

# STRIKING A PERFECT BALANCE



FINANCIAL • ENVIRONMENTAL • SOCIAL

ANNUAL GENERAL MEETING  
27 April 2012



**CITY DEVELOPMENTS LIMITED**

# **PRESENTATION OUTLINE**

- 1. PERFORMANCE REVIEW**
- 2. OPERATIONS REVIEW**
- 3. MOVING FORWARD IN 2012**





# PERFORMANCE REVIEW



*Artist's Impression*

Well-located near Pasir Ris MRT and the Tampines Expressway, The Palette was one of the five distinctive projects launched in 2011.



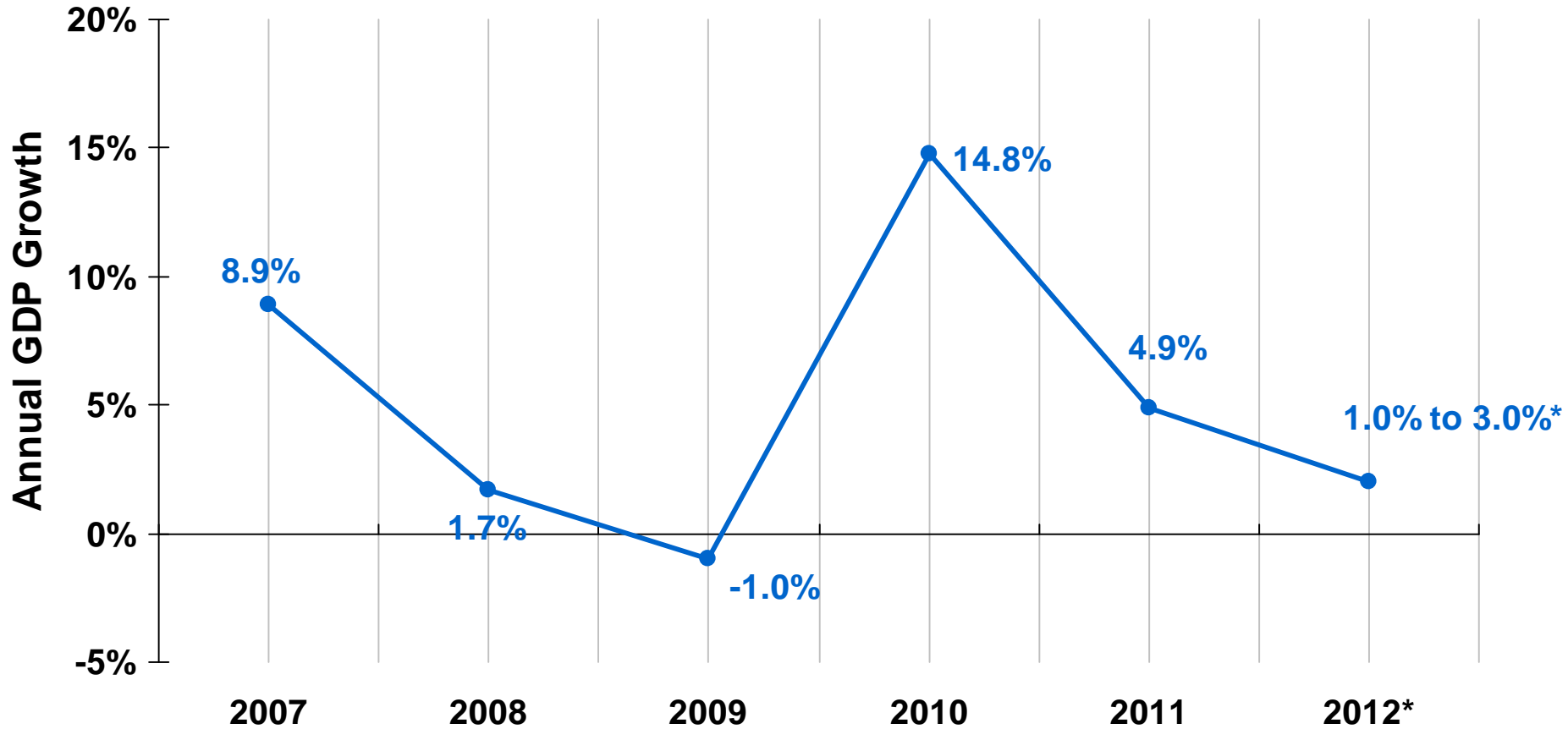
*Artist's Impression*

Situated in prestigious District 11, Buckley Classique offers a rich heritage of exclusivity.

## BALANCING CONSTANT & CHANGE

# THE ECONOMY

## Singapore's Real Economic Growth (2007 – 2012\*)



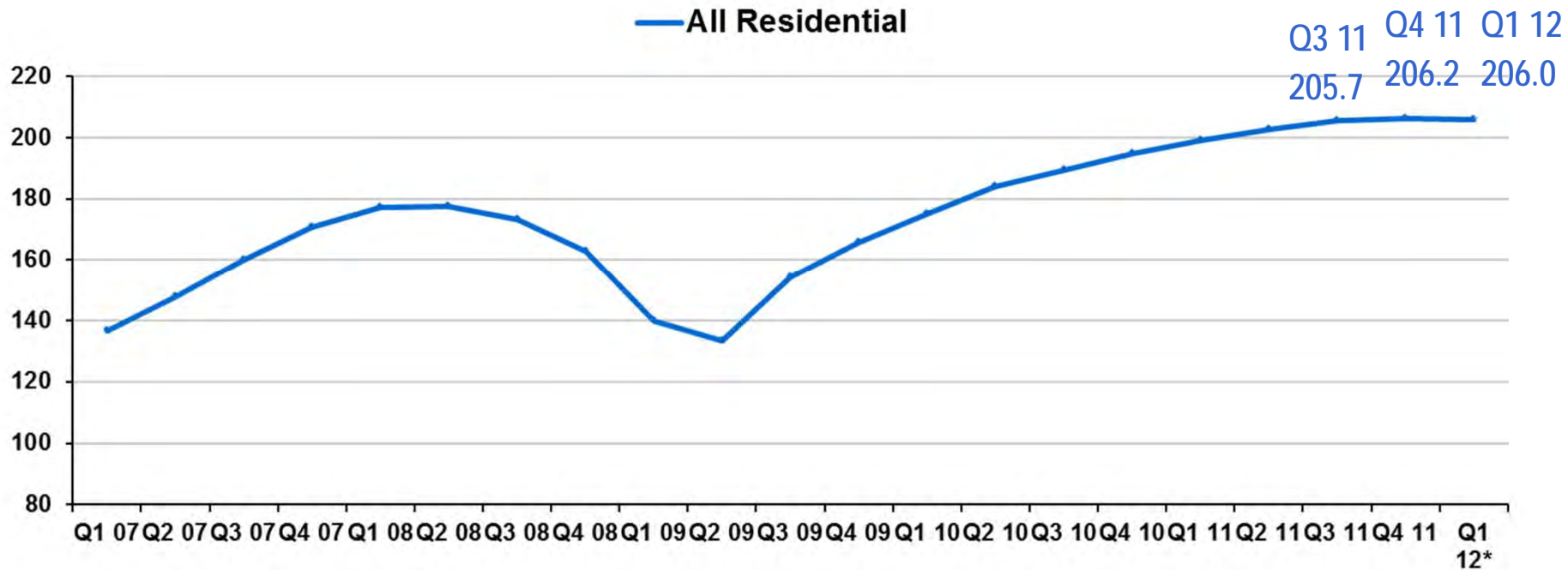
\* Projected by MTI

Source : Singapore Department of Statistics & Ministry of Trade & Industry (MTI)



# SINGAPORE PROPERTY MARKET

## Property Price Index – Residential (2007 – 2012\*)



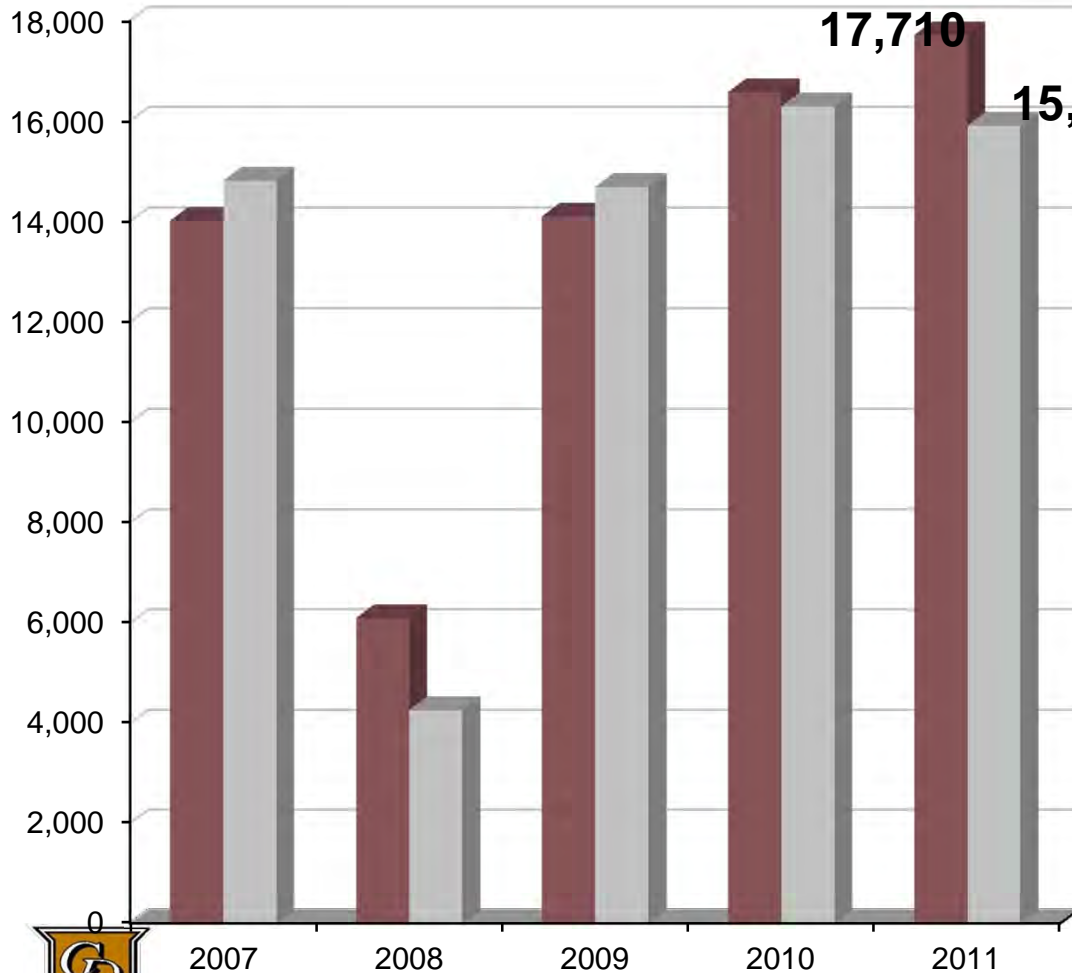
\* Flash estimate

Source : URA, Q4 2011

# SINGAPORE PROPERTY MARKET

## No. of New Private Residential Units Launched vs Units Sold (Projects under Construction) (2007 – 2011)

■ New Units Launched      ■ New Units Sold (Projects Under Construction)



	<u>New Units Launch (excl. EC units)</u>	<u>New Units Sold Directly By Developers (excl. EC units)</u>
<b>2007</b>	14,016	14,811
<b>2008</b>	6,107	4,264
<b>2009</b>	14,103	14,688
<b>2010</b>	16,575	16,292
<b>2011</b>	17,710	15,904

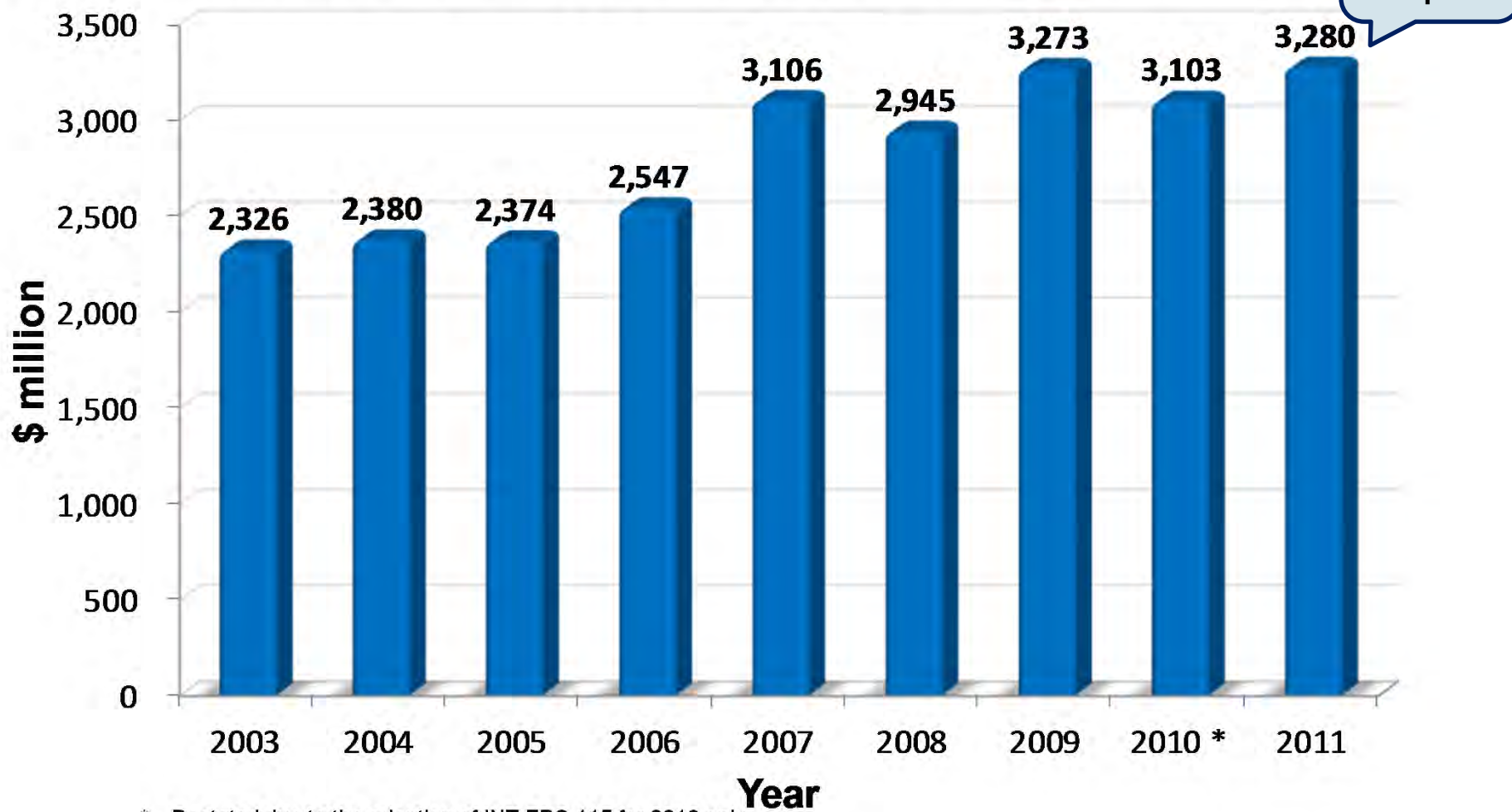
Source : URA, Q4 2011





# FINANCIAL HIGHLIGHTS

## Revenue for the Year Ended 31 Dec (2003 – 2011)



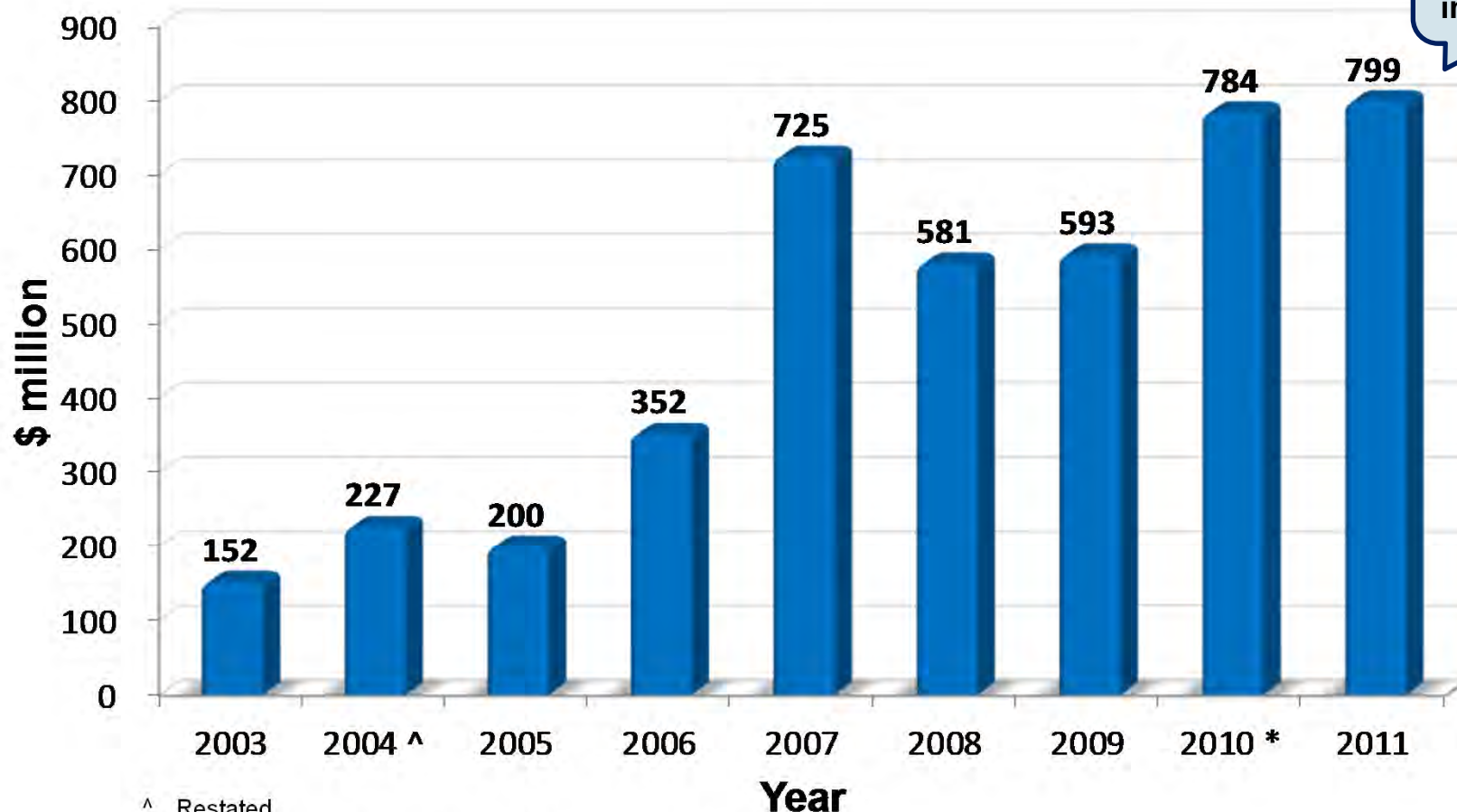
\* Restated due to the adoption of INT FRS 115 for 2010 only.

Note : The above financial information is extracted from yearly announcements.



# FINANCIAL HIGHLIGHTS

## PATMI for the Year Ended 31 Dec (2003 - 2011)



^ Restated

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

Note : The above financial information is extracted from yearly announcement.

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





# SUMMARY OF FINANCIAL HIGHLIGHTS

	FY 2011	FY 2010*	% Change
<b>Revenue (\$m)</b>	3,280	3,103	5.7
<b>Profit Before Tax (\$m)</b>	1,136	1,067	6.5
<b>PATMI (\$m)</b>	799	784	1.9
<b>Basic Earnings Per Share (cents)</b>	86.4	84.8	1.9
<b>NAV Per Share (\$)</b>	7.51	6.89	9.0

\* Restated due to the adoption of INT FRS 115.

No fair value adopted on investment properties.

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

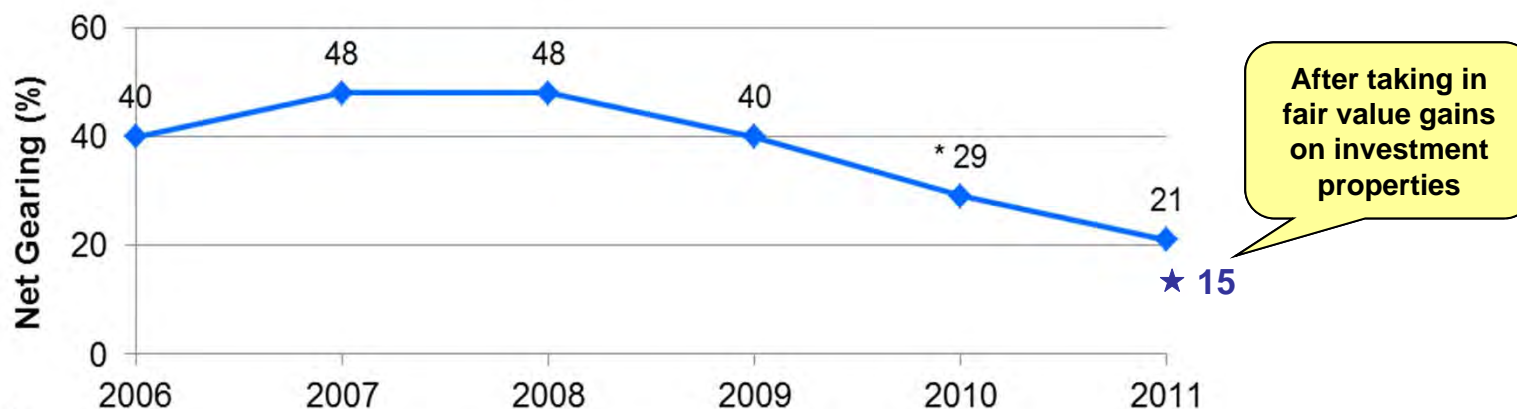


# FINANCIAL HIGHLIGHTS

## Capital Management

	As at 31/12/11	As at 31/12/10
Net borrowings	\$1,816m	\$2,346m
Interest cover ratio	21.8 x	* 21.3 x
Cash and cash equivalents	\$2,603m	\$1,874m
Net gearing ratio without taking in fair value gains on investment properties	21%	* 29%

## CDL's Net Gearing (%) (2006 – 2011)



\* Restated due to the adoption of INT FRS 115.



# OPERATIONS REVIEW



*Artist's Impression*

Blossom Residences' Forest Oasis offers residents an escape from the bustle of the city into Mother Nature's embrace.



*Artist's Impression*

H<sub>2</sub>O Residences is the first-of-its-kind development designed to integrate with its surrounding water bodies and parks.

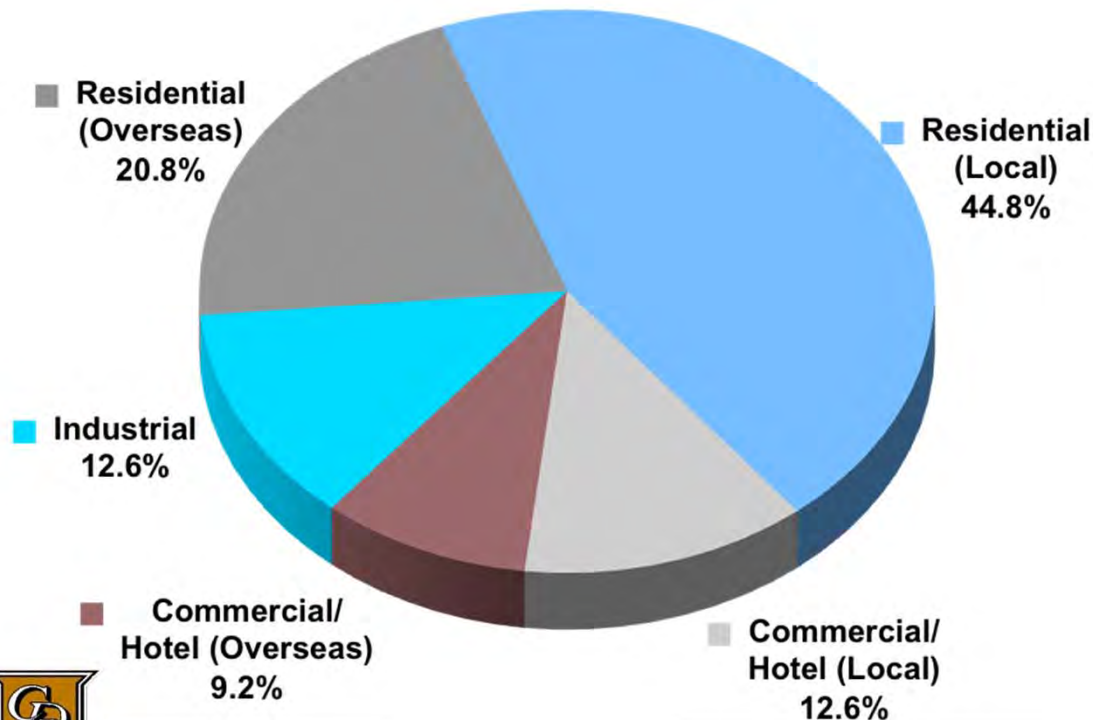
BALANCING  
**NURTURE  
& NATURE**



# OPERATIONS REVIEW

## Land Bank by Sector (as at 31 December 2011)

Type of Development	Land Area (Sq ft)			
	Local	Overseas	Total (Local & Overseas)	%
Residential	1,665,031	774,399	2,439,430	65.6%
Commercial / Hotel	466,814	342,494	809,308	21.8%
Industrial	468,704	-	468,704	12.6%
<b>Total</b>	<b>2,600,549</b>	<b>1,116,893</b>	<b>3,717,442</b>	<b>100%</b>



### Proposed GFA –

(a) Singapore – 5.56 million sq ft

(b) Malaysia – 0.31 million sq ft

(c) CDL China – 3.64 million sq ft

**Total**                      **9.51 million sq ft**



# OPERATIONS REVIEW

## Residential Units Booked / Sold

	Sales Value* \$'000	No. of Units*	Total Floor Area (sq ft)
<b>2011</b>	\$ 1,754,948	1,818	1,942,211
<b>2010</b>	\$ 2,114,910	1,559	1,850,093



\* Includes share of JV partners

# OPERATIONS REVIEW

## Residential Launches



**H<sub>2</sub>O Residences**  
521 units



**Hedges Park**  
501 units



**Buckley Classique**  
64 units





# OPERATIONS REVIEW

## Residential Launches



**Blossom Residences Executive Condominium**  
602 units



**The Palette**  
892 units



# OPERATIONS REVIEW

## Completed Residential Developments



**One Shenton**  
341 units



**Shelford Suites**  
77 units





# OPERATIONS REVIEW

## Completed Residential Developments



**Cliveden at Grange**  
110 units



**The Residences at W Singapore  
Sentosa Cove**  
77 units



**Livia**  
724 units





# OPERATIONS REVIEW

## Strategic Land Acquisitions

### Choa Chu Kang Drive – EC Site

- 17,589.8 sq m site near Choa Chu Kang MRT station
- Joint venture acquisition with TID Pte. Ltd.
- Tender price: \$170.1 million
- Launched in January 2012 – The Rainforest

### Robertson Quay - Hotel Site

- 4,518.1 sq m site along Singapore River
- Tender price: \$127.76 million
- Upcoming launch – UP@Robertson Quay

### Alexandra Road – Residential Site

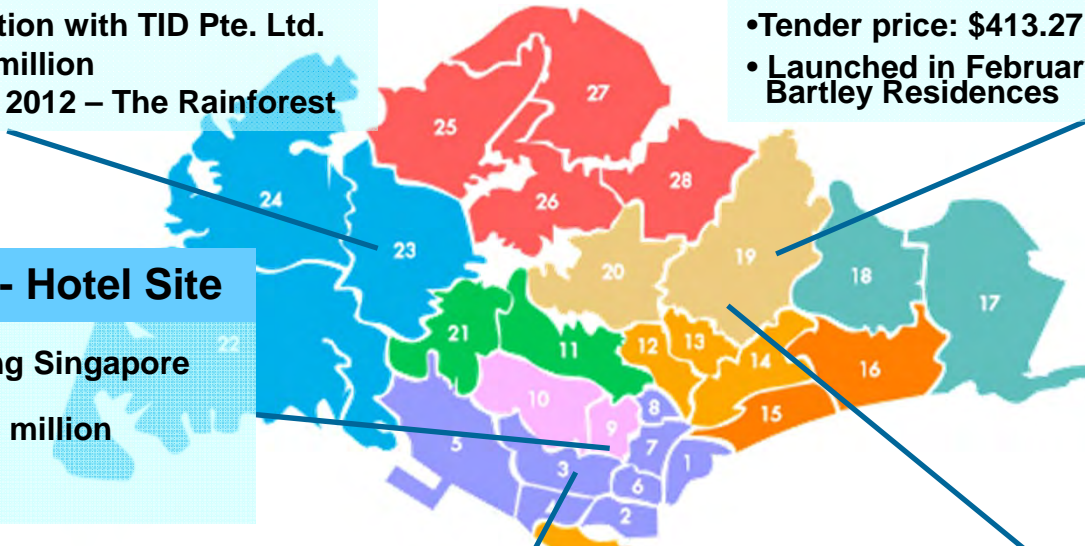
- 9,952.6 sq m site at Alexandra Road, near Redhill MRT station
- Joint venture acquisition with Hong Leong Holdings Ltd and Hong Realty (Private) Limited
- Tender price: \$396.0 million

### Bartley Road - Residential Site

- 22,094.4 sq m residential site next to Bartley MRT Station
- Joint venture acquisition with Hong Leong Holdings Ltd and TID Pte. Ltd.
- Tender price: \$413.27 million
- Launched in February 2012 – Bartley Residences

### Serangoon Garden - Residential Site

- Joint venture acquisition with Hong Realty (Private) Limited
- 28,401.5 sq m landed housing site at Serangoon Garden Way
- Tender price: \$105.0 million
- Upcoming launch in 1H 2012



# OPERATIONS REVIEW

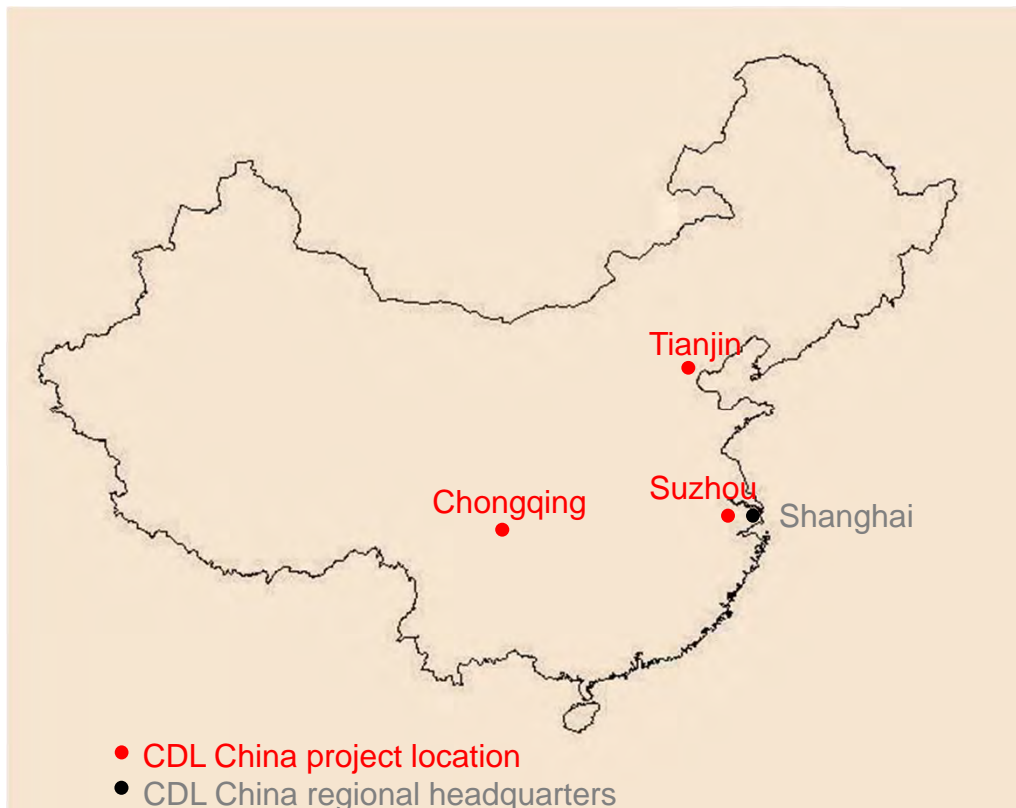
## Overseas Expansion

- The Group will continue with its strategic expansion in select markets globally where it is confident of the medium to long-term growth prospects.
- Key to its diversification strategy is CDL China Limited, which will continue to build on the Group's land bank in good locations in China.
- The property cooling measures in China have enabled the Group to find opportunities to enter the market by successfully tendering for prime land at reasonable prices.
- Additional funds of S\$500 million has been allocated to CDL China to capitalise on further acquisition opportunities that may arise.



# CDL China Limited

## Milestones



- Q3 2010:** CDL China Limited formed with S\$300m
- Q4 2010:** Acquired Chongqing Eling site
- Q2 2011:** Leased up Tianjin City Tower to over 90%
- Q3 2011:** Acquired Suzhou Jinji Lake site
- Q1 2012:** Acquired Chongqing Huang Huayuan site
- Q2 2012:** China Regional HQ established in Shanghai

**Acquired 3 Prime Sites in 13 Months**





# CDL China Limited

## Summary of CDL China Portfolio

Project	City	Type	GFA (sq m)	Land Price (RMB Million)	CDL Ownership %
Eling Residences	Chongqing	Luxury Resi	43,000	232	100%
Huang Huayuan	Chongqing	Mid-end Resi	108,686	540	100%
Jinji Lake	Suzhou	Mixed Use	295,455	886	70%
Tianjin City Tower	Tianjin	Office	35,484	N/A	100%
<b>Total</b>			<b>482,625</b>	<b>1,658</b>	

**Four Properties with Total GFA of 482,625 sq m**



# OPERATIONS REVIEW

## Hotels – Millennium & Copthorne Hotels plc (M&C)

- Record revenue and profits achieved in 2011: 67.3% increase in profit after tax
- Global RevPAR (in constant currency) increased by 5.8% to £64.81 for FY 2011 (FY 2010: £61.28)
- RevPAR growth in key gateway cities
  - Singapore 6.1%
  - London 8.8%
  - New York 6.1%
- Currently, M&C has 108 hotels with 31,032 rooms globally



Millennium Broadway Hotel – Times Square New York



# OPERATIONS REVIEW

## Hotels – Refurbishments for Organic Growth



**Millennium Seoul Hilton**



**Grand Hyatt Taipei**



**Millennium Mayfair**



**Orchard Hotel Singapore**



**Millennium UN Plaza**





# OPERATIONS REVIEW

Achieving Excellence via Strong Commitment Towards Sustainability



***CDL – the inaugural recipient of the  
BCA Green Mark Platinum Champion Award***

## CDL's Green Mark Honours List - 2011

### Green Mark Platinum

- 368 Thomson
- Fuji Xerox Towers \*\*
- H2O Residences
- Hundred Trees
- Quayside Isle
- The Glyndebourne\*

### Green Mark GoldPlus

- Buckley Classique
- City Square Mall Management Office
- The Palette
- King's Centre
- Manulife Centre \*\*

\* Project managed by CDL

\*\* Recertification



# OPERATIONS REVIEW

## Achieving Excellence via Strong Commitment Towards Sustainability

### *Global 100 Most Sustainable Corporations in the World*

Ranked amongst the Global 100 Most Sustainable Corporations in the World for the third consecutive year in 2012.



### *Dow Jones Sustainability Indexes*

Listed on the Dow Jones Sustainability Indexes (DJSI World and DJSI Asia Pacific) since September 2011.

### *ASEAN Business Awards – Most Admired ASEAN Enterprises (CSR)*

Conferred the ASEAN Business Award for Corporate Social Responsibility (Large Company category).



### *Channel NewsAsia Luminary Awards – Green Luminary Award*

The Channel NewsAsia Luminary Awards recognise the best business minds in Asia and aims to inspire and motivate business people and industrialists to achieve excellence in their fields.



# MOVING FORWARD



BALANCING  
**CAUSE  
& EFFECT**



# MOVING FORWARD

## Residential Project Launches for 1H 2012



**The Rainforest Executive Condominium**  
466 units



**Bartley Residences**  
702 units



# MOVING FORWARD

**Planned Residential Project Launches for 1H 2012**  
*(subject to market conditions)*

## Upcoming Launches

**UP@Robertson Quay**  
(Total 70 units)

**Serangoon Garden Way**  
(Total 96 units)



**UP@Robertson Quay**





# MOVING FORWARD

## South Beach



- A mega mixed-use project with:**
- 49,000 sq m lettable office space
  - 7,900 sq m retail / F&B area
  - 2,700 sq m City Club  
(at former NCO club building)
  - 651 hotel rooms
  - 189 premier residential apartments





# MOVING FORWARD

## Upcoming Hotel



**W Singapore Sentosa Cove  
240 rooms**



# MOVING FORWARD

## Economic Climate and Prospects

- Global economic uncertainty continues in 2012.
- **Property development** – sales volume for new property launches remain strong. With the Group's nimbleness and strategically acquired, diversified land bank, it will launch appropriate types of projects in a timely manner.
- **Hotel operations** – focus on income generation.
- **Rental** – the Group's diversified portfolio of investment properties is expected to remain stable and enjoy good yields.
- The Group will leverage on its balanced portfolio of assets, strong balance sheet and prudent management to maintain profitability.



## 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.*





# THANK YOU

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