

FY2016 Full Year Results Briefing

24 February 2017

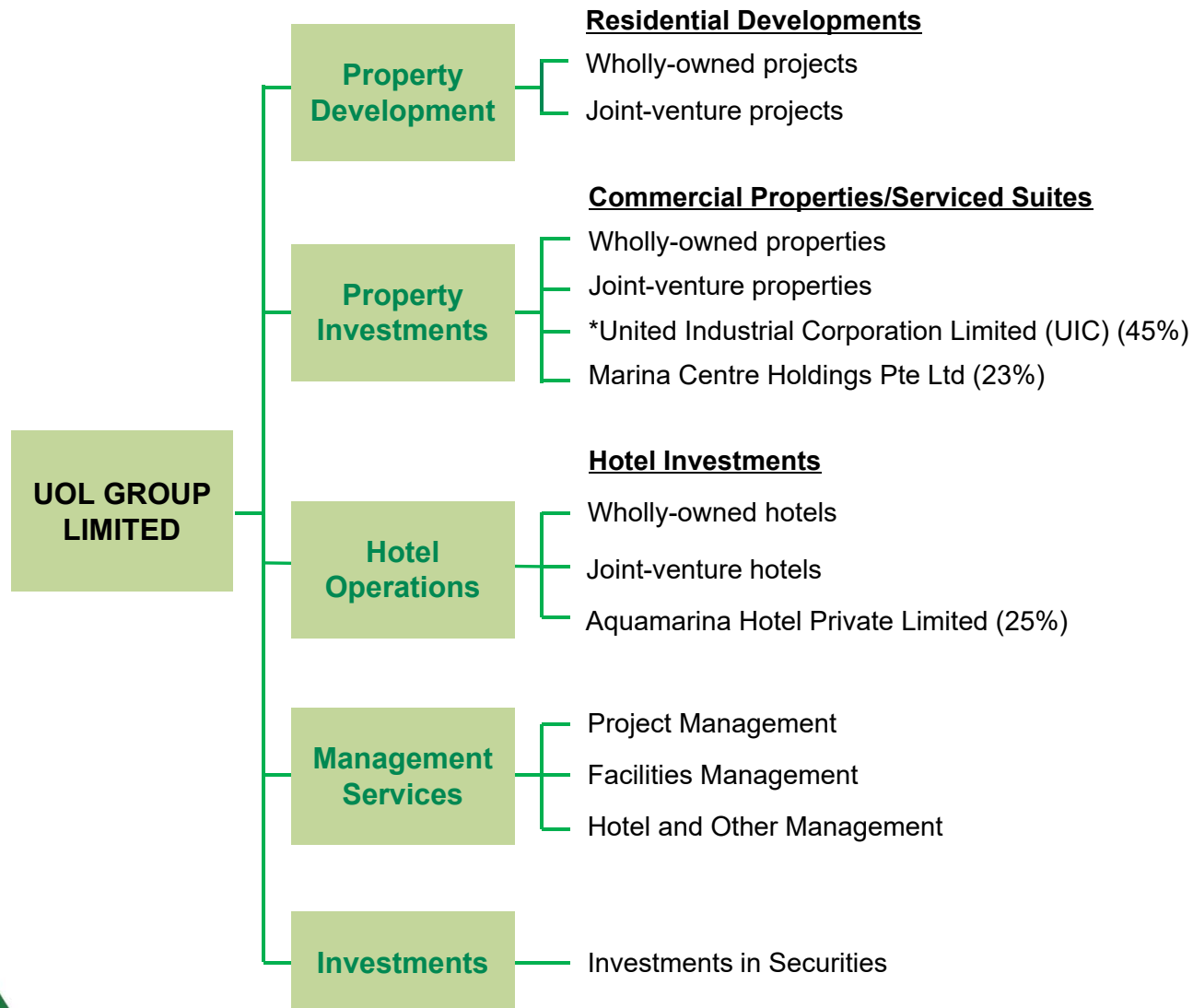
UOL GROUP LIMITED

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

LIAM WEE SIN, DEPUTY GROUP CHIEF EXECUTIVE OFFICER (UOL)
WELLINGTON FOO, CHIEF FINANCIAL OFFICER (UOL)
NEO SOON HUP, CHIEF FINANCIAL OFFICER (PPHG)



UOL GROUP BUSINESS



*Listed company

PROPERTY DEVELOPMENT



- **Sold 484 residential units in Singapore with sales value of more than \$558 million in 2016 based on bookings**

	Launched	No. of Units (Whole Project)	%Sold* (as at 31.12.16)	Average psf
Seventy Saint Patrick's	Sep 2014	186	100	\$1,610
Thomson Three	Sep 2013	445	99.8	\$1,306
Riverbank@Fernvale	Feb 2014	555	85.0	\$993
Botanique at Bartley	Apr 2015	797	97.9	\$1,288
Principal Garden	Oct 2015	663	49.2	\$1,613

* 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 31.12.16)	% Completed (as at 31.12.16)	TOP Date
<u>Completed</u>						
Seventy Saint Patrick's	100	186	12,950	100	100	TOP
Thomson Three	50	445	39,965	99.8	100	TOP
<u>Ongoing</u>						
Riverbank@Fernvale	100	555	48,345	85.0	99	Est. 1Q2017
Park Eleven, Shanghai*	40	398	78,526	31.7	85	Est. 2Q2018
Principal Garden	70	663	50,665	49.2	29	Est. 4Q2018
Botanique at Bartley	100	797	55,419	97.9	47	Est. 1Q2019

* Profit recognition will be on a completed contract basis expected in 2018

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
The Clement Canopy	99	13,038	44,949	505	50	1Q2017
Potong Pasir Ave 1 site	99	18,711	51,605	750	50	2018
45 Amber Road site	Freehold	6,490	13,370	165	100	2018
Total		38,239	109,924	1,420		

Overseas residential pipeline

Project Name/Location	Site Area (sqm)	Est. Saleable Area (sqm)	Est. No. of Units	% Owned	Target Launch
Site at Bishopsgate, London*	3,200	13,551	160	100	2018

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

PROPERTY DEVELOPMENT



Image source: The Straits Times

Exercised option in February 2017 to purchase 45 Amber Road

- Freehold residential site in District 15
- Site area of 6,490 sqm; estimated 165-unit project
- 100% stake
- Close to upcoming Marine Parade and Tanjong Katong MRT stations
- Target to launch in 2018

PROPERTY DEVELOPMENT



En-bloc purchase of residential site at Potong Pasir Ave 1

- En-bloc tender of former HUDC estate, Raintree Gardens in October 2016
- Site area of 18,711 sqm; estimated 750-unit project
- 50:50 joint venture with UIC
- Next to Kallang River and near Potong Pasir MRT station
- Target to launch in 2018

PROPERTY DEVELOPMENT



The Clement Canopy

- 99-year leasehold site of 13,038 sqm
- 505-unit development in Clementi and near Jurong, which is Singapore's second CBD
- In close proximity to reputable schools
- 50:50 joint venture with UIC
- To be launched on 25 Feb 2017

PROPERTY DEVELOPMENT



Principal Garden

- 99-year leasehold site at Prince Charles Crescent
- 663-unit development near Redhill MRT station
- 70:30 joint venture with Kheng Leong
- 49.2% sold as at 31 Dec 2016

PROPERTY DEVELOPMENT



Botanique at Bartley

- 99-year leasehold site along Upper Paya Lebar Road
- 797-unit condominium near Bartley MRT station
- 100% stake
- 97.9% sold as at 31 Dec 2016

PROPERTY DEVELOPMENT

Riverbank@Fernvale

- In Sengkang West Way, 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
- 85.0% sold as at 31 Dec 2016



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 of retail
- 40:30:30 joint venture between UOL, UIC and Kheng Leong
- Sold 126 units as at 31 Dec 2016 out of the 168 units approved for release in first phase in 3Q16
- Target to launch second phase in 1H2017

PROPERTY DEVELOPMENT

Site at Bishopsgate, London

- UOL's first investment in UK
- Freehold land of 3,200 sqm
- In London's central financial district, near Liverpool Street Station and the future Crossrail Station
- Approved for a 43-storey tower with residential, hotel and retail components
- Approved to intensify to 160 residential units and 237 hotel rooms
- 100% stake



PROPERTY INVESTMENTS



Holborn Island, London

- Acquired in November 2016
- 9-storey freehold mixed-use building of 32,431 sqm of net lettable area:
 - (i) Office: 18,323 sqm (56.5%)
 - (ii) Retail: 14,108 sqm (43.5%)
- Located in London's Midtown; close to tube stations and the upcoming Crossrail
- 50:50 joint venture with UIC

PROPERTY INVESTMENTS



110 High Holborn, London

- Acquired in June 2016
- Freehold asset of 10,873 sqm located in London's Midtown, near Holborn underground station
- Comprises offices together with retail space arranged over basement, ground and eight upper floors
- 100% stake

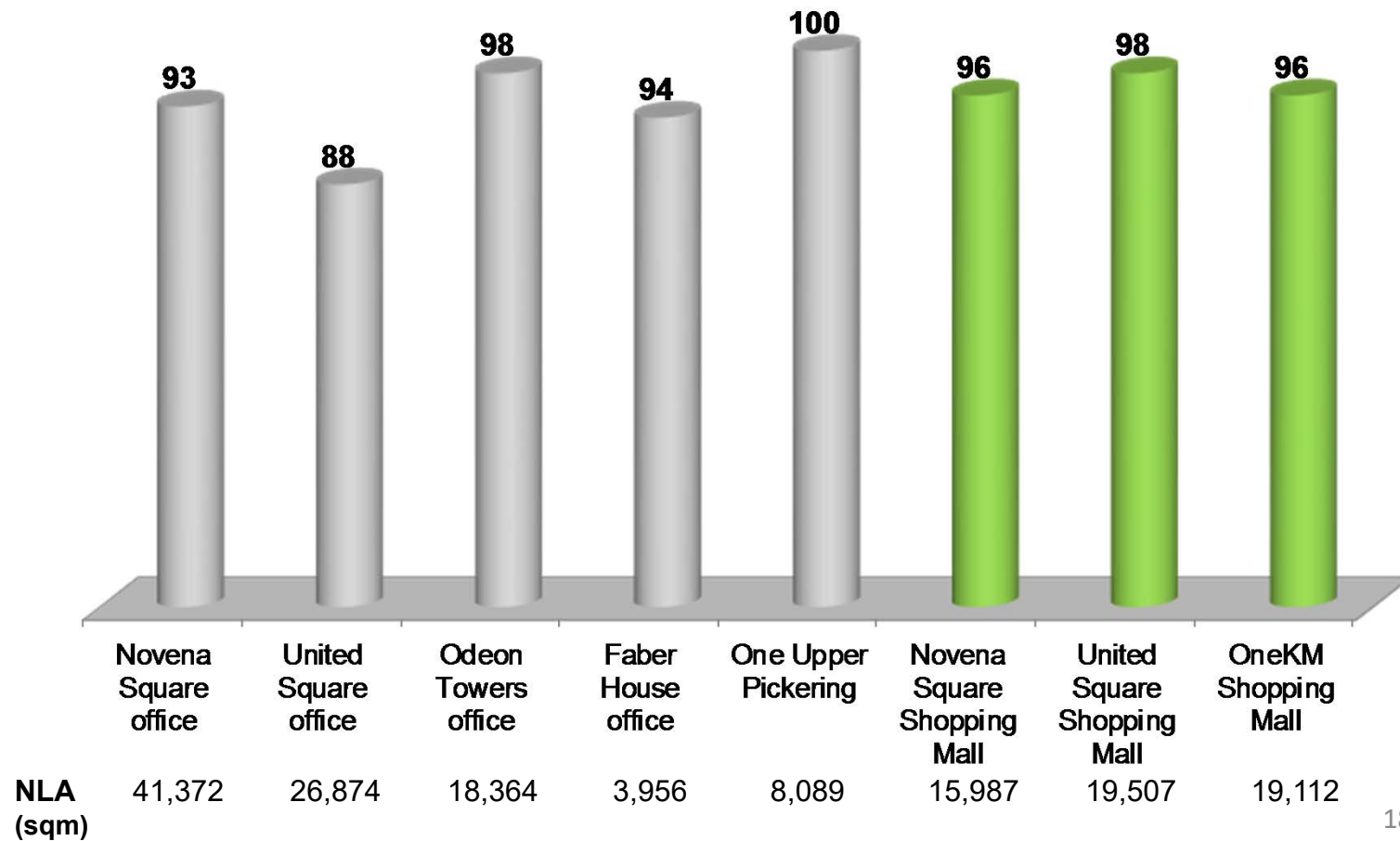
PROPERTY INVESTMENTS

Office properties		Net Lettable Area (sqm)
<u>Portfolio</u>		
Novena Square		41,372
United Square		26,874
Odeon Towers		18,364
Faber House		3,956
One Upper Pickering		8,089
110 High Holborn, London		10,873
Total		109,528
Retail properties		
<u>Portfolio</u>		
Novena Square shopping mall		15,987
United Square shopping mall		19,507
OneKM shopping mall		19,112
The Esplanade Mall, Tianjin		6,164
Sub Total		60,770
<u>Pipeline</u>		
Park Eleven Mall, Shanghai		4,000 (est.)
Site at Bishopsgate, London (retail component)		1,631
Total		66,401
Grand Total		175,929

PROPERTY INVESTMENTS

Achieved above 90% occupancy for almost all commercial properties in Singapore

YTD 31.12.16



PROPERTY INVESTMENTS

Tenancy Management

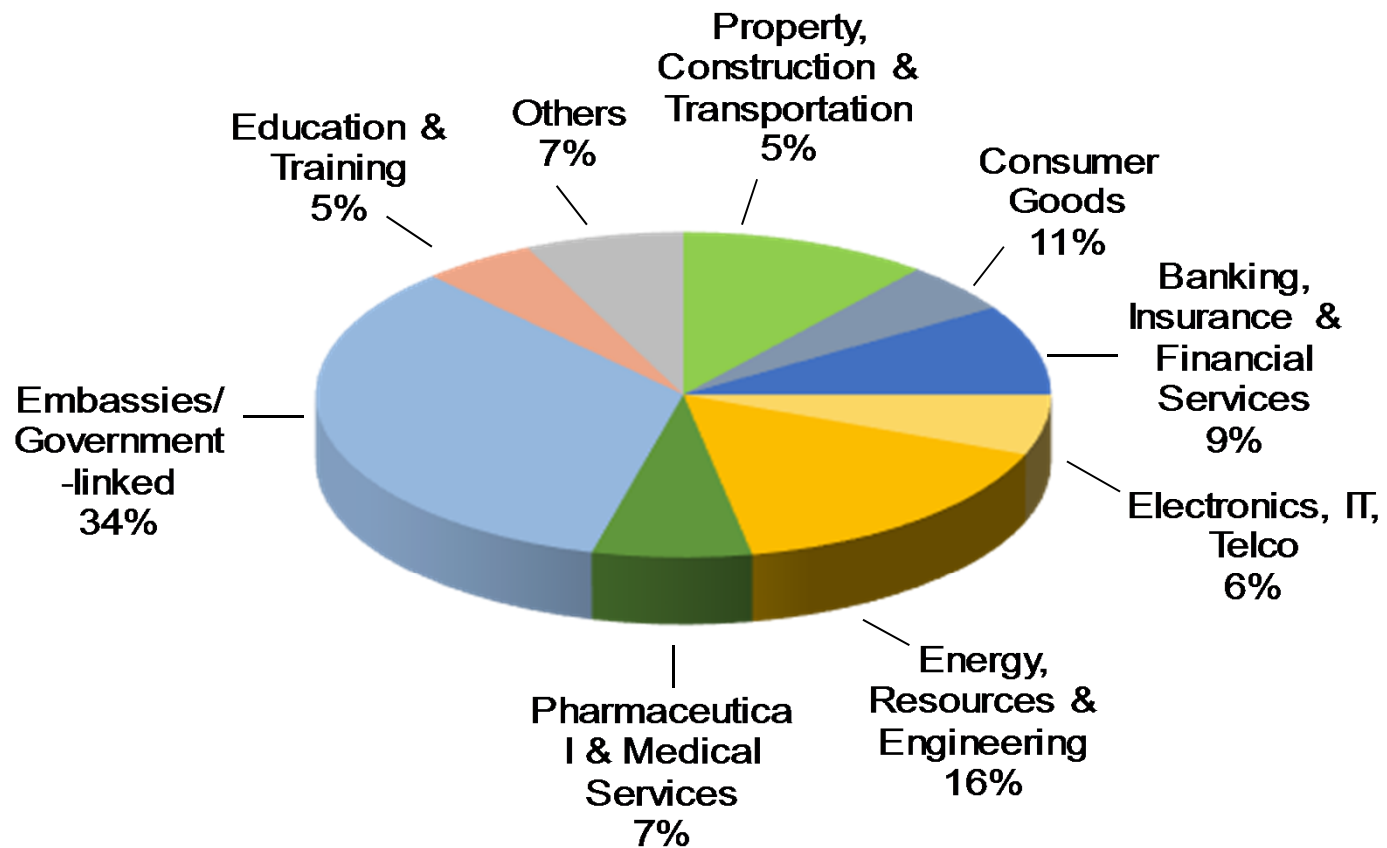
		Lease Renewal	
	% Change in Overall Average Rent FY16 vs FY15	Lease Expiry in 2017 (sqm)	
		NLA	%*
Offices			
Novena Square	+4.7	4,887	12
United Square	-	7,795	32
Odeon Towers	+5.3	2,839	16
Faber House	+0.6	2,374	60
Total	+3.0	17,895	20
Shopping Malls			
Novena Square	+7.0	37,488	22
United Square	-1.2	51,452	25
OneKM	-3.8	129,496	63
Total	+0.7	218,436	37

* Percentage of NLA for each property

PROPERTY INVESTMENTS

Commercial Tenant Mix (%)

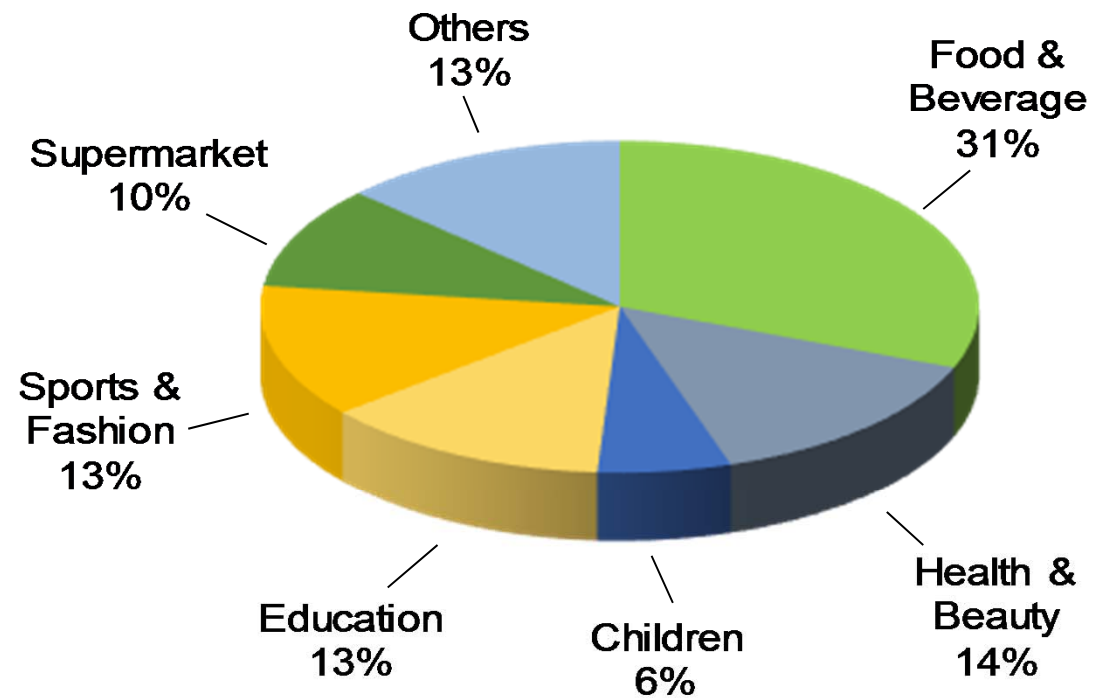
Office



PROPERTY INVESTMENTS

Commercial Tenant Mix (%)

Retail



HOTEL OPERATIONS

- The Group owns and/or manages over 30 hotels in Asia, Oceania and North America with close to 10,000 rooms in its portfolio.
- Comprises two highly-acclaimed brands:



PAN PACIFIC
HOTELS AND RESORTS

PARKROYAL

HOTELS & RESORTS

HOTEL OPERATIONS

	Existing		Pipeline	
	No. of Hotels	No. of Rooms	No. of Hotels	No. of Rooms
By Brand				
Pan Pacific	19	5,936	4	1,000
PARKROYAL	13	3,868	2	748
Total	32	9,804	6	1,748
By Ownership Type				
Owned	20	6,250	1	237
Managed	12	3,554	5	1,511
Total	32	9,804	6	1,748

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	286
PARKROYAL Melbourne Airport	Australia	276
PARKROYAL Kuala Lumpur	Malaysia	426
PARKROYAL Penang	Malaysia	309
Pan Pacific Xiamen	China	354
Pan Pacific Suzhou	China	480
Pan Pacific Tianjin	China	319
PARKROYAL Yangon	Myanmar	333
Pan Pacific Hanoi	Vietnam	321
PARKROYAL Saigon	Vietnam	186
Sub Total		5,567
<u>Pipeline</u>		
Hotel in Bishopsgate, London (to be operated under the "Pan Pacific" brand)	UK	237
Sub Total		237
Total		5,804

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 LONDON (Expected to open in 2020)

- Located in Bishopsgate, London's central financial district
- Part of a 43-storey luxury mixed-use development
- 237 rooms and 160 residential units with dining, meeting, fitness and wellness facilities

PIPELINE PROJECTS (MANAGED)



PAN PACIFIC BEIJING **(Expected to open in 2017)**

- Next to Beijing's Financial Street and close to Tiananmen Square
- Exclusive club on level 14 with views of the Forbidden City
- 220 rooms with dining, meeting, fitness and wellness facilities



PAN PACIFIC YANGON **(Expected to open in 2017)**

- In downtown Yangon, opposite the new Bogyoke Aung San Market
- 40:60 joint venture with Shwe Taung Junction City Development Co., Ltd
- 336 rooms with dining, meeting, fitness and wellness facilities

PIPELINE PROJECTS (MANAGED)



PAN PACIFIC SERVICED SUITES PUTERI HARBOUR (Expected to open in 2018)

- Located in Iskandar, Johor, a 10-minute drive from the Tuas Second Link
- Spread over 16 floors in Tower Three of a luxury mixed-use development
- 205 units with fitness and wellness facilities

KEY FINANCIALS



\$m	FY2016	FY2015	% Change
Revenue	1,440.7	1,278.7	13%
Profit before fair value and other (losses)/gains	391.2	411.6	-5%
Other losses of a joint venture company	-3.2	-	-
Other losses of the Group	-23.3	-22.0	6%
Fair value (losses)/gains on associated companies' investment properties	-1.1	9.9	-112%
Fair value (losses)/gains on the Group's investment properties	-9.7	60.9	-116%
Profit before income tax	353.9	460.4	-23%
PATMI	287.0	391.4	-27%

KEY FINANCIALS

	FY2016	FY2015	% Change
Earnings per share before fair value and other (losses)/gains	40.5 cents	44.2 cents	-8%
Earnings per share	35.8 cents	49.4 cents	-28%
Net tangible asset value per share	\$10.07	\$9.89	2%
Return on equity before fair value and other (losses)/gains	3.99%	4.44%	-10%
Return on equity	3.53%	4.96%	-29%
Dividends per share - First and Final	15.0 cents	15.0 cents	-

KEY FINANCIALS

Capital Management

	FY2016	FY2015	% Change
Total equity	\$8,635m	\$8,401m	3%
Cash	\$302m	\$276m	9%
Net debt	\$2,108m	\$2,294m	-8%
Gearing ratio	0.24	0.27	-11%
Average borrowing cost	2.10%	2.35%	-11%
Term loan	91%	87%	5%
Interest cover (including interest capitalised)	10 Xs	10 Xs	-
Ave debt maturity (Yr)	1.6	1.7	-

KEY FINANCIALS



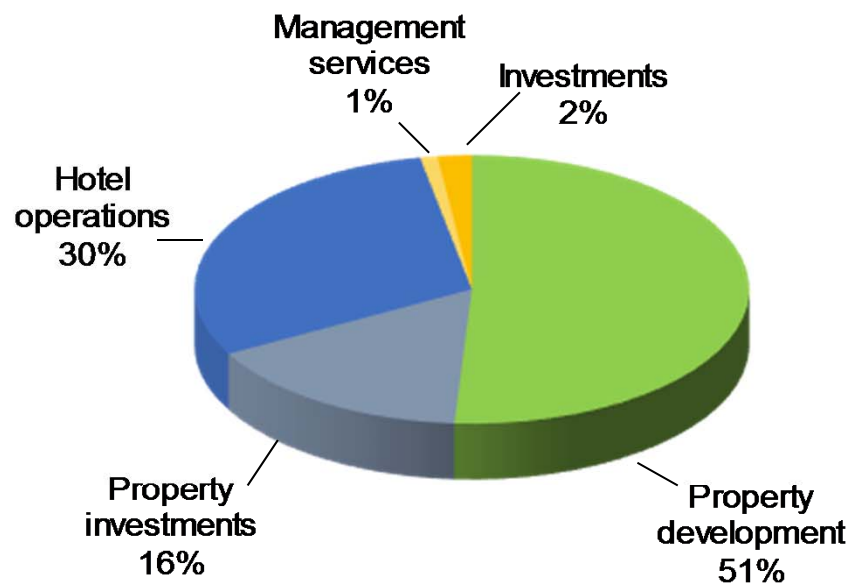
Debt Maturity Profile

	(as at 31.12.16)		(as at 31.12.15)	
	\$m	%	\$m	%
Within 1 year	729	30	524	20
1-2 years	863	36	809	32
2-3 years	578	24	995	39
> 3 years	240	10	242	9
Total Debt	2,410	100	2,570	100

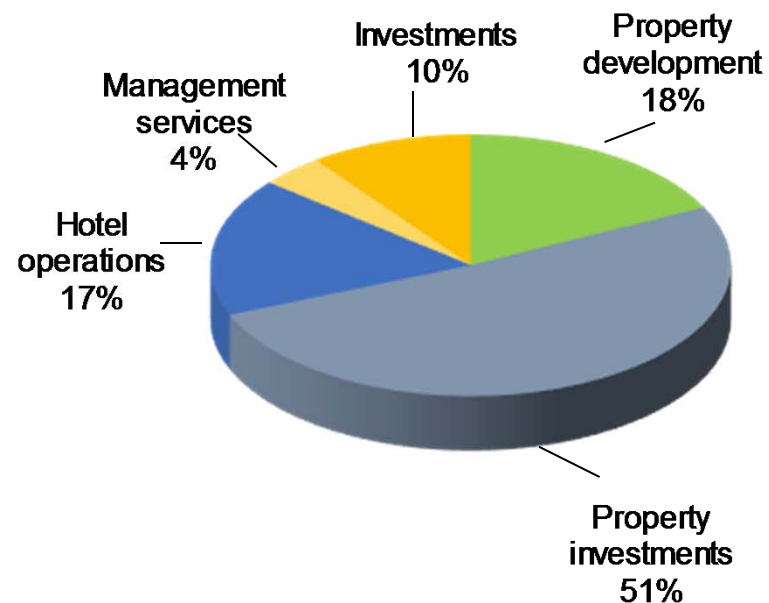
FINANCIALS REVIEW

(\$m) Revenue and Operating Profit Distribution by Business Segments in 2016

Revenue



Operating Profit

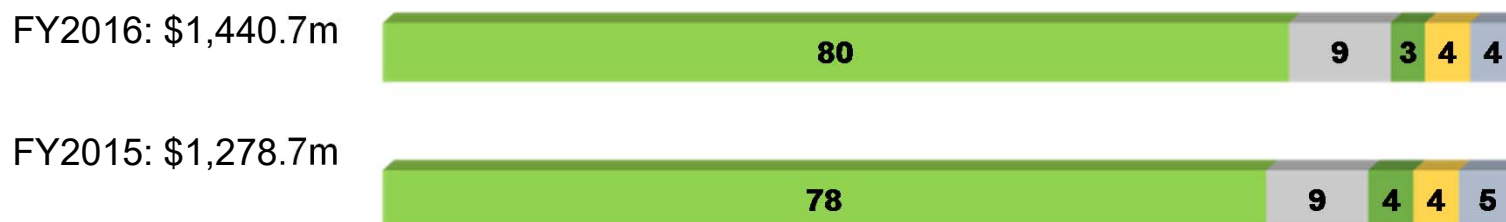


FINANCIALS REVIEW

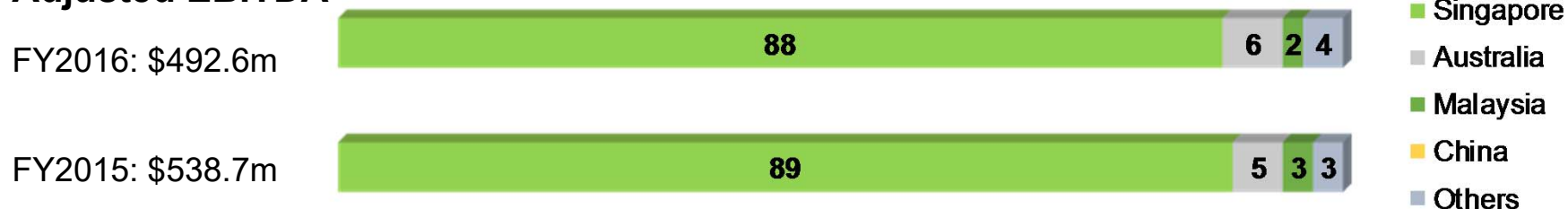


(%)

Revenue



Adjusted EBITDA*



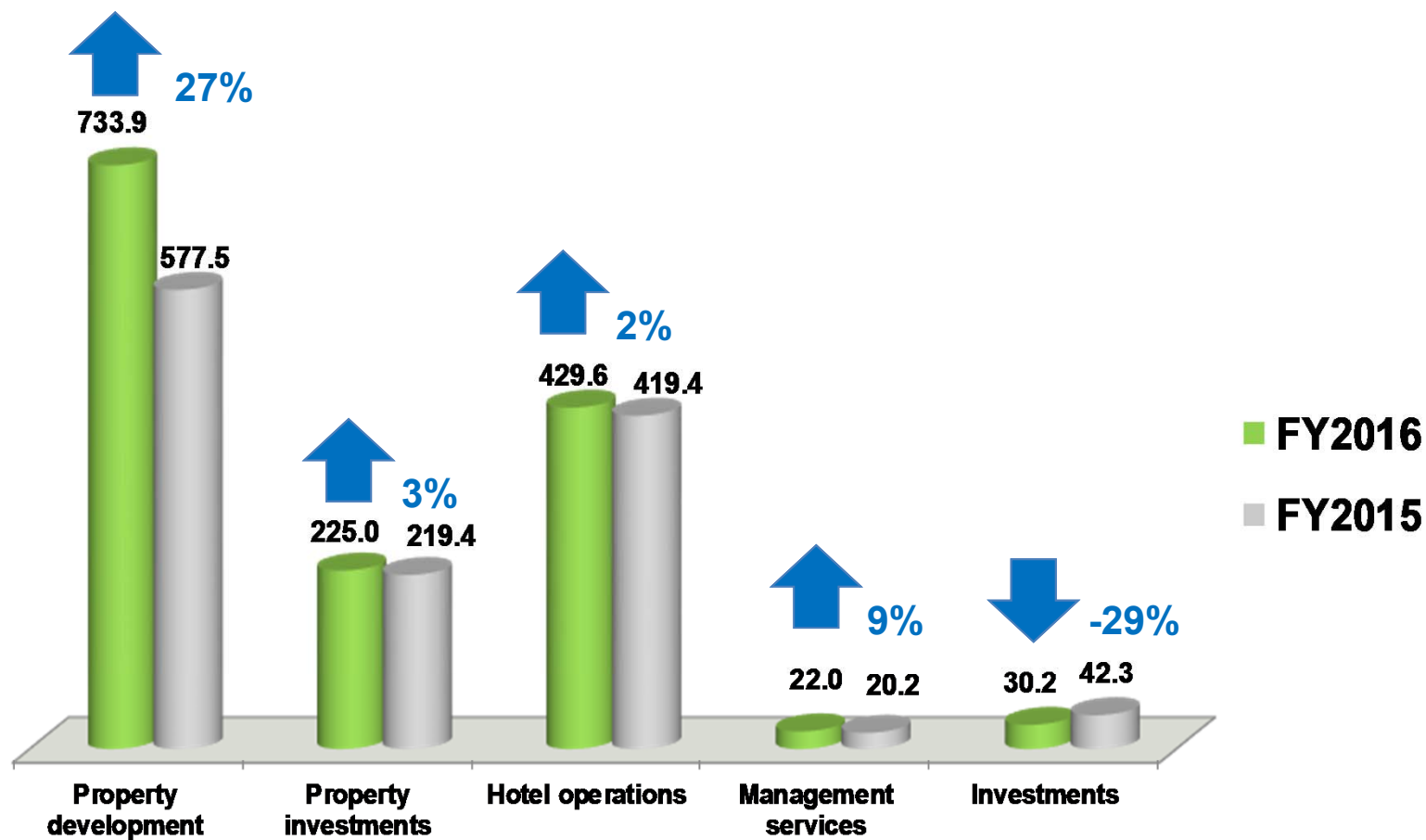
*Excludes unallocated cost, other gains/losses and fair value gains/losses on investment properties

Total Asset Value



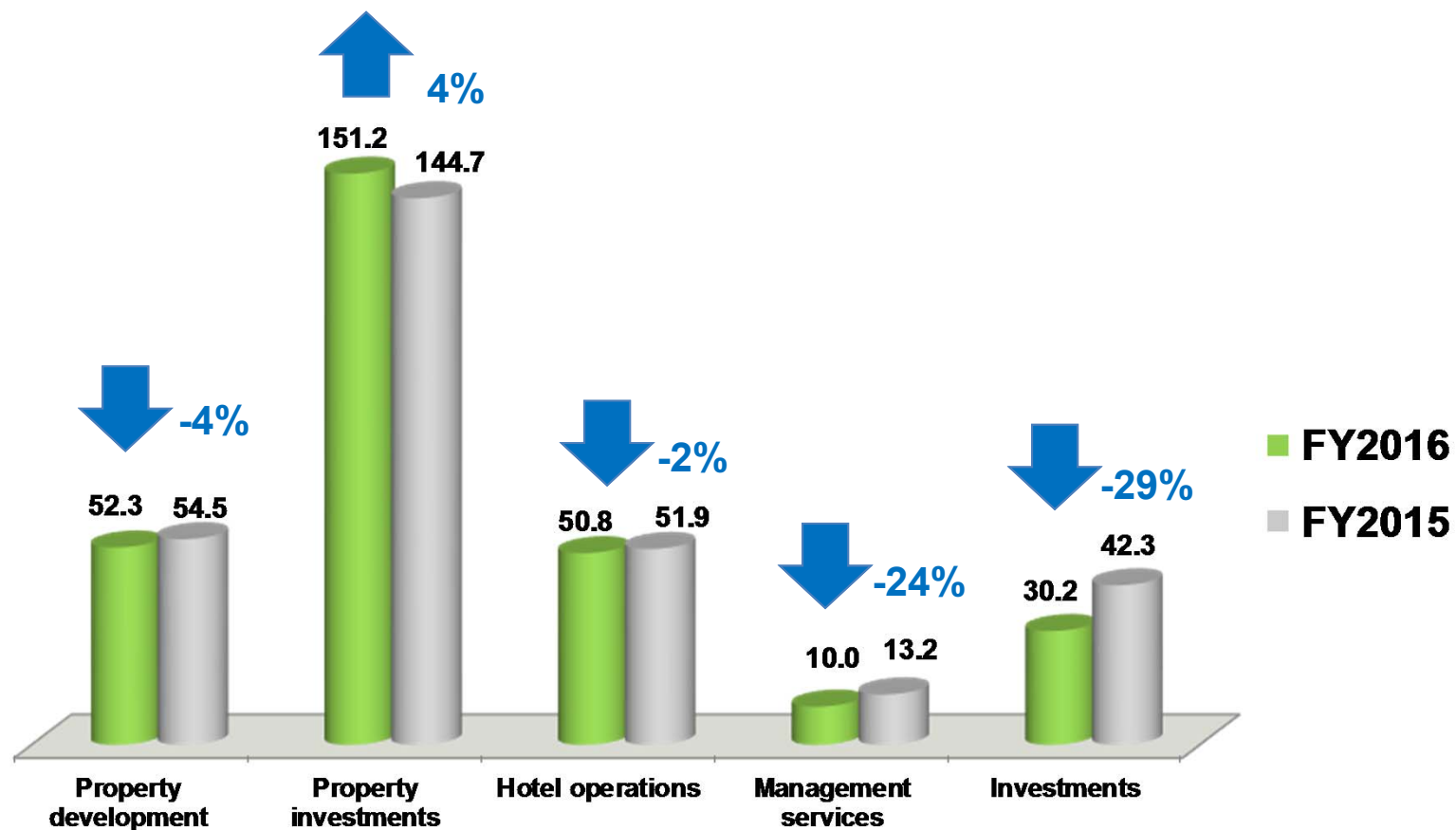
FINANCIALS REVIEW

(\$m) Revenue by Business Segments 2016 vs 2015



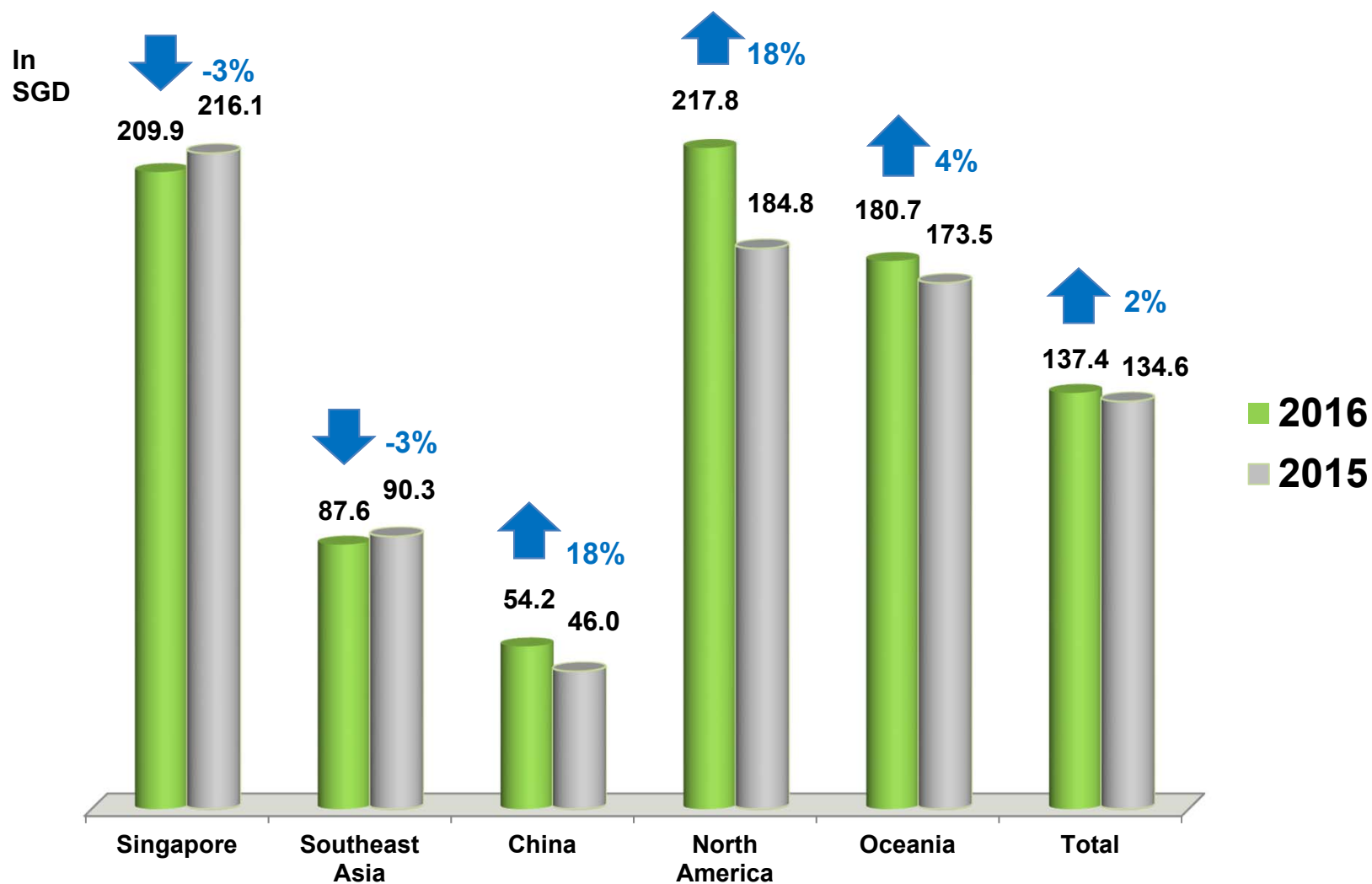
FINANCIALS REVIEW

(\$m) Operating Profit by Business Segments 2016 vs 2015



FINANCIALS REVIEW

RevPar* (2016 vs 2015**)



* RevPar = Revenue per Available Room

** For comparability, FY2015 RevPar has been translated at constant exchange rates (31 December 2016)

OUTLOOK

Residential

- Residential property remains subdued with cooling measures still in place
- Projects with good design and attributes should still attract buyers

Office

- Office rentals likely to remain under pressure due to completion of new supply in 2016 and 2017

OUTLOOK

Retail

- Retail rents expected to soften with new supply and competition from e-commerce
- Niche malls are more resilient

Hospitality

- Hospitality sector in Asia Pacific will continue to face challenges

GOING FORWARD

- Continue to stay nimble for acquisition of niche sites in Singapore
- Acquisition of completed properties for recurring income
- Continue to be stringent on cost management and reduction

AWARDS HIGHLIGHTS



CORPORATE AWARD

Brand Finance - Top 100 Singapore Brands 2016 (#34)

- UOL Group Limited

RESIDENTIAL PROJECTS

International Property Awards 2016

- Principal Garden

FIABCI Singapore Property Awards 2016

- Archipelago

HOTEL PROPERTIES

16th SIA Architectural Design Awards 2016

- PARKROYAL on Pickering

World Travel Awards 2016

- Pan Pacific Orchard
- Pan Pacific Serviced Suites Orchard

Business Traveller Asia Pacific Awards 2016

- Pan Pacific Serviced Suites Orchard

TripAdvisor Travellers' Choice Hotels 2016

- Pan Pacific Orchard
- Pan Pacific Singapore
- Pan Pacific Serviced Suites Orchard
- Pan Pacific Serviced Suites Beach Road
- PARKROYAL on Pickering
- PARKROYAL Serviced Suites Kuala Lumpur



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Q&A