



PRESENTATION TO ANALYSTS

2019 ANNUAL RESULTS

6th MARCH 2020

Introduction

2019 Annual Results



- Overview of 2019
- Key Developments
- Financial Summary
- Outlook for 2020

Overview of 2019

Jardine Matheson



- Impact of social unrest in Hong Kong in second half
- Resilient performance despite short-term challenges
- Record year for Hongkong Land and solid results from Jardine Pacific and Astra
- Dairy Farm's results impacted by Hong Kong but transformation programme progressing
- Close monitoring of COVID-19

Jardine Matheson Group

at 31st December 2019



	Group Ownership %	JMH Economic Interest %	JSH Economic Interest %
Jardine Pacific	100	100	58
Jardine Motors	100	100	58
Jardine Strategic	85	85	-
- Hongkong Land	50	43	50
- Dairy Farm	78	66	78
- Mandarin Oriental	78	66	78
- Jardine Cycle & Carriage	75	64	75
• Astra	50	32	38

Financial Summary

at 31st December 2019



US\$m	2019	chg	2018*
Revenue (including 100% of associates and JVs)	103,308	12%	92,348
Revenue	40,922	- 4%	42,527
Underlying PBT	4,678	- 4%	4,850
Underlying profit	1,589	- 4%	1,655
Non-trading items	1,249		67
Profit attributable to shareholders	2,838	65%	1,722
Underlying EPS, US\$	4.23	- 4%	4.40
DPS, US\$	1.72	1%	1.70

* Restated

Key Developments

Jardine Matheson



- Large strategic acquisition by Hongkong Land
- Strong focus on capital allocation - Sale of JLT stake increases financial strength of Group
- Strengthened relationship with Yonghui
- Continued investments in Southeast Asia by Astra and JC&C
- Establishment of Jardine International Motors
- Continued expansion by Mandarin Oriental

Underlying Profit Contribution

Jardine Matheson



US\$m	2019	chg	2018*
Jardine Pacific	164	2%	160
Jardine Motors	196	12%	175
Hongkong Land	460	5%	438
Dairy Farm	210	- 11%	235
Mandarin Oriental	27	- 39%	45
Jardine Cycle & Carriage (ex. Astra)	84	- 17%	101
Astra	455	- 2%	465
Jardine Lloyd Thompson	-	- 100%	77
Corporate & other interests	(7)	83%	(41)
Underlying profit	1,589	- 4%	1,655

* Restated

Non-Trading Items

Jardine Matheson



US\$m	2019	2018*
Change in fair value of investment properties	(337)	613
Change in fair value of other investments	49	(316)
Sale of Jardine Lloyd Thompson	1,507	(21)
Sale of Rustan in the Philippines	-	111
Sale and closure of other businesses	48	7
Restructuring of Dairy Farm's businesses	(9)	(275)
Sale of property interests	10	23
Others	(19)	(75)
	1,249	67

* Restated

Balance Sheet

Jardine Matheson



US\$m	12/2019	chg	12/2018*
Shareholders' funds	30,351	16%	26,069
NAV per share, US\$**	81.90	18%	69.19
Net debt (ex financial services)	(4,786)	19%	(5,913)
Gearing	7%		10%
Net debt of financial services	(3,294)	-	(3,292)

* Restated

** Calculated on a book value basis

Analysis of Net Borrowings

Jardine Matheson



US\$m	12/2019	gearing	12/2018*
Jardine Pacific / Jardine Motors	13	-	19
Hongkong Land	(3,591)	9%	(3,564)
Dairy Farm	(821)	66%	(744)
Mandarin Oriental	(300)	7%	(285)
Jardine Cycle & Carriage	(3,048)	20%	(2,152)
Jardine Matheson Corporate	1,199	-	39
Jardine Strategic Corporate	1,762	-	774
Net borrowings (ex financial services)	(4,786)	7%	(5,913)
Net borrowings of financial services	(3,294)		(3,292)

* Restated

Consolidated Cash Flow (1 of 2)

Jardine Matheson



US\$m	2019	2018*
Operating activities	4,865	5,157
Investing activities		
- Capital expenditure	(4,283)	(5,933)

* Restated

Capital Expenditure & Investments

Jardine Matheson



US\$m	2019	2018
Capital expenditure	4,283	5,933
- <i>Purchase of subsidiaries</i>	28	1,287
- <i>Investments in and advances to associates & JVs</i>	2,113	2,181
- <i>Purchase of other investments</i>	409	708
- <i>Purchase of intangible assets</i>	224	115
- <i>Purchase of tangible assets</i>	1,234	1,399
- <i>Additions to investment properties</i>	171	166
- <i>Others</i>	104	77
Increase in interests in subsidiaries	277	567
Trading properties capex	1,078	1,217
Major capex of associates and JVs	4,812	4,631
Other	120	(99)
Total Capital Expenditure & Investments	10,570	12,249

Consolidated Cash Flow (2 of 2)

Jardine Matheson



US\$m	2019	2018*
Operating activities	4,865	5,157
Investing activities		
- Capital expenditure	(4,283)	(5,933)
- Disposals, advances and repayments from associates and JVs	3,583	1,275
Principal elements of lease payments	(1,016)	(1,018)
Other financing activities (including dividends paid)	(1,024)	(348)
Net increase/(decrease) in cash and cash equivalents	2,125	(867)
Cash and cash equivalents at beginning of year	4,953	6,001
Exchange	79	(181)
Cash and cash equivalents at end of year	7,157	4,953

* Restated

Jardine Pacific

Underlying Profit Contribution



US\$m	2019	chg	2018*
Jardine Schindler	48	- 2%	49
JEC	41	21%	34
Gammon	36	10%	32
Jardine Restaurants	13	- 28%	19
Transport Services	18	- 17%	21
Corporate and other interests	8	51%	5
Underlying profit	164	2%	160

- JEC sees benefits from investment in modernising core operations
- Gammon has strong order book and pipeline of projects
- Restaurants impacted by Hong Kong situation
- HACTL sees reduction in cargo throughput tonnage

* Restated

Jardine Motors

Underlying Profit Contribution



US\$m	2019	chg	2018*
China (incl. HK & Macau)	196	18%	165
UK	1	- 87%	12
Corporate	(1)	43%	(2)
Underlying profit	196	12%	175

- Higher contribution from Zhongsheng
- Weaker operational performance in Hong Kong and the UK

* Restated

Jardine Strategic

Financial Summary**



US\$m	2019	chg	2018*
Underlying profit	1,681	- 3%	1,729
Non-trading items	497		98
Profit attributable to shareholders	2,178	19%	1,827
Underlying EPS, US\$	2.98	- 2%	3.04
DPS, US¢	35.50	4%	34.00
NAV per share, US\$***	57.98	- 15%	68.46

* Restated

** 100% basis

*** Calculated on a market value basis

Hongkong Land

Financial Summary*



US\$m	2019	chg	2018
Underlying profit	1,076	4%	1,036
Total equity	38,290	-	38,370
NAV per share, US\$	16.39	-	16.43

- Further year of record underlying profit growth
- Stable profits from Investment Properties
- Acquisition of iconic West Bund site in Shanghai in February 2020
- Higher contribution from Chinese mainland Development Properties

* 100% basis

Dairy Farm

Financial Summary**



US\$m	2019	chg	2018*
Sales including associates and JVs	27,665	26%	21,957
Sales	11,192	- 5%	11,749
Underlying profit	321	- 10%	358

- Profit impacted by Hong Kong social unrest
- Progress in Southeast Asia Grocery Retail
- Convenience sales increase but profit impacted by 7-Eleven expansion
- Hong Kong Health & Beauty impacted by fall in visitors

* Restated

** 100% basis

Mandarin Oriental

Financial Summary**



US\$m	2019	chg	2018*
Combined total revenue of hotels under management	1,325	- 5%	1,398
Underlying profit	41	- 37%	65
Adjusted shareholders' funds***	5,936	2%	5,827
Adjusted NAV per share, US\$***	4.70	2%	4.62

- Profit impacted by closure of The Excelsior, Hong Kong social unrest and Bangkok renovation
- Four new hotels opened
- Strong pipeline of future developments

* Restated

** 100% basis

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

Jardine Cycle & Carriage

Underlying Profit Contribution**



US\$m	2019	chg	2018*
Astra	716	-	718
Direct Motor Interests	63	- 11%	71
Other Strategic Interests	126	- 13%	144
Corporate costs			
- <i>Central overheads</i>	(24)	- 24%	(19)
- <i>Dividend income from other investments</i>	5	2%	5
- <i>Net financing charges and exchange differences</i>	(23)	63%	(63)
Underlying profit	863	1%	856

- Automotive profit impacted by competitive pressures
- Other Strategic Interests impacted by weaker performance by Thaco

* Restated

** 100% basis

US\$m	2019	chg	2018*
Automotive	269	- 1%	272
Financial services	216	26%	171
Heavy equipment, mining, construction & energy	238	4%	230
Agribusiness	4	- 90%	43
Infrastructure & logistics	10	48%	7
Information technology	7	- 7%	7
Property	3	- 85%	19
Withholding tax	(31)	- 1%	(31)
Underlying profit	716	-	718

- Strong performance from financial services offsets decline in agribusiness

* Restated

Outlook for 2020

Jardine Matheson



- Drive growth in core businesses in core markets
- Investing for future change
- Focus on digitisation, developing capability and sustainable business growth
- 2020 performance depends on duration, geographic extent and impact of COVID-19 and measures to control it
- Remain confident in market fundamentals driving Asia's growth



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2019 ANNUAL RESULTS

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