

**Sime Darby Property Q1 net profit jumps more than 7-fold
to RM265 million**

Ara Damansara, 29 May 2019 – Sime Darby Property Berhad has reported a net profit of RM265.1 million for the first quarter ended 31 March 2019, a more than seven-fold jump from the corresponding quarter a year ago, mainly due to improved performances from the property development and property investment segments as well as a gain on disposal of a Singapore property.

This was achieved on the back of RM575.1 million in revenue for the first quarter period, a 2.8 percent increase from a year ago.

The Group completed the disposal of Darby Park Executive Suites in Singapore as part of its non-core asset monetisation plan and recorded a gain of RM203.4 million. Excluding the disposal gain, the Group registered an operating profit of RM70.1 million for the first quarter, a 64 percent improvement against the previous corresponding period.

“This is a good start to the year. It is still a challenging market but we are executing strategies to deal with it and we believe we’re on the right track. The strong reception for our launches indicate that people are still willing to pay for quality products in great locations and at reasonable prices,” said Acting Group Chief Executive Officer Dato’ Wan Hashimi AlBakri Wan Amin Jaffri.

“Government initiatives like the Home Ownership Campaign (HOC) and other incentives have certainly created some excitement in the market which is expected to improve consumer sentiment further,” Wan Hashimi added.

Sime Darby Property has also recorded a Net Sales Value of RM403.1 million for the first quarter, an increment of 57 percent from the same period a year ago. As at 31 March 2019, total unbilled sales stood at RM2.1 billion.

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	YOY	1QFY2019
	%	RM'mn
Revenue	2.8	575.1
Operating Profit	64.0	70.1
PBT	601.1	301.5
PATAMI	687.3	265.1

- For the first quarter ended 31 March 2019, the Group launched a total of 474 units, with a combined Gross Development Value of RM362.8 million mainly in City of Elmina, Bandar Universiti Pagoh, and Serenia City.
- The Group achieved a Net Sales Value of RM403.1 million, a more than 50 percent jump YoY.
- Total unbilled sales was RM2.1 billion

First quarter period review

The Property Development segment's profit more than doubled to RM71.8 million for the period under review, mainly due to higher contribution from Bandar Bukit Raja, Denai Alam, Nilai Impian townships and Cantara Residences in Ara Damansara, mitigating the lower contribution from Elmina and Bandar Universiti Pagoh townships.

The Group's share of results of joint ventures and associates have also improved to a profit of RM1.8 million from a loss of RM19.0 million. This is mainly due to the higher contribution from PJ Midtown Development Sdn Bhd and lower share of losses from Battersea and Sime Darby Sunrise Development Sdn Bhd.

The Property Investment segment registered a profit of RM6.6 million compared with a loss of RM3.2 million in the corresponding quarter previously. It benefitted from a better performance in facility and asset management services, lower operating expenses and improved occupancy at Melawati Mall of 84 percent compared with 78 percent in the previous corresponding quarter.



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The Leisure and Hospitality segment recorded a lower loss of RM4.8 million as against RM5.3 million in the previous quarter, mainly due to higher revenue from TPC Kuala Lumpur.

Outlook for the rest of FY2019

The Malaysian economy, which is projected to expand between 4.3 percent and 4.8 percent in 2019, remains stable with domestic conditions supporting economic growth.

Sime Darby Property is confident of achieving its sales target for the year following the success of its marketing campaigns. The government's effort to support the industry with HOC 2019 have also provided a much needed boost for the property market amidst the broad market slowdown.

In conjunction with the HOC, the Group had introduced its Primetime 8 Campaign, which featured weekly launches in March and April. For the first three months of 2019, the Group had launched a total of 474 units, with a combined gross development value of RM362.8 million and an additional 600 over units, worth more than RM550 million in April 2019. This is in line with the Group's launch target of between RM2.0 to RM2.5 billion for the full year.

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About Sime Darby Property Berhad

Sime Darby Property is Malaysia's largest property developer in terms of land bank with 20,374 acres of remaining developable land. On the back of a successful 46-year track record of developing sustainable communities, Sime Darby Property has to date built 23 active townships/developments with a global reach that encompasses assets and operations across the Asia Pacific region and the United Kingdom. In the UK, as part of a Malaysian consortium, Sime Darby Property is the developer of the iconic Battersea Power Station project in central London.

Sime Darby Property is a multiple award-winning property group with numerous local and international accolades. It is the first Malaysian property developer to be awarded the International FIABCI Prix d'Excellence Awards twice for its Subang Jaya and UEP Subang Jaya townships. The company bagged its 9th consecutive Gold at the Putra Brand Awards 2018 and its 6th consecutive Top 10 Developers Awards at the BCI Asia 2015. Sime Darby Property has also been recognised as among the top developers in Malaysia in the annual The Edge Top Property Developers Awards, a recognition which the company consistently receives since 2009.

The company has a market capitalisation of RM6.94 billion as at 29 May 2019.

For more information, log on to www.simedarbyproperty.com



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