

METRO HOLDINGS LIMITED

FY2018 RESULTS PRESENTATION



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 - Divested Project in FY2018
 - Investment Portfolio
 - Property Development
 - Investments in FY2018
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WHO WE ARE



A property investment and development group, backed by an established retail track record, with strong presence in China, Indonesia, Singapore and the United Kingdom.



OUR INTERNATIONAL PRESENCE

United Kingdom

London

- 5 Chancery Lane

Manchester

- Middlewood Locks

Sheffield

- Sheffield Digital Campus

Legend

Properties

- Office Towers
- Leisure Malls
- Residential
- Mixed-use Development

Retail

- Retail Outlets



China

Shanghai

- Metro City
- Metro Tower
- Bay Valley
- Shanghai Shama Century Park

Guangzhou

- GIE Tower

Singapore

- The Crest
- 3 Metro Stores

Indonesia

- Transpark Bekasi
- 10 Metro Stores in Jakarta/ Bandung/Makassar/Surabaya/ Solo/Manado



PROPERTY INVESTMENT & DEVELOPMENT

DIVESTED PROJECT IN FY2018:

Nanchang Fashion Mark



Key Statistics

- Joint-venture project with a Hong Kong-listed company, Top Spring International Holdings Limited
- Mixed-use development located at Hong Gu Tan CBD, Nanchang City of Jiangxi Province in the PRC
- Divested our 30% to H-Change Real Estate Group Ltd for a gross value of approximately RMB 627.7 mil (approximately \$129.3 mil)

% owned by Group

30%

Site Area (sqm)

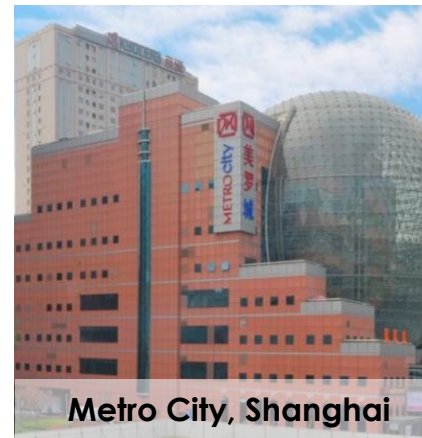
269,455

Total GFA (sqm)

1,030,475

INVESTMENT PORTFOLIO: OVERVIEW

Investment Properties as at 31 March 2018:



	GIE Tower Guangzhou	Metro City, Shanghai	Metro Tower, Shanghai
% owned by Group	100%	60%	60%
Tenure	50 yr term from 1994	36 yr term from 1993	50 yr term from 1993
Remaining Years	26 years	11 years	25 years
Site Area (sqm)	-	15,434	4,993
Lettable Area (sqm)	28,390	38,444	40,349
Occupancy Rate (%)	88.6	97.1	98.5
Valuation (\$\$'m) (100%)	100	205	202

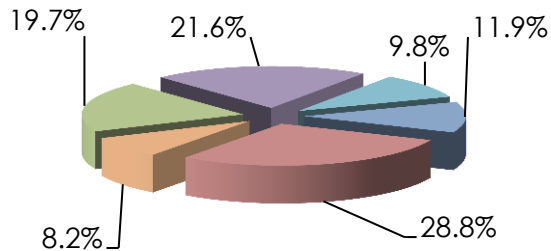
INVESTMENT PORTFOLIO: TENANT MIX

Tenant Mix by
Total Leased Area :
(as at 31 March 2018)



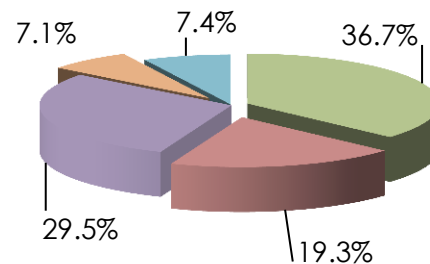
Occupancy Rate	2018	88.6%	97.1%	98.5%
	2017	86.4%	95.5%	92.7%
Expiry Profile	1H2018	4.0%	7.0%	7.7%
	2H2018	15.0%	11.7%	6.5%

GIE Tower, Guangzhou



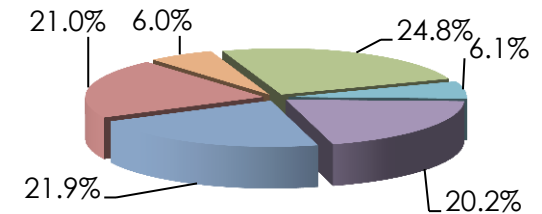
- IT and Shipping Services & Telecommunication
- Pharmaceutical/Medical & Petroleum/Chemicals
- Others
- F&B
- Consumer Products, Trading and Education
- Banking, Insurance & Financial Services

Metro City, Shanghai



- F&B/ Food Court
- Fashion & Shoes
- Leisure & Entertainmen
- Others (Includes Godiva)
- Books/Gifts & Specialty/Hobbies/Toys/Jewelry

Metro Tower, Shanghai



- Banking, Insurance & Financial Services
- Consumer Products
- IT & Advertising Services & Telecommunication
- Petroleum/Chemicals & Related Industrial Products
- Others
- F&B

PROPERTY DEVELOPMENT

Development Properties (Associates/Joint Ventures):



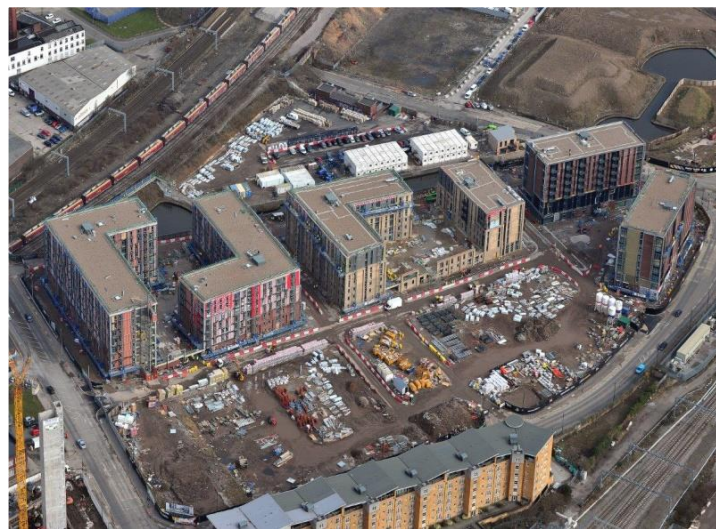
	The Crest at Prince Charles Crescent, Singapore	Middlewood Locks, Manchester, UK	Sheffield Digital Campus, Sheffield, UK
% owned by Group	40%	25%	50%
Key Project Description	469 residential units	Residential: 2,215 units Commercial: 750,000 sq ft	131,226 sq ft Commercial space
Current Status	TOP Feb 2017	Phase 1 (571 units) near completion and to be handed over in stages in Q3 2018	Acero Works (80,300 sq ft) Completed in Q3 2017

THE CREST, SINGAPORE



Description	469 units over 4 blocks of 5-storey and 3 blocks of 24-storey residential buildings
% owned by Group	40%
Site Area	23,785 sqm
Land Tenure	99 years from 2012
Total Estimated Saleable GFA	50,854 sqm
Land Cost	S\$ 516.3 mil
Connectivity	Located near commercial/shopping nodes including Tanglin Mall, Valley Point & Tiong Bahru Plaza
Status	TOP achieved in February 2017

MIDDLEWOOD LOCKS, MANCHESTER



Description	2,215 residential units and 750,000 sqft of commercial space
% owned by Group	25%
Site Area	~24 acres
Land Tenure	Freehold
Total Estimated Saleable/lettable GFA	~2.55 mil sqft
Estimated Gross Development Value	£ 700 mil
Acquisition Date	July 2014
Connectivity	Western boundary of Manchester City Centre and a short distance away from major roads
Status	Phase 1, comprising 571 units near completion and will be handed over in stages from Q3 2018 Sales and marketing activities of the units are in progress

SHEFFIELD DIGITAL CAMPUS



Description	2 Grade A Office Buildings (Acero Works and Vidrio House)
% owned by Group	50%
Site Area	1.03 acres
Land Tenure	Freehold
Total Estimated Saleable GFA	131,226 sqft
Estimated Gross Development Value	£ 40 mil
Acquisition Date	February 2016
Connectivity	Centrally located on Sheaf Street and adjacent to the City's main railway station
Status	Acero Works: Completed in Q3 2017, sold in Q2 2018 Vidrio House: Works expected to commence later in 2018

SHANGHAI SHAMA CENTURY PARK



Description	284 residential units
% owned by the Group	30%
Total GFA	49,357 sqm
Land Tenure Expiry	30 December 2072
Estimated Saleable/Leasable GFA	1,715 sqm*
Total Consideration	RMB 1.75 bil
Acquisition Date	27 December 2013
Connectivity	Easily accessible from the subway station and within 15 minutes' drive from the CBD of Pudong
Status*	277 units have been sold and delivered, 7 units remaining
Valuation – 100%	RMB 85.4 mil*

* As at 31 March 2018



INVESTMENTS IN FY2018

(April 2017 to March 2018)

5 CHANCERY LANE, LONDON



Description	Office building located in Midtown Central London
% owned by Group	50%
Total GFA	84,836 sqft
Land Tenure	Freehold
Total Consideration	£ 76 mil
Acquisition Date	23 January 2018
Connectivity	Located in close proximity to Chancery Lane and Temple stations
Status	Building is fully leased until 2023

BAY VALLEY, SHANGHAI



Description	3 office buildings situated at New Jiangwan City, an established industrial area
% owned by Group	30%
Land Tenure Expiry	2 November 2058
Saleable/Leasable GFA	97,854 sqm
Total Consideration	RMB 2.5 bil
Acquisition Date	27 September 2017
Connectivity	Located within close proximity to 2 subway stations and less than 300 meters to expressway
Status	Leasing activities are underway

TRANSPARK BEKASI, JAKARTA



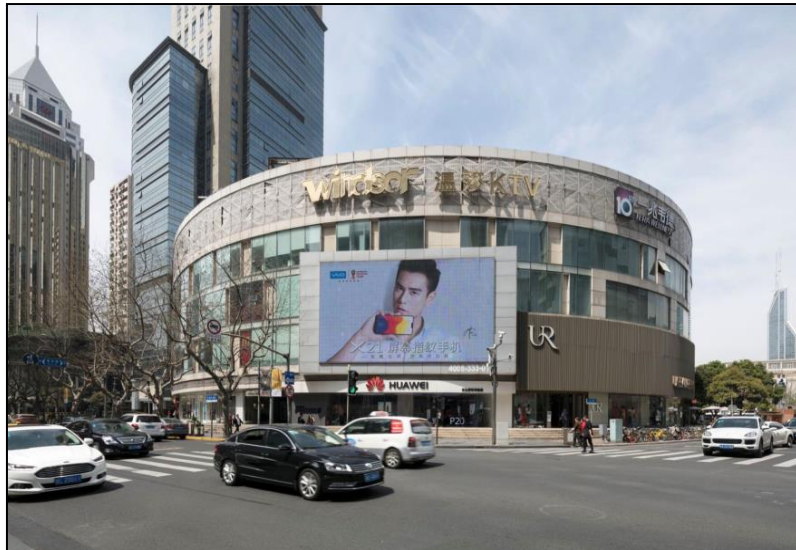
Description	5 residential towers comprising 5,622 units situated within a mixed development comprising retail, school, office and hotel
% owned by Group	90%
Land Tenure	Leasehold
Total Saleable GFA	162,754 sqm
Total Consideration	IDR 1.99 trillion
Acquisition Date	3 November 2017
Connectivity	Located within 100m to the bus and railway stations
Status	Piling has been completed, substructure is under construction. Expected completion in 2020 Sales of 2 towers have been launched



RECENT INVESTMENTS IN FY2019

(Post 31 March 2018)

SHANGHAI PLAZA



Description	Retail mall, centrally located at Huai Hai Zhong Road, Huang Pu district to undergo repositioning and conversion for office and retail use
% owned by Group	35%
Total GFA (sqm)	40,693
Land Tenure	50 years from 1992
Total Consideration (90%)	RMB 2.25 bil
Capex etc.	RMB 657 mil
Acquisition Date	17 May 2018
Connectivity	Centrally located within 500 m of Xintiandi business district and is well served by several metro lines
Status	Mall to undergo asset enhancement in FY2019

TRANSPARK BINTARO, JAKARTA



Description	2 residential towers comprising 1,400 apartment and 170 SoHo units situated within a mixed development in a mature township
% owned by Group	90%
Total Saleable GFA	61,618 sqm
Land Tenure	Leasehold
Total Consideration	IDR 1.33 trillion
Acquisition Date	16 April 2018
Connectivity	Located within 5 minutes drive to the toll road exit and train station
Status	Piling is underway, sales of units have been launched



RETAIL OPERATIONS

RETAIL OPERATIONS

Continue to strive on the top line as well as improve assortment of merchandise and customers shopping experience

Singapore:-

- Metro Woodlands
- Metro Paragon
- Metro Centrepont

Indonesia:-

- Metro Pondok Indah
- Metro Plaza Senayan
- Metro Bandung Supermal
- Metro Taman Angrek
- Metro Trans Makassar
- Metro Gandaria City
- Metro Ciputra World Surabaya
- Metro Park Solo
- Metro Puri Mall
(Newly opened - Q1FY2018)
- Metro Grand Kawanua Manado
(Newly opened - Q3FY2018)





FINANCIAL HIGHLIGHTS

FY2018 KEY FINANCIAL HIGHLIGHTS

Achieved Higher Profit Before Tax (PBT) of \$168.0 mil in FY 2018, grew by \$85.5 mil against PBT of \$82.5 mil in FY 2017

Property division - PBT grew by \$89.0 mil from \$81.2 mil in FY 2017 to \$170.2mil in FY 2018

- Higher contribution from associates, mainly from Top Spring's very substantial disposal gain of \$159.2m (after tax) partially offset by a higher operating loss, lower fair value gains and absence of tax write-back, and a lower contribution from Nanchang due to lower sales activity ;-
- \$21.3 mil higher other income mainly from the divestment gain of Nanchang of \$15.8 mil;- partially offset by
- \$13.1 mil lower contribution from joint-ventures mainly from share of The Crest's Additional Buyer's Stamp Duty.

Retail division - PBT decrease by \$3.5 mil from PBT of \$1.3 mil in FY 2017 to a Net Loss of \$2.2 mil in FY 2018

- Despite recording higher turnover by \$5.0 mil from \$124.7 mil to \$129.7 mil, the difficult operating environment for retail has resulted in a net loss of \$2.2 mil mainly from Singapore's retail division.

Robust Balance Sheet and strong financial ratios

- Net Assets grew to \$1,482 mil, by \$131 mil from \$1,351 mil
- Cash and cash equivalents (includes pledged fixed deposits) of \$318 mil and Net Cash position of \$181 mil*

**Excludes the \$122.8 mil of net proceeds from Nanchang*

KEY FINANCIAL HIGHLIGHTS- Q4 2018

Turnover

S\$ 34.3 mil

↑ 1.8% YoY

Q4 2017

S\$ 33.7 mil

PBT

S\$ 6.0 mil

↓ 81.4% YoY

Q4 2017

S\$ 32.5 mil

Remarks:

(1) Increase in turnover by 1.8% mainly attributable to the retail division

(2) Profit Before Tax decreased by \$26.5 mil, mainly attributable to:

- \$41.2 mil lower contribution from associates (net of tax), mainly because of last year's \$30.2 mil share of Top Spring's tax provisions written back. This quarter Top Spring made provision for doubtful debts and impaired available for sale investments and had higher operating costs. However, this was partially offset by \$10.3 mil additional share of gain from the very substantial disposal of eight property projects
- \$5 mil decline in fair value of short term investments and lower contribution from joint-ventures of \$3.6 mil; partially offset by
- Higher other income \$25.6 mil mainly due to the divestment gain of \$15.8 mil from the disposal of the 30% equity interest in the Nanchang associate, gain on disposal of available for sale investments of \$3.6 mil and lower forex loss of \$5.4 mil

KEY FINANCIAL HIGHLIGHTS- FY2018

Turnover

S\$ 136.3 mil

↑ 3.9% YoY

FY 2017

S\$ 131.2 mil

PBT

S\$ 168.0 mil

↑ 103.5% YoY

FY 2017

S\$ 82.5 mil

Basic EPS

18.9 cents

↑ 94.8% YoY

FY 2017

9.7 cents

NAV Per Share

S\$ 1.78

↑ 9.2% YoY

FY 2017

S\$ 1.63

Return on Equity

11.1%

↑ 88.1% YoY

FY 2017

5.9%

Return on Total Assets

9.6 %

↑ 84.6% YoY

FY 2017

5.2%

Debt/Equity

0.09

↑ 80.0% YoY

FY 2017

0.05

**Maintained
Net Cash
Position**

KEY FINANCIAL HIGHLIGHTS- FY2018

Proposed Dividend

S\$ 41.4 mil

Unchanged from
FY 2017
S\$ 41.4 mil

Comprises:

- Ordinary Dividend
 - 2 cents
- Special Dividend
 - 3 cents

Dividend Cover

3.78x

↑ 93.8% YoY

FY 2017

1.95x

CONSOLIDATED INCOME STATEMENT



(S\$ '000)	4 th Quarter Ended			Full Year Ended		
	31-Mar-18	31-Mar-17	Change	31-Mar-18	31-Mar-17	Change
Turnover	34,327	33,716	1.8%	136,326	131,224	3.9%
Profit Before Tax	6,033	32,489	(81.4%)	167,981	82,541	103.5%
Comprising:						
Metro City, Metro Tower, GIE Tower, 5 Chancery Lane (Incl Fair Value)	5,487	7,904	(30.6%)	30,701	26,706	15.0%
Key Associates – Top Spring, Nanchang, Bay Valley (Incl Fair Value & Divestment Gain)	(5,533)	18,291	n.m.	123,946	32,316	283.5%
The Crest	(763)	-	n.m.	(16,799)	-	n.m.
Retail	(931)	1,662	n.m.	(2,172)	1,300	n.m.
Investments (InfraRed Fund II, MGSA, etc)	7,604	9,110	(16.5%)	26,672	15,766	69.2%
Others	169	(4,478)	n.m.	5,633	6,453	(12.7%)
Profit After Tax	(1,590)	34,340	n.m.	156,974	81,019	93.7%

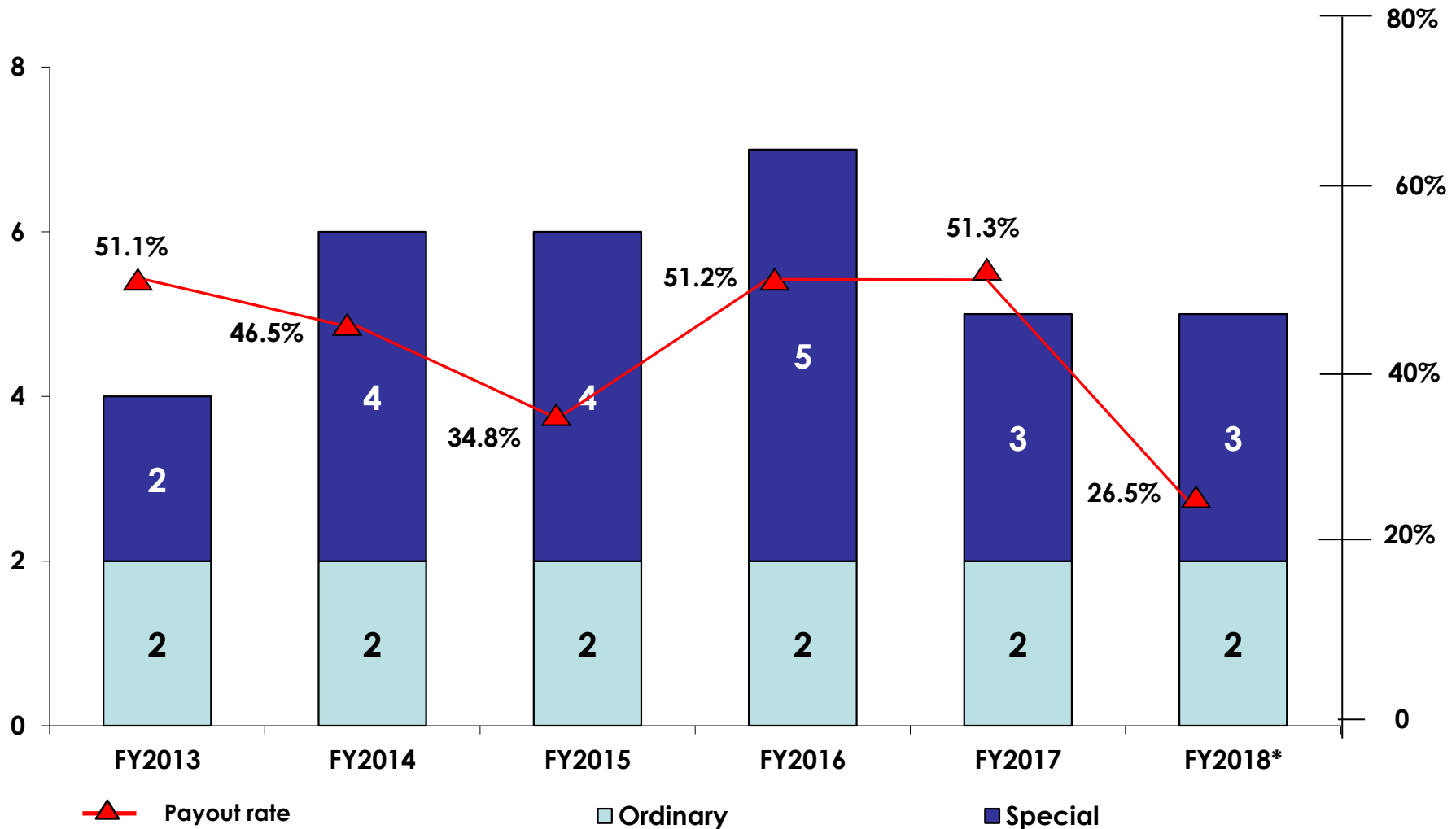
BALANCE SHEET HIGHLIGHTS

(S\$ mil)	As at		Change
	31-Mar-18	31-Mar-17	
Investment Properties	100.2	104.4	(4.0%)
Associates	544.2	507.7	7.2%
Joint Ventures	419.9	382.7	9.7%
Other Non-current Assets	84.8	101.0	(16.0%)
Current Assets	552.8	460.2	20.1%
Total Assets	1,701.9	1,556.0	9.4%
Current Liabilities	192.1	175.2	9.6%
Long term and Deferred Liabilities	27.7	30.1	(8.0%)
Total Net Assets	1,482.1	1,350.7	9.7%
Shareholders' Funds	1,473.6	1,348.2	9.3%
Non-controlling Interests	8.5	2.5	240.0%

DIVIDEND PAYOUT

Cents per Share

Payout Ratio



* FY2018's proposed dividend subject to shareholders' approval at the AGM in July 2018



GROWTH STRATEGIES

GROWTH STRATEGIES (RETAIL)

1 Capitalise on retail brand name in Singapore and Indonesia

2 Increase market share

3 Improve assortment of merchandise



GROWTH STRATEGIES (RETAIL)

4 Consolidate operational efforts to achieve higher efficiency and productivity

5 Continue focus on multi-media strategy

6 Enhance customer shopping experience

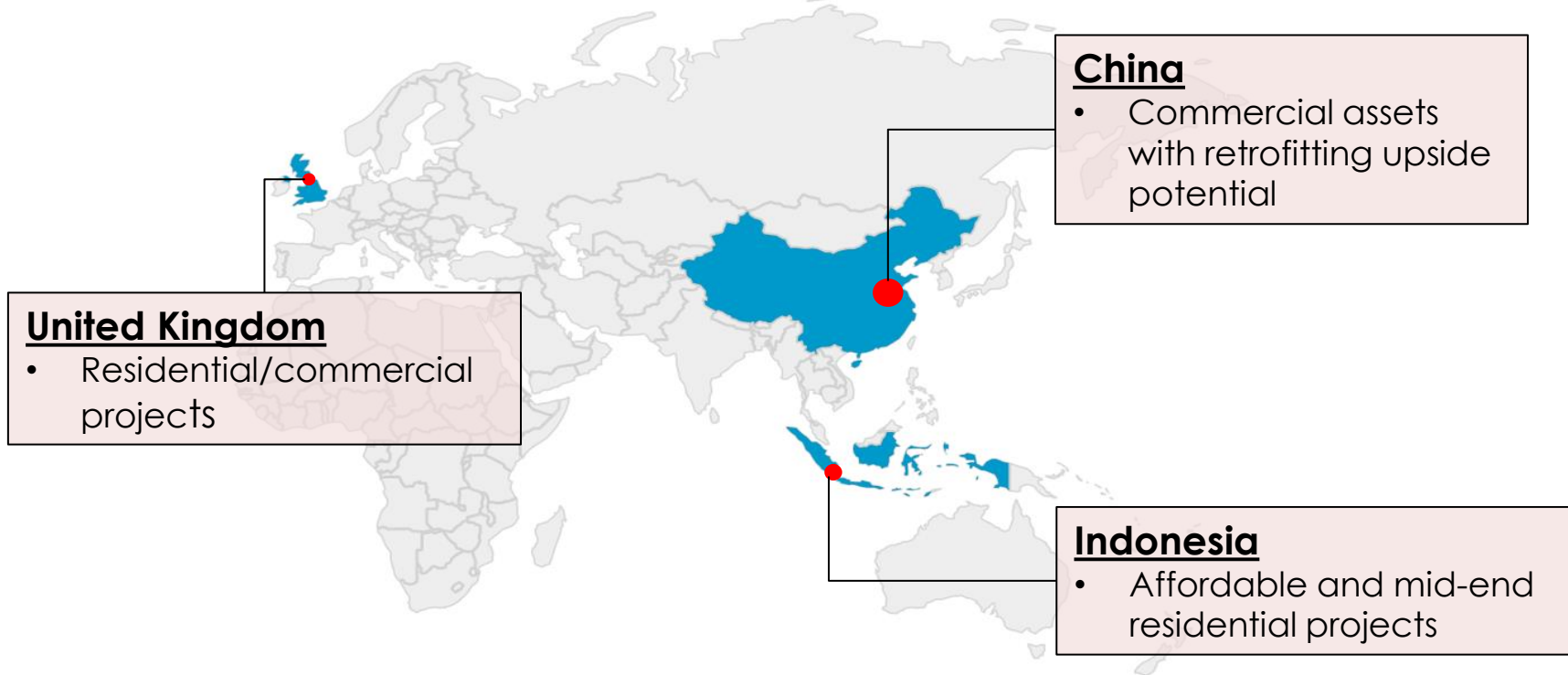


GROWTH STRATEGIES (PROPERTY)

1 Continue to grow presence in China, UK and Indonesia

2 Explore regional countries for diversification

3 Balanced portfolio of investment and development assets



GROWTH STRATEGIES (PROPERTY)

- 4 Strategic alliances with existing and new partners
- 5 Continue to achieve efficiency in capital recycling
- 6 Leverage on strong balance sheet and capital market

PARTNERS



THANK YOU



MARKET OUTLOOK

MARKET OUTLOOK: CHINA

Stable and better quality growth in 2018

UBS, Chief Investment Office Monthly Base, May 2018

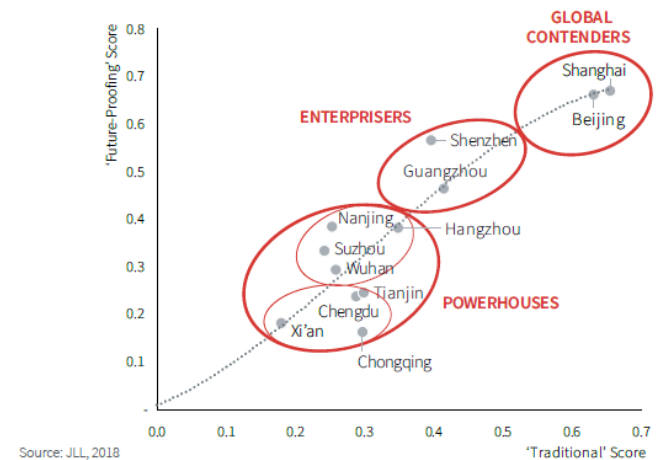
- China 1Q18 GDP growth stabilised at 6.8% YoY driven by resilient consumption, while investment evidently slowed
- Growth should moderate on cooling property, slowing infrastructure investment and ongoing deleveraging, likely to reach 6.6% YoY in 2018 from 6.9% YoY in 2017
- Pushed by strong government policy stimulus packages or a strong pick-up in external demand, GDP may rise above 7% YoY

Future-proofing

JLL, China12: China's Cities Go Global, 2018

- Shanghai and Beijing highlighted as China's 'Global Contenders', on track to join the elite group of the world's most globally connected and powerful cities in the next five years
- China12 cities: extending beyond 'traditional' drivers to include 'future-proofing' credentials – readiness to embrace change through innovation platforms, business operating environments and overall liveability

China 12: A New Evolution Curve



MARKET OUTLOOK: SHANGHAI, OFFICE

Steady economic growth

- Shanghai, underpinned by steady 6.9% GDP growth in 2017, remains as the gateway city for most financial institutions and technology companies⁽¹⁾
- China pushes to open its financial sector, Shanghai should continue to attract foreign and domestic finance institutions, underpinning office demand over the next three to five years⁽¹⁾

Increasing supply but optimistic demand outlook

- Net take-up of Grade A office space remained low, totalling 70,900 sq m in Q1/2018, down 67% compared to 216,200 sq m in Q1/2017⁽²⁾
- A total of 2.4 mil sq m of Grade A office space (including core and decentralised locations) is scheduled to launch in the remainder of 2018⁽²⁾

Demand driven by technology firms & co-working space operators

- 0.4 percentage point decline in Grade-A vacancy rate due to increasing demand from co-working companies driven by rising investment by financial funds⁽³⁾
- It is expected that there will be strong office demand from these financial and technology companies and expanding flexible workspace operators in the next three to five years⁽⁴⁾
- Many co-working space operators have started looking for larger spaces in Grade-A office buildings, even becoming anchor tenants for traditional office landlords⁽³⁾
- With higher affordability of some co-working space tenants, Knight Frank expects the office leasing market to remain stable in 2018⁽³⁾

(1) Colliers Quarterly Q4 2017, February 9, 2018

(2) Savills, Shanghai Office Sector Report, May 2018

(3) Knight Frank, Shanghai Office Market Report, Q4 2017

(4) Colliers Outlook – Shanghai property market 2017 review and 2018 outlook

MARKET OUTLOOK: SHANGHAI, RETAIL

Retail sector bolstered by rising consumer demand

Savills, Shanghai Retail Market Report, Q1 2018

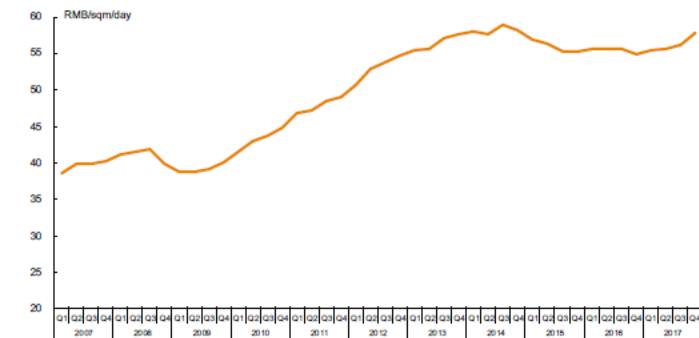
Colliers, Shanghai Property Market 2017 Review and 2018 Outlook, Q1 2018

Knight Frank, Shanghai Retail Market Report, Q4 2017

- Shanghai has robust growth of consumer demand where its total retail sales of consumer goods has shown a 10.2% growth in 2017, where it will support the retail businesses, which in turn brought expansion opportunities in retail properties⁽¹⁾
- Retail sales grew by 6.7% year-on-year (YoY) in the first two months of 2018 with a handful of retailers recording YoY growth in sales of 10.4% over the two-week Spring Festival holiday and large shopping malls also reported satisfactory sales performances over the same period
- Although new retail property supply hit a 10-year high in 4Q2018, no new supply was launched in the first quarter of 2018
- Knight Frank expects retail rents to increase another 3-5% in 2018, and physical retail to continue recovering and develop towards a new format combining offline/online shopping experiences

Rising Prime Rents

Shanghai ground-floor retail rents in prime areas



Source: Knight Frank Research

(1) National Bureau of Statistics of China, January 25, 2018 – “Total retail sales of consumer goods in December 2017”

MARKET OUTLOOK: GUANGZHOU, OFFICE

Resilient Investment Interests

Knight Frank, Greater China Property Market Report, Q4 2017

- A number of major office sales transactions were recorded in emerging business areas, signalling demand – e.g. R&F Yingkai Plaza and Top Plaza for US\$9,986 psm and US\$ 8,498 psm

Declining Vacancy Rate & Modest Growth in Overall Rents in 2018

Colliers Outlook, Guangzhou 2018 Market Outlook, 30 Jan 2018

- Colliers predict 376,900 sqm of new Grade A office supply in 2018 and expects a steadily decreasing vacancy rate and a modest growth in overall rent
- Government's strong support of innovation industry and the spreading of flexible working spaces will add new demand for office space

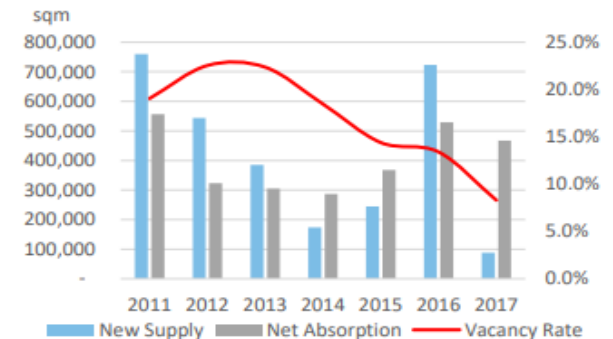
A Future Global City

JLL, China12: China's Cities Go Global, 2018

- Guangzhou is classified as a solid talent base, with high quality of life and good connectivity; ranks within top 5 Chinese cities in the 'Next Generation' Corporate Index
- Guangzhou is prioritising advanced manufacturing, R&D, biotech and IT, as well as financial services industries, all of which will provide momentum going forward

Limited Supply; Declining Vacancies

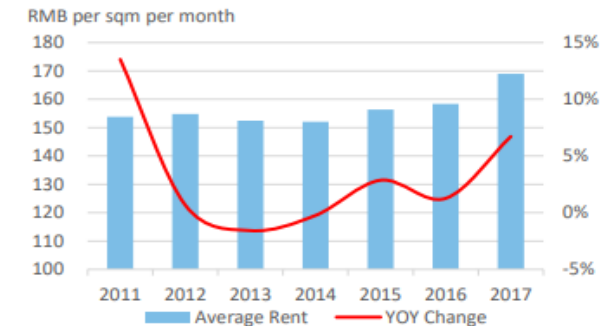
Figure 1: Guangzhou Office Annual New Supply, Net Absorption & Vacancy Rate



Source: Colliers International

Rising Rents

Figure 2: Guangzhou Office Average Rent & Change



Source: Colliers International

MARKET OUTLOOK: MANCHESTER, RESIDENTIAL

UK's most attractive city centre residential investment market

JLL, Residential Forecasts-Northern England, Q1 2018

- The rapid growth of the city centre population has seen the emergence of distinct submarkets including a prime market around St John's Deansgate, which saw sales regularly exceed £500 psf in 2017
 - Manchester is now firmly established as the second most important economic hub in the UK illustrated by its high graduate retention rate-a crucial indicator in preventing a 'brain drain' of the city's graduate talent leaving to work in other markets
 - Approximately 50% of Manchester's graduate stay in the city for work, a rate second only to London, due to strong employment growth that is four times the regional average
- JLL projects residential prices to grow 6.5% in 2018
- Manchester is rated by JLL as its number one prospect for residential price growth over the next 5 years with average growth of 4.2% pa compared with 2.4% pa across the UK

MARKET OUTLOOK: SHEFFIELD, OFFICE

A worthy investment: Strong occupancy with tight supply

Knight Frank, UK Regional Cities Office Market Review, 2018

- Prime rent has risen 4% from 2016 to 2017 as is forecasted to grow a further 4% in 2018, reaching £25.00 per sq ft
- Prime office yields have hardened by 50bps in 2017, finishing in the region of 6.00% and secondary yields have moved to between 7.5% and 9%
- Prime city centre Grade A availability was just 150,000 sq ft at the close of 2017, the lowest level on record for the city, and a 14% decline YoY
- The development pipeline remains limited with works due to complete on just 81,000 sq ft
- Total investment volumes rose above £50m for the second consecutive year in Sheffield reaching £54m by year end and the 2017 total is 18% above the 10-year average of the city
- Leasing market saw a total of 393,700 sq ft was transacted across the year, 25% above the 10-year average for the city. This represents a YoY increase of 95%

MARKET OUTLOOK: CENTRAL LONDON, OFFICE

Remarkable resilience despite Brexit

Knight Frank, Central London, Quarterly Offices Research ,2018 Q1

CBRE, Central London Office, Q1 2018

- Brexit uncertainty has caused sterling to fall nearly 4.0% against the euro since last year and thus provides the maximum investment opportunity for Euro dominated buyers and yields are attractive compared to cities like Paris and Berlin
- At 2.12 mil sq ft , occupier take-up of Central London office space has now registered above average levels for six consecutive quarters
- The prime rent remained steady, unchanged in all Central London markets in Q1 2018
- Supply levels in the City during the first quarter fell from 8.5 mil sq ft in Q4 17 to 8.3 mil sq ft in Q1 , and nearly 12% below the long-term average
- Take-up in the first quarter of the year totalled 2.12 mil sq ft, an increase of 31% on the same quarter last year. A Q1 take-up figure above 2.0 mil sq ft has not been seen since 2000
- Current vacancy rate now stands at 6.9%. and the prime yield in the Core remained at 4.25%
- The first quarter of 2018 saw 3.7 mil sq ft of transactions, which is less than the preceding quarter but the strongest first quarter performance since 2010

MARKET OUTLOOK: SINGAPORE, RESIDENTIAL

A Strong Recovery

Savills, World Research-Singapore, 1Q2018

- Prices are expected to increase 12-15% in 2018 with much of the increase loaded into 2H/2018
 - After a 0.7% increase in Q3/2017, the URA price index for private residential properties island-wide recorded a further 0.8% rise in the final three months of 2017. The price increase in 2H2017 resulted in prices rising 1.1% for the whole year
 - Two consecutive quarters of healthy growth rates have reversed the price decline since Q4/2013
- In spite of the absence of new launches and festivities, buyers snapped up 1,864 new homes in Q4/2017, more than double the developers' launches during the same period
- The buoyant buying activity starting from the beginning of the year has made the number of new sales for the full-year of 2017 reach 10,566, 75.5% higher than the 6,020 units launched. This is also the highest transaction volume in the primary market since 2013
- As the end of 2017, the pipeline supply of private residential units was 50,852 units, rising 18.1% QoQ. Of these, 33,714 units or 66.3% remained unsold, representing a 40.1% jump from Q3's 24,063 units
- Developers' of phasing their launches into several batches has quelled market fears of over-supply as developers only released 877 uncompleted private residential units for sale in Q4/2017, down 25.9% from the quarter before

MARKET OUTLOOK: SINGAPORE, RETAIL

Resilient economic growth, rising sales

- The Singapore economy grew 4.3% YoY in 1Q2018, continuing the 3.6% growth in 4Q2017⁽¹⁾; GDP growth is expected to grow 1.3% to 3.5% in 2018⁽²⁾
- Singapore's retail sales index for March 2018 rise 2.6% YoY (excluding motor vehicles), while department stores posted a strong 9.2% YoY growth⁽³⁾
- Both tourism receipts and tourist arrivals set new records for the second consecutive year in 2017, recording a 3.9% and 6.2% growth, respectively⁽⁴⁾
- STB maintains an optimistic outlook for 2018, expecting tourism receipts to grow a further 1% to 3% and international visitor arrivals to rise between 1% and 4%⁽⁴⁾

(1) Ministry of Trade and Industry Singapore, April 13, 2018 – "Singapore's GDP grew 4.3 per cent in the first quarter of 2018"

(2) Ministry of Trade and Industry Singapore, February 14, 2018 – "MTI expects GDP growth in 2018 to moderate but remain firm"

(3) Singstat, March 2018 – Retail sales index and food & beverage sales index

(4) Singapore Tourism Board, February 12, 2018 – "Singapore tourism sector performance breaks record for the second year running in 2017"

MARKET OUTLOOK: INDONESIA, RESIDENTIAL

Strong demand to mitigate rising supply

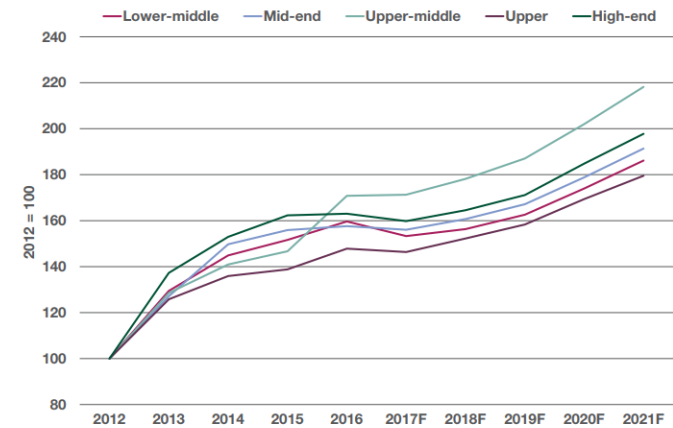
JLL, Jakarta Property Market Review, Q1 2018

Savills, Asian Cities Report: Jakarta Residential, 2H 2017

- JLL maintains a cautiously optimistic view of the high-rise condo market in 2018, expecting continued sales growth and moderate price growth in the lower and middle markets where affordability is greater and tax burden is lower
- Savills expects the level of stock completions to remain high in 2018 with almost 30,000 units to complete, although there are only about 8,400 units due for completion in 2019, translating into an expected pick-up in prices from 2019 onwards with a gradual increase of about 4-8% p.a. between 2019 and 2021
- Affordability continues to be a main theme especially ahead of Indonesia's upcoming presidential election in 2019

Projected growth in prices

Price index by grade, 2012–2021F



Source: Savills Research & Consultancy

MARKET OUTLOOK: INDONESIA, RETAIL

Resilient Growth

- 2017 GDP rose 5.1% from 5.0% in 2016, marking the highest growth in four years due to stronger investment and net exports; Real GDP growth for 2018 projected at 5.3% ⁽¹⁾
- Indonesian retail sales grew 2.5% in March 2018 YoY compared to February's 1.5% YoY growth
- A survey of 700 retailers in 10 major cities projected retail sales would grow 3.4% YoY in April 2018
- Expanding middle class to drive growth in consumption and support the expansion of the organised retail sector, alongside planned infrastructure to improve connectivity ⁽³⁾⁽⁴⁾

(1) *The World Bank, Mar 27, 2018 – March 2018 Indonesia Economic Quaterly: Towards inclusive growth*

(2) *Reuters, May 7, 2018 – Indonesia's retail sales up 2.5 pct y/y in March, survey shows*

(3) *JLL, Asia Pacific Property Digest, Q4 2017*

(4) *CBRE Viewpoint, Indonesia, 2018/2019*