

FY2015 Full Year Results Briefing

26 February 2016

UOL GROUP LIMITED

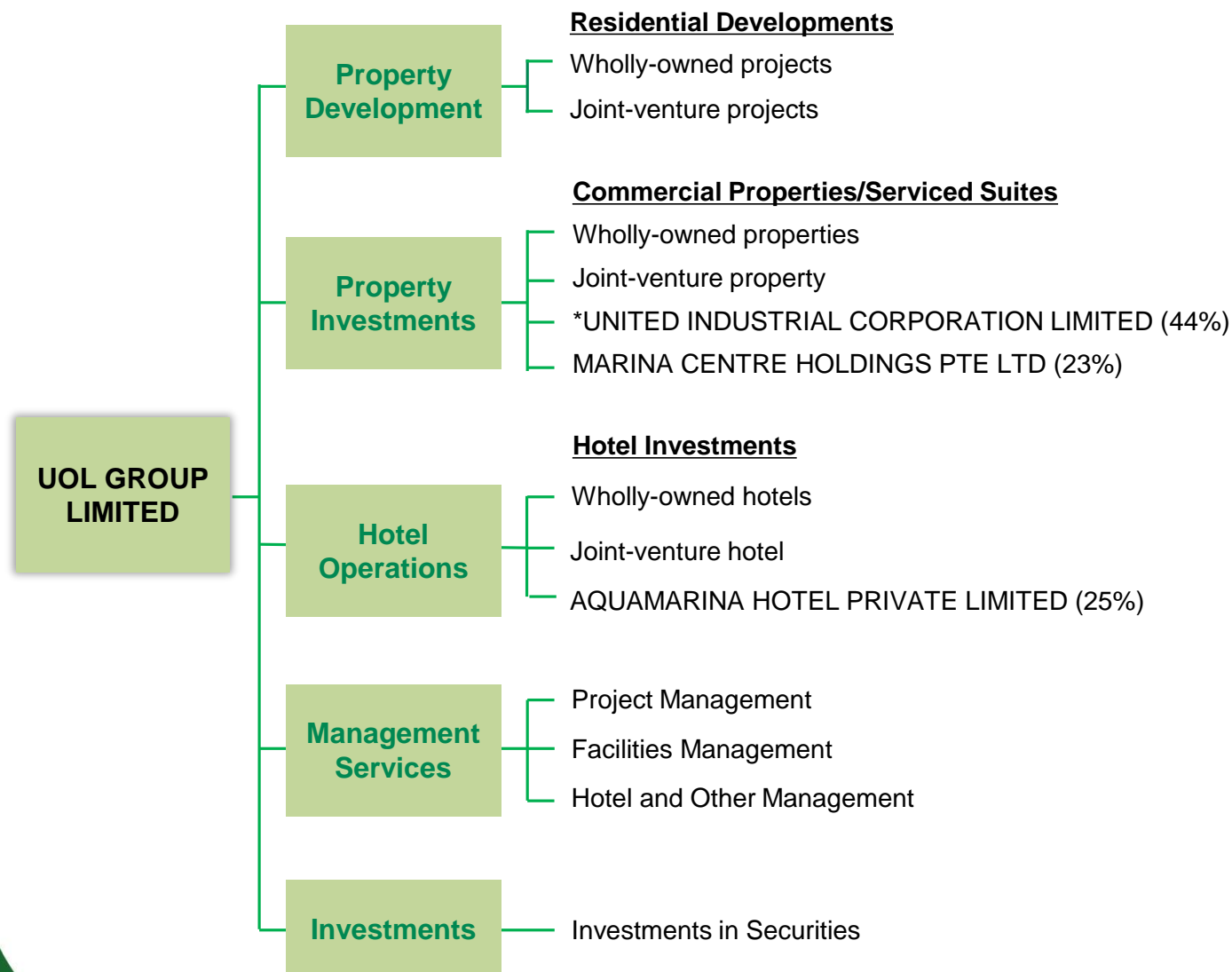
- **KEY FINANCIALS**
- **OUTLOOK**

LIAM WEE SIN

DEPUTY GROUP CHIEF EXECUTIVE OFFICER



UOL GROUP BUSINESS



*Listed company

PROPERTY DEVELOPMENT

- Sold about 850 residential units in Singapore with sales value of more than \$900 million in 2015 based on bookings**

	Launched	No. of Units (Whole Project)	%Sold* (as at 31.12.15)	Average psf
Archipelago	Dec 2011	577	100	\$983
Thomson Three	Sep 2013	445	98.2	\$1,311
Riverbank@Fernvale	Feb 2014	555	62.9	\$995
Seventy Saint Patrick's	Sep 2014	186	95.7	\$1,610
Botanique at Bartley	Apr 2015	797	72.5	\$1,286
Principal Garden	Oct 2015	663	21.7	\$1,601

* Based on cumulative sales and purchase agreements signed from date of launch.

PROPERTY DEVELOPMENT

Profit recognition of launched projects

Project Name	% Equity Stake	No. of Units	Saleable Area (sqm)	% Sold (as at 31.12.15)	% Completed (as at 31.12.15)	TOP Date
<u>Completed</u>						
The Esplanade, Tianjin	90	570	71,586	93.0	100	TOP
Archipelago	50	577	71,445	100	100	TOP
Katong Regency	100	244	19,432	100	100	TOP
<u>Ongoing</u>						
Thomson Three	50	445	39,965	98.2	90	Est. 2Q2016
Seventy Saint Patrick's	100	186	12,950	95.7	80	Est. 3Q2016
Riverbank@Fernvale	100	555	48,345	62.9	60	Est. 1Q2017
Botanique at Bartley	100	797	55,419	72.5	15	Est. 3Q2018
Principal Garden	70	663	50,665	21.7	6	Est. 2Q2018

PROPERTY DEVELOPMENT

Singapore residential pipeline

Project Name/Location	Tenure of Land	Site Area (sqm)	Est. Saleable Area (sqm)	Est. No. of Units	% Owned	Target Launch
Clementi Ave 1 site	99	13,038	45,633	505	50	2017

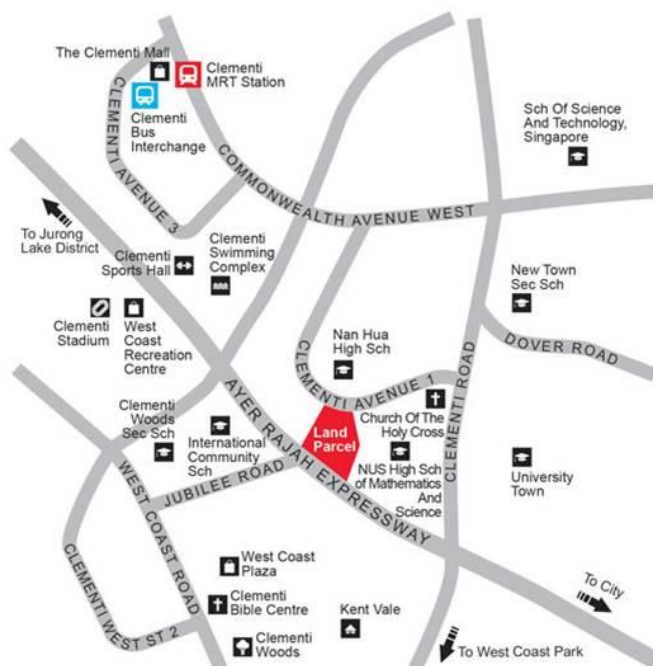
Overseas residential pipeline

Project Name/Location	Site Area (sqm)	Est. Saleable Area (sqm)	Est. No. of Units	% Owned	Target Launch
Shanghai (Changfeng)*	39,540	78,526	398	40	1H2016
Site at Bishopsgate, London**	3,200	13,551	160	100	2017
Total	42,740	92,077	558		

* Mixed development with 398 residential units and 4,000 sqm of net lettable area

** Mixed development with 160 residential units, 237 hotel rooms and a retail component

PROPERTY DEVELOPMENT



Clementi Avenue 1 Site

- Successfully tendered for 99-year leasehold site in December 2015
- Potentially yield 505 units
- 50% stake
- Tallest Prefabricated Pre-finished Volumetric Construction (PPVC) building in the world



Source: URA

PROPERTY DEVELOPMENT



Principal Garden

- 99-year leasehold site at Prince Charles Crescent
- 663-unit development near Redhill MRT station
- 70% stake
- Launched in Oct 2015
- 21.7% sold as at 31 Dec 2015



Botanique at Bartley

- 99-year leasehold site along Upper Paya Lebar Road
- 797-unit condominium near Bartley MRT station
- 100% stake
- 72.5% sold as at 31 Dec 2015

PROPERTY DEVELOPMENT

Riverbank@Fernvale

- In Sengkang West Way, situated near Layar LRT, Punggol Reservoir and Seletar Aerospace Park
- A 555-unit, four 19-storey blocks project
- 100% stake
- First-of-its-kind bicycle-sharing facility for residents
- 62.9% sold as at 31 Dec 2015





Thomson Three

- Near MacRitchie and Lower Peirce Reservoirs, and upcoming Upper Thomson MRT Station
- 435 apartments and 10 strata semi-detached houses
- 50% stake
- 98.2% sold as at 31 Dec 2015

PROPERTY DEVELOPMENT

Seventy Saint Patrick's

- Freehold site along Upper East Coast Road
- 186 units
- Close proximity to future Thomson-East Coast Line
- 100% stake
- 95.7% sold as at 31 Dec 2015





The Esplanade, Tianjin

- Mixed development, along HaiHe River, comprising four blocks of 522 residential units, a 319-room hotel, 17,075 sqm GFA office and 11,926 sqm GFA retail space
- 90% stake
- 99.2% of 4 residential towers sold as at 31 Dec 2015
- 78.1% of one office tower sold as at 31 Dec 2015

PROPERTY DEVELOPMENT



Park Eleven, Shanghai

- Mixed development located within the Changfeng Ecological Business Park, about 5 km to the north-east of the Hongqiao Transportation Hub and less than 10 km from The Bund
- 398 residential units and 4,000 sqm of net lettable area
- 40% stake
- Target to launch in 1H2016

PROPERTY DEVELOPMENT

Site at Bishopsgate, London

- UOL's first investment in Europe
- Freehold land of 3,200 sqm
- Located in London's central financial district, about 200m from Liverpool Street Station and the future Crossrail Station
- Approved for a 43-storey tower (52,255 sqm GFA) with residential, hotel and retail components
- Currently seeking planning approval for the intensification of the number of residential units to 160 and hotel rooms to 237
- 100% stake



PROPERTY INVESTMENTS

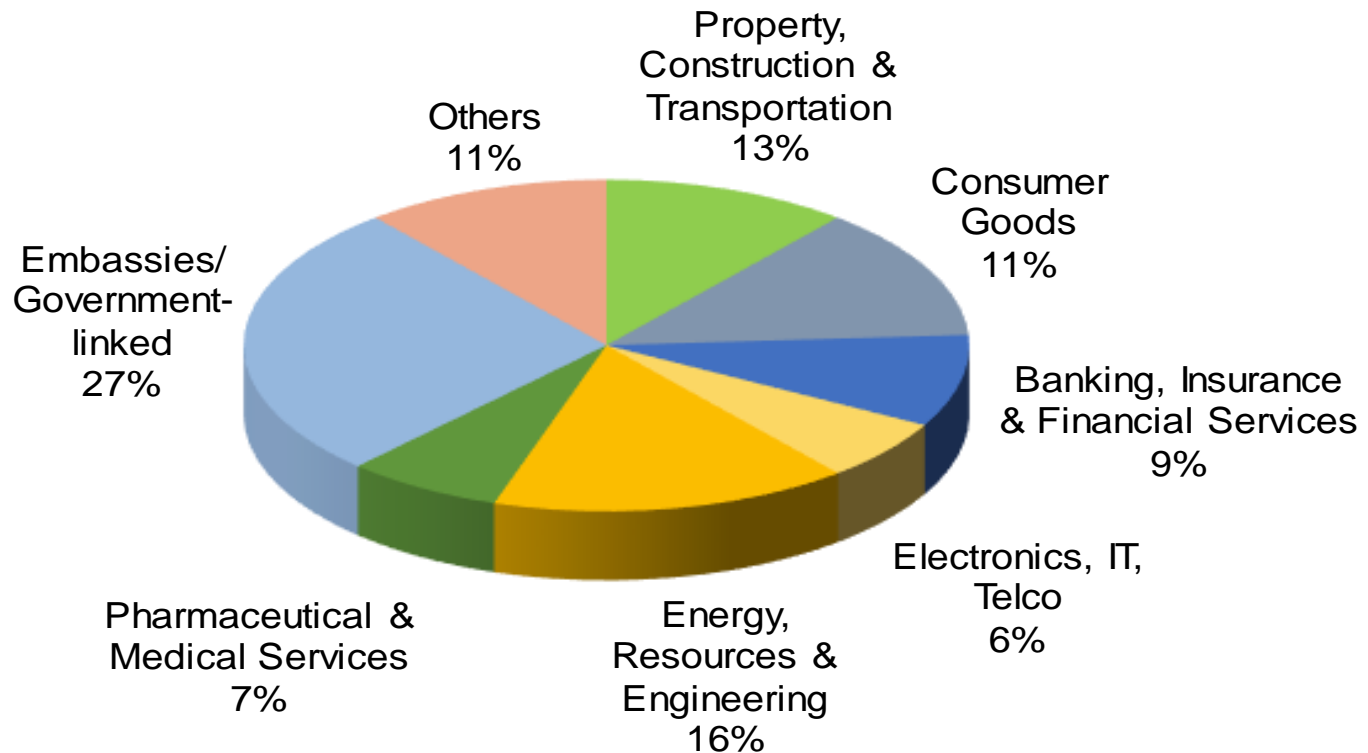
Office properties	Net Lettable Area (sqm)
<u>Portfolio</u>	
Novena Square	41,579
United Square	26,897
Odeon Towers	18,364
Faber House	3,956
One Upper Pickering	8,089
Total	98,885
Retail properties	
<u>Portfolio</u>	
Novena Square shopping mall	15,854
United Square shopping mall	19,328
OneKM	19,045
The Esplanade Mall, Tianjin*	6,164
Sub Total	60,391
<u>Pipeline</u>	
Shanghai (Changfeng)*	4,000 (est.)
Site at Bishopsgate, London*	1,631
Total	66,022
Grand Total	164,907

* Retail component within a mixed development

PROPERTY INVESTMENTS

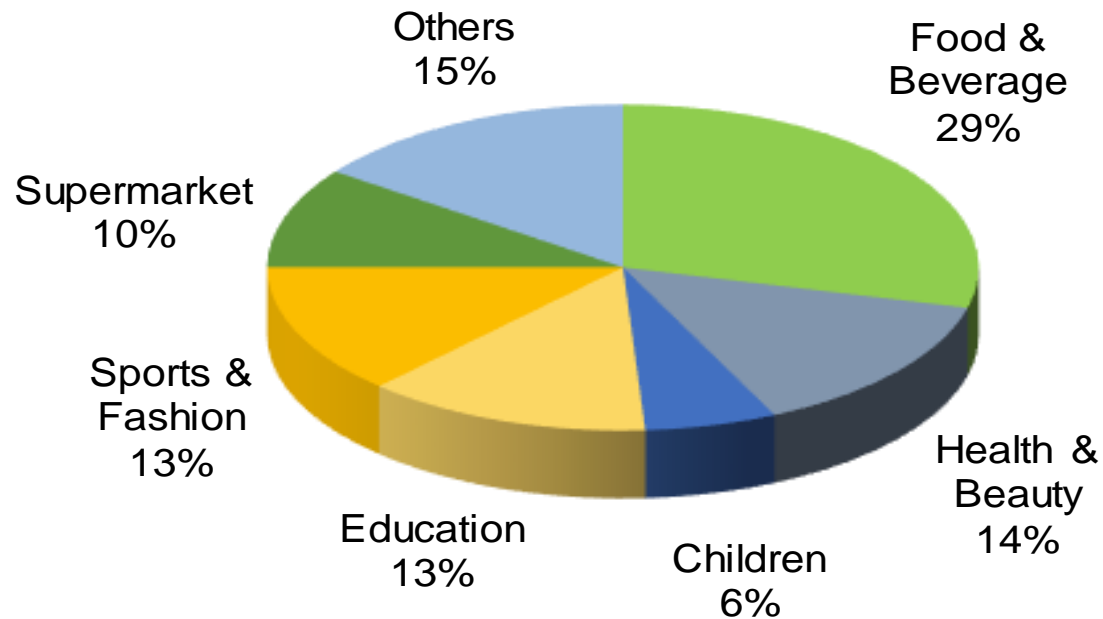
Commercial Tenant Mix (%)

Office



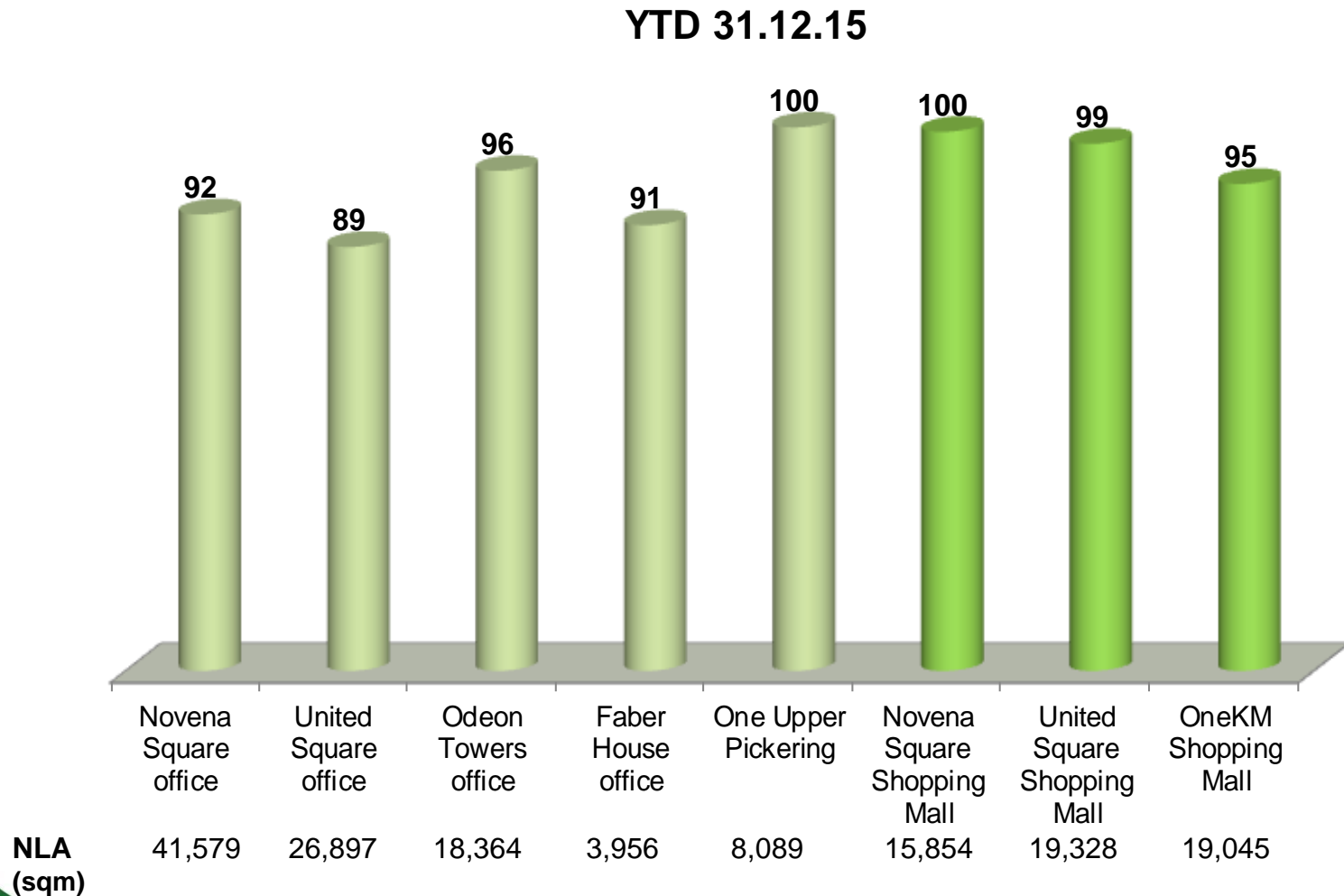
Commercial Tenant Mix (%)

Retail



PROPERTY INVESTMENTS

Achieved above 90% occupancy for almost all commercial properties



PROPERTY INVESTMENTS

Tenancy Management

		Lease Renewal	
	% Change in Overall Average Rent FY15 vs FY14	Lease Expiry in 2016 (sqm)	
		NLA	%*
Offices			
Novena Square	+7.5	13,120	32
United Square	+1.9	8,370	34
Odeon Towers	+4.1	7,775	42
Faber House	+1.8	1,206	30
Subtotal	+3.4	30,471	35
Shopping Malls			
Novena Square	+2.8	5,732	36
United Square	+3.6	5,855	30
OneKM	+1.1	375	2
Subtotal	+2.5	11,962	22

* Percentage of NLA for each property.

HOTEL OPERATIONS

- The Group owns and/or manages over 30 hotels in Asia, Oceania and North America with over 9,800 rooms in its portfolio.
- Comprises two highly-acclaimed brands:



HOTEL OPERATIONS

	Existing		Pipeline	
	No. of Hotels	No. of Rooms	No. of Hotels	No. of Rooms
By Brand				
Pan Pacific	19	5,764	3	789
PARKROYAL	13	3,779	3	793
Others	1	321	0	0
Total	33	9,864	6	1,582
By Ownership Type				
Owned	20	6,162	1	237
Managed	13	3,702	5	1,345
Total	33	9,864	6	1,582

Note: Serviced suites are included in the above tally

HOTEL OPERATIONS

Owned Hotels	Country	Rooms
<u>Portfolio</u>		
Pan Pacific Orchard	Singapore	206
PARKROYAL on Beach Rd	Singapore	346
PARKROYAL on Kitchener Road	Singapore	532
PARKROYAL on Pickering	Singapore	367
Pan Pacific Perth	Australia	486
PARKROYAL Darling Harbour, Sydney	Australia	340
PARKROYAL Parramatta	Australia	196
PARKROYAL Melbourne Airport	Australia	276
PARKROYAL Kuala Lumpur	Malaysia	426
PARKROYAL Penang	Malaysia	309
Pan Pacific Xiamen	China	354
Pan Pacific Suzhou	China	481
Pan Pacific Tianjin	China	319
PARKROYAL Yangon	Myanmar	334
Sofitel Plaza Hanoi	Vietnam	321
PARKROYAL Saigon	Vietnam	186
Sub Total		5,479
<u>Pipeline</u>		
Hotel in Bishopsgate, London (to be operated under the "Pan Pacific" brand)	UK	237
PARKROYAL Parramatta extension currently under development	Australia	90
Sub Total		327
Total		5,806

SERVICED APARTMENTS

Owned Serviced Suites Properties	Rooms
<u>Portfolio</u>	
Pan Pacific Serviced Suites Orchard, Singapore	126
Pan Pacific Serviced Suites Beach Road, Singapore	180
PARKROYAL Serviced Suites Beach Road, Singapore	90
PARKROYAL Serviced Suites Kuala Lumpur	287
Total	683

PIPELINE PROJECTS (OWNED)



PAN PACIFIC YANGON (2017)

- First Pan Pacific hotel in Myanmar, located in downtown Yangon
- Joint venture with the Group holding 20% stake
- 347 rooms equipped with 612sqm ballroom and six meeting rooms, four dining outlets, fitness centre, spa and pool



PAN PACIFIC LONDON (2019)

- First Pan Pacific hotel in the UK, located in Bishopsgate, London's central financial district
- Part of a luxury mixed-use development
- Proposed 237 rooms and 160 private residences equipped with dining and meeting facilities, fitness centre, spa and pool

PIPELINE PROJECTS (MANAGED)



PARKROYAL RAINBOW HILLS BOGOR RESORT (2017)

- Located 60km from Jakarta, next to Rainbow Hills Golf & Country Club
- 225 rooms equipped with a 520sqm ballroom and 10 meeting rooms, dining outlets, fitness centre, spa and pool



PARKROYAL LANGKAWI RESORT (2018)

- Located on prime beachfront in one of Malaysia's most popular holiday destinations
- 295 rooms and seven villas equipped with a 680sqm ballroom and seven meeting rooms, four dining outlets, multi-level swimming pools and activity areas for families and children

PIPELINE PROJECTS (MANAGED)



PAN PACIFIC SERVICED SUITES PUTERI HARBOUR (2018)

- Located in Iskandar, Johor, a 10-minute drive from the Tuas Second Link
- Will occupy 16 floors in Tower Three of a luxury mixed-use development
- 205 serviced apartment units equipped with fitness centre and pool



PARKROYAL MELBOURNE (2019)

- Located in the premium waterfront precinct of Melbourne Docklands
- Will occupy 18 storeys of a hotel and apartment complex
- 239 rooms and 27 serviced apartment units equipped with dining and meeting facilities, fitness centre, and pool.

KEY FINANCIALS

\$m	FY2015	FY2014	% Change
Revenue	1,278.7	1,360.7*	-6%
Profit before fair value and other (losses)/gains	411.6	515.2	-20%
Other (losses)/gains	-22.0	25.6	-186%
Fair value gains on associated companies' investment properties	9.9	78.4	-87%
Fair value gains on the Group's investment properties	60.9	217.8	-72%
Profit before income tax	460.4	837.0*	-45%
PATMI	391.4	686.0	-43%

* includes a one-time property development revenue of \$220.1 million (RM568 million) and pre-tax profit of \$98.9 million from the sale of land at Jalan Conlay, Kuala Lumpur.

KEY FINANCIALS

	FY2015	FY2014	% Change
Earnings per share before fair value and other gains	44.2 cents	51.0 cents	-13%
Earnings per share	49.4 cents	88.0 cents	-44%
Net tangible asset value per share	\$9.89	\$9.68	2%
Return on equity before fair value and other gains	4.44%	5.20%	-15%
Return on equity	4.96%	8.98%	-45%
Dividends per share - First and Final	15.0 cents	15.0 cents	-

KEY FINANCIALS

Capital Management

	FY2015	FY2014	% Change
Total equity	\$8,401m	\$8,131m	3%
Cash	\$276m	\$287m	-4%
Net debt	\$2,294m	\$2,742m	-16%
Gearing ratio	0.27	0.34	-21%
Average borrowing cost	2.35%	1.72%	37%
Term loan	87%	78%	12%
Interest cover (including interest capitalised)	10 Xs	15 Xs	-
Ave debt maturity (Yr)	1.7	1.6	-

KEY FINANCIALS

Debt Maturity Profile

	(as at 31.12.15)		(as at 31.12.14)	
	\$m	%	\$m	%
Within 1 year	524	20	1,292	43
1-2 years	809	32	257	8
2-3 years	995	39	845	28
> 3 years	242	9	634	21
Total Debt	2,570	100	3,029	100

KEY FINANCIALS

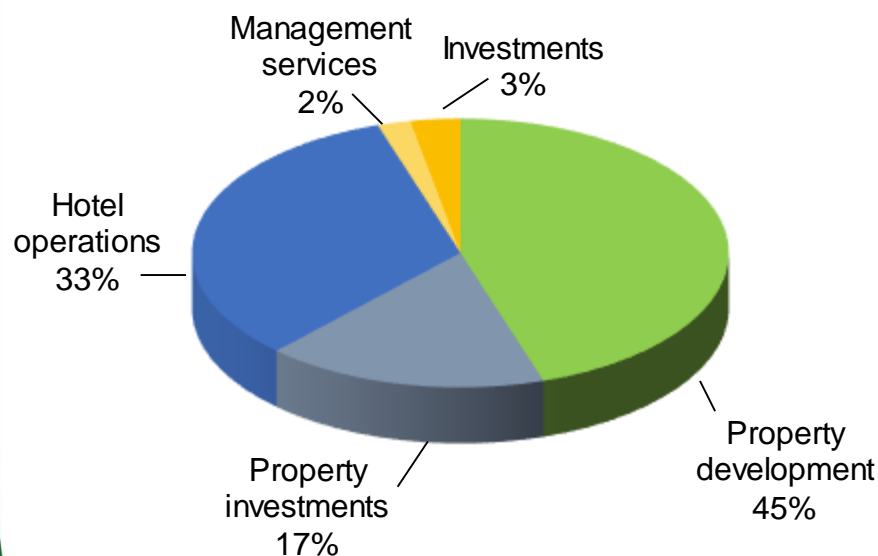
A Decade of Growth

	2006	2007	2008	2009	2010	2011 (Restated)	2012	2013	2014	2015
Revenue (\$m)	605.1	713.5	899.2	1,007.1	1,349.1	1,960.2	1,145.8	1,058.6	1,360.7	1,278.7
Profit before fair value and other gains/(losses) (\$m)	158.6	273.3	351.5	429.9	551.2	727.8	439.7	427.3	515.2	411.6
Profit before income tax (\$m)	406.8	938.8	210.4	493.5	889.8	904.0	964.3	952.0	837.0	460.4
PATMI (\$m)	339.4	758.9	147.2	424.2	755.9	678.6	807.7	785.8	686.0	391.4
Gearing ratio	0.20	0.21	0.42	0.43	0.37	0.35	0.28	0.28	0.34	0.27
Return on equity	10.8%	19.2%	4.3%	10.2%	16.3%	12.8%	13.1%	11.6%	9.0%	5.0%
Total assets (\$m)	4,651.9	6,182.3	6,093.6	7,328.0	7,904.0	8,697.6	9,564.3	10,421.4	11,848.5	11,501.3
Net tangible asset value per share (\$)	3.95	4.91	4.22	5.25	5.91	6.84	7.94	8.73	9.68	9.89
Earnings per share (cents)	42.8	95.4	18.5	53.7	96.9	88.1	105.1	102.0	88.0	49.4
Market capitalisation (\$m)	3,449.9	3,598.2	1,767.3	3,189.0	3,694.3	3,073.0	4,596.3	4,771.8	5,479.1	4,968.4
Dividend yield (%)	3.46	3.32	3.38	2.46	3.16	3.75	2.51	3.23	2.16	2.40
Share price (\$) as at close of the year	4.34	4.51	2.22	4.07	4.75	4.00	5.97	6.19	6.96	6.24

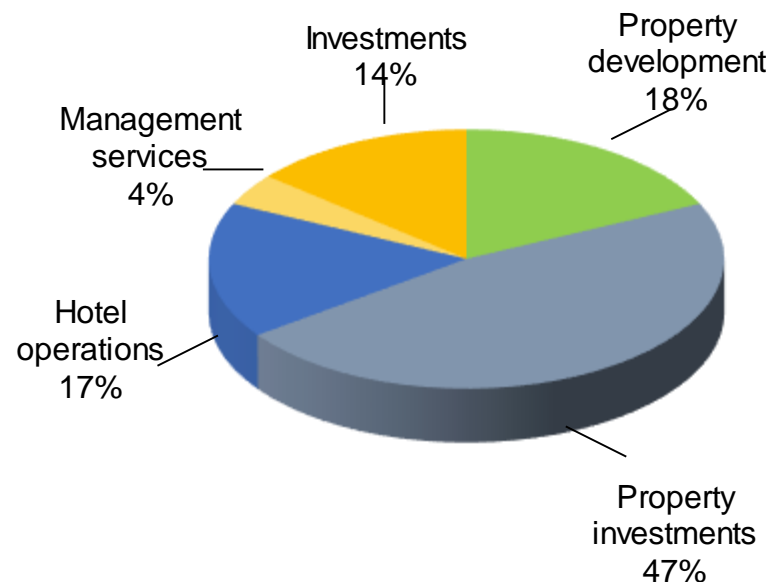
FINANCIALS REVIEW

(\$m) Revenue and Operating Profit Distribution by Business Segments in 2015

Revenue



Operating Profit



FINANCIALS REVIEW

(%)

Revenue

FY2015: \$1,278.7m



FY2014: \$1,360.7m



Adjusted EBITDA*

FY2015: \$538.7m



FY2014: \$696.1m



- Singapore
- Australia
- Malaysia
- China
- Others

*Excludes unallocated cost, other gains/losses and fair value gains/losses on investment properties

Total Asset Value

FY2015: \$11,501.3m

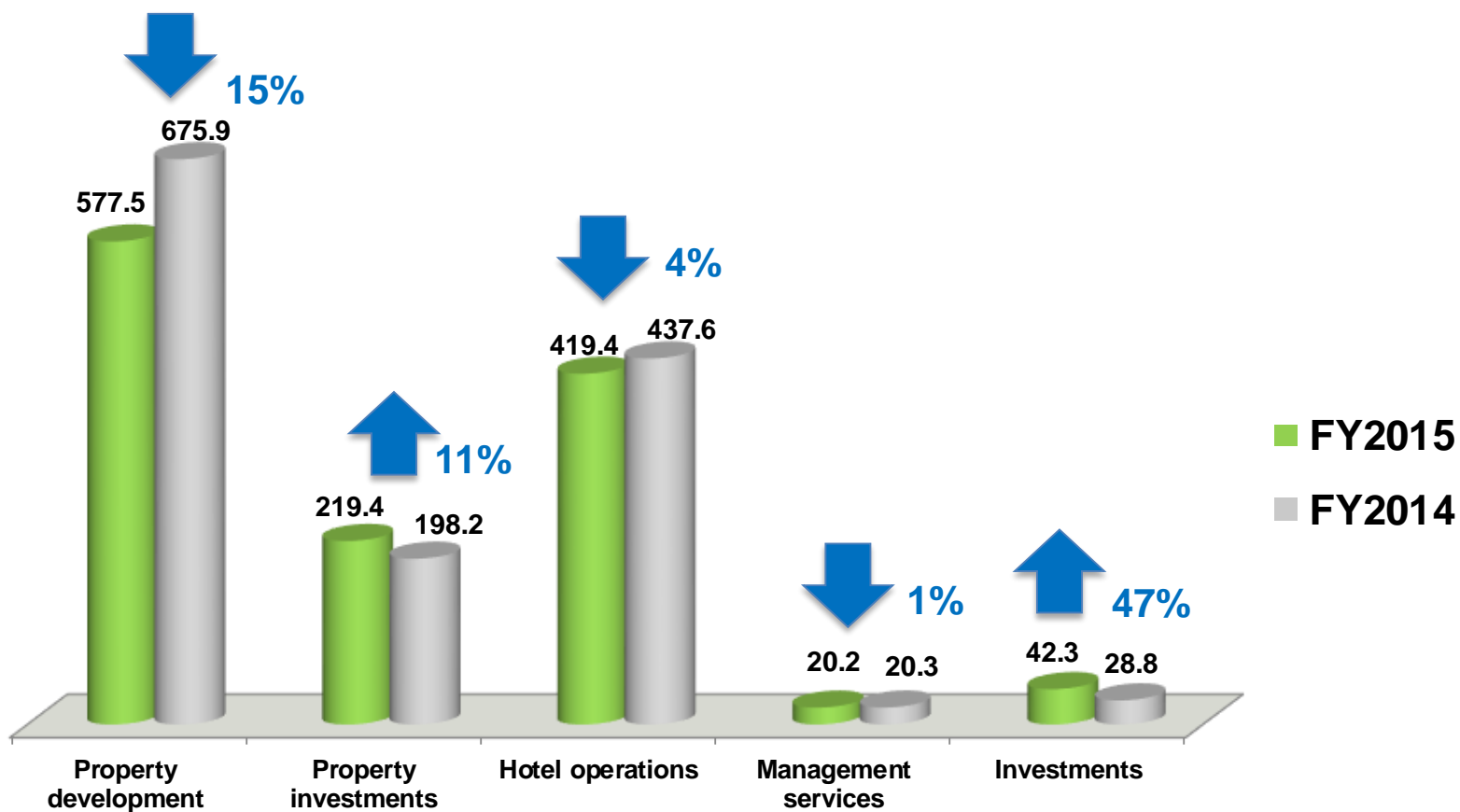


FY2014: \$11,848.5m



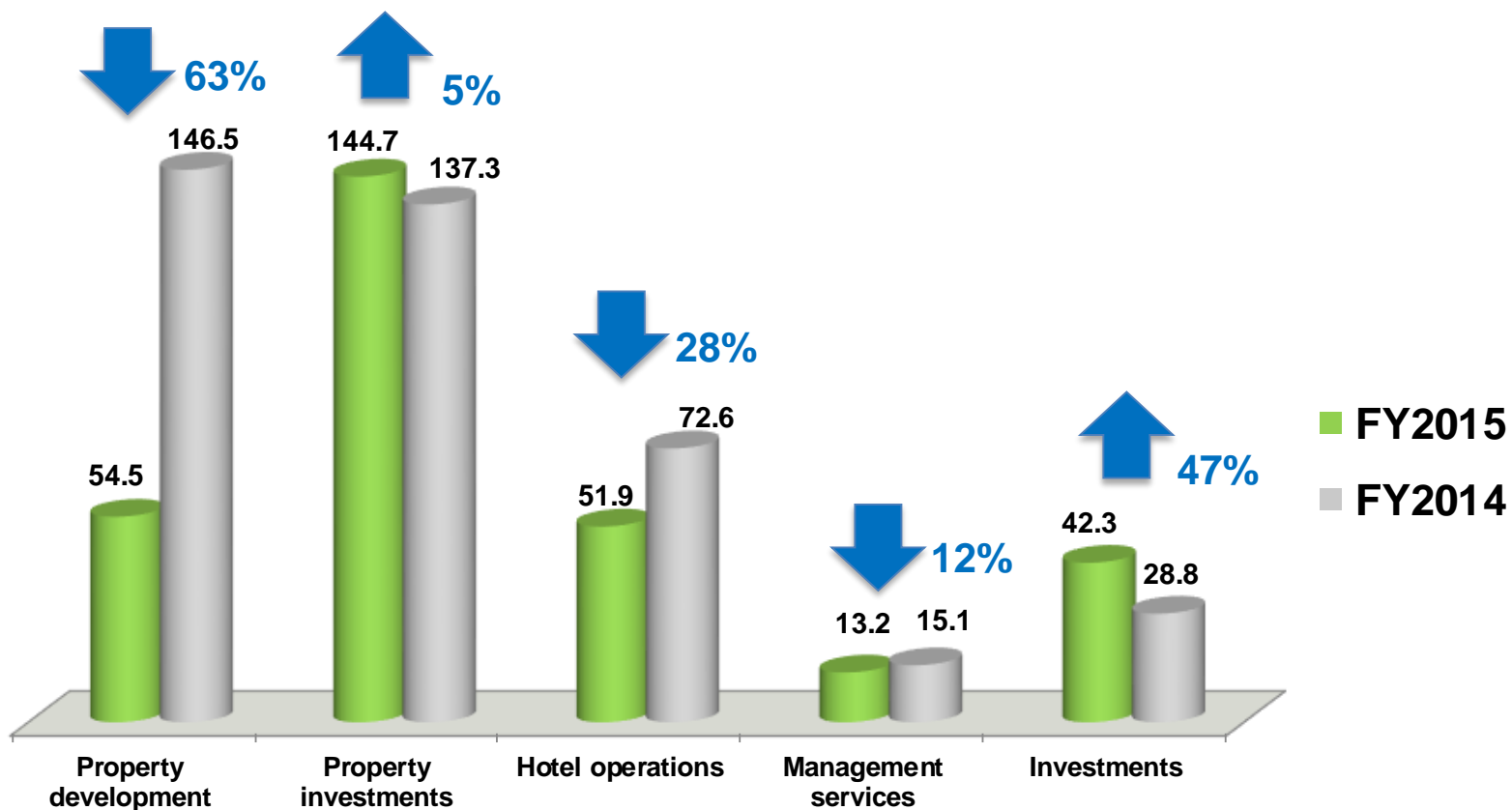
FINANCIALS REVIEW

(\$m) Revenue by Business Segments 2015 vs 2014



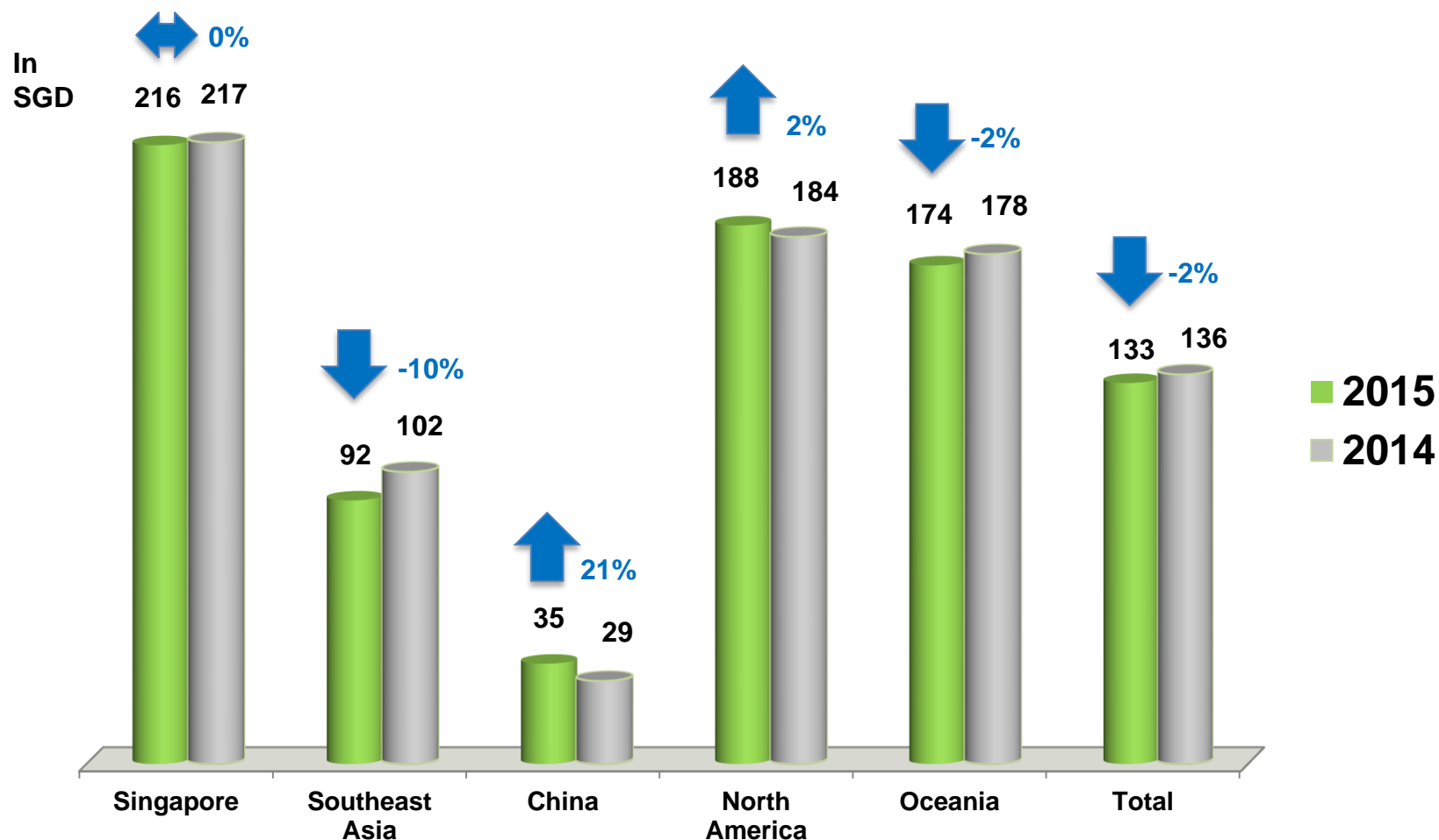
FINANCIALS REVIEW

(\$m) Operating Profit by Business Segments 2015 vs 2014



FINANCIALS REVIEW

RevPar* (2015 vs 2014**)



* RevPar = Revenue per Available Room

** For comparability, FY2014 RevPar has been translated at constant exchange rates (31 December 2015)

OUTLOOK

Residential

- Residential property sales expected to remain subdued
- Projects with good attributes should still attract buyers

Office

- Office rentals likely to continue to face pressure
- Supply of more than 4 million square feet (predominantly in CBD) expected to enter the market in 2016

OUTLOOK

Retail

- Retail rents expected to soften with new supply and weak retail sales
- Labour crunch continues to affect entry of new tenants and expansion plans of existing retailers
- Niche and thematic malls still have competitive edge in this market

Hospitality

- Hospitality sector in Asia Pacific will continue to face competitive pressures

GOING FORWARD

- Stay nimble for strategic acquisitions in Singapore
- Selectively diversify into overseas markets
- Strong execution and efficient cost management

THE UOL DIFFERENCE



AWARDS HIGHLIGHTS

CORPORATE AWARD

UOL Group Limited

- Best Property Portfolio Management Team Award
- CFI 2015 Award
- BCI Asia Top 10 Developer Awards
- Singapore Business Review's Management Excellence Awards 2015 - Real Estate Management Team of the Year



RESIDENTIAL PROJECTS

International Property Awards 2015 (Asia Pacific)

- Botanique at Bartley



BCA Construction Excellence Award 2015

- Terrene at Bukit Timah
- Waterbank at Dakota



HOTEL PROPERTIES

Pan Pacific Serviced Suites Beach Road

- FIABCI World Prix d'Excellence Awards
- International Property Awards (Asia Pacific)

PARKROYAL on Pickering

- MIPIM Asia Awards
- Council on Tall Buildings and Urban Habitat (CTBUH) Awards 2015



AWARDS HIGHLIGHTS



Forbes Travel Guide

Pan Pacific Seattle (Four-Star Hotel)
Pan Pacific Vancouver (Four-Star Hotel)
Pan Pacific Singapore (Recommended Hotel)



TripAdvisor Travellers' Choice Hotels

Pan Pacific Singapore (Top 10 Hotels, Top 10 Hotels for Service)
Pan Pacific Orchard (Top 10 Luxury Hotels)
Pan Pacific Manila (Top 25 Hotels)
Pan Pacific Whistler Village Centre (To 25 Hotels for Families)
PARKROYAL Serviced Suites Kuala Lumpur (Top 25 Luxury Hotels, Top 25 Hotels for Service)



World Travel Awards

Pan Pacific Orchard (Singapore's Leading Business Hotel)
Pan Pacific Serviced Suites Orchard (Singapore's Leading Hotel Residences)
Pan Pacific Nirvana Bali Resort (Bali's Leading Spa Resort)



Singapore Experience Awards

PARKROYAL on Pickering (Business Event Venue of the Year)



World Ski Awards

Pan Pacific Whistler Mountainside (Canada's Best Ski Hotel)

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Q&A