



CENTURY PROPERTIES GROUP, INC.

Analysts Presentation: Q2 2013 Results

14 August 2013



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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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INTRODUCTION

GROWTH AND A LEAP FORWARD



2nd Stage of Growth from

2013 to 2015:

Financial

Aspirations

- P30 billion of pre-sales by 2015
- P3B of net income by 2015

The

Essentials

1. Leadership
2. Innovation
3. Sustainability
4. Exposure

1st Stage of Transformation

from 2010 to 2012:

With a CAGR a pre-sales, revenue and net income CAGR of 63% / 77% / 221% respectively

WHERE WE ARE NOW

Earnings Momentum

- Q2 2013 Revenue of P2.69 B, representing 9.6% growth from Q2 2012 and 3.7% from Q1 2013
- Q2 2013 Net Income of P555 M, representing 13.1% from Q2 2012 and 11.0% growth Q1 2013
- H1 2013 Revenue of P5.29 B, representing 7.2% growth from H1 2012 and 13.2% from H2 2012
- H1 2013 Net Income of P1.06 B, representing 11.8% from H1 2012 and 17.3% growth from H2 2012
- Capex as of H1 2013 of P4.6 B versus full year 2013 target of P8.0 B

Earnings Quality

- Steady Increase In Selling Price
 - Average price increase of 40%, 21%, 12% for Luxury, Middle Income and Affordable Markets, respectively, between December 2012 and June 2013 based on sold units
 - Average PSM sold of 229,163 (Luxury), 160,960 (Middle Income), and 112,598 (Affordable) for the 6 months 2013
- Efficient Construction Cost
 - Affordable construction cost 3.7% below budget, assisting CPG to achieve an increase in H1 2013 net income margin by 90 basis points, from 19.1% to 20.0%
- Healthy Collection
 - Middle Income payment terms have 40% equity during construction, with 57% paying in cash, and 97% of total receivables have been collected after turnover ⁽¹⁾

Note: Luxury, Middle Income and Affordable markets are defined wherein majority of the units' total contract price is over P7M, between P3.5M to P7M and between P2M to P3.5M respectively.

(1) Represents turned over project from 12/2012 to 6/2013

WHERE WE ARE NOW

Earnings Sustainability

- Pre-Sales
 - Q2 2013 Pre-Sales of P6.3 B, representing 16.0% growth from Q2 2012 and 8.6% from Q1 2013
 - H1 2013 Pre-Sales of P12.1 B, representing 13.3% growth from H1 2012 and 13.1% from H2 2012
 - On track to achieving full year pre-sales target of P24 B
 - Total un-booked revenues amounting to P30.3B as of June 2013
 - H1 2013 pre-sales as % of new launches was at 206% mitigating inventory buildup
- Liquidity
 - Positive cash flow from operations (excluding interest and taxes) reached positive P191 M in H1 2013 from (-P1.6 B) in 2012
 - Signed and drew down on CPG's largest credit facility to date of P4.2 B bringing total credit facilities to P10.1 B

WHERE WE ARE NOW

Earnings Sustainability

- Recurring Income
 - Initial foray into the recurring income space with the completion of 17,000 net leasable sqm Century City mall in Q4 2013 that is 89% pre-leased as of August
 - Ground breaking for office building with GFA of 29,560 sqm in Fort Bonifacio to start H2 2013, which is expected to contribute to CPG's recurring rental income when leased out
- New Residential Project Launches
 - Premium market leader through design and branding via two new launches in Century City within the next 3 to 9 months
- Landbank
 - Landbank standing at 200.3 hectare as of August 2013, with expansion of development portfolio and commencing presence in key growth areas outside Metro Manila with the acquisition of an 8-hectare property in San Fernando, Pampanga

A photograph of a modern skyscraper complex at dusk. The sky is a mix of purple, pink, and blue. The buildings are illuminated with warm lights, and their reflections are visible in a body of water in the foreground. A large, dark number '2' is overlaid on the right side of the image.

2

PERFORMANCE OVERVIEW

PERFORMANCE OVERVIEW



Q2 2013 Financial Results

PHP (Million)	Q2 2013	Q2 2012	Inc. from Prev. Year	Q1 2013	Inc. from Prev. Quarter
Total Revenues	2,694	2,458	9.6%	2,598	3.7%
Net Income	555	491	13.1%	501	11.0%
Gross Profit Margin from Real Estate Development ⁽¹⁾	47.3%	43.6%		44.2%	
Net Income Margin	20.6%	20.0%		19.3%	
ROE	23.2%	32.3%		21.5%	
Net Debt / Equity	19.5%	10.2%		14.4%	

(1) With Interest Accretion

RESULTS OVERVIEW



H1 2013 Financial Results

PHP (Million)	H1 2013	H1 2012	Inc. from Prev. Year	H2 2012	Inc. from Prev. Semester
Total Revenues	5,291	4,936	7.2%	4,675	13.2%
Net Income	1,056	944	11.8%	900	17.3%
Gross Profit Margin from Real Estate Development ⁽¹⁾	45.8%	42.7%		46.5%	
Net Income Margin	20.0%	19.1%		19.3%	
ROE	22.3%	32.3%		28.6%	
Net Debt / Equity	19.5%	10.2%		33.4%	

(1) With Interest Accretion

A photograph of a modern skyscraper complex at dusk. The sky is a mix of purple, pink, and blue. The buildings are illuminated with warm lights, and some have distinctive curved or stepped designs. A large, dark number '3' is overlaid on the right side of the image.

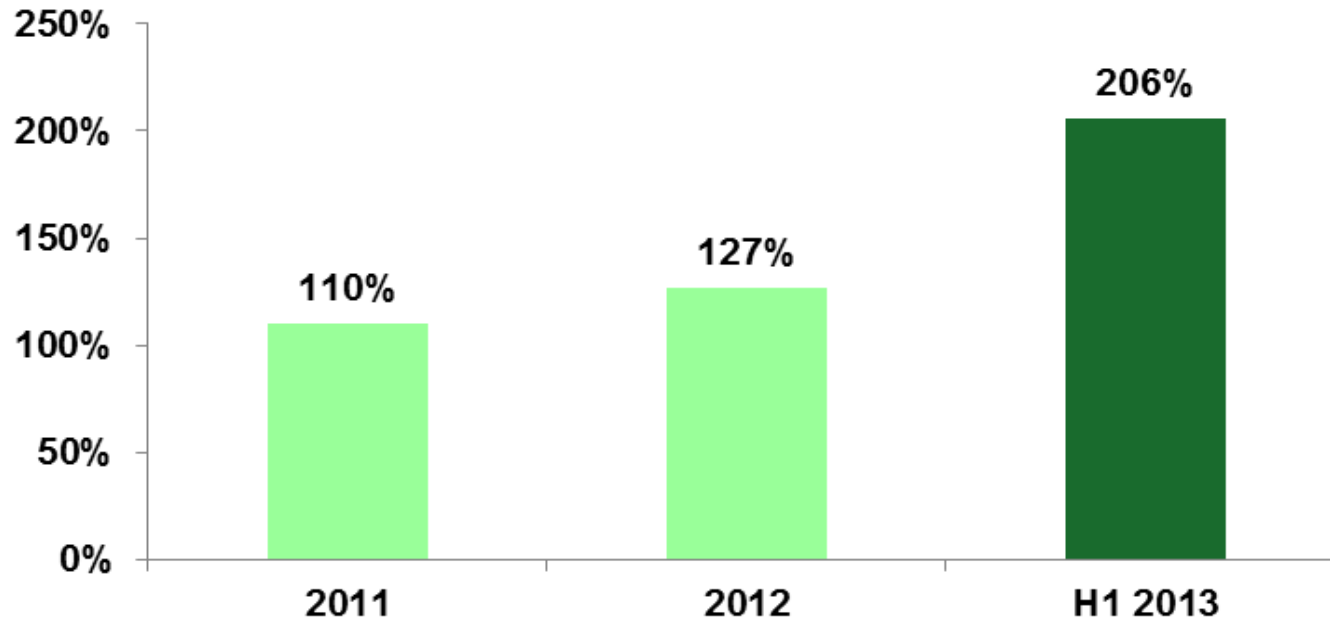
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PRE-SALES RESULTS

PRUDENT PRODUCT LAUNCHES LEADING TO HEALTHY GROWTH PROSPECTS



Pre-Sales as Percent of New Launches

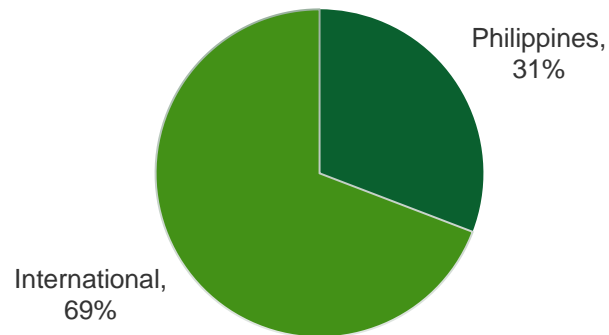


Ensuring visibility on earnings with P30.3 B of un-booked revenue, while at the same time launching projects in a staggered manner to prevent build-up of inventory

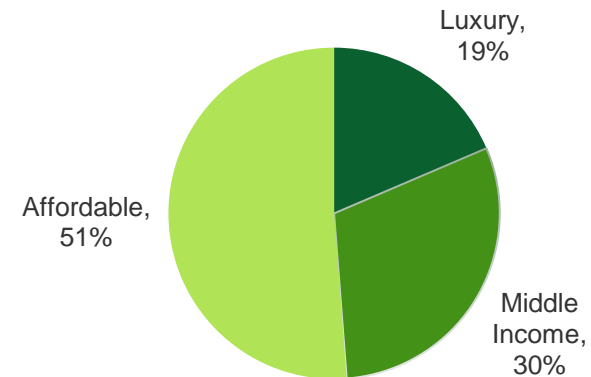
Q1 & Q2 2013 PRE-SALES

Industry Leading International Platform and Balanced Product Mix

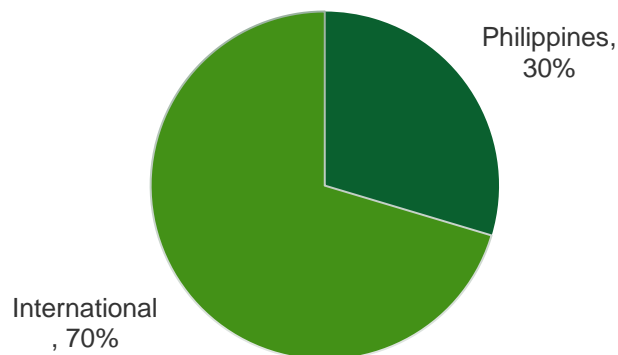
Q1 2013 By Location: Php5.8B Total



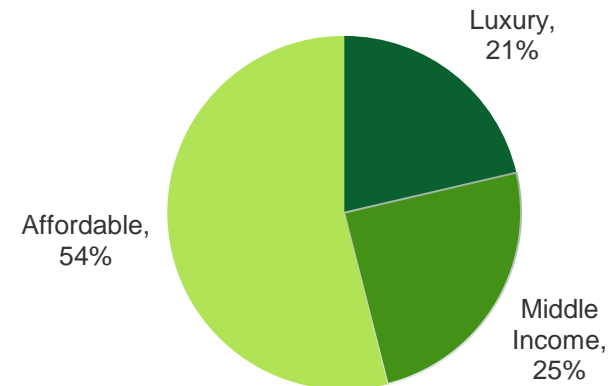
Q1 2013 By Product: Php5.8B Total



Q2 2013 By Location: Php6.3 B Total



Q2 2013 By Product: Php6.3 B Total

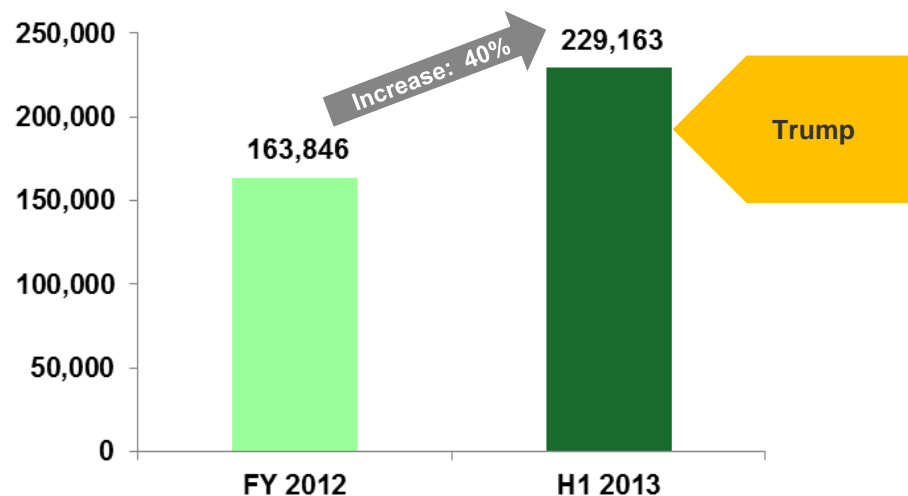


Note: Luxury, Middle Income and Affordable markets are defined wherein majority of the units' total contract price is over P7M, between P3.5M to P7M and between P2M to P3.5M respectively.

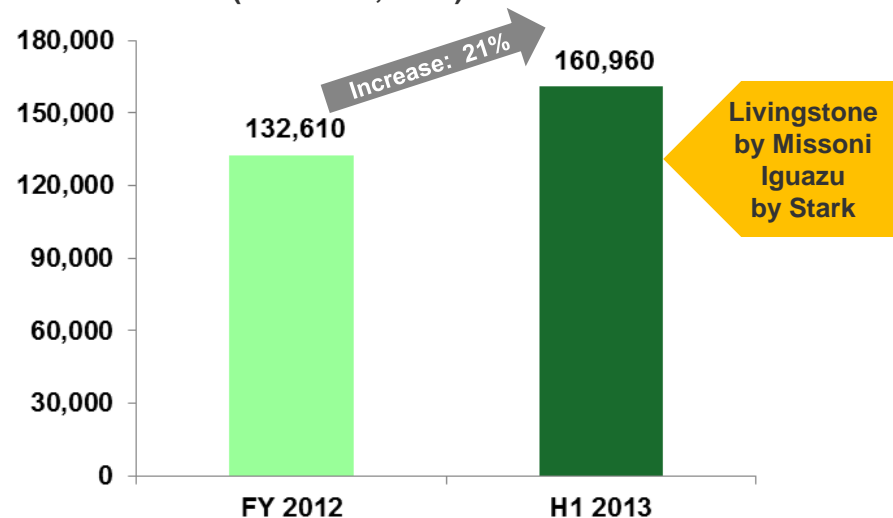
ABILITY TO INCREASE SELLING PRICE DUE TO PREMIUM PRODUCTS



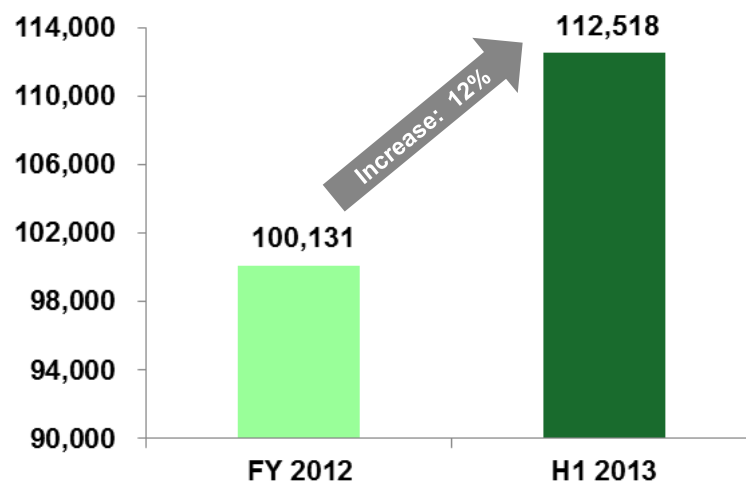
Luxury (Ave. PSM, Sold)



Middle Income (Ave. PSM, Sold)



Affordable (Ave. PSM, Sold)

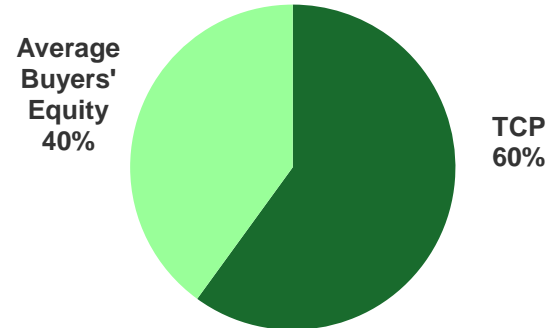


Note: Reflects pre-sold units pricing on above mentioned time periods

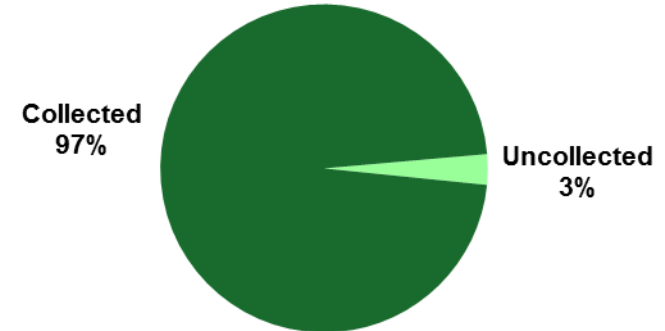
COLLECTION SNAPSHOT

Middle Income

Average Buyer s' Equity vs TCP



Total Receivable Collected 6 Months After Turnover



Payment of Turnover Balances ⁽¹⁾



Note: Reflects projects in each market segment that have turned over 12/2012 to 6/2013, Past collection efficiency is not an indication of future collection efficiency.

(1) Percentage of fully paid buyers

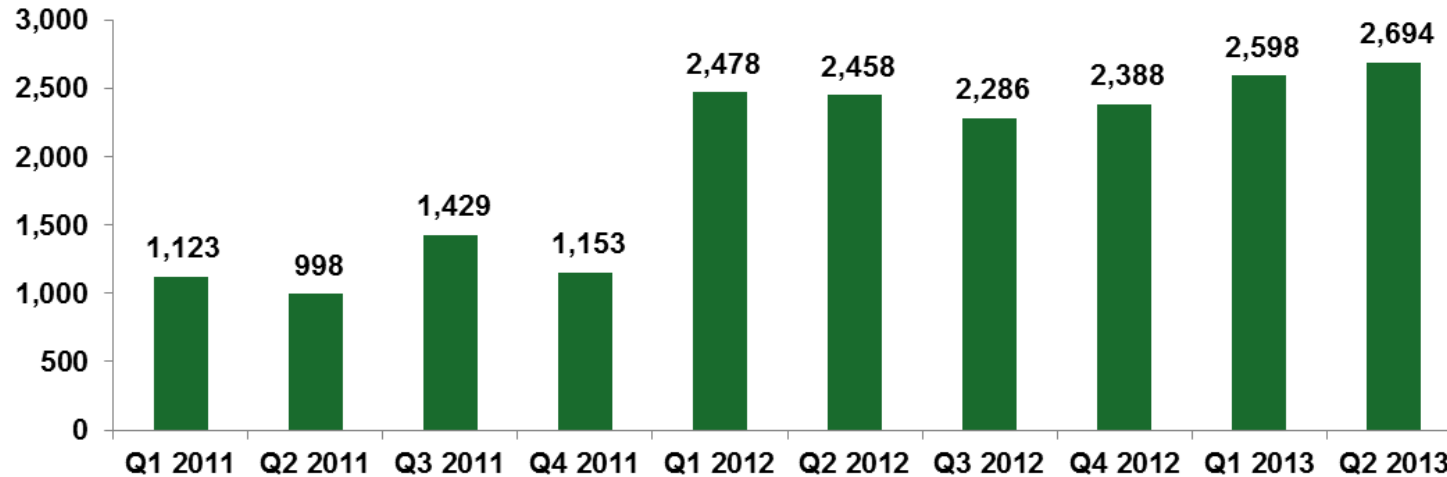


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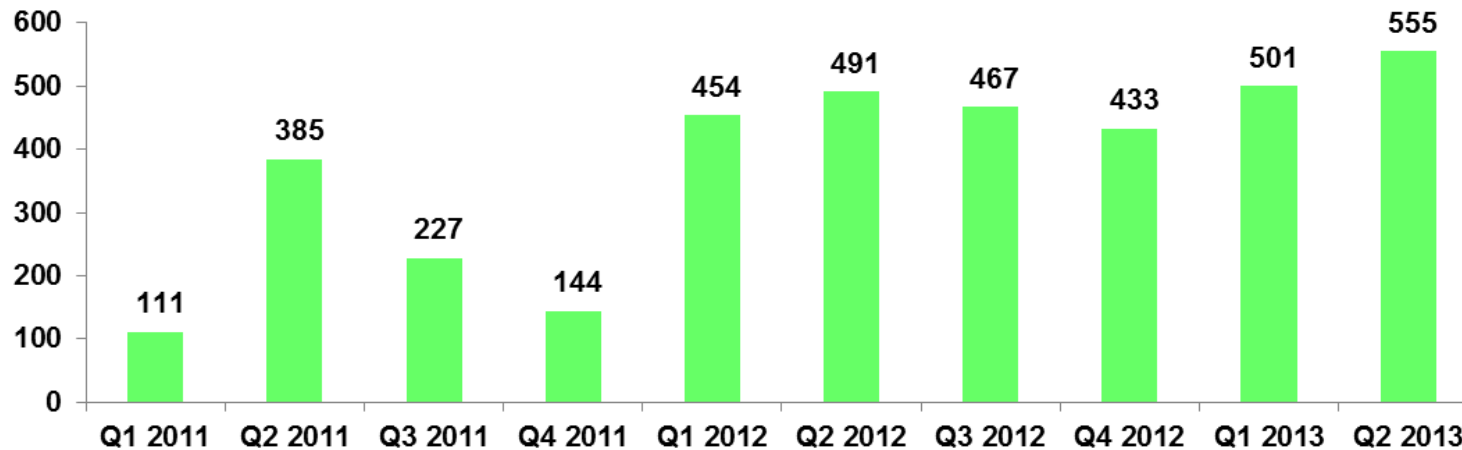
FINANCIAL PERFORMANCE AND CAPITAL MANAGEMENT

RECORD EARNINGS

Total revenues (Php Million)

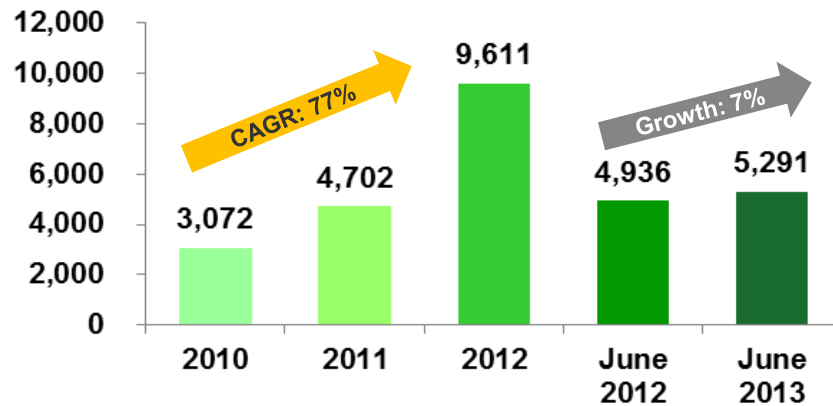


Profit After Tax (Php Million)

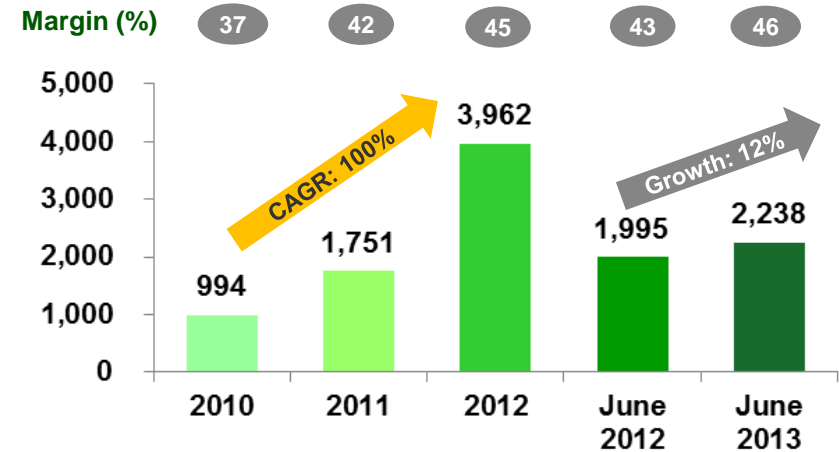


RECORD EARNINGS

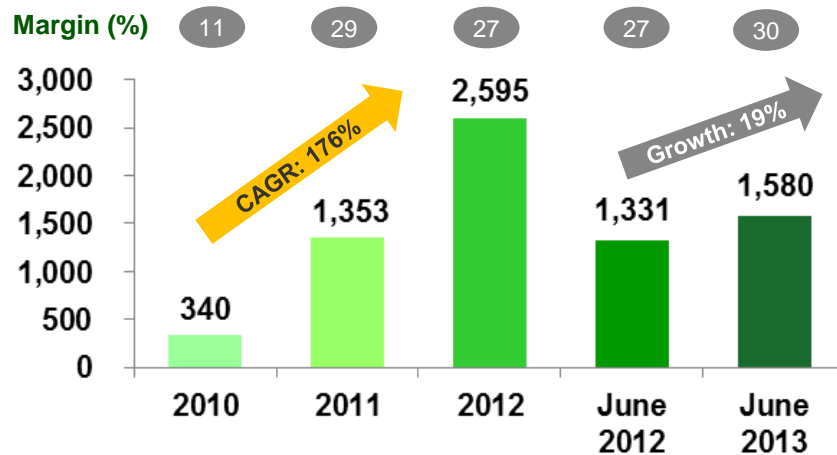
Total revenues (Php Million)



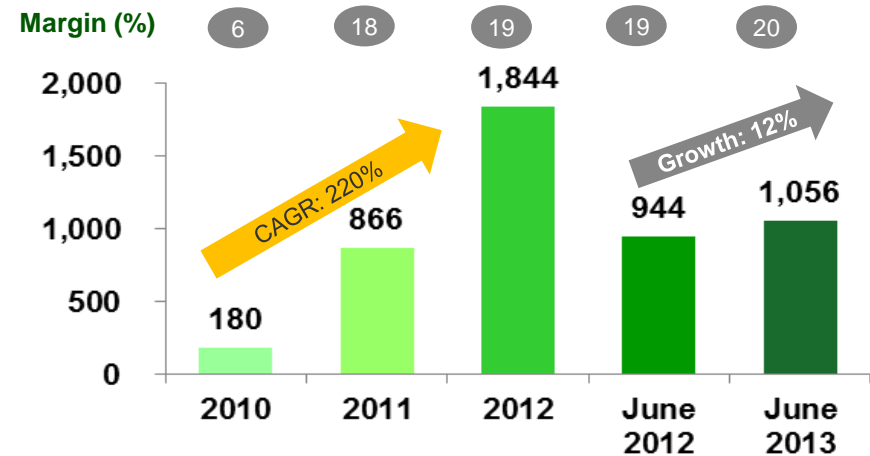
Gross profit from real estate development (Php Million)



EBITDA (Php Million)



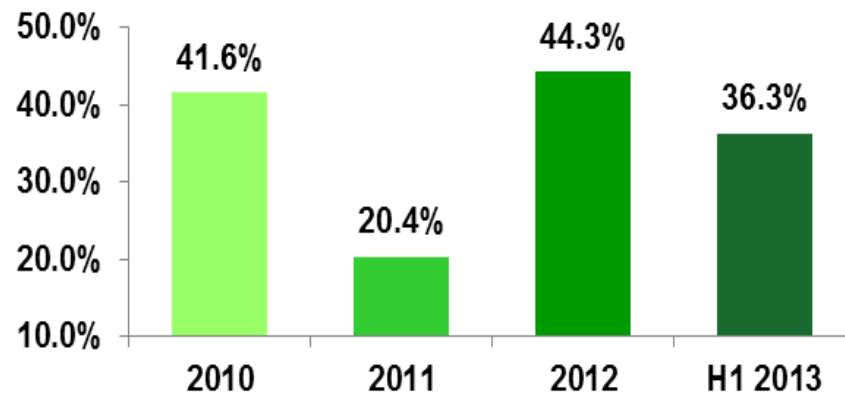
Profit After Tax (Php Million)



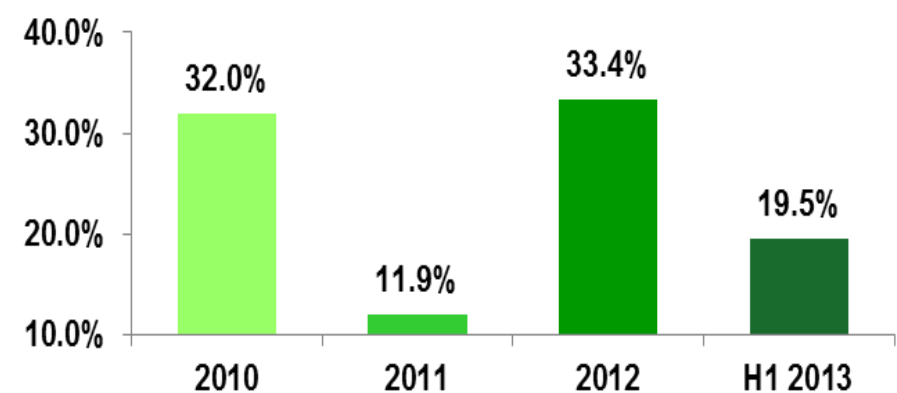
HEALTHY BALANCE SHEET

Amount in Php Million	Audited 31-Dec-10	Audited 31-Dec-11	Audited 31-Dec-12	Unaudited 30-June-13
Cash and Cash Equivalents	283	367	902	1,794
Total Assets	7,555	10,029	18,579	22,622
Total Borrowings	1,226	883	3,661	3,883
Net Debt	943	516	2,759	2,089
Stockholder's Equity	2,950	4,332	8,266	10,705

Debt-to-Equity Ratio



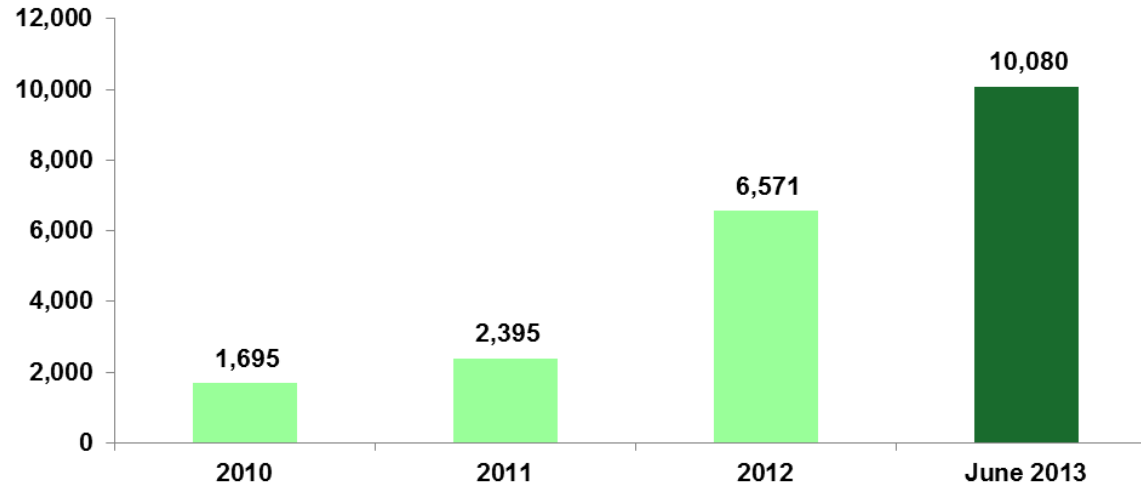
Net Debt-to-Equity Ratio



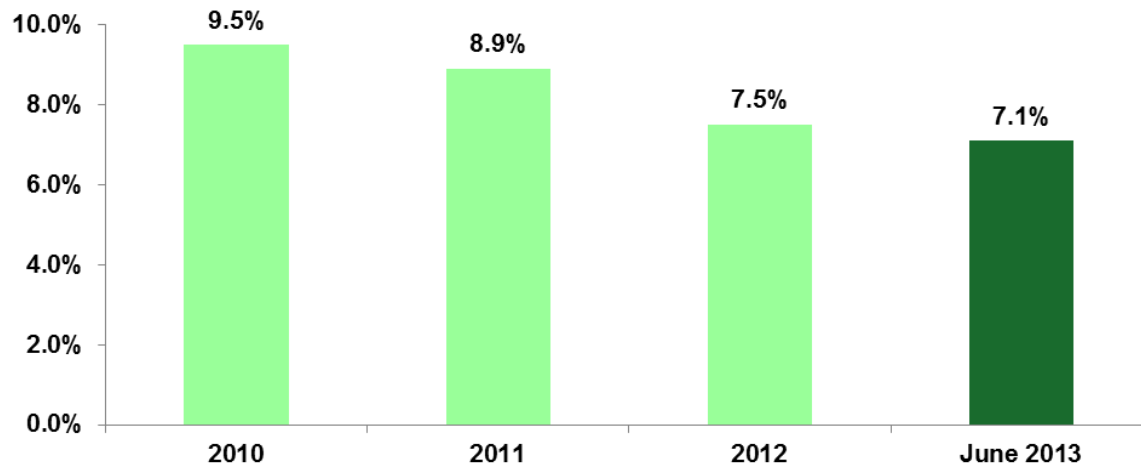
MORE CREDIT FACILITIES, LOWER COST OF DEBT

Approved Credit Facilities (Php Million)

Number of
Banks



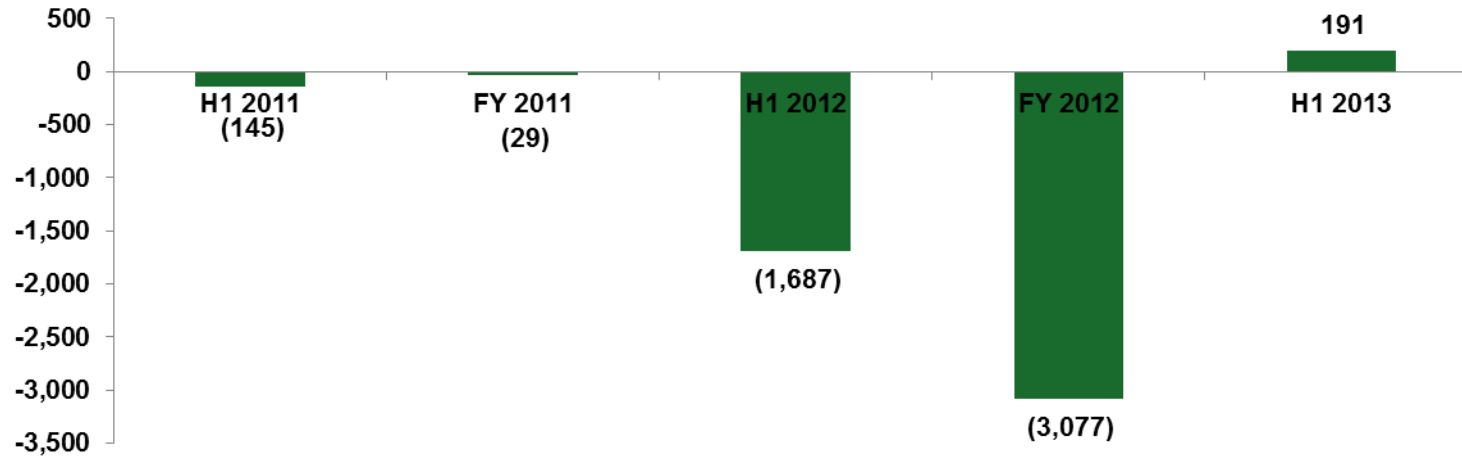
Cost of Debt



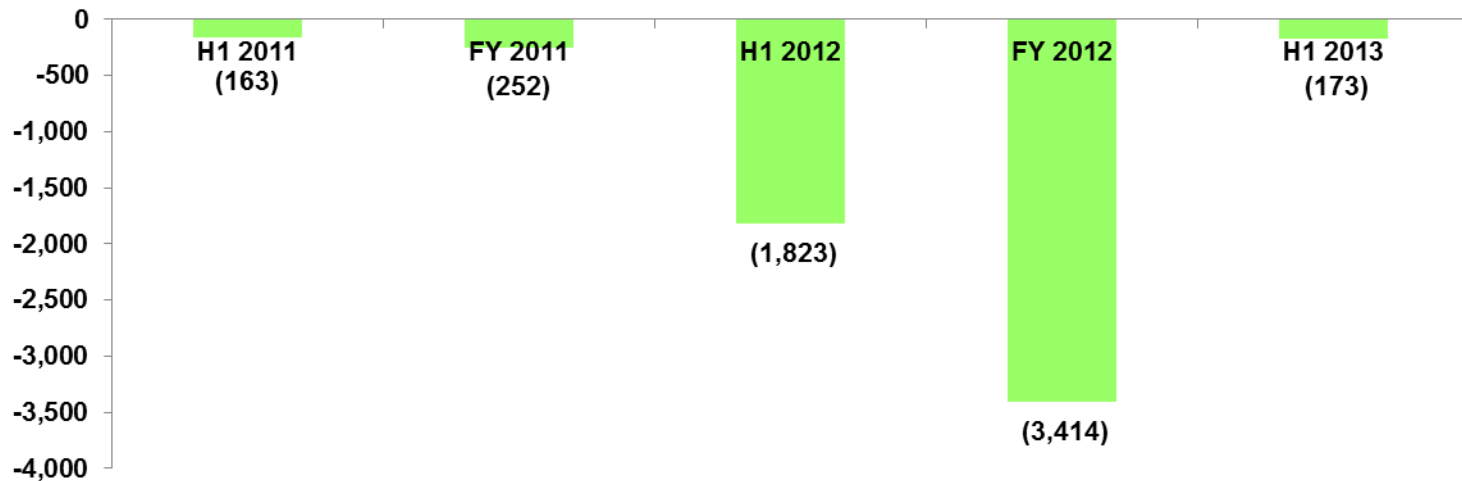
Subsequent event: 1st drawdown syndicated term loan of P1.6 B

CASH FLOW FROM OPERATIONS

Cash from Operations, Before Interest and Tax (Php Million)



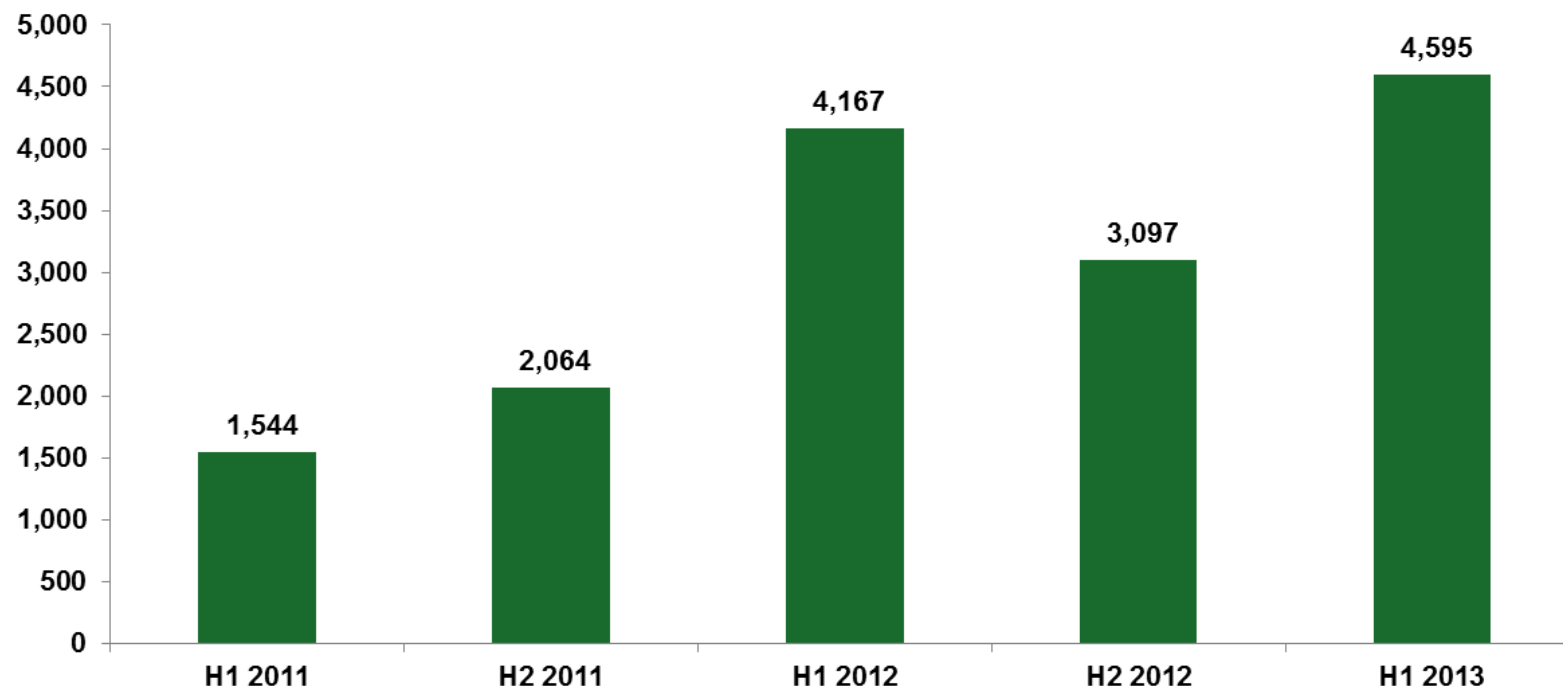
Cash from Operations, Net of Interest and Tax (Php Million)



CAPEX PROGRAM



Total Capital Expenditures (Php Million)



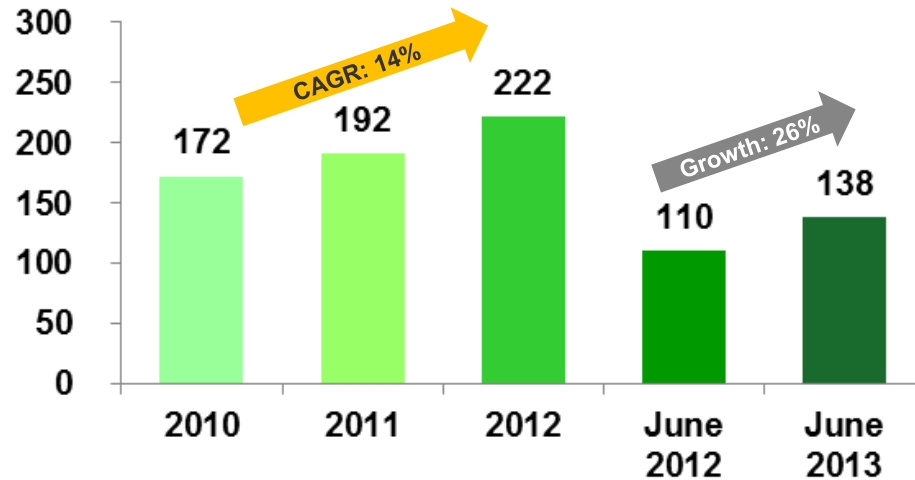
NEAR TERM COMPLETIONS

- 4 buildings with 3,217 units, 201,105 sqm GFA / 105,541 sqm of net saleable area, plus a retail mall and an urban beach club to be delivered in the coming months
- Construction works are on schedule for all projects

	Knightsbridge	Retail Mall	Rio (Azure 1)	Santorini (Azure 2)	St. Tropez (Azure 3)	Paris Hilton Beach Club	Total
Launch Date:	2008	2011	2011	2011	2011	N/A	
No. of Units	1,328	N/A	756	553	580	N/A	3,217
Expected Delivered Date:	Dec-2013	Q4 2013	Q2 2013	Q2 2013	Q4 2013	Q4 2013	
GFA (sqm)	91,357	49,143	40,092	34,627	35,029	3,250	201,105
NFA (sqm)	43,171	17,000	24,156	19,107	19,107	N/A	105,541
Total Sales (Php bn)	5.1	N/A	2.1	1.7	1.9	N/A	P10.8
Percent Sold (Units)	98%	N/A	99%	99%	99%	N/A	99%
Current Average Selling Price (PSM)	152,482	N/A	100,346	102,970	103,165	N/A	

GROWING REVENUES FROM PROPERTY MANAGEMENT

Total Revenues from Property Management (Php (Million))



**Largest Independent Property Manager with 50 Buildings
Totaling 2.3M sqm under Management**

	No. of projects	GFA ('000 sqm)
Residential	18	1,018
Commercial	29	1,275
Total	47	2,293

**Notable Projects Under Management, with 80%
of contracts with 3rd parties**

- Asian Development Bank
- Makati Medical Center
- Pacific Star Building
- Globe Telecom Plaza (Cebu, Mandaluyong, Makati)
- PNB Building
- BPI Buendia Center



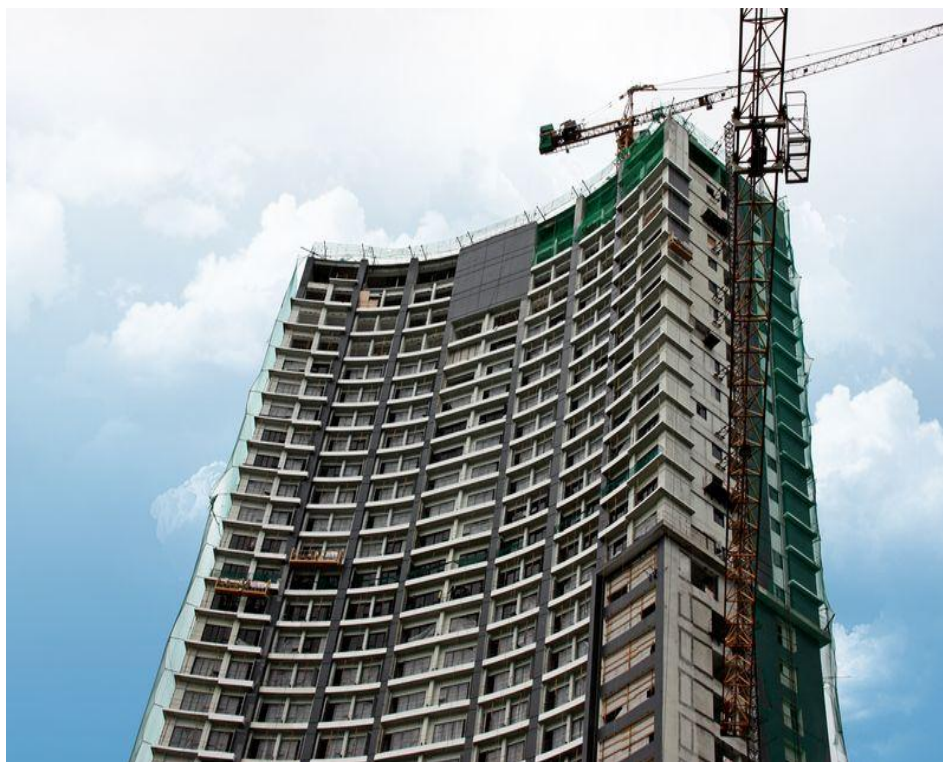
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CONSTRUCTION AND COMPLETION UPDATES

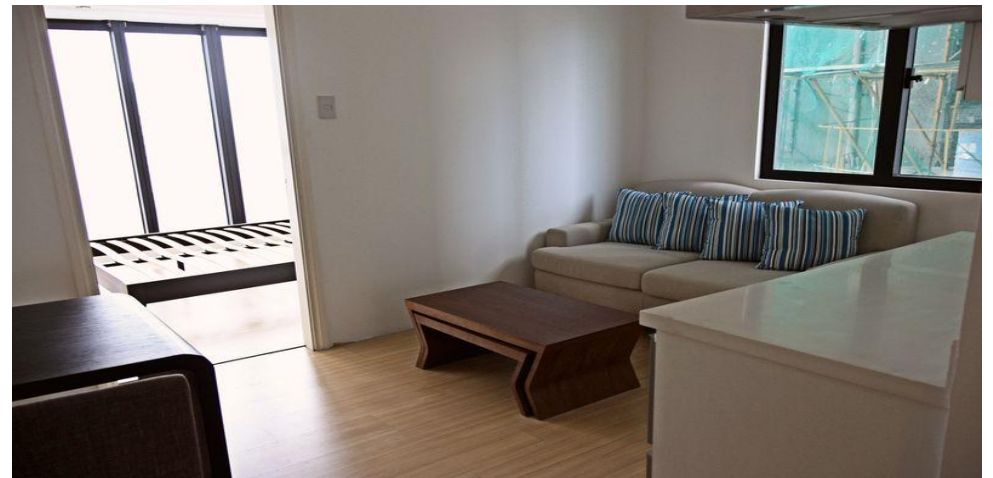
Note: Unit count as of December 2012

KNIGHTSBRIDGE RESIDENCES

Key Project Statistics	
Launch and Completion Dates	2008 / 2013
Current Construction Status (as of June 2013)	Finishing
Total Units	1,328
Total GFA With Parking (sqm)	91,357

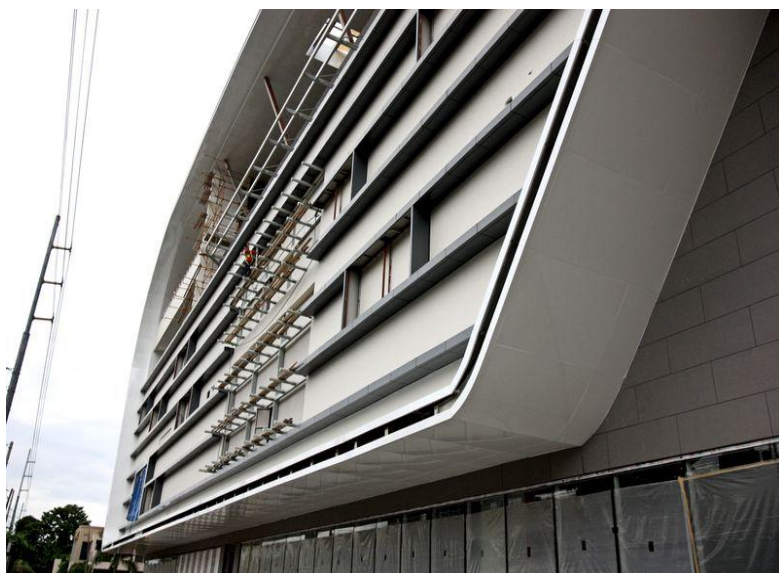


KNIGHTSBRIDGE RESIDENCES



CENTURY CITY MALL

Key Project Stats	
Launch and Completion Dates	2011 / 2013
Current Construction Status	Finishing
Total GFA With Parking (sqm)	49,143
Total NFA (sqm)	17,000
Total Floors	6
% Leased (as of August 2013)	89%



CENTURY CITY MALL



CENTURIA MEDICAL MAKATI

Key Project Statistics	
Launch and Completion Dates	2010 / 2014
Current Construction Status (as of June 2013)	23 rd Floor
Total Units	553
Total GFA With Parking (sqm)	70,804



ACQUA PRIVATE RESIDENCES



Key Project Stats	Open for Sale	Un-Launched	Total
# of Buildings	5	1	6
Total Units	2,859	202	3,061
Total GFA (sqm)	189,776	24,004	213,780

THE RESIDENCES AT COMMONWEALTH

Key Project Stats	Open for Sale	Un-Launched	Total
# of Buildings	5	3	8
Total Units	2,500	692	3,192
Total GFA (sqm)	95,794	91,060	186,85

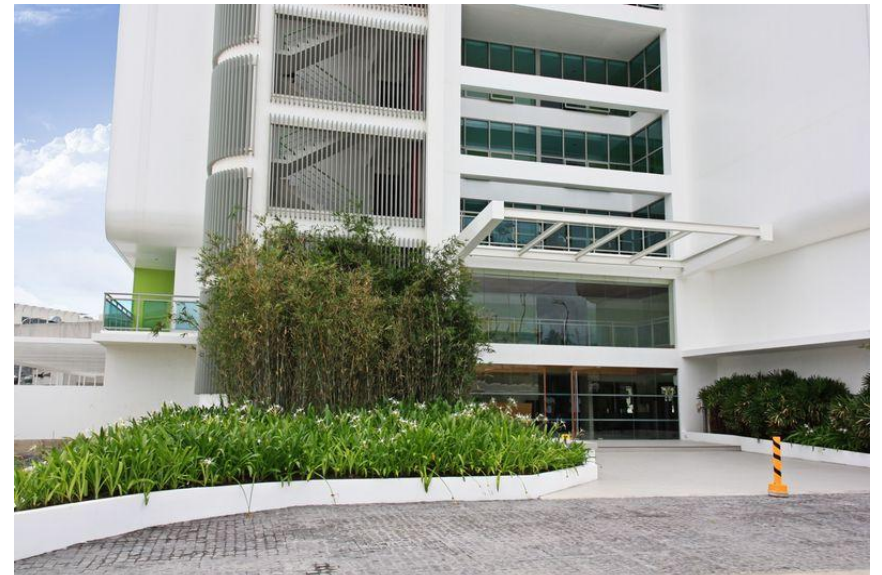


THE RESIDENCES AT COMMONWEALTH



AZURE URBAN RESORT RESIDENCES

Turning over Rio, Santorini and St. Tropez with
GFA of 109,748 sqm and 1,889 units within Q2 to
Q4 2013



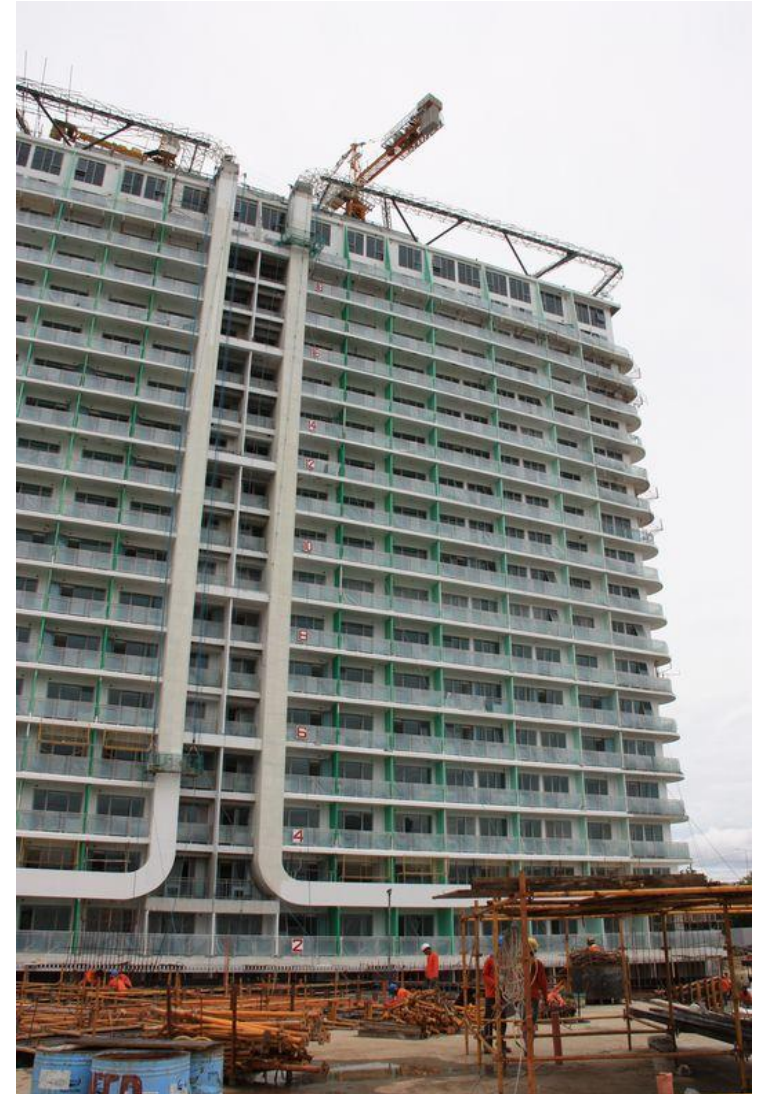
AZURE URBAN RESORT RESIDENCES



AZURE URBAN RESORT RESIDENCES



AZURE URBAN RESORT RESIDENCES





6

PIPELINE OF PROJECTS

PREMIUM MARKET LEADER THROUGH DESIGN AND BRANDING



Key Project Stats	Lot 3	Lot 5	Total
Planned GFA (in sqm, excluding parking) ⁽¹⁾	63,320	68,514	138,333
Product Offering	Office (For Sale and/or For Lease)	Luxury Residential and Office	
Office GFA ^{(1) (2)}	31,660	15,416	47,076



KALAYAAN AVENUE

(1) Subject to change based on final architectural plan

(2) Based on projected area that will be kept by CPGI for lease, and is subject to change

OFFICE BUILDING IN FORT BONIFACIO



Project Location: 27th Street at 3rd & 4th Avenue

Land Size (sqm)	3,268
Total Planned GFA (sqm) (excluding parking)	29,560
CPGI Equity Ownership	49%

OFFICE BUILDING IN FORT BONIFACIO

Office Building Perspective



PERSPECTIVE SHOT FROM 4TH AVENUE PLAZA



PERSPECTIVE SHOT FROM 3RD AVENUE



PERSPECTIVE SHOT FROM 4TH AVENUE



7

FORAY INTO NEW MARKETS

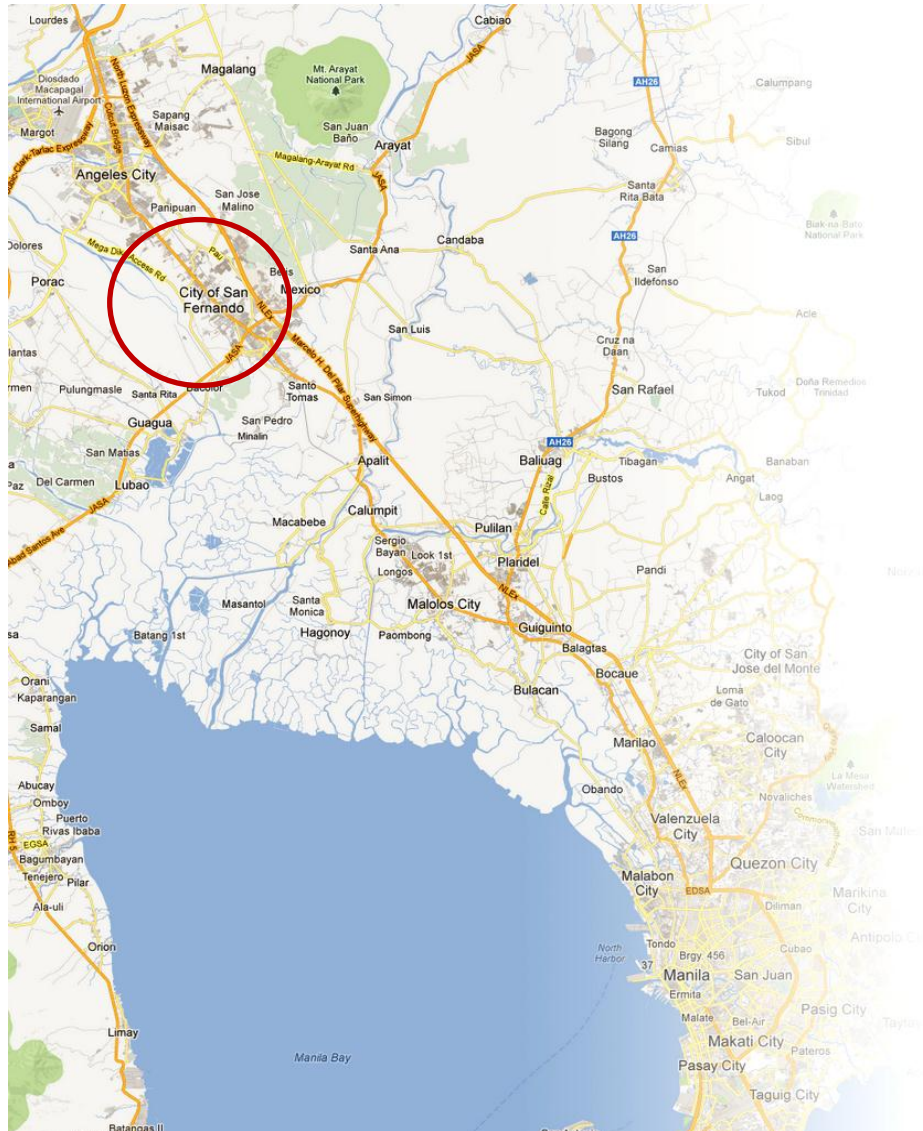
PAMPANGA: CENTRAL LUZON GROWTH CORRIDOR



Demographic Highlights

- Central Luzon boasts of over 10.14M population, closely following CALABARZON (12.61M) and the National Capital Region (11.86M).
 - Aurora: 201,233
 - Bataan: 687,482
 - Bulacan: 2,924,433
 - Nueva Ecija: 1,955,373
 - PAMPANGA: 2,340,355**
 - Tarlac: 1,273,250
 - Zambales: 755,621
- There are approximately 10M overseas Filipinos. According to NSO survey, Central Luzon ranks second with 14.3% coming from the region; CALABARZON ranks first (16.5%) while NCR is third (12.5%). Using NSO's survey, there are an estimated of 1.43 million overseas Filipinos from the Region.
- Central Luzon contributed 9.1% of GDP in 2010 and posted the fastest increase in GRDP for 2011, beating NCR and CALABARZON.
- Central Luzon provided a total tertiary graduates of 56,800 in 2012, second only to NCR, thereby making it a viable location for business process outsourcing (BPO) expansions.

CITY OF SAN FERNANDO – REGIONAL CENTER



Demographic Highlights

- Total population: 221,000 based on 2010 Census; high of 269,365 based on the City's 2013 Comprehensive Land Use Plan
- Recently ranked as the 3rd Most Competitive City by the National Competitiveness Council
- Total amount of investments: P21.7 billion. as of December 2012
- The number of new businesses has risen steadily from 3,574 in 2010 to close to 5,000 in 2012.
- Being heralded as a boomtown with a strong middle class, comprising a huge 59% of the total population.
- Known as the regional center of Central Luzon where most regional offices are located

PROJECT SITE: CITY OF SAN FERNANDO, PAMPANGA



Located right at the San Fernando Interchange of the North Luzon Expressway (NLEX) and plying along the vital Gapan-San Fernando-Olongapo (GSO) Road (also known as “Jose Abad Santos Avenue “or JASA)



Project Address

Jose Abad Santos Ave.,
Barangay San Jose,
San Fernando City,
Pampanga, Philippines

Infrastructure Highlights:

- Ongoing rehabilitation, repair and widening of GSO or JASA
- Plan to build “Northrail” that may opt to use the NLEX median instead of the existing Philippine National Railway (PNR) line

NEW ACQUISITION IN KEY GROWTH AREA

Acquisition of close to 8 hectares of property situated across the SM and Robinsons malls in the City of San Fernando, Pampanga





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OTHER ITEMS

OTHER ITEMS

- Treasury Buy Back
 - Purchased a total of 9,437,000 Treasury Shares from January to June 2013
 - Purchased 5,000,000 Treasury Shares at an average price of P1.32 on 01 August 2013

- Implementation of Employee Stock Grant Program as approved during Annual Stockholders' Meeting on July 1, 2013

Proposed Issuance	Up to 2% of the outstanding shares Up to 193,905,741 common shares (2% of 9,695,287,027)
Offer Period	The Shares shall be vested based on the following schedule/tranches: <ul style="list-style-type: none"> • First (1st) Tranche: H2 2013 (10% of the qualified number of shares) • Second (2nd) Tranche: H2 2015 (40% of the qualified number of shares) • Third (3rd) Tranche: H2 2018 (50% of the qualified number of shares)
Exercise Option (Lock up)	Schedules are as follows: <ul style="list-style-type: none"> • First (1st) Tranche: 12 months from the Offer Period (H2 2014) • Second (2nd) Tranche: 36 months from the Offer Period (H2 2018) • Third (3rd) Tranche: 60 months from the Offer Period (H2 2023)



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Q & A