



SUNWAY[®]
SUNWAY BERHAD

Q1 2016 RESULTS BRIEFING PACK
27 MAY 2016

1) Year on Year

- Revenue is in line.
- PBT is in line, after excluding capital gains recorded from disposal of investment properties to Sunway REIT in the preceding year.
- Lower PATMI in the current quarter due to reduction in contribution from the Construction division to 54.4% following the listing of Sunway Construction Group Berhad.

2) Quarter on Quarter

- Q1 results are traditionally weaker than Q4 due to seasonality.

3) Key Indicators Remain Strong

- Property Sales : **RM 263 million** (Effective: RM 198 million)
- Property Unbilled Sales : **RM 2.0 billion** (Effective: RM 1.5 billion)
- Construction Outstanding Order Book : **RM 5.0 billion**
- YTD Order Book Replenishment : **RM 2.0 billion**

Overview of Key Performance Highlights

RM'mil	Q1 FY 2016 Unaudited Jan - Mar 2016	Q1 FY 2015 Unaudited Jan - Mar 2015	Q4 FY 2015 Audited Oct - Dec 2015
Revenue	1,069.0	1,060.0	1,395.8
EBIT	192.2	204.9	306.7
EBIT Margin	18.0%	19.3%	22.0%
PBT	176.1	193.5	285.0
PBT Margin	16.5%	18.3%	20.4%
PATMI	102.1	146.5	214.7
PATMI Margin	9.6%	13.8%	15.4%
EPS (sen) *	5.71	8.45	12.04

(RM mil)	Q1 2016		Q1 2015		Q4 2015	
	PBT	PATMI	PBT	PATMI	PBT	PATMI
Fair value gain (I. Properties)	-	-	-	-	(55.6)	(49.9)
(Gain)/Loss on derivatives	-	-	3.2	3.2	3.3	3.3
Fair value of ESOS	2.4	2.4	3.9	3.9	12.0	12.0
Gain on disposal to Sunway REIT	-	-	(22.9)	(22.9)	-	-
	2.4	2.4	(15.8)	(15.8)	(40.3)	(34.7)

* Based on weighted average share capital on respective dates

Balance Sheet and Gearing

	31/3/2016 (Unaudited)	31/12/2015 (Audited)
Non-current Assets	9,165.2	9,261.3
Current Assets	6,905.7	6,739.6
Total Assets	16,070.8	16,000.9
Current Liabilities	6,695.4	5,564.2
Non-current Liabilities	1,652.0	3,223.4
Total Liabilities	8,347.4	8,787.6
Shareholders' Funds	7,033.5	6,562.7
Non-Controlling Interests	689.9	650.6
Total Equity	7,723.4	7,213.3
Total Equity & Liabilities	16,070.8	16,000.9
Total Borrowings	5,822.3	5,889.1
Cash and bank balances and short-term investments	2,986.5	2,631.0
Net Gearing Ratio [^]	0.37 [*]	0.45
Share Capital [#]	1,983.5	1,799.8
Net Assets Per Share	3.55	3.65

[^] Net Gearing = (Total Borrowings – Cash and bank balances and short term investments) / Total Equity

^{*} The Group's borrowings in foreign currencies are always hedged using cross currency swaps. However, the translated borrowing amount in Ringgit is required to be marked-to-market at the prevailing exchange rate during the loan tenure. If based on the hedged borrowing amount, the net gearing as at 31 March 2016 would be lower at 0.34 times.

[#] Increase in share capital in Q1 2016 is mainly due to conversion of warrants

Property Development Segmental Review

	<u>Q1 2016</u>	<u>Q1 2015</u>	<u>Q4 2015[^]</u>
Revenue (RM'mil)	234.1	180.7	420.0
Operating Profit (RM'mil)	55.7	40.0	96.4
Op. Profit Margin	23.8%	22.2%	23.0%
EBIT (RM'mil) (incl. share of assc. & JCE)	70.5	55.2	116.3
EBIT Margin (incl. share of assc. & JCE)	30.1%	30.5%	27.7%

[^]Based on audited figures

Review of Performance

- Yoy, revenue is higher mainly due to strong sales from the Group's wholly-owned Avant Parc project in Singapore.
- Qoq, revenue was lower due to lower progress billings from ongoing local projects. Revenue in Q4 2015 was boosted by higher progress billings from Sunway Velocity, Sunway South Quay, Sunway Montana, Sunway Eastwood and Sunway Geo Residence.
- Yoy and Qoq, operating profit and EBIT are in line with the revenue.

Property Investment Segmental Review

	<u>Q1 2016</u>	<u>Q1 2015</u>	<u>Q4 2015[^]</u>
Revenue (RM'mil)	169.2	139.3	182.6
Operating Profit (RM'mil)	36.4	44.4	102.1
Op. Profit Margin	21.5%	31.9%	55.9%
EBIT* (RM'mil) (incl. share of assc. & JCE)	64.0	68.3	132.0
EBIT Margin (incl. share of assc. & JCE)	37.8%	49.1%	72.3%

*Includes fair value gain of investment properties of Sunway Berhad.

[^]Based on audited figures

Review of Performance

- Yoy, revenue is higher due to rental contribution from Sunway University New Academic Block (completed in mid-2015) and higher occupancy in Sunway Pinnacle. Revenue was further boosted by the opening of Nickelodeon Lost Lagoon in Q1 2016 and the completion of Sunway Putra Hotel refurbishment at the end of 2015.
- Qoq, revenue is lower due to the seasonality factor.
- Yoy, operating profit and EBIT are lower due to gains on disposal of Sunway Hotel Georgetown and Wisma Sunway of RM22.9 million recognised in Q1 2015.
- Qoq, operating profit and EBIT are lower due to fair value gains on investment properties of RM55.6 million recorded in Q4 2015 from the annual revaluation exercise.

	<u>Q1 2016</u>	<u>Q1 2015</u>	<u>Q4 2015[^]</u>
Revenue (RM'mil)	311.4	375.3	405.9
Operating Profit (RM'mil)	35.6	52.9	26.8
Op. Profit Margin	11.4%	14.1%	6.6%
EBIT (RM'mil) (incl. share of assc. & JCE)	35.6	51.8	26.8
EBIT Margin (incl. share of assc. & JCE)	11.4%	13.8%	6.6%

[^]Based on audited figures

Review of Performance

- Yoy, revenue was lower as civil and building projects such as the BRT, Sunway Pyramid Phase 3 and Sunway Putra were at advanced stages of construction in Q1 2015, and were subsequently completed in the same year.
- Qoq, revenue is lower due to the completion of Sunway Pyramid Phase 3 and higher contributions from several ongoing local projects in Q4 2015.
- Yoy, operating profit and EBIT were lower in line with the lower revenue.
- Qoq, operating profit and EBIT were higher due to higher profit recognition from ongoing local projects.

Construction Order Book – RM5.0 billion

SUNWAY™

Infrastructure

MRT Package V4 (Sec 17 to Semantan)

MRT Package V201 (Sungai Buloh - Persiaran Dagang)

Johor

Coastal Highway Southern Link

Others

Putrajaya Parcel F

KLCC NEC

KLCC Package 2 (Piling & Substructure)

KLCC Package 2A (Substructure)

Others

Internal

Sunway Velocity 2 Mall

Sunway Velocity Hotel and Offices

Sunway Geo Retail Shops & Flexi Suites

Sunway Medical Centre Phase 3 (Sub & Superstructure)

Sunway Iskandar - Citrine Svc Apt (Sub & Superstructure)

Sunway Geo Retail Shops & Flexi Suites Phase 2

Sunway Lenang Phase 1A

Sunway Iskandar - Emerald Residences

Sunway Medical Centre 4

Sunway Velocity Medical Centre

Others

Singapore

Precast



MRT Package V4



Sunway Velocity



KLCC North East Car Park,
Package 2 & 2A

Projects

MRT Package V201

Sunway Medical Centre 4

Sunway Velocity Medical Centre

Sunway Velocity Hotel and Offices

Others

Precast

Total

Thank You

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Next quarter announcement on 29 August 2016

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