



**CENTURY PROPERTIES GROUP, INC.**  
**Company Presentation for the Annual Stockholders' Meeting**  
**June 29, 2017**



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Representative examples of these factors and assumptions include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, availability of real estate properties, competition from other companies and venues for sale of projects, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, governmental and public policy changes and continued availability of financing in the amounts and the terms necessary to support future business.

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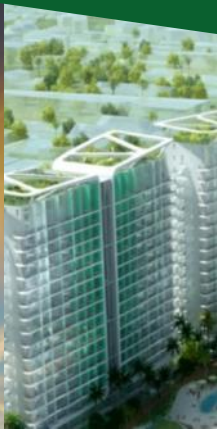


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# REAL ESTATE OVERVIEW



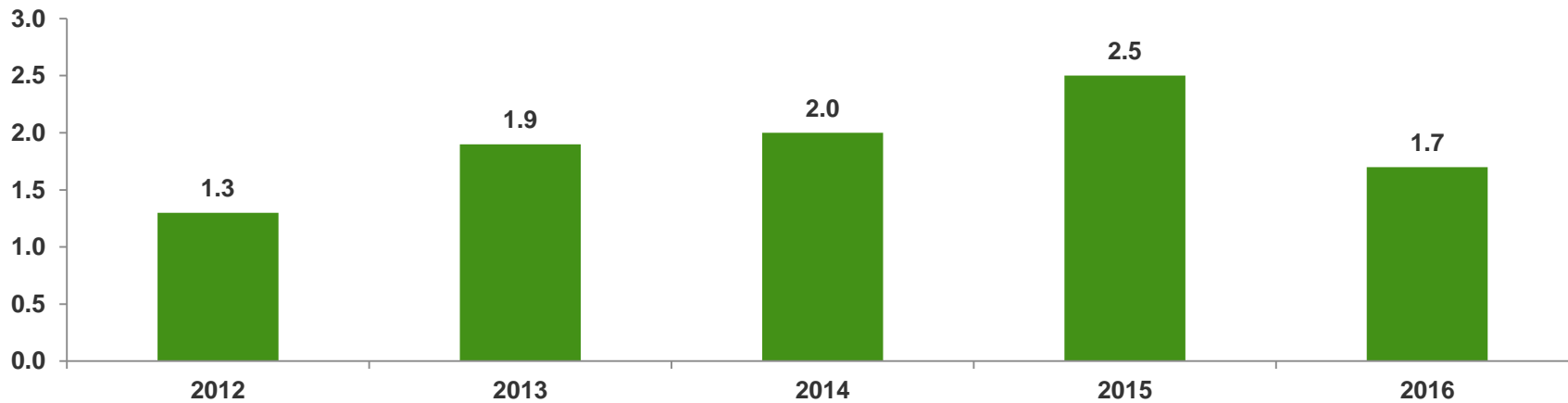
# REAL ESTATE OVERVIEW

The BSP has repeatedly announced that there is no bubble. Nonetheless, the various developers have taken a more prudent/conservative stance with regards to their launches.

Take-up has also matched new launches, preventing build up of inventory.

Year	No. of Units Launched	YoY Change	No. of Units Pre-Sold	YoY Change
2012	59,500		51,600	
2013	53,500	-10%	42,600	-17%
2014	36,900	-31%	39,600	-7%
2015	34,400	-7%	32,600	-18%
2016	33,700	-2%	41,800	28%

## Metro Manila Vertical Remaining Inventory Life (No. of Years)



Source: Colliers International Research, Metro Manila Condominiums

**For CPG, only 10% unsold on its approximately 20,000 unit inventory. The unsold RFOs of such inventory are 1% of total units.**



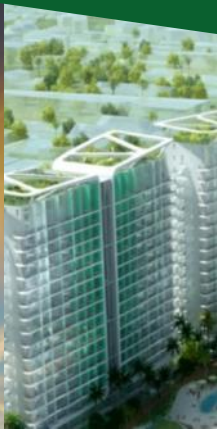


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# THE MASTERPLANNED COMMUNITIES



# PROJECT COMPLETIONS AT CPG'S SIX MASTERPLANNED DEVELOPMENTS ARE ON TRACK

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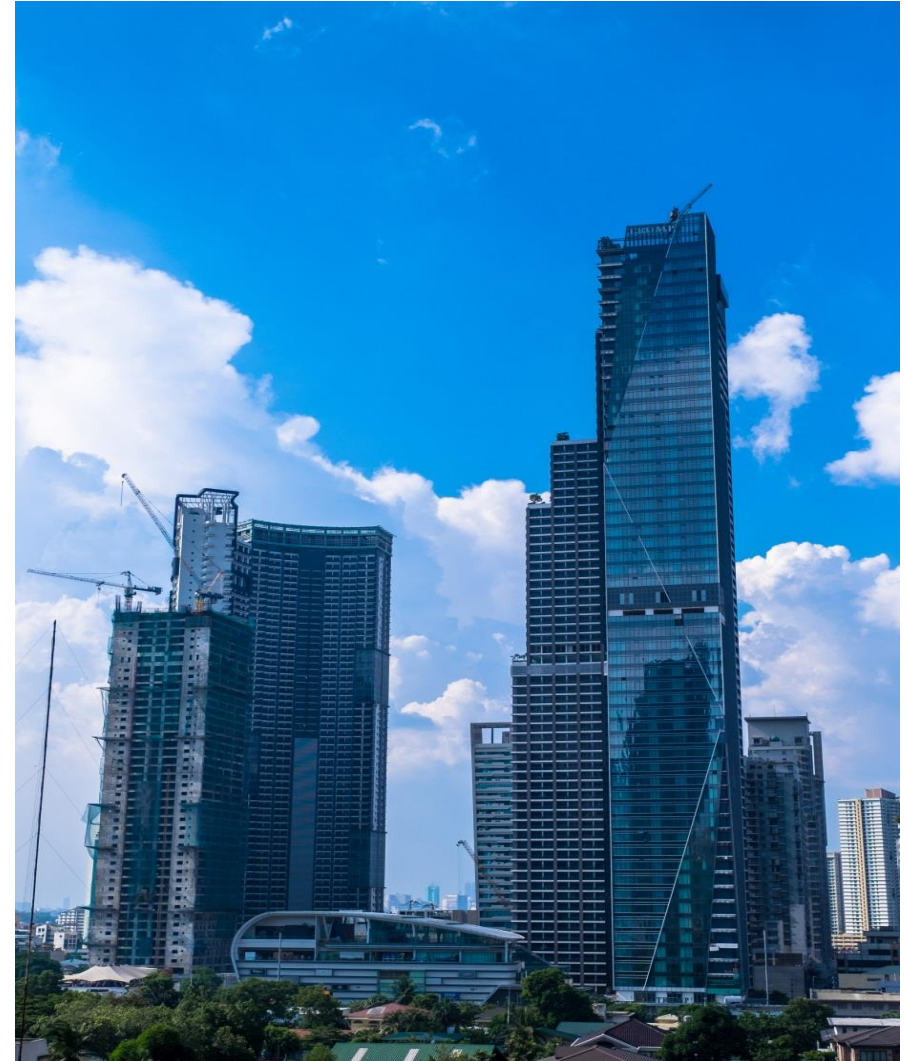
- At Century City, CPG has completed three residential towers and two commercial projects, Century City Mall and Centuria Medical Makati
- Another six towers have been delivered at Azure Urban Resort Residences in Paranaque City, four at Acqua Private Residences in Mandaluyong City, and one at the Residences at Commonwealth in Quezon City
- New housing units continue to be built at Century's Canyon Ranch in Carmona, Cavite
- On site ground works continue at The Residences at Azure North in San Fernando, Pampanga in preparation for land development and the subsequent construction



# ON TRACK COMPLETIONS - CENTURY CITY



Forbes Media Tower and 160 units of Centuria Medical Makati are for lease





# ON TRACK COMPLETION - AZURE URBAN RESORT RESIDENCES

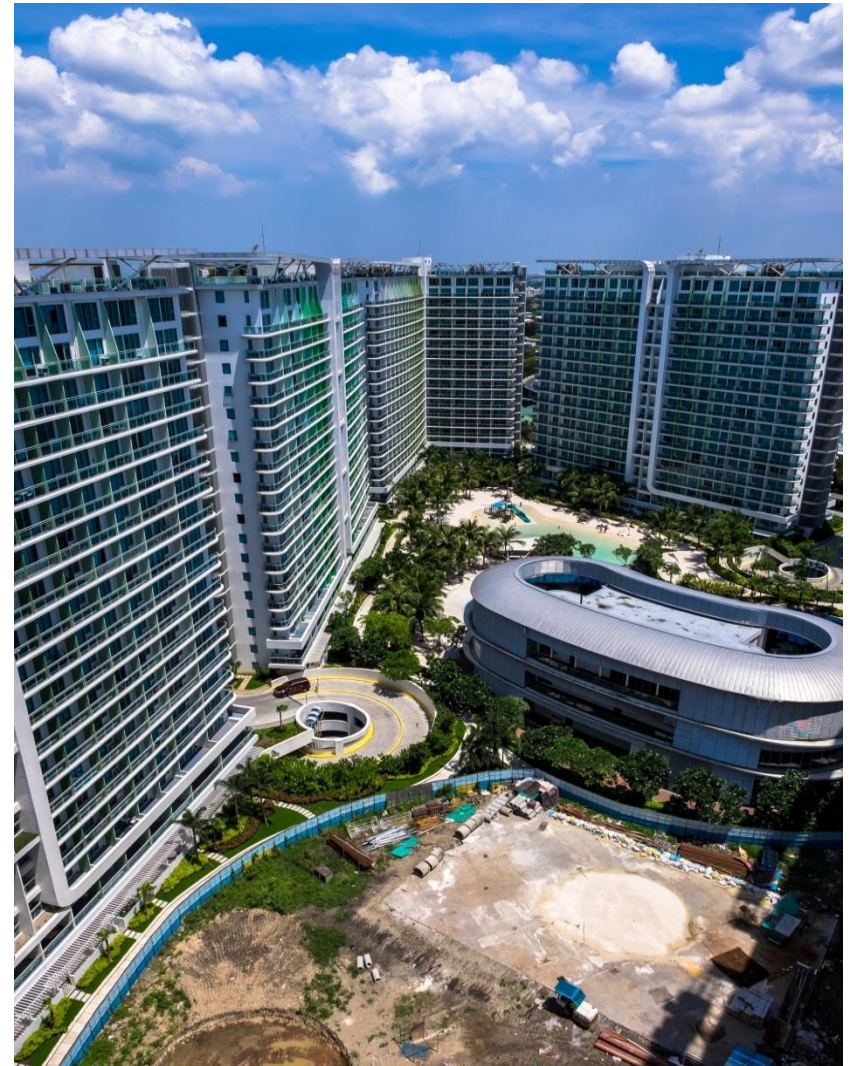


Legend:

Completed

2017

2018





# ON TRACK COMPLETIONS - ACQUA PRIVATE RESIDENCES



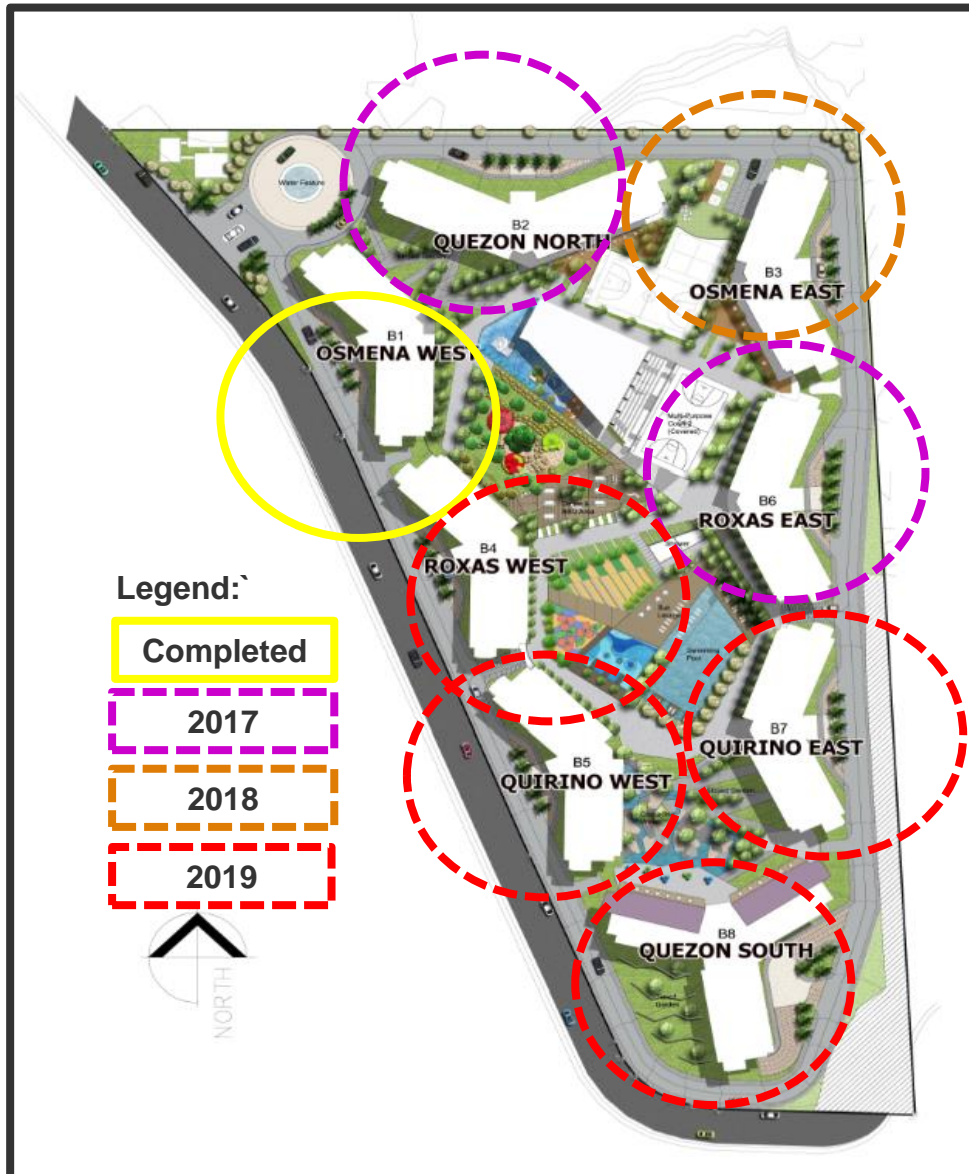
Legend: **Completed** 2018 2019

Yosemite is also known as Novotel Suites Manila at Acqua Private Residences





# ON TRACK COMPLETIONS - THE RESIDENCES AT COMMONWEALTH







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# FINANCIAL OVERVIEW



# KEY MESSAGES



In line with its plan to become a more diversified, multi-product real estate company by 2020, CPG began streamlining its business and laying the foundations for allied business segments as early as 2014.



## Completion of Current Projects

- CPG has already completed 16 buildings with gross floor area of 792,000 sqm, out of 33 launched buildings with gross floor area of 1.43 million sqm
- These projects required significant externally sourced financing, given the back-ended nature of cash collections from condominium projects
- Capital was tied to financing inventories for sale.

## Turning Positive Cash Flow from Operations

- CPG turned cash flow positive for the first time since its IPO, and net cash provided by operations improved by P1.26 B in 2016 from 2015.
- This provides CPG a significant operational flexibility to pursue new market opportunities.

## Diversifying Product Portfolio

- While CPG continues to do in-city developments, it will likewise expand outside Metro Manila for affordable housing and leisure and tourism projects.
- These new projects will have more than 3,000 units with over P10 B potential revenues.
- Century City Mall and Centuria, together with Pacific Star Low Rise Building, Asian Century Center, Novotel Suites Manila and Forbes Media Tower, are expected to contribute P1 B in revenues by 2020.

# KEY INCOME STATEMENT ACCOUNTS

PHP Millions	FY 2016	FY 2015
Revenues*	7,380	10,381
Cost and expenses	6,401	8,250
Income before income tax	978	2,130
Provision for income tax	252	611
Income before income tax	978	2,130
Net income	726	1,519

\*Operating Revenues P5.61 B (2016), P8.36B (2015)



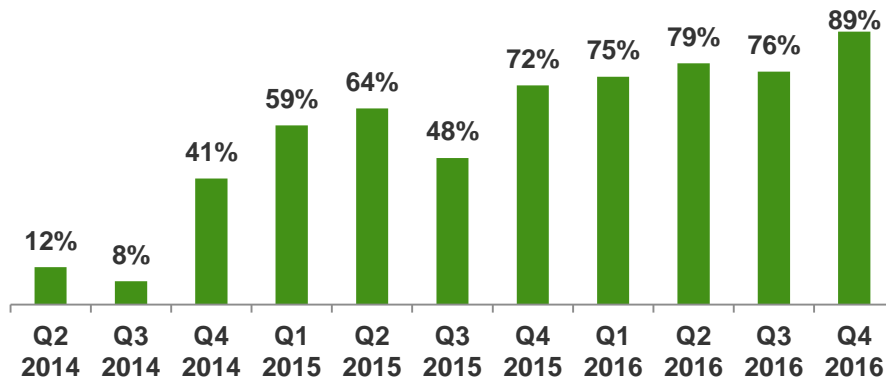
# INCREASING RECURRING INCOME FROM MALL & CENTURIA

Leasing Revenue increased by 63% in 2016 versus first year of operation of Century City Mall

Leasing Revenue	PHP Millions
2014	207.0
2015	311.7
2016	337.9*

\*Leasing revenue from Centuria: P24.6M

Average Increase in Mall Foot Traffic  
(% change vs March 2014)



- Century City Mall's foot traffic has significantly increased in Q4 2016 from its opening in March 2014.
- The increase in average mall foot traffic was sustained as Century City Mall continues to attract mall goers.



Century City Mall

- Launched: 2011
- Completion: 2013
- Opening date: March 2014
- 5-story with 3 basement levels
- 523 parking slots
- Net leasable area: 17,000 sqm
- 97% leased out as of December 2016



Centuria Medical Makati

- Launched: 2010
- Completion: 2015
- No. of Floors: 28 + 5 basement parking levels
- No. of units: 547 (for sale) / 160 (for lease)
- Net Leasable Area: 8,848 sqm
- 76% leased out

# STABLE REVENUES FROM PROPERTY MANAGEMENT



## Total Revenues from Property Management

	PHP Millions
2014	285.7
2015	297.4
2016	302.0

## Largest Independent Property Manager with 61 Buildings Totaling 2.5M sqm under Management

As of December 2016	No. of projects	GFA ('000 sqm)
Residential	20	1,328
Commercial	27	1,204
Total	47	2,532

## Notable Projects Under Management

- Asian Development Bank
- Makati Medical Center
- Pacific Star Building
- Globe Telecom Plaza
- PNB Building
- BPI Buendia Center
- One San Miguel Avenue



# CASH FLOW STATEMENT

Positive Cash Flow from Operations for the first time since CPG IPO

PHP Millions	2012	2013	2014	2015	2016
Cash Flow from Operations	(3,414)	(1,633)	(3,069)	(1,086)	176
Cash Flow from Investing	(863)	(1,499)	(1,097)	(967)	(925)
Cash Flow from Financing	4,812	3,671	4,157	2,633	2,083
Change in Cash	535	537	(10)	579	1,335
Beginning Cash	367	902	1,439	1,429	2,008
Ending Cash	902	1,439	1,429	2,008	3,343



# KEY BALANCE SHEET ACCOUNTS

PHP Millions	As of December 2016	As of December 2015
Cash & Cash Equivalents	3,343	2,008
Total Assets	41,308	37,477
Total Borrowings	15,676	13,916
Net Debt	12,333	11,908
Total Stockholders Equity	15,227	14,634
Current Ratio	2.9x	2.8x
Debt-to-Equity Ratio	1.0x	1.0x
Net Debt-to-Equity Ratio	0.8x	0.8x
Debt Service Coverage Ratio*	1.8x	1.8x

\*The sum of cash balance, plus Debt Service for the last twelve months, divided by Debt Service for the last twelve months. The Debt Service payments made for the period pertaining to refinancing activities and rediscounting of receivables transactions sold on a with recourse basis are excluded in the Debt Service calculation.

# POTENTIAL FUTURE DIVIDENDS

CPG will maintain minimum nominal aggregate amount of dividends per year, and will consider increasing allocation of cash dividends to its stockholders

	Current	Planned for Future Allocation		
<b>Cash Dividends (P Mn)</b>	<b>205.1</b>	<b>300.0</b>	<b>400.0</b>	<b>500.0</b>
<b>Dividend Yield</b>	<b>3.2%</b>	<b>4.6%</b>	<b>6.2%</b>	<b>7.7%</b>

Note:  
Based on shares outstanding, excluding treasury shares. Based on price per share of 0.54 per share.



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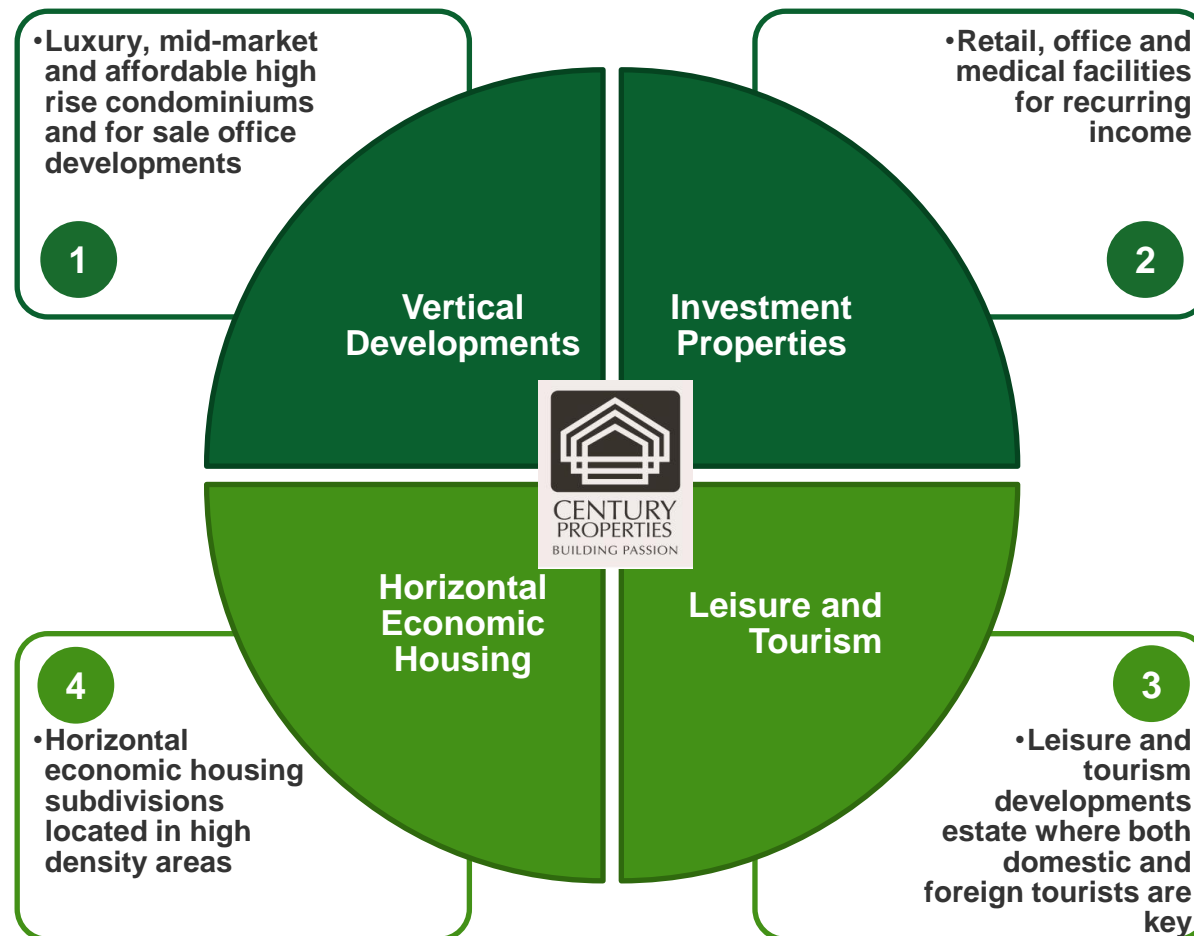
# UPDATE ON CENTURY 2020





# THE FOUR MARKET SEGMENTS OF CPG

- We are currently present in two operating segments, but, are in the process of diversifying into two “allied real estate” segments, to further strengthen our portfolio.
- These are based on key secular trends that lead to specific investment and operational opportunities.



# OPPORTUNITIES IN AFFORDABLE HOUSING

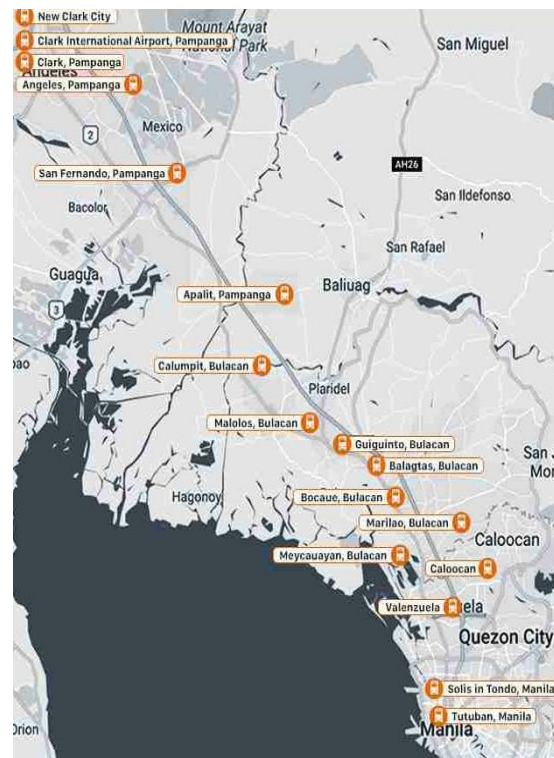
Housing backlog currently estimated at 5.7 million and it is still growing. Collectively, the industry is only able to produce less than 300,000 units annually

- CPG has launched 26HA Affordable Housing project in Tanza, Cavite and looking at more sites in Bulacan, Batangas and Cavite.



Cavite-Laguna Expressway

- The P35.4-billion Calax will reduce travel time from Cavite to SLEX from 1.5 hours to 45 minutes, reduce traffic congestion particularly in Governor's Drive, Aguinaldo Highway and Sta. Rosa-Tagaytay Road, and improve competitiveness of Calabarzon region as an investment destination.



## Manila-Clark Railway

- The 106-km railway is expected to cut the two-hour travel time from Manila to Clark to 55 minutes. This project will ease traffic congestion and help approximately 350,000 passengers coming from Bulacan and Pampanga daily

# OPPORTUNITIES IN LEISURE AND TOURISM

**By 2022, the Department of Tourism targets tourist arrivals to grow by 103% from 5.9 million last year to 12 million.**

**There were already over 631,000 tourist arrivals in January this year, the highest ever recorded volume of tourists in a single month.**

- CPG is optimistic on the potential of this sector, serving the needs of both non-Filipinos and Filipinos who have investible funds and are less term sensitive
- This will be fuelled by the rollout of more infrastructure projects



**The rising tourism town of San Vicente in Palawan expects more visitors in the future with its newly-opened airport**

- The new airport will operate commercially by Q4 2017 or early next year.
- The runway which is 1,612 meters length x 45 meters width will be extended by another 300 meters x 45 meters to make it 1.9 kilometers in length to accommodate not just light aircrafts but also air buses.
- Philippine Airlines and Cebu Pacific have expressed strong interest to open flights
- The regional airport will have direct flights to and from Bangkok, Hongkong, and Singapore.
- With the opening of the airport, San Vicente expects to hit 50,000 arrivals



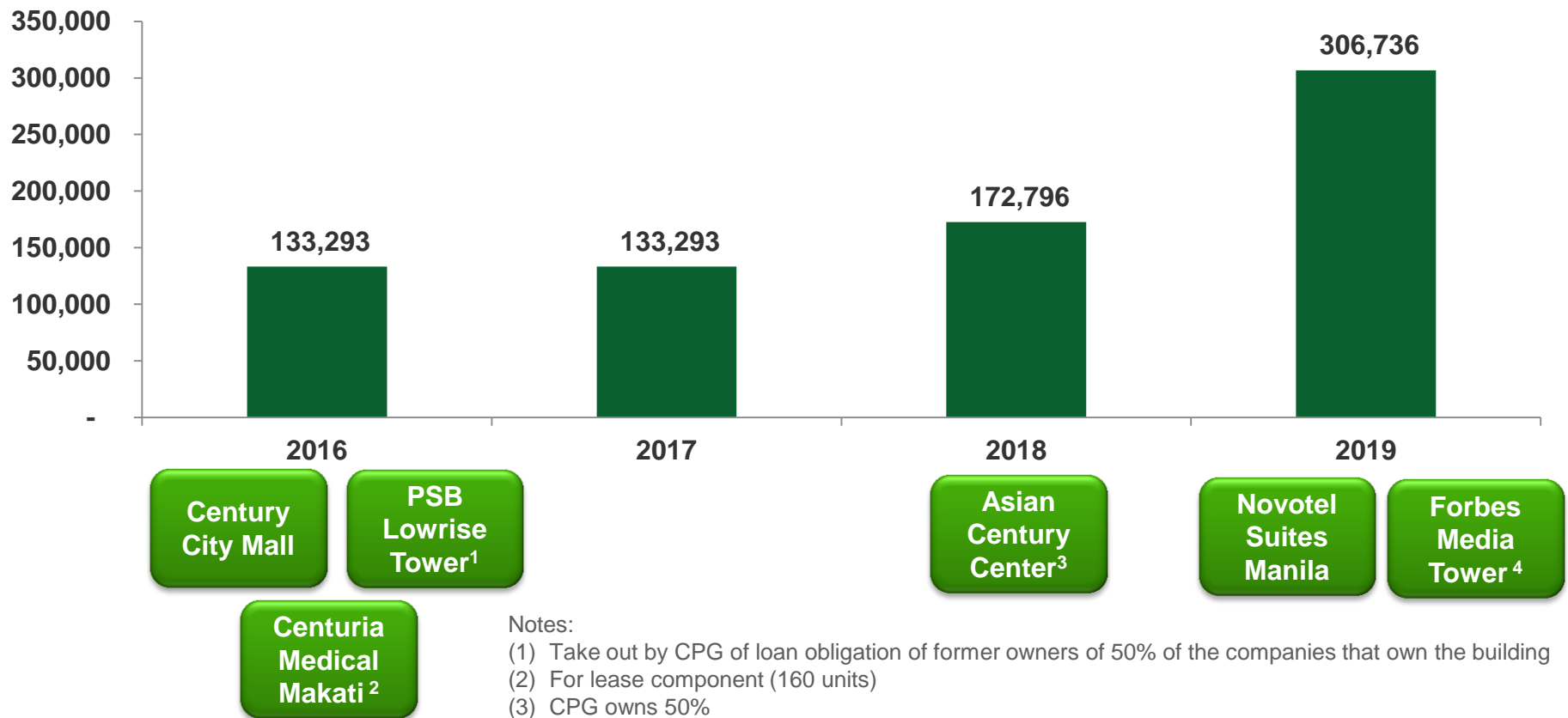
# DIVERSIFYING PRODUCT PORTFOLIO



## Investment Properties

- By 2020, when Forbes is completed, we project to have over Php 1 B in revenues

### Leasing Assets: Gross Floor Area (sqm)



#### Notes:

- (1) Take out by CPG of loan obligation of former owners of 50% of the companies that own the building
- (2) For lease component (160 units)
- (3) CPG owns 50%
- (4) CPG owns 60%, Mitsubishi owns 40%

# KEY PROJECT LAUNCHES



Project*	Location	Area (Hectares)	Target Launch	No. of Units	Est. Revenue (Php Bn)
Affordable Housing	Tanza, Cavite	26.0	1H 2017	2,877	4.5
Batulao	Batangas	6.6	2H 2017	356	2.2
Azure North Townhouse	Pampanga	2.2	1H 2018	148	2.7
Acqua Townhouse	Mandaluyong	1.4	2H 2018	TBA	1.2
Palawan	San Vicente, Palawan	56.0	2018	TBA	TBA
<b>Total</b>		<b>92.2</b>		<b>3,381</b>	<b>10.6</b>

\*With existing land. We are actively seeking new land opportunities

# KEY PROJECT LAUNCHES: PHIRST PARK HOMES

CPG is proceeding with its diversification into affordable housing to tap first homebuyer market in high growth areas in the peripheries of Metro Manila

## Launch of PHirst Park Homes – CPG’s 2nd joint venture project with Mitsubishi Corp

- On April 1, 2017, CPG unveiled its PHirst Park Homes project, the company’s affordable housing segment which will cater to first time homebuyers.
- CPG’s first home brand is a partnership with the global business enterprise and one of Japan’s largest conglomerates, Mitsubishi Corporation.
- CPG is slated to launch a series of housing communities in the second quarter of 2017 with a 26-hectare community in Tanza, Cavite.



The Century Properties Group and Mitsubishi Corporation signed a Joint Venture Agreement in 2016 for the development of housing projects for the First Home category: [From left] Century Properties Group officials Mr. Jose Carlo R. Antonio, Chief Finance Officer; Mr. Marco R. Antonio, Chief Operating Officer; and Mr. Jose E.B. Antonio, Chairman and CEO with Mitsubishi Corporation officials Hidetoshi Suzuki, General Manager of the ASEAN Real Estate Development Department, Real Estate Business Division; Mr. Takuya Kuga, Division COO of Real Estate Business; Mr. Yoshio Amano, General Manager, Manila Branch; and Mr. Masahiro Nagaoka, Deputy general Manager, Manila Branch.

### Project Details

Total Area	263,062 sqm
No. of Units	2,877 homes
Price range	Php1 M – Php 3 M



# KEY PROJECT LAUNCHES: PHIRST PARK HOMES



# KEY PROJECT LAUNCHES: PHIRST PARK HOMES





# KEY PROJECT LAUNCHES: PHIRST PARK HOMES





# KEY PROJECT LAUNCHES: LEISURE AND TOURISM

CPG is scheduled to launch its first major leisure and tourism project in the latter part of 2017. The project is expected to be another first in the real estate market, remaining true to CPG's brand of creating exceptional and sustainable developments.

Located in the exclusive Mount Batulao development, the project will feature a variety of benefits from water and land based sports, dining and fine cuisine, beach front entertainment, dedicated spa areas and extensive children's entertainment facilities.

## Batulao Project

- **Location:** the project is at the southwest portion of Metro Manila and 17km from Tagaytay City's rotunda on the west edge. It is also near the continuous development along the ridge of Taal Volcano lake.
- **Access:** The developments' site is lying between two important roads of the region, namely: Tagaytay-Nasugbu road and Amuyong Highway.
- **Elevation:** Approximately 550m above sea level.
- **Climate:** Cool mountain weather that drops to 16degC during the cooler months and 24degC during the warmer months.
- **Terrain:** Highly undulating hills.





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THANK YOU

