



SUNWAY™

SUNWAY BERHAD

Q4 2015 RESULTS BRIEFING PACK

26 FEBRUARY 2016



1) Full Year Performance

- PATMI is maintained at RM732.4 million in 2015 (2014: RM734.0 million) despite a reduction in PATMI contribution from the Construction segment to 54.4% following the listing of Sunway Construction Group since 28 July 2015.
- PATMI Margin improved to 16.5% from 16.1%.

2) High Dividends For The Year

- Second interim dividend of 6 sen per share declared today.
- Full year dividend of 49 sen per share (including special dividend of 26 sen and dividend-in-specie of 12 sen).
- Implied dividend yield of more than 16% based on current market price of RM3.00.

3) Key Indicators Remain Resilient

- Property Sales : **RM1.2 billion** (Effective: RM912 million)
- Property Unbilled Sales : **RM2.1 billion** (Effective: RM1.5 billion)
- Construction Outstanding Order Book : **RM3.7 billion**
- 2015 Order Book Replenishment : **RM2.6 billion**

Overview of Key Performance Highlights

RM mil	Q4 FY 2015 Oct - Dec 2015	Q4 FY 2014 Oct - Dec 2014 (Audited)	Q3 FY 2015 Jul - Sept 2015	YTD 2015 Jan - Dec 2015	YTD 2014 Jan - Dec 2014 (Audited)
Revenue	1,398.8	1,193.8	951.0	4,451.3	4,558.1
EBIT	305.6	406.5	155.2	955.9	990.7
EBIT Margin	21.8%	34.0%	16.3%	21.5%	21.7%
PBT	283.8	399.2	171.0	929.2	960.2
PBT Margin	20.3%	33.4%	18.0%	20.9%	21.1%
PATMI	214.7	303.8	133.3	732.4	734.0
PATMI Margin	15.3%	25.4%	14.0%	16.5%	16.1%
EPS (sen) *	12.04	17.58	7.54	41.77	42.55

The following items were included in the calculation of the profit of the Group:

(RM mil)	Q4 2015		Q4 2014		Q3 2015		YTD 2015		YTD 2014	
	PBT	PATMI	PBT	PATMI	PBT	PATMI	PBT	PATMI	PBT	PATMI
Fair value gain (associate)	-	-	-	-	-	-	(110.8)	(110.8)	(61.9)	(61.9)
Fair value gain (I. Properties)	(55.6)	(49.9)	(138.8)	(119.2)	-	-	(55.6)	(49.9)	(138.8)	(119.2)
(Gain)/Loss on derivatives	3.3	3.3	2.7	2.7	(4.9)	(4.9)	1.0	1.0	2.6	2.6
Fair value of ESOS	12.0	12.0	11.0	11.0	3.9	3.9	24.8	24.8	28.4	28.4
Gain on disposal to Sunway REIT	-	-	-	-	(0.2)	(0.2)	(22.9)	(22.9)	-	-
Listing Expenses	-	-	-	-	14.9	14.9	16.1	16.1	-	-
	(40.3)	(34.7)	(125.1)	(105.5)	13.7	13.7	(147.4)	(141.7)	(169.7)	(150.1)

* Based on weighted average share capital on respective dates

Balance Sheet and Gearing

RM'mil	31/12/2015 (Unaudited)	31/12/2014 (Audited)	30/9/2015 (Unaudited)
Non-current Assets	8,929.8	6,874.9	8,031.2
Current Assets	7,064.6	5,884.3	7,546.3
Assets Held for sale	-	98.0	-
Total Assets	15,994.4	12,857.1	15,577.6
Current Liabilities	5,793.0	4,275.8	5,086.9
Non-current Liabilities	3,001.0	2,257.5	3,010.7
Total Liabilities	8,794.1	6,533.3	8,097.6
Shareholders' Funds	6,549.8	5,936.4	6,865.4
Non-Controlling Interests	650.6	387.5	614.5
Total Equity	7,200.4	6,323.8	7,479.9
Total Equity & Liabilities	15,994.4	12,857.1	15,577.6
Total Borrowings	5,889.3	3,784.4	5,332.9
Cash and bank balances and short-term investments	2,627.3	1,978.2	2,745.7
Net Gearing Ratio[^]	0.45*	0.29	0.35
Share Capital	1,799.8	1,730.6	1,799.1
Net Assets Per Share	3.64	3.43	3.82

[^] 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 during the tenure of the loan. Assuming no mark-to-market, based on the hedged borrowing amount, the net gearing ratio as at 31 Dec 2015 would be 0.40 times.

Property Development Segmental Review



	<u>Q4 2015</u>	<u>Q4 2014[^]</u>	<u>Q3 2015</u>	<u>YTD 2015</u>	<u>YTD 2014[^]</u>
Revenue (RM'mil)	420.0	496.3	270.9	1,195.7	1,198.3
Operating Profit (RM'mil)	96.4	96.6	34.5	207.7	285.8
Op. Profit Margin	23.0%	19.5%	12.7%	17.4%	23.9%
EBIT (RM'mil) (incl. share of assc. & JCE)	116.3	115.4	38.5	263.3	358.4
EBIT Margin (incl. share of assc. & JCE)	27.7%	23.2%	14.2%	22.0%	29.9%

[^] Based on audited figures

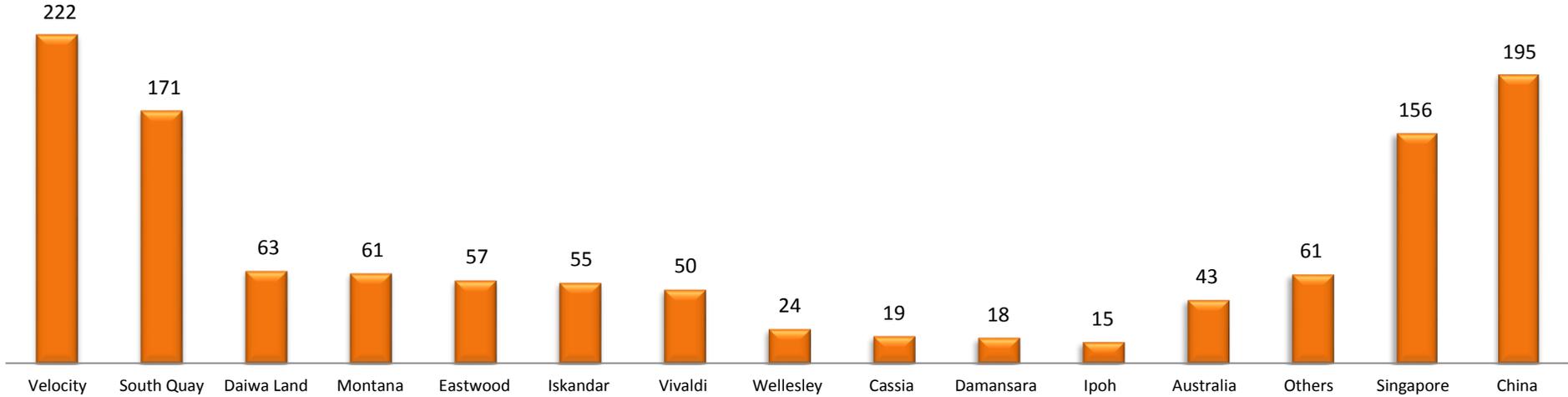
Review of Performance

- Yoy, revenue is lower due to fewer ongoing projects under development in the current year and handover of Sunway Nexis in the prior year.
- Qoq, revenue is higher due to higher progress billings from Sunway Velocity, Sunway South Quay, Sunway Lenang Heights, Sunway Eastwood and Sunway Geo Residence.
- Yoy, operating profit and EBIT are in line.
- Qoq, operating profit and EBIT are higher due to higher revenue from Sunway South Quay, and Sunway Iskandar as Citrine has started contributing this quarter. There were also higher contributions from the Singapore property projects in the current quarter.

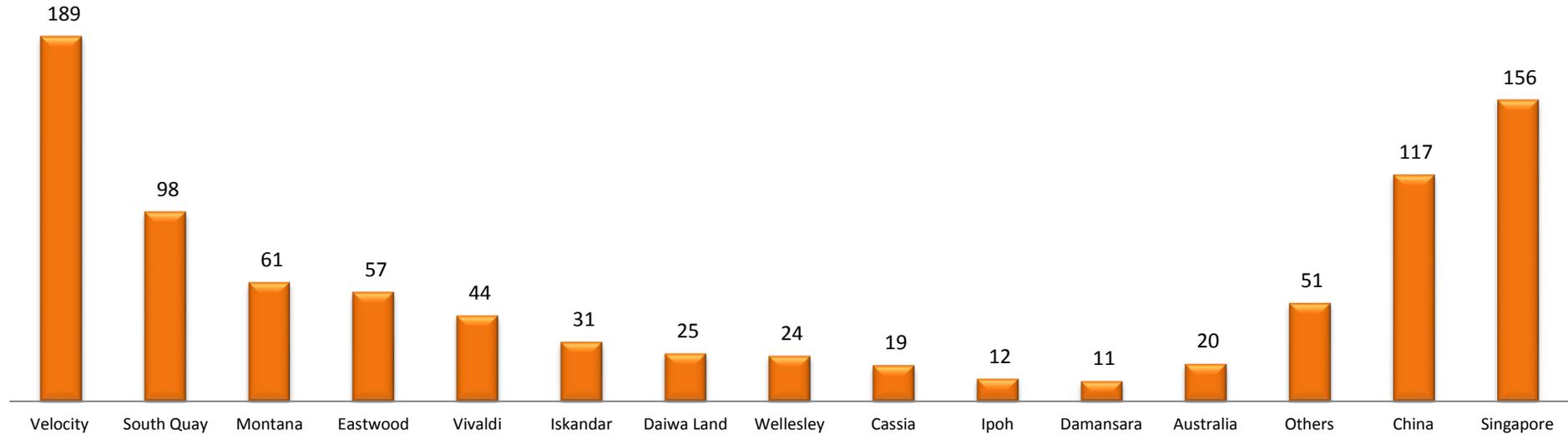
Sales as at 31 December 2015



Sales as at Dec 2015 is RM1.2 billion



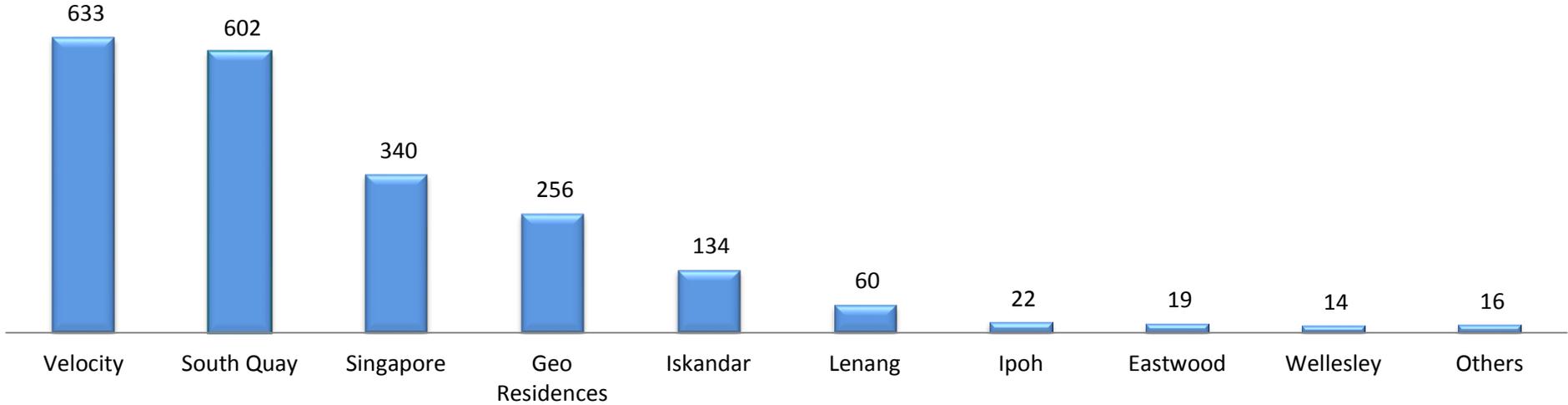
Effective Sales as at Dec 2015 is RM912 million



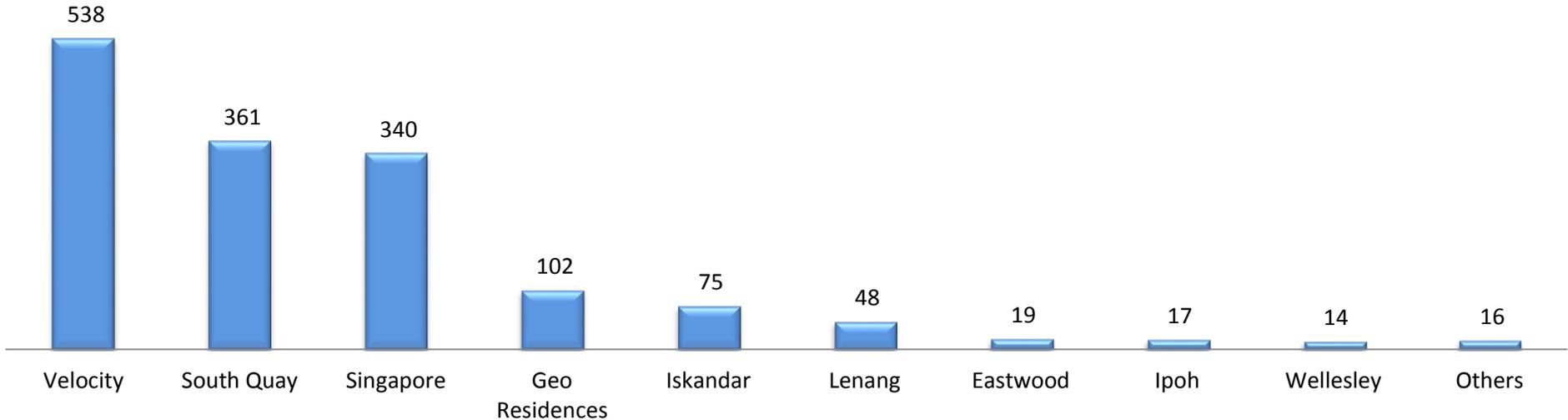
Unbilled Sales as at 31 December 2015



Unbilled Sales as at Dec 2015 is RM2.1 billion



Effective Unbilled Sales as at Dec 2015 is RM1.5 billion



Property Investment Segmental Review



	<u>Q4 2015</u>	<u>Q4 2014[^]</u>	<u>Q3 2015</u>	<u>YTD 2015</u>	<u>YTD 2014[^]</u>
Revenue (RM'mil)	185.4	160.4	172.2	641.7	594.4
Operating Profit (RM'mil)	101.0	182.2	39.6	213.5	260.1
Op. Profit Margin	54.5%	113.6%	23.0%	33.3%	43.8%
EBIT* (RM'mil) (incl. share of assc. & JCE)	130.9	207.8	67.0	427.6	417.1
EBIT Margin (incl. share of assc. & JCE)	70.6%	129.5%	38.9%	66.6%	70.2%

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

[^] Based on audited figures

Review of Performance

- Yoy, revenue is higher due to higher occupancy at Sunway Pinnacle and Sunway Putra Hotel.
- Qoq, revenue is higher due to higher revenue from the leisure and hospitality divisions during the year end holidays.
- Yoy, operating profit and EBIT was lower due to a lower fair value gain on investment properties of RM55.6 mil in 2015 compared to RM138.8 mil in the same quarter last year.
- QOQ, operating profit and EBIT are higher due to the fair value gains from investment properties during the quarter.

Construction Segmental Review

	<u>Q4 2015</u>	<u>Q4 2014[^]</u>	<u>Q3 2015</u>	<u>YTD 2015</u>	<u>YTD 2014[^]</u>
Revenue (RM'mil)	405.9	208.5	196.8	1,222.1	1,481.5
Operating Profit (RM'mil)	26.8	47.9	23.4	159.0	126.4
Op. Profit Margin	6.6%	23.0%	11.9%	13.0%	8.5%
EBIT (RM'mil) (incl. share of assc. & JCE)	26.8	48.3	23.4	157.9	129.2
EBIT Margin (incl. share of assc. & JCE)	6.6%	23.2%	11.9%	12.9%	8.7%

[^] Based on audited figures

Review of Performance

- Yoy and Qoq, revenue was higher due to lower elimination of intra-group construction revenue. Revenue in Q4 2015 was largely from Putrajaya Parcel F, MRT and LRT projects, Coastal Highway Southern Link, Sunway Pyramid Phase 3 and Sunway Velocity Mall.
- Yoy and Qoq, operating profit and EBIT margins were lower due to normalization of the profit margin in the current quarter, as some of the infrastructure projects with higher margins were completed earlier.

Construction Order Book – RM3.7 billion

	Contract Sum RM'mil	O/S Order Book RM'mil
Infrastructure		
MRT Package V4 (Sec 17 to Semantan)	1,173	320
LRT Kelana Jaya Line Extension (Package B)	569	41
Johor		
Urban Wellness Centre	283	15
Coastal Highway Southern Link	170	99
Others		
Putrajaya Parcel F	1,610	1,382
KLCC NEC	304	199
KLCC Package 2 (Piling & Substructure)	222	129
KLCC Package 2A (Substructure)	120	111
Others	84	31
Internal		
Sunway Velocity 2 Mall	350	102
Sunway Geo Retail Shops & Flexi Suites	153	93
Sunway Medical Centre Phase 3 (Sub & Superstructure)	167	118
Sunway Iskandar - Citrine Svc Apt (Sub & Superstructure)	213	128
Sunway Geo Retail Shops & Flexi Suites Phase 2	244	222
Sunway Lenang Phase 1A	96	53
Sunway Iskandar - Emerald Residences	175	137
Others	615	69
Singapore		
Precast	848	416
	7,394	3,664

64%

25%

11%



MRT Package V4



Afiniti Urban Wellness Centre

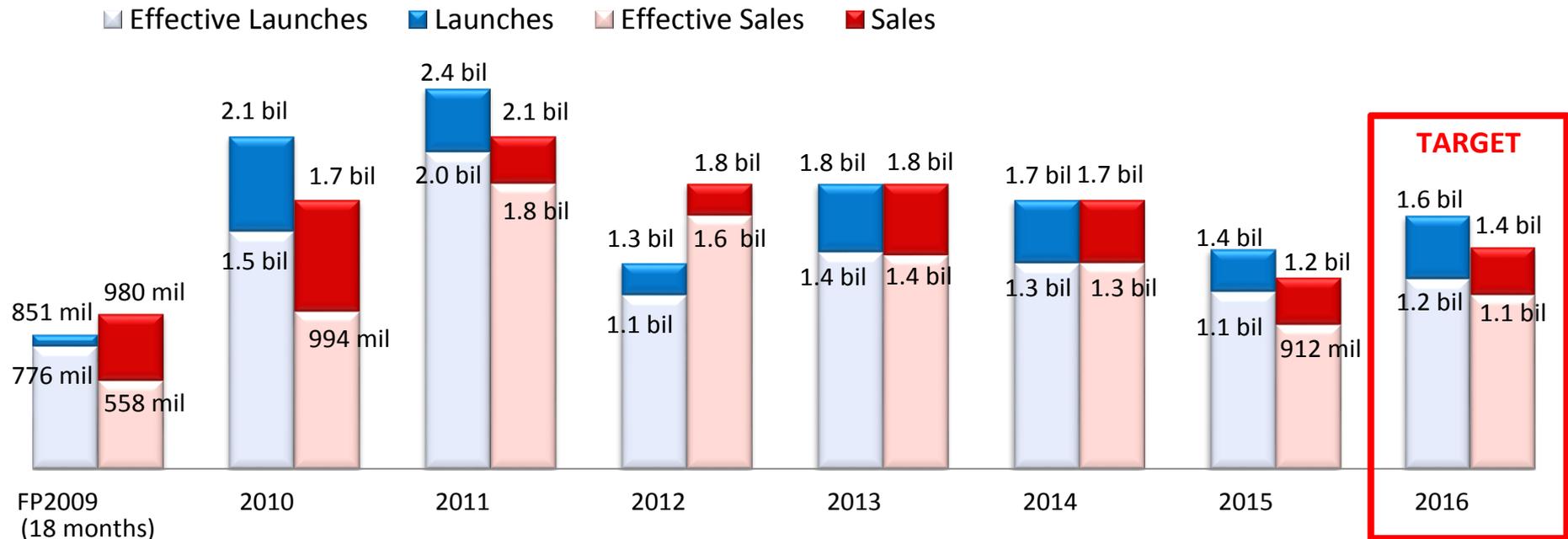


Sunway Iskandar – Citrine Svc Apt

Projects	Contract Sum (RM mil)
Sunway Geo Retail Shops & Flexi Suites Phase 2	244
Sunway Lenang Phase 1A	96
Sunway Iskandar -Emerald Residence	175
Putrajaya Parcel F	1,610
KLCC Package 2A (Substructure)	120
Precast	317
Others	50
Total	2,611

Project	Product Type	Location	Stake	GDV RM'mil
Mount Sophia	Low rise condominium	Singapore	100%	600
Emerald Residence & Emerald Boulevard 88	Landed residential & Retail shops	Sunway Iskandar	56%	430
Cassia	Semi-D	Batu Maung, Penang	100%	80
Velocity	Office & Retail	Jalan Peel, KL	85%	130
Sunway Gardens	Condominium	Tianjin, China	60%	150
			TOTAL	1,390

Launches and Sales Trend



2016 List of Launches

Project	Location	Type	GDV (RM'mil)
Sunway Gandaria	Bangi	Retail & Service Apartment	200
Sunway Geo Residences 3	South Quay	Condominium & Townhouses	400
Casa Kiara 3	Mont Kiara	Condominium	200
Velocity	Jalan Peel	Offices	200
Lost World Apartments	Ipoh	Service Apartment	100
Sunway Iskandar	Iskandar	Landed Residences	400
Others			100
TOTAL			1,600

Thank You

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Next quarter announcement on 27 May 2016

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