



PRESENTATION TO ANALYSTS

2018 ANNUAL RESULTS

1ST MARCH 2019

Introduction

2018 Annual Results



- The Jardine Matheson Group
- Overview of 2018
- Financial Summary
- Outlook for 2019

Jardine Matheson Group

at 31st December 2018



	Group Ownership %	JMH Economic Interest %	JSH Economic Interest %
Jardine Pacific	100	100	58
Jardine Motors	100	100	58
Jardine Lloyd Thompson	41	41	24
Jardine Strategic	84	84	-
- Hongkong Land	50	43	50
- Dairy Farm	78	65	78
- Mandarin Oriental	78	66	78
- Jardine Cycle & Carriage	75	63	75
• Astra	50	32	38

Financial Summary

at 31st December 2018

US\$m	2018	chg	2017*
Revenue (including 100% of associates and JVs)	92,348	11%	83,001
Revenue	42,527	10%	38,748
Underlying PBT	4,931	15%	4,302
Underlying profit	1,703	10%	1,543
Non-trading items	29		2,400
Profit attributable to shareholders	1,732	-56%	3,943
Underlying EPS, US\$	4.53	10%	4.10
DPS, US\$	1.70	6%	1.60

* Restated

Overview of 2018

Jardine Matheson

- Underlying EPS up by 10%
- Strong performances in Southeast Asia
- Steady results from Greater China

Underlying Profit Contribution

Jardine Matheson

US\$m	2018	chg	2017*
Jardine Pacific	164	1%	162
Jardine Motors	175	-5%	184
Jardine Lloyd Thompson	77	16%	67
Hongkong Land	438	11%	397
Dairy Farm	278	6%	261
Mandarin Oriental	45	26%	35
Jardine Cycle & Carriage (ex. Astra)	102	24%	82
Astra	465	19%	390
Corporate & other interests	(41)	-19%	(35)
Underlying profit	1,703	10%	1,543

* Restated

Non-Trading Items

Jardine Matheson

US\$m	2018	2017*
Change in fair value of investment properties in Hongkong Land	594	1,930
Change in fair value of other investments	(316)	255
Restructuring of Dairy Farm's SEA Food business	(296)	-
Sale and closure of businesses	80	1
Sale of property interests	23	194
Others	(56)	20
	29	2,400

* Restated



Balance Sheet

Jardine Matheson

US\$m	12/2018	chg	12/2017*
Shareholders' funds	26,342	3%	25,659
NAV per share, US\$**	69.91	3%	68.19
Net debt (ex financial services)	(5,950)	75%	(3,403)
Gearing	10%		6%
Net debt of financial services	(3,293)	-3%	(3,400)

* Restated

** Calculated on a book value basis

Analysis of Net Debt

Jardine Matheson

US\$m	12/2018	gearing	12/2017
Jardine Pacific / Jardine Motors	19	-	164
Hongkong Land	(3,564)	9%	(2,548)
Dairy Farm	(744)	50%	(599)
Mandarin Oriental	(285)	23%	(327)
Jardine Cycle & Carriage	(2,189)	16%	(714)
Jardine Matheson Corporate	39	-	202
Jardine Strategic Corporate	774	-	419
Net debt (ex financial services)	(5,950)	10%	(3,403)
Net debt of financial services	(3,293)		(3,400)



Consolidated Cash Flow (1 of 2)

Jardine Matheson

US\$m	2018	2017
Operating activities	4,146	4,298
Investing activities		
- Capital expenditure	(5,933)	(5,841)

Capital Expenditure & Investments

Jardine Matheson



US\$m	2018	2017
Capital expenditure	5,933	5,841
- Purchase of subsidiaries	1,287	74
- Investments in and advances to associates & JVs	2,181	2,380
- Purchase of other investments	708	1,609
- Purchase of tangible assets	1,423	1,184
- Additions to investment properties	166	372
- Others	168	222
Increase in interests in subsidiaries	567	194
Trading properties capex	1,217	860
Major capex of associates and JVs	4,631	4,638
Other	(99)	158
Total Capital Expenditure & Investments	12,249	11,691

Consolidated Cash Flow (2 of 2)

Jardine Matheson

US\$m	2018	2017
Operating activities	4,146	4,298
Investing activities		
- Capital expenditure	(5,933)	(5,841)
- Disposals, advances and repayments from associates and JVs	1,275	1,866
Financing activities (including dividends paid)	(355)	60
Net (decrease)/increase in cash and cash equivalents	(867)	383
Cash and cash equivalents at beginning of year	6,001	5,531
Exchange	(181)	87
Cash and cash equivalents at end of year	4,953	6,001

Jardine Pacific

Underlying Profit Contribution



US\$m	2018	chg	2017*
Jardine Schindler	49	8%	45
JEC	34	14%	30
Gammon	32	3%	31
Jardine Restaurants	20	-17%	24
Transport Services	22	-12%	25
Corporate and other interests	7	11%	7
Underlying profit	164	1%	162

* Restated

Jardine Motors

Underlying Profit Contribution



US\$m	2018	chg	2017
China (incl. HK & Macau)	166	-3%	171
UK	11	-28%	15
Corporate	(2)	22%	(2)
Underlying profit	175	-5%	184

- Higher contribution from Zhongsheng
- At Zung Fu in mainland China, higher sales volumes offset by margin normalisation

Jardine Lloyd Thompson

Financial Summary**



£m	2018	chg	2017*
Revenue	1,451	5%	1,381
Underlying profit before tax	234	25%	187
Underlying profit after tax and non-controlling interests ***	163	33%	123

- Organic revenue growth from all divisions

* Restated

** 100% basis

*** Underlying profit attributable to the Group on conversion to US\$, and after adjusting for the costs of the business transformation programme in 2018: 2018 – US\$77m, 2017 – US\$67m

Jardine Strategic

Financial Summary**



US\$m	2018	chg	2017*
Underlying profit	1,784	14%	1,570
Non-trading items	52		2,735
Profit attributable to shareholders	1,836	-57%	4,305
Underlying EPS, US\$	3.14	16%	2.71
DPS, US¢	34.00	6%	32.00
NAV per share, US\$***	68.46	16%	59.08

* Restated

** 100% basis

*** Calculated on a market value basis

Hongkong Land

Financial Summary**



US\$m	2018	chg	2017*
Underlying profit	1,036	9%	947
Total equity	38,370	4%	36,876
NAV per share, US\$	16.43	5%	15.66

- Investment properties performed well
- Higher profits from Singapore residential projects
- NAV increase principally reflects increased value of Central portfolio
- Stable profits from mainland China projects

* Restated

** 100% basis

Dairy Farm

Financial Summary*

US\$m	2018	chg	2017
Sales including associates and JVs	21,957	1%	21,827
Sales	11,749	4%	11,289
Underlying profit	424	5%	403

- Strong growth from Health & Beauty
- Improved performances from most business formats except Supermarkets and Hypermarkets

Mandarin Oriental

Financial Summary*



US\$m	2018	chg	2017
Combined total revenue of hotels under management	1,398	1%	1,380
Underlying profit	65	19%	55
Adjusted shareholders' funds**	5,833	1%	5,747
Adjusted NAV per share, US\$**	4.62	1%	4.57

- Strong performances driven by the hotels in Hong Kong
- Seven new management contracts announced
- Redevelopment plan of Excelsior announced

* 100% basis

** Adjusted to include the market value of the group's freehold and leasehold interests

Jardine Cycle & Carriage

Underlying Profit Contribution**

US\$m	2018	chg	2017*
Astra	719	15%	623
Direct motor interests	145	19%	121
Other strategic interests	71	107%	34
Corporate costs			
- <i>Central overheads</i>	(19)	2%	(19)
- <i>Dividend income from other investments</i>	5	N/A	-
- <i>Net financing charges and exchange differences</i>	(63)	N/A	11
Underlying profit	858	12%	770

* Restated

** 100% basis

Astra

Contribution to JC&C



US\$m	2018	chg	2017*
Automotive	272	-4%	284
Financial services	171	37%	125
Heavy equipment, mining, construction & energy	231	38%	168
Agribusiness	43	-28%	60
Infrastructure & logistics	7	64%	4
Information technology	7	-1%	7
Property	19	N/A	-
Withholding tax	(31)	-22%	(25)
Underlying profit	719	15%	623

* Restated

Outlook for 2019

Jardine Matheson



- Drive growth in core businesses in core markets
- Strive to be partner of choice
- Target Asia's expanding middle class
- Drive digitisation and innovation



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