



1st Quarter Ended 31 March 2016 Results

20 May 2016

Scope



1 Group financials

2 Operations review

SECTION 1

● Group financials





Consolidated income statement summary

- ❑ The Group registered revenue of RM1.05 billion for 1Q16, 3% below the previous year corresponding quarter. Higher revenue were recorded by Automotive, Fertilizers Trading, Credit Financing and Building Materials Divisions but was offset by lower revenue from Plantation and Property Divisions.
- ❑ The Group operating profit of RM221.3 million was 13% higher than the corresponding period last year with higher profits from Automotive, Fertilizers Trading and Credit Financing Divisions and the gains on disposal of land.

(RM' Million)	1Q16	1Q15	Change
Revenue	1,051.5	1,080.5	-3%
Gross profit ¹	233.5	272.1	-14%
EBITDA	246.6	214.2	15%
Operating profit ²	221.3	196.1	13%
Finance expenses	(33.8)	(24.1)	41%
Profit before tax	186.3	169.3	10%
Taxation	(38.0)	(46.0)	-17%
Profit after tax	148.3	123.3	20%
Attributable to MI	8.1	12.4	-35%
Attributable to shareholders	140.2	110.9	26%
EPS (sen)	6.45	5.18	25%

Note:

1. Includes share of Inverfin's PBIT

2. Includes Interest Income, Share of Inverfin's PBIT by Property Division and share of associate and JV's PAT by Hafary



Group segment results

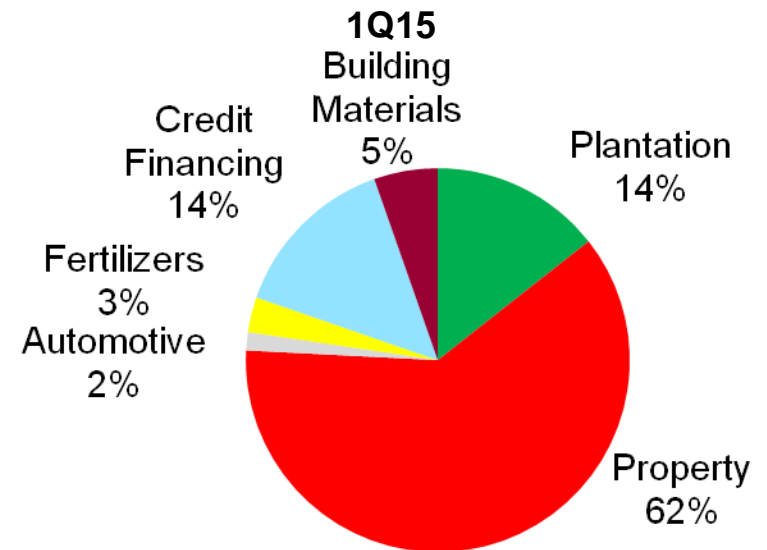
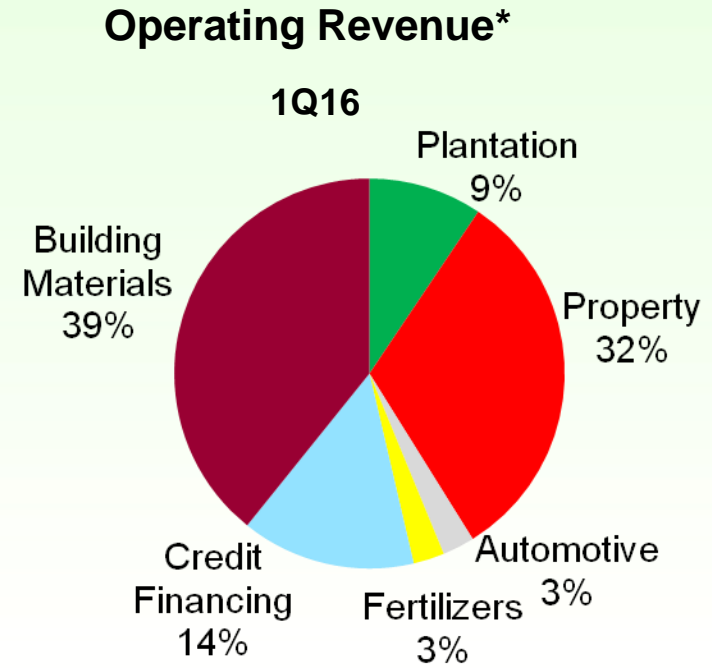
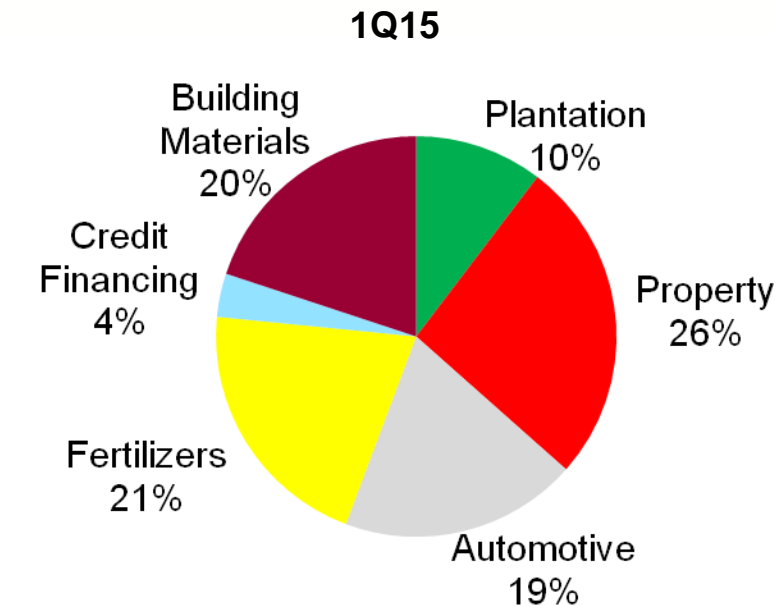
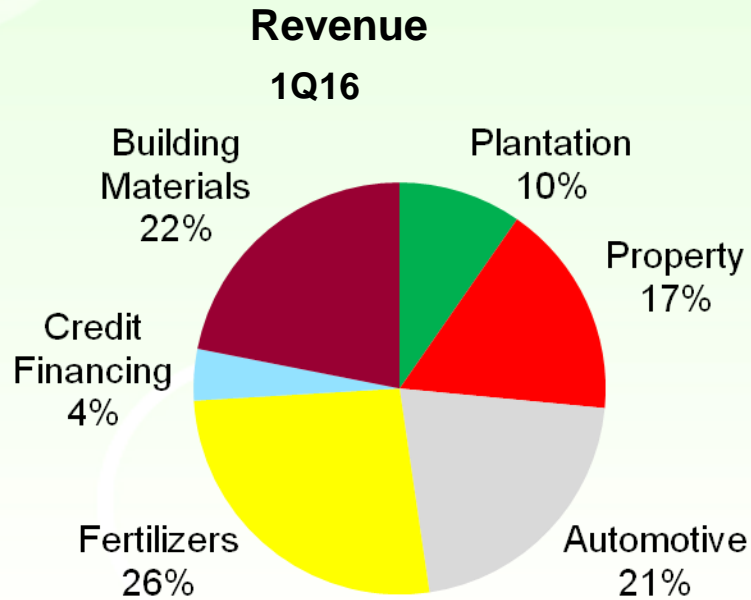
(RM' Million)	REVENUE			OPERATING PROFIT		
	1Q16	1Q15	Change	1Q16	1Q15	Change
Plantation	104.2	113.8	-8%	23.6	29.8	- 21%
Property	182.0	288.7	-37%	79.7 ¹	127.4 ¹	- 37%
Automotive	228.3	211.1	8%	6.7	3.2	>100%
Fertilizer Trading	284.7	229.6	24%	6.5	6.1	6%
Credit Financing	43.5	38.7	12%	36.3	29.7	22%
Building Materials	236.4	219.4	8%	98.5 ²	11.1 ²	>100%
	1,079.1	1,101.3	-2%	251.3	207.3	21%
Consolidation adjustments & others	-27.6	-20.8		-30.0	-11.2	
Group	1,051.5	1,080.5	-3%	221.3	196.1	13%

Note:

1. Includes share of Inverfin's PBIT from Menara Citibank
2. Includes share of associate and JV's results by Hafary



Group segment results



SECTION 2

● Operations review

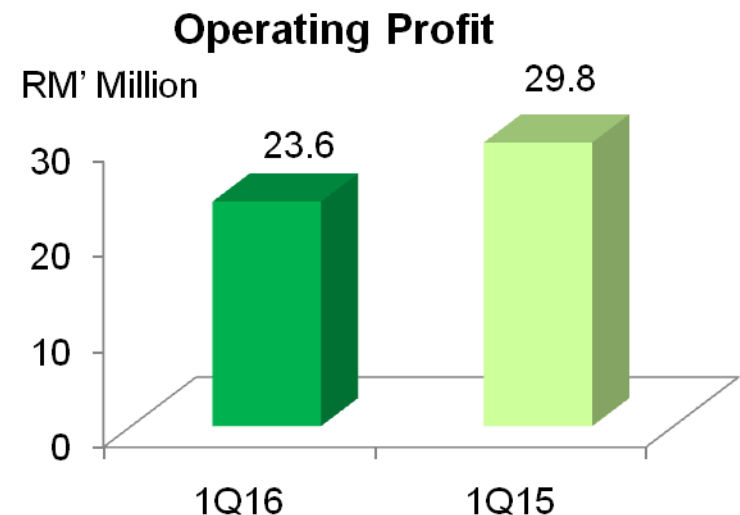
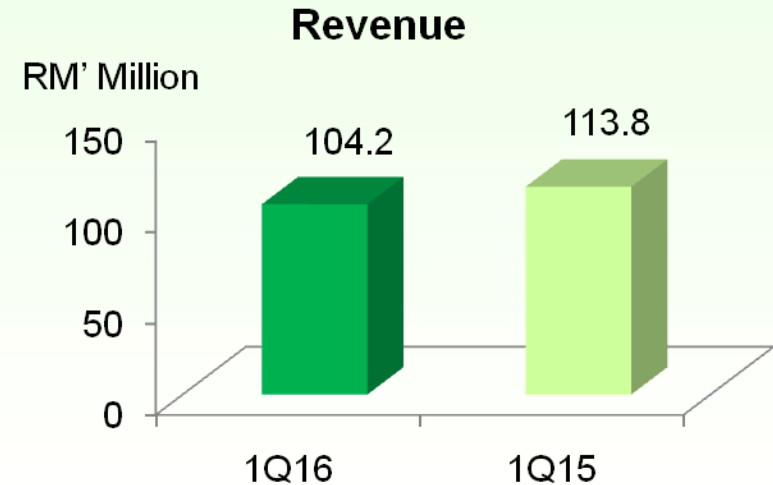




Plantation

Higher price realization mitigated lower FFB yield

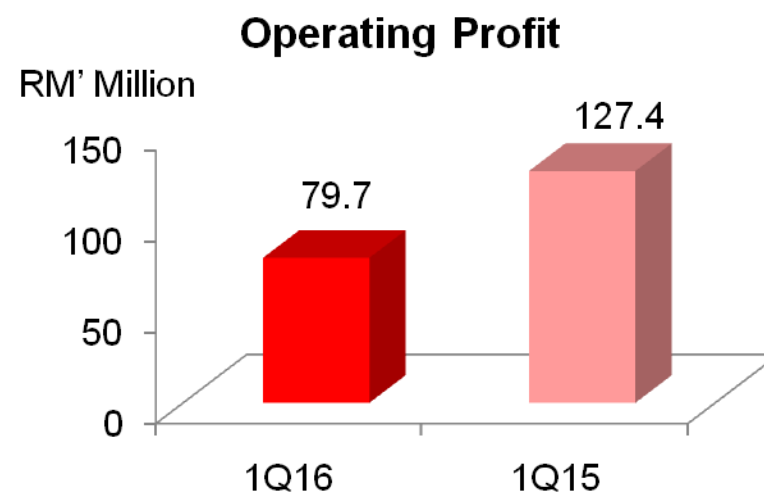
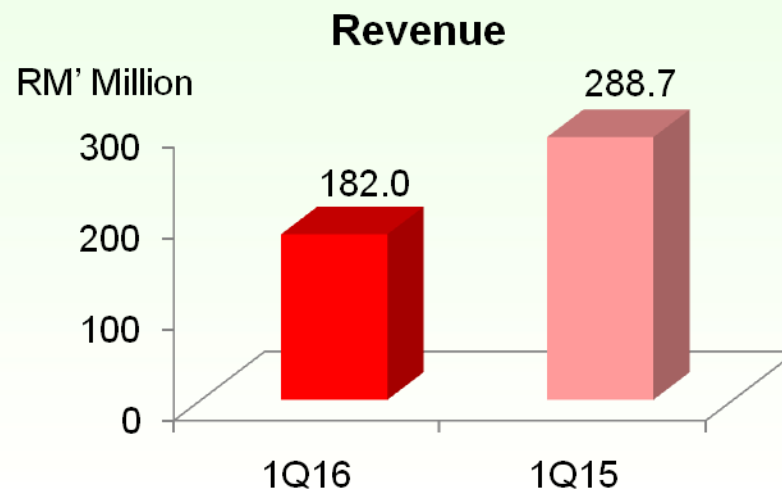
- ❑ Division's results for the quarter were affected by lower sales volume and higher unit production costs, mitigated by higher average price realization.
- ❑ Sales volume for 1Q16 was at 37,041mt (-12%) for CPO and 6,978mt (-19%) for PK, affected by lower FFB production volume.
- ❑ Average price realization of CPO and PK for 1Q16 were higher than last year at RM2,375/mt (1Q15: RM2,216/mt) and RM2,029/mt (1Q15: RM1,801/mt) respectively.
- ❑ Unit production costs were higher at RM1,498/mt for 1Q16 (1Q15: RM1,192/mt) mainly due to lower CPO production volume arising from lower FFB yield.
- ❑ Oil yield for 1Q16 was at 0.85mt/ha (1Q15:1.09mt/ha) due to lower FFB yield of 3.84mt/ha (1Q15:4.95mt/ha), mitigated by higher oil extraction rate of 22.07% (1Q15:21.95%).





Results affected by lower project revenue

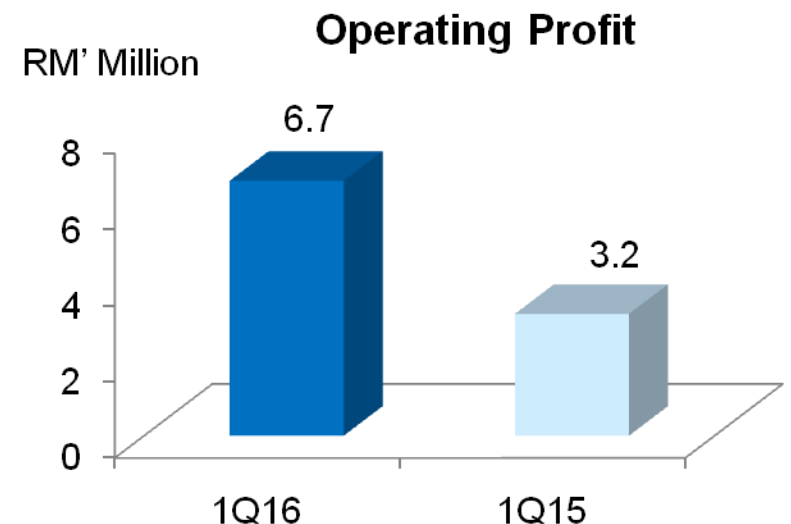
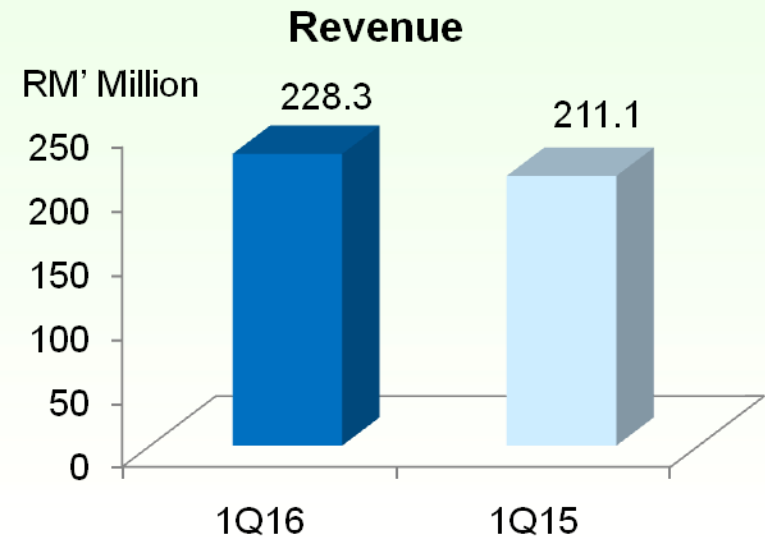
- ❑ The Division's results for the quarter were lower than last year as the previous year corresponding quarter benefitted from higher contributions from Horizon Residence and D'Alpinia projects in Peninsular Malaysia and Bandar Sri Indah project in Sabah.
- ❑ Investment properties particularly Menara Hap Seng and Menara Citibank continued to enjoy good occupancy and rental rates.
- ❑ Take up rate for Menara Hap Seng 2 and Plaza Shell have exceeded 70% and 85% respectively.
- ❑ New development projects planned for launches in 2016:
 - ✓ In Peninsular Malaysia - Aria KLCC, mixed residential and commercial development in Balakong and commercial development in Puchong.
 - ✓ In Sabah - various affordable apartments and landed residential properties projects in Kota Kinabalu, Tawau, Lahad Datu and Sandakan including Kingfisher Inanam and Kingfisher Putatan apartments in Kota Kinabalu.





Continued growth from passenger vehicles and after sales segments

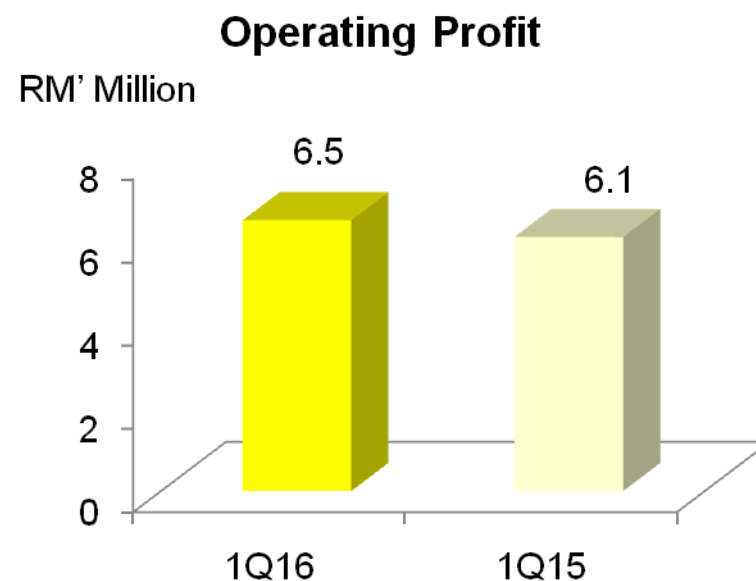
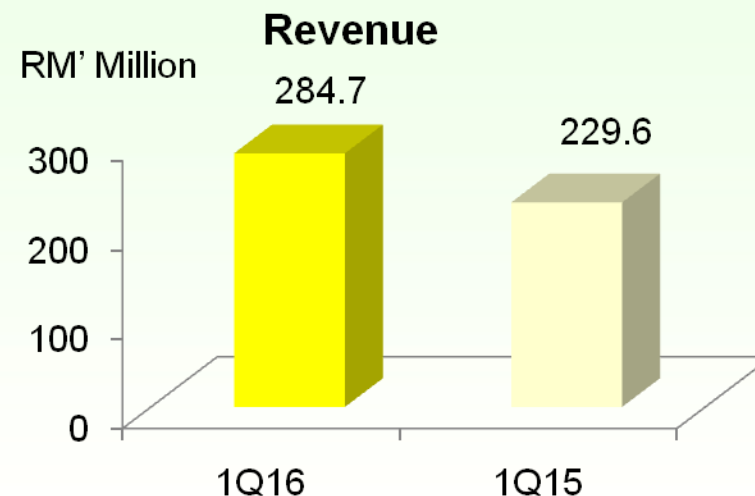
- ❑ The Division continued to record good results for 1Q16 with higher revenue and margin from passenger vehicles and higher revenue from after sales segment.
 - ✓ Passenger vehicle (“PV”) sales volume for the quarter increased by 44% to 833 units, driven by sales of new models.
 - ✓ After sales segment recorded revenue increase of 35% on the back of higher throughput.
- ❑ Order book remains strong particularly for the new C-Class, E-Class, S-Class and GLC models.
- ❑ Recently launch the KL Jalan Ipoh Autohaus, the first Mercedes-Benz City Service in Malaysia.





Results supported by higher revenue from Malaysian and Indonesian operations

- ❑ The Division's revenue for the quarter at RM284.7 million was 24% higher than 1Q15 with both the Malaysian and Indonesian operations registering higher sales volume and selling price.
- ❑ The Division operating profits for the quarter benefitted from improved results from the Indonesian operations. However in the Malaysian operations, operating profit for the quarter was affected by foreign exchange loss and compressed margin.

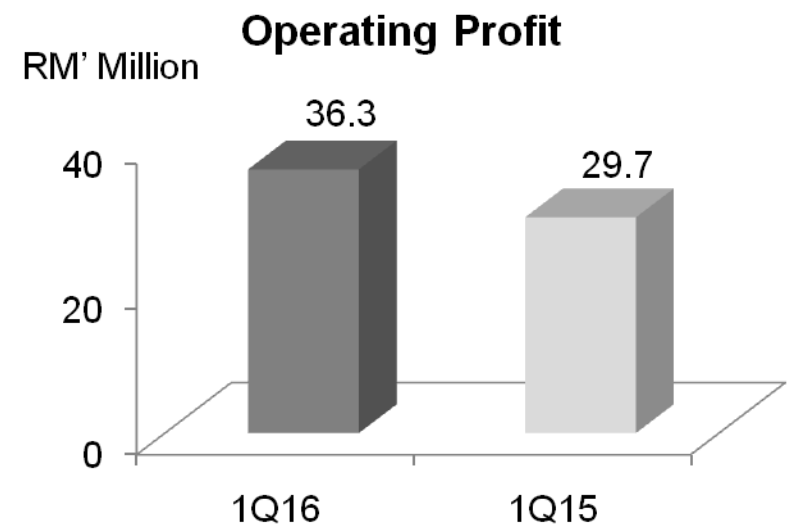
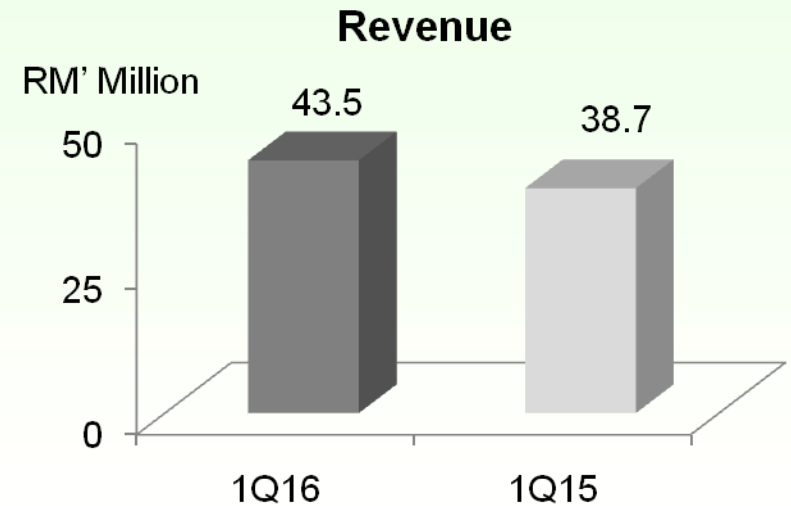




Credit financing

Consistent growth in loan base and earnings

- ❑ The Division continues to record growth in its revenue and operating profit with 12% and 22% increase over the corresponding period respectively supported by higher loan base.
- ❑ As at end of March 2016, loan base was at RM2.34 billion, 7% higher than corresponding period loan base of RM2.19 billion.
- ❑ West Malaysia accounted for 85% of the total loans whilst East Malaysia accounted for 15%.
- ❑ NPL ratio was at 1.83% as at end of 1Q16 as compared to 0.96% at the corresponding period last year.

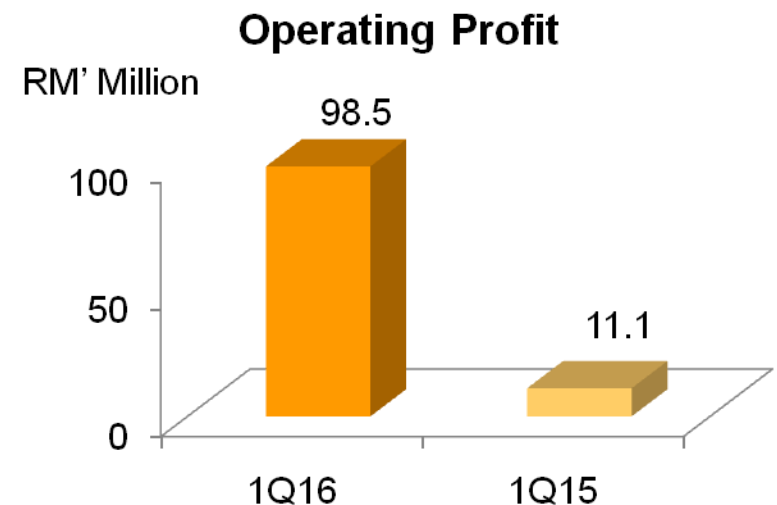
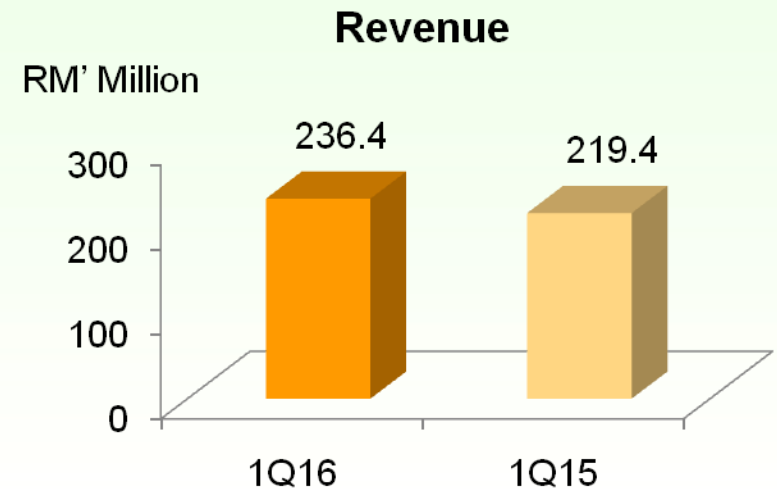




Building Materials

Results affected by competitive pricing and soft market demand

- ❑ The Building Materials Division comprising quarry, asphalts, bricks and trading of building materials businesses recorded revenue of RM236.4 million for the quarter, 8% above the previous year corresponding quarter.
- ❑ Trading of building materials businesses in Malaysia and Singapore recording higher revenue.
- ❑ However, the quarry, asphalts and bricks operations were affected by lower revenue and compressed margin due to competitive pricing amid soft market demand arising from the slow down in development projects.
- ❑ Nonetheless, higher operating profit was recorded for the quarter, benefitted from the gain on disposal of certain parcels of land.



Thank You



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