



Analyst Briefing **FY 2019**

14 February 2020

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Key Messages

1. Net income grew 13% to P33.2B while total revenues increased 2% to P168.8B.
2. Property development revenues reached P117.6B, supported by office, and commercial and industrial lot sales while commercial leasing revenues rose 13% to P39.3B fueled by the higher contribution of new leasing assets.
3. Ayala Land introduced 3 new estates and launched P158.9B worth of property development projects.
4. The leasing portfolio continued to expand with malls and offices totaling 2.1M and 1.2M sqm of GLA, respectively, and hotels and resorts with 3,705 rooms.
5. Capital expenditures amounted to P109B to support the buildup of residential and leasing projects.

Net income grew 13% to P33.2B

- Real Estate Revenues higher by 2%
- GAE ratio at 5.5%
- EBIT margin improved to 37.4% from 33.3%

Income Statement <i>(in Php millions)</i>	FY 2019	FY 2018	Change	%
Total Revenues	168,794	166,246	2,548	2%
Real Estate*	165,740	162,856	2,884	2%
Interest and Other Income	3,054	3,390	(336)	-10%
Equity in Net Earnings of Associates and JVs	966	750	216	29%
Interest and Investment Income	930	1,100	(169)	-15%
Other Income	1,158	1,541	(383)	-25%
Expenses	117,964	121,045	(3,081)	-3%
Real Estate**	95,818	101,079	(5,261)	-5%
GAE	9,367	9,101	266	3%
Interest expense, financing and other charges	12,778	10,864	1,914	18%
Income before Income Tax	50,830	45,201	5,629	12%
Provision for Income Tax	13,315	11,984	1,330	11%
Income before Non-Controlling Interest	37,515	33,217	4,298	13%
Non-Controlling Interest	4,327	3,976	351	9%
NIAT attributable to ALL Equity Holders	33,188	29,241	3,948	13%

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

**Includes interest expense related to PFRS 16 (Leases). Per statutory reporting (17q) Interest expense related to Leases is classified under Interest Expense

Revenues increased 2% to P168.8B

Revenue Breakdown (in Php millions)	FY 2019	FY 2018	Change	%	
Property Development	117,581	120,255	(2,674)	-2%	
Residential	93,218	101,110	(7,892)	-8%	Lower contribution of ALP and ALVEO projects
Office for Sale	13,098	11,417	1,680	15%	Completion progress and new bookings from Alveo High Street South Corporate Plaza, Park Triangle Tower and Alveo Financial Tower
Comm'l and Ind'l lots	11,265	7,728	3,537	46%	Lot sales in Altaraza, Vermosa, Nuvali and Broadfield
Commercial Leasing	39,311	34,909	4,402	13%	
Shopping Center	22,019	19,908	2,111	11%	Increased contribution of new malls, offices and hotels
Office	9,668	8,614	1,054	12%	
Hotels and Resorts	7,624	6,387	1,237	19%	
Services	8,847	7,691	1,157	15%	
Net Construction	3,395	2,394	1,001	42%	Higher revenues from external contracts
Property Mgmt. and others*	5,453	5,297	155	3%	
Real Estate Revenues	165,740	162,856	2,884	2%	
Interest and Other Income	3,054	3,390	(336)	-10%	
Total Revenues	168,794	166,246	2,548	2%	

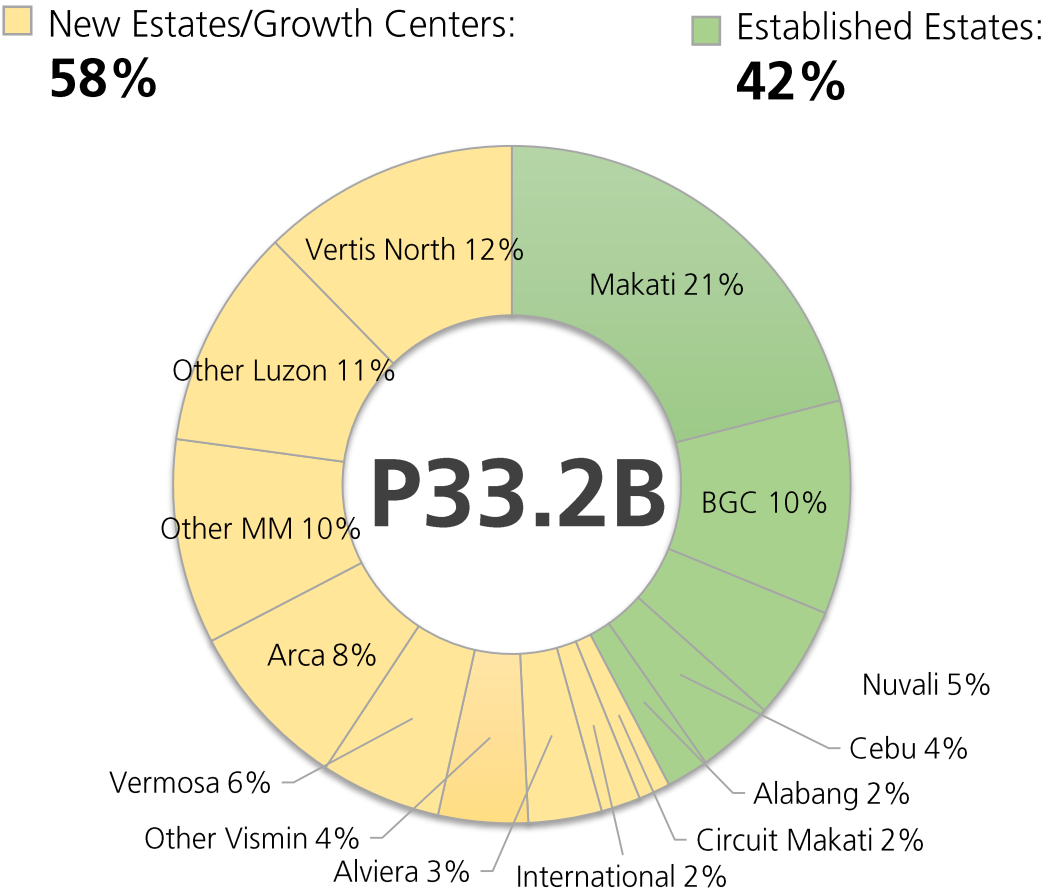
*Includes APMC, energy distribution companies and AirSwift

Healthy margins boost bottom line growth

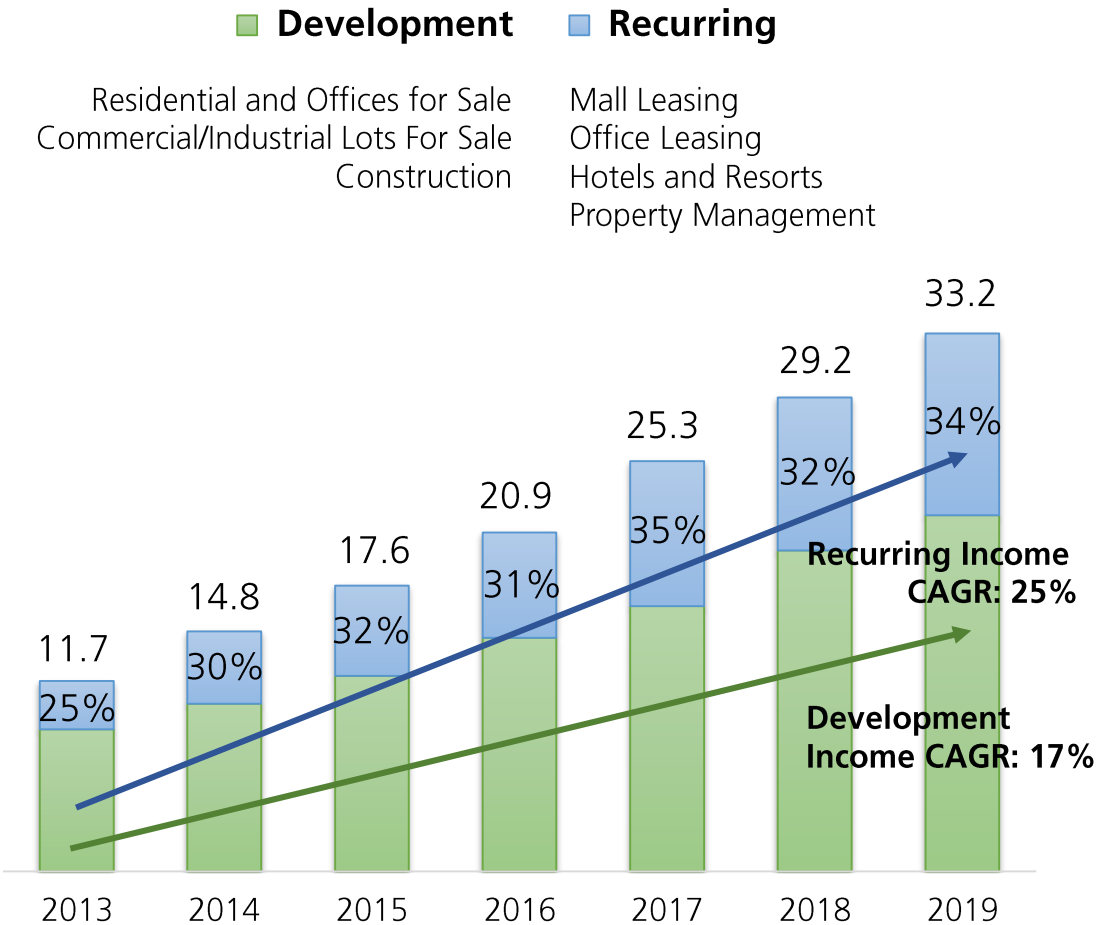
Margin Performance	FY 2019	FY 2018	
Property Development (Gross Profit)			
Residential			
Horizontal	45%	44%	
Vertical	39%	34%	Higher margins from ALP's Park Central South Tower, Garden Towers 2 and East Gallery Place, Alveo's Orian Place Tower 1, Celadon and Travertine and Avida Towers Sola Tower 2
Office for Sale	43%	33%	Improved margins of Alveo High Street South Corporate Plaza, Park Triangle Tower and Alveo Financial Tower
Commercial and Industrial Lots	62%	50%	Higher margins of commercial lots in Nuvali, Arca South, Altaraza and Broadfield
Commercial Leasing (EBITDA)			
Shopping Centers	66%	66%	
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%	

Higher income share from new estates; recurring income growth outpace development

Net Income share by location



Net Income share by business line



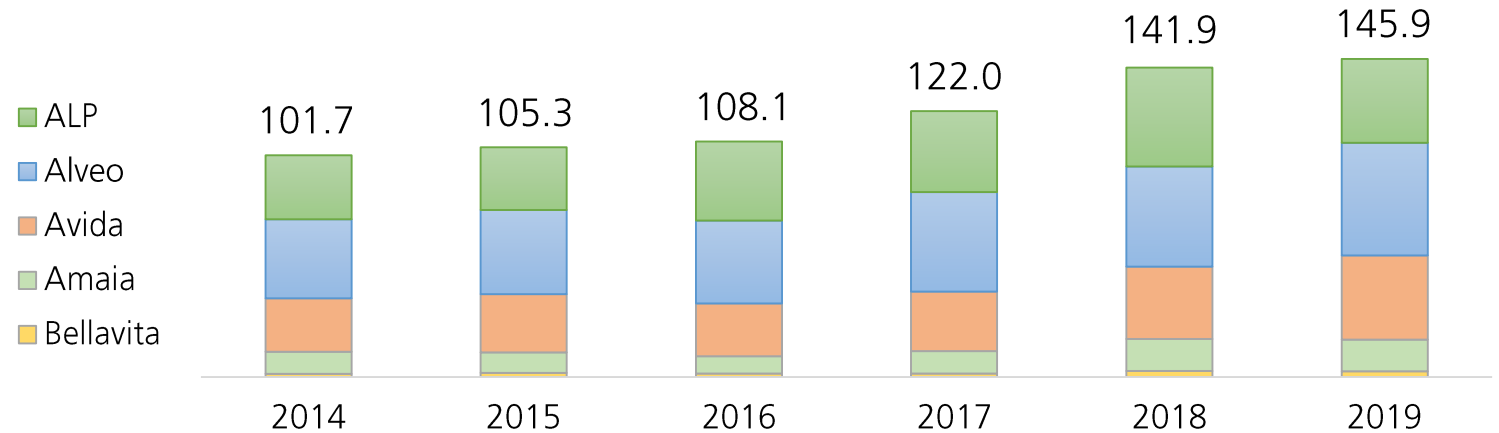
Sales grew 3% to P145.9B, launched P158.9B worth of projects

Sales Reservations

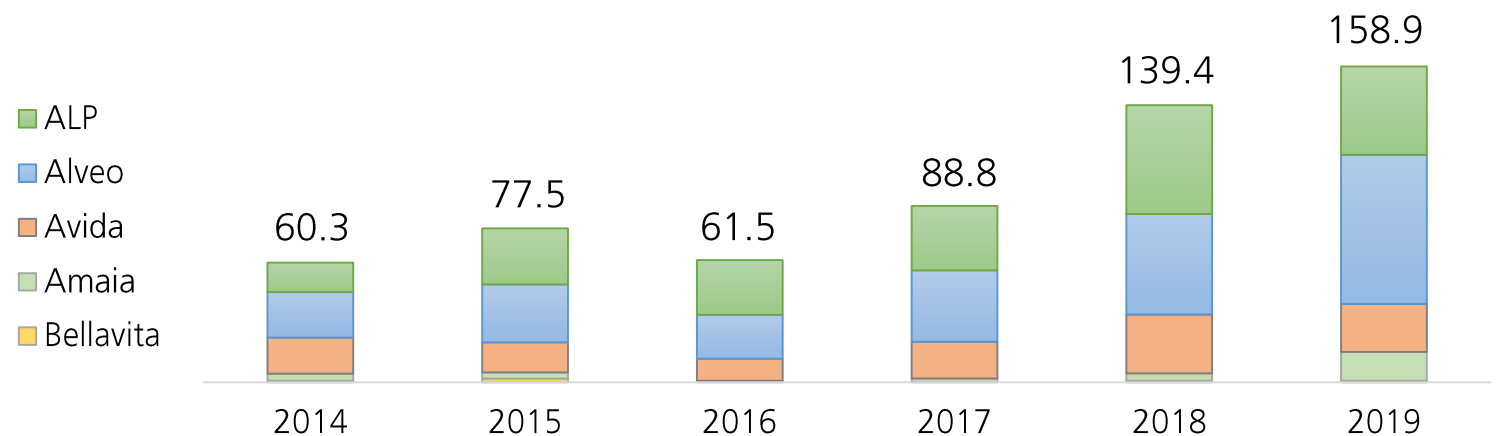
- FY19 at P145.9B; up 3% YoY (average of P12.2B/month)
- 4Q19 at P37.4B; up 12% YoY

FY19 Launched Projects: P158.9B
(4Q19: P99.5B, 16 projects)

Sales Reservations (in Php Billions)



Project Launches (in Php Billions)



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

Sales to other nationalities at 16%, unbooked revenues of P152B

Local Filipinos: 71%

- P104.2B, up 3%

Overseas Filipino: 13%

- P19.4B, up 24%

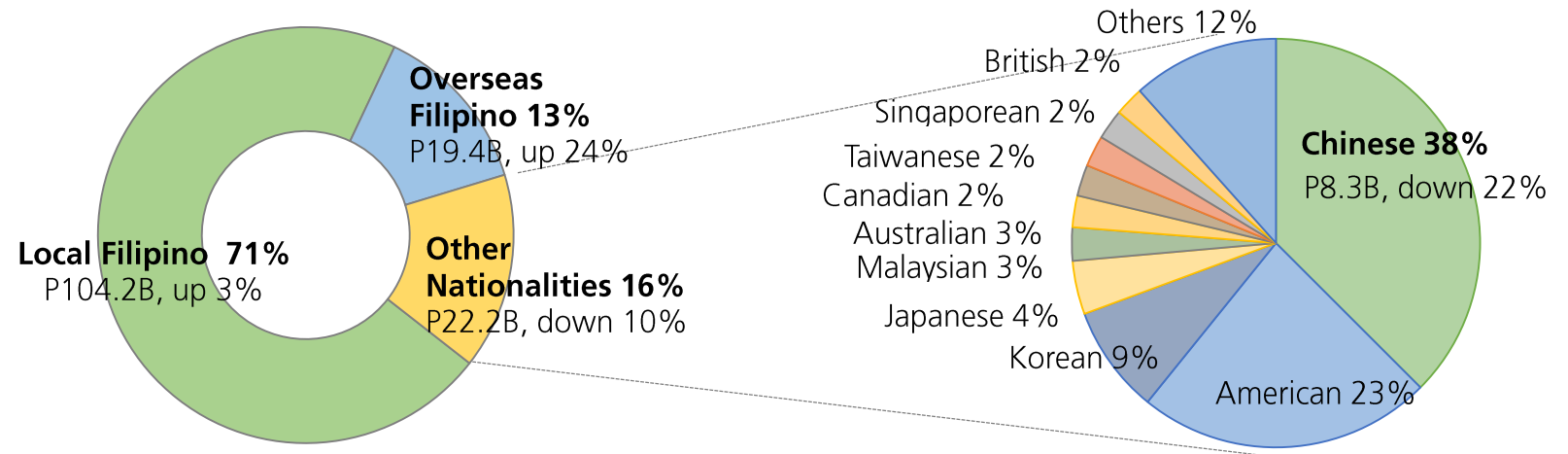
Other Nationalities: 16%

- P22.2B, down 10%

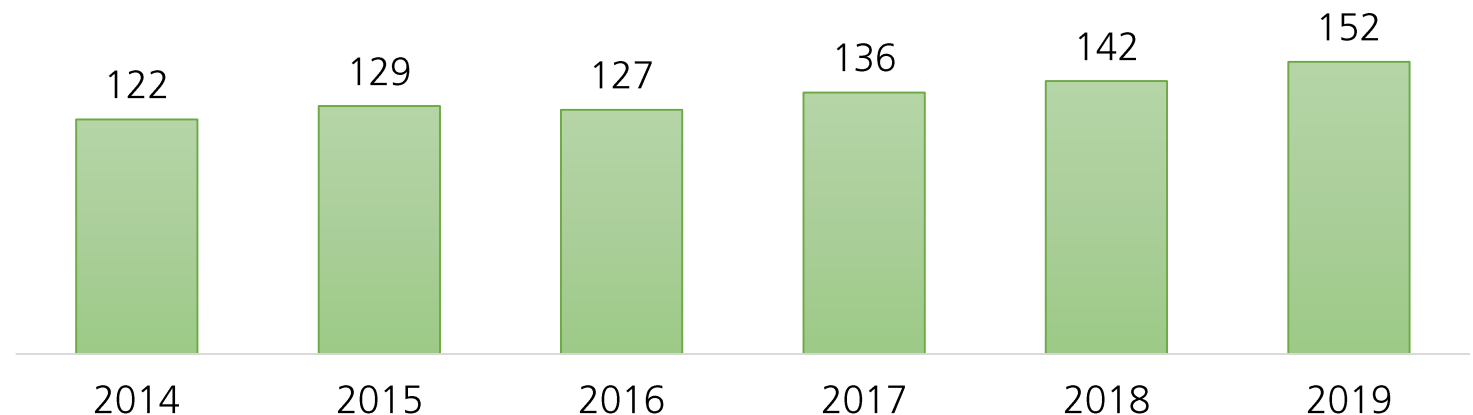
Unbooked Revenues

- P152B, 1.3x 2019 Property Development Revenues of P118B

Sales Breakdown



Unbooked Revenues (in Php Billions)



Key Launches: 3 New Estates



Broadfield (October)
Binan, Laguna | 120 ha.

- Located at the heart of South Luzon's thriving residential, leisure, industrial and manufacturing center
- 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
- P3.1B commercial lots sold



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

- Strengthening ALI's footprint in Quezon City, following the success of Vertis North and Cloverleaf
- P8 billion total investment
- 16% Residential, 39% Commercial, 45% Common Space
- P494M of commercial lots sold



Crescendo (November)
Tarlac City | 290 ha.

- Modern local community in Tarlac
- P18 billion total investment; P5.5 billion within 5 years for Phase 1
- 55% residential, 31% town plaza and open spaces, 11% commercial, 3% institutional establishments
- P500M industrial lots sold

Key Launches: Residential Projects



Andacillo Phase 1 (September)
Nuvali, Laguna
188 lots, P3.0B | 76% take-up



The Courtyards Phase 4 (September)
Vermosa, Cavite
71 lots, P1.5B | 72% take-up

Key Launches: Residential Projects



Parklinks South Tower (October)
Parklinks, Quezon City
345 units, P14.2B | 8% take-up



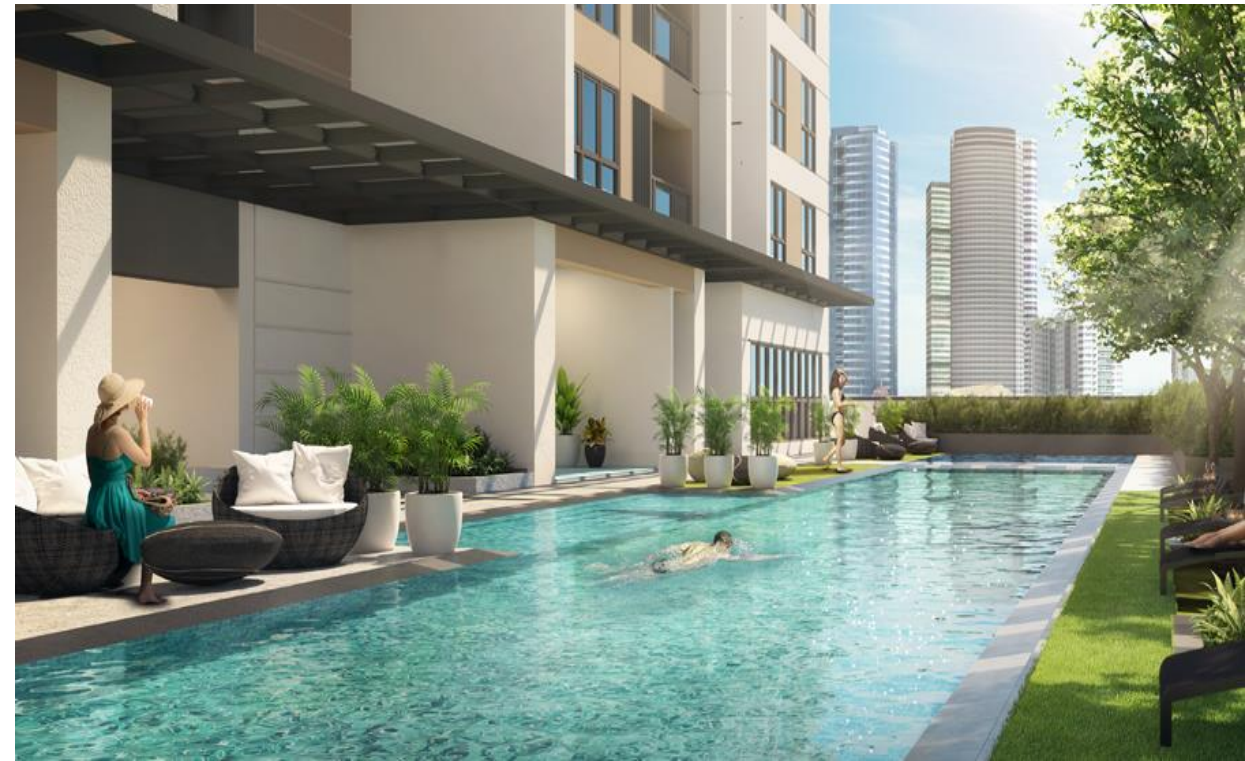
Gardencourt Residences B1 (December)
Arca South, Taguig City
364 units, P14.0B | 19% take-up

Key Launches: Residential Projects

ALVEO



Parkford Suites (September)
Legaspi Village, Makati CBD
163 units, P8.2B | 22% take-up



Mergent Residences (October)
Poblacion, Makati
358 units, P5.1B | 41% take-up

Key Launches: Residential Projects

ALVEO



The Lattice (November)
Parklinks, Quezon City
530 units, P8.8B | 14% take-up



Sentrove (November)
Cloverleaf, Quezon City
514 units, P7.3B | 12% take-up

Key Launches: Residential Projects

Avida



Avida Towers Vireo Tower 3 (August)
Arca South, Taguig City
551 units, P2.2B | 57% take-up



Avida Towers Ardane Tower 1 (November)
Southpark District, Muntinlupa City
957 units, P3.4B | 13% take-up

Key Launches: Residential Projects

Amaia



Amaia Series Vermosa Phase 1 (January)
Vermosa, Cavite
623 units, P2.7B | 28% take-up



Amaia Skies Shaw T2 (September)
Mandaluyong City
1,254 units, P4.9B | 36% take-up



Amaia Skies Avenida T2 (December)
Manila
1,131 units, P4.1B | 9% take-up

Key Launches: Office for Sale

ALVEO



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

2019 Launches Summary

P158.9B | 48 Projects

2019 Launches	Projects	Value
Ayalaland Premier	12	44.5B
Alveo	11	75.0B
Avida	10	24.1B
Amaia	9	14.6B
BellaVita	6	0.8B
Total	48	P158.9B

2019 Launches	Projects	Value
Horizontal	21	24.8B
Vertical	24	109.4B
Commercial Lots	1	15.8B
Office for Sale	1	8.3B
Leisure Lots	1	0.7B
Total	48	P158.9B

By Location	Values	% to Total
Metro Manila	98,688	62%
QC-Pasig (Parklinks)	23,002	14%
Muntinlupa (Alabang and Southpark)	17,256	11%
Taguig (Arca South)	16,759	11%
Quezon City (Cloverleaf and Vertis)	16,665	10%
Makati	15,190	10%
Mandaluyong	4,861	3%
Manila	4,125	3%
Paranaque	829	1%
Luzon	43,503	27%
Central	2,964	2%
Pampanga	2,270	1%
Bataan	694	-
Southern	40,539	26%
Laguna	25,343	16%
Broadfield	15,831	10%
Greenfield Estates	5,159	3%
Nuvali	4,095	3%
Cabuyao	142	-
Alaminos	71	-
Pila	45	-
Cavite	14,110	9%
Vermosa	8,464	5%
Evo City	2,879	2%
Tagaytay	2,611	2%
Gen. Trias	156	-
Rizal	525	-
Bicol	492	-
Batangas	69	-
Visayas	6,897	4%
Iloilo	1,982	1%
Cebu	4,915	3%
Mindanao	9,872	6%
Davao	9,872	6%
	158,959	100%

Malls: Opened 213K sqm of new GLA to total 2.12M sqm

Newly Opened

- Occupancy:
 - Average 88%
 - Stable Malls 93%
- Same Mall Rental Growth: 8%



Ayala North Exchange Retail
Makati CBD, 8K GLA (February)



Ayala Malls Central Bloc | Cebu, 44K GLA (December)

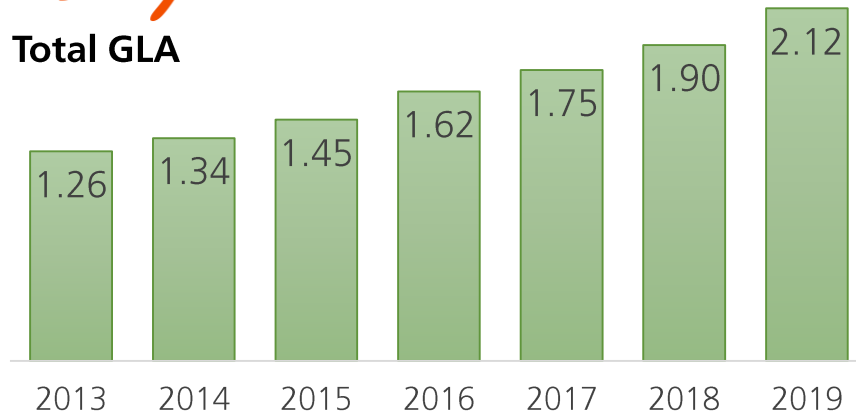


Ayala Malls Manila Bay | Paranaque MM, 161K GLA (September)

Malls: Upcoming Openings

Ayala Malls

Total GLA



Total Malls GLA under construction: **517K**

Upcoming Openings



Ayala Triangle Gardens Retail
Makati CBD, 8K GLA (3Q 2020)



Ayala Malls Vermosa
Cavite, 35K GLA (4Q 2020)

Offices: GLA of 1.17M sqm, added 70k GLA in 2019

Completed

- Occupancy:
 - Average 96%
 - Stable Offices 97%



Central Bloc Corporate Center 1 | Cebu IT Park, 31K GLA (October)

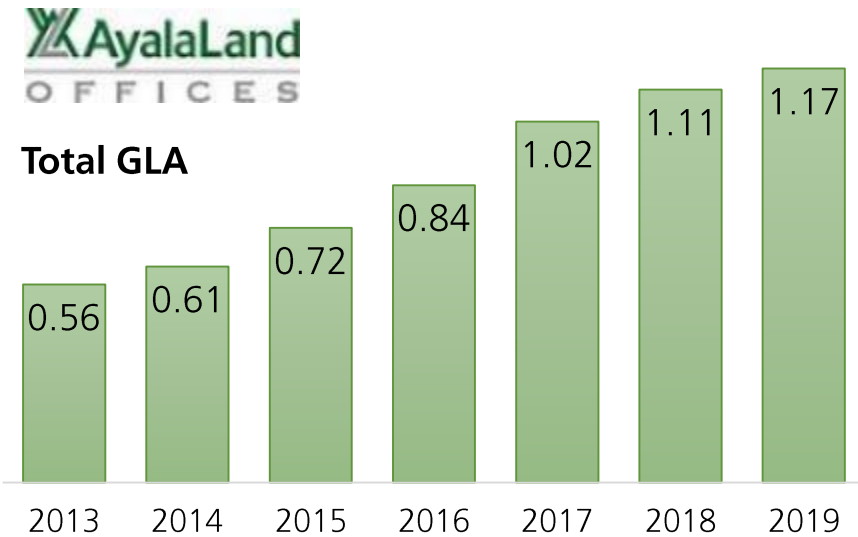


Manila Bay BPO
Paranaque MM, 19K GLA (September)



Ayala North Exchange BPO
Makati CBD, 20k GLA (April)

Offices: Upcoming Openings



Total Offices GLA under construction: **358k**



Hotels and Resorts: 3,705 rooms, opened 129 new rooms in 4Q19

Newly Opened

FY 2019	Hotels	Resorts
Rooms in operation	Branded: 660 Seda: 2,367 Circuit: 255	El Nido: 193 Lio B&Bs: 152 Sicogon B&Bs: 78
Occupancy		
<i>Average</i>	70% (-)	63% (-)
<i>Stable</i>	78% (+1 pt)	63% (-1 pt)



Seda Residences ANE | Makati CBD, 72 rooms, 215 out of 293 rooms open (December)



Seda BGC Expansion | BGC Taguig, 57 rooms, 289 out of 342 rooms open (December)

Hotels and Resorts: Upcoming Openings



Total rooms under construction: **2,311 rooms**



Seda Central Bloc Cebu | Cebu IT Park, 214 rooms (1Q 2020)



Seda Nuvali expansion | Nuvali Laguna, 206 rooms (3Q 2020)

Other Leasing Formats

 **LOGISTICS HOLDINGS CORP.**
(FACTORY BUILDINGS and WAREHOUSES)



175K_{sqm} GLA

Lepanto 85,000
Laguna Technopark 39,853 (+16,886 in Jun 2019)
Cavite Technopark 12,604
Tutuban Storage 1,098
Alviera Industrial Park 19,412

(FY2018: 137K sqm)

 **the flats**



2,044 Beds

Amorsolo 196 rooms | 728 beds
BGC 5th Avenue 375 rooms | 1,316 beds

(FY2018: 728 beds)

 **CLOCK IN**



1,404 Seats

6,473 sqm of GLA

MSE 107, BHS 174, BGC Tech Center 227
Vertis North 185, The 30th 262, ANE 357, Lio 23,
ATC 69

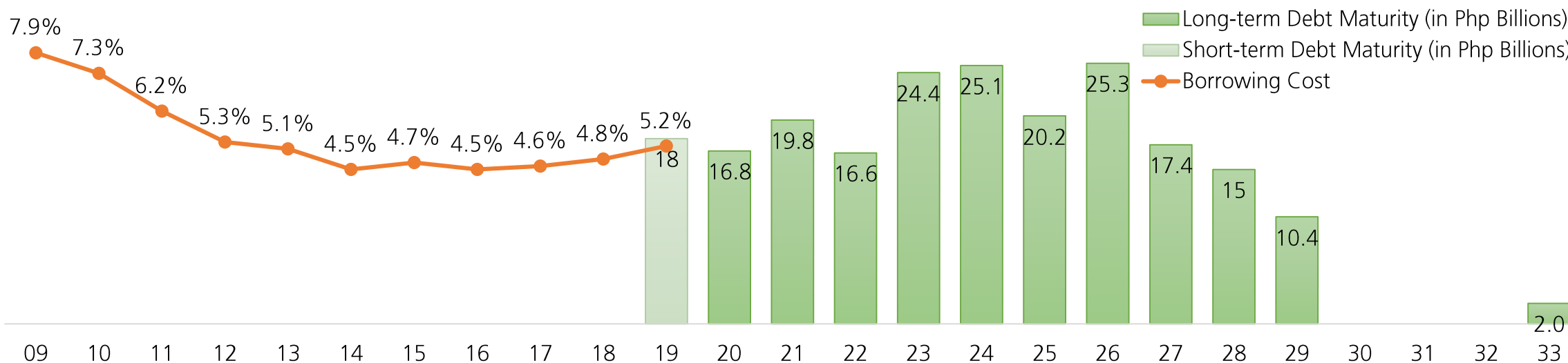
(FY2018: 433 seats)

Our strong balance sheet supports our growth plan

Balance Sheet (in Php Millions)	December 2019	December 2018
Cash & Cash Equivalents	21,524	27,558
Total Borrowings	211,097	187,099
Stockholders' Equity	242,706	221,221
Current Ratio	1.20	1.26
Debt-to-Equity Ratio	0.87	0.85
Net Debt-to-Equity Ratio	0.78	0.72

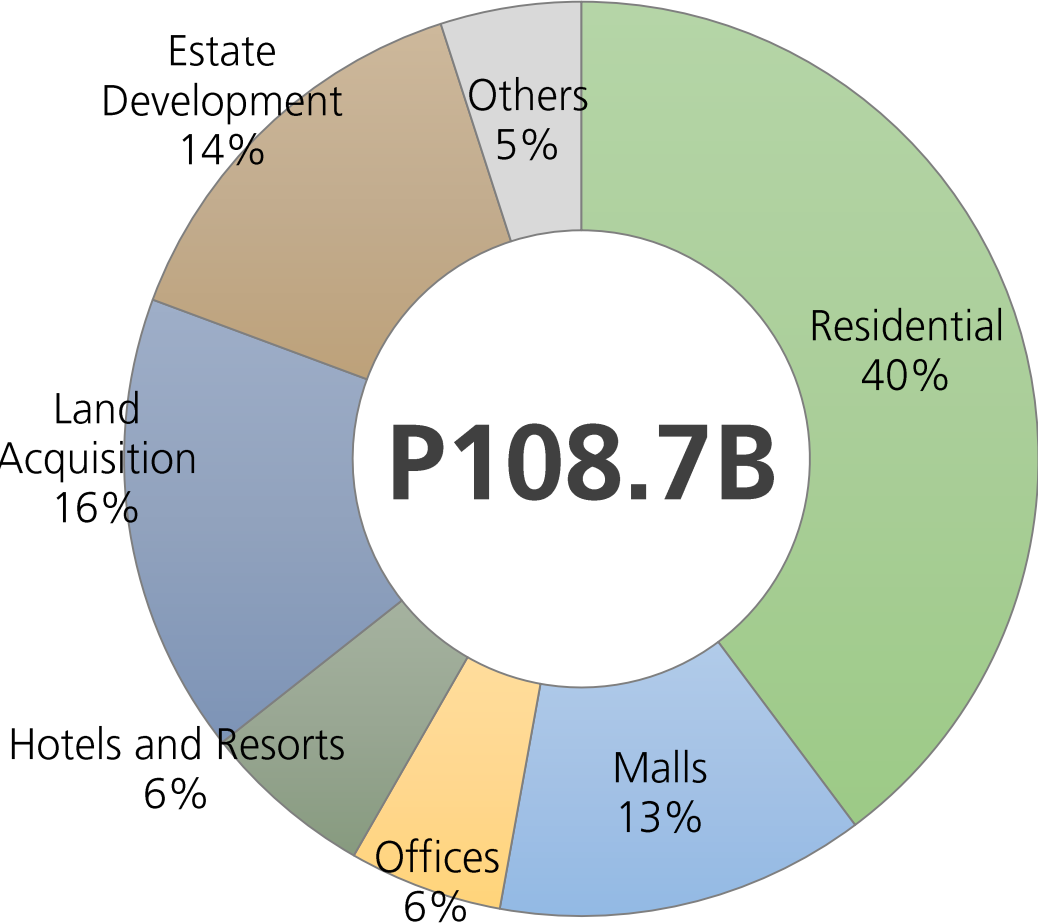
Well-managed cost of debt, stretched maturities and mix strengthen our funding capability

As of 31 Dec 2019 | Total Borrowings: **Php211.0B**: Short-term **Php18.0B** (9%), Long-term **Php193.0B** (91%)



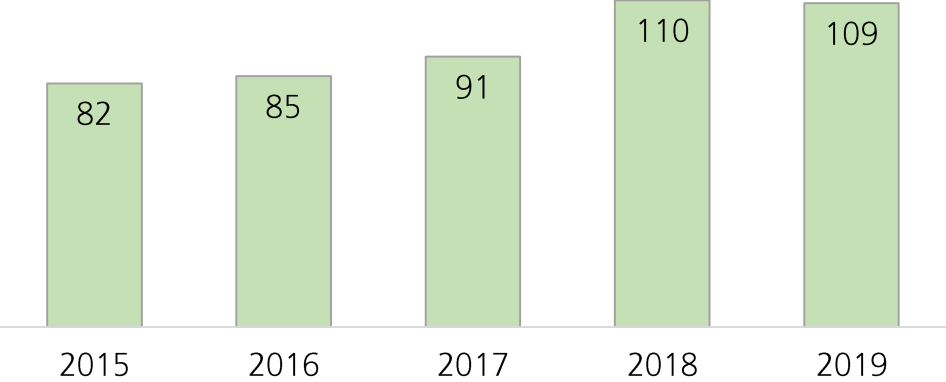
Debt Mix	2014	2015	2016	2017	2018	2019
Fixed	74%	84%	79%	85%	89%	90%
Floating	26%	16%	21%	15%	11%	10%

CAPEX spend of P108.7B



Capex Breakdown (in Php billions)	FY 2019 Actual
Residential	43.3
Malls	14.2
Offices	5.9
Hotels and Resorts	6.6
Land Acquisition	17.7
Estate Development	15.6
Others	5.4
Total	108.7

Historical Capex



In Summary

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Analysts' Briefing **FY 2019**

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