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# AREIT to pursue P22.5-billion prime asset infusion in 2023

AREIT, Inc. is targeting this year to infuse assets worth P22.5 billion, which its top official expects to bring the total assets of Ayala Land, Inc.'s real estate investment trust (REIT) to P87 billion.

"We look forward to 2023 being another banner year for AREIT as it turns three since its listing as a first Philippine REIT," President and Chief Executive Officer Carol T. Mills said at the company's annual stockholders meeting on Wednesday.

"The company will be undertaking its largest asset infusion, bringing total assets to P87 billion, triple our portfolio of P30 billion when we did the IPO (initial public offering)," she added.

Ms. Mills said the infusion is set to put AREIT way ahead of its investment plan of reaching P90 billion in assets in three years.

"This planned infusion of assets involves some of the prime flagship developments from our sponsor Ayala Land, setting AREIT as the latter's commercial REIT platform," Ms. Mills said.

The assets are One Ayala Avenue, Glorietta 1 and 2 mall and office buildings, and Ayala Malls' MarQuee in Angeles, Pampanga. One Ayala Avenue's east and west office towers has 71,000 square meters that were substantially leased during the pandemic, Ms. Mills said.

She said the P22.5-billion asset infusion will benefit the company in three ways: expansion of its portfolio, diversification of its asset base, and shareholder return.

"A diversified portfolio can reduce several risk exposures for AREIT. Diversification minimizes sector risk and balances are predominantly office-based portfolio with retail," she said.

"It [also] mitigates tenant concentration risk, as we will have a larger and more diversified tenant base, reducing the impact of any third-party tenant leaving the portfolio," she added.

After the infusion, the malls and offices in AREIT's portfolio will comprise 10% and 42% of Ayala Land's total malls and offices, respectively.

"As such, we still have significant room for growth. Our goal is to ensure that AREIT is not only large enough in size today but also has a healthy pipeline for future growth," Ms. Mills said.

She added that the company is also open to third-party acquisitions as long as "the assets are prime, stable and can add to AREIT's dividends."

On Wednesday, the company's share closed 20 centavos or 0.61% higher at P33 each. — **Justine Irish D. Tabile**

# Ayala Land to spend P15B for two mixed-use estates

AYALA Land, Inc. is set to spend P15.2 billion for the initial development of two of its mixed-used estates, a company official said on Wednesday.

"We are investing P15.2 billion for the initial development of these two estates over the next few years," Ayala Land Chairman Jaime Augusto Zobel de Ayala said during the company's annual stockholders' meeting.

"We believe that will spur economic activity in these emerging localities, maximize synergies among our product lines, and enable us to deliver value to these local economies and their stakeholders," he added.

Mr. Zobel was referring to the 92-hectare Areza estate development in Lipa, Batangas and the 83-hectare Crossroads in Plaridel, Bulacan.

Areza, a master-planned and mixed-use development, is the company's first estate in Batangas. Ayala Land envisions the estate to be the new downtown of Lipa City.

Crossroads estate is another mixed-use development that the company targets to be the center for trade and commerce in the area by bringing in local enterprises.

Both development projects were launched and started construction in the previous year.

Ayala Land will extend the rollout of its large-scale, mixed-use and sustainable estates, according to Mr. Zobel.

"With 49 estates across the country we see these additional growth platforms for Ayala Land as catalysts for economic progress for the communities we serve," he said

The company also plans to launch four new estates, according to Ayala Land President and Chief Executive Officer Bernard Vincent O. Dy in a panel discussion.

Meanwhile, the company anticipates renewed growth across all its business lines this year, Mr. Dy said.

"In the residential sector we plan to launch about P110 billion worth of inventory, that's coming from P90 billion last year," he said.

Our commercial leasing business continues to be quite robust with expected increases in office, mall, and hotel occupancy from last year's levels," he added.

On Wednesday, Ayala Land shares rose 0.19% or five centavos to P26.40 each. — **Adrian H. Halili**

# Makati Shangri-La starts hiring for third-quarter reopening

MAKATI Shangri-La Hotel has begun its hiring process, according to social media posts announcing an open house recruitment of hotel staff, in time for its reopening in the third quarter of 2023.

Sources said on Wednesday that the Shangri-La group is looking to reopen its luxury hotel located in the central business district amid the return of business and leisure travel this year.

In February 2021, the hotel announced its temporary closure due to financial pressures caused by the pandemic. With no news of a reopening since, many worried that Shangri-La's accommodation in Makati City would be closed permanently.

Makati Shangri-La, which opened in 1993, had been keeping up with basic maintenance over the past two years despite not accepting guests.

Although the property was leased from the Ayala group, it is unclear if the lease is approaching expiration or will be renewed.

More news on the reopening may come after new staff are hired as a result of the May 5 and 6 job fair at the hotel, according to sources.

The Department of Tourism (DoT) said the Philippines had 2.65 million international arrivals in 2022. The target for 2023 is 4.8-million arrivals.

Recovery for the hotel sector means focusing on meetings, incentives, conferences, and exhibitions, with a mix of business and leisure travel — or "bleisure" — now the prevailing trend, according to the DoT. — **Brontë H. Lacsamana**

# Filinvest Land appoints Las Marias as chief executive

FILINVEST Land, Inc. (FLI) has named Tristaneil D. Las Marias as its chief executive officer, a post he will service concurrently with his existing designation as president of the listed property developer.

He will take over the chief executive position previously held by Lourdes Josephine Gotianun-Yap, who said she is confident of Mr. Las Marias' capability to sustain the company's legacy.

"I have worked closely with Tristan and have no doubt that his leadership and unwavering dedication to our vision and organization will not only enable us to grow as planned, but more importantly, accelerate innovations that will take our real estate business to the next level," she said in a statement.

In a press release, the real estate subsidiary of Filinvest Development Corp. described Mr. Las Marias as a 27-year veteran of FLI and instrumental in the firm's strength in the Visayas and Mindanao areas.

As business group head, he is said to have led FLI's public-private partnership projects, including the 50-hectare City di Mare township in Cebu. Before he became FLI president in 2022, he was head of the residential business and chief strategy officer.

Mr. Las Marias, a graduate of the Advanced Management Program of the Harvard Business School, said he is "honored and humbled" to be given his dual roles. He earned his bachelor's degree in Management Economics from the Ateneo de Manila University.

"I look forward to working with the FLI management team, most of whom I've worked with for many years, to unlock our company's full potential. This year, our priorities are to sustain the growth of our core businesses, optimize the returns from our assets, unlock land values through township developments, and develop additional sources of revenues from new businesses," Mr. Las Marias said.

"As we build the Filipino dream, we are prioritizing sustainability, making it a part of the way we do business. Our efforts also aim to ensure that we protect the interests of our homebuyers and our tenants, as well as our business partners, shareholders, stakeholders, and the communities we operate in," he added.

His new appointment was announced during the company's organizational meeting on April 24.

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**THE BOLT, which starts at $26,500 and qualifies for a $7,500 federal tax credit, has been repeatedly touted by the Biden administration as an example of an affordable EV.**

# GM to end Chevrolet Bolt EV production later this year

WASHINGTON — General Motors (GM) Co. said on Tuesday it will end production of its Chevrolet Bolt electric vehicle later this year as its shifts zero-emission production to trucks and SUVs built on a new battery platform.

"We have progressed so far that it's now time to plan to end the Chevrolet Bolt EV and EU production, which will happen at the very end of the year," GM Chief Executive Officer Mary Barra told investors on Tuesday.

The largest US automaker sold 38,120 Bolt EVs in 2022, up from 24,828 in 2011 — and 19,700 in the first three months of the year. The Bolt, GM's first mass market electric vehicle (EV), still accounts for more than 90% of all US GM EV sales.

The Bolt was preceded by the Chevrolet Volt — a plug-in hybrid that GM ended production in 2019. In the late 1990s, GM built and leased about 1,100 EV1 cars.

The Bolt, which starts at $26,500 and qualifies for a $7,500 federal tax credit, has been repeatedly touted by Biden administration as an example of an affordable EV.

David Zipper, a visiting fellow at the Harvard Kennedy School who writes about transportation policy on Twitter, criticized GM's decision calling it "a step backward for road safety, emissions mitigation, and EV affordability... Putting EVs out of reach for all but affluent Americans widens inequities & slows electrification."

GM shares were down 4.2% Tuesday.

In January 2022, GM said it would invest $4 billion in its Orion Township Assembly plant that builds the Bolt to produce Chevrolet Silverado EV and electric GMC Sierra using its next-generation Ultium EV platform.

GM said its Detroit-Hamtramck and Orion plants will be able to build more than 600,000 electric trucks a year by late 2024.

Barra said when the Orion reopens in 2024 and reaches full production, employment will nearly triple.

GM expects to build 400,000 EVs in North America from 2022 through mid-2024 and increase capacity to 1 million units annually in North America in 2025.

Ms. Barra said Tuesday the automaker expects its battery plant in Warren, Ohio, to reach full capacity by yearend.

In August 2021, GM announced a $2-billion recall campaign it expanded to cover all of the 140,000 Bolt vehicles it had produced over battery fire risks. The recall prompted GM to halt Bolt production and sales for more than six months.

GM battery partner LG Electronics, Inc. 066570.KS agreed to reimburse the automaker for $1.9 billion in costs connected to the Bolt recall, the Korean company said in 2021. — ***Reuters***

# Global retailers seek new ways to lure shoppers

BARCELONA — Europe's cost of living crisis has benefited discount retailers but mid-market names are being squeezed as shoppers watch their spending, executives and analysts at an industry conference said on Tuesday.

Luxury is also continuing to perform well, with hopes that China's reopening will give fresh impetus as a months-long post-pandemic splurge by Americans starts to end.

But "if you are not really offering the best price, and you are not luxury, then it is difficult," Thomas Harms, global retail leader at consultancy EY, said on the sidelines of the World Retail Congress in Barcelona.

Although price rises are slowing, retailers globally are still worried inflation will dampen consumer spending and are looking for new ways to attract customers.

In Europe especially, some have seen sales slow as high energy bills lead customers to buy less or cheaper food and clothes.

The rising cost of goods, declining consumer demand and unpredictable supply chains were the top concerns among retail executives and managers in a survey by Boston Consulting Group (BCG) published on Tuesday.

And passing higher costs on to shoppers is likely to become harder: 72% of respondents said they expected consumers to be more price-sensitive this year.

That benefits companies like Dutch non-food discounter Action, which opened 280 stores in 10 countries across Europe last year, and added its first branch in Slovakia this year, chief executive officer (CEO) Hajir Hajji told conference delegates.

Mostly buoyant results from big global companies like Nestle showed consumers were still spending despite higher prices, although several warned sales could be pinched in coming quarters if inflation does not abate.

Outside the discount space, retailers are getting creative to keep shoppers coming back, with many investing in loyalty programmes, price promotions, and improvements to the online customer experience, the BCG survey found.

Asia was a bright spot in terms of retailers' expectations, with 76% of survey respondents expecting the region's economy to grow this year after China's reopening following lengthy COVID-19 lockdowns.

"It's a very positive moment," said Ying Xu, president of Chinese supermarket chain Wumart, referring to the reopening. "It takes a bit of time, but the direction is correct."

Lane Crawford Joyce Group, which runs luxury department stores in Shanghai, Beijing, Chengdu, and Hong Kong, has seen a trend of "revenge travel" since the reopening and expects a full second-half comeback in the Chinese market, CEO Jennifer Woo told Reuters. — ***Reuters***

# SK's Yoon touts US tech partnership, secures $5.9-B investment

WASHINGTON/SEOUL — South Korean (SK) President Yoon Suk Yeol said on Tuesday the South Korean-US alliance must "leap into a new phase" to jointly overcome complex crises, including slowing economic growth, technology competition with strategic rivals and climate change.

Speaking a day before a Washington summit with President Joseph R. Biden, Mr. Yoon told an event hosted by the US Chamber of Commerce the bilateral security alliance should "evolve into a supply chain and future-oriented, innovative-technology alliance."

He said the two countries' economies had been facing new challenges and the economic slowdown was unsettling the investment environment.

"Competition for technological hegemony, energy issues and climate crises are casting more uncertainties on business activity day by day," Mr. Yoon said.

Mr. Yoon said that from a joint venture involving a South Korean and a US firm in 1965, South Korea had risen to become the global leader in memory semiconductor production, accounting for 60% of global market share.

"This cooperation should extend beyond semiconductors to future emerging technologies such as AI, Quantum, SMR (Small Modular Reactors) and more," Mr. Yoon said.

Core technologies from the United States and South Korea's advanced manufacturing capabilities would "create enormous synergies that will benefit both countries," he said.

OFFICE OF THE PRESIDENT OF THE UNITED STATES

**PRESIDENT BIDEN and Yoon Suk Yeol at the Samsung Electronics Pyeongtaek Campus**

Mr. Yoon said he hoped that during his visit the countries would reaffirm their status as true allies and advanced technology partners to create innovative business opportunities. "Our bilateral investments need to be expanded both quantitatively and qualitatively, to build more stable and resilient supply chains."

He said the two nations were the ideal partners for "friend-shoring" — a reference to a US-led process of reducing dependence on China for key goods and materials although he made no mention of China by name.

Mr. Yoon said his government was working to create a fair and predictable market environment, offer significant tax credits and improve regulations to facilitate bold investments by US companies.

"The Republic of Korea and the United States have been painting a wonderful rough sketch together for the past 70 years," he said. "The next 70 years together will be a journey of filling the rough sketch with well-matched colors."

### INVESTMENT DEALS

Mr. Yoon has pledged to serve as the country's "No. 1 salesman," making business diplomacy a key element of his overseas trips.

Mr. Yoon's senior economic secretary, Choi Sang-mok, said Seoul has secured a total of $5.9 billion in investment from eight US firms so far, including $2.5 billion from media giant Netflix and $1.5 billion from industrial firm Corning, Inc.

Six other tech companies which attended the event have together pledged $1.9 billion, including Air Products and Chemicals, Inc., Plug Power, Inc., ON Semiconductor Corp., Greene Tweed & Co., Inc., Purecycle Technologies, Inc. and EMP Belstar.

"Celebrating the 70th anniversary of the alliance, we were able to see at a glance that an advanced supply chain and technology alliance between the two countries was already being strengthened and established," Mr. Choi told a briefing.

Mr. Yoon is accompanied by more than 120 executives from South Korea's biggest companies, including Samsung Electronics Executive Chairman Jay Y. Lee and Hyundai Motor Group Executive Chair Euisun Chung, both of whom attended the event.

Earlier on Tuesday, General Motors Co. and Samsung SDI announced plans to invest more than $3 billion to jointly build an electric car battery plant in the US.

Hyundai Motor Co. also said it has finalized a $5 billion electric vehicle battery joint venture in the US with SK On, a battery unit of SK Innovation Co. Ltd. — ***Reuters***