



Jardines

PRESENTATION TO ANALYSTS

2019 HALF-YEARLY RESULTS

5th AUGUST 2019

Review of 1H 2019

Jardine Matheson

- Challenging start to year for Astra
- Profit growth from Hongkong Land and Dairy Farm
- Profit impacted by sale of JLT
- Resilient performances by most businesses in face of challenging conditions
- Financial position remains strong

Jardine Matheson Group

at 30th June 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

Jardine Matheson



US\$m	Interim 2019	chg	Interim 2018*	Annual 2018*
Revenue (including 100% of associates and JVs)	50,274	13%	44,348	92,348
Revenue	20,172	-5%	21,327	42,527
Underlying PBT	2,119	-6%	2,250	4,831
Underlying profit	738	-3%	759	1,642
Non-trading items	1,516		136	65
Profit attributable to shareholders	2,254	152%	895	1,707
Underlying EPS, US\$	1.96	-3%	2.02	4.37
DPS, US\$	0.44	5%	0.42	1.70

* Restated

Underlying Profit Contribution

Jardine Matheson

US\$m	Interim 2019	Interim 2018*	chg
Jardine Pacific	56	62	-9%
Jardine Motors	107	86	23%
Hongkong Land	198	192	4%
Dairy Farm	115	109	5%
Mandarin Oriental	7	15	-51%
Jardine Cycle & Carriage (ex. Astra)	45	53	-14%
Astra	207	223	-7%
Corporate & other interests **	3	19	-86%
Underlying profit	738	759	-3%

* Restated

** Includes contribution from JLT in 2018

Non-Trading Items

Jardine Matheson

US\$m

	Interim 2019	Interim 2018*
Gain on sale of JLT	1,507	-
Change in fair value of other investments	44	280
Change in fair value of investment properties in Hongkong Land	(37)	(157)
Others	2	13
	1,516	136

* Restated

Jardine Pacific

Underlying Profit Contribution



US\$m	Interim 2019	Interim 2018*	chg	Annual 2018*
Jardine Schindler	21	22	-5%	49
JEC	9	6	63%	34
Gammon	8	15	-48%	32
Jardine Restaurants	10	10	-1%	17
Transport Services	8	10	-22%	21
Corporate and other interests	-	(1)	na	7
Underlying profit	56	62	-9%	160

- Profit growth at JEC due to business efficiency improvements
- Lower profit at Gammon due to timing of projects

* Restated

Jardine Motors

Underlying Profit Contribution

US\$m	Interim 2019	Interim 2018*	chg	Annual 2018*
China (incl. HK & Macau)	103	80	28%	166
UK	5	7	-36%	10
Corporate	(1)	(1)	13%	(2)
Underlying profit	107	86	23%	174

- Increased contribution from Zhongsheng (six months' results vs two months)
- Profit growth in mainland China
- Hong Kong lower due to slower new car deliveries

* Restated

Jardine Strategic

Financial Summary**



US\$m	Interim 2019	Interim 2018*	chg	Annual 2018*
Underlying profit	779	789	-1%	1,715
Non-trading items	878	156		95
Profit attributable to shareholders	1,657	945	75%	1,810
Underlying EPS, US\$	1.38	1.38	-	3.01
DPS, US¢	10.50	10.00	5%	34.00
NAV per share, US\$***	61.10		-11%	68.46

* Restated

** 100% basis

*** Calculated on a market value basis

Hongkong Land

Financial Summary*



US\$m	Interim 2019	Interim 2018	chg	Annual 2018
Underlying profit	466	455	2%	1,036
Total equity	38,529		-	38,370
NAV per share, US\$	16.50		-	16.43

- Investment properties benefit from tight supply and low vacancy levels in Hong Kong and Singapore
- Higher profits from development properties due to more sales completions in mainland China, partly offset by lower Singapore contribution
- Higher financing costs due to land acquisitions

* 100% basis

Dairy Farm

Financial Summary**

US\$m	Interim 2019	Interim 2018*	chg	Annual 2018*
Sales including associates and JVs	13,781	12,215	13%	21,957
Sales	5,761	5,929	-3%	11,749
Underlying profit	177	168	5%	342

- Sales from subsidiaries 3% lower
- Higher underlying profit due to strong performance from Yonghui and contribution from Robinsons Retail
- Overall profit growth held back by business transformation costs
- Food remains challenged but early signs of growth in SE Asia
- Good sales performance from four of five formats

* Restated

** 100% basis

Mandarin Oriental

Financial Summary**

US\$m	Interim 2019	Interim 2018*	Chg	Annual 2018*
Combined total revenue of hotels under management	641	700	-8%	1,398
Underlying profit	11	22	-52%	65
Adjusted shareholders' funds***	5,828		-	5,827
Adjusted NAV per share, US\$***	4.61		-	4.62

- Profit impacted by closure of The Excelsior, Hong Kong and renovation of Bangkok
- London hotel reopened and performing in line with expectations
- Mixed performances across rest of portfolio

* 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	Interim 2019	Interim 2018*	chg	Annual 2018*
Astra	326	354	-8%	718
Direct Motor Interests	55	72	-22%	143
Other Interests	44	41	7%	71
Corporate costs***	(18)	(54)	66%	(76)
Underlying profit	407	413	-1%	856

- Lower contribution from Astra, primarily due to challenges in automotive business and agribusiness
- Weaker result from Truong Hai Auto Corporation

* Restated

** 100% basis

*** Includes net exchange gain relating to monetary liabilities denominated in US Dollars of \$11m (2018: a net exchange loss of \$32m)

Astra

Contribution to JC&C

US\$m



	Interim 2019	Interim 2018*	chg	Annual 2018*
Automotive	112	142	-22%	272
Financial services	100	78	29%	171
Heavy equipment, mining, construction & energy	118	119	-1%	230
Agribusiness	-	22	-98%	43
Infrastructure & logistics	3	-	100%	7
Information technology	1	3	-33%	7
Property	2	(1)	na	19
Withholding tax	(9)	(9)	-6%	(31)
Underlying profit	326	354	-8%	718

* Restated

Jardine Matheson

Analysis of Net Debt



US\$m	June 2019	gearing	Dec 2018	gearing
Jardine Pacific / Jardine Motors	35	-	19	-
Hongkong Land	(3,881)	10%	(3,564)	9%
Dairy Farm	(820)	74%	(744)	67%
Mandarin Oriental	(336)	8%	(285)	23%
Jardine Cycle & Carriage	(3,105)	22%	(2,152)	16%
Jardine Matheson Corporate	1,339	-	39	-
Jardine Strategic Corporate	1,497	-	774	-
Net debt (ex financial services)	(5,271)	8%	(5,913)	10%
Net debt of financial services	(3,382)		(3,292)	

Business Developments (1/2)

Jardine Matheson

- Sale of 41% interest in JLT completed on 1st April
- Mandarin Oriental Wangfujing opened
- Hongkong Land acquired a new site in Wuhan
- Dairy Farm transformation programme progressing
- Maxim's acquired Starbucks in Thailand through JV
- Mandarin Oriental opened 4 new hotels and signed 2 new management contracts
- Various initiatives by Astra and Jardine Cycle & Carriage

Business Developments (2/2)

Jardine Matheson

- Virtual bank joint venture announced with BoC HK and JD Digits
- Group continues to progress innovation agenda and embrace opportunities arising from digitisation
- New role of Director of Digital

Outlook for 2H 2019

Jardine Matheson

- Hongkong Land and Dairy Farm expected to deliver higher contributions in second half
- Overall results will depend on consumer sentiment in key markets
- Confidence in longer-term growth prospects in Greater China and Southeast Asia



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