Analysts' Briefing
9M 2019

05 November 2019

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Key Messages

1. Net income grew 12% to P23.2B while total revenues increased 2% to P121.7B as of September 2019.

2. Property development revenues reached P85.4B, supported by office, and commercial and industrial lot sales while commercial leasing revenues registered a 16% jump to P27.6B on improving performance from new leasing assets.

3. Launched P37.8B worth of residential projects in 3Q19, bringing the total to P57.3B for the first nine months of 2019, and two new estates in October.

4. Malls and Offices expanded its GLA to 2.1M and 1.2M, respectively, with the opening of Ayala Malls Manila Bay and its BPO Tower.

5. Capex spend reached P78.2B to support residential and leasing asset buildup.

Net income grew 12% to P23.2B

- Real Estate Revenues higher by 2%
- GAE ratio at 5.1%
- EBIT margin improved to 36.7% from 33.6%

Income Statement *(in Php millions)*	**9M 2019**	**9M 2018**	***Change***	**%**
Total Revenues	**121,657**	**119,681**	**1,976**	**2%**
Real Estate*	119,650	117,452	2,198	2%
Interest and Other Income	2,007	2,229	(222)	-10%
Equity in Net Earnings of Associates and JVs	704	608	96	16%
Interest and Investment Income	581	625	(44)	-7%
Other Income	723	996	(274)	-27%
Expenses	**85,836**	**86,870**	**(1,034)**	**-1%**
Real Estate	70,474	73,120	(2,645)	-4%
GAE	6,173	5,945	228	4%
Interest expense, financing and other charges	9,189	7,805	1,384	18%
Income before Income Tax	35,821	32,811	3,010	9%
Provision for Income Tax	9,537	8,815	722	8%
Income before Non-Controlling Interest	**26,284**	**23,995**	**2,289**	**10%**
Non-Controlling Interest	3,074	3,226	(152)	-5%
NIAT attributable to ALI Equity Holders	**23,210**	**20,770**	**2,440**	**12%**

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

Revenues increased 2% to P121.7B

Revenue Breakdown *(in Php millions)*	**9M 2019**	**9M 2018**	**Change**	**%**	
Property Development	**85,433**	**87,454**	**(2,022)**	**-2%**	
Residential	67,890	74,508	(6,618)	-9%	*Lower contribution of ALP and ALVEO projects*
Office for Sale	11,053	7,331	3,722	51%	*Completion progress and new bookings from Alveo Financial Tower, High Street South and Alveo Park Triangle Tower*
Comm'l and Ind'l lots	6,490	5,615	875	16%	*Lot sales in Altaraza, Vermosa, Nuvali and Evo City*
Commercial Leasing	**27,624**	**23,883**	**3,742**	**16%**	
Shopping Center	15,016	13,570	1,446	11%	
Office	7,209	5,712	1,527	26%	*Increased contribution of new malls, offices and hotels*
Hotels and Resorts	5,400	4,601	799	17%	
Services	**6,593**	**6,115**	**478**	**8%**	
Net Construction	2,541	2,054	487	24%	*Higher revenues from external contracts*
Property Mgmt. and others*	4,053	4,062	(9)	0%	
Real Estate Revenues	**119,650**	**117,452**	**2,198**	**2%**	
Interest and Other Income	2,007	2,229	(222)	-10%	
Total Revenues	**121,657**	**119,681**	**1,976**	**2%**	

**Includes APMC, energy distribution companies and AirSwift*

Margins are within healthy levels

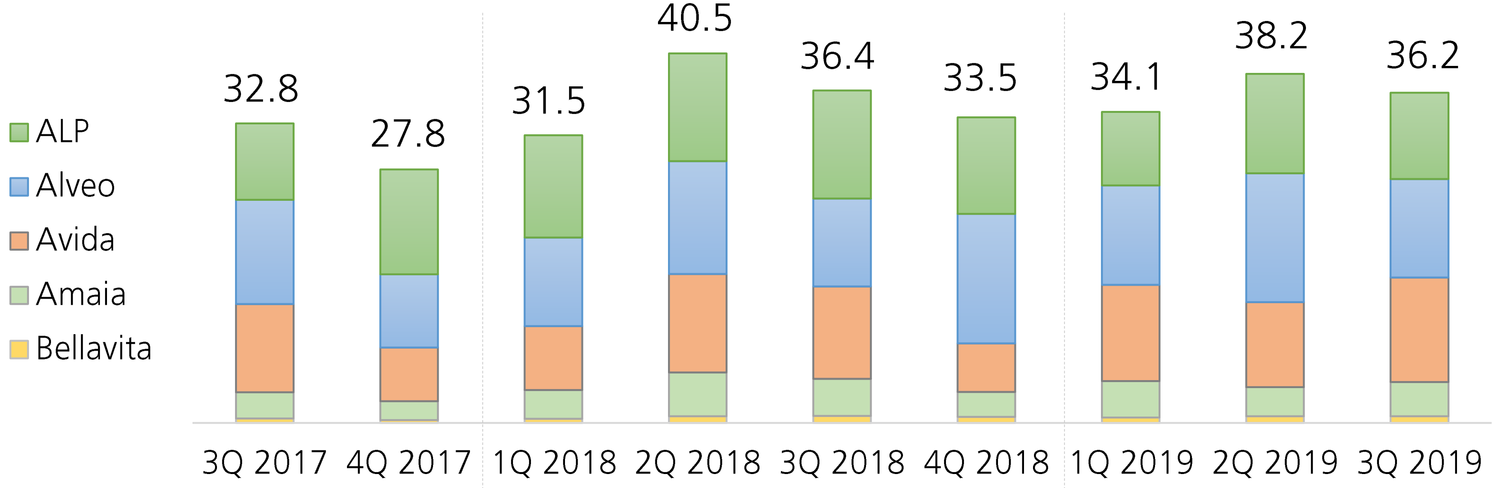
Margin Performance	9M 2019	9M 2018	
Property Development (Gross Profit)			
Residential			
Horizontal	*43%*	*43%*	
Vertical	*39%*	*37%*	*Higher margins from ALP's Alcoves and West Gallery Place, ALVEO's Orean Place Tower 1 and Avida Towers Intima Tower 1, Prime Taft Tower 3, and Sola Tower 2*
Office for Sale	*39%*	*35%*	*Improved margins of High Street South Corp Plaza Tower 2, ALVEO Park Triangle Towers, Stiles East and One Vertis Plaza*
Commercial and Industrial Lots	*60%*	*44%*	*Higher margins of commercial lots in Altaraza, Evo City, Nuvali and Alviera*
Commercial Leasing (EBITDA)			
Shopping Centers	*67%*	*65%*	*Higher occupancy of Ayala Malls Vertis North, Feliz, Circuit Makati, Marikina and Cloverleaf*
Office	*90%*	*91%*	
Hotels and Resorts	*32%*	*29%*	*Higher occupancy and ARR of Seda Ayala Center Cebu and Lio*
Services (EBITDA)			
Construction and Property Management	*10%*	*9%*	

Sales reservations at P108.5B, P57.3B in launched projects

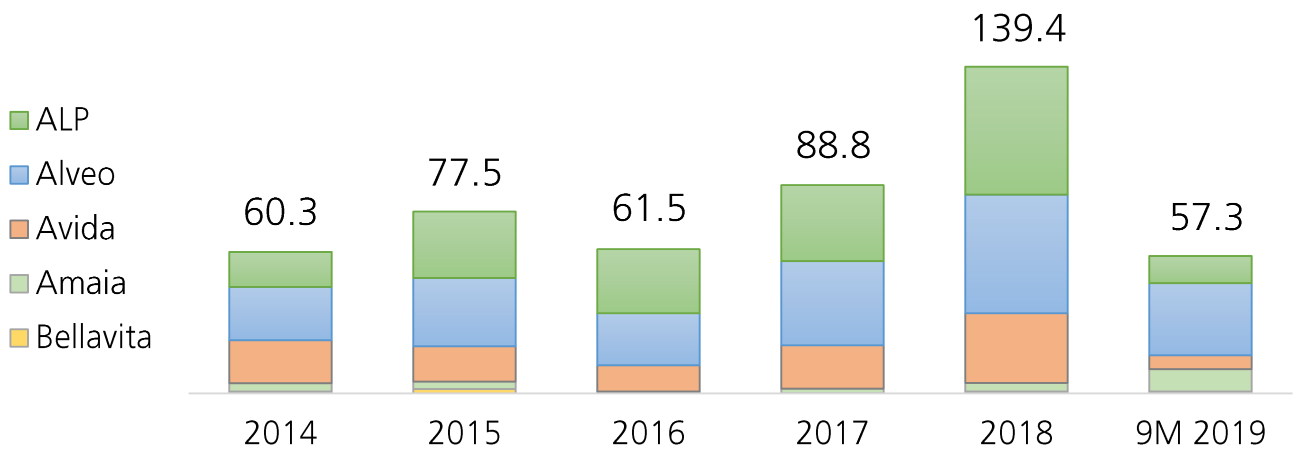
Sales Reservations
- 9M19 at P108.5B (average of P12.1B/month)
- 3Q19 at P36.2B

9M19 Launched Projects: P57.3B
(3Q19: P37.8B, 17 projects)

Sales Reservations (in Php Billions)



Project Launches (in Php Billions)



3Q19: P37.8B
(17 projects)

Note: Sales Reservations include offices and commercial lots for sale under the residential brands

Sales to other nationalities at 16%, unbooked revenues of P151B

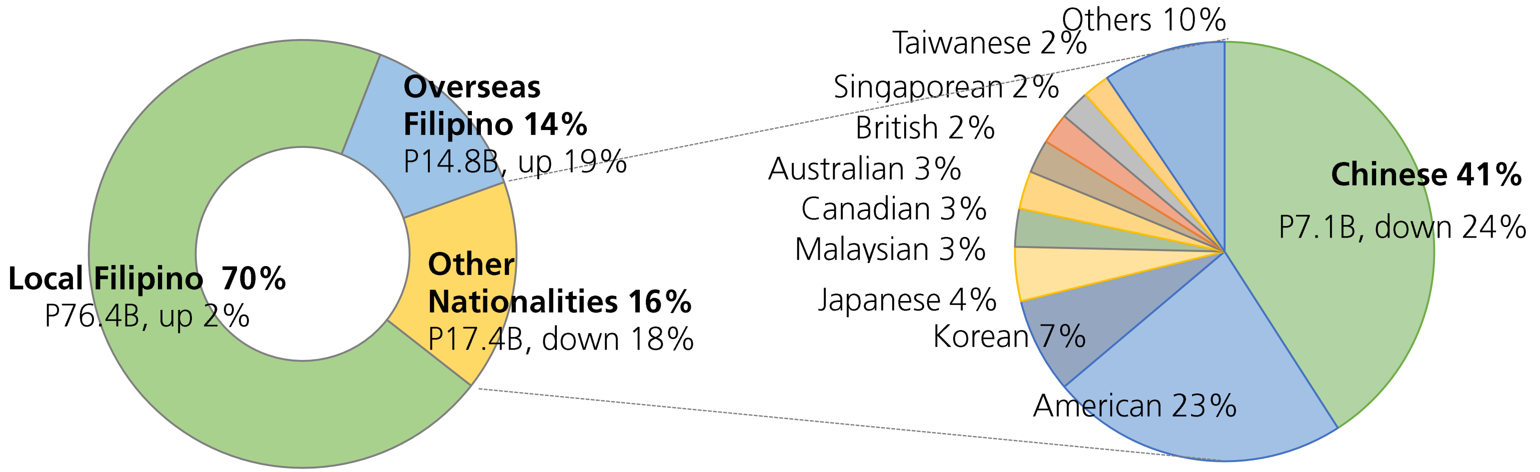
Local Filipinos: 70%
- P76.4B, up 2%

Overseas Filipino: 14%
- P14.8B, up 19%

Other Nationalities: 16%
- P17.4B, down 18%

Unbooked Revenues
- P151B, 1.3x 2018 Property Development Revenues of P120B

Sales Breakdown



Unbooked Revenues (in Php Billions)

Key Launches: Estates

ALVEO Broadfield

Broadfield (October)
Binan, Laguna | 120 ha.

- Located at the heart of South Luzon's thriving residential, leisure, industrial and manufacturing center
    - 4km from Nuvali
    - Accessible from Governors Drive and Sta. Rosa Tagaytay Road.
- 40 ha residential | 80 ha commercial
    - 8 hectares of parks and open spaces
- Phase 1 – 36.6 ha gross land
    - Saleable – 16 ha | 87 lots
    - Tranche 1 – 35 lots
    - Ave selling price of P185M/ lot
- Sold P2.8B comm lots on launch date

Key Launches: Estates

The Junction Place (October)
Quezon City | 11 ha.

- Strengthening ALI's footprint in Quezon City, following the success of Vertis North and Cloverleaf
- Transit oriented development connecting Novaliches to the other key hubs in Quezon City and Manila
- Anchored by Amaia development to serve economic segment demand
- P8 billion total investment
- P494M of commercial lots sold
- 16% Residential, 39% Commercial, 45% Common Space

Key Launches: Residential Projects

AyalaLand PREMIER

Andacillo (September)
Nuvali, Laguna
188 units, P3.0B | 93% take-up

The Courtyards Phase 4 (September)
Vermosa, Cavite
71 units, P1.5B | 40% take-up

Key Launches: Residential Projects

ALVEO

Patio Suites Tower 2 (September)
Davao City, Davao Del Sur
222 units, P3.3B | 12% take-up

Parkford Suites (September)
Legaspi Village, Makati CBD
163 units, P8.2B | 19% take-up

Key Launches: Residential Projects

Avída

Serin East Tower 3 (July)
Tagaytay, Cavite
472 units, P2.4B | 12% take-up

Avida Towers Vireo Tower 3 (August)
Arca South, Taguig City
551 units, P2.2B | 55% take-up

Key Launches: Office for Sale

ALVEO

Cerca Enterprise Plaza (September)
Alabang, Muntinlupa
343 units, P8.3B | 7% take-up

Malls: GLA of 2.08M sqm

Newly Opened

- Occupancy:
  - Average 89%
  - Stable Malls 94%
- Same Mall Rental Growth: 10%

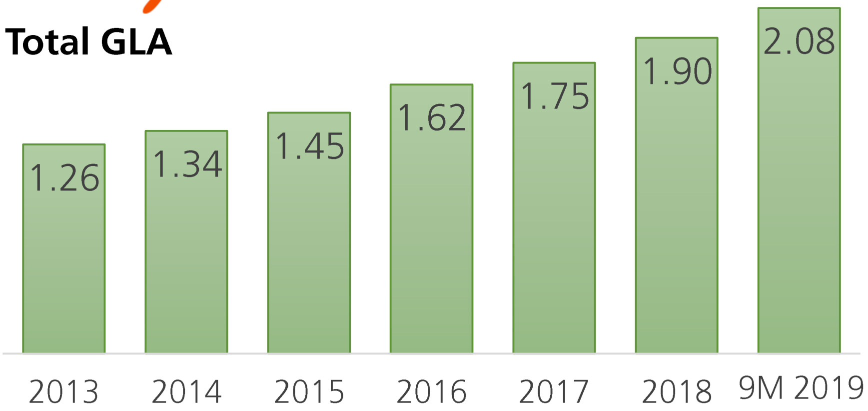
Ayala Malls Manila Bay (September)
Pasay MM, 161K GLA

Malls: Upcoming Openings

Upcoming Openings

Ayala Malls

Total GLA



Total Malls GLA under construction: **558K**

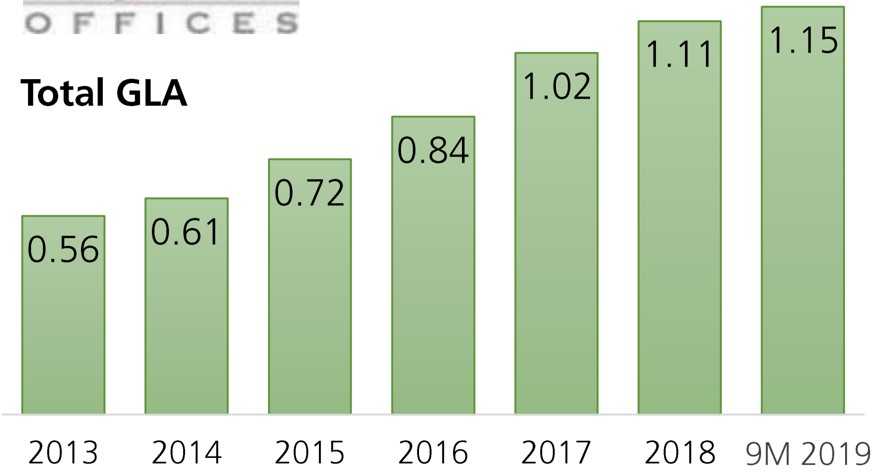
Ayala Malls Central Bloc
Cebu, 44K GLA (4Q19)

Offices: GLA of 1.15M sqm, completed Manila Bay BPO (19k sqm)

- Occupancy:
  - Average 95%
  - Stable Offices 96%

AyalaLand OFFICES

Total GLA



Total Offices GLA under construction: **388k**

Completed

Manila Bay BPO | Pasay MM, 19K GLA (September)

Upcoming Openings

Central Bloc 1
Cebu IT Park, 30K GLA (4Q19)

BGC Corporate Center 2
BGC Taguig, 27K GLA (2020)

Hotels and Resorts: 3,618 rooms, opened 128 new rooms

Newly Opened

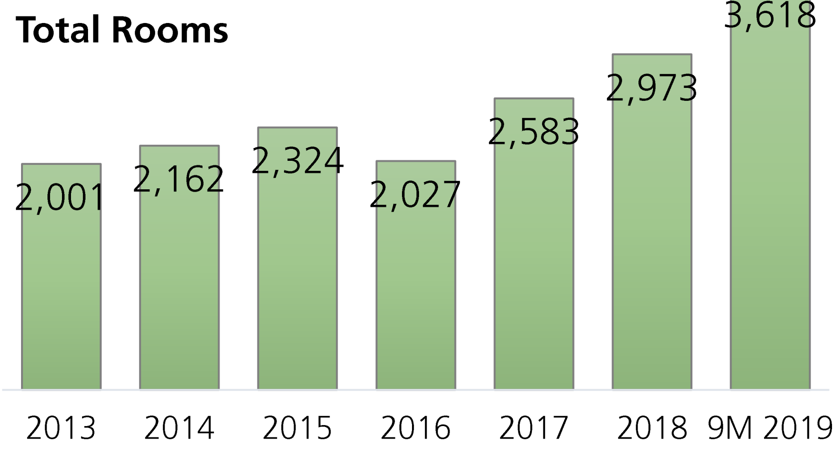
9M 2019	Hotels	Resorts
Rooms in operation	Branded: 660 Seda: 2,238 Circuit: 255	El Nido: 193 Lio B&Bs: 194 Sicogon B&Bs: 78
Occupancy		
Average	69% (-1 pt)	62% (-4 pt)
Stable	78% (+1 pt)	62% (-5 pt)

Seda BGC Expansion | BGC Taguig, 90 rooms, 232 out of 342 rooms open (Sep)

Seda Residences ANE | Makati CBD, 38 rooms, 143 out of 293 rooms open (Sep)

Hotels and Resorts: Upcoming Openings

AyalaLand HOTELS AND RESORTS



Total rooms under construction: **2,463 rooms**

Seda Residences ANE | Makati CBD, remaining 150 of 293 rooms (4Q 2019)

Seda BGC Expansion | BGC, remaining 110 of 342 rooms (4Q 2019)

Other Leasing Formats

AyalaLand LOGISTICS HOLDINGS CORP.

(FACTORY BUILDINGS and WAREHOUSES)

175K sqm GLA

Lepanto 85,000
Laguna Technopark 39,853 (+16,886 in June)
Cavite Technopark 12,604
Tutuban Storage 1,098
Alviera Industrial Park 19,412

(FY2018: 137K sqm)

the flats

2,198 Beds

Amorsolo 196 rooms | 728 beds
BGC 5th Avenue 375 rooms | 1,470 beds

(FY2018: 728 beds)

CLOCK IN

1,335 Seats

6,128 sqm of GLA

MSE 107, BHS 174, BGC Tech Center 227
Vertis North 185, The 30th 262, ANE 357, Lio 23

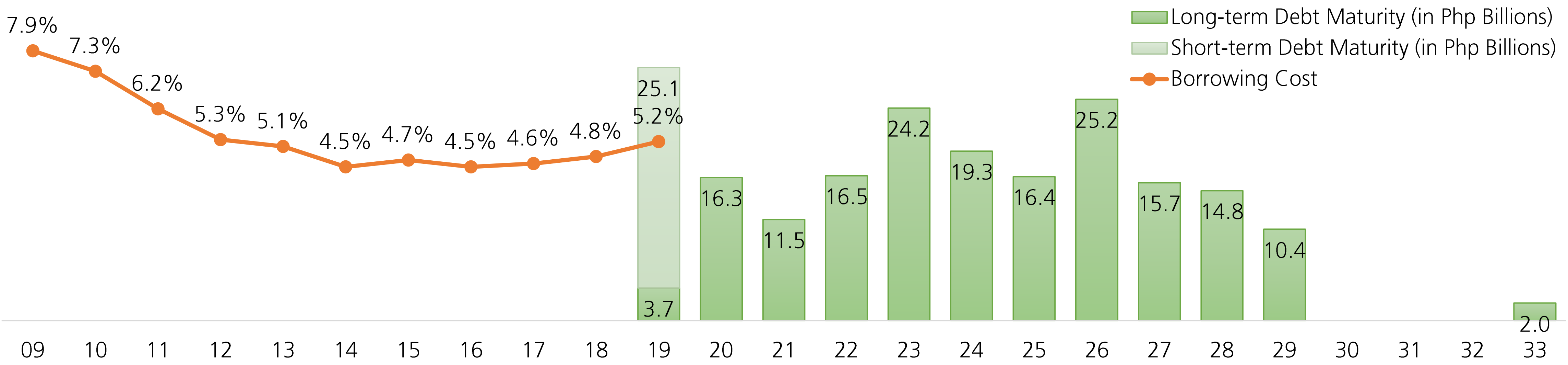
(FY2018: 433 seats)

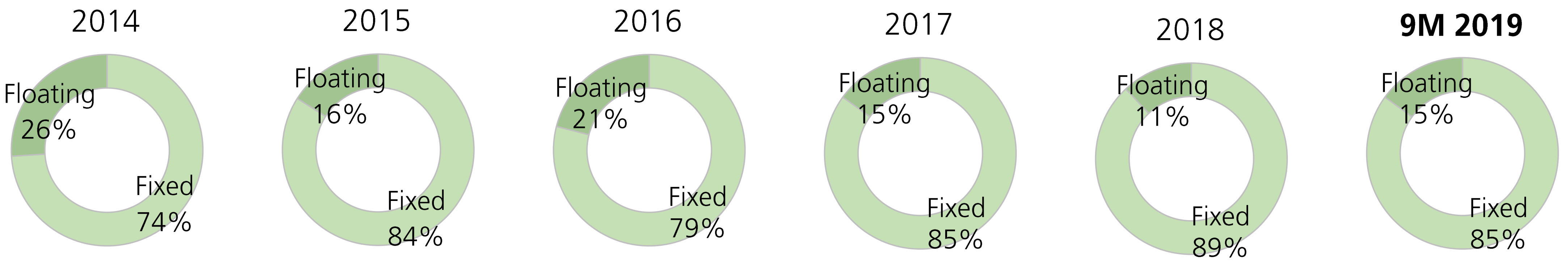
Our strong balance sheet supports our growth plan

Balance Sheet (in Php Millions)	September 2019	December 2018
Cash & Cash Equivalents	21,297	27,558
Total Borrowings	201,042	187,099
Stockholders' Equity	238,794	221,221
Current Ratio	1.31	1.26
Debt-to-Equity Ratio	0.84	0.85
Net Debt-to-Equity Ratio	0.75	0.72

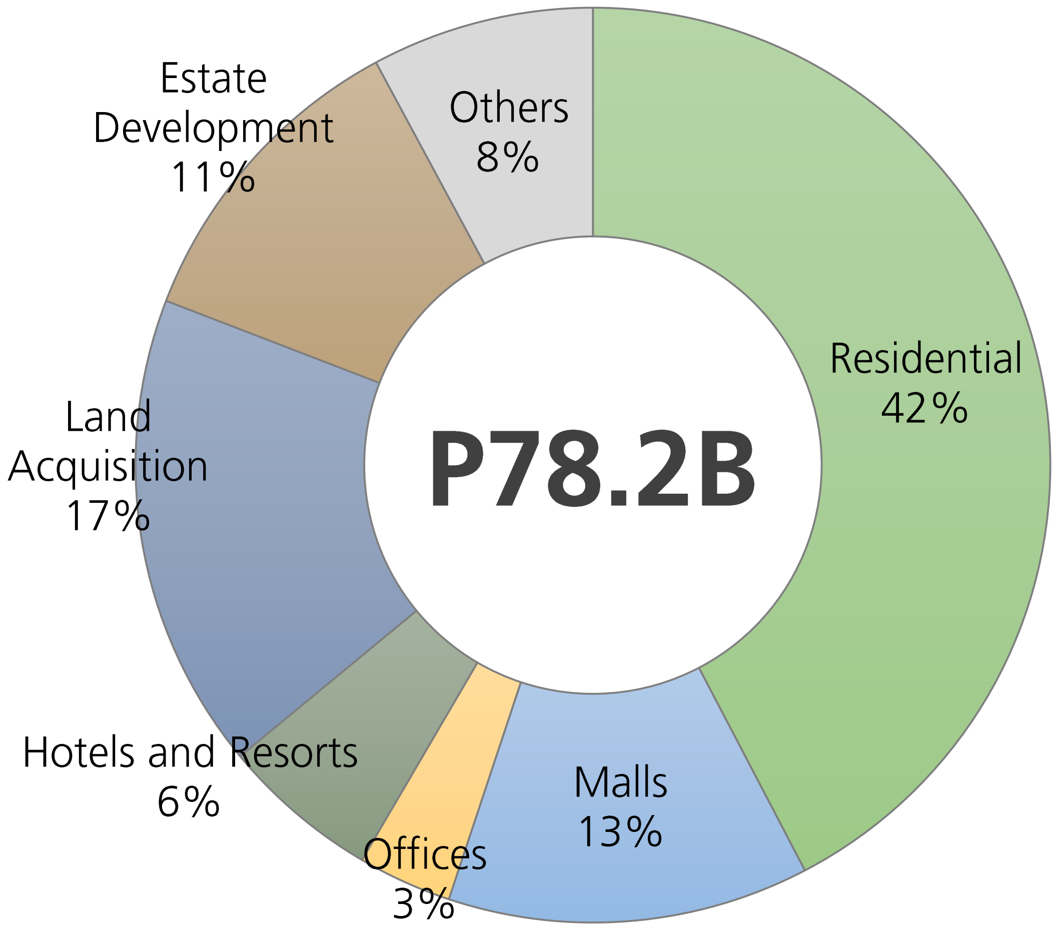
Well-managed cost of debt, stretched maturities and mix strengthen our funding capability

As of 30 Sep 2019 | Total Borrowings**: Php201.0B**: Short-term **Php25.1B** (12%), Long-term **Php176.0** (88%)



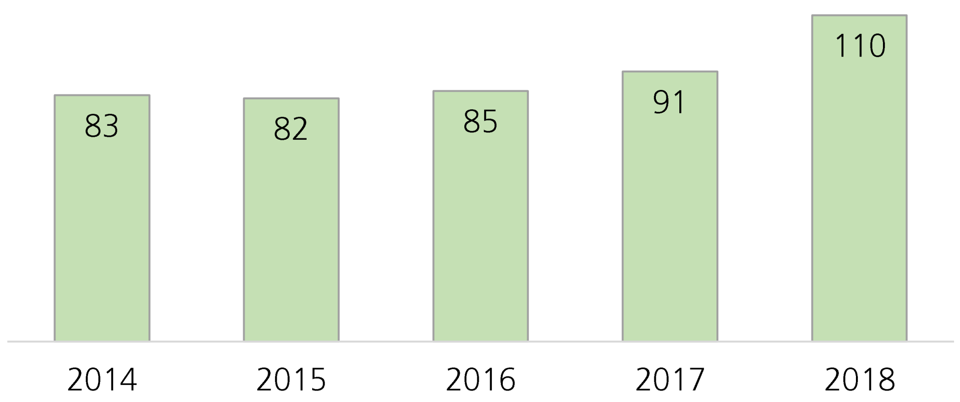


CAPEX spend of P78.2B



Capex Breakdown (in Php billions)	**9M 2019 Actual**
Residential	33.1
Malls	10.0
Offices	2.6
Hotels and Resorts	4.4
Land Acquisition	13.2
Estate Development	8.8
Others	6.1
Total	**78.2**

Historical Capex



In Summary

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