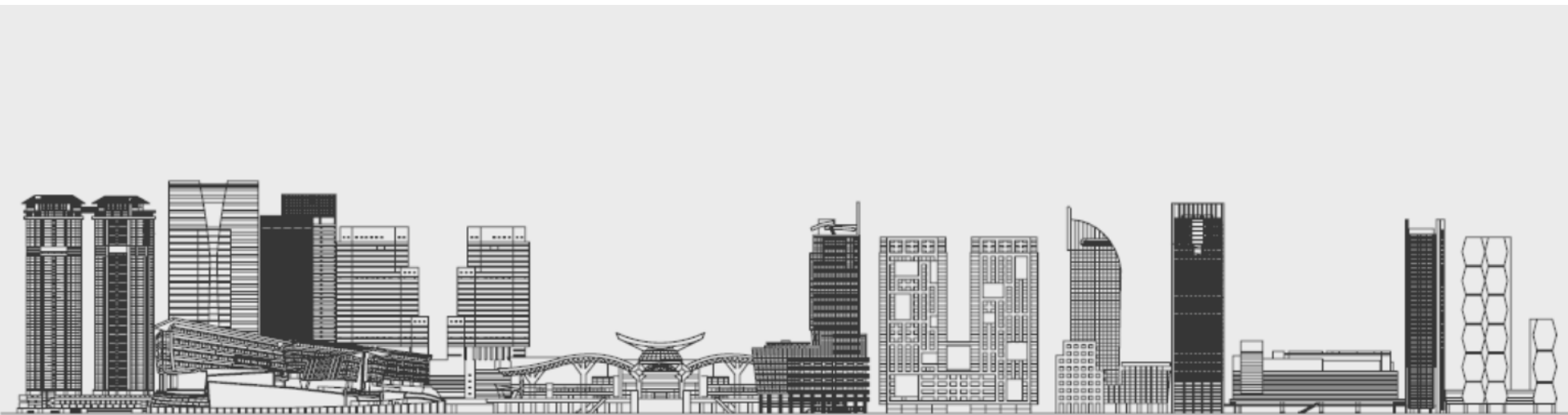




Analyst Briefing

Quarter ended 30 June 2017

29 August 2017



'Significant growth in first half of 2017'

Year on Year

- Revenue up 55% to RM1.28 billion vs 1H 2016.
- PBT down 31% to RM63.4 million vs 1H 2016.
- PBT excluding gains of RM44.4 million in 1H 2016, up 21% to RM58.0 million.
- Higher PBT mainly due to lower finance costs (as a result of de-gearing exercise in 2016) and a stronger performance by our Engineering & Construction Division.
(Higher margin of 3.0% in Q2'17)
- Net gearing increased slightly, to 0.96x as at Q2 2017 from 0.90x Q1 2017 mainly due to drawdown loans for the National Sports Complex in Bukit Jalil.

Key Indicators

- Property Sales as at Q2 2017 : **RM942 million**
- Property Unbilled Sales : **RM1.6 billion**
- Construction Unbilled Orderbook : **RM5.5 billion**
- YTD Orderbook Replenishment : **RM409 million**

Income Statement Summary

(RM'000)	1H '17	1H '16	Change (%)
Revenue	1,281,373	825,206	55.3%
Profit from operations (EBIT)	130,344	174,093	-25.1%
Finance Costs	(72,559)	(91,125)	20.4%
Share of JVs (net of tax)	3,879	2,415	60.6%
Share of associates (net of tax)	1,780	7,032	-74.7%
Profit before tax	63,444	92,415	-31.3%
Tax	(16,978)	(21,889)	22.4%
Non controlling interest	(12,633)	(20,640)	38.8%
Net profit attributable to equity holders	33,833	49,886	-32.2%
EPS (sen)	1.56	2.73	-42.9%
Dividend per share (sen)	-	-	
EBIT margins (%)	10.2%	21.1%	
PBT margins (%)	5.0%	11.2%	

Balance Sheet Summary

(RM'000)	As at 30 Jun 2017	As at 31 Mar 2017
Current Assets	4,207,294	3,332,852
Current Liabilities	2,046,600	2,122,852
Current Ratio (times)	2.0	1.6
Total borrowings	4,122,763	3,433,297
Deposit, bank & cash balances	(1,125,860)	(671,982)
Net debt	2,996,903	2,761,315
Share capital	2,583,086	2,527,584
Reserves (share premium, retained earnings, other reserves)	440,392	419,723
Non-controlling interests	111,854	109,163
Total equity	3,135,332	3,056,470
Net gearing (times)	0.96	0.90
Net assets per share (RM)	1.38	1.37

Breakdown of Group Borrowings

(RM'000)	As at 30 Jun 2017	As at 31 Mar 2017
Short term	662,054	842,675
Long term	3,457,308	2,587,619
HP creditors	3,400	3,003
Total borrowings	4,122,762	3,433,297
Less: cash & bank balances	1,125,860	671,982
Net borrowings	2,996,902	2,761,315
Total equity	3,135,332	3,056,470
Net gearing (times)	0.96	0.90

The increase in bank borrowings is mainly due to further drawdown of borrowings for the National Sports Complex project.

Quarterly Segmental Profit



(RM'000)	Q2 16	Q3 16	Q4 16	Q1 17	Q2 17	Q2 16	+/-
Property Development & Investment ("Property")	90,435	70,459	236,437	50,139	29,667	90,435	(60,768)
Engineering, Construction & Environment ("E&C")	1,831	7,027	1,587	1,254	14,029	1,831	12,198
Infrastructure	19,536	13,737	12,127	17,470	11,538	19,536	(7,998)
Facilities Management & Parking ("FM")	4,619	438	3,360	3,749	7,087	4,619	2,468
Others	(1,219)	(1,508)	26,834	(4,542)	5,061	(1,219)	6,280
Group Operating Profit	115,202	90,153	280,345	68,070	67,382	115,202	(47,820)
Group Net Profit	45,504	29,394	188,080	10,462	23,371	45,504	(22,133)

YTD Segmental Profit *				YTD Segmental Profit Margins		
(RM'000)	1H 17	1H 16	+/- %		1H 17	1H 16
Property	79,806	157,750	(77,944)	Property	16.4%	41.9%
E&C	15,283	2,969	12,314	E&C	2.2%	0.9%
Infrastructure	29,008	32,676	(3,668)	Infrastructure	50.8%	57.1%
FM	10,836	12,029	(1,193)	FM	36.6%	32.3%
Others	519	(18,450)	18,969	Others	5.5%	-85.9%
Total	135,452	186,974	(51,522)	Group	10.6%	22.7%

*Profit before unallocated expenses, finance costs and income and share of associates and JV results

- Revenue up 29% to RM486.5 million in 1H 2017 vs RM376.8 million in 1H 2016.
- Profit down by 49% to RM79.8 million vs RM157.8 million in 1H 2016. Higher profit in 2016 was due to gain from disposal of non-core assets of RM44.4 million and higher contribution rental income from Menara Shell.
- Property Development & Investment contributed 38% of Group revenue (Easton Burwood, Sentral Residences, 9 Seputeh and Menara MRCB Putra).
- Property Investment – Ascott, Kompleks Sentral and Plaza Alam Sentral continued to contribute net recurring income of RM5.9 million.

Property Sales Achieved in 2017

Project / Sales (RM'mil)	GDV	% Sales	1H 2017
2017 launches:			
1060 Carnegie	305	60%	182
Kalista (Bukit Rahman Putra)	101	32%	32
Sentral Suites (Tower 1, 2 & 3)	1,529	42%	649
Total	1,935		863
Other projects:			
9 Seputeh:			
- VIVO (Parcel C)	952	77%	24
- Parcel B	566	0%	0
Sentral Residences	1,438	87%	18
Bandar Seri Iskandar:			
- Begonia 2	20	64%	4
- Viscaria	16	0%	0
Q-Sentral	1,254	96%	33
Total	5,596		79
Grand Total	7,531		942

Target sales for 2017: RM1.2 billion

Project / Revenue RM'mil	Completion	1H 2017	Unbilled Sales
Sentral Residences	88%	95	0
Q Sentral	100%	16	0
9 Seputeh / Parcel C	44%	76	362
9 Seputeh / Parcel B	0%	0	0
PJ Sentral / MBSB	33%	9	160
PJ Sentral / MYIPO	28%	2	181
349, Sentral Suites	5%	29	506
Bukit Rahman Putra (Kalista)	6%	2	28
Burwood	100%	140	0
Menara Putra	69%	69	116
Carnegie	0%	0	200
SIDEC / Viscaria	0%	0	0
SIDEC / Begonia 2	66%	4	3
Others		9	0
Total		451	1,556

Revenue from property investment: RM36 million

Total Property Developments Projects



	Land Size	GDV	Start	Completion
	(Acres)	(RM 'mil)	Date	Date
Transport Oriented Developments				
KL Sentral: Sentral Residences	2.35	1,330	2011	2017
KL Sentral: Lot F	5.70	2,993	2018	2025
PJ Sentral Garden City	11.91	2,619	2013	2022
Penang Sentral	22.65	2,865	2015	2027
Cyberjaya City Centre	45.31	5,350	TBD	TBD
Kwasa Sentral	64.07	8,606	2016	2029
KL Sports City	76.14	20,700	2018	2038
Sub-Total	228.13	44,463		
Commercial Developments				
Pulai Land, Johor	67.52	770	TBD	TBD
Sub-Total	67.52	770		
Residential Developments				
9 Seputeh	17.63	2,680	2014	2024
Lot 349, Sentral Suites	4.92	1,413	2016	2020
Carnegie, Melbourne	1.00	305	2018	2020
Semarak City	27.41	3,163	2015	2025
Bukit Rahman Putra (incl. Kalista)	14.18	547	2016	2021
Lot 94 , Jalan Kia Peng German Embassy Land	1.87	1,012	2018	2023
Bandar Sri Iskandar (Phase 2C, 2D & 3)	11.53	766	2014	2025
Sub-Total	78.54	9,886		
Others				
Suria Subang	3.20	NA	NA	NA
Batu Ferringhi, Penang	3.34	NA	NA	NA
Selbourne 2, Shah Alam	2.37	NA	NA	NA
Sub-Total	8.91	-		
TOTAL	383.10	55,119		

- Revenue up 110% to RM698.9 million in 1H 2017 vs RM332.6 million in 1H 2016 due to National Sports Complex project.
- Profit up 415% to RM15.3 million in 1H 2017 vs RM3.0 million in 1H 2016.
- E&C contributed 55% of Group revenue – mainly from the National Sports Complex project and the on-going construction of several commercial buildings for clients in Johor, power transmission related construction projects in Peninsular Malaysia, and other smaller scale civil engineering projects in the Klang Valley.
- Profit margin Q1'17: 0.5%, Q2'17: 3.0%
- New project wins of RM409 million in August 2017 (DASH, RM369 million and TNB HQ, RM40 million)
- External construction order book currently stands at RM6.3 billion with a total unbilled portion of RM5.5 billion.

Construction Order Book



RM'mil	Contract Value	Completion	Recognized	Unbilled Sales
NPE Bridge	127	60.12%	76	51
Johor Land Tower	188	61.32%	115	73
Aman Desaru	110	90.00%	99	11
Desaru Convention Centre	57	34.31%	20	37
Desa Desaru	217	36.92%	80	137
Westin Desaru Resort	203	38.66%	78	125
Giant Hypermarket - Setapak	53	89.69%	47	6
132 kv UGC Damansara City	34	93.10%	32	2
Bukit Tarek - Projek BT CB	37	87.56%	32	5
Project LGNG - Lenggeng extension	51	76.54%	39	12
Kg Cempaka LILO - KJ	16	91.10%	15	1
Giant Kajang	58	32.65%	4	54
PR1MA Kajang	173	11.18%	19	154
Jabi - Seriting Hilir	126	16.22%	20	106
MRT2 V210 Package - 2.6km guideway	648	6.75%	44	604
Sungai Pahang - Rehabilitation Phase 3	178	33.27%	59	119
Aquatic Centre	19	81.06%	14	5
PR1MA Brickfields	335	0.00%	0	335
Kwasa Utama C8 (provisional TCC)	2,648	0.00%	0	2,648
Fee based orders:				
Kwasa Utama, C8 - management contract	187		0	187
PDP LRT3	270		0	270
Kwasa Land - PDP Infra	112		0	112
New projects:				
DASH - Package CB2	369		0	369
TNB HQ CAMPUS (Phase 1)	40		0	40
Total E&C	6,256		793	5,463



Thank you

