

MEDIA RELEASE

PARAMOUNT'S KDU EDUCATION GROUP SHOWING STEADY GROWTH *Raised perpetual bonds for future plans.*

Contact:
Chris Tay
Corporate Affairs Director
Paramount Corporation Berhad
D: +603 - 7712 3360
E: ctay@pcb.com.my

Petaling Jaya, Thursday, February 28, 2013:-

Paramount Corporation Berhad (PCB) had a year of mixed performances; with its KDU Education Group showing steady growth for the financial year ended 31st December 2012, mitigating the lower contribution from the Group's property division.

This is the snapshot of the education and property development company's 2012 unaudited financial results for the year ended 31 December 2012, which were released earlier today.

Analysis by Business Segment	Revenue				Profit before tax			
	2012 RM'000	2011 RM'000	+/- RM'000	%	2012 RM'000	2011 RM'000	+/- RM'000	%
Property development	207,128	247,141	(40,013)	-16%	54,576	83,144	(28,568)	-34%
Construction	221,071	230,242	(9,171)	-4%	519	4,668	(4,149)	-89%
Education	110,482	99,766	10,716	11%	28,323	24,144	4,179	17%
Investment & others	215,159	35,092	180,067	513%	182,172	5,661	176,511	3118%
	753,840	612,241	141,599	23%	265,590	117,617	147,973	126%
Inter-segment elimination	(303,792)	(138,397)	(165,395)	120%	(189,343)	(7,267)	(182,076)	2506%
	450,048	473,844	(23,796)	-5%	76,247	110,350	(34,103)	-31%

Announcing the results, PCB Group Chief Executive Officer, Chan Say Yeong said group revenue declined 5% year-on-year, from RM473.8 million in 2011, to RM450.0 million in 2012, mainly as a result of a number of delays in project rollouts.

However, PCB's education business, under the KDU Education Group, showed positive revenue growth, with revenue growing from RM99.8 million in 2011 to RM110.5 million in 2012, on the back of steady increases.

Group profit before tax (PBT) declined 31%, from RM110.4 million in 2011, to RM76.2 million in 2012. RM55.1 million of the year's PBT was from the property & construction

division, while RM28.3 million was from the education division. The Company is proposing to pay a 5.0 sen single-tier final dividend in June 2013, subject to shareholders' approval.

Commenting on the results, Mr. Chan said "2012 was a good year for the KDU Education Group, with its private & international schools under the Sri KDU® brand, in particular, doing exceptionally well.

"This is a very strong indication that the discerning Klang Valley market is responding well to our curriculum at primary and secondary levels, and supports our vision of making the Sri KDU® brand a nationwide offering.

"The success, we feel, stems from us being able to consistently deliver on our promise of good quality education at great value, while staying true to our ethos of creating students with Malaysian hearts and global minds. The successes of the past few years have spurred us to make plans for expansion of the Sri KDU® network" he said.

Explaining the softening of the overall property business' revenue, Mr. Chan added, "2012 was a year of groundwork for our property business; we had some delays in the rollout of our projects in Cyberjaya and Glenmarie, but used the opportunity to fine-tune our products to ensure we have two distinct and unique developments that will capture the market's attention. As a result, the Group's *Sejati Residences* in Cyberjaya, soft-launched at the end of last year, had been well received."

"The more significant benefit of our efforts to refine our product development can be seen in our Glenmarie *Utropolis* project, which will be launched in first half of this year. Even before launch, we have received an overwhelming response from potential purchasers."

He added, "We are also seeing strong interest in the SOHO units and retail centre at *Utropolis*, good indicators for the future success of this 21-acre development. Since *Utropolis* will also be home to our flagship KDU University College campus which will be in operation from 2015, we see this as a significant achievement, and a reflection of the transformation that PCB is undergoing," said Mr. Chan.

"For PCB, 2012 was a year of planning, strategizing and putting in place the building blocks for sustained growth in years to come, and the start of a new strategic masterplan for the group. We have comprehensive plans for both our property development and education businesses" he said.

Detailing the group's future plans, Mr. Chan said, "Our plan for property development is to move aggressively into integrated developments, while maintaining our leadership position in township development."

PCB recently signed a Private Debt Securities (PDS) Program to raise RM200 Million perpetual bonds – a first for a Malaysian non-Government-linked company. The bonds will be classified as equity as they have no maturity date. The funds, Mr. Chan said, would be used to buy land for PCB's development projects and to invest in PCB's education business.

"There is a lot of potential to grow our business. We are building a huge war chest for future business expansion," Mr. Chan added.

Dato' Teo Chiang Quan, Deputy Executive Chairman of PCB, commented, "In education, we want to cement our 30-year track record for high quality education at great value, while continuing to be one of the very few education groups offering the full spectrum of education – from primary and secondary, national and international, to pre-university, tertiary and post-graduate studies. The KDU Education Group celebrates its 30th anniversary this year, and we'll be using the opportunity to rejuvenate our offering, especially at the college and university college level.

"At PCB, we are old hands, young hearts – we're experienced, we're embracing change and innovation, and we're consistently working at becoming better, more efficient at what we do. And 2012 helped us lay a strong foundation for that" concluded Dato' Teo.

About Paramount Corporation Berhad

Paramount Corporation Berhad (PCB), a company listed on Bursa Malaysia, is one of Malaysia's most established investment companies, with diverse interests and strong positions in property development and education services.

*PCB's **Paramount Property Development Group** is an award-winning developer with a 35-year proven track record for building highly-valued and enduring addresses in the Klang Valley and Sg Petani. PCB develops townships, high-rises, luxury residences as well as industrial and integrated developments. In January 2013, Paramount unveiled its plans for the master-planned university township of Utropolis in Glenmarie, Shah Alam, marking the first time PCB's property and education business had come together in one location. Utropolis will be the site of the new purpose-built KDU University College main campus.*

***The KDU Education Group** is the education arm of PCB and is a fully-integrated education services provider, offering national and international curriculum primary and secondary schools, through to undergraduate and post-graduate, as well as executive and professional development programmes. The Group includes the reputable Sri KDU[®] School, KDU College in Penang and KDU University College, a pioneer in Pre-U and twinning programmes with campuses in Damansara Jaya and Petaling Jaya. The Group celebrates its 30th anniversary this year, and is proud to have had 70,000 students since its inception, some of whom include corporate leaders, entrepreneurs and celebrities around the globe.*

-ends-

Issued by: **ALL ABOUT BRANDS SDN BHD**

On behalf of: **PARAMOUNT CORPORATION BERHAD**

For further information, please contact:

Sue D'Cruz, Principal Consultant, ALL ABOUT BRANDS SDN BHD | 019 321 3607

Yap Bee Lee, Consultant, ALL ABOUT BRANDS SDN BHD | 012 303 0163