



1Q 2017 | Analysts' Briefing

08 May 2017

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1Q 2017 Key Messages

1. **Net Income grew 18% to P5.6B**, reflecting a solid start for 2017
2. **Revenues increased 17% to P31.6B**, as core businesses delivered strong performance at the start of the year
3. **Property Sales take-up increased 10% to P27.3B** driven by the increased demand for residential and office for sale products
4. **Margins remain stable** across various product lines
5. **Capex spend of P21.8B** for the completion of development and leasing projects
6. **Return on Equity registered at 15%**

Net income grew 18% to P5.6B

- Real Estate Revenues higher by 16%
- GAE ratio improved to 5.7% from 6.2%
- EBIT margin maintained at 33%

Income Statement (in Php Millions)	1Q 2017	1Q 2016	Change	%
Total Revenues	31,643	26,972	4,670	17%
Real Estate*	30,797	26,663	4,134	16%
Interest & Other Income	845	309	536	173%
<i>Equity in Net Earnings of Associates and JVs</i>	138	(46)	184	338%
<i>Interest & Investment Income</i>	343	232	111	48%
<i>Other Income</i>	365	124	241	194%
Expenses	23,129	19,722	3,407	17%
Real Estate	19,220	16,358	2,862	17%
GAE	1,804	1,677	127	8%
Interest Expense, Financing and other charges	2,105	1,687	418	25%
Income Before Income Tax	8,513	7,250	1,263	17%
Provision for Income Tax	2,077	1,820	257	14%
Income before Non-Controlling Interest	6,437	5,430	1,007	19%
Non-Controlling Interest	873	721	151	21%
NIAT Attributable to ALI Equity Holders	5,564	4,708	856	18%

*Includes interest income on accretion.

Per statutory reporting (17q), interest income on accretion is classified under Interest Income

Revenues increased 17% to P31.6B

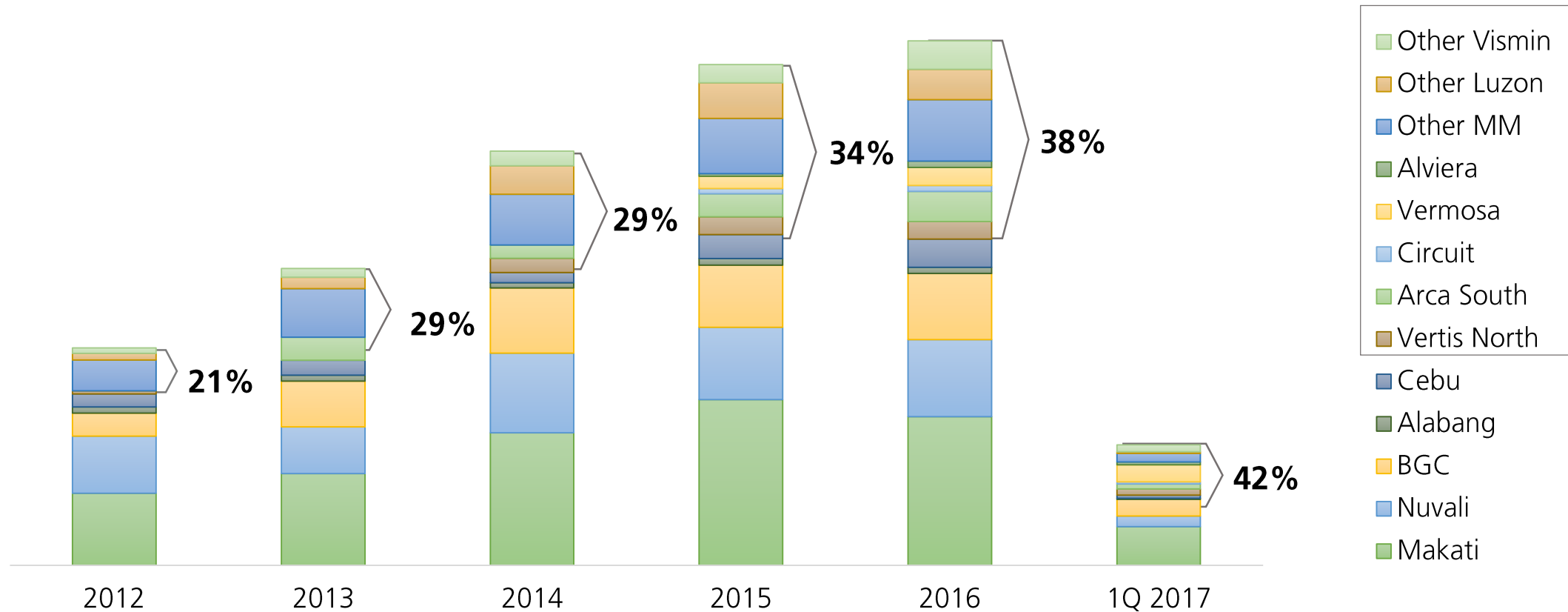
Revenue Breakdown (in Php Millions)	1Q 2017	1Q 2016	Amount	%	
Property Development	20,837	17,399	3,438	20%	
Residential	17,564	15,925	1,638	10%	<i>New bookings and project completion</i>
Office for Sale	1,629	1,306	324	25%	<i>Contribution of ALVEO Park Triangle Towers</i>
Comm'l/Ind'l lots	1,644	168	1,477	881%	<i>Lot sales in Arca South, Vermosa and Naic</i>
Commercial Leasing	7,048	6,454	594	9%	
Shopping Center	3,836	3,424	412	12%	<i>Contribution of new malls such as The 30th, Tutuban Center and UP Town Center</i>
Office	1,477	1,363	113	8%	<i>Contribution of newly opened offices such as UP Town Center, UP Technohub Bldg P, Ayala Center Cebu Corporate Center</i>
Hotels and Resorts	1,736	1,666	69	4%	<i>Higher occupancy and REVPAR of hotels and resorts</i>
Services	15,309	14,885	423	3%	
Gross Construction	14,966	14,542	424	3%	<i>Increase in order book and higher completion</i>
Property Mgmt.	342	343	(1)	0%	
Sub –Total	43,194	38,738	4,456	12%	
Interco Adjustments	(12,397)	(12,075)	(322)	3%	<i>Elimination of intercompany profits arising from internal construction projects.</i>
Real Estate Revenues	30,797	26,663	4,134	16%	
Interest & Other Income	845	309	536	173%	
Total Revenues	31,643	26,972	4,670	17%	

Margins are stable across various product lines

Margin Performance	1Q 2017	1Q 2016	
Property Development (Gross Profit)			
Residential			
Horizontal	46%	43%	Increased contribution of higher margin projects such as The Courtyards, Riomonte, Ardia and Montala
Vertical	33%	34%	
Office for Sale	41%	39%	Higher margins from Alveo Park Triangle
Commercial and Industrial Lots	30%	48%	Higher contribution from lower margin industrial lots
Commercial Leasing (EBITDA)			
Shopping Centers	67%	69%	Lower margins from newly opened malls
Office	91%	90%	
Hotels & Resorts	31%	32%	
Services (EBITDA)			
Construction and Property Management	10%	10%	

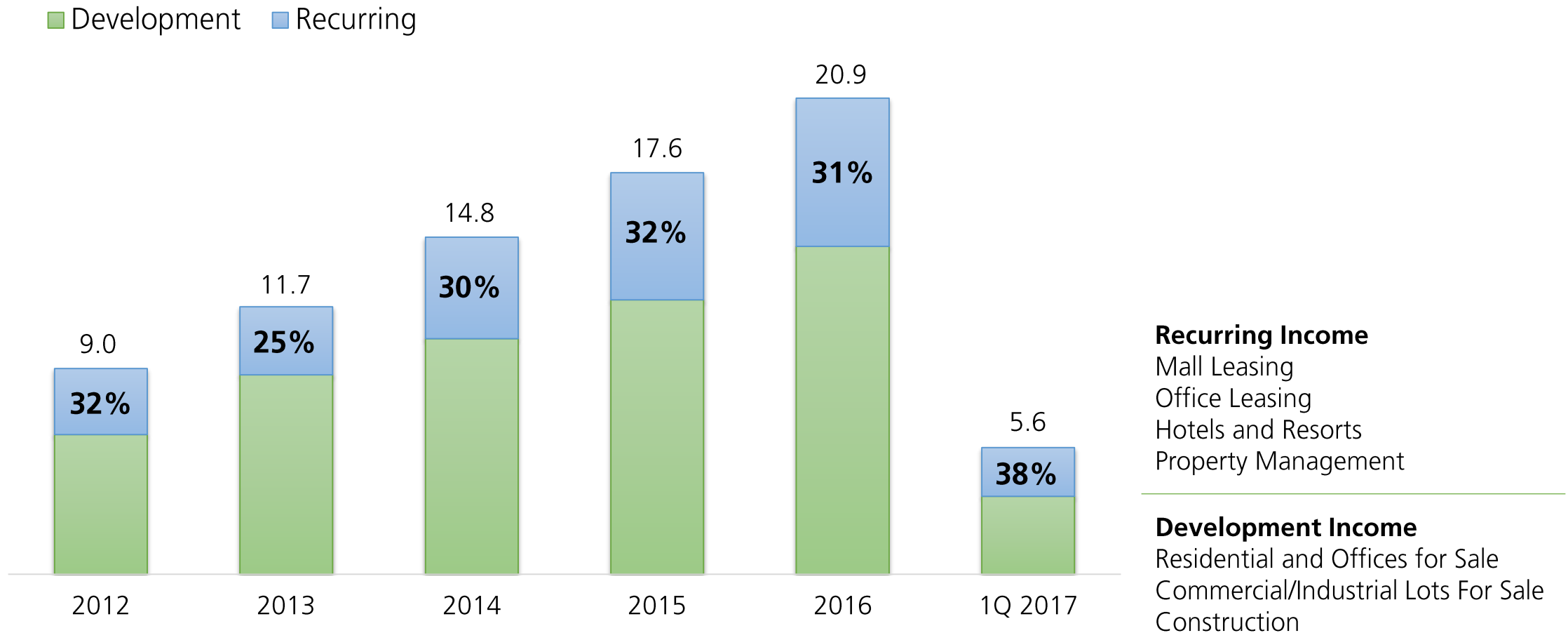
New growth centers continue to gain traction

(Net Income after tax) contribution per location



Recurring income is growing in line with the 2020-40 Plan

(Net Income after tax) contribution per business line



Note: Target is to increase the recurring income contribution to 50% by 2020

Our strong balance sheet supports growth plans

Balance Sheet (in Php Millions)	March 2017	December 2016
Cash & Cash Equivalents*	23,006	22,641
Total Borrowings	161,465	159,801
Stockholders' Equity	175,831	172,683
Current Ratio	1.13	1.12
Debt-to-Equity Ratio **	0.92	0.93
Net Debt-to-Equity Ratio**	0.79	0.79
Return on Equity***	15.0%	14.9%

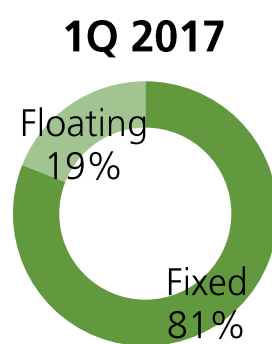
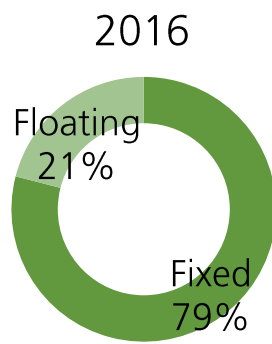
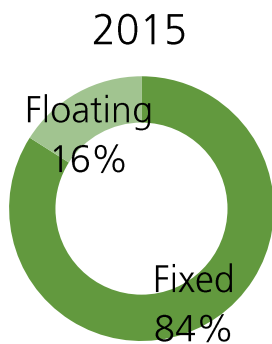
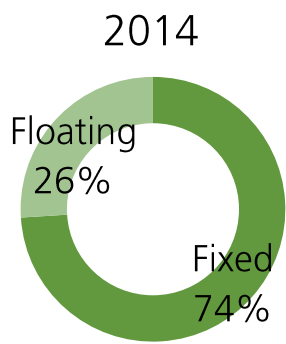
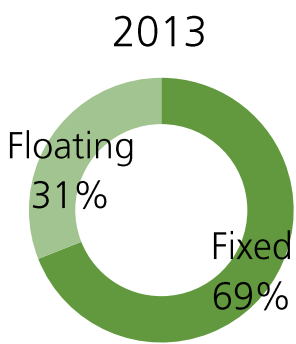
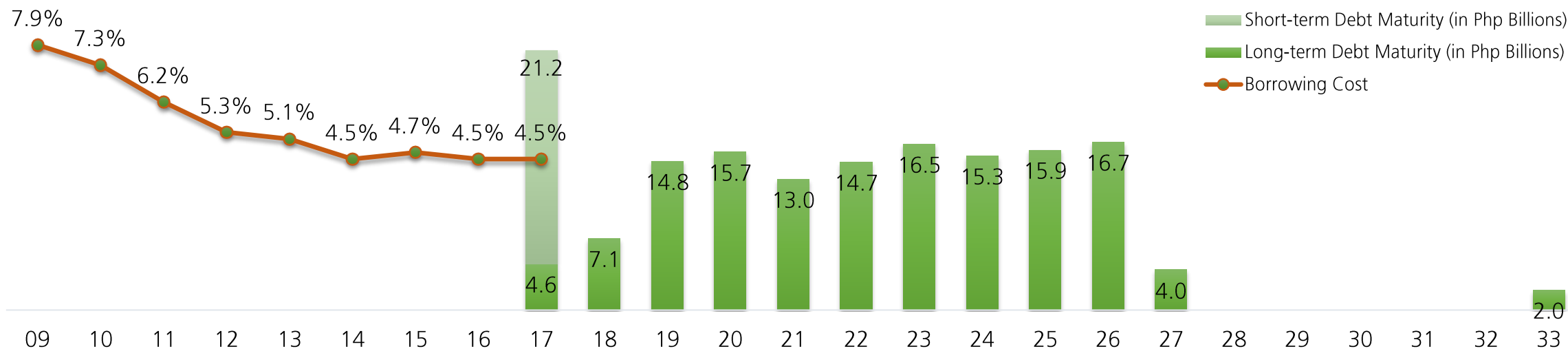
*Includes FVPL (financial assets at fair value through profit and loss)

**Consolidated debt over equity inclusive of minority interest

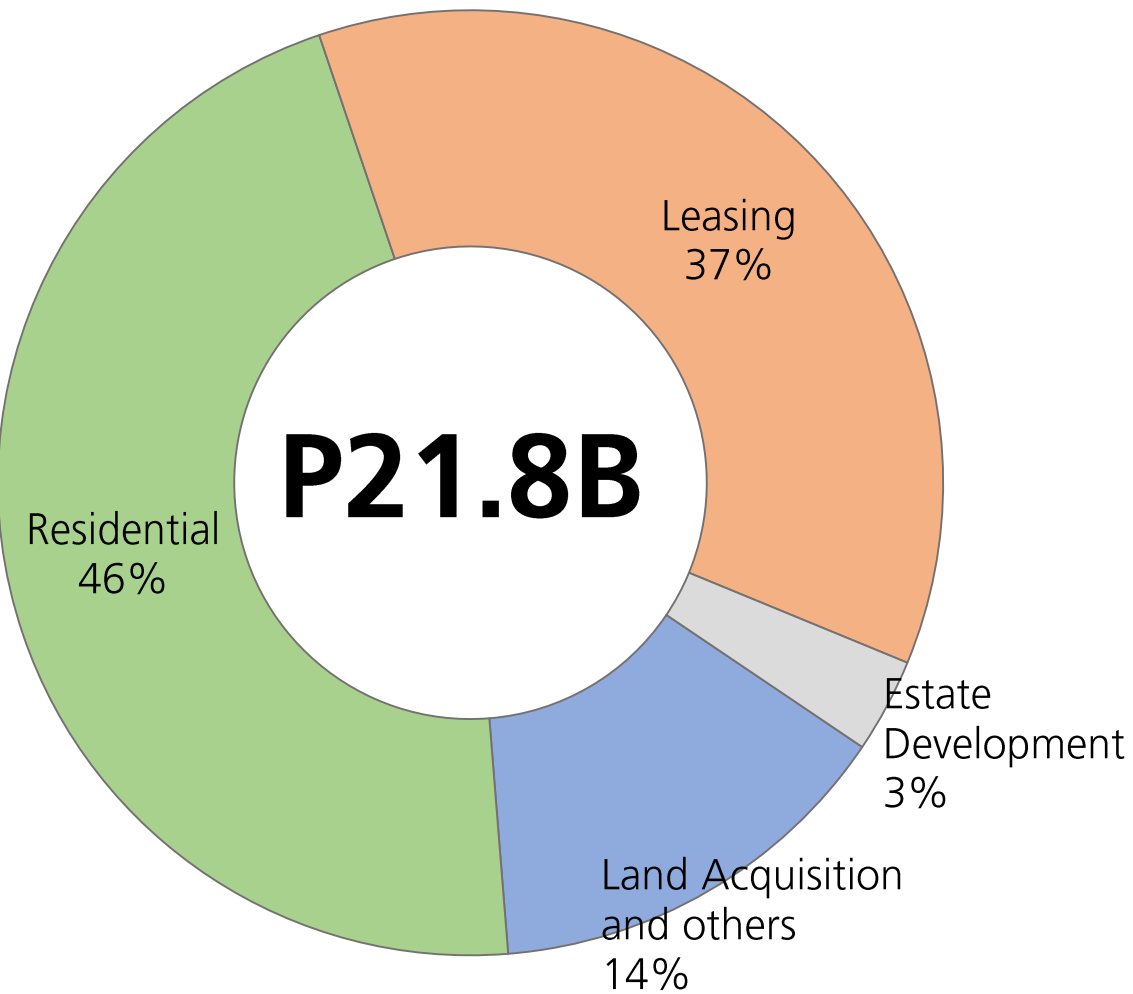
***Attributable to equity holders of ALI

Low cost of debt, stretched maturities and managed mix enhances our capital efficiency

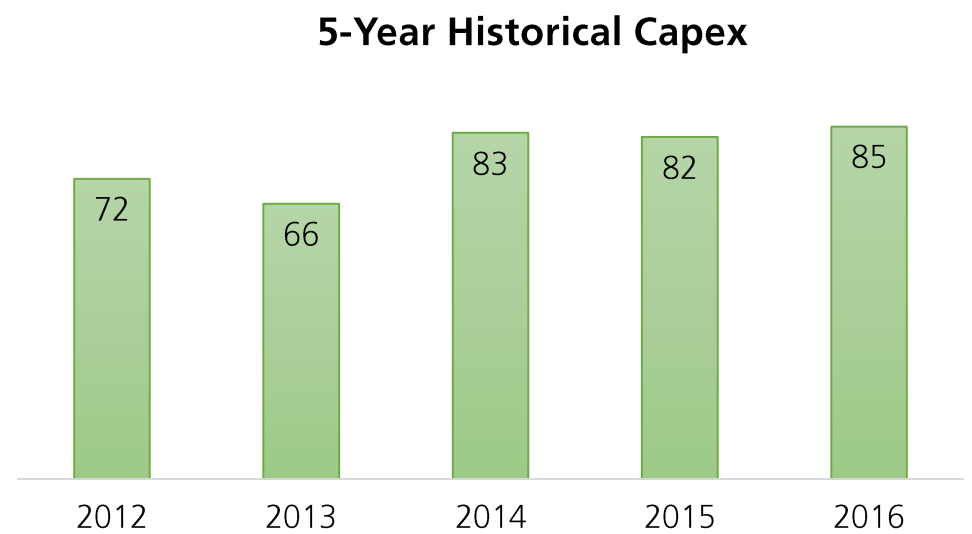
As of March 31, 2017 | Total Borrowings: **Php161.5B**: Short-term **Php21.2B** (13%), Long-term **Php140.3B** (87%)



CAPEX spend of P21.8B



Capex Breakdown (in Php Billions)	FY 2017 Budget	1Q 2017 Actual
Land Acquisition	11.0	1.4
Residential	41.0	10.0
Malls	12.0	3.4
Offices	9.0	3.3
Hotels and Resorts	5.0	1.2
Estate Development	5.0	0.7
Others*	5.0	1.8
Total	88.0	21.8

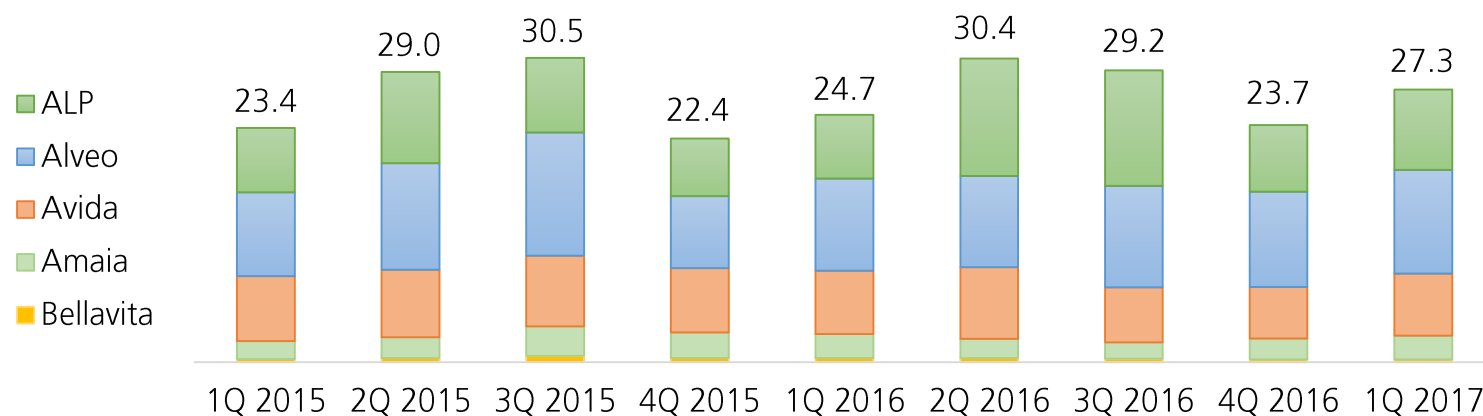


* ALI Capital, Services and other investments

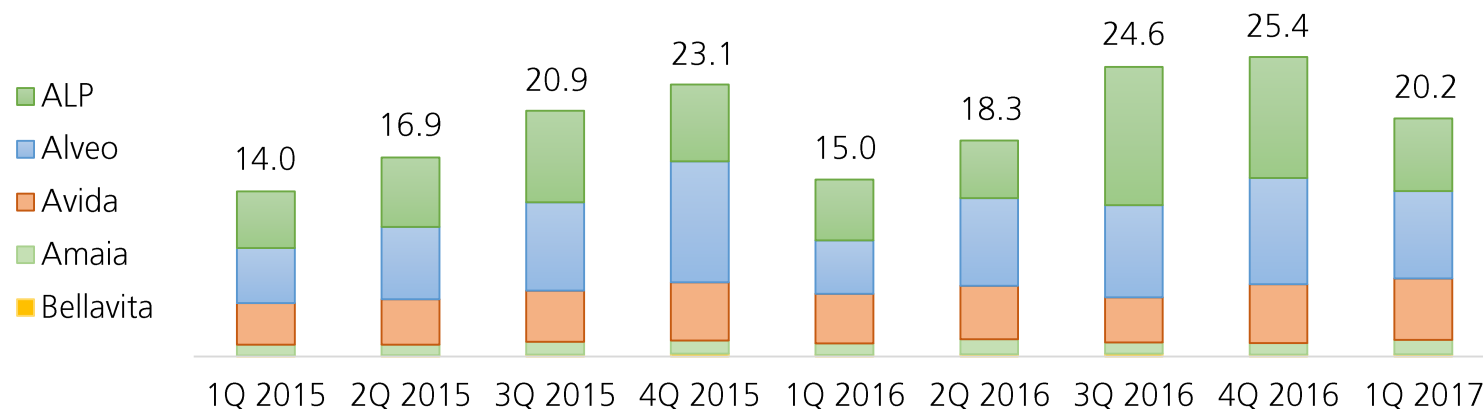
Property Development: Sales Take-up 10% higher

- **Sales Take-up: P27.3B**
(average of P9.1B in monthly sales)
- **Overseas Filipino Sales: P7.2B**
(up 16%, 26% of total sales)
- **Net Booked Sales: P20.2B**
(up 35%)
- **Launched Projects: P12.3B worth**
(Residential and Office for Sale)

Sales Take-up (in Php Billions)



Net Bookings (in Php Billions)

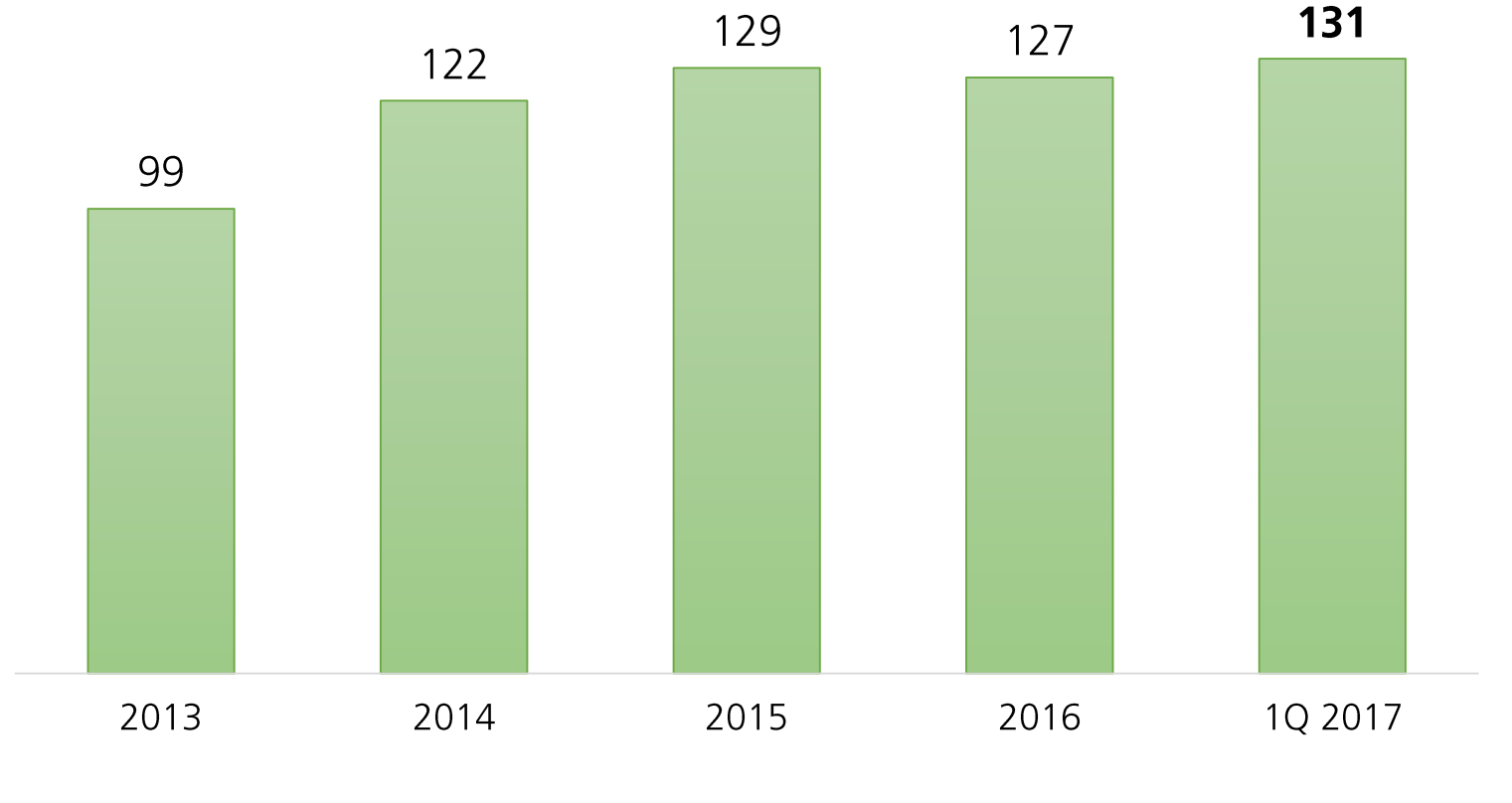


Note: Sales take-up includes Office for Sale projects under the Residential Business

Unbooked Revenues: P131B, highest level to-date

- Unbooked revenues of P131B
- 1.6x 2016 Property Development Revenues of P84.1B

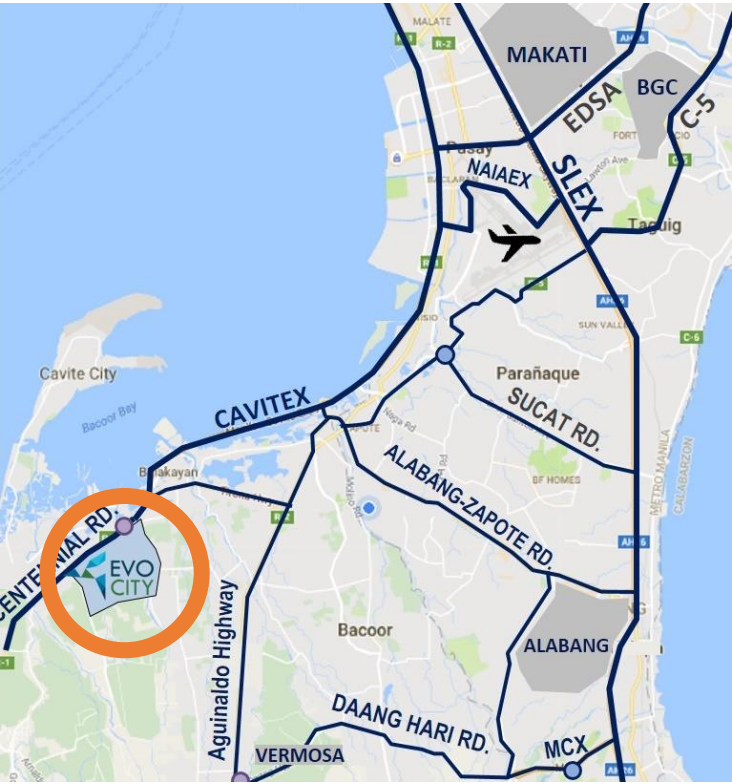
Unbooked Revenues (in Php Billions)



Key Launches: Estates



FROM	ROUTE	TIME	DISTANCE
NAIA	NAIA Expressway -CAVITEX	20 mins	18 km
Makati	EDSA-CAVITEX	50 mins	25 km
BGC	C5-Airport Rd.-Cavite	55 mins	26 km
Alabang	Alabang-Zapote Rd.	50 mins	19 km
MCX	Daang Hari Rd.-Aguinaldo Hwy.	50 mins	20 km



Evo City (May 2017)
Kawit, Cavite | 236 has.

Located just 5 kms away from CAVITEX

With 19 has. of sprawling parks and open spaces

65% Commercial
20% Residential
15% for future development

- Phase 1**
- Residential lots (41 has)
 - Commercial Lots
 - Commercial Mixed-use

Key Launches: Residential Projects



Enclaves 5 and 6 (Feb 2017)
Bacolod City, Negros Occidental
134 units, P492M | 28% cum. take-up

Key Launches: Residential Projects

ALVEO



Montala Phase 3 (Feb 2017)
Alviera, Porac Pampanga
205 units, P820M | 31% cum. take-up



Mondia Phase 2B (Feb 2017)
Alviera, Porac Pampanga
62 units, P424M | 53% cum. take-up



Brownstone Townhouses (Mar 2017)
Portico, Pasig Metro Manila
8 units, P324M | 50% cum. take-up



Travertine Tower (Mar 2017)
Portico, Pasig Metro Manila
632 units, P4.9B | 18% cum. take-up

Key Launches: Residential Projects

Avida



Towers Asten 3 (Mar 2017)
Makati, Metro Manila
863 units, P2.7B | 6% cum. take-up

Amaia



Amaia Steps Nuvali Parkway Aria B (Mar 2017)
Nuvali, Santa Rosa Laguna
90 units, P317M | 34% cum. take-up

Malls: GLA of 1.62M sqm*

- Ave. Occupancy Rate: 93% **
- Ave. Mall Lease Rate: P1,088/sqm/mo.
- Same Mall Rental Growth: 5%

Malls (in sqm)
1Q 2017 Total GLA

GLA
1.62M

Newly completed Malls



The 30th Pasig | 27K GLA (January 2017)

**excludes OCLP Malls GLA of 147.5K and Residential retail spaces of 2k*

***Occupancy rate of stable malls at 95%*

Malls: Construction Pipeline

2017 Upcoming Openings

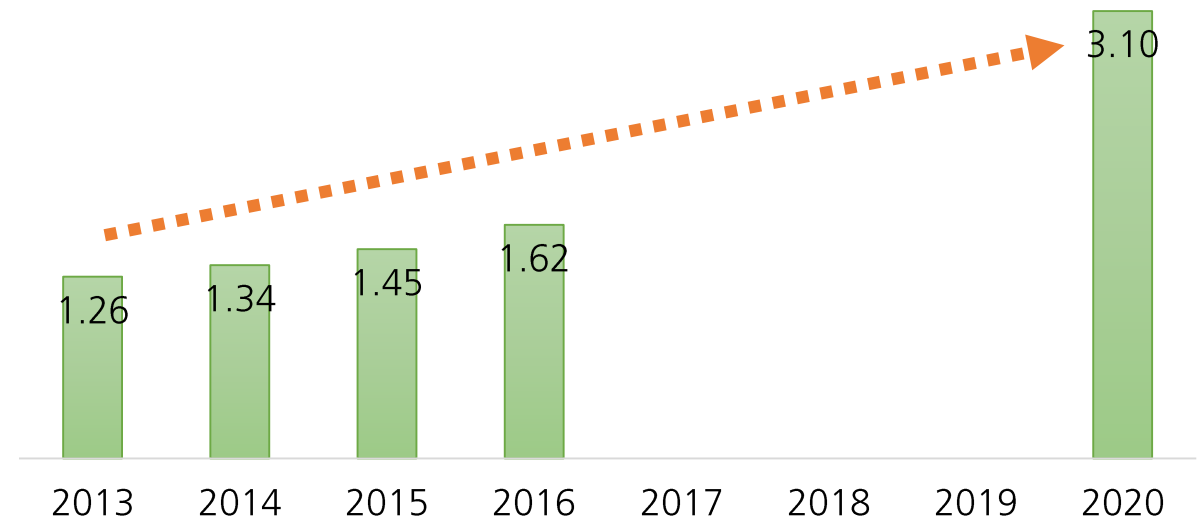


Ayala Malls Vertis North | 40K GLA (Opening June 2017)



Malls GLA : 1.2 to 3.1
(in million sqm)

Malls GLA
under construction:
973k*



**excludes residential retail spaces under construction of 64k*

Offices: GLA of 836K sqm*

- Ave. Occupancy Rate: 85% **
- Ave. Office Lease Rate: P740/sqm/mo. (up 2%)
- Ave. Leased-out rate: 96%

Offices (in sqm)
1Q 2017 Total GLA

GLA
836K

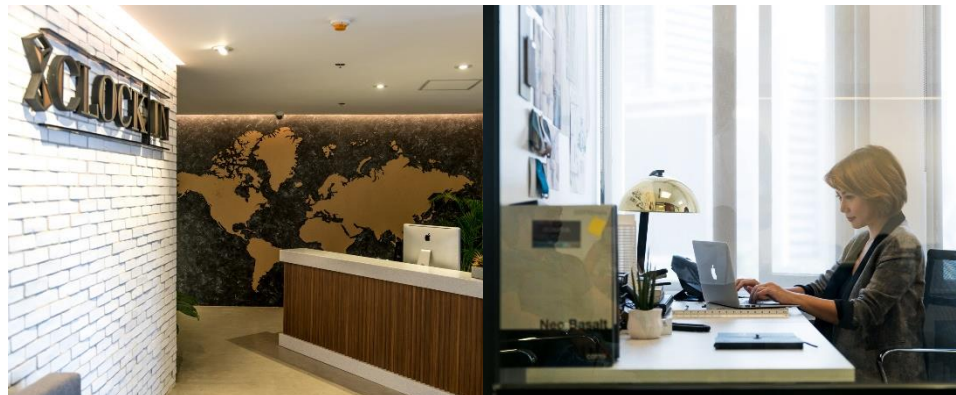
Newly completed Office Spaces



Clock In MSE | 400 sqm GLA
(March 2017)

Serviced office with fully equipped and furnished space for start-up ventures, SMEs, groups working on a per-project basis, digital nomads and online professionals, freelancers, road warriors, and swing space users.

Seating capacity: 107



*excludes OCLP Offices GLA of 66K
**Occupancy rate of stable offices at 96%

Offices: Construction Pipeline

2017 Upcoming Openings



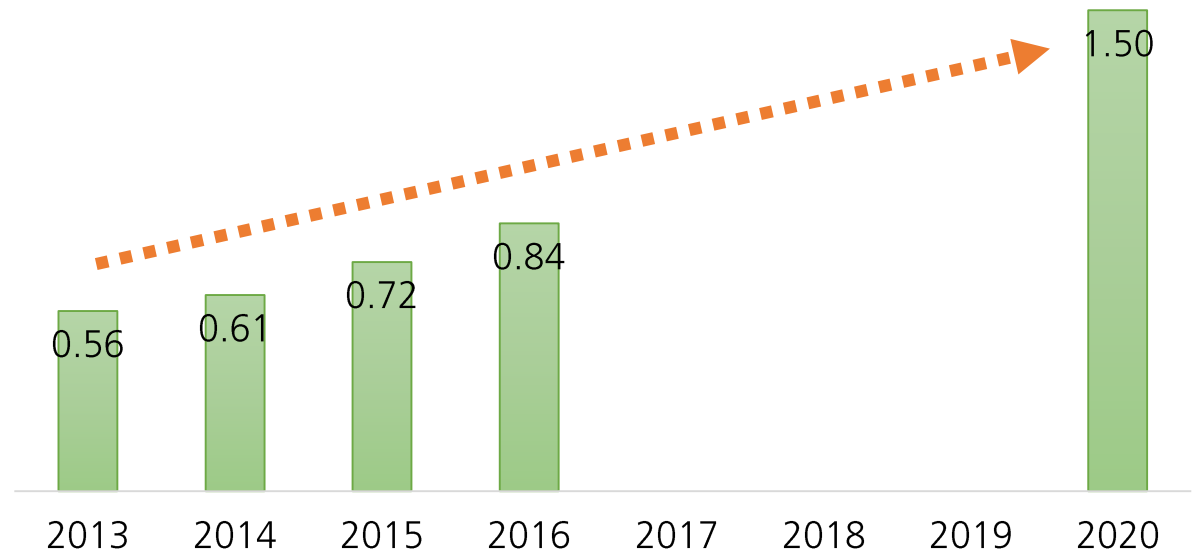
Circuit BPO 1 | 47K GLA
(Opening September 2017)

Circuit BPO 2 | 26K GLA
(Opening August 2017)

AyalaLand
OFFICES

Office GLA : 0.5 to 1.5
(in thousand sqm.)

Offices GLA
under construction:
700k



Hotels and Resorts: 2,039 rooms in operation

Newly completed rooms

1Q 2017	Hotels	Resorts
No. of rooms in operation	Branded: 961 Seda: 817	El Nido: 213 Lio: 42 Sicogon: 6
Revpar/night	P3,954 (+2%)	P10,542 (+7%)
Average room rate	P5,134 (-4%)	P15,118 (+2%)
Average occupancy	77% (+4 pts)	70% (+3 pts)

Hotels and Resorts FY 2016 Total	Rooms 2,027
2017 Key Additions	
Casa Kalaw, Lio	12
1Q 2017 Total	2,039



Casa Kalaw Lio, El Nido | 12 rooms (March 2017)

Hotels and Resorts: Construction Pipeline

2017 Recent Openings

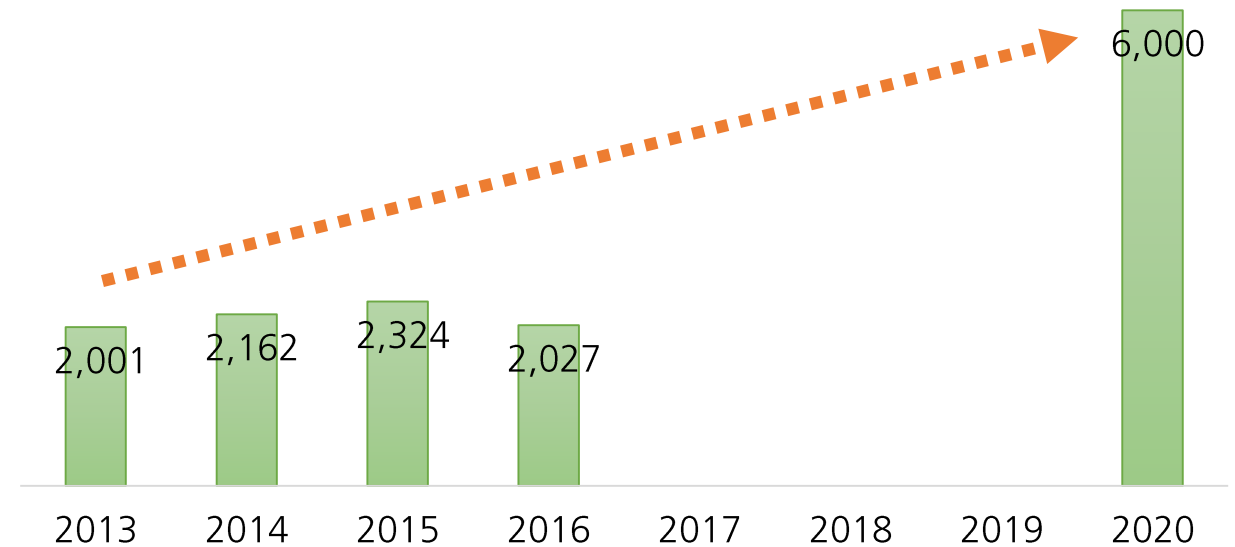


Seda Vertis North, QC | 438 rooms (April 2017)



Hotels & Resorts : 2.0k to 6.0k
(in thousand rooms)

Rooms
under construction:
3,743



In Summary

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2. **Revenues increased 17% to P31.6B**, as core businesses delivered strong performance at the start of the year
3. **Property Sales take-up increased 10% to P27.3B** driven by the increased demand for residential and office for sale products
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