

FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT::FIRST QUARTER RESULTS

Issuer & Securities

Issuer/ Manager

CITY DEVELOPMENTS LIMITED

Securities

CITY DEVELOPMENTS LIMITED - SG1R89002252 - C09

Stapled Security

No

Announcement Details

Announcement Title

Financial Statements and Related Announcement

Date & Time of Broadcast

15-May-2019 07:46:47

Status

New

Announcement Sub Title

First Quarter Results

Announcement Reference

SG190515OTHRDNUW

Submitted By (Co./ Ind. Name)

Enid Ling Peek Fong

Designation

Company Secretary

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

Please refer to the attached documents:

- 1) Unaudited First Quarter Financial Statement for the period ended 31 March 2019;
 - 2) News Release titled "CDL Posts Strong Results for Q1 2019: Profit Rose 133.8% to S\$199.6 Million";
- and
- 3) Q1 2019 Results Presentation.
-

Additional Details

For Financial Period Ended

31/03/2019

Attachments

[1505 CDL Q12019 Results Annc.pdf](#)

[1505 CDL NewsRelease-Q12019Results.pdf](#)

[1505 CDL Q12019 Results%20Presentation.pdf](#)

Total size =5930K MB



CITY DEVELOPMENTS LIMITED

(REG. NO. 196300316Z)

UNAUDITED FIRST QUARTER FINANCIAL STATEMENT FOR THE PERIOD ENDED 31 MARCH 2019

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

These figures have not been audited.

	The Group Three months ended 31 March		Incr/ (Decr) %
	2019 S\$'000	2018 (Restated)* S\$'000	
Revenue ⁽¹⁾	746,164	1,057,829	(29.5)
Cost of sales	(394,030)	(687,566)	(42.7)
Gross profit ⁽²⁾	352,134	370,263	(4.9)
Other operating income ⁽³⁾	144,702	31,225	NM
Administrative expenses ⁽⁴⁾	(138,891)	(124,899)	11.2
Other operating expenses	(104,716)	(98,619)	6.2
Profit from operating activities	253,229	177,970	42.3
Finance income	21,887	25,233	(13.3)
Finance costs	(49,629)	(38,675)	28.3
Net finance costs ⁽⁵⁾	(27,742)	(13,442)	NM
Share of after-tax profit of associates ⁽⁶⁾	6,623	5,791	14.4
Share of after-tax profit of joint ventures ⁽⁷⁾	33,533	2,762	NM
Profit before tax	265,643	173,081	53.5
Tax expense ⁽⁸⁾	(54,134)	(33,866)	59.8
Profit for the period	211,509	139,215	51.9
Attributable to:			
Owners of the Company	199,564	85,342	133.8
Non-controlling interests	11,945	53,873	(77.8)
Profit for the period	211,509	139,215	51.9
Earnings per share			
- basic	22.0 cents	9.4 cents	134.0
- diluted	21.0 cents	8.9 cents	136.0

NM: Not Meaningful

* The 2018 comparative figures had been restated to take into account the retrospective adjustments on adoption of the Agenda Decision issued by the IFRS Interpretation Committee (IFRIC) as detailed in item 5 of this announcement.

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Notes to the Group's Income Statement:

- (1) The variance in revenue for Q1 2019 arose primarily from the property development segment due to projects launched, units sold, and percentage of completion during the reporting period except for units sold in an Executive Condominium (EC) project where the entire revenue from sold units is only recognised upon receiving Temporary Occupation Permit (TOP). Included in Q1 2018 was the revenue recognition from units sold at The Criterion EC in entirety upon obtaining TOP in February 2018.

For Q1 2019, revenue was largely recognised from New Futura, Gramercy Park and The Tapestry.

Items 14 and 15 of this announcement further analyse the performance by business segments.

- (2) Notwithstanding that the revenue declined by 29.5%, the decline in gross profit was lower at 4.9% due to higher profit margin from development projects recognised in Q1 2019 compared to a lower profit margin achieved for The Criterion EC.
- (3) Other operating income comprised mainly management fee, and profit on sale of investment properties and property, plant and equipment. In Q1 2019, a gain of \$144.3 million was realised from divestment of Manulife Centre in relation to the Group's second Profit Participation Securities (PPS 2) structure developed in 2015. Included in Q1 2018 was a gain recognised on the divestment of Mercure Brisbane and Ibis Brisbane by CDL Hospitality Trusts (CDLHT).
- (4) Administrative expenses comprised mainly depreciation, hotel administrative expenses, and salaries and related expenses. The increase in administrative expenses in Q1 2019 was due to depreciation accounted on the right-of-use assets following the adoption of SFRS(I) 16 Leases on 1 January 2019 (as detailed in Item 5 of this announcement) as well as higher depreciation for investment properties that were recently added to the Group's portfolio including Aldgate House, 125 Old Broad Street, Central Mall Office Tower and Le Grove Serviced Residences (reopened in July 2018).
- (5) Net finance costs comprise the following:

The Group				
Three months ended				
31 March				
		2019	2018	Incr/ (Decr)
	Note	S\$'000	(Restated) S\$'000	%
Finance income				
Interest income	(i)	21,888	13,603	60.9
Net exchange gain	(ii)	-	11,691	NM
Less: finance income capitalised		(1)	(61)	(98.4)
		<u>21,887</u>	<u>25,233</u>	(13.3)
Finance costs				
Amortisation of transaction costs capitalised		(1,643)	(1,277)	28.7
Interest expenses	(iii)	(43,833)	(29,106)	50.6
Fair value loss on financial derivatives	(iv)	(2,418)	(6,285)	(61.5)
Fair value loss on financial assets measured at fair value through profit or loss	(v)	(6,859)	(2,578)	NM
Net exchange loss	(ii)	(526)	-	NM
Unwinding of discount on non-current provisions		(158)	(471)	(66.5)
Less: finance costs capitalised		5,808	1,042	NM
		<u>(49,629)</u>	<u>(38,675)</u>	28.3
Net finance costs		<u>(27,742)</u>	<u>(13,442)</u>	NM

NM: not meaningful

- (i) Increase in interest income in Q1 2019 was due to loans granted to an established real estate developer in China which the Group intends to take an approximately 24% equity stake in the company when relevant conditions, including regulatory approvals, are met and to acquire a 70% interest in one of its office projects located in Shanghai, held by the subsidiaries of the real estate developer.
- (ii) The net exchange gain in Q1 2018 was mainly due to the exchange gain from Renminbi (RMB) bank deposits held by the Group and United States dollar (USD) denominated bank loans.

The net exchange loss in Q1 2019 was due primarily to exchange loss from the weakening of the Sterling Pound against Singapore dollar, translation loss from USD denominated bank borrowings, as well as depreciation of Australian dollar denominated receivables and cash balances against Singapore dollar, partially reduced by the exchange gain recognised from a RMB denominated intercompany loan by a Hong Kong subsidiary.

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- (iii) Increase in interest expenses in Q1 2019 was mainly attributable to the Group's higher borrowings and the recognition of lease liabilities following the adoption of SFRS(I) 16 Leases.
- (iv) Fair value loss on financial derivatives related mainly to the net effect arising from the re-measurement of foreign exchange forward contracts, cross-currency swaps and interest rate swaps that the Group entered into.
- (v) This mainly arose from the re-measurement of unquoted debt instruments and investments in equities and funds to their fair values at the reporting date.
- (6) Share of after-tax profit of associates related primarily to the Group's share of results of First Sponsor Group Limited (FSGL). The increase for Q1 2019 was due to higher contribution from its property financing business with higher average secured PRC loan portfolio, partially reduced by the absence of net penalty interest income from the successful enforcement action on the defaulted PRC loans accounted in Q1 2018.
- (7) The increase for Q1 2019 was due to contribution from South Beach Residences, launched in Q3 2018, along with returns recognised from the sale of units in the Ivy and Eve project in Australia.
- (8) Tax expense for the period was derived at by applying the varying statutory tax rates on the taxable profit/(loss) and taxable/deductible temporary differences of the different countries in which the Group operates.

		The Group	
		Three months ended	
		31 March	
		2019	2018
		(Restated)	
		S\$m	S\$m
The tax charge relates to the following:			
Profit for the period		47.7	28.2
Land appreciation tax		6.1	5.0
Underprovision in respect of prior periods		0.3	0.7
		<u>54.1</u>	<u>33.9</u>

- (9) Profit before tax includes the following:

		The Group	
		Three months ended	
		31 March	
		2019	2018
		S\$'000	S\$'000
Allowance (made)/written back for doubtful receivables and bad debts written off		(71)	33
Allowance written back for foreseeable losses on development properties		1,782	-
Dividend income		241	243
Depreciation and amortisation		(63,969)	(50,072)
Profit on sale of investment properties and property, plant and equipment (net)		144,335	29,307

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1(a)(ii) Consolidated Statement of Comprehensive Income

	The Group	
	Three months ended	
	31 March	
	2019	2018
		(Restated)
	S\$'000	S\$'000
Profit for the period	211,509	139,215
Other comprehensive income:		
<u>Item that will not be reclassified to profit or loss:</u>		
Change in fair value of equity investments measured at fair value through other comprehensive income	1,730	(511)
<u>Items that are or may be reclassified subsequently to profit or loss:</u>		
Effective portion of changes in fair value of cash flow hedges	273	(4,305)
Exchange differences on hedges of net investment in foreign operations	6,093	9,250
Exchange differences on monetary items forming part of net investment in foreign operations	6,945	11,161
Exchange differences reclassified to profit or loss on cessation of business of foreign operations	-	841
Share of translation differences of equity-accounted investees	4,130	5,378
Translation differences arising on consolidation of foreign operations	2,523	6,109
	19,964	28,434
Total other comprehensive income for the period, net of tax	21,694	27,923
Total comprehensive income for the period	233,203	167,138
Attributable to:		
Owners of the Company	223,457	142,864
Non-controlling interests	9,746	24,274
Total comprehensive income for the period	233,203	167,138

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1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Note	The Group		The Company	
		As at 31.03.2019 S\$'000	As at 31.12.2018 S\$'000	As at 31.03.2019 S\$'000	As at 31.12.2018 S\$'000
Non-current assets					
Property, plant and equipment	(1)	5,286,160	5,013,300	45,036	13,994
Investment properties	(1)	3,859,349	3,741,327	449,003	452,217
Lease premium prepayment	(1)	-	101,349	-	-
Investments in subsidiaries		-	-	2,067,869	2,067,869
Investments in associates		437,886	427,852	-	-
Investments in joint ventures		1,349,336	1,307,639	37,360	37,360
Investments in financial assets	(2)	769,720	884,476	354,315	352,831
Other non-current assets	(3)	251,174	310,496	4,020,313	3,620,324
		11,953,625	11,786,439	6,973,896	6,544,595
Current assets					
Lease premium prepayment	(1)	-	3,752	-	-
Development properties		5,628,545	5,703,910	182,521	182,833
Contract costs		6,317	12,156	-	-
Contract assets		37,081	107,241	-	42,921
Consumable stocks		11,686	13,254	-	-
Financial assets		14,410	14,203	-	-
Trade and other receivables	(4)	1,715,716	955,490	4,570,691	4,426,381
Cash and cash equivalents		2,175,726	2,289,247	627,445	727,373
		9,589,481	9,099,253	5,380,657	5,379,508
Total assets		21,543,106	20,885,692	12,354,553	11,924,103
Equity attributable to Owners of the Company					
Share capital		1,991,397	1,991,397	1,991,397	1,991,397
Reserves		8,273,112	8,049,300	4,784,786	4,706,110
		10,264,509	10,040,697	6,776,183	6,697,507
Non-controlling interests					
		2,204,244	2,233,243	-	-
Total equity		12,468,753	12,273,940	6,776,183	6,697,507
Non-current liabilities					
Interest-bearing borrowings*		5,330,082	5,068,840	2,387,324	2,192,985
Employee benefits		25,297	26,392	-	-
Lease liabilities	(1)	183,145	-	24,345	-
Other liabilities	(5)	122,394	262,242	8,091	8,847
Provisions		36,624	36,719	-	-
Deferred tax liabilities		113,243	113,778	17,097	17,561
		5,810,785	5,507,971	2,436,857	2,219,393
Current liabilities					
Trade and other payables		1,283,701	1,293,336	2,573,461	2,510,898
Lease liabilities	(1)	14,211	-	5,649	-
Contract liabilities		156,809	104,007	-	-
Interest-bearing borrowings*		1,362,991	1,258,412	504,003	437,525
Employee benefits		26,517	26,562	2,503	2,562
Provision for taxation		386,909	385,393	55,897	56,218
Provisions		32,430	36,071	-	-
		3,263,568	3,103,781	3,141,513	3,007,203
Total liabilities		9,074,353	8,611,752	5,578,370	5,226,596
Total equity and liabilities		21,543,106	20,885,692	12,354,553	11,924,103

* These balances are stated at amortised cost after taking into consideration their related transaction costs.

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Notes to the statement of financial position of the Group and Company

- (1) Following the adoption of SFRS(I) 16 *Leases* on 1 January 2019, the Group and the Company recognised right-of-use assets (the right to use leased assets) and lease liabilities (their obligations to make lease payments) in relation to their existing operating lease arrangements. Right-of-use assets that relate to their property, plant and equipment have been presented within property, plant and equipment. Right-of-use assets that relate to their investment properties have been presented within investment properties. The Group also reclassified lease premium prepayment (both current and non-current portion) to property, plant and equipment and investment properties. Refer to more details in Item 5 of this announcement.
- (2) The decrease in investments in financial assets at the Group was largely due to the partial redemption of bonds that the Group previously subscribed for under PPS 2 platform.
- (3) The decrease in other non-current assets at the Group was mainly due to the release of deposits pledged to financial institutions following repayment of the related borrowings and reduction of deferred tax assets in Q1 2019.

The increase in other non-current assets at the Company was mainly due to additional shareholder loans granted to subsidiaries to finance the acquisitions of properties.

- (4) The increase in trade and other receivables at the Group was due mainly to loans granted to an established real estate developer in China and its subsidiaries in which the Group intends to take a 24% stake when relevant conditions, including regulatory approvals, are met, and to acquire a 70% interest in one of its office projects located in Shanghai, held by the subsidiaries of the real estate developer.
- (5) The decrease in other liabilities at the Group was due to a gain of \$144.3 million realised from the divestment of Manulife Centre in relation to the Group's PPS 2 structure developed in 2015.

1(b)(ii) Aggregate amount of the Group's borrowings and debt securities.

The Group's net borrowings refer to aggregate borrowings from banks, financial institutions and lease liabilities, after deducting cash and cash equivalents. Unamortised balance of transaction costs had not been deducted from the gross borrowings.

	As at 31.03.2019 S\$'000	As at 31.12.2018 S\$'000
<u>Unsecured</u>		
- repayable within one year	1,070,310	1,011,789
- repayable after one year	3,840,600	3,644,924
(a)	4,910,910	4,656,713
<u>Secured</u>		
- repayable within one year	307,678	247,209
- repayable after one year	1,686,659	1,438,724
(b)	1,994,337	1,685,933
Gross borrowings	6,905,247	6,342,646
Less: cash and cash equivalents as shown in the statement of financial position	(2,175,726)	(2,289,247)
Less: restricted deposits included in other non-current assets	(193,874)	(222,979)
Net borrowings	4,535,647	3,830,420

Details of any collateral

Where secured, borrowings are collateralised by:

- mortgages on the borrowing companies' hotels, investment and development properties;
- assignment of all rights and benefits to sale, lease and insurance proceeds in respect of hotels, investment and development properties;
- pledge of cash deposits;
- pledge of shares in a non wholly-owned subsidiary;
- a statutory lien on certain assets of foreign subsidiaries; and
- statutory preferred right over the assets of foreign subsidiaries.

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1(c) A statement of cash flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Three months ended	
	31 March	
	2019	2018
		(Restated)
	S\$'000	S\$'000
Cash flows from operating activities		
Profit for the period	211,509	139,215
Adjustments for:		
Depreciation and amortisation	63,969	50,072
Dividend income	(241)	(243)
Equity settled share-based transactions	531	551
Finance costs	55,458	38,675
Finance income	(21,887)	(13,709)
Tax expense	54,134	33,866
Profit on sale of property, plant and equipment and investment properties	(144,335)	(29,307)
Property, plant and equipment and investment properties written off	107	271
Share of after-tax profit of associates	(6,623)	(5,791)
Share of after-tax profit of joint ventures	(33,533)	(2,762)
Operating profit before working capital changes	179,089	210,838
Changes in working capital		
Development properties	75,737	146,461
Consumable stocks and trade and other receivables	(126,616)	(176,815)
Contract costs	5,839	1,937
Contract assets	70,160	(14,048)
Trade and other payables	(33,508)	(96,872)
Contract liabilities	67,233	(79,861)
Employee benefits	120	245
Cash generated from/(used in) operations	238,054	(8,115)
Tax paid	(24,345)	(28,737)
Net cash from/(used in) operating activities carried forward ⁽¹⁾	213,709	(36,852)

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	Three months ended 31 March	
	2019	2018 (Restated)
	S\$'000	S\$'000
Net cash from/(used in) operating activities brought forward	213,709	(36,852)
Cash flows from investing activities		
Acquisition of subsidiaries (net of cash acquired) ⁽²⁾	(28,154)	-
Advances granted to a real estate developer in China ⁽³⁾	(657,853)	-
Capital expenditure on investment properties	(14,634)	(12,162)
Dividends received:		
- joint ventures	19,148	7,200
- financial investments	241	243
Interest received	14,259	10,872
Increase in investments in joint ventures	(2,516)	(8,266)
Decrease/(Increase) in amounts owing by equity-accounted investees (non-trade)	27,162	(54,220)
Purchase of property, plant and equipment	(52,033)	(53,712)
Proceeds from sale of property, plant and equipment and investment properties ⁽⁴⁾	16	80,575
Purchase of financial assets (net)	(472)	(1,853)
Return of capital from financial assets	80,800	434
Proceeds from distributions from financial assets	-	104
Settlement of derivative instruments	2,095	(1,827)
Net cash used in investing activities	(611,941)	(32,612)
Cash flows from financing activities		
Capital distribution to non-controlling interests	(5,656)	(2,144)
Dividends paid	(33,265)	(34,311)
Repayment of lease liabilities and finance lease payable	(3,157)	(46)
Interest paid (including amounts capitalised as property, plant and equipment and development properties)	(33,624)	(24,237)
Decrease in restricted cash	387	472
Decrease in deposits pledged and charged to financial institutions (net)	7,921	6,850
Proceeds from/(repayments of) revolving credit facilities and short-term bank borrowings (net)	150,815	(84,308)
Advances /(Repayment of advances) from related parties (non-trade)	39,541	(6,333)
Payment of financing transaction costs	(2,608)	(1,219)
Increase/(Decrease) of other long-term liabilities	6,771	(280)
Proceeds from bank borrowings	164,969	18,162
Proceeds from issuance of bonds and notes	250,000	18,300
Repayment of bank borrowings	(171,401)	(89,752)
Repayment of bonds and notes	(105,535)	(100,000)
Net cash from/(used in) financing activities⁽⁵⁾	265,158	(298,846)
Net decrease in cash and cash equivalents	(133,074)	(368,310)
Cash and cash equivalents at beginning of the period	2,162,373	3,599,044
Effect of exchange rate changes on balances held in foreign currencies	(2)	10,159
Cash and cash equivalents at end of the period	2,029,297	3,240,893
Cash and cash equivalents comprise:-		
Cash and cash equivalents as shown in the statement of financial position	2,175,726	3,407,722
Restricted deposits included in other non-current assets	193,873	213,531
Less: Deposits pledged and charged to financial institutions	(339,366)	(379,563)
Less: Restricted cash	(936)	(797)
	2,029,297	3,240,893

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Notes to the statement of cash flows

1. The cash outflow for Q1 2018 related to the progress payment for land sites at Handy Road, West Coast Vale and Sumang Walk that the Group acquired.
2. The cash outflow for Q1 2019 related to the consideration paid for the acquisition of 100% interest in a freehold site located at Monk Bridge in Leeds, United Kingdom.
3. The cash outflow for Q1 2019 related to loans granted to an established real estate developer in China and its subsidiaries in which the Group intends to take an approximately 24% stake in the company when relevant conditions, including regulatory approvals, are met, and to acquire a 70% interest in one of its office projects located in Shanghai, held by the subsidiaries of the developer.
4. The cash inflow for Q1 2018 related mainly to the proceeds from the divestment of Mercure Brisbane and Ibis Brisbane by CDLHT on 11 January 2018.
5. The Group had a net cash inflow from financing activities of \$265.2 million (Q1 2018: net cash outflow of \$298.8 million) for Q1 2019.

The net cash inflow for Q1 2019 was mainly due to a net increase in borrowings of \$288.8 million.

The net cash outflow for Q1 2018 was mainly due to a net repayment of borrowings of \$237.6 million.

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1(d)(i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Group	Attributable to owners of the Company						Non-controlling Interests S\$m	Total Equity S\$m
	Share Capital S\$m	Cap. Res. S\$m	Other Res.* S\$m	Foreign Curr Trans Res. S\$m	Accum. Profits S\$m	Total S\$m		
At 1 January 2019	1,991.4	185.9	16.6	(119.5)	7,966.3	10,040.7	2,233.2	12,273.9
Profit for the period	-	-	-	-	199.6	199.6	11.9	211.5
Other comprehensive income for the period, net of tax	-	-	2.2	21.7	-	23.9	(2.2)	21.7
Total comprehensive income for the period	-	-	2.2	21.7	199.6	223.5	9.7	233.2
Transactions with owners, recorded directly in equity								
<u>Contributions by and distributions to owners</u>								
Capital distribution to non-controlling interests	-	-	-	-	-	-	(5.6)	(5.6)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(33.2)	(33.2)
Share-based payment transactions	-	-	0.3	-	-	0.3	0.2	0.5
Total contributions by and distributions to owners	-	-	0.3	-	-	0.3	(38.6)	(38.3)
<u>Change in ownership interests in subsidiaries</u>								
Change of interests in a subsidiary without loss of control	-	0.1	-	-	-	0.1	(0.1)	-
Total change in ownership interests in subsidiaries	-	0.1	-	-	-	0.1	(0.1)	-
Total transactions with owners	-	0.1	0.3	-	-	0.4	(38.7)	(38.3)
At 31 March 2019	1,991.4	186.0	19.1	(97.8)	8,165.9	10,264.6	2,204.2	12,468.8
At 1 January 2018	1,991.4	182.1	42.2	(95.4)	7,271.0	9,391.3	2,254.8	11,646.1
Adjustment on initial application of SFRS(I) 9 (net of tax)	-	-	0.4	-	362.7	363.1	-	363.1
Adjusted balance at 1 January 2018	1,991.4	182.1	42.6	(95.4)	7,633.7	9,754.4	2,254.8	12,009.2
Profit for the period	-	-	-	-	85.3	85.3	53.9	139.2
Other comprehensive income for the period, net of tax	-	-	(3.3)	60.8	-	57.5	(29.6)	27.9
Total comprehensive income for the period	-	-	(3.3)	60.8	85.3	142.8	24.3	167.1
Transactions with owners, recorded directly in equity								
<u>Contributions by and distributions to owners</u>								
Capital distribution to non-controlling interests	-	-	-	-	-	-	(2.1)	(2.1)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(34.3)	(34.3)
Share-based payment transactions	-	-	0.4	-	-	0.4	0.1	0.5
Total contributions by and distributions to owners	-	-	0.4	-	-	0.4	(36.3)	(35.9)
<u>Change in ownership interests in subsidiaries</u>								
Change of interests in a subsidiary without loss of control	-	1.5	-	-	-	1.5	(1.5)	-
Total change in ownership interests in subsidiaries	-	1.5	-	-	-	1.5	(1.5)	-
Total transactions with owners	-	1.5	0.4	-	-	1.9	(37.8)	(35.9)
At 31 March 2018	1,991.4	183.6	39.7	(34.6)	7,719.0	9,899.1	2,241.3	12,140.4

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The Company	Share Capital S\$m	Capital Reserve S\$m	Fair Value Reserve S\$m	Accumulated Profits S\$m	Total S\$m
At 1 January 2019	1,991.4	63.7	(29.0)	4,671.4	6,697.5
Profit for the period	-	-	-	77.0	77.0
<u>Other comprehensive income</u>					
Change in fair value of equity investments measured at fair value through other comprehensive income	-	-	1.7	-	1.7
Total other comprehensive income for the period, net of tax	-	-	1.7	-	1.7
Total comprehensive income for the period	-	-	1.7	77.0	78.7
At 31 March 2019	1,991.4	63.7	(27.3)	4,748.4	6,776.2
At 1 January 2018	1,991.4	63.7	14.6	4,389.7	6,459.4
Adjustment on initial application of SFRS(I) 9 (net of tax)	-	-	(0.5)	366.1	365.6
Adjusted balance at 1 January 2018	1,991.4	63.7	14.1	4,755.8	6,825.0
Profit for the period	-	-	-	65.8	65.8
<u>Other comprehensive income</u>					
Change in fair value of equity investments measured at fair value through other comprehensive income	-	-	(0.4)	-	(0.4)
Total other comprehensive income for the period, net of tax	-	-	(0.4)	-	(0.4)
Total comprehensive income for the period	-	-	(0.4)	65.8	65.4
At 31 March 2018	1,991.4	63.7	13.7	4,821.6	6,890.4

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- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as the end of the current financial period reported on and as the end of the corresponding period of the immediately preceding financial year.**

Ordinary share capital

There was no change in the Company's issued share capital during the period ended 31 March 2019.

Preference share capital

There was no change in the Company's issued preference share capital during the period ended 31 March 2019.

As at 31 March 2019, the maximum number of ordinary shares that may be issued upon full conversion of all the non-redeemable convertible non-cumulative preference shares of the Company ("Preference Shares") at the sole option of the Company was 44,998,898 ordinary shares (31 March 2018: 44,998,898 ordinary shares).

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

Ordinary share capital

As at 31 March 2019, the total number of issued ordinary shares (excluding treasury shares) was 906,901,330 (31 December 2018: 906,901,330).

Preference share capital

The total number of issued Preference Shares as at 31 March 2019 and 31 December 2018 was 330,874,257.

Treasury shares

As at 31 March 2019, the Company held 2,400,000 treasury shares (31 December 2018: 2,400,000) which represented 0.26% of the total number of issued shares (excluding treasury shares).

- 1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

There were no sales, transfers, cancellation and/or use of treasury shares during the period ended 31 March 2019.

- 1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable.

- 2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have neither been audited nor reviewed by our auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

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4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in Note 5 below, the Group had applied the same accounting policies and methods of computation in the financial statements for the current financial period as those applied in the Group's most recently audited financial statements for the year ended 31 December 2018.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Following the Tentative Agenda Decision issued by the IFRS Interpretation Committee (IFRIC) in Q4 2018 relating to the capitalisation of borrowing costs for the construction of a residential multi-unit estate development where revenue is recognised over time, the Group had ceased capitalisation of borrowing costs on development properties where revenue is recognised over time.

In addition, with effect from Q2 2018, the Group had reclassified net exchange gain/(loss), previously presented under "other operating expenses" to net finance costs as the Group is of the view that such reclassification better reflects the substance of the transactions.

Accordingly, we had restated Q1 2018 to conform to such presentation.

Impact on Q1 2018

Income Statement

	Three months ended 31 March 2018 \$'000
Decrease in cost of sales	7,127
Increase in other operating expenses	(11,699)
Increase in finance income	11,629
Increase in finance costs	(1,028)
Decrease in share of after-tax profit of joint ventures	(350)
Increase in tax expenses	(366)
Increase in profit attributable to owners of the Company	<u>5,313</u>
Increase in basic earnings per share (cents)	<u>0.6</u>

The new/revised SFRS(I) applicable for the financial period beginning 1 January 2019 is as follows:

SFRS(I) 16 *Leases*

SFRS(I) INT 23 *Uncertainty over Income Tax Treatment*

Long-term Interests in Associates and Joint Ventures (Amendments to SFRS(I) 1-28)

Prepayment Features with Negative Compensation (Amendments to SFRS(I) 9)

Previously Held Interest in a Joint Operation (Amendments to SFRS(I) 3 and 11)

Income Tax Consequences of Payments on Financial Instruments Classified as Equity (Amendments to SFRS(I) 1-12)

Borrowing Costs Eligible for Capitalisation (Amendments to SFRS(I) 1-23)

Plan Amendment, Curtailment or Settlement (Amendments to SFRS(I) 1-19)

SFRS(I) 16

SFRS(I) 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use (ROU) asset representing its rights to use the underlying asset and a lease liability representing its obligation to make lease payments. Remaining lease payments under the operating leases will be recognised at their present value discounted using an appropriate discount rate and the nature of expenses will now change as SFRS(I) 16 replaces the straight-line operating lease expense with depreciation charge of ROU assets and interest expense on lease liabilities.

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As a lessee, the Group had adopted SFRS(I) 16 using the modified retrospective approach. Therefore, the cumulative effect of adoption SFRS(I) 16 will be recognised as an adjustment to the opening balance of accumulative profits at 1 January 2019, with no restatement of comparative information. The Group had applied the practical expedient to grandfather the definition of a lease on transition and the practical expedient to recognise ROU assets equal to its lease liabilities as at 1 January 2019.

The adoption of SFRS(I) 16 resulted in adjustments to the statement of financial position of the Group as at 1 January 2019.

Statement of financial position

	1.1.2019
	\$'000
Increase in property, plant and equipment	265,185
Increase in investment properties	42,471
Decrease in lease premium prepayment	(105,101)
Increase in lease liabilities	(200,785)
Decrease in trade and other receivables	(1,523)
Increase in trade and other payables	(247)
	<u>-</u>

As a result of initially applying SFRS(I) 16, in relation to the leases that were previously classified as operating leases, the Group recognised right-of-use assets of \$302.4 million and lease liabilities of \$197.4 million as at 31 March 2019.

In relation to those leases under SFRS(I) 16, the Group has recognised depreciation and interest costs, instead of operating lease expense. During the three months ended 31 March 2019, the Group recognised depreciation charge of \$4.9 million and interest costs of \$2.0 million from these leases.

6. Earnings per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Three months ended	
	31 March	
	2019	2018
		(Restated)
Basic Earnings per share (cents)	22.0	9.4
Diluted Earnings per share (cents)	21.0	8.9
Earnings per share is calculated based on:		
a) Profit attributable to owners of the Company (S\$'000)	199,564	85,342
b) Weighted average number of ordinary shares in issue:		
- basic	906,901,330	909,301,330
- diluted (*)	951,900,228	954,300,228

* For computation of diluted earnings per share, the weighted average number of ordinary shares has been adjusted for any dilutive effect of potential ordinary shares arising from the conversion of all preference shares.

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7. **Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares (excluding treasury shares) of the issuer at the end of the:** -
(a) **current financial period reported on; and**
(b) **immediately preceding financial year.**

	The Group		The Company	
	31.03.2019	31.12.2018	31.03.2019	31.12.2018
	S\$	S\$	S\$	S\$
Net Asset Value per ordinary share based on the number of issued 906,901,330 ordinary shares (excluding treasury shares) as at 31 March 2019 (906,901,330 ordinary shares (excluding treasury shares) as at 31 December 2018)	11.32	11.07	7.47	7.39

8. **A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:** -
- (a) **any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
(b) **any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

Group Performance

For the first quarter ended 31 March 2019 (Q1 2019), the Group achieved a strong set of financial results. Net attributable profit after tax and minority interest (PATMI) increased 133.8% to \$199.6 million (Restated Q1 2018: \$85.3 million) boosted by strong profit margins for development projects recognised this quarter and the realisation of a \$144.3 million pre-tax gain from the divestment of Manulife Centre, which is in connection with the Group's second Profit Participation Securities (PPS) structure developed in 2015.

Revenue decreased by 29.5% to \$746.2 million (Q1 2018: \$1.1 billion). Comparatively, in Q1 last year and in accordance with prevailing accounting standards, the Group had recognised the revenue from The Criterion Executive Condominium (EC) in entirety following its completion in February 2018. Excluding the contribution from The Criterion EC, Q1 2019 revenue would have increased by 6%. Notably, the decline in gross profit was lower at 4.9% due to higher profit margins for the development projects that contributed to the Q1 2019 results as compared with that for The Criterion EC. This was further aided by higher rental income from recently acquired properties including Aldgate House and 125 Old Broad Street in the UK, Central Mall as well as Le Grove Serviced Residences (re-opened in July 2018) in Singapore.

In terms of business segments, rental properties took the lead in Q1 2019, contributing 68% in pre-tax profits primarily attributable to the divestment of Manulife Centre and contributions from recent acquisitions. The property development segment was the next strongest contributor, largely supported by several of the Group's key local projects including Gramercy Park, New Futura, The Tapestry, Whistler Grand, South Beach Residences as well as overseas projects like Hong Leong City Center in Suzhou and Hongqiao Royal Lake in Shanghai.

The hotel operations segment is largely contributed by the Group's 65.2% subsidiary, Millennium & Copthorne Hotels plc (M&C). This segment registered a loss in Q1 2019 due to a myriad of factors including a challenging US region which continued to be loss making, refurbishments affecting two major hotels in the Group's key gateway cities of London and Singapore, and higher net financing costs.

The Group's EBITDA increased by 51.1% to \$357.4 million (Restated Q1 2018: \$236.6 million), underpinned by the strong contribution from the rental properties segment.

As at 31 March 2019, the Group's net gearing ratio (without factoring any revaluation surplus from investment properties) stood at 36% with interest cover at 16.3 times and cash reserves at \$2.4 billion.

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Property (Singapore)

In Q1 2019, the Group and its JV associates sold 173 units with total sales value of \$516.3 million (Q1 2018: 459 units with total sales value of \$792.6 million). Notably, the Group launched only one project this quarter, Boulevard 88, as compared with New Futura and The Tapestry in Q1 last year.

In March 2019, the Group soft launched the freehold, ultra-luxurious 154-unit Boulevard 88, a JV with Hong Leong Holdings Limited and Lea Investments Pte Ltd, located along Orchard Boulevard. Designed by world-renowned Moshe Safdie, who conceptualised architectural landmarks such as Marina Bay Sands and the Jewel Changi Airport, Boulevard 88 is part of a mixed-use development with the residences perched above a 204-room The Singapore EDITION Hotel, a unique lifestyle hotel designed by Ian Schrager in partnership with Marriott International. The project was very well-received and in just over two months, 47 units including two penthouses have been sold at an average selling price (ASP) of over \$3,700 per square foot (psf).

Projects launched by the Group in 2018 continued to register steady sales to date. 98% of the 124-unit New Futura condominium at Leonie Hill Road have been sold at an ASP of over \$3,500 psf, with only three units remaining. At The Tapestry, the 861-unit condominium project in Tampines Avenue 10, 619 units (72%) have been sold at an ASP of about \$1,350 psf while at Whistler Grand, the 716-unit condominium at West Coast Vale, 320 units have been sold at an ASP of about \$1,380 psf.

The Group's other launched JV projects also moved inventory. To date, 75 units at the 190-unit South Beach Residences on Beach Road have been sold at an ASP of about \$3,450 psf. The 428-unit Jovell at Flora Drive off Upper Changi, which the Group has a one-third share, sold 75 units at an ASP of between \$1,250 and \$1,300 psf.

The Group replenished its landbank with the successful JV tender for a 174,648 sq ft residential site at Sims Drive for \$383.5 million or \$732 psf ppr in April 2019. The site is well located near Aljunied MRT station, located only one station from Paya Lebar which is transforming into a well-connected and established regional hub. The JV will explore a residential development with several 17-or 18-storey blocks comprising about 560 units.

With limited new office space in the horizon, vacancy in the Central Business District (CBD) core area is expected to shrink further. Leasing activities have registered healthy pre-commitments for new and refurbished projects in 2019 and 2020. Commercial investments have also increased. These positive indicators should translate into an upwards momentum this year and beyond. The Group's office portfolio has benefited from this trend with a committed occupancy rate of 91.4% at the end of Q1 2019, higher than the island-wide occupancy rate of 88.2%.

Hotel

M&C achieved PATMI of £1 million for Q1 2019 (Q1 2018: £8 million), impacted by the Mayfair property refurbishment and lower contributions from Asian hotels, principally due to the Orchard Hotel refurbishment. In addition, REIT profit contributions were down and net finance cost was higher. In Q1 2018, gains were recognised following the divestment of two Australian properties owned by CDL Hospitality Trusts (CDLHT).

In constant currency terms, hotel revenue for Q1 2019 decreased by 3.1% to £187 million (Q1 2018: £193 million) which includes a £3 million impact from the Mayfair hotel closure, while total revenue decreased by 4.0% to £215 million (Q1 2018: £224 million). In reported currency, hotel revenue was flat while total revenue for Q1 2019 fell by 0.9% (Q1 2018: £217 million).

Global revenue per available room (RevPAR) in constant currency decreased by 0.9% to £70.01 for Q1 2019 (Q1 2018: £70.65). On a like-for-like basis (excluding the impact of the Mayfair hotel since July 2018 and the Millennium New Plymouth New Zealand which was acquired in February 2018), RevPAR decreased by 0.8%.

In constant currency terms, RevPAR for M&C's London hotels for Q1 2019 was up 5.3% to £82.93 (Q1 2018: £78.72) and Australasia was up 2.2% to £90.71 (Q1 2018: £88.80). Other regions, such as US, Rest of Europe and Asia registered RevPAR declines for Q1 2019: US RevPAR fell 1.4% to £69.17 (Q1 2018: £70.14), Rest of Europe RevPAR fell 4.0% to £45.15 (Q1 2018: £47.04) and Asia RevPAR fell 2.9% to £67.73 (Q1 2018: £69.78) with decreases in average room rates and occupancy.

The on-going refurbishment of the Mayfair hotel which is now renamed The Biltmore, Mayfair, is expected to complete in mid-2019. The hotel will have 257 luxurious guest rooms plus 51 designer suites. Refurbishment works at the common spaces at Orchard Hotel in Singapore has been substantially completed. Currently, phased works on 260 guestrooms at the Orchard Wing are in progress and targeted for completion in Q2 2019.

M&C is in the final stage of discussions with Hilton to potentially designate the newly named Millennium Times Square New York (formerly known as the Millennium Broadway New York Times Square) as an affiliate of Hilton, with access to its reservation channels and loyalty programme.

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Overseas Markets

China

Strategic investment into Sincere, a prominent Chinese real estate developer

In Q1 2019, the Group entered into a strategic partnership with Sincere Property Group (Sincere), an established real estate developer in China. The Group will invest RMB 5.5 billion (approximately \$1.1 billion), comprising both equity subscription and interest-bearing loans. Upon full completion expected by Q4 2019, the Group will indirectly hold approximately 24% equity stake in Sincere via its offshore investment vehicle, making the Group the second largest shareholder after Sincere's Founder and Chairman, Mr Wu Xu.

With over 20 years of track record, Sincere is one of the Top 100 Developers in China. It has a full set of development and asset management capabilities across different sectors, including residential, retail, office, serviced apartment, business park and sizable mixed-use developments. As of December 2018, Sincere has 70 development projects across 20 cities in China. Sincere also owns and operates a substantial portfolio of investment properties across key tier 1 and tier 2 cities within China.

This strategic partnership is in line with the Group's GET strategy of Growth, Enhancement and Transformation. Leveraging Sincere's development and asset management capabilities, local expertise and wide geographic presence in China, the Group will be able to substantially expand its presence in China with development projects and investment properties. As the second largest shareholder in Sincere, the Group will also contribute its international knowledge, best practices and networks to drive the JV's future growth. This is a game-changing initiative that will substantially boost the Group's presence in China.

Shanghai Hongqiao Sincere Centre (Phase 2)

As part of its focus on expanding recurring income in global gateway cities, the Group entered into an agreement to purchase a 70% stake in Shanghai Hongqiao Sincere Centre (Phase 2), a prime commercial property in the heart of Shanghai's Hongqiao Central Business District, for RMB 1.2 billion (approximately S\$247 million), equivalent to about RMB 49,000 per square metre (sqm). Spreading across 11 adjoining blocks, the property has a Gross Floor Area (GFA) of 35,739 square metre comprising offices, serviced apartments, a retail component and a basement car park with 384 lots. It is within 10 minutes' drive to the Hongqiao Transportation Hub which consists of an international airport, railway and subway stations. It is also within 15 minutes' drive to the Shanghai National Exhibition and Convention Center. This acquisition is expected to complete by Q3 2019.

CDL China Limited (CDL China)

In Q1 2019, the Group's wholly-owned subsidiary CDL China, together with its JV associates, sold 113 residential units and 1 villa in China, achieving a total sales value of RMB 358.8 million (approximately \$72.0 million).

Hong Leong Plaza Hongqiao, located in Shanghai's Hongqiao CBD, will begin operations by Q2 2019. One of its five commercial towers, making up 20% of Net Lettable Area (NLA), has been leased to a serviced apartment operator, commencing in May 2019. It continues to receive interests from other tenants for the other towers.

UK

In March 2019, the Group expanded into the rapidly-growing UK Private Rented Sector (PRS) with the acquisition of a £15.4 million (approximately \$27.5 million) 193,752 sq ft freehold site which is located only a 10-minute walk from Leeds Train Station and two kilometres to the Leeds City Centre. The Group plans to develop a 664-unit build-to-rent residential project with retail space within the site's attractive heritage arches beneath a viaduct. Full planning permission has been obtained for the site and the project is expected to be completed in 2023 at an estimated total development cost of £140 million (approximately \$250 million). A 5.0% annual net yield is expected.

Residential leasing has picked up momentum as Brexit uncertainties have affected homebuyers' decisions to purchase. Teddington Riverside, the Group's 240-unit development in the Borough of Richmond Upon Thames, has started leasing activities. The Group is confident that when the Brexit issue is resolved, sales for this project will progress.

Leasing activities have also commenced for the Group's two fully-fitted prime projects in Central London – Chesham Street in Belgravia (six units) and Hans Road in Knightsbridge (three units). Another Central London project, 90 – 100 Sydney Street in Chelsea (nine units) that overlooks the scenic Chelsea Farmers Market, will hold its sale preview in May 2019. The project is targeted to complete by Q2 2019.

The Group's other UK developments are currently going through the planning and development process.

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The Group's two recently acquired Grade A commercial properties in UK are performing well. The occupancy rates at 125 Old Broad Street and Aldgate House are 100% and 88% respectively. Both properties are under-rented and have strong potential for positive rental reversions. The Group is exploring several AEI initiatives for both properties to drive further upside.

For details on the sales status of the Group's overseas development projects, please refer to the Q1 2019 presentation materials.

Fund Management

The Group is developing its fund management business through organic growth coupled with the acquisition of assets and platforms.

In April, the Group acquired a 50% stake in IREIT Global Group Pte. Ltd., the manager of Singapore-listed IREIT Global, for about \$18.4 million and approximately 12.4% of the total issued units in IREIT Global for about \$59.4 million.

IREIT Global focuses on investing, directly or indirectly, in income-producing office, retail and industrial properties in Europe. Its current portfolio, which comprises five freehold office properties in Germany, is valued at €504.9 million (about \$800 million). The five properties, with a total NLA of more than 200,600 sqm, have diversified blue-chip tenants and an overall occupancy rate of 98.6%. This investment in IREIT Global is in line with the Group's aim to achieve AUM of US\$5 billion by 2023. Besides being earnings accretive with immediate contribution to recurring income through management fees and attractive yields, the investment also strengthens the Group's fund management expertise and establishes a track record for the Group in this arena.

The UK's fundamental attraction for international investors remains intact and bodes well for the Group's UK commercial assets which could possibly be transferred to a private fund or as seed assets to a REIT vehicle.

Profit Participation Securities (PPS)

For PPS 2, the Group and its JV partner Alpha Investment Partners (Alpha) divested Manulife Centre for \$555.5 million or \$2,301 psf in January 2019. In April 2019, the JV entered into binding agreement to divest 7 & 9 Tampines Grande for \$395 million or \$1,373 psf. The Group had earlier acquired the remaining 60% stake in Central Mall Office Tower from Alpha in December 2018 as the site has good redevelopment potential. With the sale of 7 & 9 Tampines Grande expected by Q2 2019, this marks the winding down of PPS 2.

The Group is working with its partners and investors on a mutually favourable way to wind down the other two PPS initiatives in view of their short five-year fund life.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The Group's performance for the period under review is in line with its expectations as disclosed in the announcement of results for year ended 31 December 2018.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

Property

The Singapore residential property market is expected to see a surge in supply fuelled by the Government Land Sales (GLS) and collective sales activities from previous years. In view of the potential surplus, the Government has moderated its 1H 2019 GLS programme with a reduction of 20% from previous half-yearly figures. This should give the market a breather and alleviate the supply overhang.

While buyers remain cautious and discerning after the additional property cooling measures in July 2018, sales remain relatively stable particularly for well-located projects with strong attributes that are priced sensitively. Demand is expected to be underpinned by displaced enbloc-sale owners, first-timers and upgraders who are less affected by the cooling measures. Private residential properties in Singapore will continue to appeal to homebuyers and investors.

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On 4 May 2019, the Group's freehold 592-unit JV project Amber Park was launched. Located in the Amber Road enclave within the East Coast area, it is just a three-minute walk to the upcoming Tanjong Katong MRT station. Amber Park has stunning architecture featuring a rooftop recreational deck called the Stratosphere, which provides several unique facilities including a first-of-its-kind 600-metre sky jogging track 235 feet above sea level that connects the three 21-storey towers. 115 units were snapped up on its launch weekend, surpassing market expectations and making Amber Park the best-selling new freehold property launch this year. The units were priced at an early bird ASP of \$2,425 psf and total sales value achieved amounted to over \$240 million. To date, 145 units have been sold.

The Group is planning to launch another three new developments during the year and is confident that these projects will generate strong interest due to their unique selling propositions and good locational attributes.

The next launch will be **Haus on Handy**, a 188-unit condominium in prime District 9, a short walk from Plaza Singapura and Dhoby Ghaut MRT station – a three-line interchange station. The architecture will be cutting-edge and incorporates a unique three-storey conservation bungalow from 1892 which will be converted into a luxurious clubhouse.

After that will be **Piermont Grand**, Singapore's only EC launch for 2019. This 820-unit JV waterfront development is within 100 metres to Sumang LRT station and a 10-minute stroll to Punggol MRT station, bus interchange and Waterway Point Shopping Mall. Given no new EC supply in the market, there is strong pent-up demand. The Group expects healthy interest for Piermont Grand for this hybrid asset class which qualifies for Government subsidies for eligible buyers. This will be the Group's ninth EC project.

The Group's final launch for the year will be a JV project at **Sengkang Central**. Won through a two-envelope URA tender, this mixed-use development will comprise about 680 residential apartments, a shopping mall, supermarket, hawker centre and a community club with a child care centre, seamlessly integrated with Buangkok MRT station and a new bus interchange. It is targeted for completion in 1H 2022.

In March, URA unveiled its Draft Master Plan 2019. Two new schemes were introduced, namely the Strategic Development Incentive Scheme and the CBD Incentive Scheme. Being the owner of several commercial assets in the CBD, the Group could benefit from these initiatives. Feasibility studies will be done to ascertain the viability.

Hotel

Despite the uncertainties and challenges in the global economy, M&C remains focused on maximising the value of its hospitality assets. Operationally, M&C will re-focus its sales efforts to improve yields. It is also prioritising the refurbishment of its key gateway city properties to reposition its hotels whilst seeking to minimise the short-term negative impact on its trading results. In the US, the proposed affiliation agreement with Hilton for the Millennium Times Square New York will allow M&C to continue to manage one of its key US hotels yet tap on Hilton's vast distribution strength and help M&C to turn around the hotel's performance more quickly.

Board Appointment

The Board has appointed Mr Sherman Kwek, CDL's Group Chief Executive, as a member of the Board of Directors with effect from 15 May 2019. As an Executive Director, he will add further depth and diversity to the Board's collective experience, skills and perspectives, all of which are important contributors towards robust and effective decision-making.

Group Prospects

The Group remains focussed on growing its development pipeline in Singapore and in its key overseas markets of China, Australia, Japan and the UK. In Singapore alone, it has a launch pipeline of about 2,250 units comprising EC, mass-market, mid-tier and high-end segments. The Group is especially attentive to the planning and execution of these launches. It will continue to evaluate opportunities to replenish its land bank so that there is a sustained pipeline of projects to capitalise on the property cycles.

Another key priority for the Group is to substantially grow its recurring income through acquisitions, asset enhancement and fund management. It will continue to leverage its strong balance sheet to strategically acquire investment properties and listed/unlisted platforms in Singapore and overseas.

While Singapore will always remain its home ground, the Group's overseas efforts have borne fruit and provided much needed diversification to the Group's earnings. While global economic and political events have led to market uncertainties, the Group's geographically-diversified and income-stable portfolio in Singapore and overseas, will enable it to better navigate through these challenges. The Group is confident to remain profitable in the next 12 months.

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11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

On 14 May 2019, the Board of Directors, pursuant to the recommendation of the Audit & Risk Committee, declared the payment of a tax-exempt (one-tier) non-cumulative preference dividend to holders of City Developments Limited Preference Shares in accordance with the terms of issue of the Preference Shares. The preference dividend for each Preference Share is calculated at the dividend rate of 3.9% per annum of the issued price of \$1.00 for each Preference Share on the basis of 182 days, being the actual number of days comprised in the dividend period from 31 December 2018 to 30 June 2019, divided by 365 days.

Name of Dividend	Tax-exempt (One-tier) Preference Dividend
Date of Payment	1 July 2019
Dividend Type	Cash
Dividend Amount (in cents)	1.94 cents per Preference Share
Dividend rate (in %)	3.9% per annum on the issue price of each Preference Share
Dividend Period	From 31 December 2018 to 30 June 2019 (both dates inclusive)
Issue Price	\$1.00 per Preference Share

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of Dividend	Tax-exempt (One-tier) Preference Dividend
Date of Payment	2 July 2018
Dividend Type	Cash
Dividend Amount (in cents)	1.94 cents per Preference Share [^]
Dividend rate (in %)	3.9% per annum on the issue price of each Preference Share
Dividend Period	From 31 December 2017 to 30 June 2018 (both dates inclusive)
Issue Price	\$1.00 per Preference Share

[^] Preference dividend for each Preference Share is calculated at the dividend rate of 3.9% per annum of the issue price of \$1.00 for each Preference Share based on the actual number of days comprised in the dividend period divided by 365 days.

(c) Date payable

The tax-exempt (one-tier) preference dividend for the period from 31 December 2018 to 30 June 2019 (both dates inclusive) will be paid on 1 July 2019.

(d) Books Closure Date for Non-redeemable Convertible Non-cumulative Preference Shares (the "Preference Shares")

5.00 pm on 6 June 2019.

CITY DEVELOPMENTS LIMITED
(REG. NO. 196300316Z)

12. If no dividend has been declared/recommended, a statement to that effect.

The directors are not recommending the payment of an interim dividend for ordinary shares (31 March 2018: Nil) in respect of the period under review, as it is not practice of the Board to declare any interim dividend with respect of the first quarter of the financial year.

13. Interested Person Transactions

Interested Persons	Aggregate value of all interested person transactions conducted in the first quarter ended 31 March 2019 under the IPT Mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
Hong Leong Investment Holdings Pte. Ltd. group of companies	<u>Property-related</u> (a) Lease of premises to interested person	\$7,505,085.00
	Total:	\$7,505,085.00
Directors and their immediate family members		Nil

14. Segment Reporting

	The Group			
	Revenue		Profit/(Loss) before tax (**)	
	Three months ended		Three months ended	
	31 March		31 March	
	2019	2018	2019	2018
	S\$'000	S\$'000	S\$'000	S\$'000
				(Restated)
Property Development	249,486	563,205	87,432	86,488
Hotel Operations *	360,193	377,760	(1,941)	20,810
Rental Properties	103,249	84,216	180,647	61,091
Others	33,236	32,648	(495)	4,692
	<u>746,164</u>	<u>1,057,829</u>	<u>265,643</u>	<u>173,081</u>

* Revenue from hotel operations includes room revenue of \$238.7 million (Q1 2018: \$248.2 million) for Q1 2019 from hotels that are owned by the Group.

** Includes share of after-tax profit of associates and joint ventures.

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15. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Property Development

Revenue decreased by \$313.7 million to \$249.5 million (Q1 2018: \$563.2 million) whilst pre-tax profit remained relatively constant at \$87.4 million (Restated Q1 2018: \$86.5 million) for this business segment.

Projects that contributed to both revenue and profit in Q1 2019 include Gramercy Park, New Futura, The Tapestry, Whistler Grand, Hongqiao Royal Lake and Suzhou Hong Leong City Center. In accordance with the Group's policy of equity accounting for the results of its joint ventures, whilst revenue from joint venture developments such as Forest Woods and South Beach Residences had not been consolidated into the Group's total revenue, the Group's share of profit arising from joint venture developments had been included in pre-tax profit.

The significant decrease in revenue was primarily due to the timing of recognition for EC. Included in Q1 2018 was the contribution from The Criterion EC, which obtained TOP in February 2018, coupled with contribution from Gramercy Park and New Futura. In Q1 2019, revenue was recognised largely from The Tapestry, New Futura and Gramercy Park.

Despite a substantial decline in revenue, pre-tax profit remained constant mainly due to compressed profit margins from The Criterion EC relative to projects with a higher profit margin such as Gramercy Park and New Futura. In addition, South Beach Residences, a joint venture project, which was launched in Q3 2018, also contributed to the pre-tax profit.

Hotel Operations

Revenue for this segment decreased by \$17.6 million to \$360.2 million (Q1 2018: \$377.8 million) and this segment reported a pre-tax loss of \$1.9 million (Q1 2018: pre-tax profit of \$20.8 million) for Q1 2019.

The decrease in revenue for Q1 2019 was attributable to myriad of factors including weakening of the Sterling Pound which impacted the contribution from hotels in United Kingdom when translated to Singapore dollars, and ongoing refurbishment works for hotels located in London and Singapore. In particular, Millennium Hotel London Mayfair was fully closed in July 2018 for refurbishment. In addition, Dhevanafushi Maldives Luxury Resort was closed since June 2018 for rebranding to "Raffles" resort.

The pre-tax loss reported in Q1 2019, in line with lower hotel income achieved, was also attributable to continued loss-making of hotels in New York due to lower contributions from Asian hotels and higher financing costs.

Rental Properties

Revenue for this segment increased by \$19.0 million to \$103.2 million (Q1 2018: \$84.2 million) and pre-tax profit increased by \$119.5 million to \$180.6 million (Q1 2018: \$61.1 million) for Q1 2019.

The increase in revenue for Q1 2019 was largely due to the full quarter contribution from the three buildings acquired in the second half of 2018, namely Aldgate House (London), 125 Old Broad Street (London) and Central Mall Office Tower, as well as contribution from Le Grove Serviced Residences (re-opened in July 2018 following a major revamp) and Hong Leong City Center's retail mall (opened in June 2018).

The substantial increase in pre-tax profit for Q1 2019 was primarily due to the realisation of a gain of \$144.3 million, previously deferred when the Group divested Manulife Centre to Golden Crest Holdings Pte. Ltd. (PPS 2 platform). Following the divestment of the property held under PPS 2 platform to an external party in January 2019, the gain was realised in Q1 2019. Included in Q1 2018 was a gain recognised on divestment of Mercure Brisbane and Ibis Brisbane by CDLHT.

Others

Revenue, comprising mainly income from building maintenance contracts, project management, club operations, laundry services and dividend income, remained flat at \$33.2 million (Q1 2018: \$32.6 million) for Q1 2019.

This segment posted a pre-tax loss of \$0.5 million (Q1 2018: pre-tax profit of \$4.7 million) for Q1 2019. The loss in Q1 2019 was mainly due to higher fair value loss recognised on re-measurement of certain quoted securities.

CITY DEVELOPMENTS LIMITED

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16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Total Annual Net Dividend (*Refer to Para 18 of Appendix 7.2 for the required details*)

	Full Year 2018 S\$'000	Full Year 2017 S\$'000
Ordinary	72,552	72,744
Special	108,942	90,930
Preference	12,904	12,904
Total	194,398	176,578

The tax-exempt (one-tier) final ordinary dividend and tax-exempt (one-tier) special final ordinary dividend for the year ended 31 December 2018 of 8.0 cents and 6.0 cents respectively per ordinary share had been approved by the ordinary shareholders at the Annual General Meeting held on 26 April 2019 and the dividend amounts are based on the number of issued ordinary shares as at 2 May 2019.

17. A breakdown of sales and operating profit after tax for first half year and second half year.

Not applicable.

18. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 in accordance with Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Shufen Loh @ Catherine Shufen Loh
Company Secretary
15 May 2019

CITY DEVELOPMENTS LIMITED

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CONFIRMATION BY THE BOARD

The Directors of the Company hereby confirm, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the Group's unaudited financial results for the 3-month period ended 31 March 2019 to be false or misleading in any material respect.

On behalf of the Board of Directors

Kwek Leng Beng
Executive Chairman

Lim Yin Nee Jenny
Director

Singapore, 15 May 2019

News Release

15 May 2019

**CDL POSTS STRONG RESULTS FOR Q1 2019:
PROFIT ROSE 133.8% TO S\$199.6 MILLION**

- **EBITDA increased 51.1% to S\$357.4 million**
- **Sold 173 residential units in Singapore with sales value of S\$516.3 million**
- **Sold 113 residential units and one villa in China with sales value of RMB 358.8 million (approximately S\$72.0 million)**
- **Accelerated development of fund management business with investment in a REIT and its respective manager**
- **Further enhanced recurring income through investments and asset enhancement**
- **Charts next phase of growth in China with transformational deal**

For Q1 2019, City Developments Limited's (CDL) net attributable profit after tax and minority interest (PATMI) increased 133.8% to S\$199.6 million (Restated Q1 2018: S\$85.3 million), boosted by strong profit margins for development projects recognised this quarter and the realisation of a S\$144.3 million pre-tax gain from the divestment of Manulife Centre, which is in connection with the Group's second Profit Participation Securities (PPS) structure developed in 2015.

In terms of business segments, rental properties took the lead in Q1 2019, contributing 68% in pre-tax profits primarily attributable to the divestment of Manulife Centre and contributions from recent acquisitions. The property development segment was the next strongest contributor, largely supported by several of the Group's key local projects including Gramercy Park, New Futura, The Tapestry, Whistler Grand, South Beach Residences as well as overseas projects like Hong Leong City Center in Suzhou and Hongqiao Royal Lake in Shanghai.

EBITDA increased 51.1% to S\$357.4 million (Restated Q1 2018: S\$236.6 million), underpinned by the strong contribution from the rental properties segment.

As at 31 March 2019, the Group's net gearing ratio (without factoring any revaluation surplus from investment properties) stood at 36% with interest cover at 16.3 times and cash reserves at S\$2.4 billion.

Financial Highlights

(S\$ million)	Q1 2019	Q1 2018	% Change
Revenue	746.2	1,057.8	(29.5)
EBITDA	357.4	236.6*	51.1
Profit before tax	265.6	173.1*	53.5
PATMI	199.6	85.3*	133.8

**Restated*

Important Note on Q1 2019 Revenue

- Revenue decreased by 29.5% to S\$746.2 million (Q1 2018: S\$1.1 billion). Comparatively, in Q1 last year, the Group had recognised the revenue in entirety from The Criterion Executive Condominium (EC) following its completion in February 2018. Excluding the contribution from The Criterion EC, Q1 2019 revenue would have increased by 6%.

Operations Review and Prospects

Healthy residential sales in Singapore and China

- In Singapore, the Group and its JV associates sold 173 residential units with a total sales value of S\$516.3 million (Q1 2018: 459 units with total sales value of S\$792.6 million).
 - In March 2019, the Group soft launched its ultra-luxurious 154-unit freehold JV project Boulevard 88 located along Orchard Boulevard. To date, 47 units including two penthouses have been sold at an average selling price (ASP) of over S\$3,700 per square foot (psf).
 - 98% of the 124-unit freehold New Futura at Leonie Hill Road have been sold to date at an ASP of over S\$3,500 psf, with only three units remaining.
 - At The Tapestry, the 861-unit condominium in Tampines Avenue 10, 619 units (72%) have been sold at an ASP of about S\$1,350 psf.
 - Whistler Grand, the 716-unit condominium at West Coast Vale, has sold 320 units and achieved an ASP of about S\$1,380 psf.
 - To date, 75 units at the 190-unit South Beach Residences on Beach Road have been sold at an ASP of about S\$3,450 psf.
- In China, the Group's wholly-owned subsidiary CDL China Limited (CDL China), together with its JV associates, sold 113 residential units and one villa in Q1 2019, achieving a total sales value of RMB 358.8 million (approximately S\$72.0 million).

New and upcoming launches in Singapore

- On 4 May 2019, the Group's freehold 592-unit JV project Amber Park in the East Coast area was launched. 115 units were snapped up on its launch weekend, surpassing market expectations and making Amber Park the best-selling new freehold property launch this year. The units were priced at an early-bird ASP of S\$2,425 psf and total sales value achieved amounted to over S\$240 million. To date, 145 units have been sold.
- The Group is preparing to launch another three projects in 2019:
 - 188-unit Haus on Handy condominium in prime District 9, located a short walk from Plaza Singapura and Dhoby Ghaut MRT station – a three-line interchange station.
 - 820-unit Piermont Grand, Singapore's only EC launch for 2019, a JV waterfront development within 100 metres to Sumang LRT station and a 10-minute stroll to Punggol MRT station, bus interchange and Waterway Point Shopping Mall.
 - JV project at Sengkang Central comprising about 680 residential apartments, a shopping mall, supermarket, hawker centre, and a community club with a child care centre, seamlessly integrated with Buangkok MRT station and a new bus interchange.

Accelerated development of fund management business

- In April, the Group acquired a 50% stake in IREIT Global Group Pte. Ltd., the manager of Singapore-listed IREIT Global, for about S\$18.4 million and approximately 12.4% of the total issued units in IREIT Global for about S\$59.4 million. This is in line with the Group's aim to achieve AUM of US\$5 billion by 2023. Besides being earnings accretive with immediate contribution to recurring income through management fees and attractive yields, the investment also strengthens the Group's fund management expertise and establishes a track record for the Group in this arena.

Enhancement of recurring income

- In Q1 2019, the Group entered into an agreement to purchase a 70% stake in Shanghai Hongqiao Sincere Centre (Phase 2), a prime commercial property in the heart of Shanghai's Hongqiao Central Business District, for RMB 1.2 billion (approximately S\$247 million), equivalent to about RMB 49,000 per square metre (sqm). Spreading across 11 adjoining blocks, the property has a Gross Floor Area (GFA) of 35,739 sqm comprising offices, serviced apartments, a retail component and a basement car park with 384 lots. It is within 10 minutes' drive to the Hongqiao Transportation Hub which consists of an international airport, railway and subway stations. It is also within 15 minutes' drive to the Shanghai National Exhibition and Convention Center. This acquisition is expected to complete by Q3 2019.
- In March 2019, the Group expanded into the rapidly-growing UK Private Rented Sector (PRS) with the acquisition of a £15.4 million (approximately S\$27.5 million) 193,752 sq ft freehold site which is located only a 10-minute walk from Leeds Train Station and two kilometres to the Leeds City Centre. The Group plans to develop a 664-unit build-to-rent residential project with retail space within the site's attractive heritage arches beneath a viaduct. Completion is expected in 2023.
- The Group's two recently acquired Grade A commercial properties in UK are performing well. Both properties are under-rented and have strong potential for positive rental reversions. The Group is exploring several AEI initiatives for both properties to drive further upside.

Charting CDL's next phase of growth in China

- In Q1 2019, the Group entered into a strategic partnership with Sincere Property Group (Sincere), an established real estate developer in China. The Group will invest RMB 5.5 billion (approximately S\$1.1 billion), comprising both equity subscription and interest-bearing loans. Upon full completion expected by Q4 2019, the Group will indirectly hold approximately 24% equity stake in Sincere via its offshore investment vehicle, making the Group the second largest shareholder after Sincere's Founder and Chairman, Mr Wu Xu.
- Leveraging Sincere's development and asset management capabilities, local expertise and wide geographical presence in China, the Group will be able to substantially expand its presence in China with development projects and investment properties.
- The Group will also contribute its international knowledge, best practices and networks to drive the JV's future growth.

Mr Kwek Leng Beng, CDL's Executive Chairman, said, "Our recent successful residential launches in Singapore indicate healthy demand for well-located projects that are exceptionally designed and sensitively priced. In Singapore, we have a launch pipeline of about 2,250 units comprising EC, mass-market, mid-tier and high-end segments. The Group is especially attentive to the planning and execution of these launches and we are confident that our new projects will generate strong interest due to their unique selling propositions and good locational attributes. While Singapore will always remain our home ground, our overseas efforts have borne fruit and provided much needed diversification to our earnings. Although global economic and political events have led to market uncertainties, our geographically diversified and income-stable portfolio in Singapore and overseas will enable us to better navigate through these challenges. At the same time, we will continue to actively explore attractive investment opportunities to grow our business."

Mr Sherman Kwek, CDL's Group Chief Executive Officer, said, "We have continued to accelerate our GET strategy of Growth, Enhancement and Transformation through multiple initiatives. With our recent spate of residential launches in Singapore, we have shown our ability to acquire good sites at the right prices and demonstrated that we have the required operational and sales expertise to ensure a strong execution. Our diversification strategy is on track and we continue to broaden our presence in our key overseas target markets. We also kickstarted our fund management business through our investment in IREIT Global's fund manager and REIT as well as acquired two prime offices in the UK that could potentially seed a future fund. Most significant of all is our game-changing investment into Sincere Property Group, a transformational partnership that will fast track CDL's growth in China with an enlarged portfolio and a substantial pipeline of development and recurring income properties. Looking ahead, we will remain strategic and disciplined in our acquisitions and continue to enhance our operational efficiency and execution."

Please visit www.cdl.com.sg for CDL's Q1 2019 financial statement and presentation.

For media enquiries, please contact:

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**CITY
DEVELOPMENTS
LIMITED**

Trusted
Since
1963

Q1 2019 Results Presentation






15 May 2019

Agenda |

- Overview
- Financial Highlights
- Singapore Operations
- International Operations
- Hospitality



Key Financial Highlights – Q1 2019

Revenue	EBITDA	PATMI	Basic EPS
\$746.2 million  29.5%	\$357.4 million  51.1%	\$199.6 million  133.8%	22.0 cents  134.0%
Q1 2018 (Restated) *:			
\$1,057.8 million	\$236.6 million	\$85.3 million	9.4 cents
NAV per share \$11.32  2.3% YoY FY 2018 : \$11.07	<ul style="list-style-type: none"> ▪ Strong PATMI boosted by: <ul style="list-style-type: none"> ➢ Realisation of a \$144.3 million pre-tax gain from the divestment of Manulife Centre under PPS2 platform ➢ Strong profit margins for development projects recognised in Q1 2019 ▪ Revenue in Q1 2018 included The Criterion EC, recognised in entirety upon TOP. Excluding The Criterion EC, Q1 2019 revenue would have increased 6%. 		

No fair values adopted on investment properties.

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

* Restated due to expensing off interest costs for development projects under POC method on adoption of agenda decision issued by IFRIC.



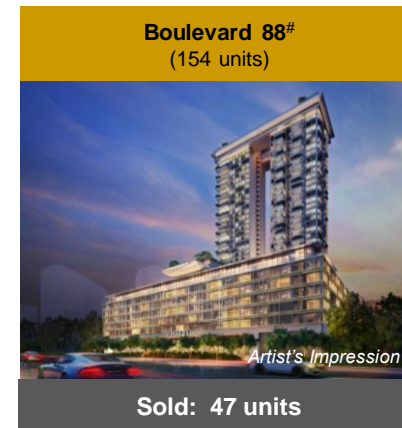
Key Operational Highlights

PROPERTY DEVELOPMENT

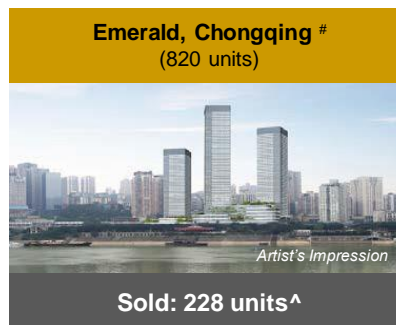
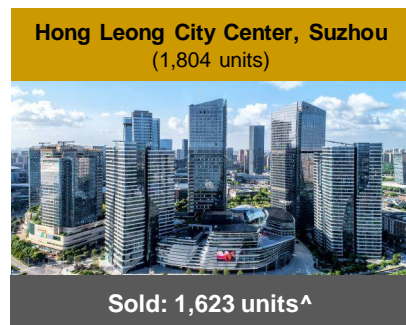
- **SINGAPORE:** Sold 173 units with total sales value of \$516.3 million* in Q1 2019

Positive Response to 2 New Freehold Launches for YTD 2019

	Boulevard 88	Amber Park
Launch Date	8 March	4 May
Units Sold^	47	145
ASP	> \$3,700 psf	\$2,425 psf



- **CHINA:** Sold 113 units and 1 villa with total sales value of RMB 358.8 million (\$72.0 million) in Q1 2019



* Includes Executive Condominiums (ECs) and share of JV partners

JV project

^ As of 12 May 2019

Key Operational Highlights

HOTEL OPERATIONS

- **M&C's Q1 2019 results were impacted by:**
 - Full closure of Millennium Hotel London Mayfair in Jul 2018 for refurbishment and lower contributions from Asian hotels, primarily Orchard Hotel, which is undergoing refurbishment
 - Increase in net financing cost

FUND MANAGEMENT

- **Successful unwinding of Profit Participation Securities (PPS) 2 structure:**
 - Realisation of \$144.3 million pre-tax gain in Q1 2019 from **Manulife Centre** divestment
 - Divestment of final asset **7 & 9 Tampines Grande** for \$395 million (\$1,373 psf), with sale completion by Q2 2019
- **AUM Growth to US\$500 million with investment into REIT platform:**
 - \$77.8 million investment in Singapore-listed IREIT Global with US\$285 million Germany asset portfolio in April 2019, comprising:
 - **REIT Manager:** 50% stake for \$18.4 million
 - **REIT Units:** 12.4% stake for \$59.4 million
 - Previously secured mandate to jointly manage A\$305 million (US\$215 million) office asset in Sydney

ACQUISITIONS & INVESTMENTS

- **\$259 million of new investments for YTD 2019, which includes:**
 - **Singapore:** Acquisition of Sims Drive GLS site# for \$153.4 million (based on CDL's 40% attributable share)
 - **UK:** £15.4 million (approx. \$27.5 million) for Leeds Private Rented Sector (PRS) site
 - **REIT platform:** \$77.8 million investment in IREIT Global

Monk Bridge, Leeds



Portfolio Composition – Q1 2019

\$ million	Recurring Income Segments				Total
	Property Development	Hotel Operations	Rental Properties	Others	
EBITDA *					
Local	76	18	180	6	280
Overseas	21	22	32	2	77
	97	40	212	8	357
Total Assets ^					
Local	5,371	548	3,279	783	9,981
Overseas	3,668	4,834	2,670	358	11,530
	9,039	5,382	5,949	1,141	21,511

* Earnings before interest, tax, depreciation and amortisation.

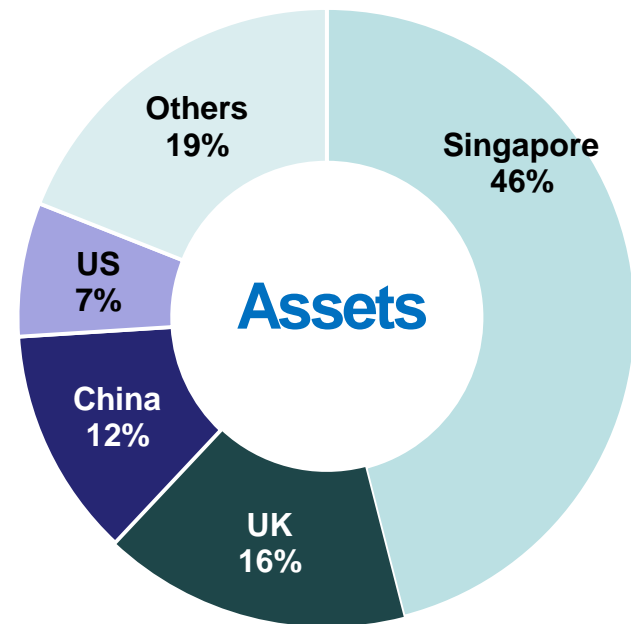
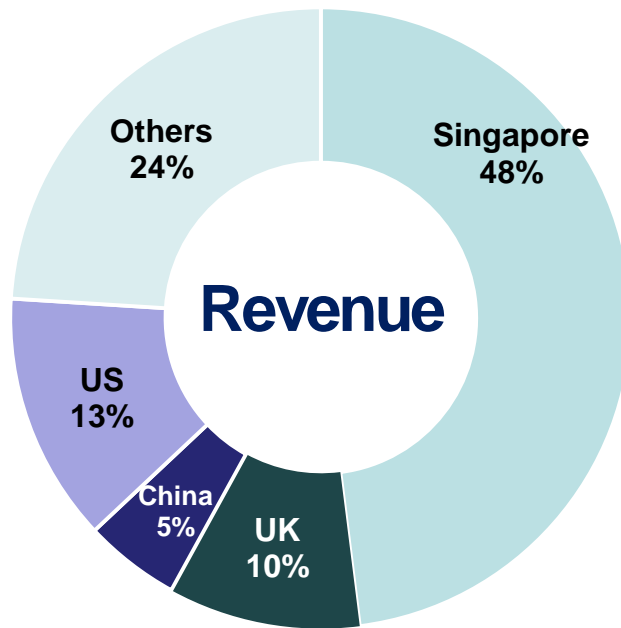
^ Excludes tax recoverable and deferred tax asset.



Diversified Global Portfolio

Deepening Presence in Key Markets

- Geographical diversification allows flexibility to capitalise on opportunities



Q1 2019

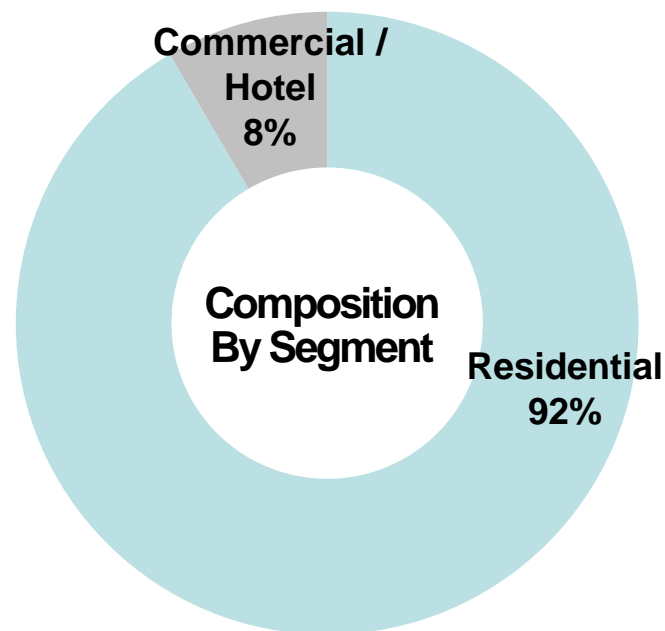
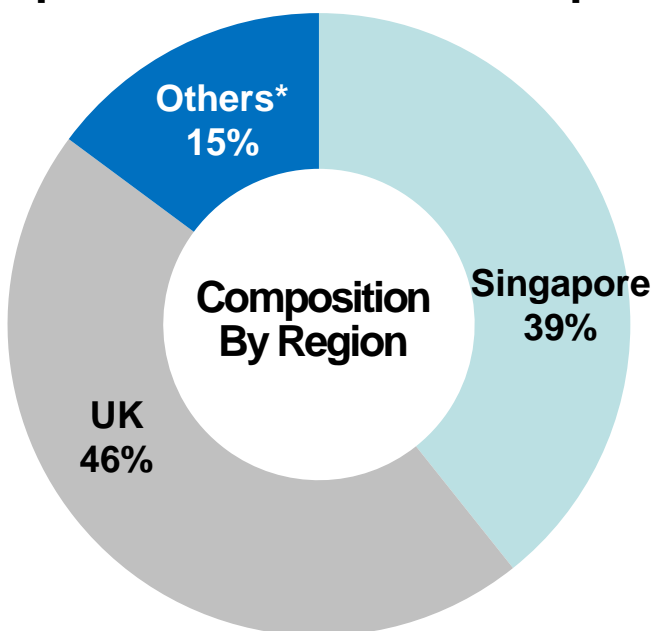


Diversified Land Bank

Land Area (as of 31 Mar 2019) – CDL’s Attributable Share

Type of Development	Land Area (sq ft)			
	Singapore	International	Total	%
Residential	818,011	1,648,555	2,466,566	93
Commercial / Hotel	66,401	116,244	182,645	7
Total	884,412	1,764,799	2,649,211	100

Total Proposed GFA – 4.5 million sq ft



* Includes Japan and Malaysia

Strategic Acquisitions & Investments

YTD 2019*

Monk Bridge, Leeds



Entered into Agreement to Invest in Sincere Property Group & Acquire 70% stake in Shanghai Hongqiao Sincere Centre (Phase 2)



Singapore-listed IREIT Global with freehold office portfolio in Germany



Sims Drive GLS site



* As of 15 May 2019



Expansion into New Housing Segments

Entered Rapidly-Growing UK Private Rented Sector (PRS)
– Acquisition of Freehold PRS site in Leeds in March 2019

Monk Bridge, Leeds



£15.4 million (\$27.5 million)
Site Area: 193,752 sq ft

Development to comprise 664
build-to-rent units with retail space

- **Full planning permission obtained:**
 - Residential NLA: 386,000 sq ft
 - Commercial NLA: 16,000 sq ft
- **Expected completion:** 2023
- **Estimated total development cost:** £140 million
- **Expected net yield:** 5% per annum

Leeds

– UK's fastest-growing &
third largest city



Well-located site:

- 10-min walk to Leeds Train Station
- Close to new Wellington Place financial centre
- 2km to Leeds City Centre



REIT Investment to Grow Fund Management Business

\$77.8 million Investment in Singapore-listed IREIT Global

- REIT Manager: 50% stake for \$18.4 million
- REIT Units: 12.4% stake for \$59.4 million

Strategic move to grow CDL's fund management business:

- Earnings accretive: Immediate contribution to Group's recurring income segment
- Complement Group's diversification focus and existing CDL Hospitality Trusts platform

IREIT's Portfolio: 5 Freehold Office Properties in Germany

City	Property	NLA (sqm)
Berlin	Berlin Campus	79,097
Bonn	Bonn Campus	32,736
Darmstadt	Darmstadt Campus	30,371
Munich	Concor Park	31,222
Münster	Münster Campus	27,183

IREIT's Portfolio:
 > 200,600 sqm NLA
 €504.9 million valuation
 ~8% yield*

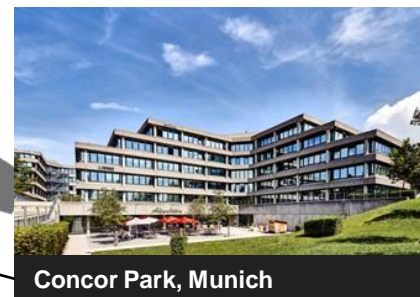
Stable Portfolio
 WALE: 4.4 years
 Occupancy: 98.6%



Berlin Campus, Berlin



Darmstadt Campus, Darmstadt



Concor Park, Munich



Münster Campus, Munster



Bonn Campus, Bonn



* As at 31 Dec 2018

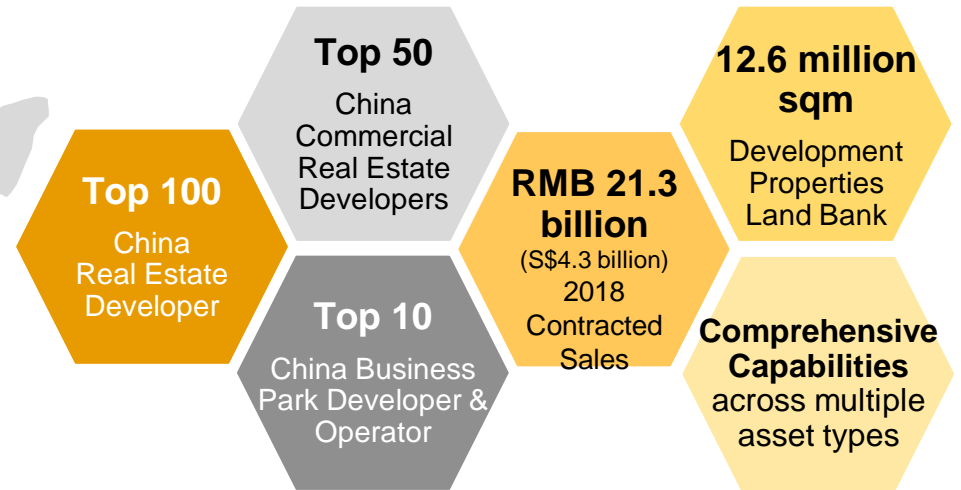
Strategic Investment in Sincere Property Group

Entered into Agreement to Invest RMB 5.5 billion (\$1.1 billion) in a China Real Estate Developer

- Upon completion, CDL will indirectly hold ~24% equity interest and be 2nd largest shareholder after Sincere's Founder and Chairman
- Investment comprises share subscription and four-year interest bearing loan

SINCERE 协信远创

让建筑具有生命



Sincere's Portfolio	Development properties	70 projects	
	Investment Properties¹	14 retail	10 office ²
		5 hotels	2 serviced apartments

Notes: Data as of 31 Dec 2018

1. Includes both in operation and under development
2. Includes 2 self-use offices in Shanghai and Chongqing



Acquisition of Shanghai Hongqiao Sincere Centre (Phase 2)

70% Stake in Prime Commercial Property for RMB 1.2 billion (\$247 million)

Shanghai Hongqiao Sincere Centre (Phase 2)



RMB 1.2 billion (\$247 million)
/ RMB 49,000 per sqm

Synergistic with Group's Focus on Expanding Recurring Income Portfolio in Global Gateway Cities

- In addition to its strategic investment into Sincere Property Group, CDL has entered into agreement to acquire a 70% stake in one of Sincere's prime commercial asset in Shanghai
- Strategically located in the heart of Hongqiao CBD and within 10 minutes' drive to the Hongqiao Transportation Hub (comprising an international airport, railway and subway stations)
- The acquisition is expected to complete by Q3 2019

Description & Location	Prime commercial asset in Shanghai Hongqiao CBD with 9 blocks of office and 2 blocks of serviced apartments (with 132 rooms) and basement car park with 384 lots
GFA	35,739 sqm
Stabilised NOI Yield	Approximately 4%
Completion	End 2017

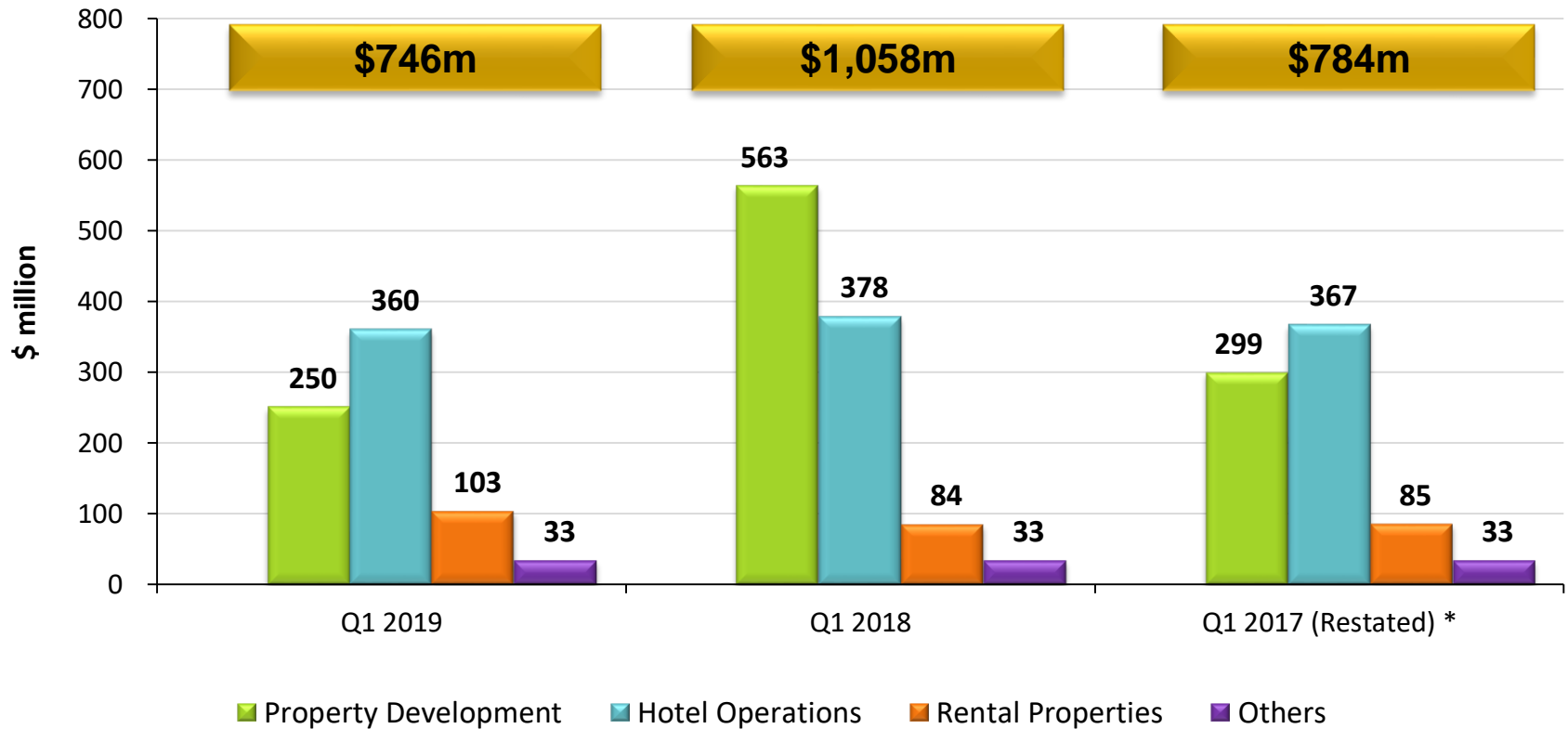




**Financial
Highlights** |

Financial Highlights

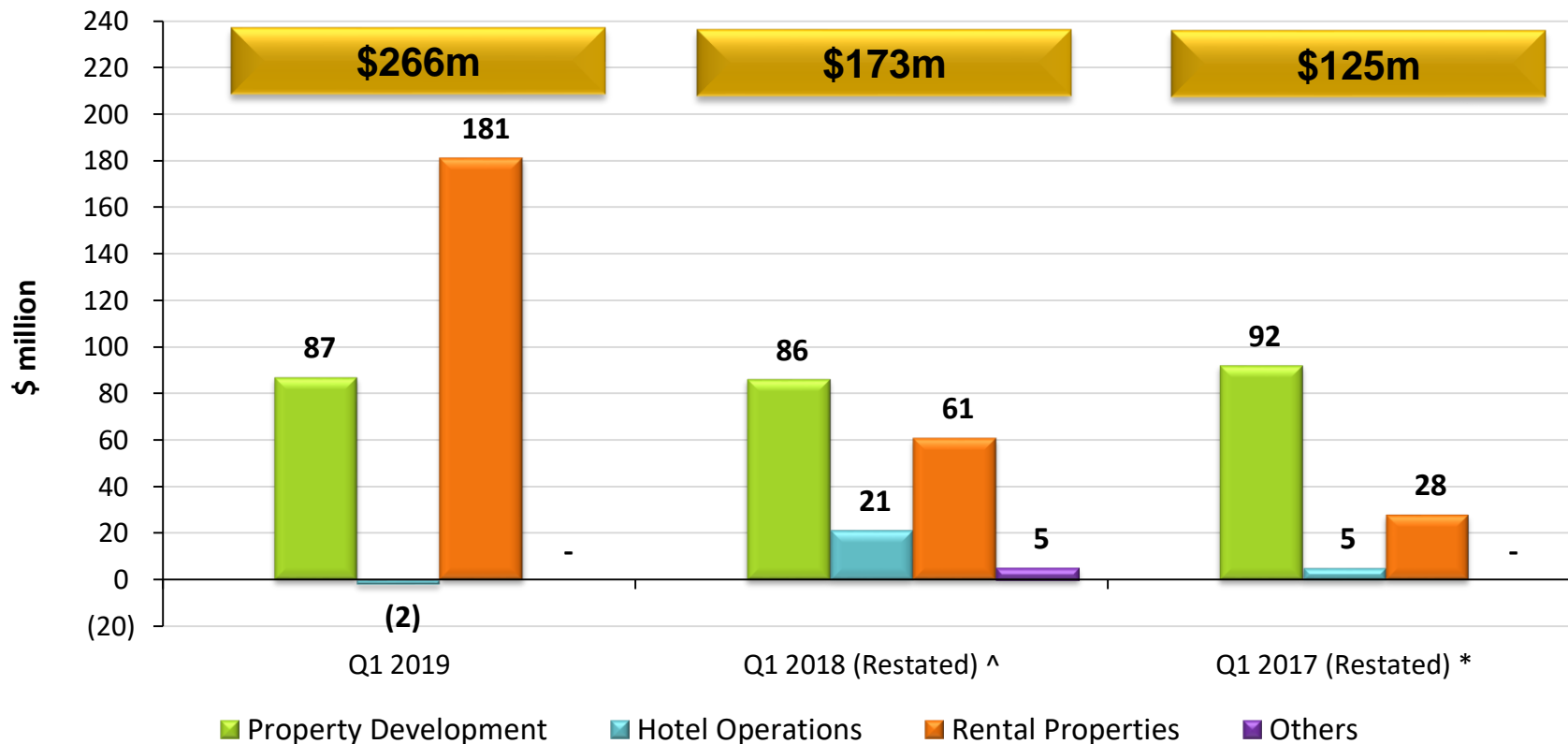
Revenue by Segment for Q1 (2017 – 2019)



* Restated due to adoption of SFRS(I) 1 & 15 for 2017 only.

Financial Highlights

Profit Before Tax by Segment for Q1 (2017 – 2019)



^

*

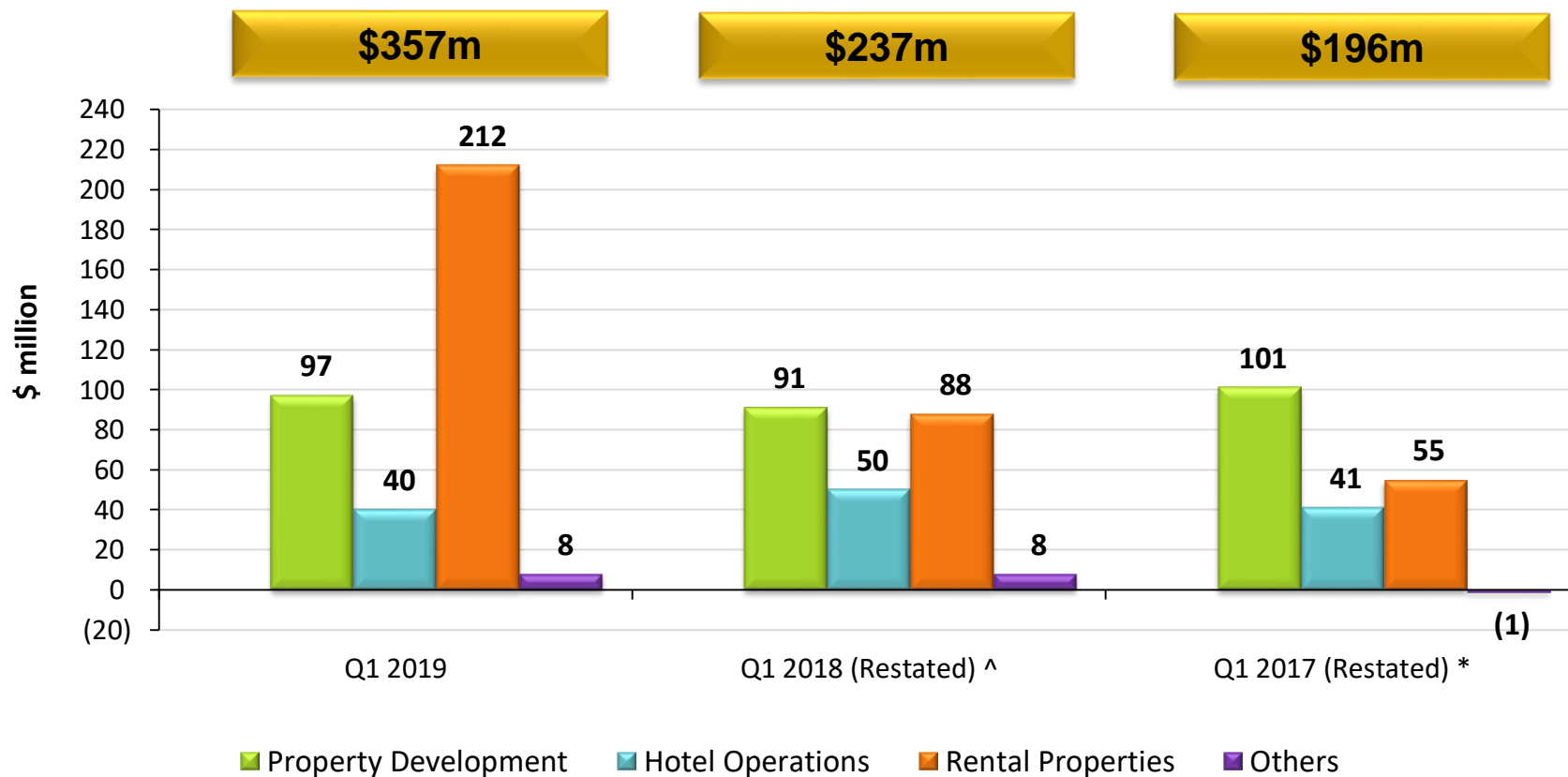
Restated due to expensing off interest costs for development projects under POC method on adoption of agenda decision issued by IFRIC.

Restated due to adoption of SFRS(I) 1 & 15 for 2017 only.



Financial Highlights

EBITDA by Segment for Q1 (2017 – 2019)



^

Restated due to expensing off interest costs for development projects under POC method on adoption of agenda decision issued by IFRIC.

*

Restated due to adoption of SFRS(I) 1 & 15 for 2017 only.



Financial Highlights

Balance Sheet

	As at 31/03/19	As at 31/12/18
Gross borrowings	\$6,708m	\$6,342m
Lease liabilities	\$197m	-
Cash and bank balances [^]	\$2,369m	\$2,512m
Net borrowings	\$4,536m	\$3,830m
Net gearing ratio without taking in fair value gains on investment properties	36%	31%
Net gearing ratio after taking in fair value gains on investment properties	27%	23%
Interest cover ratio	16.3 x	14.9 x



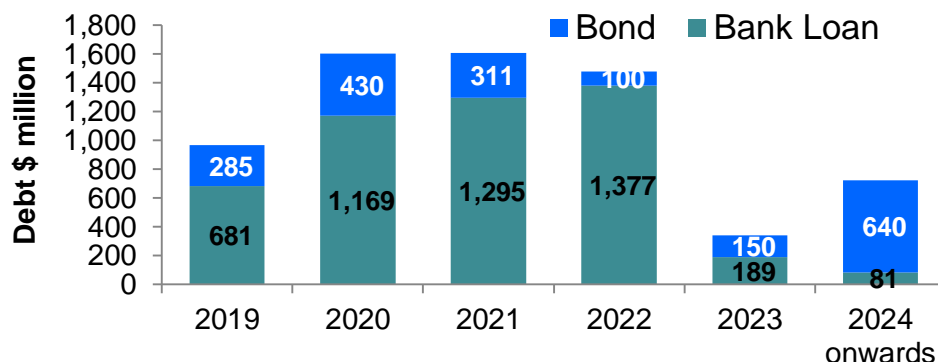
[^] Include restricted deposits of \$194m (2018: \$223m) classified as non current assets

Financial Highlights

CDL Group – Prudent Capital Management

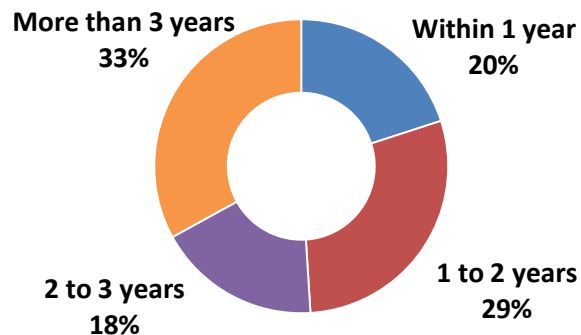
- Balanced debt expiry profile
- Balanced debt currency mix – adopting a natural hedging strategy
- Average borrowing cost kept low
- Balance of fixed rate borrowings to mitigate rate hikes

Debt Expiry Profile

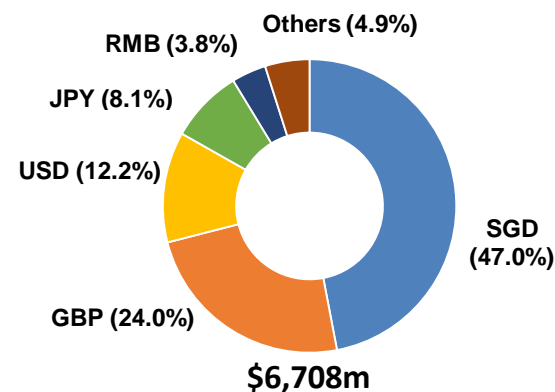


	31/03/2019	31/12/2018
Average Borrowing Cost	2.4%	2.3%
% Secured Borrowings	26%	27%
% Fixed Rate Debt	45%	45%

Debt Maturity



Debt Currency Mix



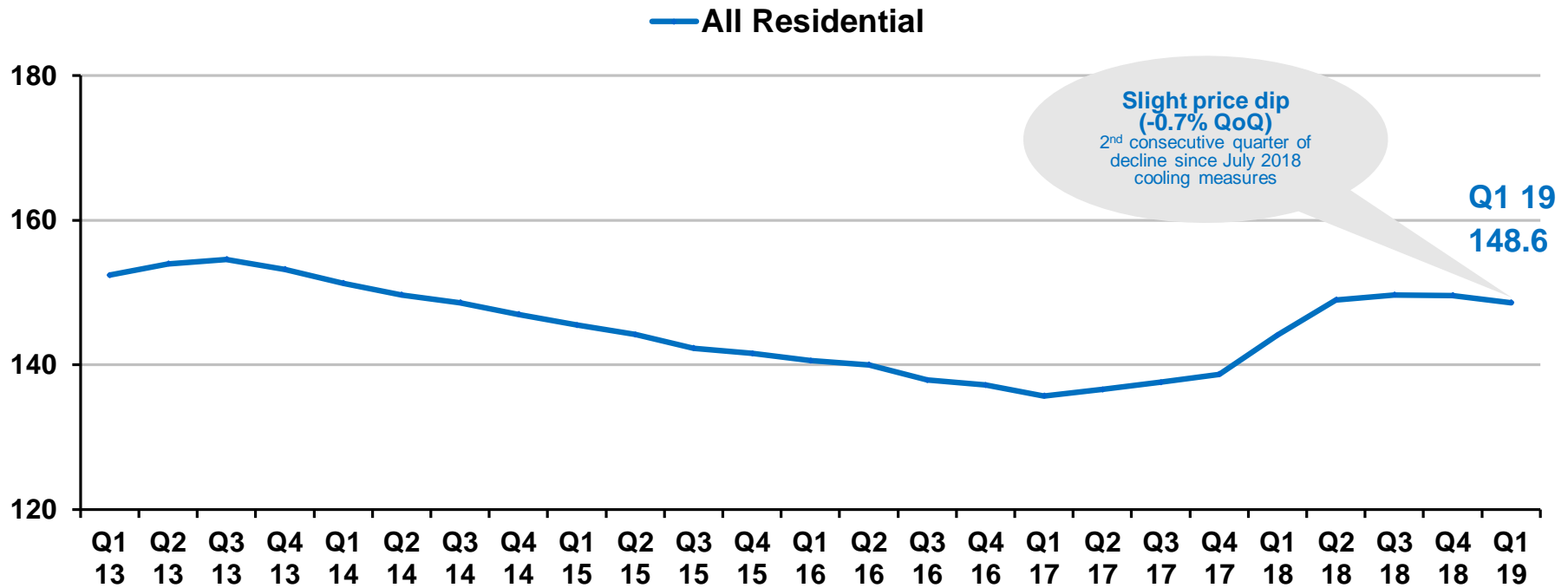


Singapore Operations

Property Development

Singapore Property Market

Property Price Index – Residential (2013 – Q1 2019)

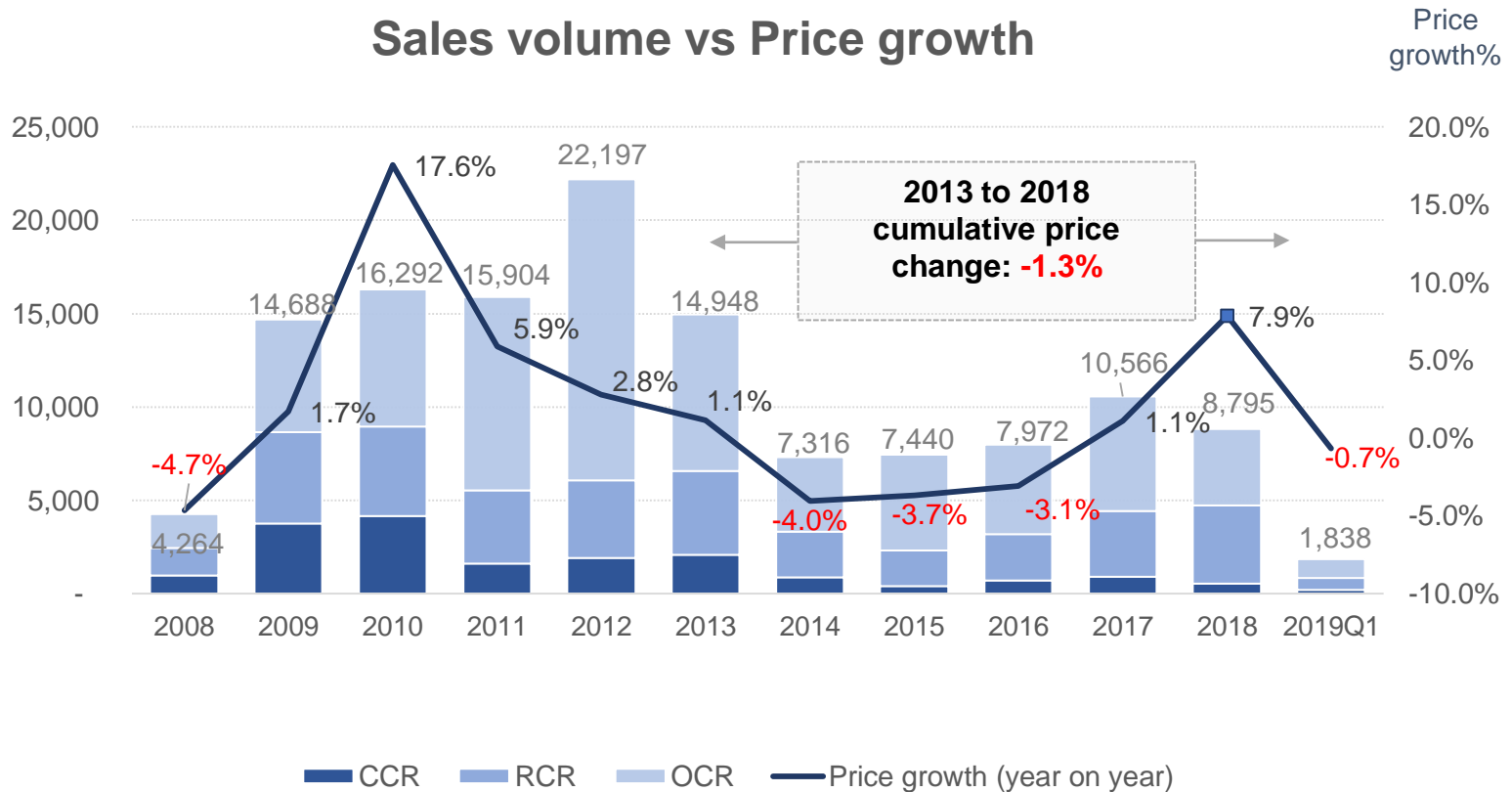


Source : URA, Q1 2019

Singapore Property Market

- Private residential prices declined by -0.7% y-o-y in Q1 2019 after increasing by 7.9% y-o-y in 2018
- Developer's sales remained healthy in Q1 2019. Whilst sales in Q1 2019 stayed flat against Q4 2018, it was a significant 16.2% increase y-o-y against Q1 2018.

Sales volume vs Price growth

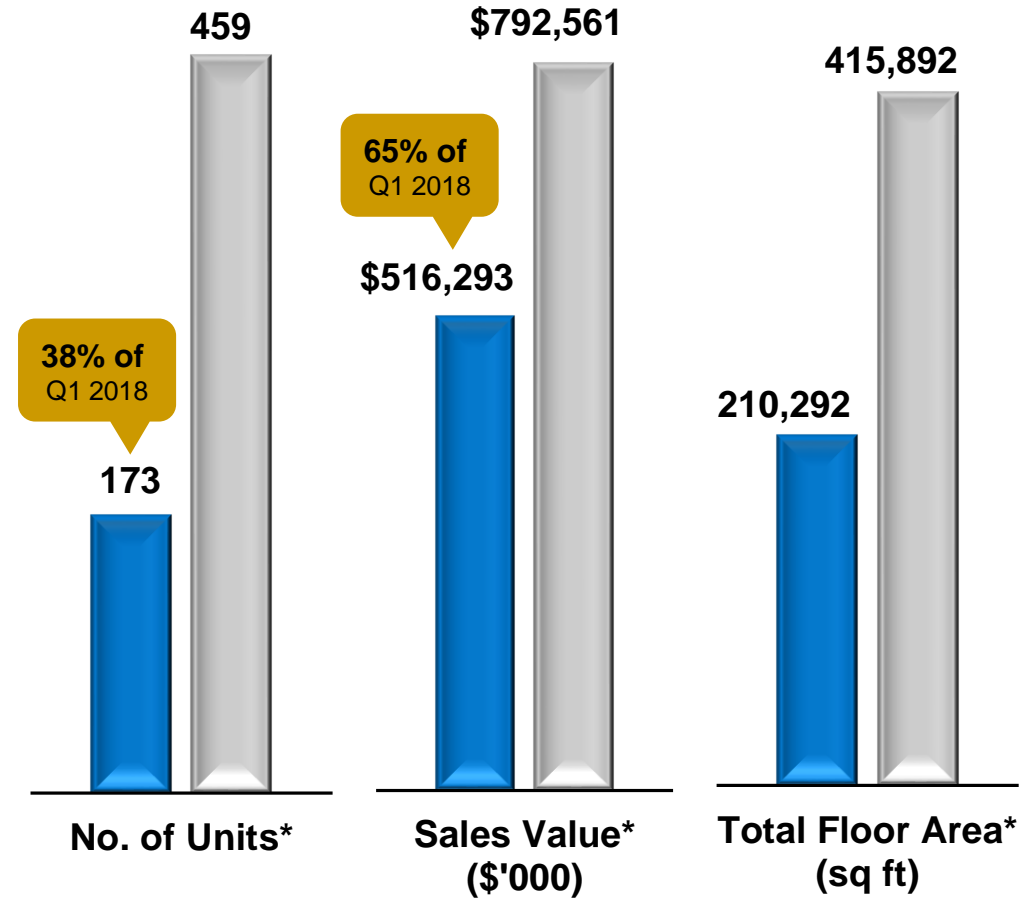


Source : URA Statistics

Singapore Property Development

Residential Units Sold by CDL

■ Q1 2019 ■ Q1 2018



Project Launches (Q1 2019 vs Q1 2018)

Launch Period	Project	Market Segment	Total Units
Q1 2019	Boulevard 88	High-end	154
Q1 2018	The Tapestry	Mass market	861
	New Futura	High-end	124

Stronger residential sales achieved in Q1 2018 was accounted for by two launches, including a mass market project (The Tapestry), which sold 315 units over its launch weekend.



* Includes share of JV partners

Singapore Property Development

Steady Sales for 2018 Launched Projects

Project	Location	Tenure	Equity Stake	Total Units	Total Units Sold*	Ave. Selling Price (ASP)	Total Saleable Area (sq ft)	Expected Completion
New Futura	Leonie Hill Road	Freehold	100%	124	121	>\$3,500 psf	248,199	Completed Aug 2017
The Tapestry	Tampines Ave 10	99-year leasehold	100%	861	619 (700 released)	\$1,350 psf	652,950	2021
Whistler Grand	West Coast Vale	99-year leasehold	100%	716 + 2 shops	320 (400 released)	\$1,380 psf	602,392	2021
South Beach Residences	Beach Road	99-year leasehold	50.1%	190	75 (80 released)	\$3,450 psf	347,510	Completed Dec 2016
The Jovell	Flora Drive	99-year leasehold	33%	428	75 (250 released)	\$1,250 – \$1,300 psf	324,000	2023

New Futura



- **Sold: 121 units** including 2 penthouses (South Tower fully sold)
- **ASP: >\$3,500 psf**

South Beach Residences



- **Sold: 75 units** including 6,728 sq ft super penthouse for \$26 million
- **ASP: \$3,450 psf**



* As of 12 May 2019

Residential Launch in Q1 2019

Boulevard 88 – Sales value of over \$400 million*

Location	Tenure	Equity Stake	Total Units	Units Released	Total Units Sold*	Total Saleable Area (sq ft)	Expected TOP
Orchard Boulevard	Freehold	40%	154	60	47	316,844	2022



154-unit Freehold Luxury Residences in District 10

- 47 units including two penthouses (out of 60 released) sold at ASP of over \$3,700 psf
 - Good take-up across all unit types, in particular 4-bedroom units
 - 43% of buyers are Singaporeans, remaining 57% comprise Singapore PRs and foreigners (mainly from Indonesia, China and US)
- Two 28-storey residential towers sit atop the luxury 204-room The Singapore EDITION Hotel – a unique lifestyle hotel designed by Ian Schrager in partnership with Marriott International



* As of 12 May 2019

Best-selling Freehold Property Launch in 2019

Amber Park – 115 units sold on Launch Weekend

- 115 units of 150 released units snapped up:
 - Early bird ASP of \$2,425 psf
 - Sold units include a penthouse
- Excellent connectivity: 3-min walk to upcoming Tanjong Katong MRT station



Latest Residential Launch in District 15

Amber Park – Sales Value of \$313 million*

Location	Tenure	Equity Stake	Total Units	Units Released	Total Units Sold*	Total Saleable Area (sq ft)	Expected TOP
Amber Road	Freehold	80%	592	150	145	604,006	2023

Iconic Freehold Residence in East Coast:

- 145 units sold to date; 90% of buyers are Singaporeans
- Rare expansive freehold site of over 213,000 sq ft in District 15 with iconic design by award-winning SCDA architect Chan Soo Khian
- Unique feature includes The Stratosphere:
 - Rooftop recreation deck on Level 22, 235 feet above sea level
 - Deck connects the three residential towers
 - Houses 600-metre jogging track, gourmet dining and gymnasium



Singapore Property Development

Limited Inventory of Launched Residential Projects – As of 31 Mar 2019

Project	Equity Stake	Total Units	Units Sold	% Sold	Total Unsold Inventory	CDL's Share of Unsold Inventory
Cuscaden Residences	25%	75	74	99%	1	0.3
St. Regis Residences	33%	173	161	93%	12	4.0
The Oceanfront @ Sentosa Cove	50%	264	263	99%	1	0.5
One Shenton	100%	341	327	96%	14	14.0
Cliveden at Grange**	100%	110	43	39%	67	67.0
UP@Robertson Quay	100%	70	61	87%	9	9.0
Echelon	50%	508	506	99%	2	1.0
The Venue Residences	60%	266	265	99%	1	0.6
Coco Palms	51%	944	938	99%	6	3.1
Forest Woods	50%	519	507	98%	12	6.0
New Futura	100%	124	117	94%	7	7.0
The Tapestry (700 units released)	100%	861	612	^87%	^88	^88.0
Whistler Grand (300 units released)	100%	716	286	^95%	^14	^14.0
Boulevard 88 (35 units released)	40%	154	26	^74%	^9	^3.6
South Beach Residences (75 units released)	50.1%	190	61	^81%	^14	^7.0
The Jovell (250 units released)	33%	428	67	^27%	^183	^60.4
TOTAL:		5,743	4,314		440	286

^ Based on no. of units released

** Leasing strategy implemented

The Venue Shoppes – sold 16 units out of 28 sold, 12 units unsold with 3 units leased

Limited Inventory of Launched Projects



Diversified Residential Launch Pipeline

SG Pipeline comprises EC, Mass Market, Mid-Tier & High End segments

Launch pipeline
~2,250 units*

Upcoming Launches

Haus on Handy	Q2 2019
Piermont Grand^	Q3 2019
Sengkang Central^	Q4 2019

Only EC launch for 2019

Piermont Grand^
(820 units)



Land cost: \$509.4 million

Sengkang Central^
(680 units)



Land cost: \$777.8 million*

Haus on Handy
(188 units)



Land cost: \$212.2 million

Sims Drive^
(Est 560 units)



Land cost: \$383.5 million*

GLS site near Aljunied MRT awarded in Apr 2019



* Includes JV partners share ^ JV project

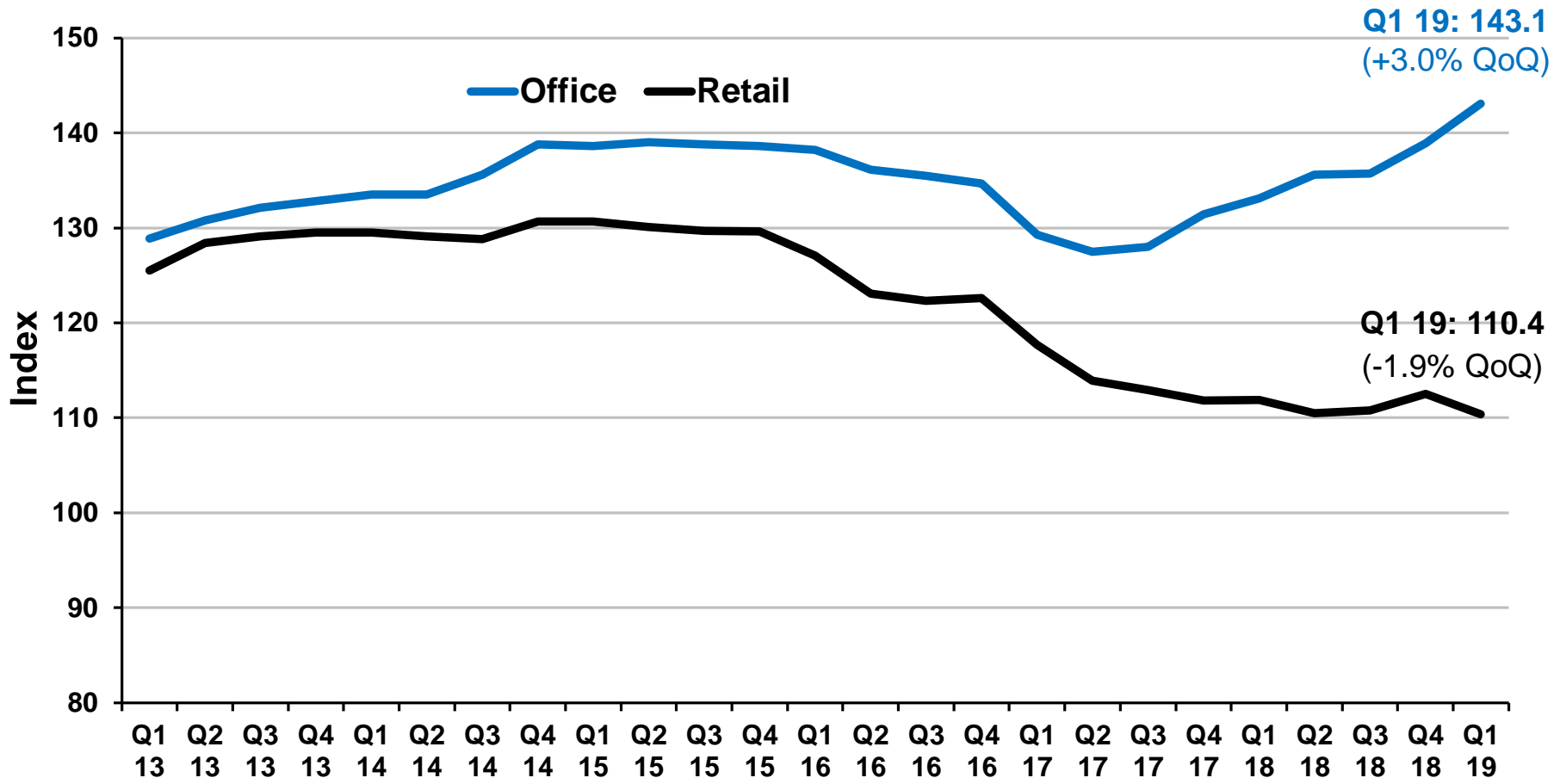


Singapore Operations

Asset Management

Singapore Commercial Market

Property Price Index – Commercial (2013 – Q1 2019)

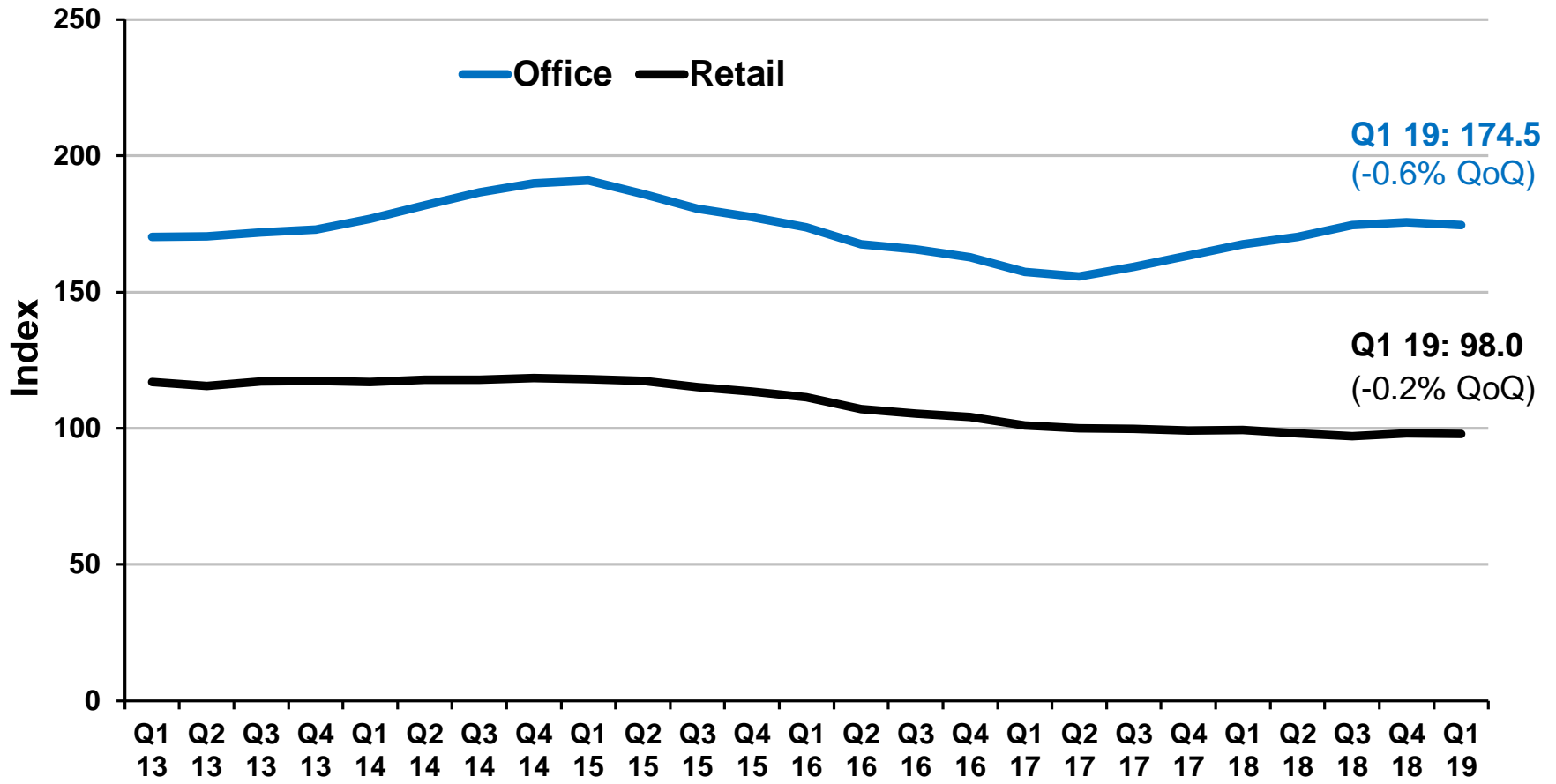


Source : URA, Q1 2019



Singapore Commercial Market

Property Rental Index – Commercial (2013 – Q1 2019)



Source : URA, Q1 2019

Singapore Commercial Portfolio

Strong Committed Occupancy for Office & Retail Portfolio (As at 31 March 2019)*

Office
16 properties*

91.4%
Committed Occupancy

2.3 million sq ft
Net Lettable Area



REPUBLIC PLAZA

Retail
20 properties*

95.8%
Committed Occupancy

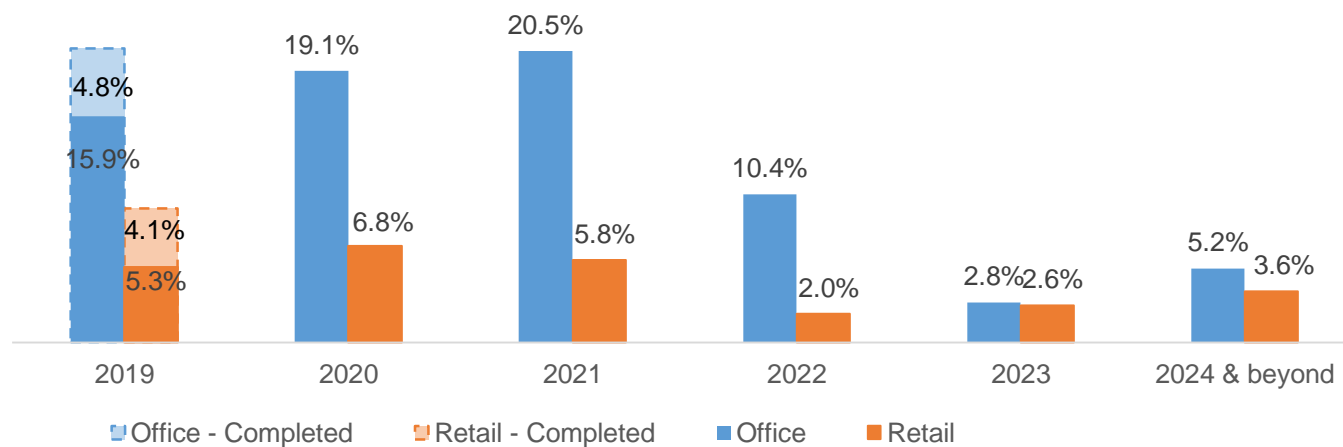
791,000 sq ft
Net Lettable Area



CITY SQUARE MALL

Lease Expiry Profile by % of NLA

- Income stability from well-spread lease expiry profile
- Discussions on renewal of leases expiring in 2019 on-going
- Well-placed to ride the office rent uptrend expected in 2019

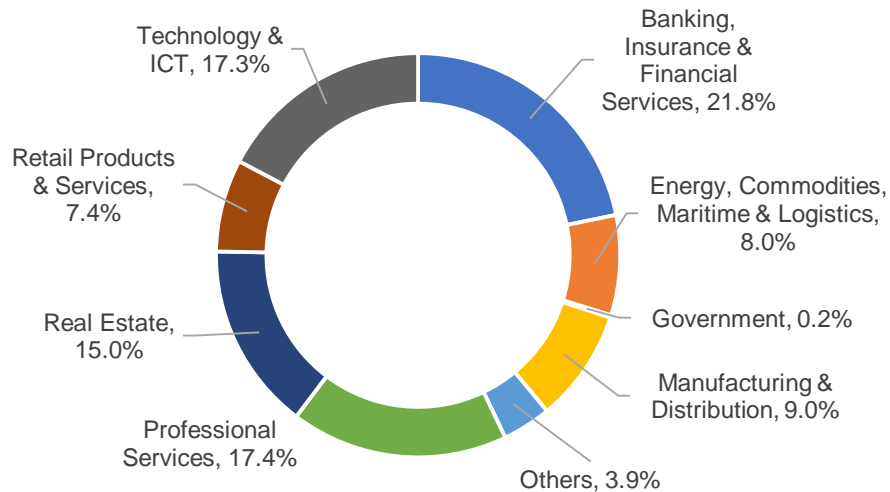


* Includes all Singapore assets under management (including JV project South Beach), in accordance to CDL's proportionate ownership.

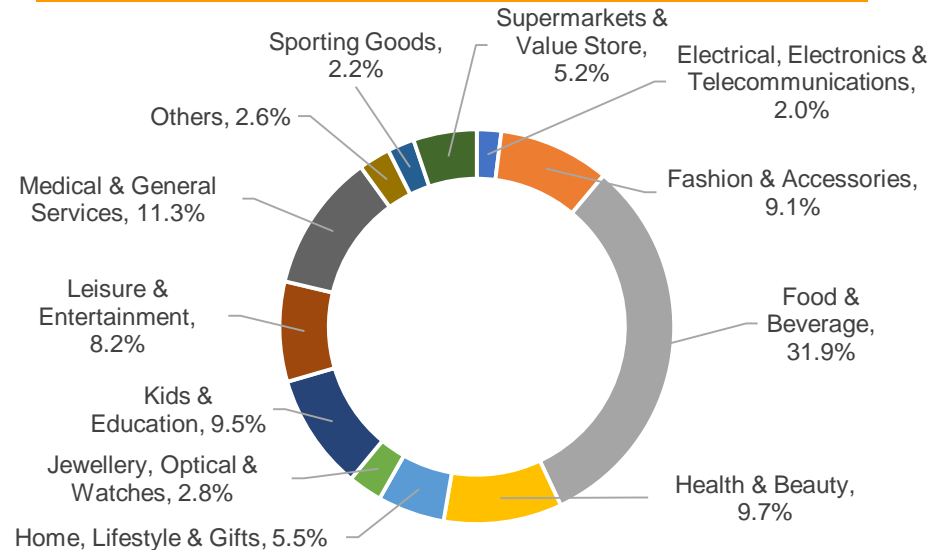
Singapore Commercial Portfolio

Trade Mix of Office & Retail Space by % of Total Gross Rental Income (As at 31 March 2019)*

Office



Retail



- **Diverse and well-spread tenant mix across both office and retail segments:**

- **Office:** Representation across varied industries provide stability; good take-up in high-growth industries (e.g. Technology & ICT)
- **Retail:** F&B tenants provide buffer from traditional retail, which faces challenges from e-commerce

* Includes all Singapore assets under management (including JV project South Beach), in accordance to CDL's proportionate ownership and excludes retail gross turnover rent.





International Operations



International Operations – Australia

Focus on Increasing Exposure in Australia

Bowral



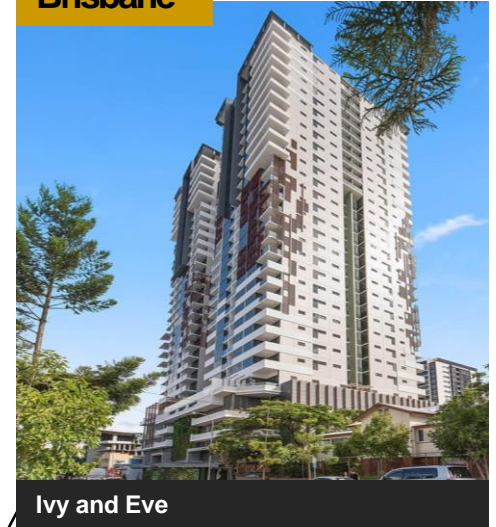
Luxury Retirement Housing Projects: Collaboration with Waterbrook Lifestyle Resorts on 2 Freehold Luxury Retirement Housing Projects in Sydney for A\$57 million

- Proposed developments offer a high-end hospitality experience that differs from the traditional retirement village model
- Positive on luxury retirement sector due to strong unmet demand from a growing demographic of well-heeled retirees

Sydney



Brisbane



Completed in Feb 2018:

- Majority of units have been sold and settlement achieved



International Operations – China

Focus on Tier 1 and Tier 2 Cities

Chongqing (重庆)



Eling Palace (鹅岭峯)

Relaunched in May 2018:

Sold 56 units to date*

- Sales value of RMB 305 million

Phase 2 launched in Mar 2019:

Sold 228 units to date*

- Sales value of RMB 733 million
- Expected completion by end 2020



Artist's Impression

Emerald (翡翠都会)

Shanghai (上海)



For Illustration Only

Hongqiao Royal Lake (御湖)

Good Uptake:

53 villas sold to date*

- Sales value of RMB 1.13 billion



Artist's Impression

Hong Leong Plaza Hongqiao (虹桥丰隆广场)

In operation by Q2 2019:

- Comprises 5 office towers with 2 levels of basement carparks with GFA of 32,182 sqm
- 1 office tower (20% of total NLA) is leased to a serviced apartment operator, commencing in May 2019

Suzhou (苏州)

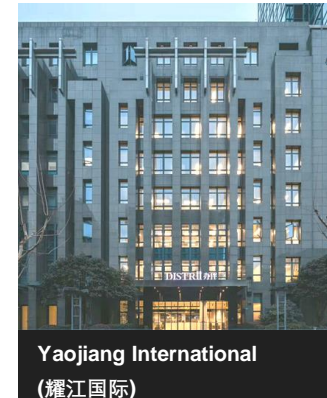


Hong Leong City Center (丰隆城市中心)

Continued Sales Momentum:

Total sales of RMB 3.88 billion generated for 90% of 1,804 units to date*^

- Phase 1 – 97% sold
- Phase 2 – 67% sold
- 30,000 sqm Grade A office tower is undergoing fit-out and achieved good progress on securing tenants
- HLCC mall is 88% occupied; hotel expected to open by Q1 2020



Yaojiang International (耀江国际)

Asset enhancement:

- Interior fit-out has been completed and operational since Jan 2019
- Exterior works expected completion by Q2 2019
- Immediate recurring income with master lease agreement with Distrii since Nov 2018

* As of 12 May 2019

^ Excludes 143 units transferred to CDL's wholly-owned subsidiary for investment purpose.



International Operations – Japan

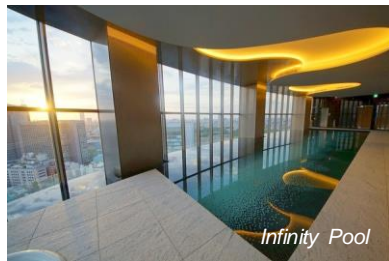
Two Prime Freehold Residential Projects in Tokyo



Park Court Aoyama The Tower

Completed in Q1 2018:

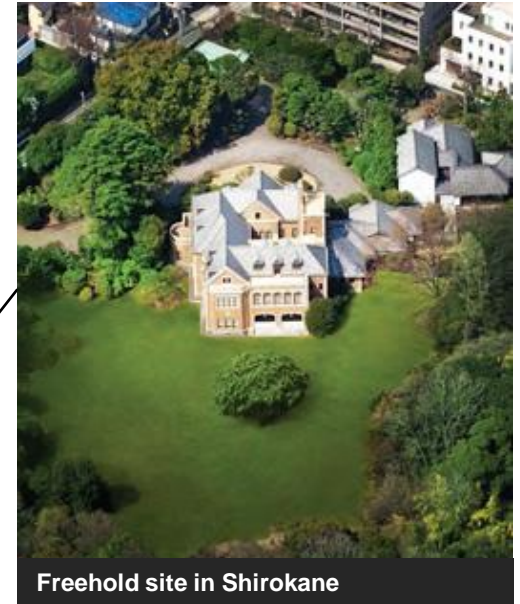
- 160-unit freehold JV residential project launched in Oct 2016
- Units are progressively being handed over – 151 units handed over*



Infinity Pool



Sky Lounge



Freehold site in Shirokane

Land Bank Site:

- Prime 180,995 sq ft freehold site acquired in Sep 2014 land banked for value appreciation



International Operations – UK

Established Strong Project Pipeline in Greater London





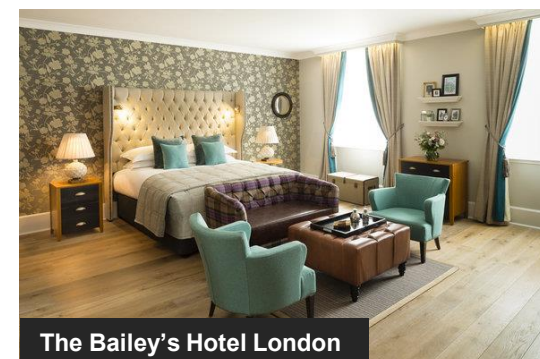
Hospitality |

M&C Hotel Operations

Trading Performance

	Reported Currency			Constant Currency	
	Q1 2019	Q1 2018	Change	Q1 2018	Change
Revenue	£215m	£217m	(0.9%)	£224m	(4.0%)
Revenue (hotel)	£187m	£187m	-	£193m	(3.1%)
Profit before tax	£11m	£26m	(57.7%)	£26m	(57.7%)
PATMI	£1m	£8m	(87.5%)		

- Group RevPAR ↑ 2.2% in Q1 2019 (reported currency)
↓ 0.9% in Q1 2019 (constant currency)
↓ 0.8% in Q1 2019 (like-for-like)
- In constant currency, total revenue decreased by 4.0%
 - Impact of closure of Mayfair Hotel and refurbishment of Orchard Hotel
 - Lower sales of residential sections in New Zealand
- Pre-tax profit for Q1 2019 decreased by 58% to £11m impacted by:
 - Closure of Mayfair Hotel and lower contributions from Asian hotels, principally due to the Orchard Hotel refurbishment
 - Higher net finance cost of £5m
 - REIT contributions were down by £3m – in Q1 2018, CDLHT recognised £3m profit from divestment of its two Australian hotels, Mercure Brisbane and Ibis Brisbane

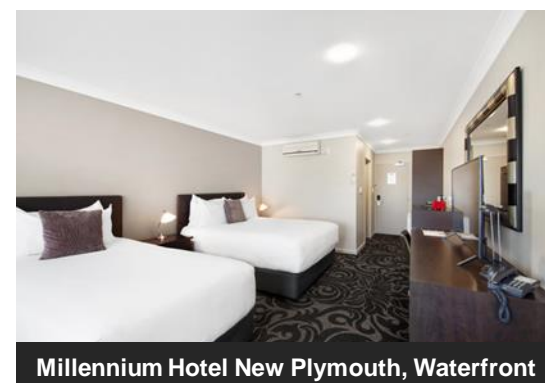


M&C Hotel Operations

Trading Performance

- RevPAR in reported currency increased by 2.2% but in constant currency was down by 0.9% for Q1 2019 as compared to the same period last year

	Q1 2019	Reported Currency	Constant Currency
New York	£111.69	↑ 5.1%	↓ 1.5%
Regional US	£48.17	↑ 5.2%	↓ 1.5%
Total US	£69.17	↑ 5.3%	↓ 1.4%
London	£82.93	↑ 5.3%	↑ 5.3%
Rest of Europe	£45.15	↓ 4.3%	↓ 4.0%
Total Europe	£63.07	↓ 0.4%	↓ 0.3%
Singapore	£83.40	↑ 1.3%	↓ 2.4%
Rest of Asia	£57.83	↓ 1.5%	↓ 3.4%
Total Asia	£67.73	↓ 0.2%	↓ 2.9%
Australasia	£90.71	↑ 2.9%	↑ 2.2%
Total Group	£70.01	↑ 2.2%	↓ 0.9%



M&C Hotel Operations

Asset Enhancement



Orchard Hotel Singapore

- The refurbishment work of the public areas has substantially completed, with the ground floor lobby and F&B outlets completed in Dec last year and the ballroom and meeting spaces completed in March this year.
- 260 guest rooms at the Orchard Wing is currently still in progress, with 7 out of 11 floors completed. The remaining 4 floors are targeted to complete in Q2 2019.

Millennium Hotel London Mayfair

- Ongoing refurbishment work at the Mayfair hotel which is now renamed The Biltmore, Mayfair, is expected to complete in mid-2019.
- The hotel will have 257 luxurious guest rooms plus 51 designer suites.



CDL Hospitality Trusts

Trading Performance

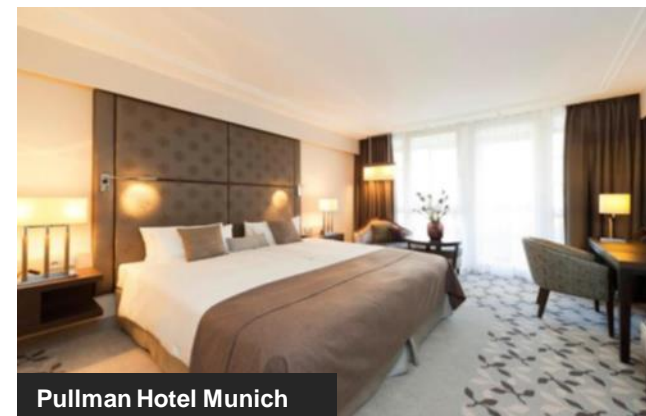
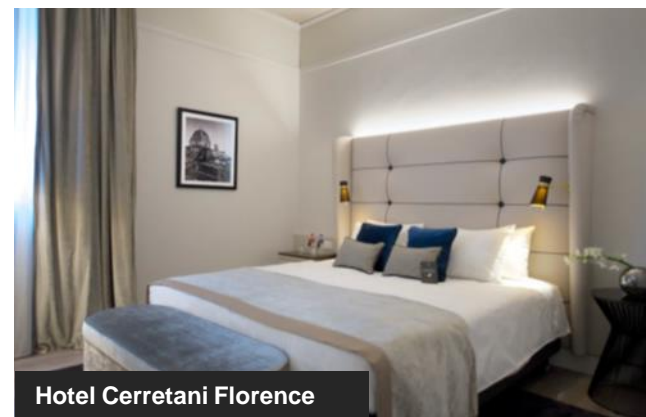
	Q1 2019 \$m	Q1 2018 \$m	Change %
Gross Revenue	46,316	51,795	(10.6)
Net Property Income (NPI)	33,770	37,818	(10.7)

Gross Revenue and NPI decreased mainly due to :

- Full closure of Dhevanafushi Maldives Luxury Resort since Jun 2018 for repositioning to “Raffles Maldives Meradhoo”.
- Extensive enhancement works at Orchard Hotel. 8.6% of its room inventory closed during the quarter for renovation and its F&B revenue was also affected by the full closure of the Grand Ballroom and all meeting facilities for upgrading works.
- Lower contribution from New Zealand properties, which was affected by a weaker NZD and absence of a property tax write-back.

This was partially offset by :

- Improved performance of Pullman Hotel and contribution from Hotel Cerretani Florence (acquired on 27 Nov 2018).



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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1963



Artist's impression
Amber Park, Singapore

www.cdl.com.sg



Appendix |

International Property Development

Residential Projects Launched To Date

Project	City	Equity Stake	Total Units	Est. Total Saleable Area (sq ft)	Expected Completion
Australia					
Ivy and Eve	Brisbane	33%#	476	348,678	Completed
China					
Hong Leong City Center (Phase 1)	Suzhou	100%	1,374	1,378,891	Completed
Hong Leong City Center (Phase 2 – T2)	Suzhou	100%	430	439,716	Completed
Hongqiao Royal Lake	Shanghai	100%	85	385,394	Completed
Eling Palace	Chongqing	50%	126	325,854	Completed
Emerald	Chongqing	30%	820	1,106,808	Q4 2020
Japan					
Park Court Aoyama The Tower	Tokyo	20%	160	184,959	Completed
UK					
Teddington Riverside	London	100%	240^	233,552	Q1 2020
Belgravia	London	100%	6	12,375	Completed
Knightsbridge	London	100%	3	5,193	Completed



Effective economic interest is ~49%

^ Includes 15 affordable units

International Property Development

Unlaunched Residential Projects

Project	City	Tenure	Equity Stake	Total Units	Est. Total Saleable Area / GFA [^] / Site Area ⁺ (sq ft)	Expected Completion
UK						
Chelsea	London	Freehold	100%	9	16,143	Q2 2019
Knightsbridge (Pavilion Road)	London	Freehold	100%	24	135,379 [^]	TBC
Stag Brewery, Mortlake	London	Freehold	100%	667	1,000,000 [^]	TBC
Ransomes Wharf, Battersea	London	Freehold	100%	123	249,323 [^]	2020
Japan						
Shirokane	Tokyo	Freehold	100%	TBC	180,995 ⁺	TBC



China – Project Development

China – Chongqing JV Projects

Eling Palace (鹅岭峯) and Emerald (翡翠都会)

Project	Tenure	Equity Stake	Total Units	Expected Completion
Eling Palace	50 years	50%	126	Completed
Emerald	50 years (Residential) / 40 years (Commercial)	30%	820	2020

- Eling Palace:
 - Sold 56 units with sales value of RMB 305 million*^ since relaunch in May 2018
- Emerald:
 - Tower 3 with 191 units was launched in Dec 2018
 - Tower 1 with 230 units was launched in Mar 2019
 - Sold 228 units with sales value of RMB 733 million*^



Eling Palace, Chongqing



Emerald, Chongqing

Artist's Impression

* As of 12 May 2019

^ JV entity will manage project sales & marketing



China – Development / Recurring Income Projects

Suzhou Mixed-use Waterfront Project



Hong Leong City Center, Suzhou



HLCC mall, Suzhou

Hong Leong City Center (丰隆城市中心)

Tenure	Equity Stake	Total Units	Total Units Sold*	% Sold*	Expected Completion
70 years (Residential) / 40 years (Commercial)	100%	1,804	1,623^	90	Completed (Phase 1 & 2~)

- Total sales of RMB 3.88 billion generated to date:
 - Phase 1 – 97% sold
 - Phase 2 – 67% sold
- 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 & hotel
- HLCC mall started operation in June 2018 and is 88% occupied
- M Social hotel expected to open by Q1 2020
- HLCC's 30,000 sqm premium Grade A office tower is undergoing fit-out and has achieved good progress in securing tenants

* As of 12 May 2019

^ Excludes 143 units transferred to CDL's wholly-owned subsidiary for investment purpose

~Phase 2 completion excludes hotel component



China – Recurring Income Projects



Hong Leong Plaza Hongqiao, Shanghai

Tenure	Equity Stake	Est. Total GFA (sqm)
50-year lease	100%	32,182

- Operations to begin by Q2 2019
- One office tower (20% of total NLA) has been leased out to a serviced apartment operator, with lease commencing in May 2019
- Prospects in the pipeline include serviced apartment operator, carpark operator (for basement carpark management)

Yaojiang International, Shanghai

Tenure	Equity Stake	Est. Total GFA (sqm)
50-year lease*	100%	4,000

- Pilot project with Distrii committing into a long master lease agreement, providing immediate recurring income since November 2018
- Exterior works including facade and logo installation are expected to be completed by Q2 2019
- Interior fit-out has been completed and operational since January 2019



* With effect from 10 April 2002

UK – Property Development

UK – Planning Approvals Obtained

28 Pavilion Road, Knightsbridge, London

Tenure	Equity Stake	Est. Total Saleable Area (sq ft)	Total Units	Expected Completion
Freehold	100%	135,379	24	TBC

- Currently a freehold car park site of 102,000 sq ft. It has obtained planning approval to be converted into a mixed use scheme of 135,379 sq ft GFA.
- The mixed use scheme will consist of a restaurant and a health club on the ground and basement levels with 24 private residential units on the upper floor.



Development House, Leonard Street, Shoreditch

Tenure	Equity Stake	Net Lettable Area (sq ft)	Expected Completion
Freehold	100%	70,752	TBC

- To be redeveloped into a new 9-storey office building consisting of:
 - Approximately 1,421 sq ft of retail
 - 7,094 sq ft of affordable office
 - 62,237 sq ft of office



UK – Property Development

UK – Projects under Construction

Teddington Riverside, Broom Road, Teddington

Tenure	Equity Stake	Est. Total Saleable Area (sq ft)	Total Units	Units Released	Expected Completion
Freehold	100%	233,552	225 [^]	76	Q1 2020

- Phase One of the project, five-storey Carlton House (57 units) and seven-storey Shepperton House (19 units), is now ready for occupation
- One to three-bedroom apartments are available for sale and lease.



Sydney Street, Chelsea

Tenure	Equity Stake	Est. Total Saleable Area (sq ft)	Total Units	Expected Completion
Freehold	100%	16,143	9	Q2 2019

- Preview in May 2019 with a fully-fitted 3-bedroom show unit



[^] excludes 15 affordable housing units



UK – Property Development

UK – Completed Projects



	Chesham Street, Belgravia	Hans Road, Knightsbridge
Est. Total Saleable Area (sq ft)	12,375	5,193
Equity Stake	100%	100%
Total Units	6 units	3 units
Tenure	Freehold	Freehold
Status	All apartments are fully-fitted and marketed by local agencies for sale and lease	





Hospitality |



M&C Hotel Operations

Hotel Room Count and Pipeline

	Hotels		Rooms	
	31 Mar 2019	31 Dec 2018	31 Mar 2019	31 Dec 2018
Hotel and Room Count				
By region:				
• New York	4	4	2,238	2,238
• Regional US	15	15	4,559	4,559
• London	7	7	2,266	2,266
• Rest of Europe	23	23	3,741	3,741
• Middle East *	37	36	12,327	11,980
• Singapore	7	7	3,011	3,011
• Rest of Asia	23	23	9,005	9,005
• Australasia	24	24	3,522	3,522
Total:	140	139	40,669	40,323

Pipeline

By region:

• Middle East *	14	17	7,080	8,181
• Asia	6	6	1,770	1,770
• Regional US	1	1	263	263
• London	1	1	308	308
• Rest of Europe	2	1	658	318
Total:	24	26	10,079	10,840



* Mainly franchise contracts