



**Financial Period 2018 (FP2018)
Results Announcement
First Quarter ended 30 September 2018
28 November 2018**



First Quarter of FP2018 Financial Performance



First Quarter Ended 30 September 2018

In RM'm	1QFP18 30-Sept-2018	1QFY18 30-Sept-2017	YOY %
Revenue	480.3	472.6	2
Operating Profit	(a) 42.7	18.8	127
Segment Results	(b) 38.8	103.4	(63)
PBIT	(c) 39.0	422.2	(91)
PBT	53.0	428.2	(88)
PATAMI	28.8	421.7	(93)
Basic EPS (sen)	0.4	10.8	(96)

1QFP2018 vs 1QFY2018

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a) Operating Profit jumped 127% YoY:

- Lower administrative, selling and marketing expenses by 33%
- Higher contribution from Property Development and Property Investment by 70% and >100%, respectively

b) Segment results for 1QFP18 was affected by:

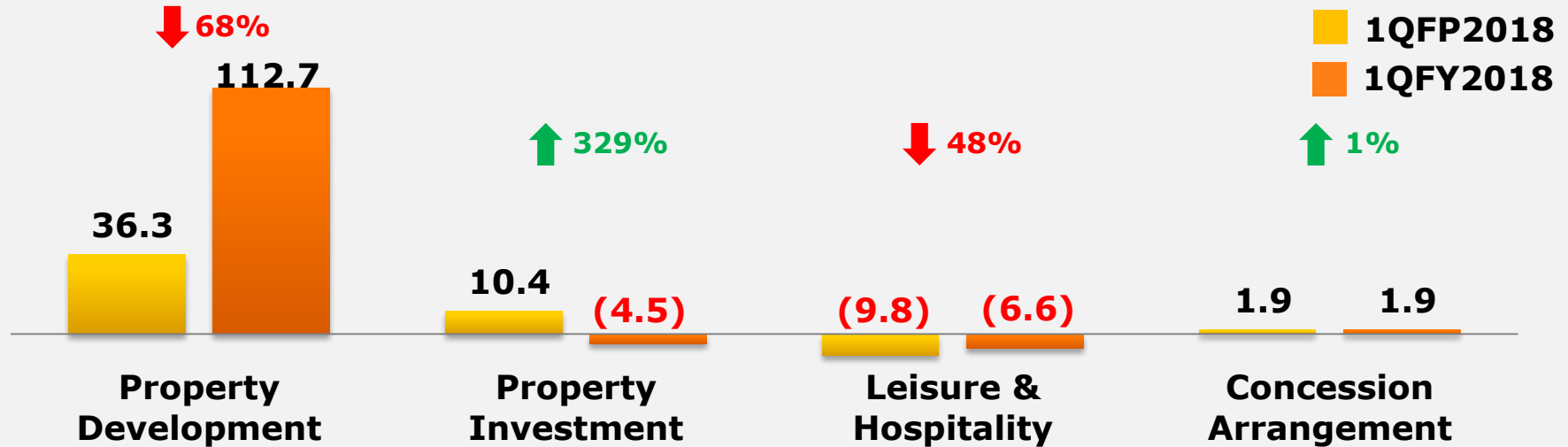
- Share of losses of Battersea of RM5.7m (vs profit of RM86.8m in 1QFY18)
- Partially mitigated by an increase in Property Investment's PBIT of RM14.9m (profit of RM10.4m vs loss of RM4.5m in 1QFY18)

c) Lower PBIT as 1QFY18 included gains on disposals of:

- 100% equity stake in Malaysia Land Development Company (MLDC) of RM40.6m
- 40% equity stake in Seriemas Development Company Berhad (Seriemas) of RM278.2m



Segment Results for 1QFP2018



Higher operational performances amid the challenging market

- Higher sales and development activities at Serenia City, Denai Alam, Cantara Residences and Melawati Corporate Centre
- Lower contribution from Serenity Cove, Australia: RM4.8m, -31% YoY from the sale of 11 plots of residential land (13 plots last year)
- Share of losses from Battersea: RM5.7m (vs. profit of RM86.8m in 1QFY18)

1QFY18 included:

- Gain on disposal of Seriemas: RM278.2m

Strong operational performance

- Recognition of rental income on meeting condition precedent for the commencement of lease of Wisma Zuellig: RM6.9m
- Lower share of loss from Melawati Mall: RM1.2m (loss of RM5.4m in 1QFY18)
 - Occupancy rate: 80% (60% in Sept'17)
- Included a gain on disposal of an investment property in UK: RM2.6m

Higher operating losses

- Lower occupancy rates across all hospitality units and closure of certain hospitality units such as Genting View Resort and Darby Park Karri Valley, Australia
- Darby Park Singapore: Reduction of long-term tenants

Steady contribution from Pagoh Education Hub

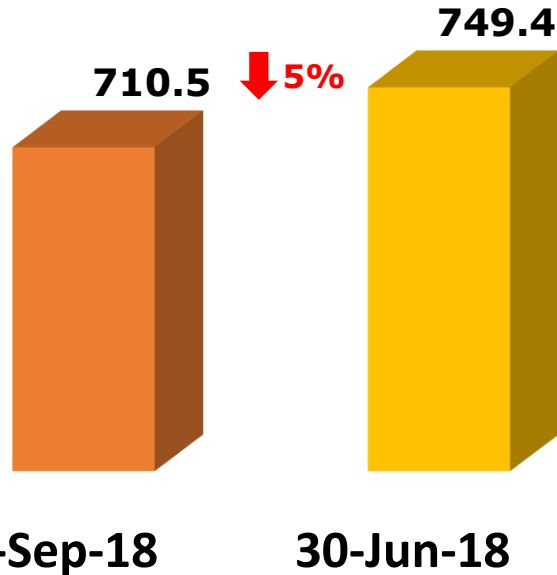
- Marginal improvement from facility and asset management service: +1.4% YoY
- Recorded in finance income is the billing of availability charges: RM25.5m (RM23.1m in 1QFY18)



Cash and Debt Position as at 30 Sep'18

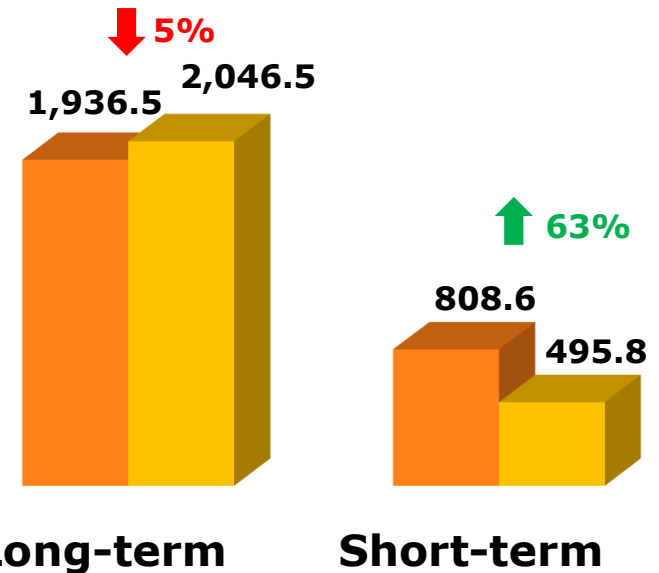
CASH & CASH EQUIVALENTS

(RM'm)



GROUP BORROWINGS

(RM'm)



■ 30-Sep-18

■ 30-Jun-18

■ 30-Sep-18

■ 30-Jun-18

- **Net cash used in operating activities** lower at RM25.1m (30 Sep'17: RM347.3m, included the **acquisition of MVV land** from Sime Darby Plantation of RM689.6m)
- 30 Sep'17 included the proceeds from disposals of subsidiaries and an associate of RM677.0m

- Higher short-term borrowings to mitigate additional working capital requirements at flagship townships particularly Bandar Universiti Pagoh and Serenia City
- **Healthy D/E ratio**

27.8%

Gross D/E Ratio
(FY18:25.5%)

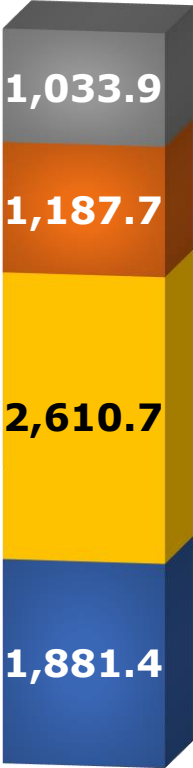
20.6%

Net D/E Ratio
(FY18:18.0%)



Inventories as at 30 September 2018

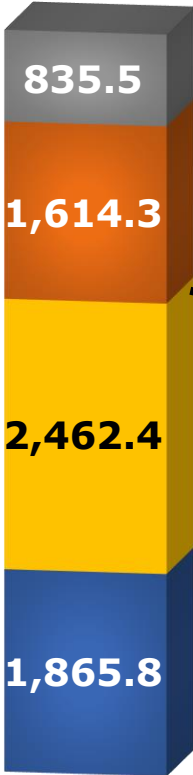
RM6,713.7 million



30-Sep-18

RM6,778.0 million

-1%



30-Jun-18

Completed: +24%

PDC - Launched: -26%

PDC - Not Yet Launched: +6%

Land Held for PD: +1%

Mainly due to **completion of units** from:

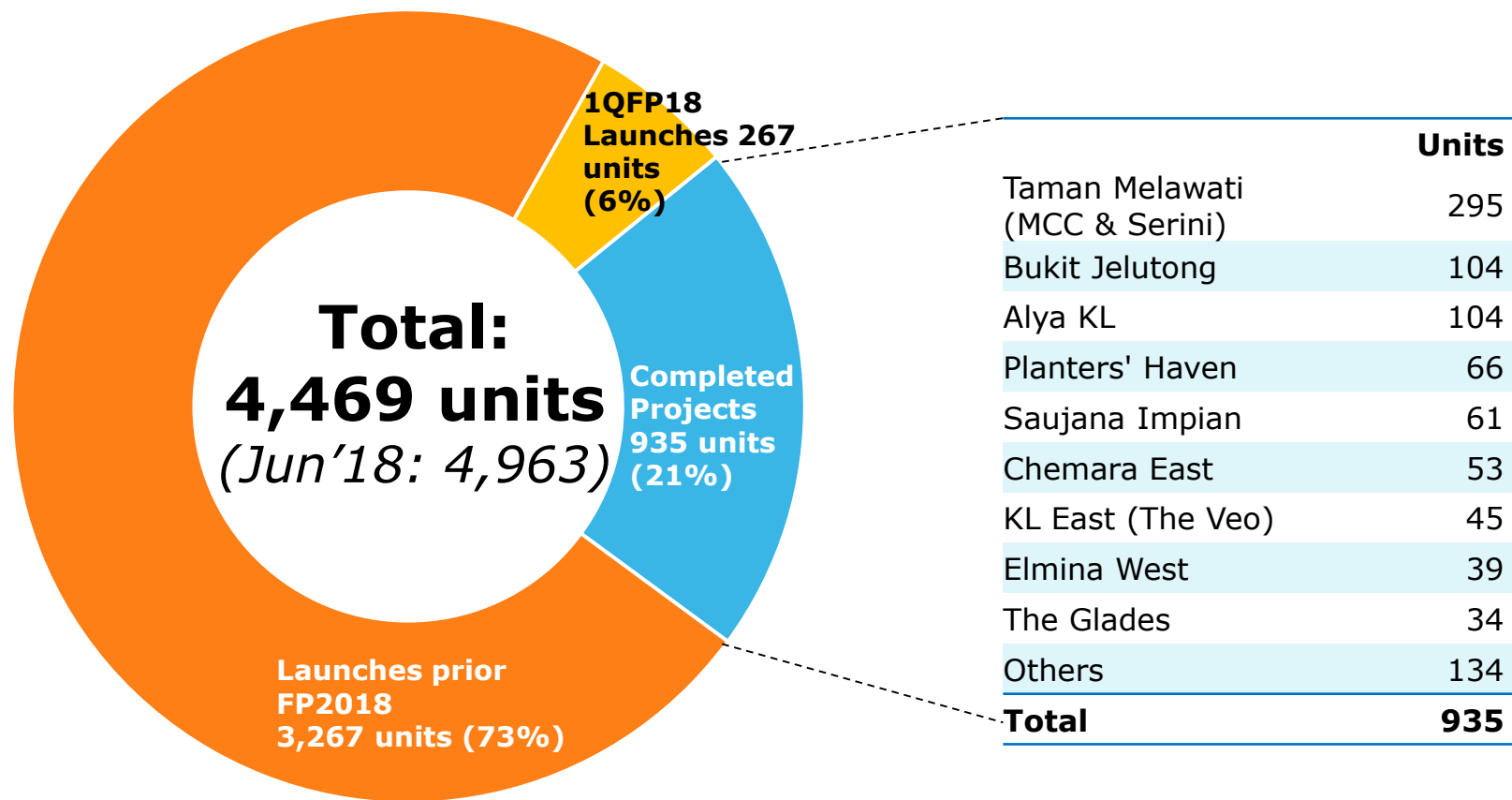
- Rimbun Sanctuary, Bukit Jelutong: 87 units – RM56m
- Serini 1 & 2, Taman Melawati: 241 units – RM181m

Mainly due to **costs incurred on land related and infrastructure cost** in:

- Serenia City
- Bandar Bukit Raja
- Elmina



Unsold Units as at 30 September 2018



- ❑ **Completed units: ↑44% QoQ (vs. 648 units)** from the completion of Rimbung Sanctuary, Bukit Jelutong and Serini, Taman Melawati
- ❑ **Launches prior to FP2018: ↓22% QoQ** due to higher sales recognised from:
 - ✓ Ferrea and Semanea Hills at Denai Alam
 - ✓ Casira 1 & 2, Azira and Athira at Bandar Bukit Raja
 - ✓ Rumah Selangorku at Putra Heights

First Quarter of FP2018 Operational Highlights

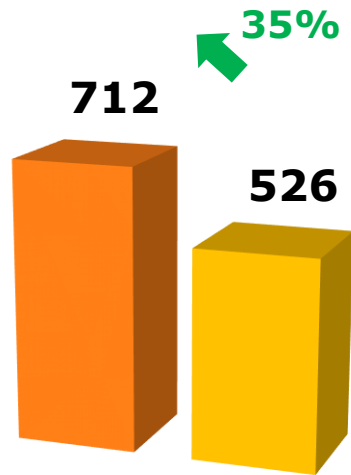


Steady Sales Performance Supported by Strategic Launches in 1QFP18

Year-on-Year Performance

Net Sales Value

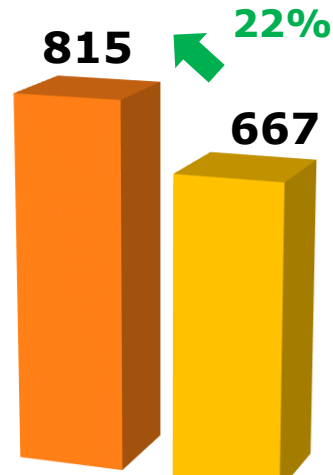
RM'm



1QFP18

1QFY18

Units Sold



1QFP18

1QFY18

- **Units sold:** Includes 281 statutory units at Putra Heights, with value of RM60.6mn
- Units sold **excl. statutory: 534**
- **45% of sales** originated from Bandar Bukit Raja township, followed by townships along the Guthrie Corridor (**34%**) and Greater Klang Valley (**19%**)
 - **RM160.7m** attributed to land sales at Bandar Bukit Raja 1

1QFP18 (Jul'18 – Sep'18)

Value:
RM310.5 mil

Units:
284

Bandar Bukit Raja (Ayra) (2-storey house)

No. of Units : 120 units
Value : RM90.2 million
Launch Date : 28 July 18
Take-up : 82%



Nilai Impian (Anggerik) (2-storey house)

No. of Units : 142 units
Value : RM76.2 million
Launch Date : 21 Sept 18
Take-up : 44%



Serenia City (C3) (Industrial Lot)

No. of Units : 22 lots
Value : RM144.1 million
Launch Date : 28 Sept 18
Take-up : 32%



Strategic **re-planning of launches** in view of the **slowdown** in demand:

1. "Wait-and-see" approach, attributable to market uncertainties
2. Uncertainty in National Housing Policy / Budget 2019
3. High inventory level in the high-rise sector



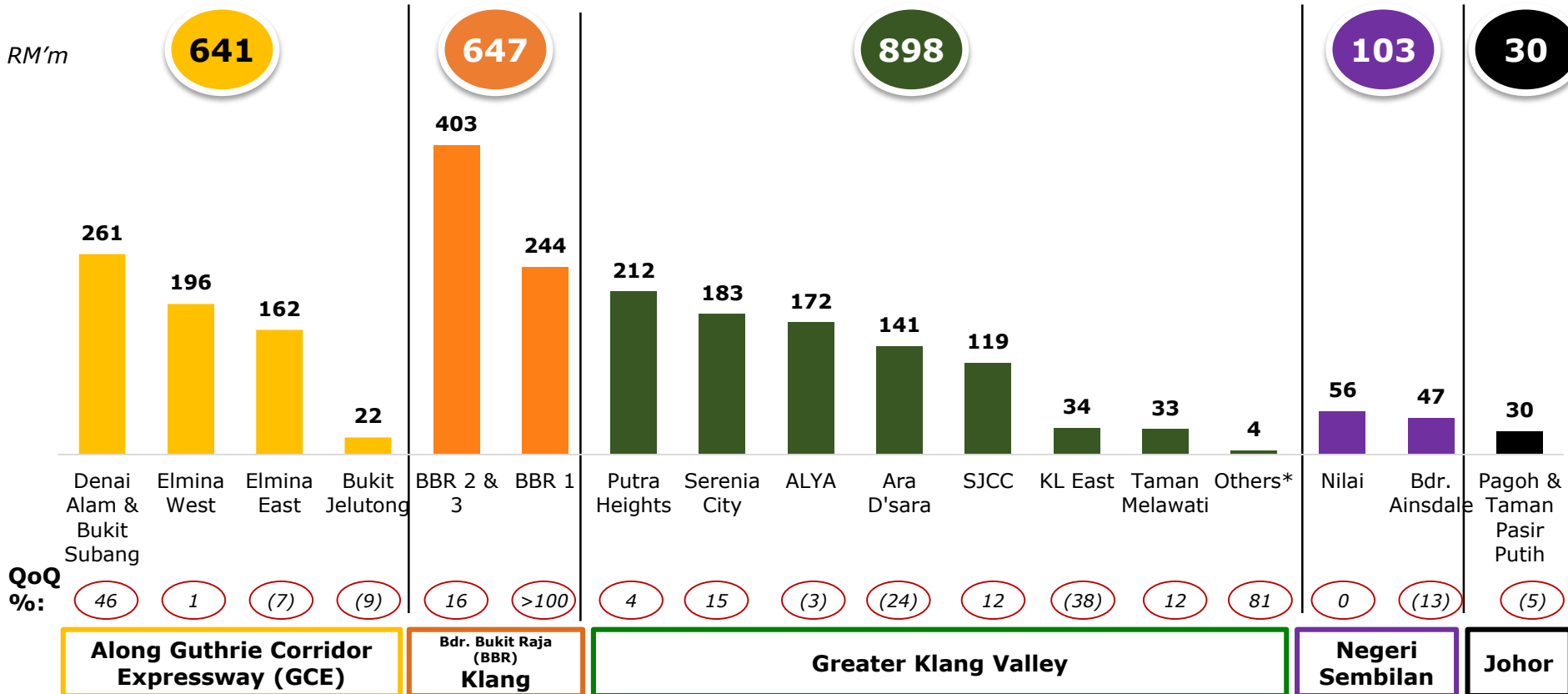
Resilient Unbilled Sales

1QFP2018: RM2,319 million

↑ 14% QoQ (30 Jun'18: RM2,034 million)

↑ 30% YoY (30 Sept'17: RM1,778 million)

FP2018 (Jul-Dec'18) Targets:
Sales: RM1,000 million
Unbilled Sales: RM2,200 million



* Others: USJ Heights and Saujana Impian



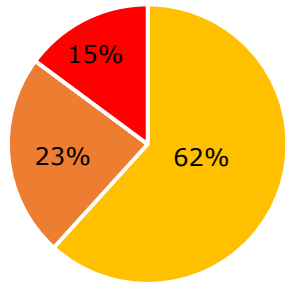
Strategic Re-Planning of Launches

2QFP18 (Oct'18 – Dec'18)

Value:
RM600 – 650 mil

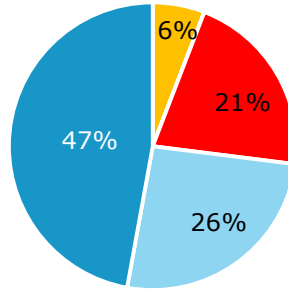
Units:
800 – 1,150

BY TYPE



■ Landed ■ Integrated ■ Commercial

BY LOCATION



■ Johor ■ Klang
■ Greater Klang Valley ■ Along GCE

Residential - Landed

Key Launches	No. of units	Avg. Price (RM '000)	Est GDV (RM mil)
Serenia City (Adiva)	176	550	97.5
BBR 2 & 3 (R3A)	160	760	122.3
Elmina West (EG1C)	181	760	137.2

Commercial



Bandar Universiti Pagoh (C8-2)
(Landed Office)

No. of Units : 38 units
Est. GDV : RM33.8 mil

Affordable



Elmina West (Harmoni 1)
(Apartment)

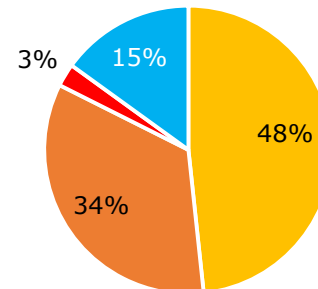
No. of Units : 562 units
Est. GDV : RM135.4 mil

FY2019 (Jan'19 – Dec'19)

Value:
RM3.0 – 4.0 bn

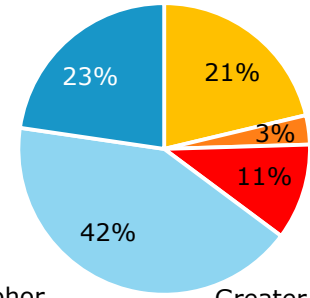
Units:
4,000 – 4,500

BY TYPE



■ Landed ■ Integrated ■ Commercial ■ Industrial

BY LOCATION



■ Johor ■ N.Sembilan ■ Klang
■ Greater Klang Valley ■ Along GCE

Residential - Landed

Key Townships	No. of units	Price Range (RM '000)	Est GDV (RM mil)
Elmina West	974	680 – 800	719.1
BBR 2 & 3	560	560 – 680	351.1
Serenia City	628	500 - 560	347.4
Bdr. Uni. Pagoh	227	390 - 420	91.9

Commercial



Bandar Universiti Pagoh (C8-6 & C8-5)
(Shop Office)

No. of Units : 60 units
Est. GDV : RM62.0 mil

Industrial



Nilai Impian
(2 & 3-storey factory)

No. of Units : 149 units
Est. GDV : RM543.8 mil



Rediscover Our Hidden Gems (Sep – Nov 2018)

Strategic campaign to promote new and completed developments
Ranging from The Signature Collection, The Features Exclusive and Rediscover Landed Gems

**Introducer
rewards of
up to 1%**

REDISCOVER
— OUR HIDDEN —
GEMS

**RM10,000 +
additional 1%
to 2% rebate**

22 Preview of
Sept Anggerik @
Nilai Impian

27 Preview of
Oct Elmina Green C
@ Elmina West

3 Launch of Ayra
Nov 2 @ Bandar
Bukit Raja 2

Successful preview and soft launches with booking rates averaging above 50%

6 Launch of
Oct Serenia
Adiva @
Serenia City

28 Launch of
Oct Alcove @
Putra
Heights

10 Private launch of
Nov 2 & 3 Storey
Townhouse @
East Residence



Target: To **reduce** the existing **inventory** level by **6% to 10%** by end of 2018



Moving Forward



Outlook in 2018-2019

Budget 2019 is positive

- Waiver of stamp duties for residential properties valued from RM300,001 to RM1 million per unit for first-time home buyers

Oversupply of high-rise medium range properties

- Industry is producing faster than the absorption rate
- High number of unsold condominium/apartment units in Selangor priced below RM1 million (~8,500 units) and Kuala Lumpur (~20,400 units) as at June'18
- May affect the sales of ongoing / new launches



National Housing Policy

- Clear scope and parameters of proposed policy
- Streamline effort to deliver affordable houses

Proposed reduction of overall housing prices by 10%

- Developers are expected to review housing prices in view of Sales and Service Tax (SST) exemption for certain construction material

Slower economic growth in Malaysia

- Revised 2018 GDP growth forecast of 4.8% from 5.4%
- Continued softness in the real estate sector

Key Priorities in FY2019

PROPERTY DEVELOPMENT



- ❑ 80% of residential launches focusing on low to mid-price range (<RM1.0 mil) in Greater Klang Valley to take advantage of Budget 2019 measures
- ❑ Enhance the role as Master Developer for faster turnaround of future developable landbank (~8.4k)
- ❑ Expedite the disposal of non-strategic land bank
- ❑ Complete the proposed divestment of Battersea Phase 2 Commercial Assets
- ❑ Clear action plan to reduce inventory

PROPERTY INVESTMENT



- ❑ **Timely completion** of the **Galleria, KL East** (target end-2019)
 - To improve the growth catalyst of KL East and Taman Melawati
- ❑ Accelerate the action plans to create Managed Industrial Business Parks for recurring income growth
- ❑ Enhance the **skillset and competencies** of the team

LEISURE & HOSPITALITY



- ❑ **Timely completion** of the disposals of **low-yielding, non-core** assets in Australia, Singapore and Vietnam

CONCESSION ARRANGEMENT



- ❑ To strengthen the Group's competencies on facility management to drive value enhancement in Pagoh Education Hub

THANK YOU

SIME DARBY PROPERTY INVESTOR RELATIONS

Email Address : investor.relations@simedarbyproperty.com

Telephone : +(603) 7849 5000

Website : <https://www.simedarbyproperty.com/investor-relations>

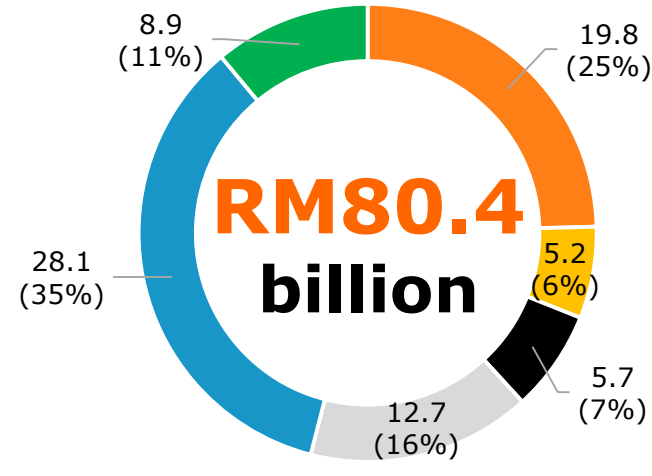
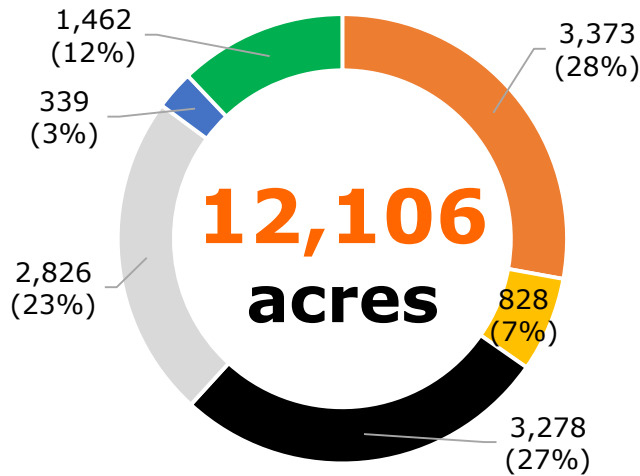
APPENDIX

Sustainable Growth with Remaining Developable Period of 10 to 25 years

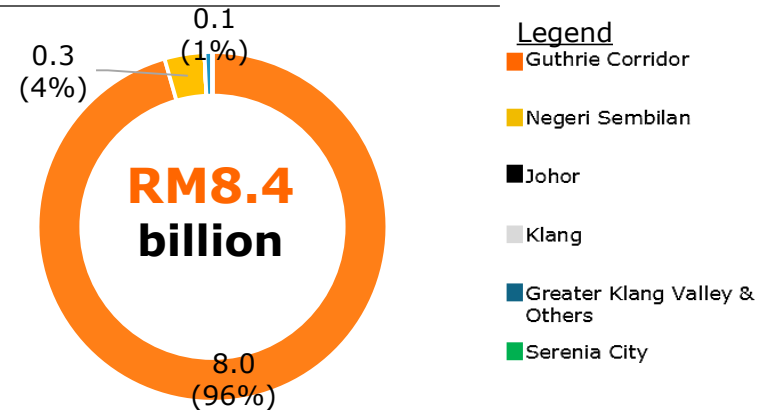
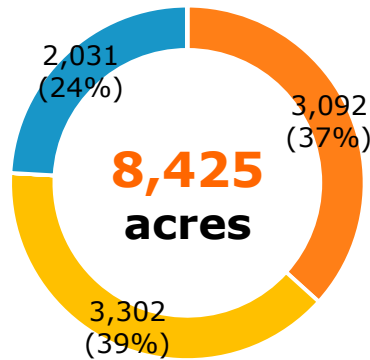
By Remaining Developable Land

By Remaining Gross Development Value (GDV)

O N G O I N G



F U T U R E



Notes:

1. Township categorisation:
 - Guthrie Corridor: (Ongoing) Elmina West, Elmina East, Denai Alam & Bukit Subang and Bukit Jelutong, (Future) Kota Elmina & Lagong
 - Negeri Sembilan: (Ongoing) Nilai, Bandar Ainsdale, Planters' Haven & Chemara, (Future) MVV and others
 - Johor: Bandar Universiti Pagoh and Taman Pasir Putih
 - Greater Klang Valley & Others:
 - (Ongoing) Ara Damansara, ALYA, Putra Heights, KL East, USJ Heights, Taman Melawati, Saujana Impian, SJCC and SJ7
 - (Future) Jalan Acob, Victoria Estate and others
2. Future remaining GDV is preliminary and currently excludes MVV



Land Bank Status as at 30 Sept 2018

~21k acres of remaining developable land bank with a remaining GDV of RM88.8bn

Township/Development Name	Total Area (Acres)	Remaining Developable Area (Acres)	Remaining GDV (RM'bn)
Niche / Integrated			
ALYA, Kuala Lumpur	62	50.5	7.2
Chemara Hills, Seremban	44	3.0	0.04
USJ Heights, Subang Jaya	375	11.1	0.2
SJ 7, Subang Jaya	40	34.6	5.3
SJCC, Subang Jaya	30	28.1	3.6
KL East	160	50.8	2.2
Township			
City of Elmina: Elmina West, Shah Alam	2,661	2,491.6	15.2
City of Elmina: Elmina East, Shah Alam	1,089	583.2	2.5
City of Elmina: Denai Alam & Bukit Subang	1,250	143.9	1.0
Bandar Bukit Raja 2 & 3, Klang	2,820	2,665.0	11.6
Bandar Bukit Raja 1, Klang	1,513	160.6	1.1
Serenia City, Dengkil, Sepang	2,370	1,462.0	8.9
Putra Heights, Subang Jaya	1,796	77.4	3.4
Ara Damansara, Petaling Jaya	693	80.3	6.0
Bukit Jelutong, Shah Alam	2,205	154.2	1.1
Saujana Impian, Kajang	600	4.1	0.03
Taman Melawati, Ulu Klang	880	2.3	0.2
Nilai Impian 2, Nilai	546	426.0	3.1
Nilai Impian 1, Nilai	1,263	157.6	0.9
Bandar Ainsdale, Seremban	562	157.7	1.1
Planters' Haven, Nilai	250	83.6	0.1
Bandar Universiti Pagoh, Muar	4,099	3,262.0	5.5
Taman Pasir Putih, Pasir Gudang	356	16.3	0.2
TOTAL ONGOING DEVELOPMENT	25,664	12,106	80.4
TOTAL FUTURE DEVELOPMENT		8,425	8.4¹
GRAND TOTAL		20,531	88.8

Note: 1. Future remaining GDV is preliminary and currently excludes MVV



List of Investment Properties

as at 30 September 2018

Owned and managed (6 assets)	Location	NLA (Sqft)	Purpose	Occupancy Rate (%)	Net Book Value (RM'mil)
Wisma Zuellig	Section 13, Petaling Jaya	79,589	Tenanted	100	28.76
Sime Darby Pavillion	Bukit Jelutong, Shah Alam	41,027	Tenanted	100	24.36
Wisma Guthrie	Jalan Gelenggang, Damansara Heights	61,875	Tenanted	100	10.26
Oasis Square - Block F & G	Ara Damansara, Petaling Jaya	341,322	Tenanted	87	225.36
Oasis Corporate Park (Carpark)	Ara Damansara, Petaling Jaya	2,877 parking bays	Public	-	40.46
Under fund management / JV (3 assets)					
Sime Darby Business Centre <i>(25% via Sime Darby Real Estate Investment Trust 1)</i>	Alexandra Road, Singapore	136,374	Tenanted	85	N/A
Sime Darby Enterprise Centre <i>(25% via Sime Darby Real Estate Investment Trust 1)</i>	Jalan Kilang, Singapore	47,554	Tenanted	73	N/A
Melawati Mall <i>(50:50 JV with CapitaLand Mall Asia)</i>	Taman Melawati, Ampang	613,987	Tenanted	79	N/A
TOTAL		1,321,728			329.20



List of Hospitality & Leisure Assets

as at 30 September 2018

MALAYSIA		Description	Land Acres	Net Book Value (RM'mil)
Sime Darby Convention Centre, Kuala Lumpur		5-storey multi purpose convention center	4	90.59
Tournament Players Club (TPC), Kuala Lumpur		Award-winning with 36-hole golf & country club	279	249.63
Impian Golf and Country Club (IGCC), Kajang		18-hole golf & country club	149	55.55
OVERSEAS				
Darby Park Executive Suites, Singapore		75 units of apartments	1	74.70
The Orion, Orange Grove Road, Singapore		2 units of apartments	-	9.42
Rangdong Orange Court, Vung Tau, Vietnam		69 units of apartments	2	7.36
Darby Park Serviced Residences, Margaret River, Western Australia		8 units of service apartments	3	2.60
TOTAL			438	489.85



FY2018 Quarterly Performance

	1QFY18 30 Sep 2017 (RM'000)	2QFY18 31 Dec 2017 (RM'000)	3QFY18 31 Mar 2018 (RM'000)	4QFY18 30 Jun 2018 (RM'000)	FY2018 Total (RM'000)
Revenue	472,612	703,625	559,502	617,365	2,353,104
Operating profit	18,815	153,397	52,336	50,768	275,316
Share of results from associates/JVs	84,578	27,058	(17,096)	(4,986)	89,554
Other gains / (losses)	318,772	(2,808)	1,947	(265)	317,646
Profit before interest and tax	422,165	177,647	37,187	45,517	682,516
Net finance income / (cost)	6,008	5,755	5,811	28,292	45,866
Profit before tax	428,173	183,402	42,998	73,809	728,382
Tax expense	(2,549)	(45,018)	(14,282)	17,753	(44,096)
Profit after tax	425,624	138,384	28,716	91,562	684,286
Non-controlling interests	(3,931)	(308)	4,953	(44,992)	(44,278)
Profit attributable to owners of the Company	421,693	138,076	33,669	46,570	640,008

SEGMENTAL RESULTS

Segment Revenue

Property Development	424,293	640,826	522,017	503,670	2,090,806
Property Investment	11,758	11,491	4,345	7,963	35,557
Leisure and Hospitality	27,723	24,683	24,309	24,376	101,091
Concession Agreement	8,838	26,625	8,831	81,356	125,650
Total	472,612	703,625	559,502	617,365	2,353,104

Segment PBIT

Property Development	393,371	189,335	28,828	18,903	630,437
Property Investment	(7,023)	(3,507)	5,954	6,927	2,351
Leisure and Hospitality	33,951	(8,883)	1,851	(13,690)	13,229
Concession Agreement	1,866	702	554	33,377	36,499
Total	422,165	177,647	37,187	45,517	682,516