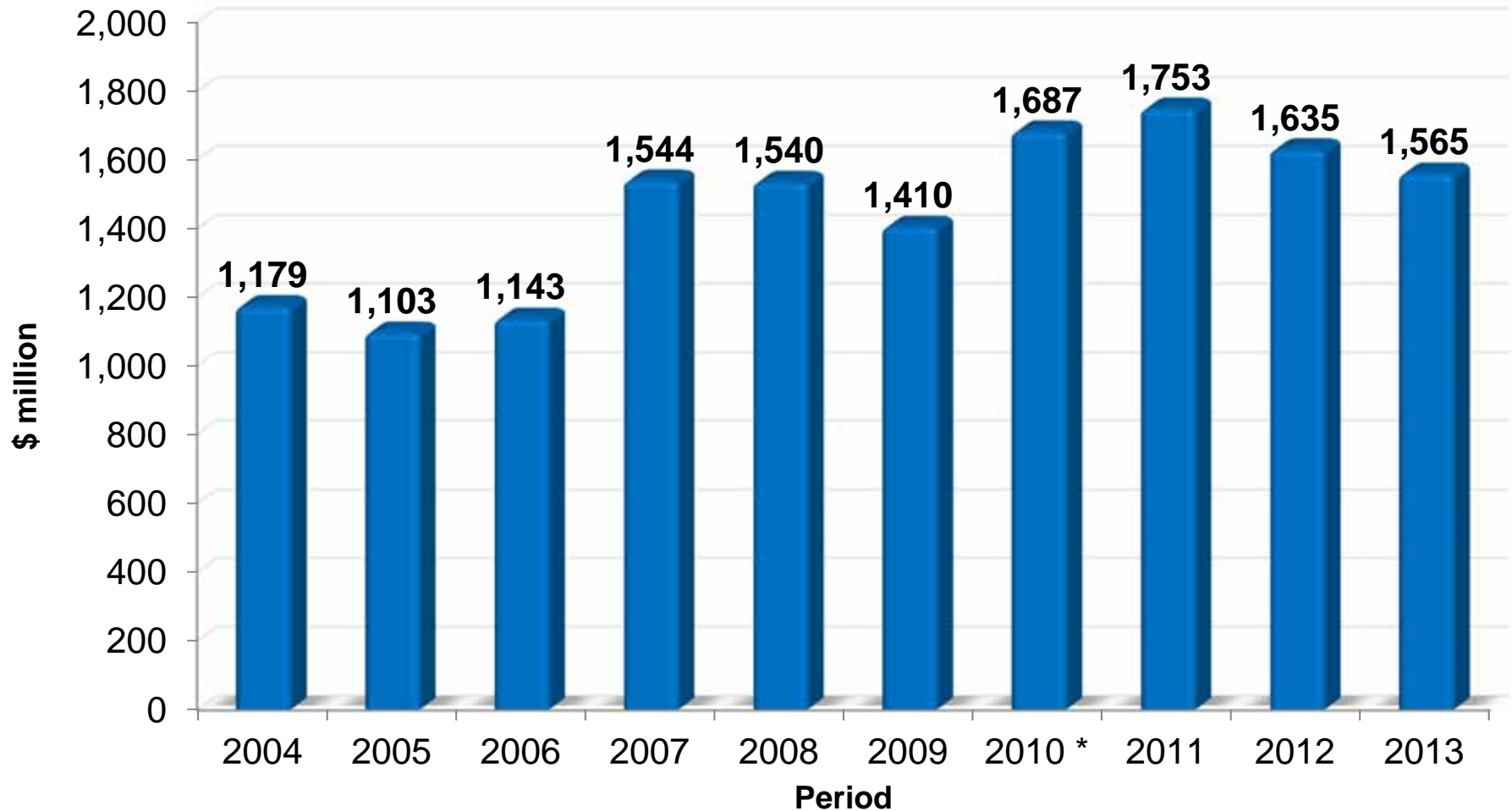
Note : The above financial information is extracted from half-yearly announcements of respective years.

The Group has adopted FRS 40 cost model whereby its investment properties continue to be stated at cost less accumulated depreciation and accumulated impairment losses with effect from 1 Jan 2007.



FINANCIAL HIGHLIGHTS

Revenue for the Period Ended 30 Jun (2004 – 2013)



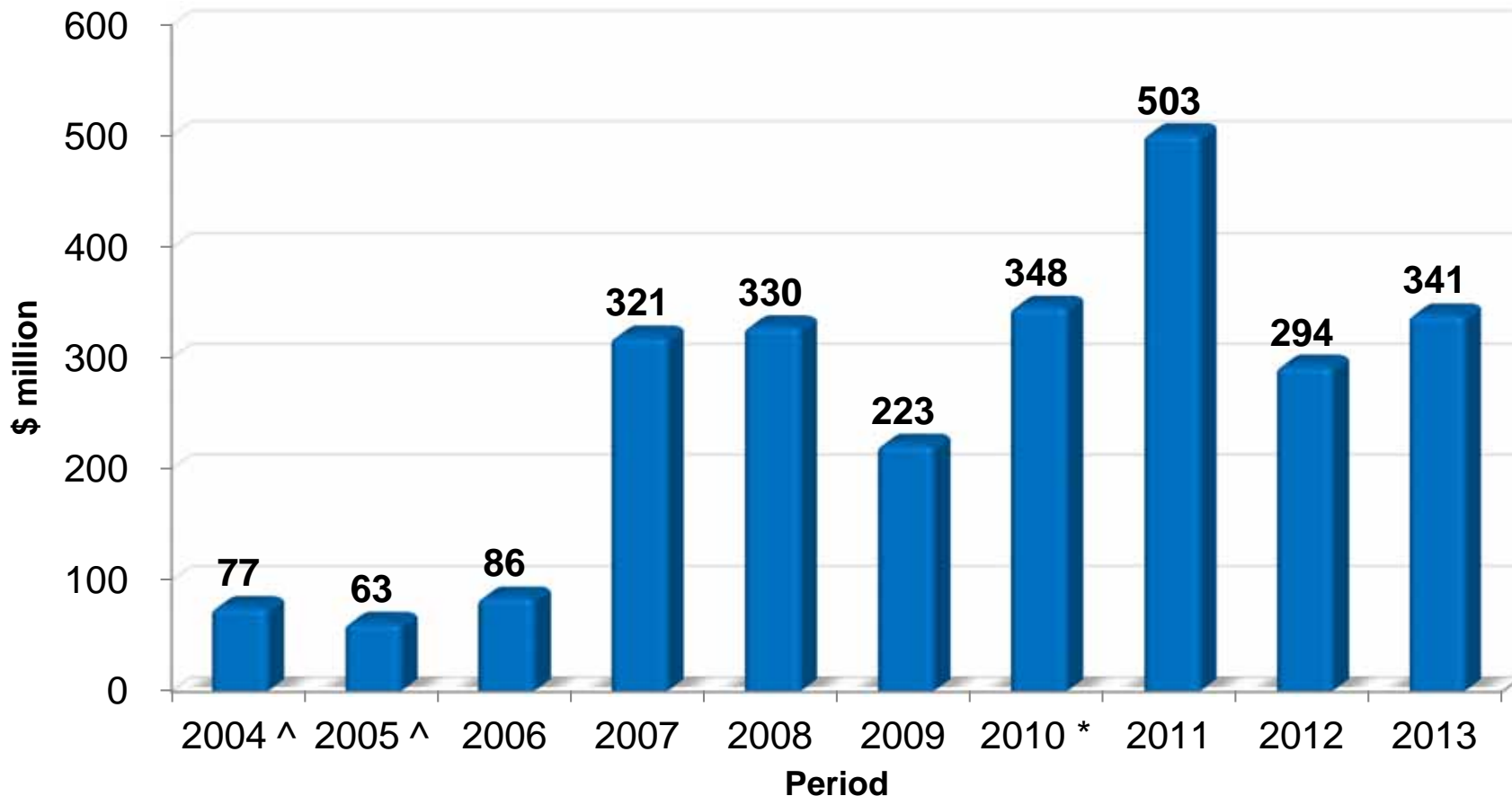
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FINANCIAL HIGHLIGHTS

PATMI for the Period Ended 30 Jun (2004 – 2013)



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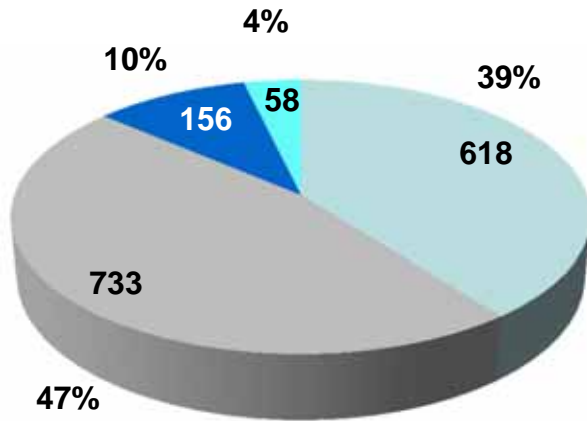
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FINANCIAL HIGHLIGHTS

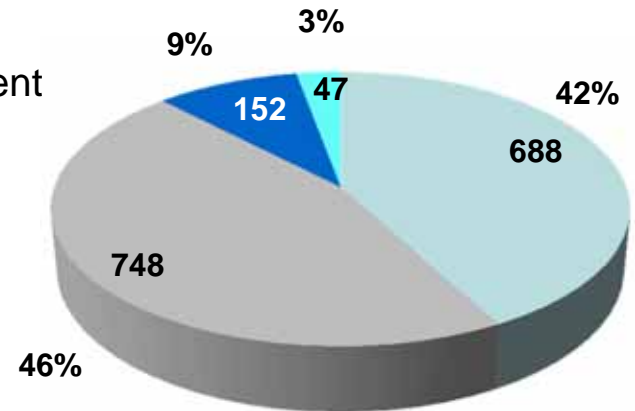
Revenue by Segment – 1H 2013 vs 1H 2012

1H 2013



\$1,565m

1H 2012



\$1,635m

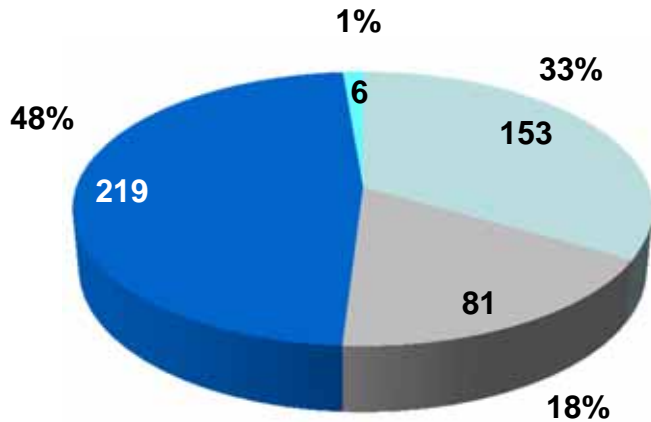
Overall change
= ↓ 4%



FINANCIAL HIGHLIGHTS

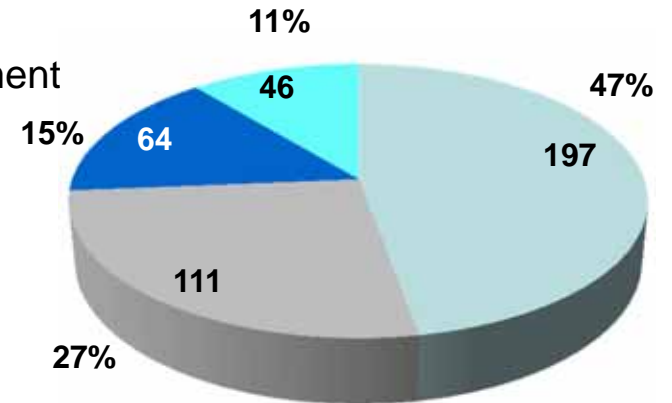
Profit before Tax by Segment – 1H 2013 vs 1H 2012

1H 2013



\$459m

1H 2012



\$418m

Overall change
= ↑ 10%

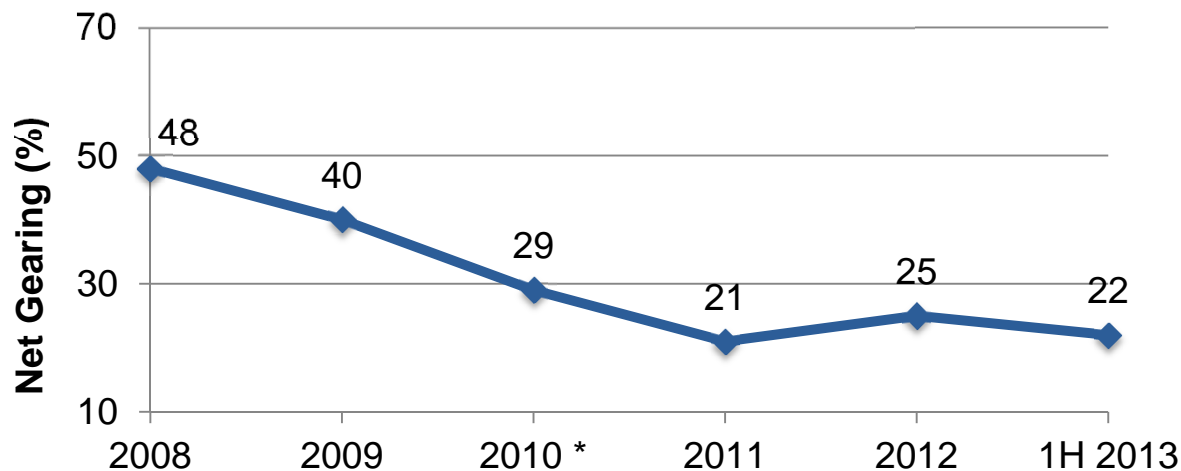


FINANCIAL HIGHLIGHTS

Capital Management

CDL Group Total	As at 30/06/13	As at 31/12/12	As at 30/06/12
Net Borrowings	\$2,087m	\$2,357m	\$1,876m
Interest Cover Ratio	15.0 x	17.4 x	16.3 x
Cash and cash equivalents	\$2,518m	\$2,162m	\$2,310m
Gearing ratio without taking in fair value gains on investment properties	22%	25%	21%

CDL's Net Gearing (%) (2008 – 1H 2013)



* Restated due to the adoption of INT FRS 115 for 2010 only.



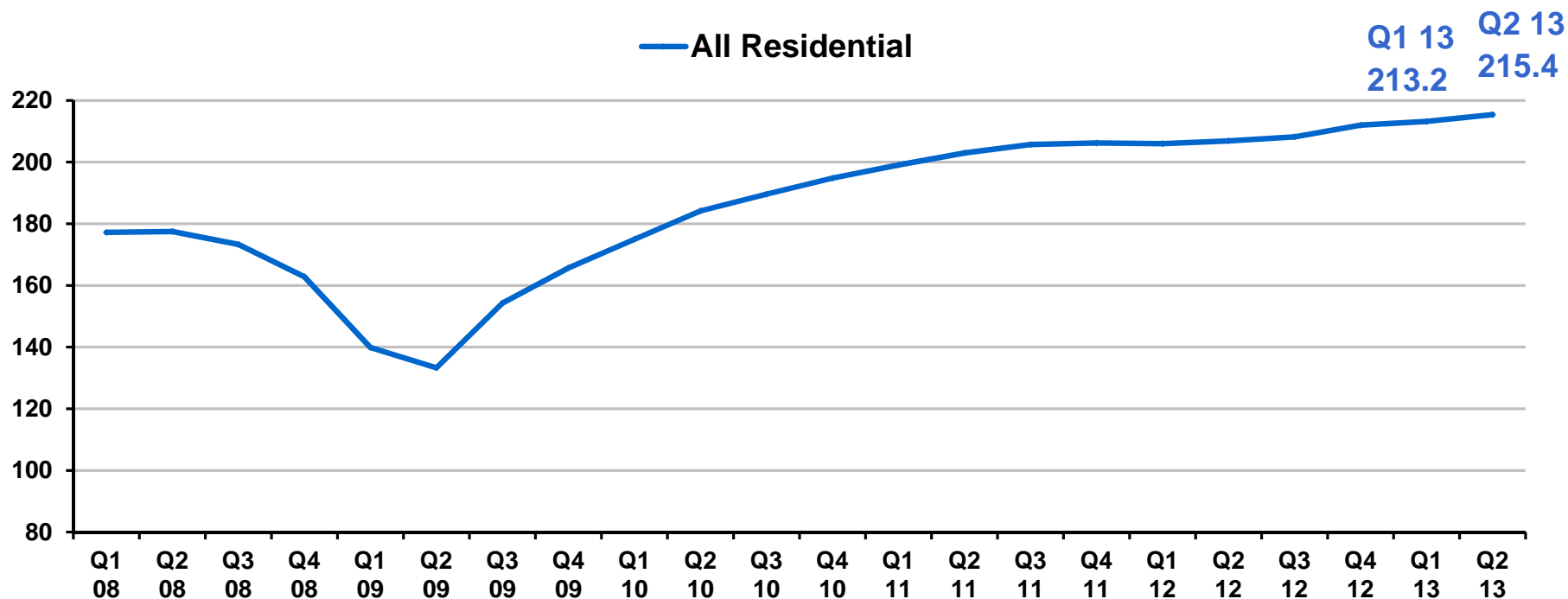
SINGAPORE PROPERTY MARKET



Artist's Impression of Lush Acres

SINGAPORE PROPERTY MARKET

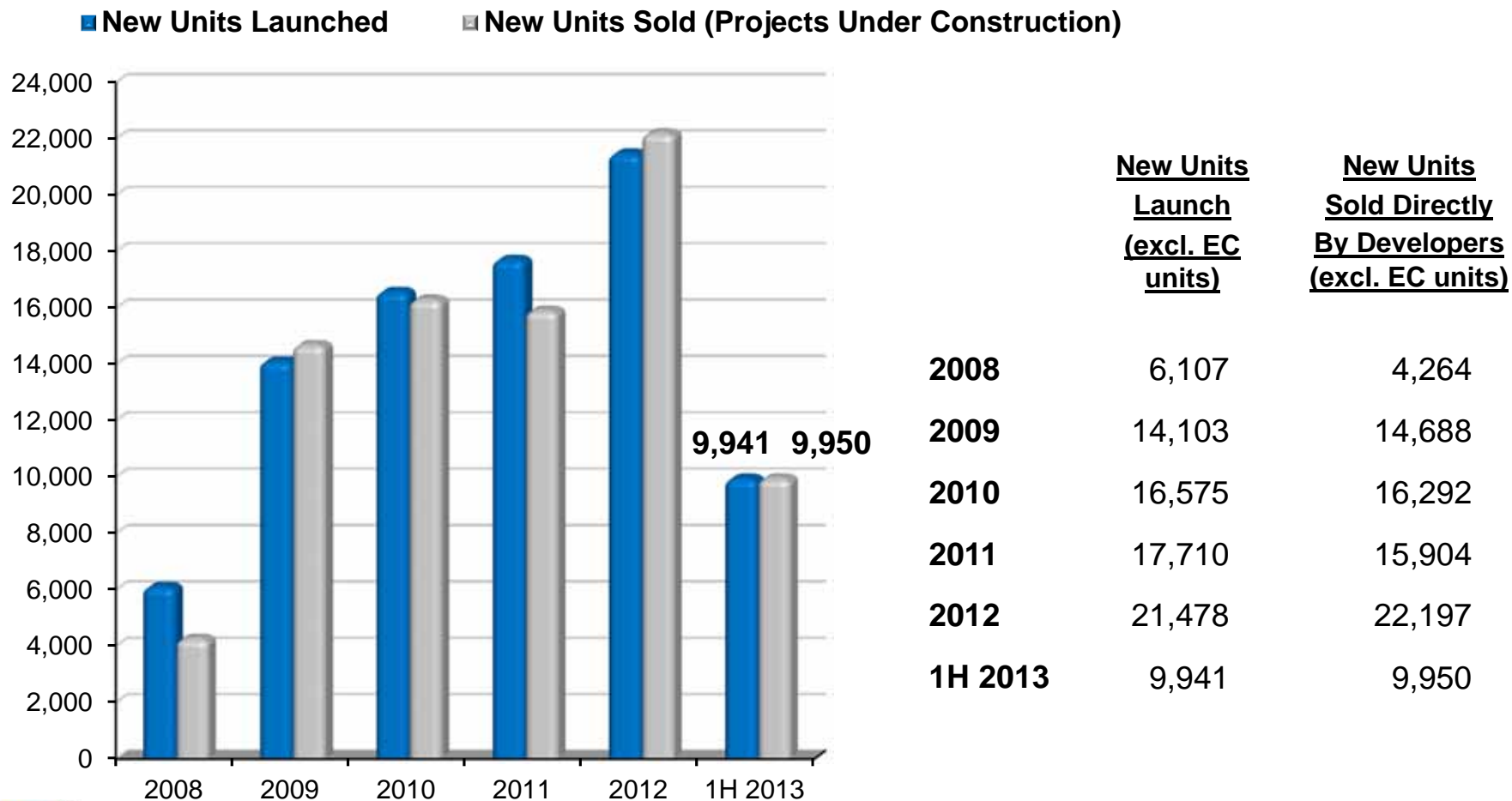
Property Price Index – Residential (2008 – 1H 2013)



Source : URA, Q2 2013

SINGAPORE PROPERTY MARKET

No. of New Private Residential Units Launched vs Units Sold (Projects under Construction) (2008 – 1H 2013)

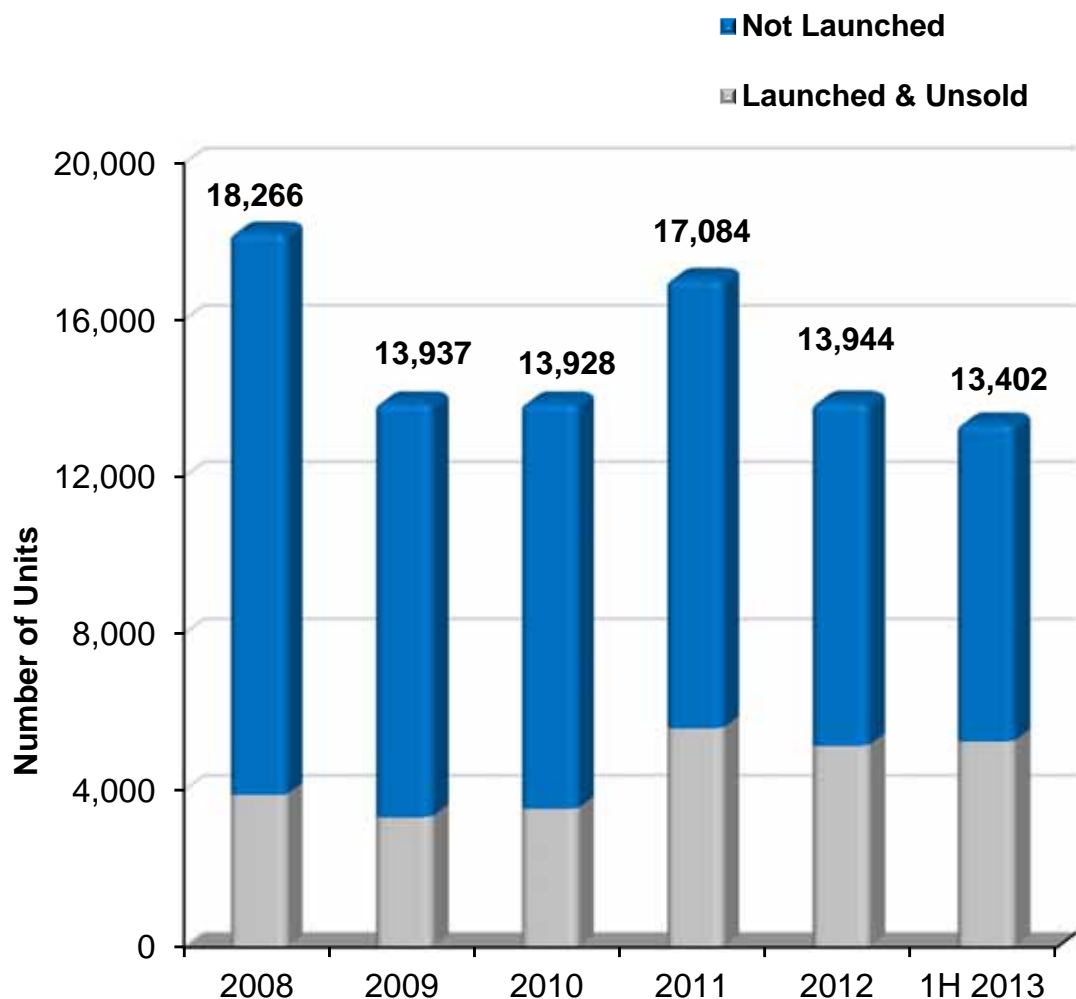


Source : URA, Q2 2013



SINGAPORE PROPERTY MARKET

No. of Uncompleted Private Residential Units Available (2008 – 1H 2013)



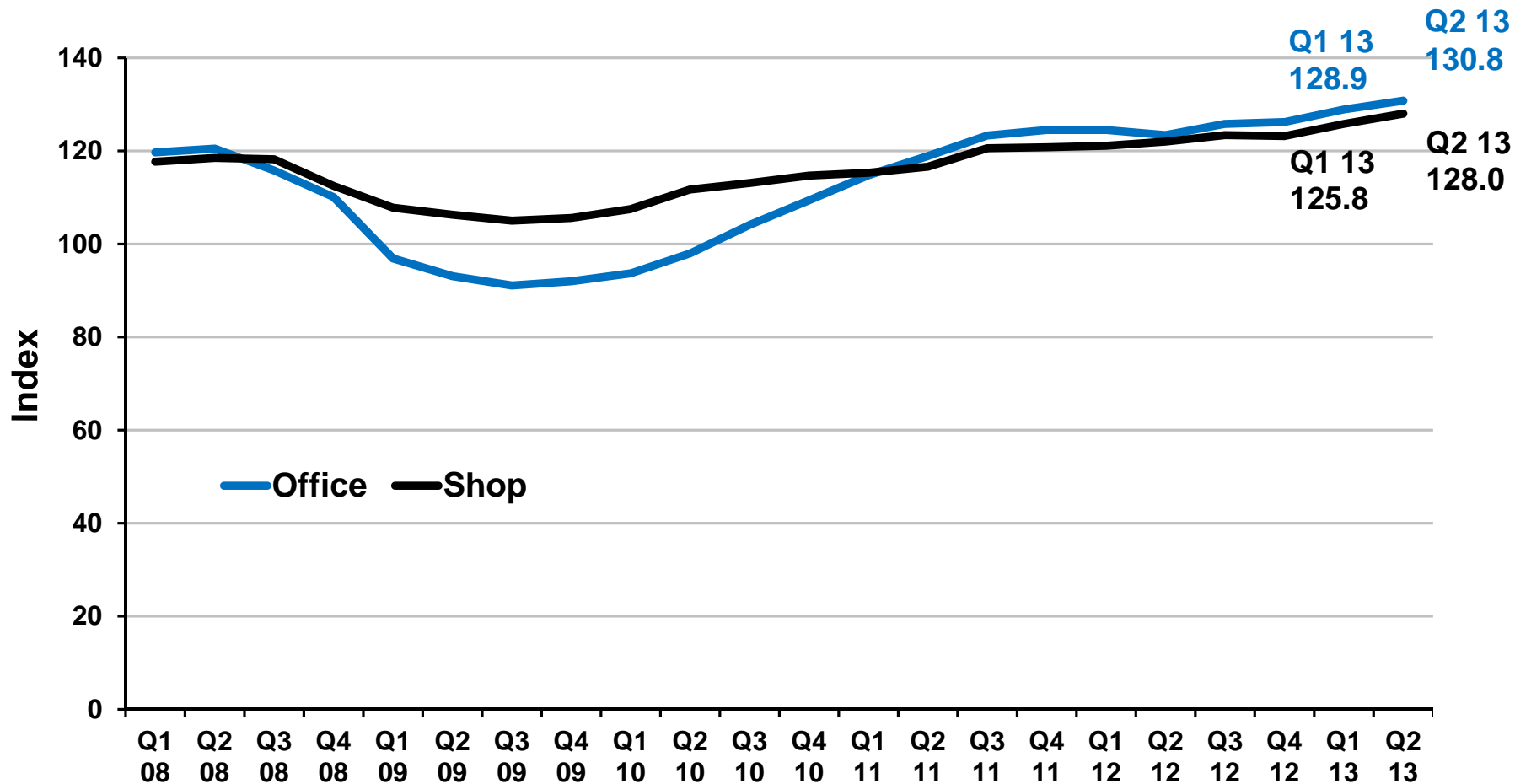
	<u>Launched & Unsold</u>	<u>Not Launched</u>	<u>Total</u>
2008	3,880	14,386	18,266
2009	3,317	10,620	13,937
2010	3,528	10,400	13,928
2011	5,584	11,500	17,084
2012	5,137	8,807	13,944
1H 2013	5,243	8,159	13,402

Source : URA, Q2 2013



SINGAPORE PROPERTY MARKET

Property Price Index – Commercial (2008 – 1H 2013)

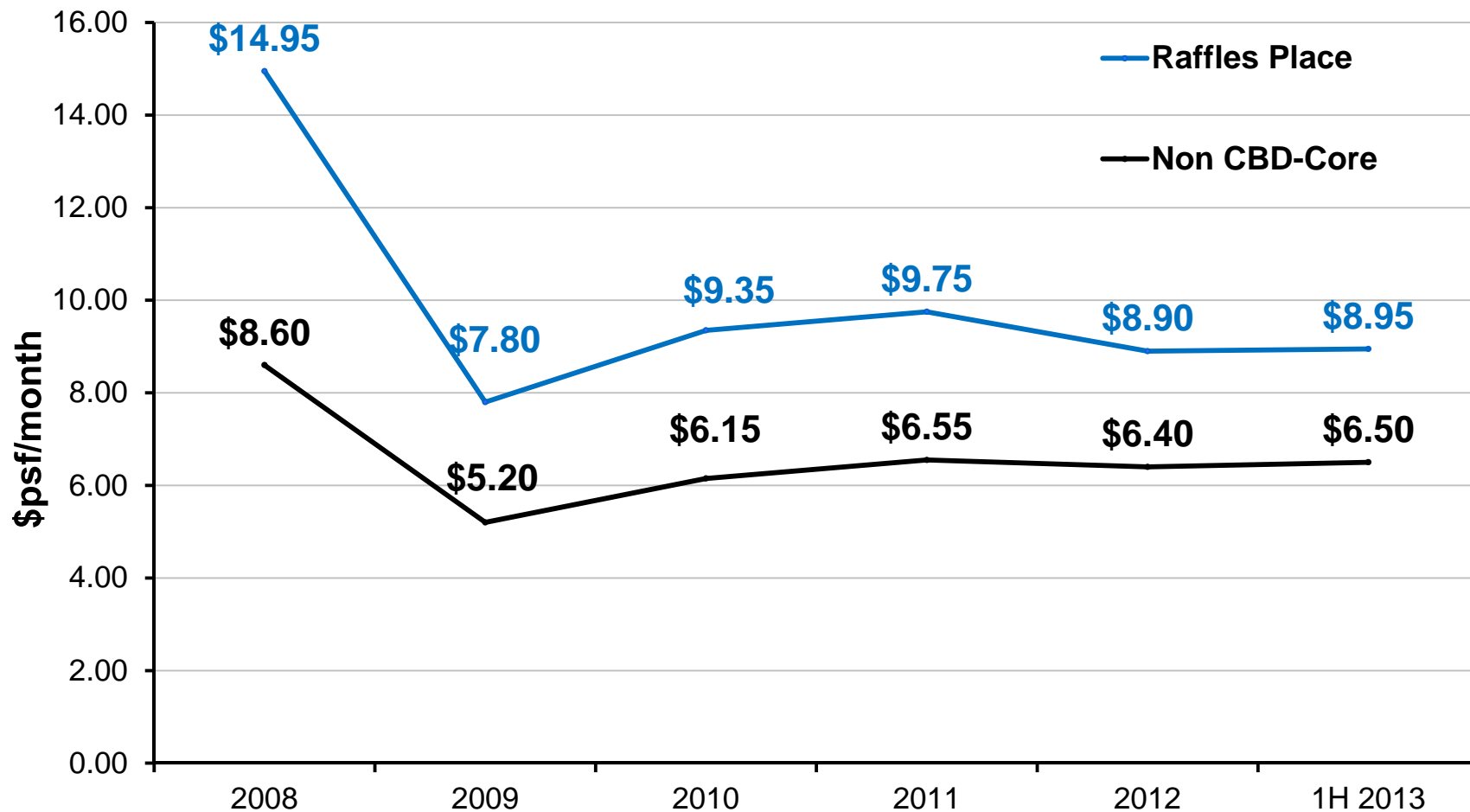


Source : URA, Q2 2013



SINGAPORE PROPERTY MARKET

Average Office Rental in CBD (2008 – 1H 2013)



Source : JLL Research, Q2 2013



OPERATIONS REVIEW



Artist's Impression of D'Nest

PROPERTY DEVELOPMENT



*Jewel @ Buangkok
For Illustration Only*

PROPERTY DEVELOPMENT

Units Booked / Sold

	Sales Value* \$'000	No. of Units*	Total Floor Area* (sq ft)
1H 2013	\$2,244,777	2,114	1,956,269
1H 2012	\$1,245,847	1,299	1,353,957



* Includes share of JV partners

PROPERTY DEVELOPMENT

Planned Residential Project Launches for 2H 2013

(subject to market conditions)

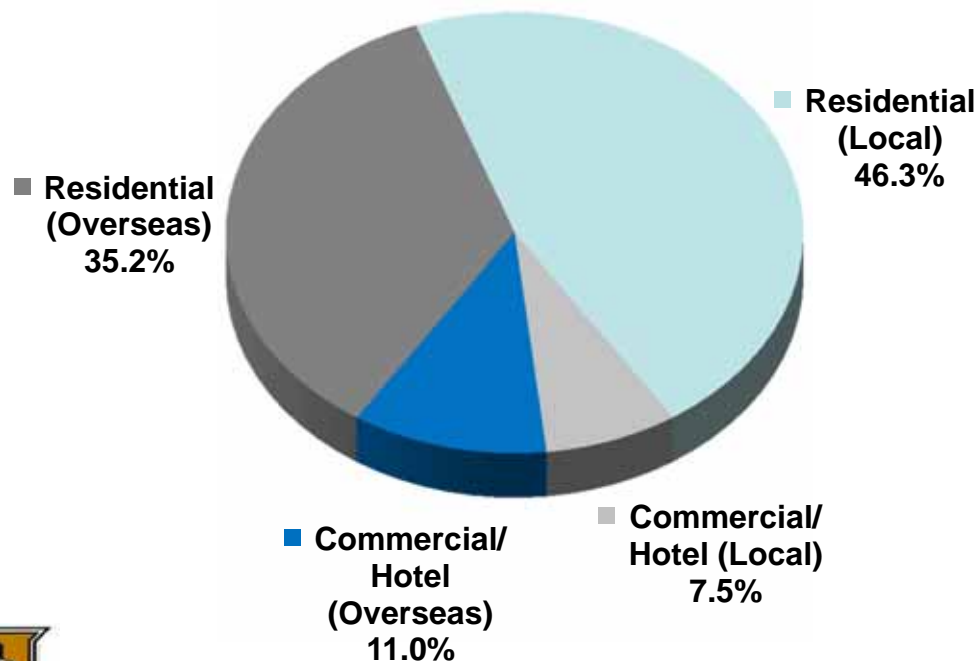
Projects	Units	Launch Date
Lush Acres EC (Total: 380)	380	Aug 2013
Tai Thong project (Junction of Upp Serangoon & MacPherson Rds) (Total: 266 apartments, 28 shops)	200 Apts 28 Shops	Sep 2013
Total:	608	



OPERATIONS REVIEW

Land Bank by Sector (as at 30 June 2013) – CDL's Attributable Share

Type of Development	Land Area (Sq ft)			
	Local	Overseas	Total (Local & Overseas)	%
Residential	1,225,651	932,831	2,158,482	81.6%
Commercial / Hotel	197,661	290,363	488,024	18.4%
Total	1,423,312	1,223,194	2,646,506	100%



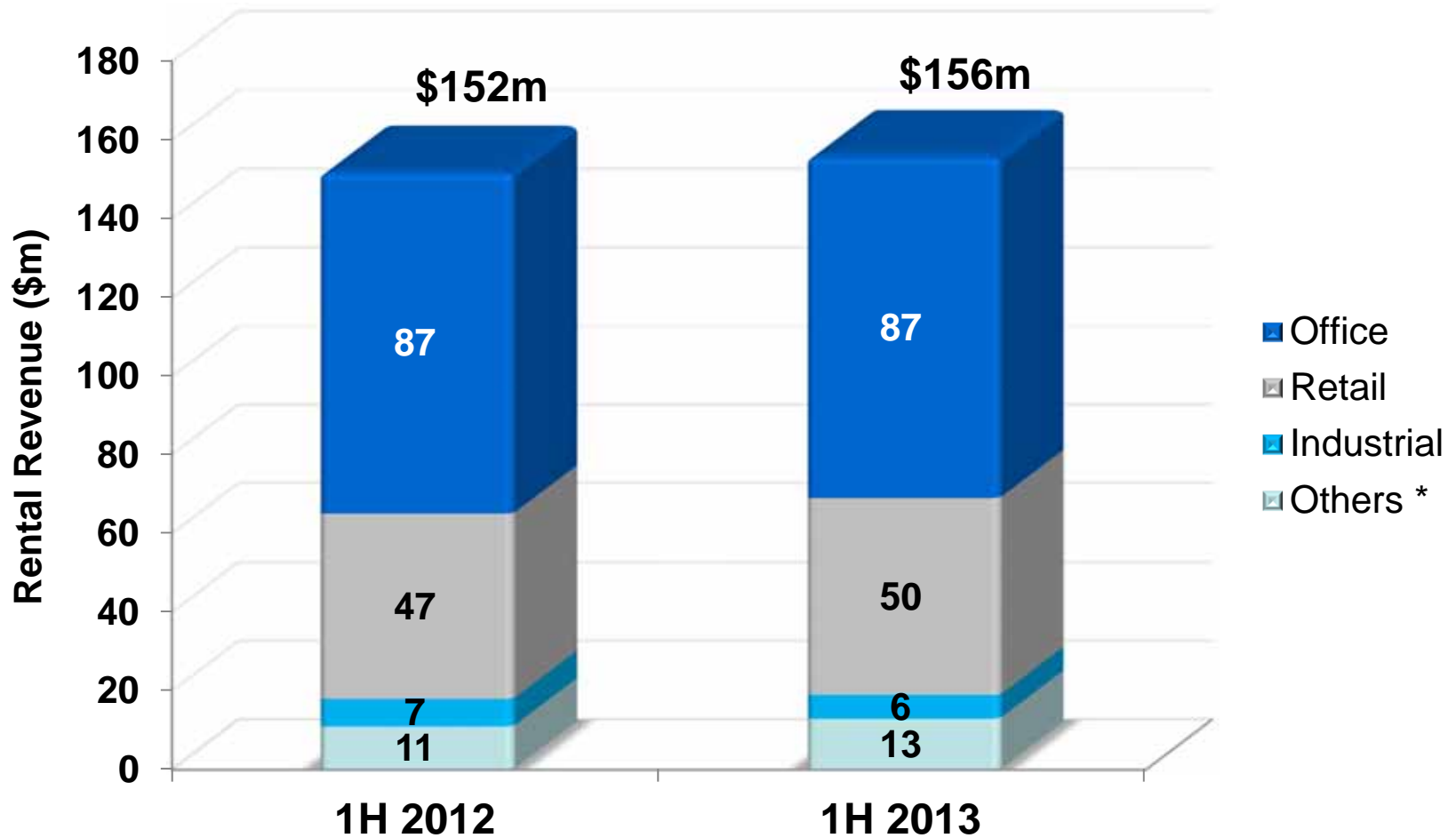
Proposed GFA –

- (a) Singapore – 3.50 million sq ft
 - (b) Malaysia – 0.31 million sq ft
 - (c) CDL China – 3.86 million sq ft
- Total** **7.67 million sq ft**



OPERATIONS REVIEW

Rental Properties Revenue by Sector



* Including car park, serviced apartment and residential

HOTEL OPERATIONS & CDLHT



W Singapore – Sentosa Cove

HOTEL OPERATIONS

M&C Group

- Both revenues and profits were affected by challenging conditions in some of their key markets, in particular:-
 - Continuing slowdown in Singapore corporate business and increasing cost pressures;
 - Lower number of Japanese visitors in Seoul arising from the geo-political tensions between Japan and South Korea over Dokdo Island; and
 - Global refurbishment programme resulting in 181,000 room nights removed for 1H 2013.
- Improvement in RevPAR (in reported currency) driven by increase in both occupancy and higher average room rate:

RevPAR		
1H 2013	£67.27	↑ 4.1%
Q2 2013	£74.29	↑ 6.0%

- RevPAR growth for 1H 2013 driven by:
 - London 3.4%
 - New York 8.6%
 - Regional US 9.5%
 - Australiasia 14.5%



Millennium Minneapolis

Strong Balance Sheet

- Zero gearing.
- Strong financial position with net cash as at 30 June 2013 of £43.9m (31 December 2012: £52.2m).



HOTEL OPERATIONS

M&C Group – Hotel Room Count and Pipeline

<u>Hotel and Room Count</u>	Hotels		Rooms	
	30 Jun 2013	31 Dec 2012	30 Jun 2013	31 Dec 2012
By region:				
• New York	3	3	1,758	1,758
• Regional US	16	16	4,938	5,554
• London	7	7	2,493	2,493
• Rest of Europe	16	16	2,695	2,695
• Middle East	15	14	4,283	4,211
• Singapore	6	6	2,716	2,716
• Rest of Asia	18	17	7,422	6,861
• Australasia	31	31	4,651	4,651
Total:	112	110	30,956	30,939
<u>Pipeline</u>				
By region:				
• Middle East	17	18	4,517	4,772
• Rest of Asia	4	3	1,178	668
Total:	21	21	5,695	5,440



ONE UN New York



The Group's pipeline comprises 21 hotels offering 5,695 rooms, which are mainly management contracts.

HOTEL OPERATIONS

M&C Group – Asset Enhancement (on-going)

- Out of the £240m refurbishment programme, £77.8m had been spent up to 30 June 2013 since the commencement in 2011.
- £31.6m was spent under the programme in 1H 2013. Most of this was accounted for by works undertaken at Millennium Minneapolis and Grand Hyatt Taipei.
- £30.4m anticipated to be spent in 2H 2013.
- In Q2 2013, the renovation of the west wing of Grand Hyatt Taipei was completed and reopened in June 2013. The next phase will be renovation of the 392-room east wing earmarked to commence in August 2013. Completion scheduled to be mid 2014.
- Millennium Minneapolis reopened in May 2013 after the successful completion of its £15m refurbishment.



Grand Hyatt Taipei



Millennium Minneapolis



HOTEL OPERATIONS

M&C Group – Asset Enhancement (Plans)

- Refurbishment plans are on-going for a number of regional US hotels, including Millennium Hotel St Louis, Millennium Scottsdale Resort and Villas, Millennium Hotel Durham and Millennium Hotel Cincinnati.



Millennium Scottsdale Resort and Villas



Millennium Hotel Durham



Millennium Hotel Cincinnati



Millennium Hotel St Louis

- Discussions are undergoing for Millennium Hotel London Mayfair and Millennium Hotel London Knightsbridge.



Millennium Hotel London Mayfair



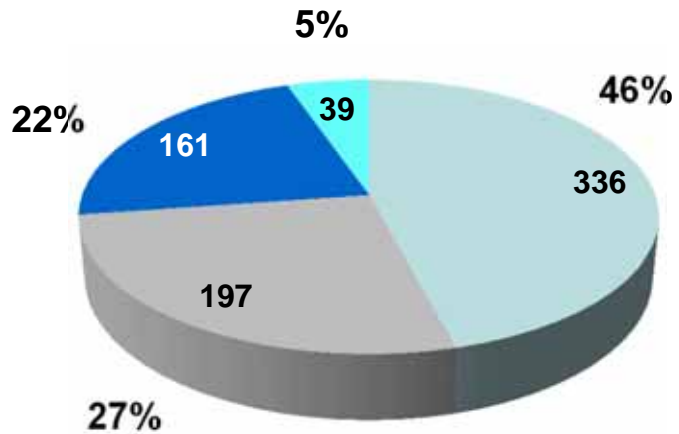
Millennium Hotel London Knightsbridge



HOTEL OPERATIONS

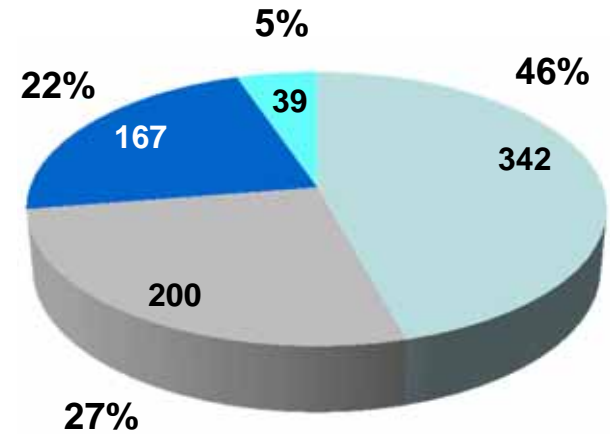
Hotel Revenue by Region

1H 2013



\$733m

1H 2012



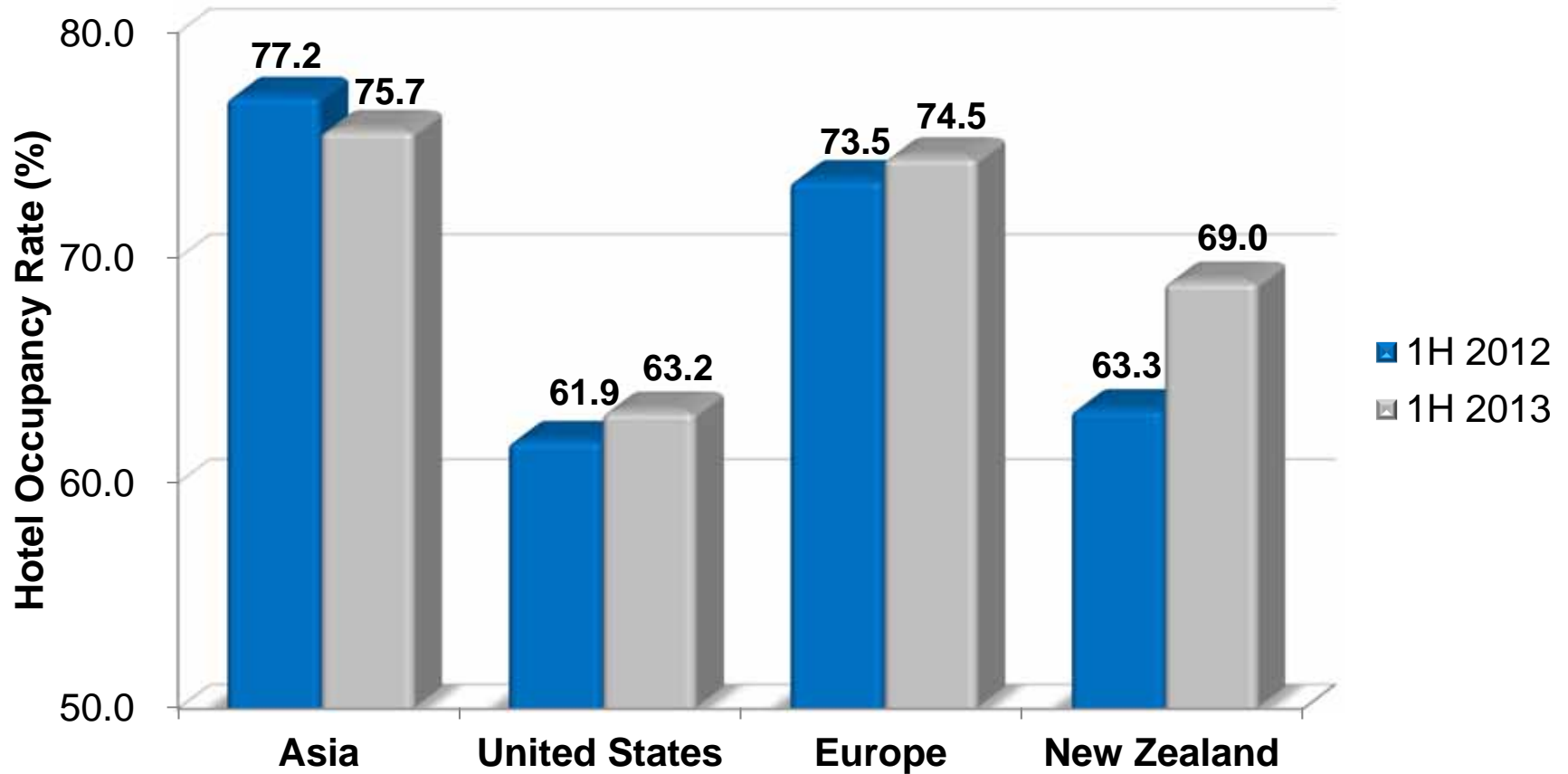
\$748m

Overall change
= ↓ 2%



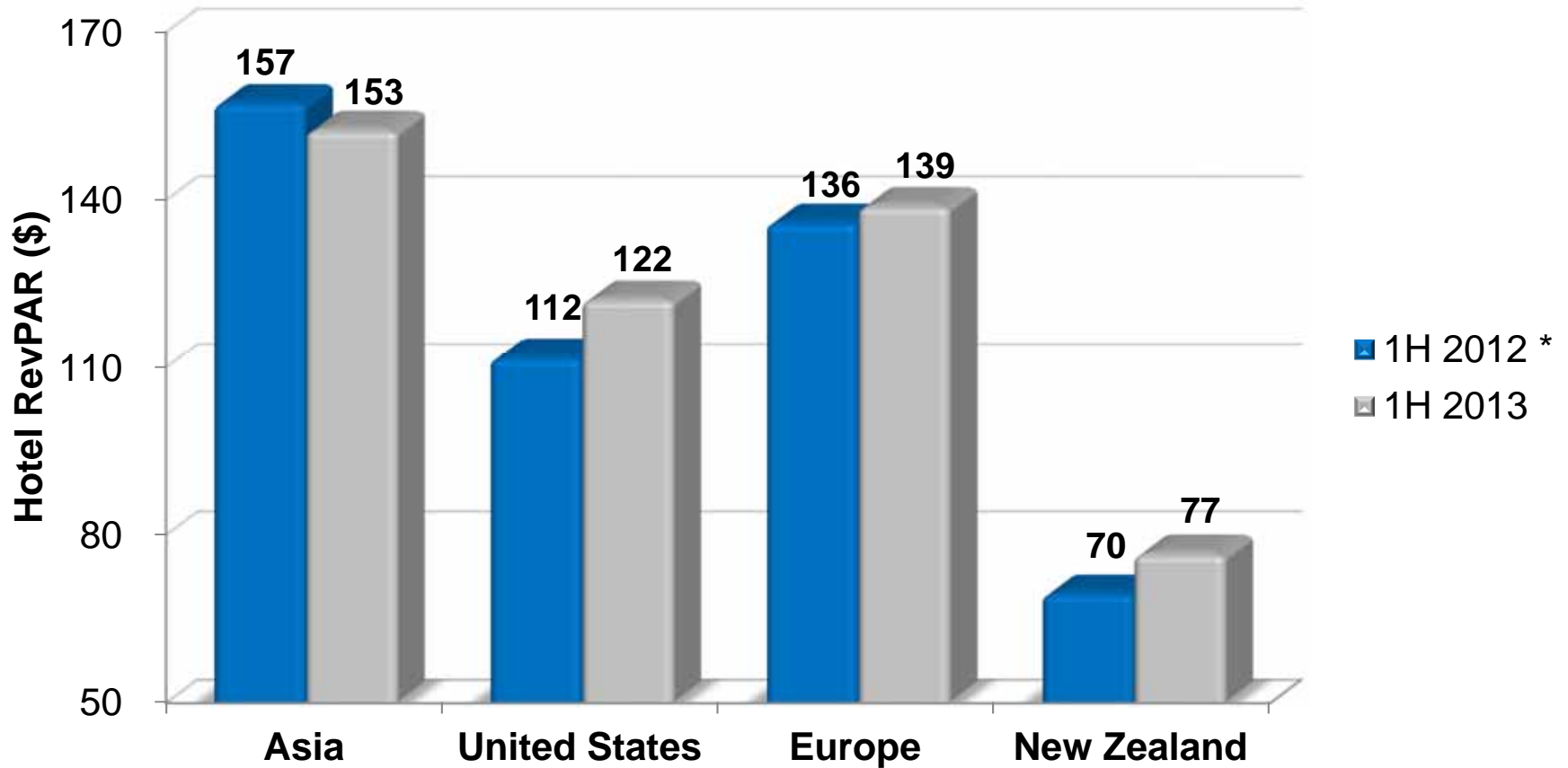
HOTEL OPERATIONS

Hotel Occupancy by Region



HOTEL OPERATIONS

Hotel Revenue Per Available Room at Constant Currency



* For comparability, 1H 2012 RevPAR has been translated at constant exchange rates (30 Jun 2013).



CDL HOSPITALITY TRUSTS (CDLHT)

S\$'000	1H 2013	1H 2012	Change
Gross Revenue	73,498	75,055	↓ 2.1%
Net Property Income	67,890	70,125	↓ 3.2%



Angsana Velavaru

- Gross revenue decreases mainly due to lower gross revenue from the Singapore hotels, partially mitigated by overseas properties like Angsana Velavaru located in the Republic of Maldives, acquired on 31 January 2013, which contributed revenue of \$3.1m.
- Singapore hotels' performance was affected by:
 - ❖ Increased competition due to additional new supply of hotel rooms introduced to the market.
 - ❖ Weaker corporate demand as many companies globally exercised restraint in corporate travel.
 - ❖ Absence of the bi-annual Food & Hotel Asia event in April.
 - ❖ Transboundary haze from Indonesia in mid-June which impacted demand slightly.



MOVING FORWARD



Artist's Impression of South Beach

MOVING FORWARD

- Global economic outlook for 2H 2013 remains unpredictable.
- The Group has established various synergistic platforms for growth and will be developing overseas engines for a balanced and diversified portfolio in Singapore and abroad.

Property Development

- Locked-in profits from pre-sold projects and its two fully sold ECs yet to be booked.
- Limited inventory stock in the mass market.
- Some headwinds can be expected in view of the latest Government property cooling measures
- Maintains a cautious approach in land replenishment strategy.



MOVING FORWARD

Rental Properties

- Rental properties segment expected to remain stable. Current occupancy of 96.2% (as at 30 June 2013) is higher than national average.

Hotel Operations

- Continue to remain a significant contributor to the Group's revenue.
- M&C will continue to strategically refurbish and reposition its key assets, and upgrade some of its properties, so that they may reap the benefits when the economy recovers.
- Potential of its hospitality REIT platform can be further exploited.

Integrated Development – South Beach

- Healthy interest for Office Tower (North Tower) in view of the stabilising office market.



MOVING FORWARD

Overseas Projects

Focus on developing its existing overseas growth engines via:

(1) China

- **CDL China Limited** – CDL's wholly-owned subsidiary
Developments in Chongqing and Suzhou
- **First Sponsor Capital Limited (FSCCL)** – M&C's associate
Developments in Chengdu

(2) Real estate development arm in London

(3) Participate in private equity opportunities



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