

Presentation to Analysts

2018 Half-Yearly Results

30th July 2018

Jardine Matheson

Review of 1H 2018

- Solid growth in Group underlying profit
- Good performances from most companies
- Increases in Astra and Jardine Cycle & Carriage
- Financial position remains robust

Jardine Matheson Group

at 30th June 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	42	50
- Dairy Farm	78	65	78
- Mandarin Oriental	78	65	78
- Jardine Cycle & Carriage	75	63	75
• Astra	50	32	38

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Financial Summary

US\$m	Interim 2018	chg	Interim 2017*	Annual 2017*
Revenue (including 100% of associates and JVs)	44,348	19%	37,417	83,001
Revenue	21,327	14%	18,783	38,748
Underlying PBT	2,304	11%	2,071	4,302
Underlying profit	792	6%	744	1,543
Non-trading items	136		1,430	2,400
Profit attributable to shareholders	928	-57%	2,174	3,943
Underlying EPS, US\$	2.11	7%	1.98	4.10
DPS, US\$	0.42	5%	0.40	1.60

* Restated

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Underlying Profit Contribution

US\$m	Interim 2018	Interim 2017*	chg
Jardine Pacific	63	67	-6%
Jardine Motors	87	83	6%
Jardine Lloyd Thompson	35	36	-2%
Hongkong Land	192	196	-2%
Dairy Farm	140	137	2%
Mandarin Oriental	15	10	49%
Jardine Cycle & Carriage	53	38	37%
Astra	223	198	13%
Corporate & other interests	(16)	(21)	24%
Underlying profit	792	744	6%

* Restated

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Non-Trading Items

US\$m

	Interim 2018	Interim 2017*
Change in fair value of investment properties in Hongkong Land	280	1,090
Change in fair value of other investments	(157)	117
Sale of property interests	-	195
Change in interests in associates and joint ventures	-	8
VAT recovery in Jardine Motors	-	8
Sale of businesses	5	5
Others	8	7
Total	136	1,430

* Restated

Jardine Pacific

Underlying Profit Contribution

US\$m	Interim 2018	Interim 2017*	chg	Annual 2017*
Jardine Schindler	22	22	-	45
JEC	6	6	-10%	30
Gammon	15	16	-6%	31
Jardine Restaurants	11	16	-28%	24
Transport Services	10	11	-9%	25
JTH	(2)	-	NA	7
Corporate and other interests	1	(4)	125%	-
Underlying profit	63	67	-6%	162

* Restated

Jardine Motors

Underlying Profit Contribution

US\$m	Interim 2018	Interim 2017	chg	Annual 2017
China (incl. HK & Macau)	80	76	6%	171
UK	8	8	-	15
Corporate	(1)	(1)	-	(2)
Underlying profit	87	83	6%	184

- Increased new car sales in Hong Kong
- Margin pressure in China
- Steady volumes but lower new car margins in the UK

Jardine Lloyd Thompson

Financial Summary**

£m	Interim 2018	Interim 2017*	chg	Annual 2017*
Revenue	713	692	3%	1,381
Underlying trading profit	118	109	9%	209
Underlying profit***	75	68	11%	123

- Solid revenue and profit growth
- Launched Global Transformation Programme to deliver operational efficiencies and cost savings

* Restated

** 100% basis

*** Underlying profit attributable to the Group, after adjusting for costs relating to the global transformation programme in 2018 and on conversion to US\$: Interim 2018 – US\$35m, Interim 2017 – US\$36m, Annual 2017 – US\$67m

Jardine Strategic

Financial Summary**

US\$m	Interim 2018	Interim 2017*	chg	Annual 2017*
Underlying profit	828	762	9%	1,570
Non-trading items	156	1,580		2,735
Profit attributable to shareholders	984	2,342	-58%	4,305
Underlying EPS, US\$	1.45	1.31	11%	2.71
DPS, US¢	10.00	9.50	5%	32.00
NAV per share, US\$***	64.62		9%	59.08

* Restated

** 100% basis

*** Calculated on a market value basis

Hongkong Land

Financial Summary**

US\$m	Interim 2018	Interim 2017*	chg	Annual 2017*
Underlying profit	455	470	-3%	947
Total equity	37,318		1%	36,876
NAV per share, US\$	15.93		2%	15.66

- Investment properties performed well due to low vacancy levels and increased office rents in Hong Kong
- Development properties saw lower results due to timing of sales completions in China

* Restated

** 100% basis

Dairy Farm

Financial Summary*

US\$m	Interim 2018	Interim 2017	chg	Annual 2017
Sales including associates and JVs	12,215	10,448	17%	21,827
Sales	5,929	5,505	8%	11,289
Underlying profit	215	211	2%	403

- North Asia: Food saw improved sales but lower profits; outstanding performance for Health and Beauty
- Southeast Asia: continuing decline in Food, partially offset by encouraging results in Health and Beauty
- Increased contribution from Maxim's

Mandarin Oriental

Financial Summary*

US\$m	Interim 2018	Interim 2017	Chg	Annual 2017
Combined total revenue of hotels under management	700	645	9%	1,380
Underlying profit	22	15	49%	55
Adjusted shareholders' funds**	5,722		-	5,747
Adjusted NAV per share, US\$**	4.54		-1%	4.57

- Generally improved performance across the portfolio
- Mandarin Oriental Hyde Park, London expected to partially re-open before the end of 2018

* 100% basis

** Adjusted to include the fair market value of the group's freehold and leasehold interests which were independently appraised as at 31st December 2017

Jardine Cycle & Carriage

Underlying Profit Contribution**

US\$m	Interim 2018	Interim 2017*	chg	Annual 2017*
Astra	354	315	12%	623
Direct Motor Interests	74	63	18%	125
Other Interests	41	8	394%	34
Corporate costs	(55)	(11)	-406%	(12)
Underlying profit	414	375	10%	770

- Strong Astra performance
- Direct Motor Interests improved across the board
- Results from Other Interests increased substantially

* Restated

** 100% basis

Astra

Contribution to JC&C

US\$m	Interim 2018	Interim 2017*	chg	Annual 2017*
Automotive	142	146	-2%	284
Financial services	78	64	22%	124
Heavy equipment, mining, construction & energy	119	77	54%	168
Agribusiness	22	31	-28%	60
Infrastructure & logistics	-	4	-98%	4
Information technology	3	2	19%	7
Property	(1)	(1)	38%	1
Withholding tax	(9)	(8)	-13%	(25)
Underlying profit	354	315	12%	623

* Restated

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Analysis of Net Debt

US\$m	June 2018	gearing	Dec 2017	gearing
Jardine Pacific / Jardine Motors	201	-	164	-
Hongkong Land	(3,125)	8%	(2,548)	7%
Dairy Farm	(670)	39%	(599)	34%
Mandarin Oriental	(325)	26%	(327)	26%
Jardine Cycle & Carriage	(1,698)	14%	(714)	6%
Jardine Matheson Corporate	119	-	202	-
Jardine Strategic Corporate	527	-	419	-
Net debt (ex financial services)	(4,971)	9%	(3,403)	6%
Net debt of financial services	(3,324)		(3,400)	

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Business Developments

- Hongkong Land announced 5 new projects
- Mandarin Oriental expects 4 openings in the next 12 months;
5 new management contracts signed
- Dairy Farm to partner with Robinsons in the Philippines
- Dairy Farm addressing strategic priorities

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Outlook

- Group focused on opportunities arising from changing technologies and digitalisation
- Optimistic for the second half of 2018; expect to see profit growth continue
- Focus areas for growth remain Greater China and Southeast Asia

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