



瑞安房地產
SHUI ON LAND

Shui On Land Limited

2018 Full Year Results Announcement

Investor Presentation

March 2019



Contents

Section 1 **2018 Performance Highlights, Strategies, Key Achievements and 2019 Outlook**

Section 2 **Investment and Asset Management**

Section 3 **Development**

Section 4 **Financial Highlights**

Appendix



瑞安房地產
SHUI ON LAND

Section 1

2018 Performance Highlights, Key Achievements, Strategies and 2019 Outlook



2018 Performance Highlights

	2018	2017	Change %
Total Asset Value (RMB'mn)	110,250	114,292	(4%)
Shareholders' Equity (RMB'mn)	39,047	38,282	2%
Investment Property at valuation (RMB'mn)	43,351	40,636	7%
Rental and Related Income (RMB'mn) *	2,200	1,869	18%
Contracted sales (RMB'mn)	22,279	21,366	4%
Selected Financial Information (RMB'mn)			
Revenue	24,841	18,451	35%
Gross profit	7,145	7,858	(9%)
Profit for the year	2,686	2,324	16%
Profit attributable to shareholders of the Company	1,906	1,669	14%
Selected Financial Ratios			
Net gearing	40%	51%	(11 ppt)
Cash and bank balance	15,392	16,760	(8%)
Shareholders' Equity per share	RMB4.84	RMB4.75	2%

Note: Including Rental Income from Rui Hong Xin Cheng Commercial Partnership Portfolio, in which, the Group has 49.5% effective interest and deconsolidated in 2018, If excluded, rental and related income for the Group was RMB2,016 million, an increase of 8% compared to 2017 on revenue basis.

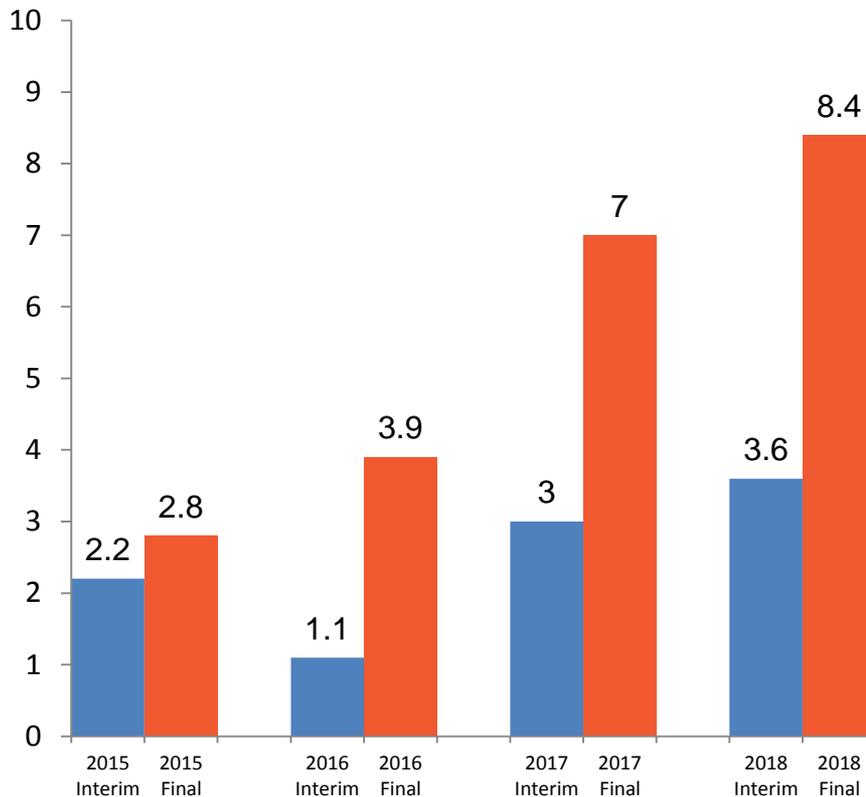


Focus on Increasing Shareholders' Return

Increased dividend payout

DPS

(HKD cents)



The Board recommends 2018 final dividend at HKD0.084 per share, an increase of 20% compared to final dividend of 2017.

Key Achievement in 2018 – Investment in Shanghai

New Investment in a prime located office & retail mix-used site in Shanghai

Investment Thesis

On 5 July 2018, we won the land bidding for the land parcel no. 123, 124 and 132 situated at Huangpu District, Shanghai with CPIC and Yongye Group. The land will form an integral part of the Shanghai Taipingqiao project, providing us a rare opportunity to develop of a world-class commercial project at an unique prime Shanghai CBD location

Ownership

Shui On Land: 25%, CPIC Group: 70%, Yongye Group: 5%

Shui On Land's Role & Fee Income

Act as the development manager and asset manager upon completion, with recurrent income:

- Project management fee: based on total construction budget
- Asset management fee : based on total development cost and a share of the NOI



Development Plan of the Sites

Land	Site Area sq.m.	Leasable GFA			Total
		Office	Retail (A/G)	Retail (B/G)	
Lot 123	13,770	44,573	24,001	60,000	272,590
Lot 124	18,002	122,414	21,602	-	-
Lot 132	3,053	30,099	-	-	30,099
Total	34,825	197,086	45,603	60,000	302,689

Key Achievement in 2018- Formation of Core-Plus Office Investment Platform

Formation of SOL Managed Core-Plus Office Investment Platform

On December 29, 2018, the Group entered into an agreement with Manulife Investors and China Life Trustees to establish a Core-plus office investment platform to pursue office opportunities in Shanghai and other first tier cities in the PRC, with a targeted total capital commitment of USD1.0 billion. The targeted commitments are:

- Manulife: USD450 million
- China Life Trustees: USD100 million
- Shui On Investor: USD200 million
- Other additional investors: USD250 million

The platform's inaugural investment is 5 Corporate Avenue



Details of 5 Corporate Avenue

Property Type	GFA (sq.m.)
Office	51,623
Retail	27,035
Others (storage)	5,354
Parking space	18,318
Total	102,330
Year of completion	2013

Reasons and benefits of the transaction

The formation of the office investment platform is in line with the Company's Asset Light Strategy to increase its focus as a leading commercial real estate owner and asset manager.

- provide the Company with a major capital platform to invest and expand its commercial property portfolio with long term partners.
- provide the Company with stable, recurrent management fee and will help the Company to diversify its revenue sources.



Key Achievement in 2018 – Consolidate Ownership in Shanghai’s Core Commercial Portfolio

Acquisition of Brookfield’s 21.894% interest in CXTD

- On December 28, 2018, China Xintiandi, a wholly owned subsidiary of the Group, entered into a conditional agreement to acquire the entire interest of 21.894% held by Brookfield in CXTD Holding (the “Sale Shares”) and the outstanding convertible perpetual securities in the principal amount of US\$100,000 (the “Sale CPS”) (the “Brookfield Transaction”).
- The Brookfield Transaction was completed on 15 March 2019. CXTD Holding has since become the Group’s wholly-owned subsidiary.

Reasons and benefits of the acquisition

- The transaction is also in line with our increasing strategic focus as a leading commercial real estate owner and asset manager, and our effective ownership in core Shanghai office and retail assets will increase noticeably upon completion of the acquisition.
- Provide greater flexibility in the strategic direction and day-to-day management
- CXTD Holding is positioned as the asset management arm of the Group

Project		Product	Leasable GFA sq.m.
Shanghai Taipingqiao	Xintiandi & Xintiandi Style	Retail & Office	80,000
	Shui On Plaza & Xintiandi Plaza	Office & Retail	60,000
The HUB		Office & Retail	263,000
Wuhan Tiandi (Lot A4)		Retail	46,000
Total			449,000
Estimated Total Carrying Value as of 31 December 2018			RMB23 billion



Asset Light Strategy

Asset light strategy has made solid progress

Strategic transformation into a leading commercial focused property developer, owner and asset manager for a more balanced profit contribution

Build up long-term capital & investment platform

- Partners include China Life, China Pacific Insurance (CPIC), Citic Group, Manulife Insurance
- Expand capital base by working with 3rd party partners on new investments
- Established strategic partnerships with several world-class institutional investors for both our residential and commercial investments

Asset Light Strategy

- Realize value of commercial properties at appropriate timing for recycling of capital
- Deleverage and optimize balance sheet
- Improve overall return to shareholders
- New capital for investment

Strengthen Asset Management & Development Capabilities

- Develop a first class asset management platform with unique products
 - Retail – XINTIANDI new brand strategy
 - Office – “INNO” office and services platform
- Seized opportunities to manage third party assets:
 - Nanjing Bai Zi Ting
 - Nanjing Zhujiang Lu
- Further expand high quality commercial property portfolio
- Land and other acquisition



Asset Light Strategy has yielded strong results over the past 3 years

RMB mn	2018	2015	change
Total Asset	110,250	117,170	(5.9%)
Net Debt	18,877	37,378	(49.5%)
NAV/Book Value	47,219	46,118	2.4%
Cash on Hand	15,392	10,614	45.0%
Gearing ratio	40%	81%	(41 ppt)
Rental and Related Income	2,016	1,539	31.0%
Net Profit to Shareholders	1,906	788	141.9%
Dividend per share (HK\$)	0.12	0.05	140%

Growing Investment Management Platform

6 projects with a total asset value of over RMB55.7 billion under management

Project	Partners	Nature	Year	Office & Retail GFA sq.m.	Residential GFA sq.m.	Total GFA sq.m.	Asset Value as of 31 Dec 2018 (RMB'bn)	Group's Interest %	Attributable Value (RMB'bn)
Shanghai KIC	China Life	Completed Office and Retail Properties	2017	249,000	-	249,000	8.3	44.27% ¹	3.83
Shanghai RHXC Commercial Portfolio	China Life	Completed retail, under-development office & retail site	2017	448,000	-	448,000	10.7	49.50%	5.29
Wuhan Optics Valley Innovation Tiandi	Citic	Land acquisition Residential, Office & Retail mix-used sites	2017	834,000	443,000	1,277,000	2.3	50.00%	1.15
Shanghai RHXC Lots 167A&B	GTJA	Relocation Residential, Office & Retail mix-used sites	2017	149,000	83,000	232,000	10.7	49.00%	5.24
Shanghai Lots 123,124,132	CPIC/SHYY	Land acquisition, Office & retail Mix-used sites	2018	303,000	-	303,000	17.3	25.00%	4.33
Shui On Core Plus Office Investment Platform	Manulife / China Life	Acquisition of 5CA, Completed IP	2018	79,000	-	79,000	6.4	20.00% ²	1.28
Total				2,062,000	526,000	2,588,000	55.7		21.12

Note:

1. The Company has a 44.27% effective interest in all remaining lots, except for KIC Lot 311 in which the Company has an effective interest of 50.49%
2. 5 Corporate Avenue targets to have the closing in 2Q 2019.



Market Outlook

- **China's GDP** growth softened to 6.6% in 2018 as the government pushed through a deleveraging campaign. Fixed asset investment slowed from 7.2% in 2017 to 5.9% in 2018, while retail sales growth dropped from 10.3% to 9.0%. The RMB depreciated 4.79% against US dollar amid persistent trade tension in 2018, but with the US Fed policy turning dovish, the exchange rate has stabilized at around 6.75 – 6.8 in January despite mounting uncertainties.
- **China residential** sales area and revenue reached a record high of 1.48 billion square meters and RMB12.64 trillion in 2018, representing respective annual increases of 2.2% and 14.7%. With housing policy turning supportive and mortgage rate falling, tier one and strong tier two cities should continue to maintain stable transaction level this year.
- **China's office leasing** momentum moderated in line with a slower pace of economic growth in 2018. While Grade A office leasing demand in tier one cities in China is expected to remain stable in longer-term, excess supply across many tier two cities means that rising vacancy will continue to suppress office rental growth this year, in particular for projects in non-core areas.
- **For retail commercial markets**, there are rising competition from numerous new shopping mall supply together with online and omni-channel competitors.
- Sino-US trade tension, export under pressure, and a housing market operating at the peak all time high, are the key challenges affecting China's economic outlook for 2019. In order to maintain stable growth, the government has announced a comprehensive economic work plan and will implement proactive fiscal policy and prudent monetary policy this year to stimulate domestic demand.
- In view of a slowdown in economic growth, the local government will be giving more leeway to loosen housing control restrictions based on local circumstances, with a stated goal of “stabilization of land and home prices”, but will continue to maintain a firm grip to prevent speculation in the housing market.
- 2019 is shaping up to be an uncertain and challenging year, and we will closely monitor changes in the global and domestic markets, and will make adaptation as necessary to the evolving market environment.



Chairman's Outlook

- Transforming into a leading commercial focused property developer, owner and asset manager in China, anchor by strong asset base in Shanghai
- One of the premium real estate investment partners for financial institutions
- Believe in long-term value of core commercial assets
 - Continue to create unique office and retail products
 - Continue to develop our asset management capabilities
- To further expand on Asset Light Strategy



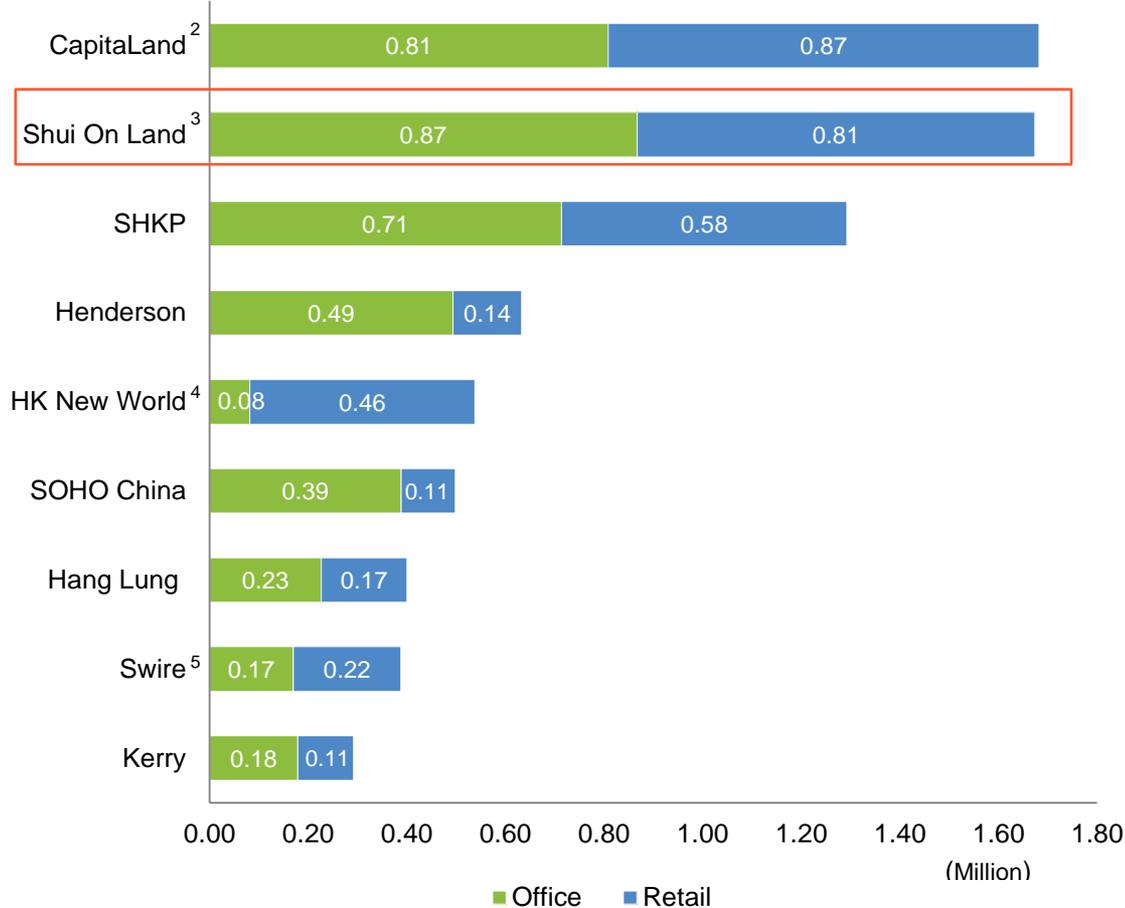
瑞安房地產
SHUI ON LAND

Section 2

Investment and Asset Management

A Leading landlord in Shanghai with a growing prime commercial portfolio in core city areas

Commercial GFA owned or under management in Shanghai¹



- Notes:
1. Only includes portfolio that are officially disclosed on companies' public released 2017 Annual Reports, incl. projects under construction
 2. CapitaLand portfolio excludes undisclosed assets under management
 3. Shui On Land portfolio includes 1.59 million sq.m. of owned and 79,000 sq.m. GFA of assets under management in Shanghai
 4. HK New World's retail portfolio includes HK New World Department Stores (399,930 sq.m./11 projects)
 5. Swire portfolio includes Qiantan project



Shui On Land's Commercial Portfolio in Shanghai

RMB72 billion of total asset value

Hall of the Sun



KIC



5 Corporate Avenue



THE HUB - Xintiandi



Lots 123,124 & 132

THE HUB - Office



Xintiandi Plaza



Xintiandi



Significant commercial portfolio under management in Shanghai as of 31 Dec 2018

Completed Key Projects	Office GFA sq.m.	Retail GFA sq.m.	Total GFA sq.m.	Attributable GFA sq.m.	Asset Value as of 31 Dec 2018 RMB' bn	% of ownership
Investment Properties for rental income						
Shanghai Xintiandi, Xintiandi style, Xintiandi Plaza, Shui On Plaza	36,000	104,000	140,000	128,100	12.40	78.11%/77.32%/62.49%
THE HUB	93,000	170,000	263,000	263,000	8.94	78.11%
Rui Hong Tiandi	-	111,000	111,000	55,000	3.97	49.5%
KIC	186,000	63,000	249,000	115,500	8.28	44.27%/50.49%
INNO KIC (Under renovation)	41,000	4,000	45,000	45,000	1.39	100%
5 Corporate Avenue	52,000	27,000	79,000	35,600	6.40	-
Total	408,000	479,000	887,000	642,200	41.38	

Land & Underdevelopment Key Projects	Office GFA sq.m.	Retail GFA sq.m.	Total GFA sq.m.	Attributable GFA sq.m.	Asset Value as of 31 Dec 2018 RMB' bn	% of ownership
TPQ XTD	197,000	106,000	303,000	75,750	17.3	25%
Rui Hong Tiandi	Lot 167 B	106,000	147,000	72,030	6.76	49%
	Hall of the Sun	157,000	337,000	166,800	6.72	49.5%
Total	460,000	327,000	787,000	314,580	30.78	
Grand Total	868,000	806,000	1,674,000	956,780	72.16	

- Total GFA of 1.674 million sq.m.
- Total Asset Value: RMB72.16 billion
- As of end-2018, the total asset value of the Group's investment properties (including PUD) owned or under management amounted to RMB72 billion, while the Group's overall effective interest in this portfolio is approximately 47%.

Note 1. On 28 and 29 December 2018, the Group bought back 21.894% interest in CXTD portfolio, which including properties located in Shanghai TPQ, THE HUB and Wuhan Tiandi (Lot A4); and acquired 5 Corporate Avenue under the Shui On Core-Plus Office Investment Platform with Manulife Investors and China Life Trustees.

China Xintiandi – Shui On Land’ s Asset Management Platform



SOCIAL PLACEMAKER

expertise in creating social engines that activate urban districts and businesses from the core

Retail

Greater XTD
“Social Destination”

XINTIANDI
新天地

**City center, mixed-use
retail driven communities**

Office

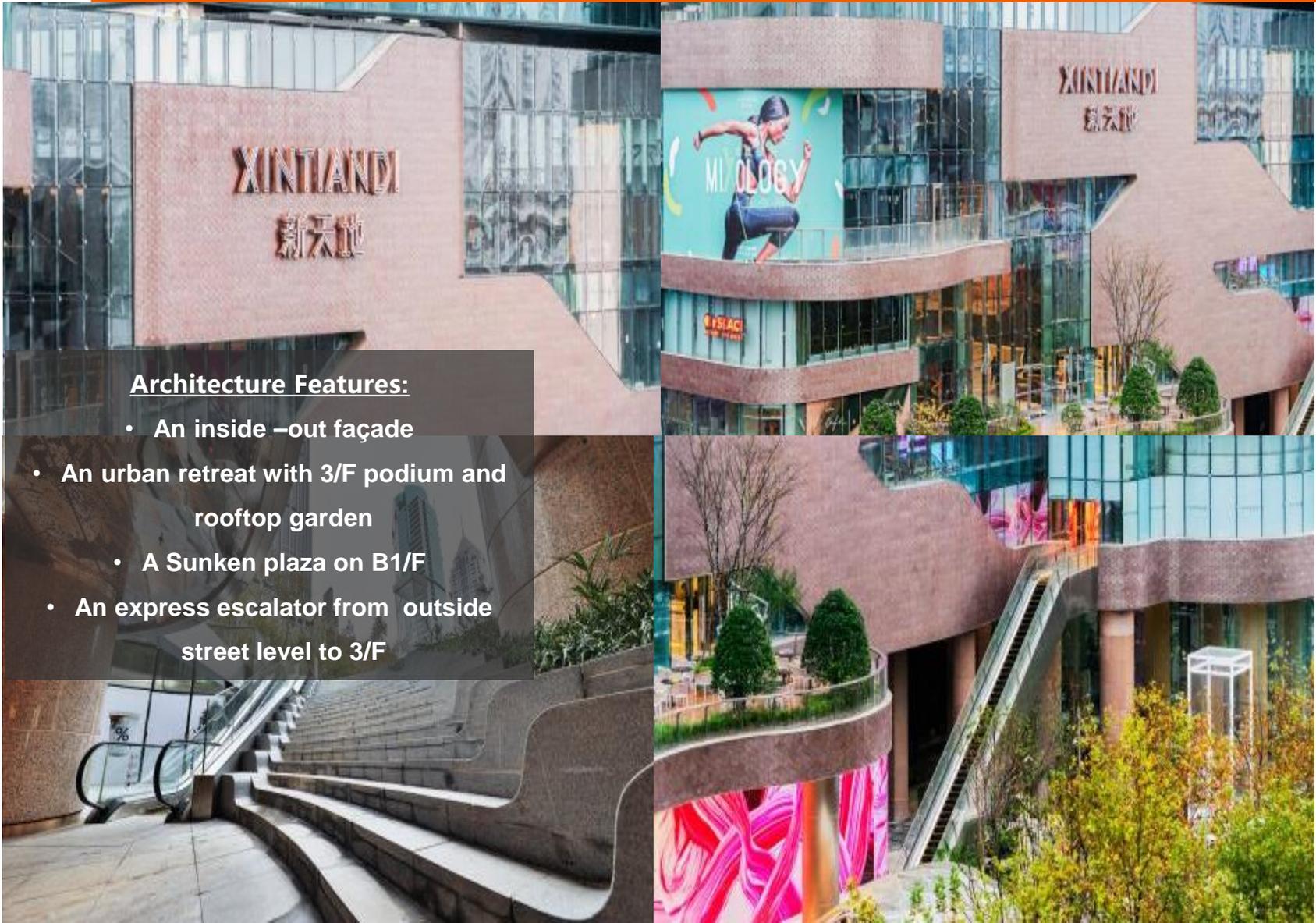
“Business Social”



Other...

**Office driven business districts
that have a unique eco-system
for grooming innovation and
entrepreneurship**

AEI: Grand opening in Xintiandi Plaza in 2019



Architecture Features:

- An inside –out façade
- An urban retreat with 3/F podium and rooftop garden
 - A Sunken plaza on B1/F
- An express escalator from outside street level to 3/F

NEW FEMINISM

独立，有品位

Target audience: Independent /
In pursuit of high quality of life
/ Global awareness of brand /
Love life heart and soul



ICON

AGATHA
PARIS

ARTE
MADRID

dpt
Diamanti Per Tutti

FOR ART'S SAKE

fresh.

T-B-H

Happy Socks
Est. 2008 Sweden

SALAR

Y's
YOHEI YAMAMOTO

Suki
SUKI ACCESSORIES



**ASTONISHING
F&B
OFFERINGS**

- Unique offerings
- Best in town performers in each F&B category
 - 1st in China
- Well Established or Michelin restaurants

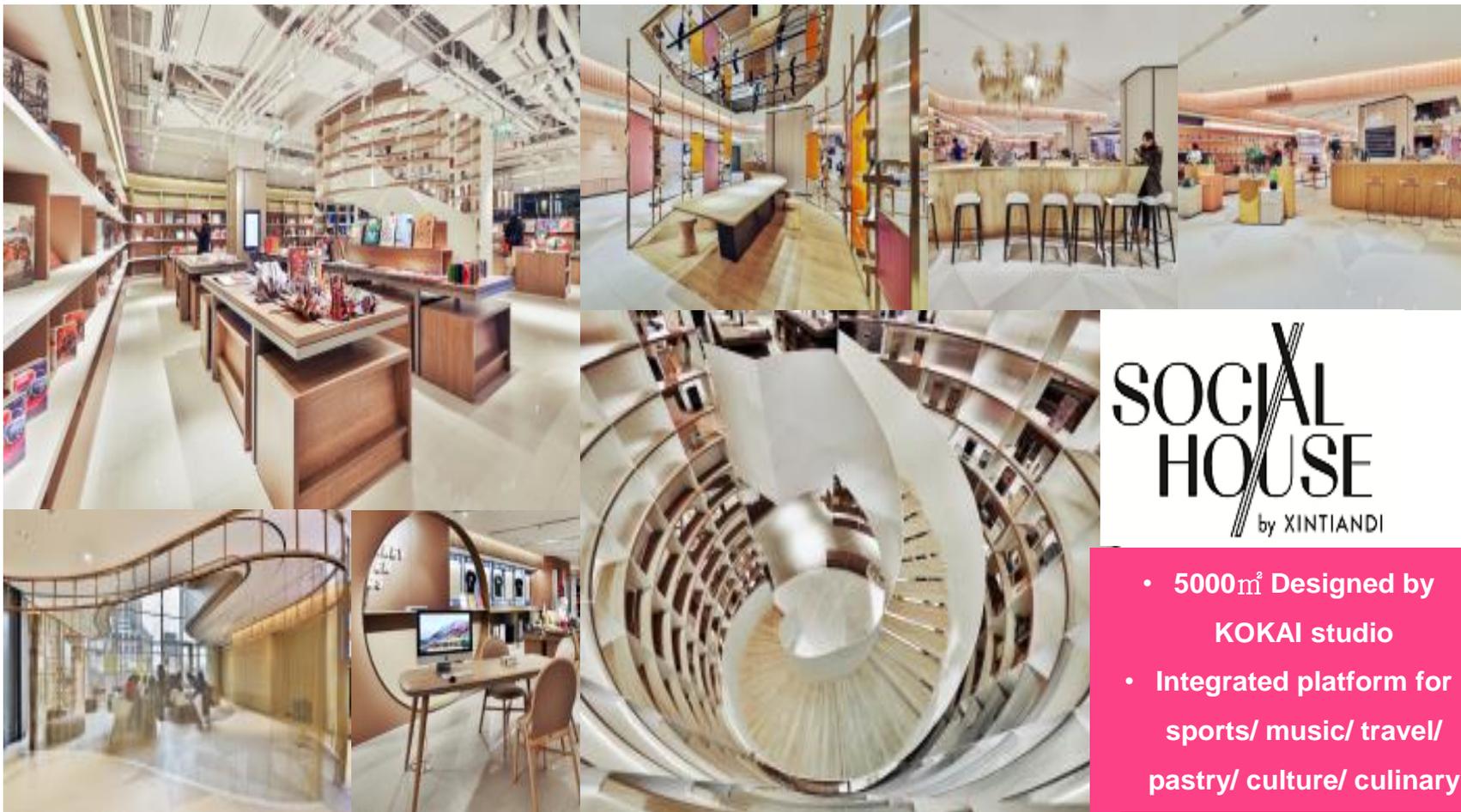
% ARABICA®

PS. cafe



HEYTEA PINK
喜茶





SOCIAL HOUSE
by XINTIANDI

- 5000m² Designed by KOKAI studio
- Integrated platform for sports/ music/ travel/ pastry/ culture/ culinary

ABC Cooking Studio

上海三联书店 READWAY



Q穷游 旅行美术馆

PIER39



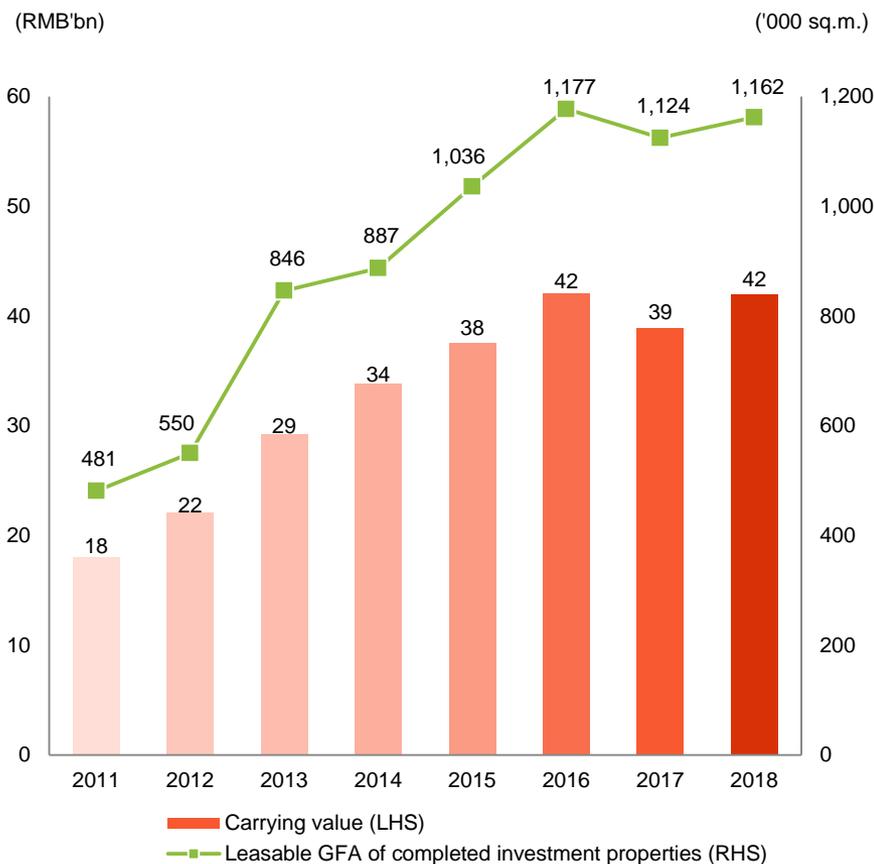
READWAY  Music Gallery



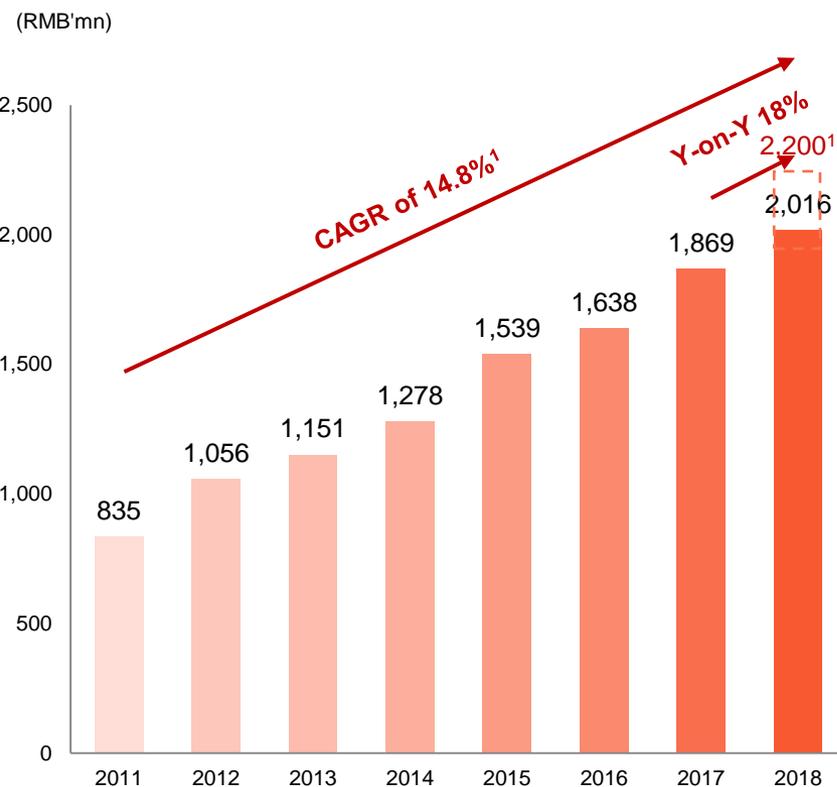
Rental and related income increased by 18%¹

RMB2.2 bn of rental and related income in 2018

Completed Investment Properties



Rental and Related Income²



Notes:

1. Including RMB184 million rental and related income from RHXC. (On 27 December 2017, the Group completed the disposal of 49.5% equity interest in the RHXC Commercial Partnership Portfolio and the relevant properties disposed are no longer consolidated by the Group)
2. Excluding income from hotel operations



Strong growth from THE HUB, RHXC, Wuhan & Foshan

20-37% y-o-y growth

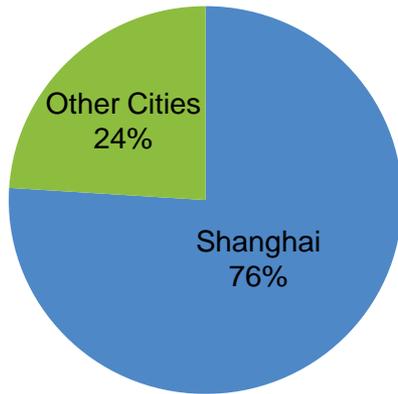
Project	Product	Leasable GFA sq.m.	Rental & related income RMB'mn		Change %	Occupancy		Change ppt
			2018	2017		31 Dec 2018	31 Dec 2017	
			Shanghai Xintiandi	Office / Retail	54,000	417	410	2% ¹
Xintiandi Style	Retail	26,000	100	88	14%	100%	94%	6
Shui On Plaza	Office	24,000	91	88	3%	91%	97%	(6)
Xintiandi Plaza ²	Retail	28,000	24	11	118%	82%	N/A	N/A
THE HUB	Office / Retail	263,000	407	326	25%	91%	95%	(4)
Shanghai KIC	Office / Retail / Hotel	243,000	450	378	19%	96%	96%	-
Wuhan	Retail	166,000	265	220	20%	87%	88%	(1)
Chongqing	Retail	134,000	45	46	(2%)	59%	62%	(3)
Foshan	Office / Retail	151,000	217	158	37%	86%	81%	5
Sub-Total		1,089,000	2,016	1,725	17%			
Shanghai RHXC (classified as joint venture income) ³	Retail	111,000	184	144	28%	94%	93%	1
Grand Total		1,200,000	2,200	1,869	18%			

Note:

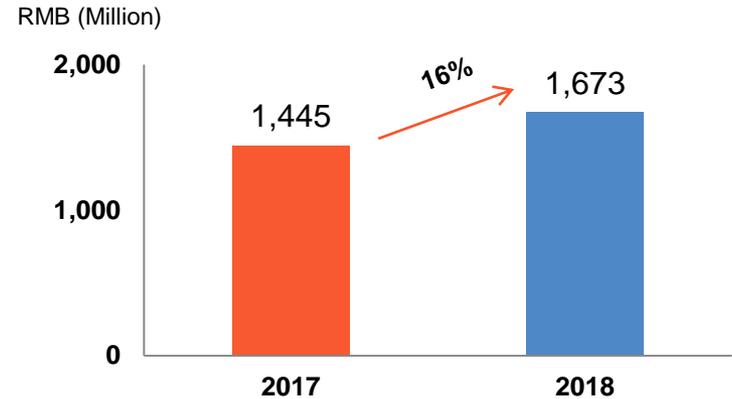
1. The lower growth of rental income in 2018 was mainly due to the a series of tenant upgrade program taken place in Xintiandi North-lane. Most of the new tenants had re-opened in second half of 2018 for contributing rental income in 2019.
2. Xintiandi Plaza was under AEI in 2017. The AEI program was completed with the soft-opening held in Dec 2018. And as of 31 December 2018, 82% of Xintiandi Plaza already leased for contributing rental income in 2019. The Grand opening of area is scheduled to be held in May 2019.
3. The Group divested 49.5% effective interest in the RHXC Commercial Partnership Portfolio in late 2017 and the rental income generated by portfolio was de-consolidated by the Group in 2018. For comparison purpose, rental and related income of RHXC increased by 28% in 2018.

Shanghai vs. Other Cities Performances

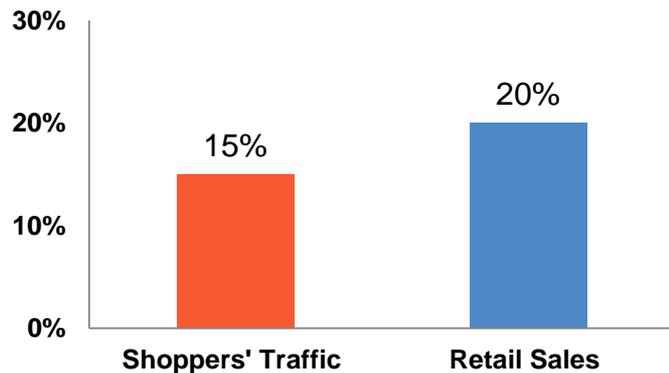
Rental and Related Income Contribution Distribution



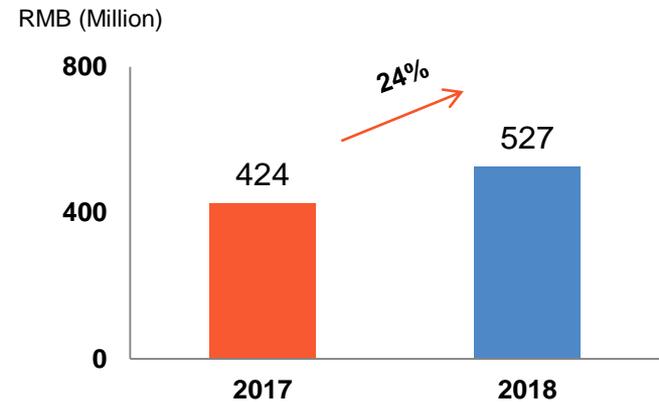
Shanghai



Retail Sales and Shopper's Traffic y-o-y Growth



Other Cities





瑞安房地產
SHUI ON LAND

Section 3

Development



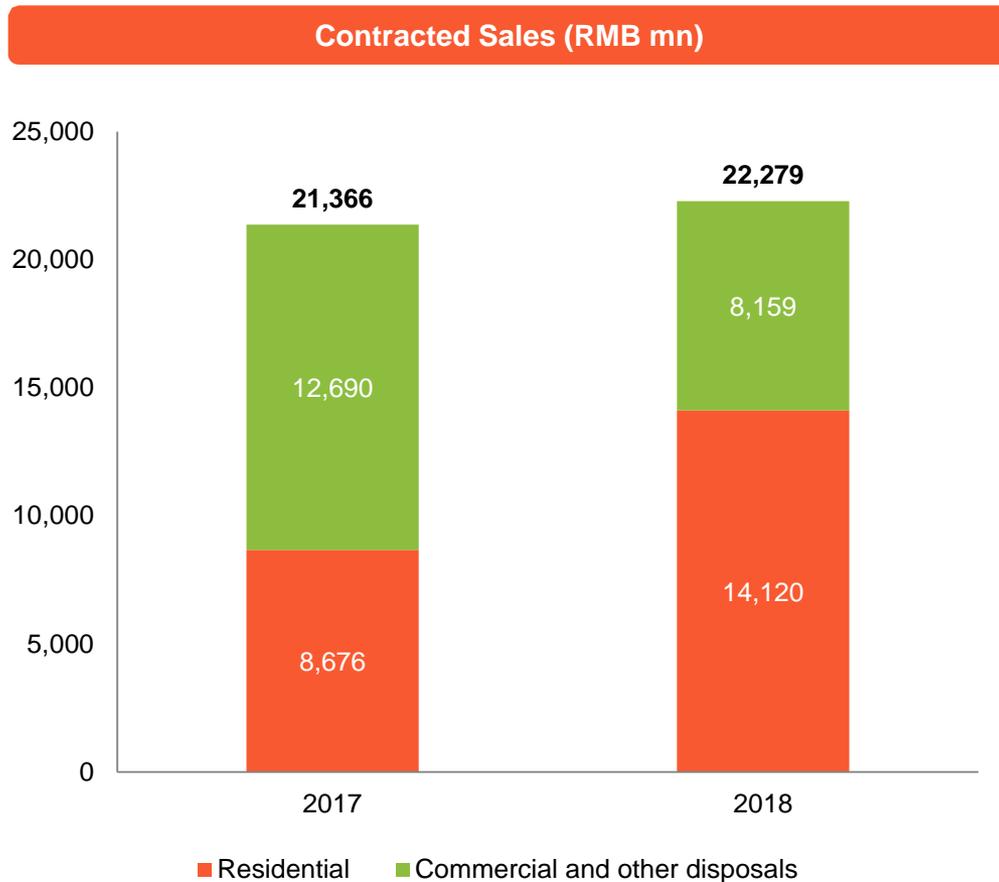
Total Recognised Property Sales¹

RMB'mn	2018	2017	Change %
Property Sales Recognised as Revenue	22,131	16,169	37%
TPQ	2,617	1,963	33%
RHXC	3,721	7,609	(51%)
Wuhan	-	1,154	-
Chongqing	161	1,414	(89%)
Foshan	122	258	(53%)
Car Parks	472	542	(13%)
Chongqing Partnership Portfolio - Residential Inventories	57	3,229	(98%)
Shanghai RHXC - Residential Inventories (Lots 1 & 7)	14,981	-	-

<u>Property Sales Recognised as:</u>	2018	2017	Change %
- property sales in revenue of the Group	22,131	16,169	37%
- disposal of investment properties	19	1,144	(98%)
- disposal of property, plant and equipment (PPE)	-	21	-
- disposal of equity in subsidiaries holding commercial properties(Chongqing Partnership Portfolio Commercial Portion and RHXC Commercial Partnership Portfolio)	-	12,442	-
- revenue of associates	-	520	-
Total Property Sales	22,150	30,296	(27%)

1. Inclusive property sales in revenue of the Group, disposal of investment properties, disposal of PPE, disposal of equity in subsidiaries holding commercial properties, and revenue of associates.

Contracted Property Sales, Commercial and Other disposals in 2018



- **Residential contracted sales increased by 63% to RMB14 billion**
 - Shanghai Taipingqiao Lakeville Luxe launched in April, RMB6.1 bn of sales contracted in 2018
 - Shanghai Rui Hong Xin Cheng launched third batch of “The Gallery” in September 2018, RMB1.7 bn of sales contracted in 2018
 - Wuhan Tiandi and Wuhan Optics Valley Innovation Tiandi launched in December, RMB1.3 bn of sales contracted in 2018
 - Foshan Lingnan Tiandi launched from January, RMB1.4 bn of sales contracted in 2018
 - Chongqing Tiandi launched throughout the year, RMB3.3 bn of sales contracted in 2018
- **Commercial property contracted sales was RMB0.41 bn**
- **Other Asset Disposal was RMB7.75bn**
 - Disposal of all interest in Dalian Tiandi for RMB3,160 million
 - Disposal of a 49.5% of effective interest of RHXC Lots 1 & 7 for RMB4,589 million.



Residential Development

RMB50 billion attributable saleable resources from current landbank as of 31 December 2018

Project Name	Residential GFA sq.m	Estimated Gross Saleable Resource RMB' bn	The Group's interest %	Estimated Attributable Sales RMB bn
Shanghai Taipingqiao Lot 118	79,000	12	99%	12
Rui Hong Xin Cheng Lot 2	4,200	0.5	99%	0.5
Rui Hong Xin Cheng Lot 1	113,000	30	49.5%	15
Rui Hong Xin Cheng Lot 7	158,000	9	49%	4.5
Rui Hong Xin Cheng Lot 167A	83,000	9	49%	4.5
Shanghai Sub-total:	437,200	51.5		32.0
Wuhan Tiandi	226,400	10	100%	10
Wuhan Optics Valley Innovation Tiandi	417,100	6	50%	3
Foshan Lingnan Tiandi	83,000	1.5	100%	1.5
Chongqing Tiandi	465,800	10	19.8%	2
Other City Sub-total:	1,192,300	27.5		16.5
Grand Total	1,629,500	79.0		48.5

Note:

1. This represents saleable resources not yet recorded as contracted sales as at 31 December 2018. Excluded sites yet to commence relocation

Commercial Development

Strong pipeline of commercial properties in Shanghai and other cities for rental growth and capital recycling

List of Commercial Properties Under Development and For Future Development (Excluding sites yet to commence relocation)

Project Name	Office GFA sq.m.	Retail GFA sq.m.	Total GFA sq.m.	The Company's Interest %	Attributable GFA sq.m.
Shanghai INNO KIC	41,000	4,000	45,000	100.00%	45,000
Shanghai Taipingqiao Lots 123,124 and 132	197,000	106,000	303,000	25.00%	75,750
Shanghai RHXC Hall of the Sun	157,000	180,000	337,000	49.50%	166,800
Shanghai RHXC Lot 167B	106,000	41,000	147,000	49.00%	72,030
Shanghai Sub-total	501,000	331,000	832,000		359,580
Wuhan Tiandi	326,000	94,000	420,000	100.00%	420,000
Wuhan Optics Valley Innovation Tiandi	637,000	196,000	833,000	50.00%	416,500
Foshan Lingnan Tiandi	450,000	114,000+ 80,000 ¹	644,000	100.00%	644,000
Chongqing Tiandi	259,000	269,000+ 25,000 ¹	553,000	19.80%	109,500
Other Cities Sub-total	1,672,000	778,000	2,450,000		1,590,000
Grand Total	2,173,000	1,109,000	3,282,000		1,949,580

Note:

1. Hotel use



瑞安房地產
SHUI ON LAND

Section 4

2018 Financial Highlights



Income Statement

Revenue up 35% to RMB24,841 million

RMB'mn	2018	2017	Change %
Revenue of the Group	24,841	18,451	35%
Property sales	22,131	16,169	37%
Rental & related income	2,016	1,869	8%
Hotels, construction and others	694	413	68%
Cost of sales	(17,696)	(10,593)	67%
Gross profit	7,145	7,858	(9%)
Gross profit margin	29%	43%	(14 ppt)
Other income	417	456	(9%)
Selling & marketing expenses	(254)	(298)	(15%)
General & administrative expenses	(790)	(826)	(4%)
Operating profit	6,518	7,190	(9%)
Increase in fair value of the remaining investment properties	970	518	87%
Gain on disposal of IP through disposal of subsidiaries	194	1,755	(89%)
Other gains and losses	(990)	(595)	66%
Impairment losses, net of reversal	(122)	-	-
Share of gains (losses) of joint ventures and associates	61	(927)	(107%)
Finance costs, inclusive of exchange differences	(1,716)	(1,691)	1%
Net exchange (loss)/gain	(273)	195	(240%)
Net interest costs and others	(1,443)	(1,886)	(23%)



Income Statement (Cont'd)

Profit attributable to shareholders increased 14%

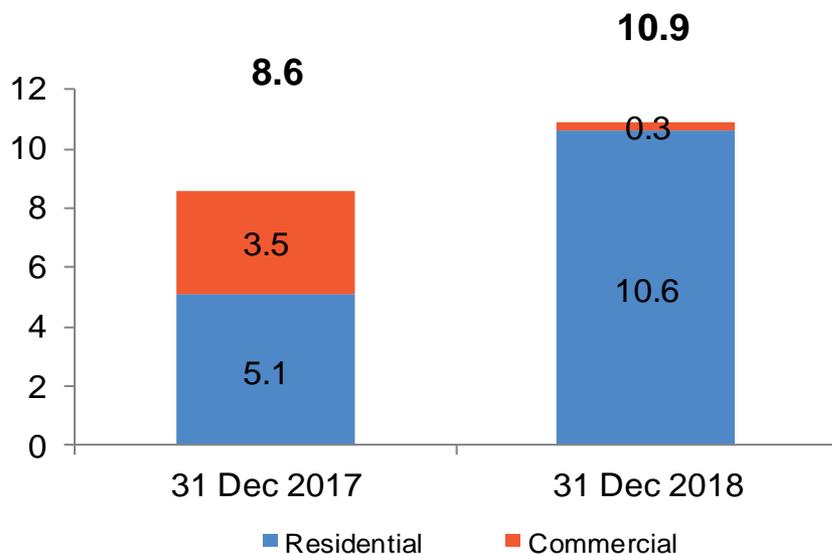
RMB'mn	2018	2017	Change%
Profit before taxation	4,915	6,250	(21%)
Taxation	(2,229)	(3,926)	(43%)
Profit for the year	2,686	2,324	16%
Attributable to:			
Non-controlling shareholders of subsidiaries	409	82	399%
Owners of perpetual capital securities	259	459	(44%)
Owners of convertible perpetual capital securities	112	114	(2%)
Profit attributable to shareholders	1,906	1,669	14%
Core earnings	3,060	3,147	(3%)
Earnings per share – Basic	RMB23.7 cents	RMB20.8 cents	14%
Final dividend (per share)	HKD0.084	HKD0.070	20%
Full year dividend (per share)	HKD0.120	HKD0.100	20%



RMB10.9 Billion Locked-in Sales for Delivery in 2019 and Beyond

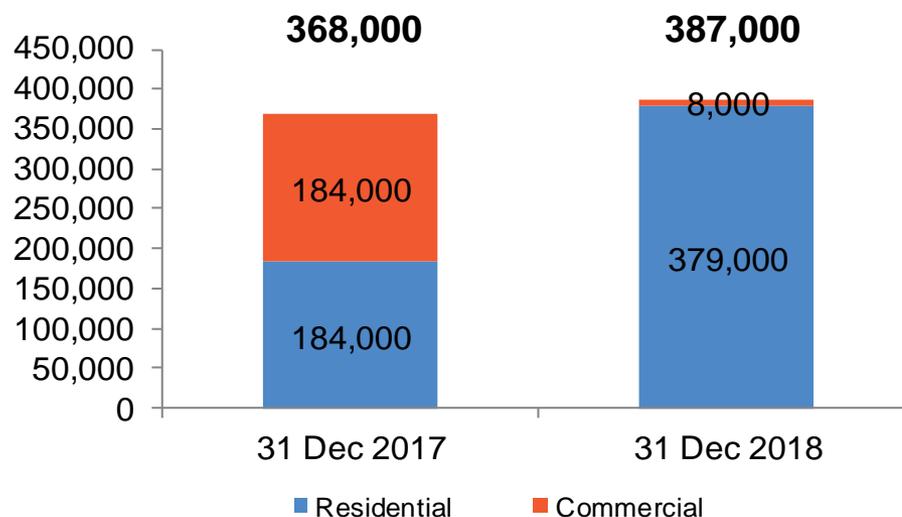
Locked-in Sales

(RMB'bn)



Locked-in Sales GFA

(sq.m.)



- As at 31 December 2018, subscribed property sales was RMB358 million.



Financial Position as of 31 December 2018

Total Debt reduced by 18% from Dec 2017

RMB'mn	31 Dec 2018	31 Dec 2017	Change %	31 Dec 2016	Change %
Total cash and bank deposits	15,392	16,760	(8%)	15,567	(1%)
Total debt	34,269	41,699	(18%)	47,123	(27%)
Bank borrowings	26,321	30,993	(15%)	29,811	(12%)
Senior Notes	7,424	10,706	(31%)	17,312	(57%)
Receipts under securitization arrangement	524	-	N/A	-	N/A
Net debt	18,877	24,939	(24%)	31,556	(40%)
Total equity	47,219	49,175	(4%)	46,256	2%
Net gearing	40%	51%	(11 ppt)	68%	(28 ppt)
Shareholders' Equity per share	RMB4.84	RMB4.75	2%	RMB4.67	4%

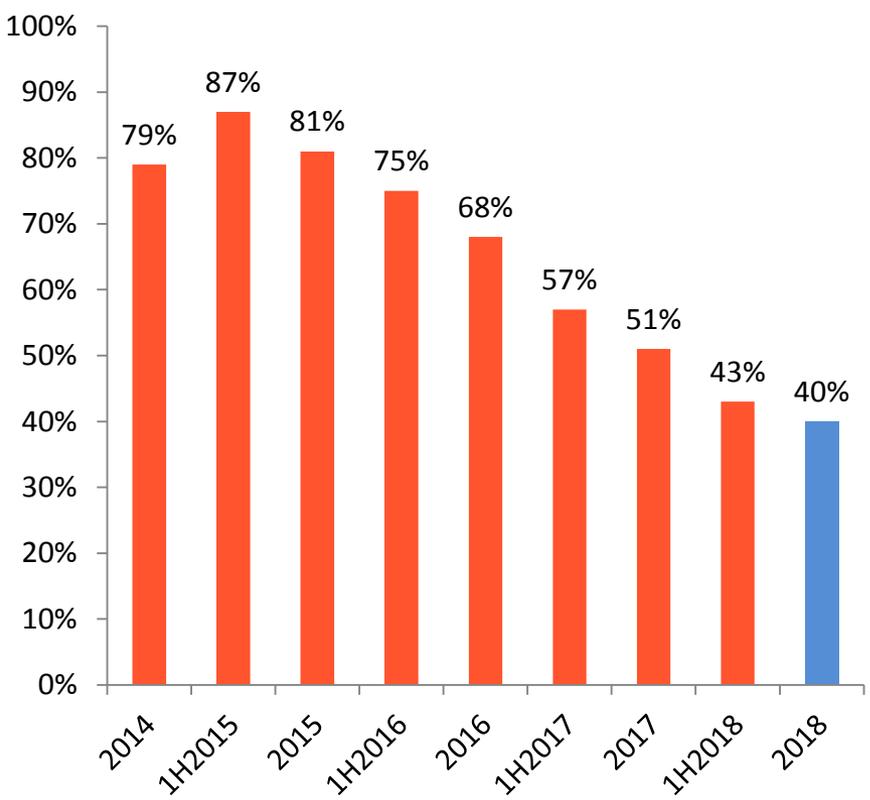
- Average cost of debt as at end of period: 2018 : **5.5% vs. 2017: 5.8%**
(The average cost of debt herein only includes interest cost, excluding arrangement fees and other fees.)



Asset Light Strategy to Optimize Balance Sheet

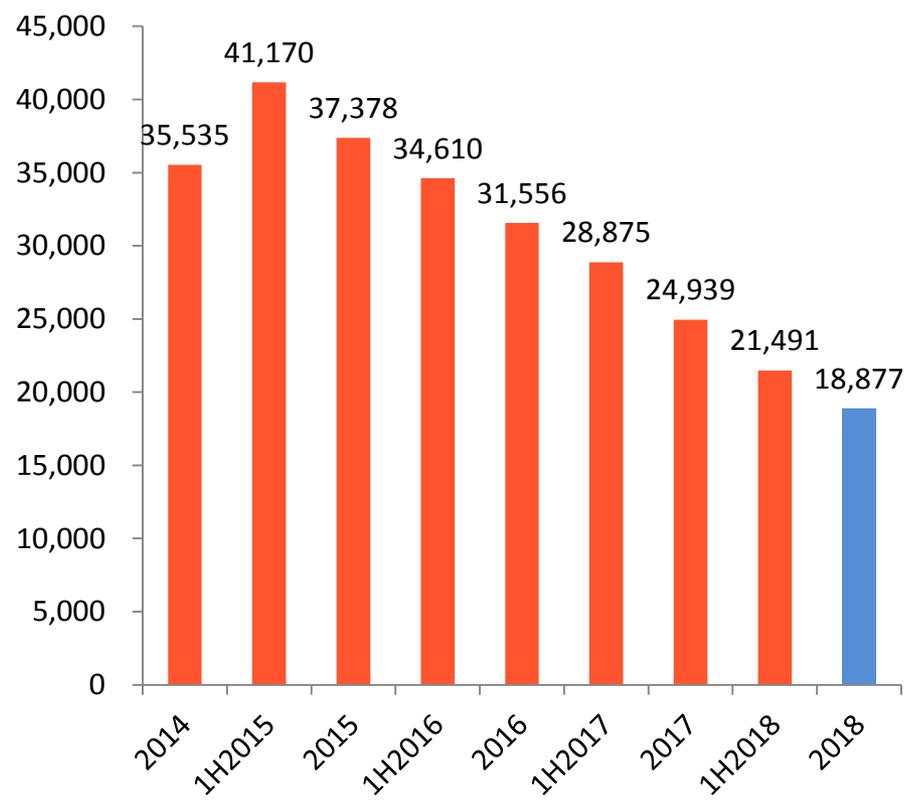
Net gearing ratio at 40% as at 31 Dec 2018, net debt reduced by 24% to RMB18,877 mn compared to 2017

Net Gearing



Net Debt

(RMB'mn)



Debt Maturity Profile as of 31 Dec 2018

Debt Profile – Nature & Maturity Breakdown

RMB'mn	1 year	>1 to <2 years	>2 to <5 years	>5 years	Total
USD Senior Notes	1,722	-	3,471	-	5,193
HKD Bank Borrowings	3,376	87	263	-	3,726
USD Bank Borrowings	3,829	3,256	1,866	-	8,951
RMB Senior Notes	-	-	2,231	-	2,231
RMB Bank Borrowings	5,577	2,761	1,684	3,622	13,644
Others	5	7	40	472	524
Total	14,509	6,111	9,555	4,094	34,269
Less Committed Refinancing¹	(7,996)	-	-	-	(7,996)
Total	6,513	6,111	9,555	4,094	26,273

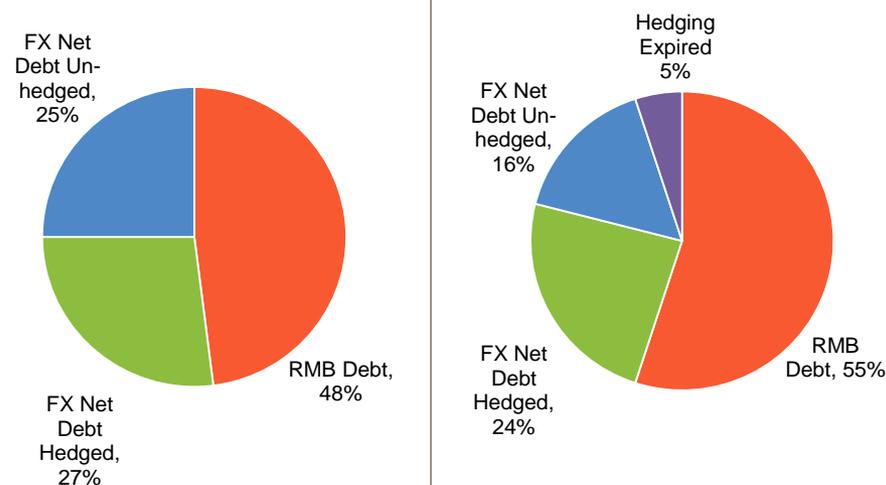
In addition

- USD225 million 7.50% of convertible perpetual capital securities
- USD600 million 6.40% of perpetual capital securities

Note:

1. The tenor of the committed refinancing loans varied from 1year to 3.5 years.

31 Dec 2018 vs. 31 Dec 2017



Note:

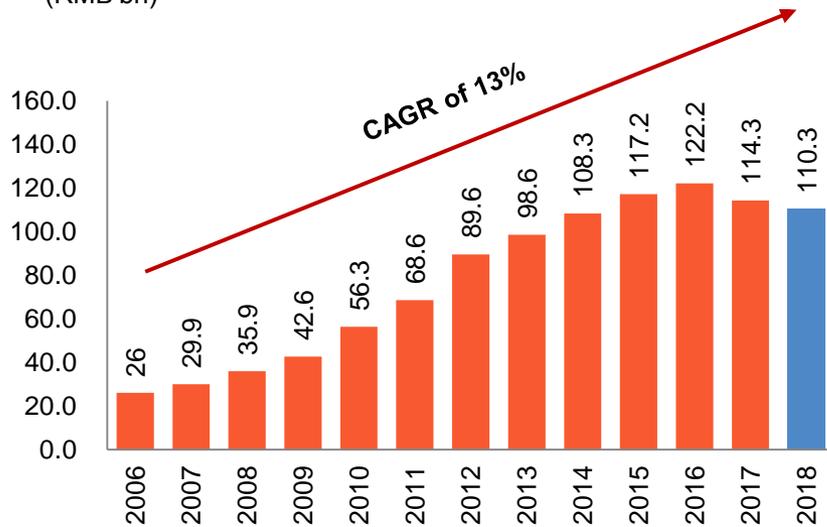
After 31 Dec 2018, the Company entered into forward contracts of USD580 million and HKD300 million.

Strong Asset Base with Solid Balance Sheet

Total assets of RMB110.3 bn as of 31 December 2018, almost 50% in investment property

Strong Asset Base

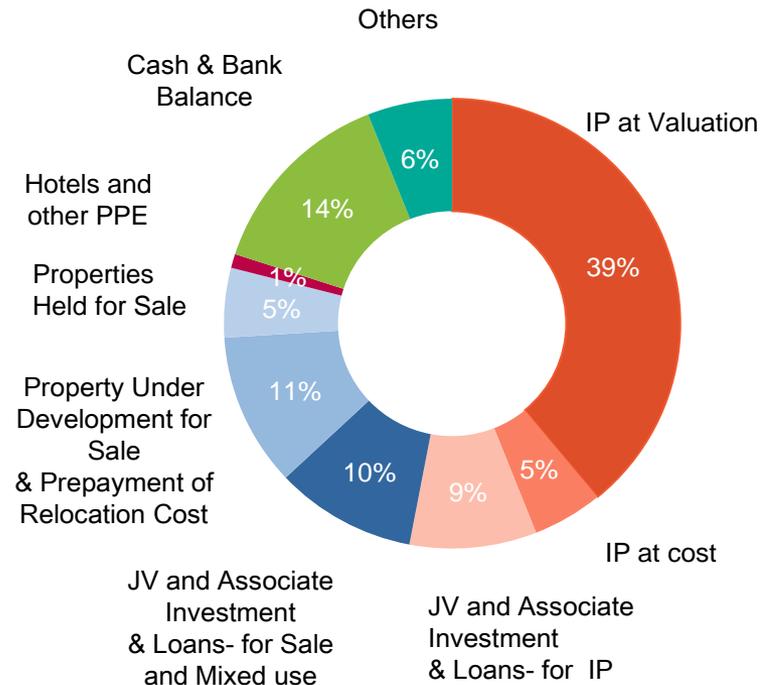
(RMB'bn)



31 December 2018

Total asset	RMB 110.3 bn
Net debt	RMB 18.9 bn
Net gearing	40%
Total equity	RMB 47.2 bn
Shareholders' equity per share	RMB 4.84

Asset Value – by Nature





瑞安房地產
SHUI ON LAND

Appendix



Repaid USD887 million Senior Notes in 2018

Senior Notes Repaid in 2018

Amount (Currency' mn)	Coupon Rate	First Callable Date	Maturity Date	Repaid Amount (mn)	Repayment Date
USD250	9.625%	10 Jun 2017	10 June 2019	USD250	Jan 2018
USD637	8.700%	-	19 May 2018	USD637	19 May 2018

Outstanding Senior Notes as at 31 Dec 2018

Amount (Currency' mn)	Coupon Rate	Issue Date	First Callable Date	Maturity Date
USD225	7.500%	4 Jun 2015	4 Jun 2020	Convertible Perpetual Capital Securities
USD250	4.375%	5 Oct 2016	-	5 Oct 2019
USD500	5.700%	6 Feb 2017	-	6 Feb 2021
USD600	6.400%	20 Jun 2017	20 Jun 2022	Perpetual Capital Securities
RMB2,200	6.875%	2 Mar 2018	2 Mar 2020	2 Mar 2021

New Issue in 2019

Amount (Currency' mn)	Coupon Rate	Issue Date	Maturity Date
USD500	6.25%	28 Feb 2019	28 Nov 2021



Valuation of Investment Property Portfolio

RMB43,351 million portfolio on 2.2% valuation gain

Project		Product	Leasable GFA sq.m.	Fair Value Gain / (Loss) in 2018 RMB'mn	Carrying Value as at 31 December 2018 RMB'mn	Gain / (Loss) to Carrying Value %
Completed investment properties at valuation						
Shanghai Taipingqiao	Shanghai Xintiandi & Xintiandi Style	Office & Retail	80,000	56	7,533	0.8%
	Shui On Plaza	Office & Retail	52,000	400	4,239	9.4%
THE HUB		Office & Retail	263,000	13	8,944	0.1%
Shanghai KIC		Office, Retail & Hotel	243,000	522	8,066	6.5%
Wuhan Tiandi		Retail	238,000	9	7,157	0.1%
Chongqing Tiandi		Retail	134,000	(32)	1,696	(1.9%)
Foshan Lingnan Tiandi		Office & Retail	151,000	-	4,325	-
Sub-total			1,161,000	968	41,960	2.3%
Investment properties under development at valuation						
INNO KIC		Office & Retail	45,000	2	1,391	0.1%
Sub-total			45,000	2	1,391	0.1%
Total of investment property portfolio at valuation			1,206,000	970	43,351	2.2%

Note:

A total GFA of 16,000 sq.m. located at Shanghai Shui On Plaza, Shanghai KIC and Foshan Lingnan Tiandi were occupied by the Group and were excluded from the above table.



Proven Track Record in Property Sales and Capital Recycling

Track record of realising value of commercial properties at appropriate timing for recycling of capital

Year	Project	Contracted Amount (RMB'mn)	GFA Sold (sq.m.)
2011	Wuhan Tiandi Corporate Centre 5	963	58,800
2011	Shanghai KIC C2 Lot 5-5	600	14,400
2011	Chongqing Tiandi B12-3, B12-4 & B12-1	3,232	233,200
2012	Shanghai KIC C2 Lot 5-5 (remaining portion)	170	4,600
2013	Chongqing Tiandi 2 Corporate Avenue	2,412	119,500
2013	Shanghai Taipingqiao 5 Corporate Avenue	4,300	79,000
2014	Shanghai Taipingqiao Langham Xintiandi Hotel	1,739	34,200
2014	The HUB Hotel	965	45,000
2014	Wuhan Tiandi 2 Corporate Avenue	937	42,500
2015	Shanghai Taipingqiao 1 & 2 Corporate Avenue	6,601	83,200
2015	Shanghai Taipingqiao 3 Corporate Avenue	5,700	87,300
2016	Foshan Lot 4	1,693	231,500
2016	Wuhan Tiandi A1 Office ¹	3,365	177,100
2016	Wuhan Tiandi 3 Corporate Avenue	1,134	55,100
2017	Chongqing Project (majority equity interests in Partnership Portfolio)	4,133	1,259,200
2017	49% of equity interests of KIC Project	2,949	253,000
2017	Entire equity interests owned of Dalian Project	3,160	N/A
2017	49.5% of equity interests of RHXC Commercial Partnership Portfolio	3,869	393,500
2018	49.5% of equity interests of RHXC Lots 1 & 7	4,589	275,000
Total		52,511	

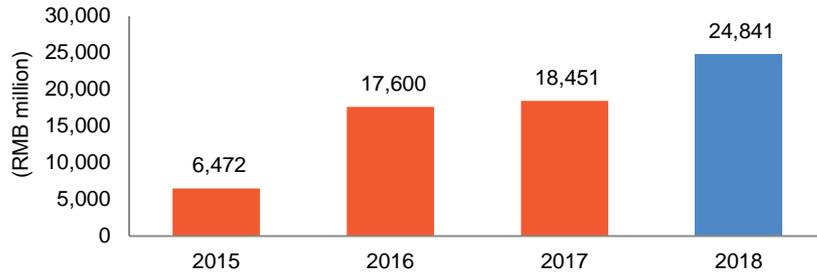
Note:

1. The transaction was terminated on 14 April 2018 due to changes of certain construction requirements

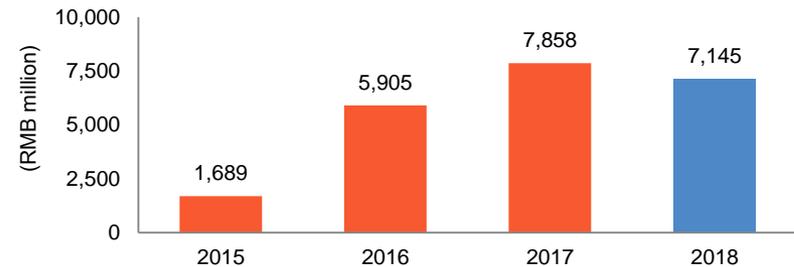


Historical Financial Performance

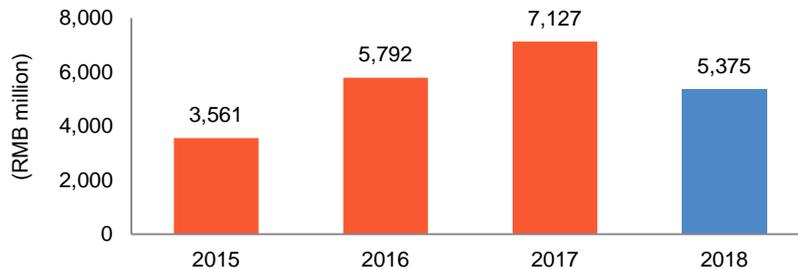
Revenue



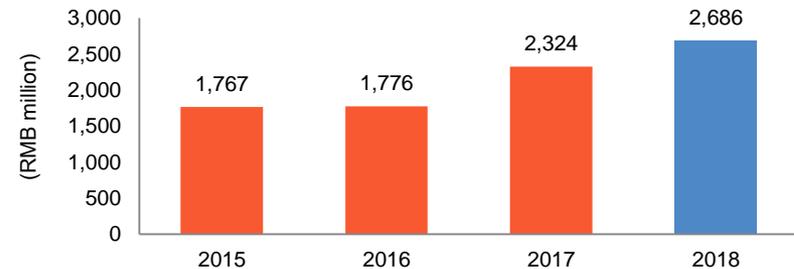
Gross profit



EBITDA ⁽¹⁾



Net profit



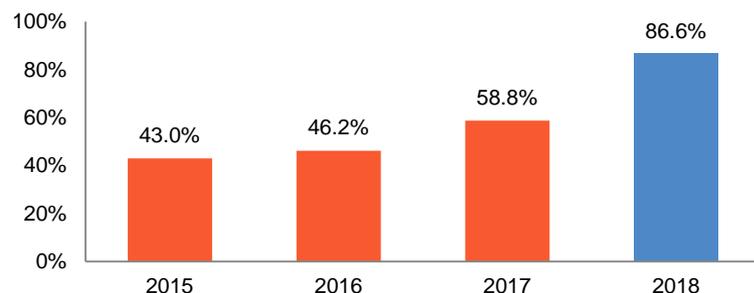
Note:

1. EBITDA for any year consists of profit for the year less interest income, increase in fair value of the remaining investment properties, plus finance costs (inclusive of exchange differences), taxation, depreciation and release of prepaid lease payments. EBITDA should not be considered as an alternative to cash flows from operating activities, a measure of liquidity or an alternative to net profit or indicators of the Issuer's operating performance on any other measure of performance derived in accordance with IFRS. Because it is not an IFRS measure, EBITDA may not be comparable to similarly titled measures presented by other companies.

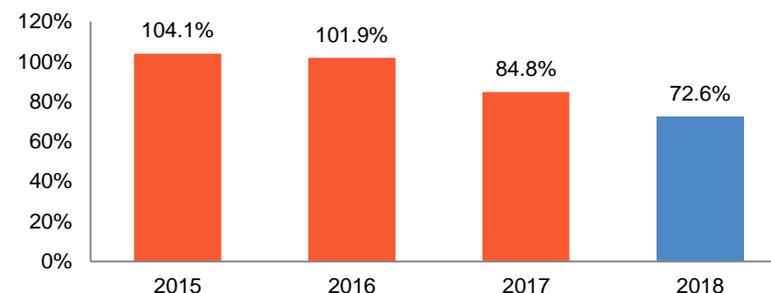


Historical Credit Profile

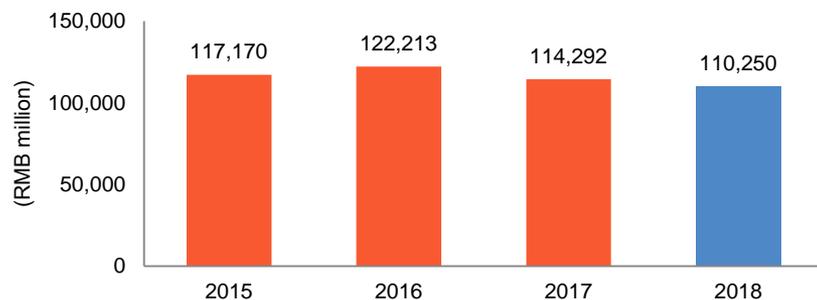
Rental and related income / total interest costs¹



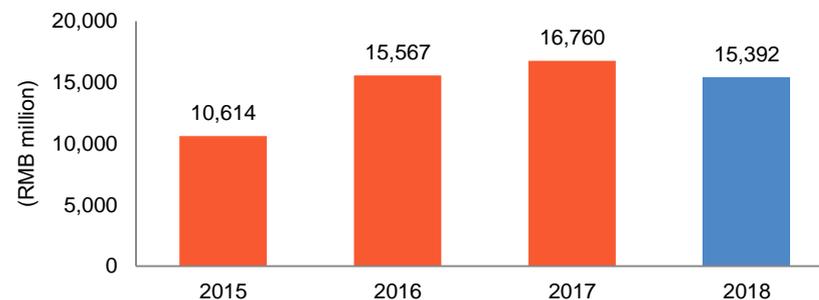
Total debt² / Total equity³



Total assets



Total cash⁴



Notes:

1. Total interest costs are calculated by adding interest on bank and other borrowings, interest and imputed interest on loans from non-controlling shareholders of subsidiaries, interest on convertible bonds, interest on senior notes and net interest expense from interest rate swaps and cross currency swaps designated as cash flow hedges, imputed interest of deferred consideration in relation to acquisition / disposal of subsidiaries.
2. Total debt is calculated by adding all bank and other borrowings (due within or after 1 year), senior notes and receipts under securitization arrangements.
3. Total equity includes convertible perpetual securities, convertible perpetual capital securities, and perpetual capital securities.
4. Cash includes bank balances and cash, pledged bank deposits and restricted bank deposits.