



# 2022 Analysts Briefing

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March 29, 2023

3:00 pm

# 2022 Financial Highlights

(in Millions)

- **Total Option Sales**

**PHP 18,072**

+13% from PY

- **Income Before Income Tax**

**PHP 4,248**

+20% from PY

- **Net Income After Tax**

**PHP3,521**

-18% from PY

- **Total Revenues**

**PHP 19,944**

+12% from PY

- **Revenue Breakdown:**

**Residential      Php 12,836**

+14% from PY

**Office Leasing      Php 4,672**

-3% from PY

**Retail Leasing      Php 1,678**

+111% from PY

- **Capex**

**PHP 16,497**

# Revenue Breakdown (in Millions)

	2021	2022	Change	
			in Php	%
<b>Real Estate Sales</b>	<b>11,275</b>	<b>12,836</b>	1,561	14%
<b>Rentals &amp; Related Services</b>	<b>5,592</b>	<b>6,350</b>	758	14%
Office Leasing	4,796	4,672	(124)	-3%
Retail Leasing	796	1,678	882	111%
<b>Equity in Net Earnings of an Associate</b>	<b>112</b>	<b>79</b>	(33)	-29%
<b>Other Income</b>	<b>761</b>	<b>679</b>	(82)	-11%
<b>Grand Total</b>	<b>17,740</b>	<b>19,944</b>	<b>2,204</b>	<b>12%</b>

# 2022 New Launches

## Php 5.9 Billion Inventory Values

Rizal – New Fields 2

Naga – Futura Monte

Bulacan – Alta Vida Ph 4

Cavite – Rosewood Place

Pasig – Bali Oasis

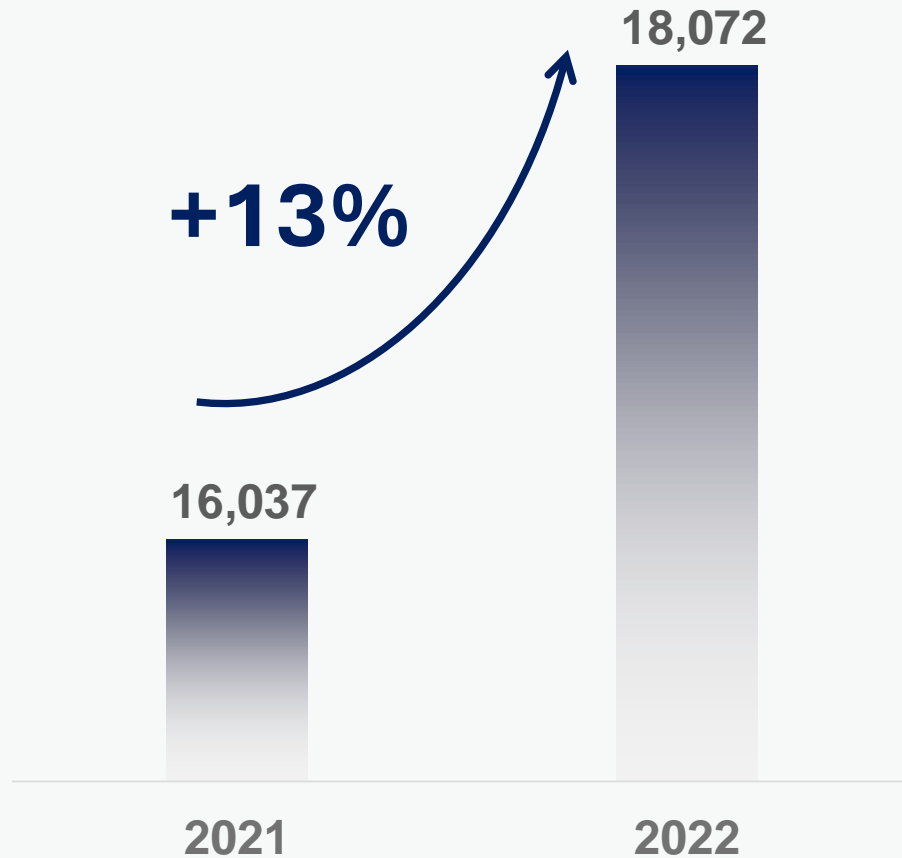
Pampanga – Claremont

Davao – Centro Spatial

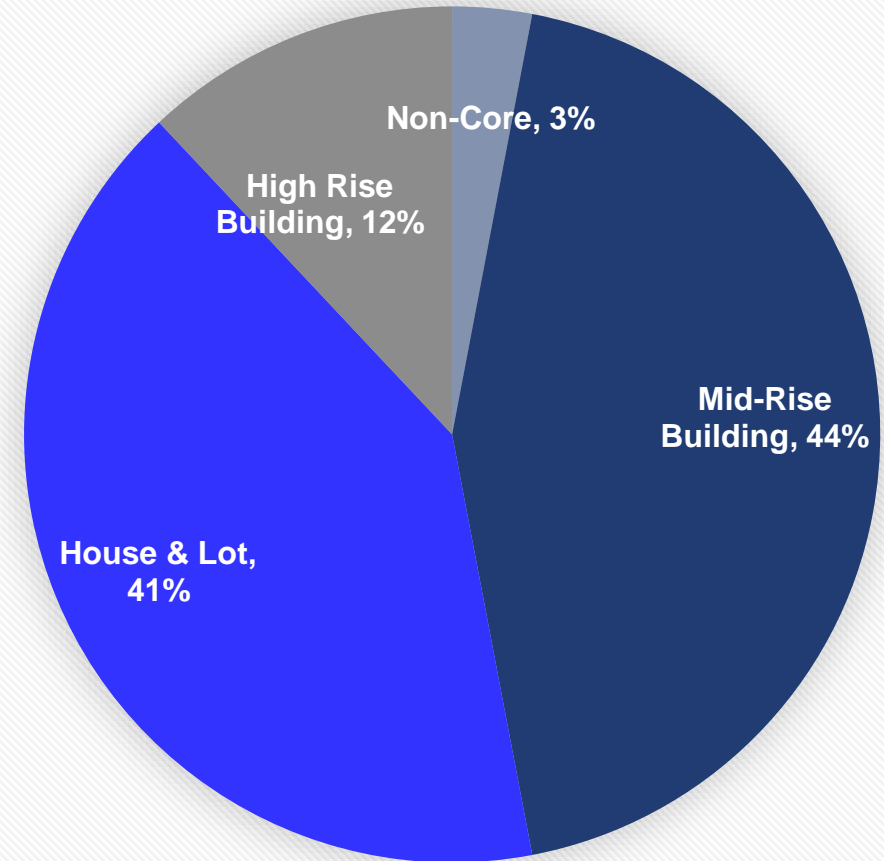


# Residential Sales Take Up (in Millions)

## 2022 Option Sales



## 2022 Residential Sales Product Mix

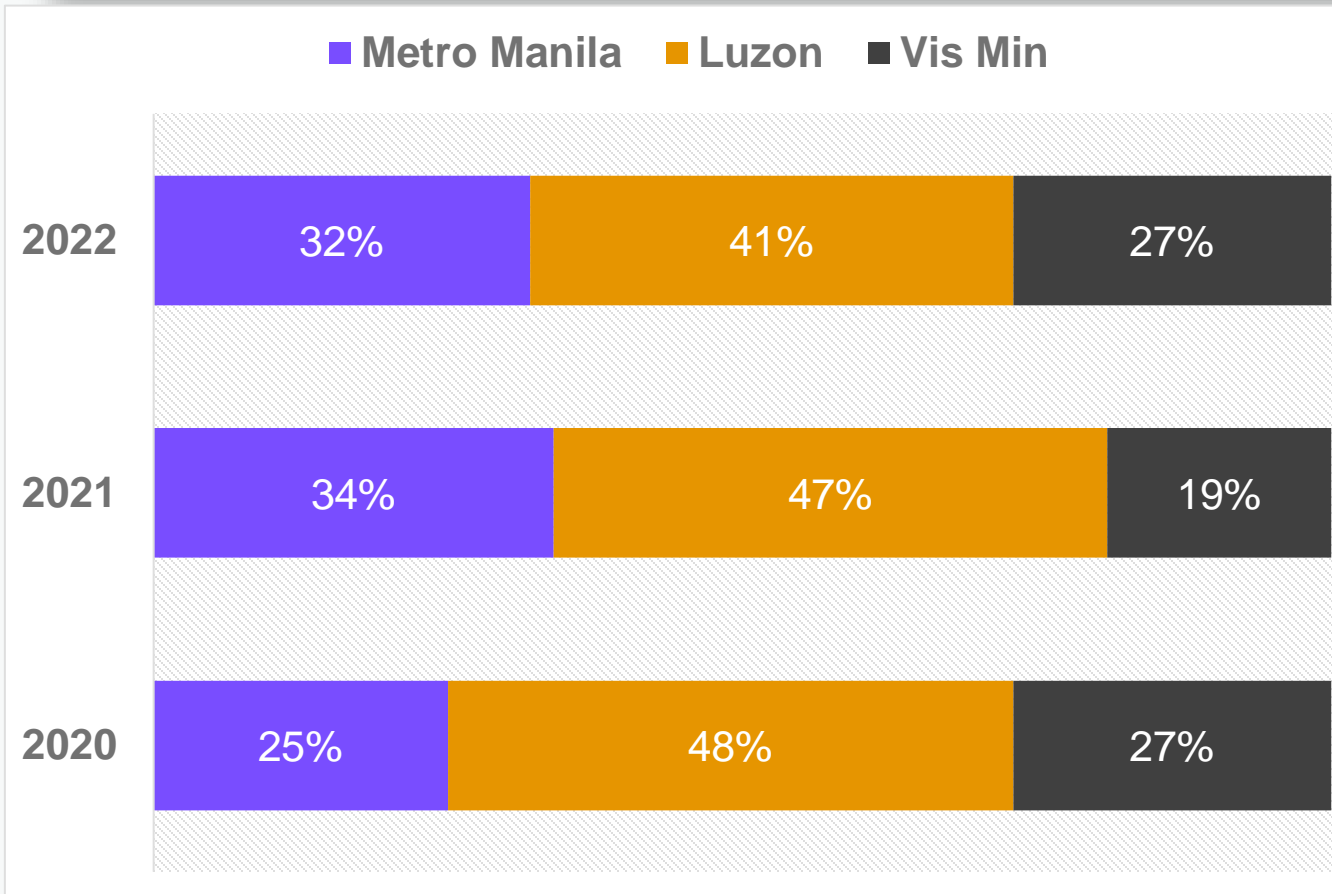


## OFW Share of Sales Take Up

2021 – Php 3.47 Billion (22% of total Option Sales)

2022 – Php 3.69 Billion (20% of total Option Sales)

# 2022 Geographical Mix (based on option sales)



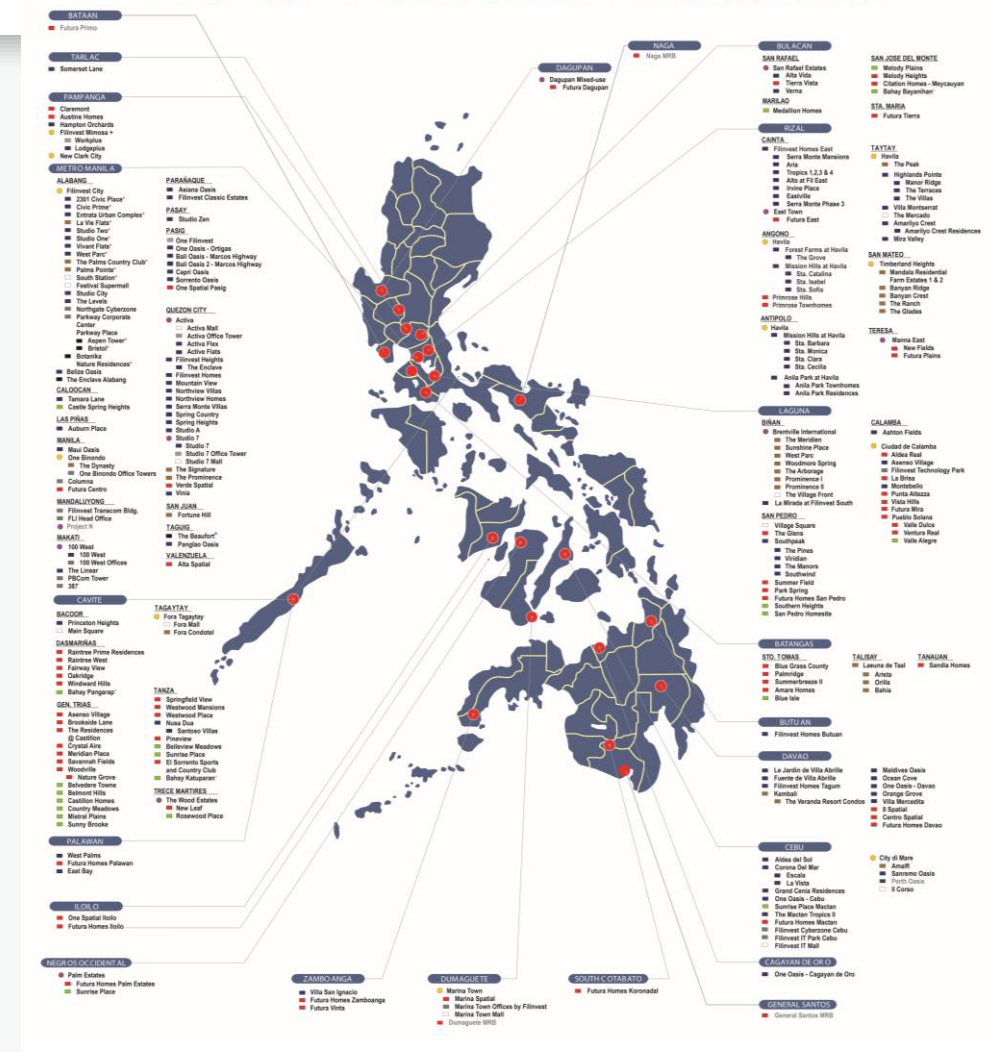
Present in 22 provinces and 55 cities/ municipalities

New Territories

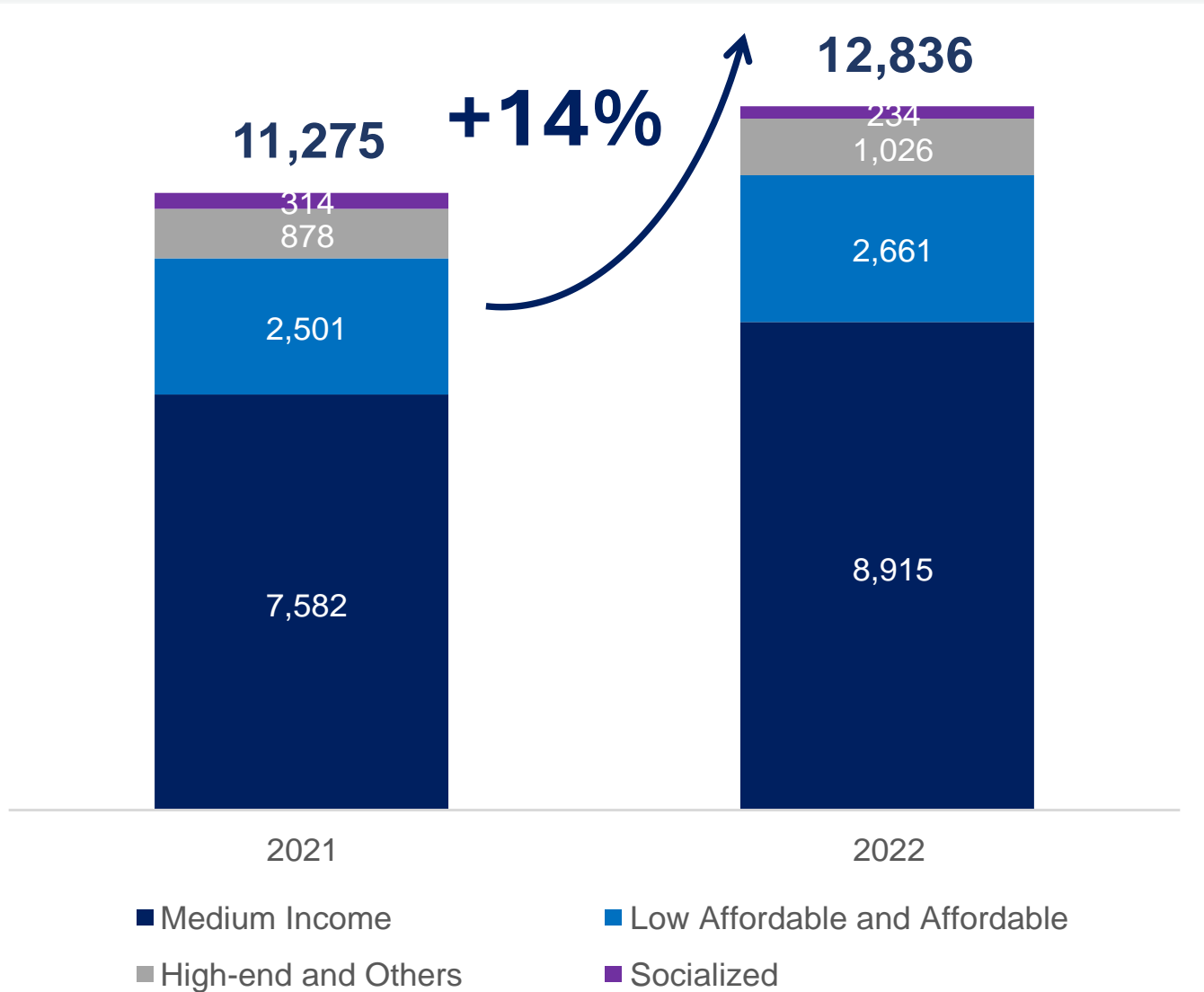
2021 – Dagupan, Pangasinan

2022 – Cam Sur

## MAP OF FILINVEST PROJECTS



# Real Estate Revenues (Residential) (in Millions)



	2021	2022
Medium Income	67%	<b>69%</b>
Low Affordable and Affordable	22%	<b>21%</b>
High-end and Others	8%	<b>8%</b>
Socialized	3%	<b>2%</b>

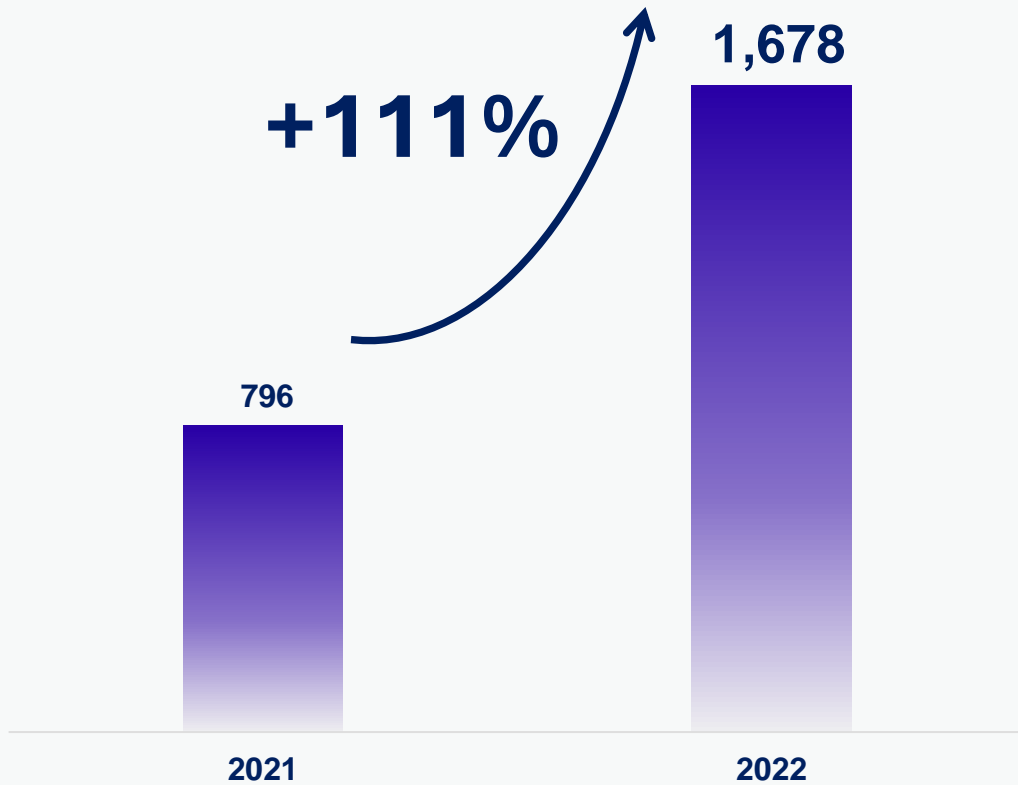
As of December 31, 2022,  
unbooked revenues amounted  
to **Php 25.07 Billion**.



# Leasing Revenues (in Millions)

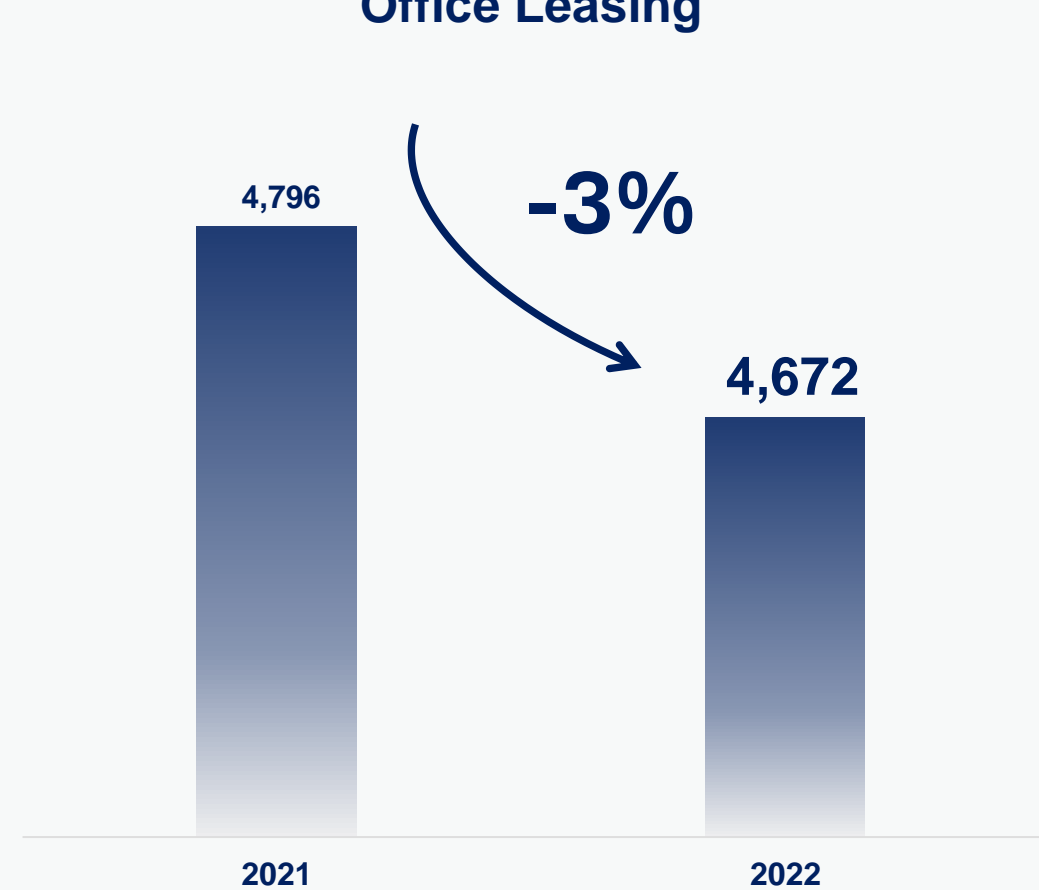
- Overall growth of **14%**
- Retail revenues grew due to improved occupancy and the removal of rental concessions.
- Lower occupancy in office buildings was caused by the pre-termination of leases by POGO tenants in non-REIT buildings and effect of hybrid work set-up.

## Retail Leasing



Occupancy

## Office Leasing





# Income Statement

## (in Millions)

	2021 (Audited)	2022 (Audited)
<b>Revenues</b>		
Real Estate Sales	11,275	12,836
Rental Revenues	5,592	6,350
Interest and Other Income	761	679
Equity in Net Earnings of an Associate	112	79
	<b>17,740</b>	<b>19,944</b>
<b>Costs</b>		
Cost of Real Estate Sales	6,444	7,355
Cost of Rental Services	2,431	2,583
<b>Operating Expenses</b>		
General and Administrative	1,979	2,313
Selling and Marketing	912	1,151
Interest Expense and Other Financing Charges	2,427	2,294
	<b>14,193</b>	<b>15,696</b>
Income Before Income Tax	<b>3,547</b>	<b>4,248</b>
Income Tax Expense (Benefit)	(758)	727
<b>Net Income</b>	<b>4,305</b>	<b>3,521</b>
Net Income Attributable to:		
Equity Holders of the Parent	3,803	2,890

Income before income tax **increased by 20%**

### 2021 Income Tax Benefit

Due to adjustment in deferred taxes arising from the implementation of CREATE law.

One-time tax benefit from CREATE amounted to P1.12 Billion

# Margins

	2021	2022
GPM of Real Estate Sales	42.8%	<b>42.7%</b>
GPM of Rental Services	56.5%	<b>59.3%</b>
% of G&A to Revenues	11.2%	<b>11.6%</b>
% of S&M to Revenues	5.1%	<b>5.8%</b>
Tax Rate	-21.4%	<b>17.1%</b>
Net Income Margin	24.3%	<b>17.7%</b>

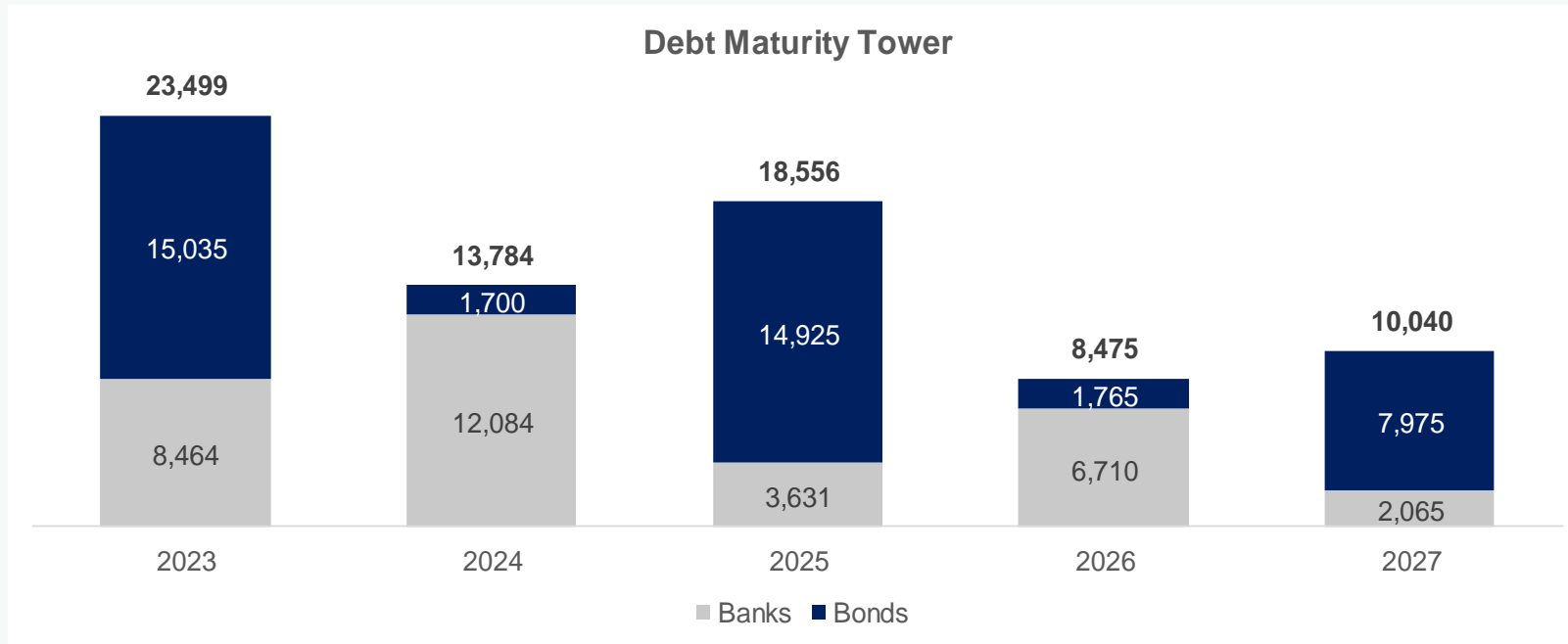
- Maintained margins for the residential business.
- Increased margin from the rental services due to significant increase in revenues from retail leasing segment.
- Controlled G&A expenses
- S&M expenses increase relative to the increase in option sales
- Drop in net income margin because of lower net income and higher revenues.

# Financial Position

## (in Millions)

	2021	2022	% Change
Total Assets	193,224	200,115	3.6%
Total Borrowings	68,472	73,982	8.0%
Net Debt	58,813	67,363	14.5%
Stockholders' Equity	89,790	91,503	1.9%
D/E Ratio	0.76x	0.81x	
Net D/E Ratio	0.66x	0.74x	

# Debt Profile (in Millions)



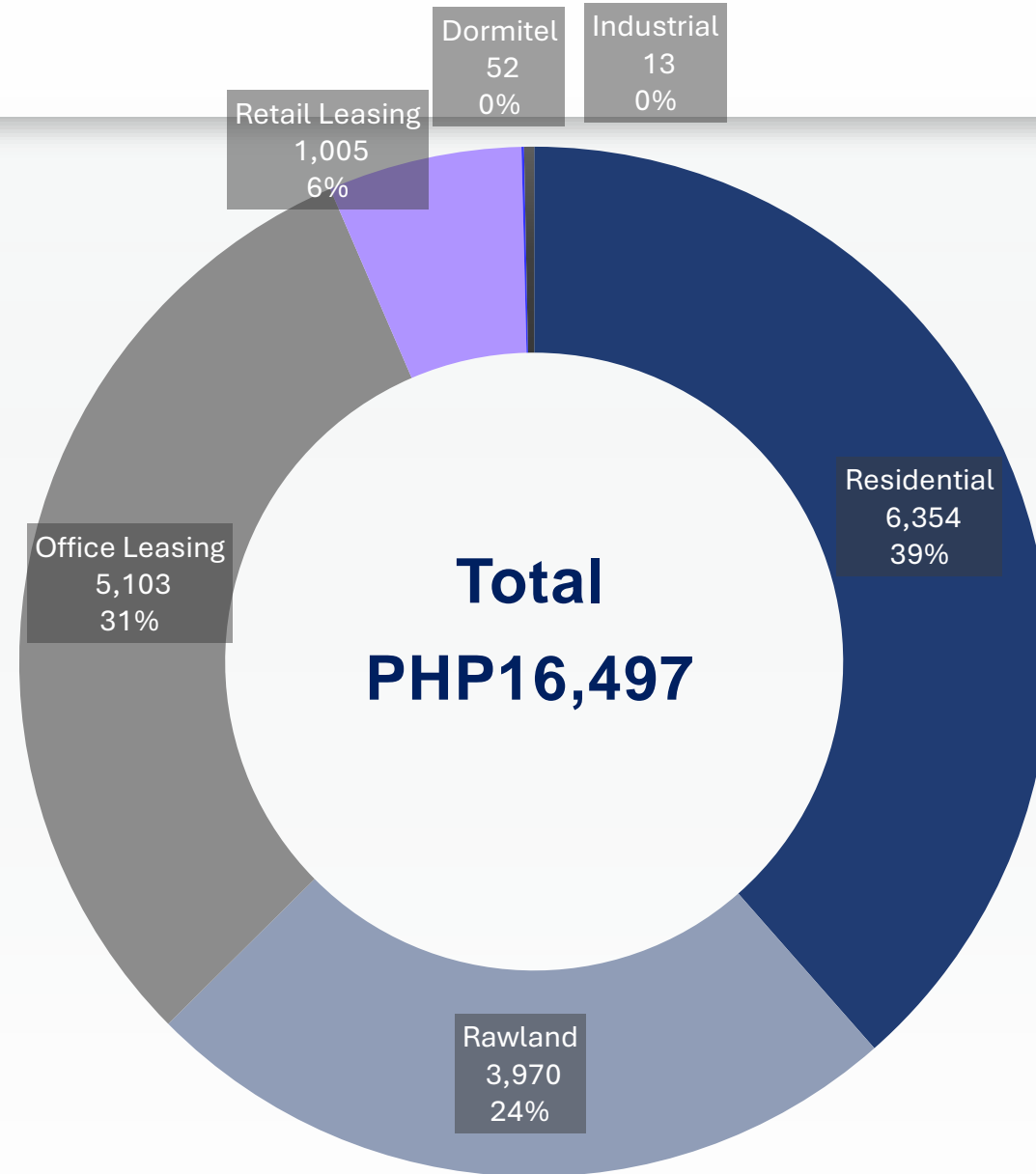
Weighted Average  
Interest Rate  
5.04%

93% Fixed Rate  
7% Floater Rate

Currency - 100% PhP

56% Retail Bonds

# Capex (in Millions)



# Summary

- Sustained strong performance by the residential sales business. We will continue to focus on the affordable and middle income markets, and the end-user market.
- Significant improvement in the mall rental business: improved occupancy, removal of concessions and shopper traffic back to 2019 levels.
- Office business continues to be challenged but starting to improve with signed leases and LOIs. Currently negotiating with new tenant categories such as traditional offices and government. New leasing model of co-working space will be launched soon.
- Positioned to benefit from the shift to e-commerce through GLA build-up in the Logistics/ Innovation Parks in New Clark City and Calamba.

# Strategies for 2023

- Continue with residential product and geographic diversification
  - Planned launches of P16 billion
    - New territories:
      1. Sta. Maria, Bulacan
      2. GenSan
      3. Bataan
    - Target option sales of P22 billion
- Optimize existing assets
  - Increase occupancy in offices: market to different tenant categories such as traditional offices, government and co-working spaces.
- Accelerate the monetization of the landbank
  - Continue to develop townships that accommodate multiple uses of land such as residential, commercial and industrial to maximize land value.
- Maximize new business opportunities ; industrial parks and co-living spaces





**Thank you.**

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