

Unaudited 9M2016 Results

23 November 2016

3Q2016 & 9M2016 Results

3Q2016 vs 3Q2015 Financial Results

		3Q2016	3Q2015	+/-	%
Revenue	RM'Mil	134.8	147.7	(12.9)	-9%
Profit before tax	RM'Mil	21.7	23.2	(1.5)	-6%
EBITDA	RM'Mil	29.6	30.3	(0.7)	-2%
Profit net of tax	RM'Mil	16.3	17.1	(0.8)	-5%
Profit attributable to ordinary equity holders of the company	RM'Mil	11.2	15.5	(4.3)	-28%
Earnings per share	Sen	2.64	3.68	(1.04)	-28%
Dividend per share	Sen	0.00	0.00	0.00	0%

Group revenue decreased by 9% due to lower contribution from the Property Division offset by the marginally higher contribution from the Education Division.

As a result of the lower revenue, Group PBT decreased by 6%.

9M2016 vs 9M2015 Financial Results

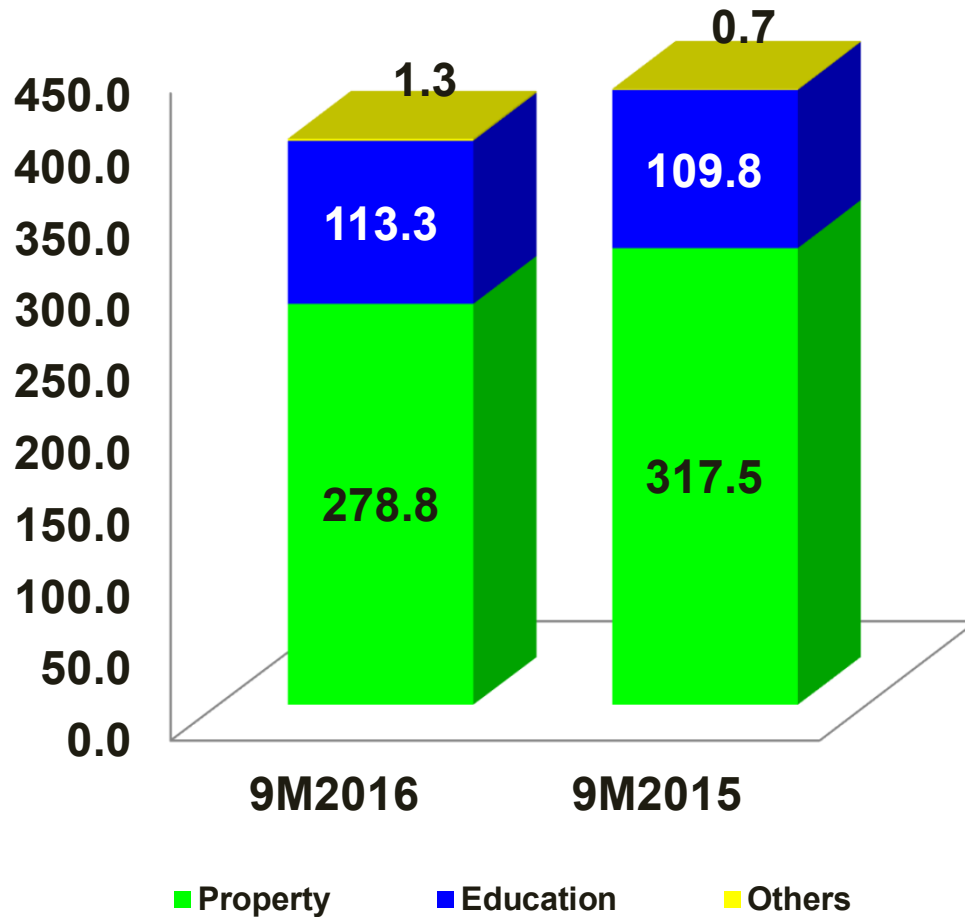
		9M2016	9M2015	+/-	%
Revenue	RM'Mil	393.4	428.0	(34.6)	-8%
Profit before tax	RM'Mil	74.7	79.0	(4.3)	-5%
EBITDA	RM'Mil	95.5	99.0	(3.5)	-4%
Profit net of tax	RM'Mil	56.8	57.7	(0.9)	-2%
Profit attributable to ordinary equity holders of the company	RM'Mil	44.8	52.8	(8.0)	-15%
Earnings per share	Sen	10.59	12.50	(1.91)	-15%
Dividend per share	Sen	2.50	2.50	0.00	0%
Net asset per share	RM	2.13	2.07	0.06	3%
Shareholders' funds	RM'Mil	900.8	874.0	26.8	3%
ROE	%	5.0	6.2	(1.2)	-19%
Gearing ratio	Times	0.52	0.48	0.04	8%

Group revenue decreased by 8% due to lower contribution from the Property Division, offset by the marginally higher contribution from the Education Division.

Group PBT decreased marginally by 5%.

Revenue

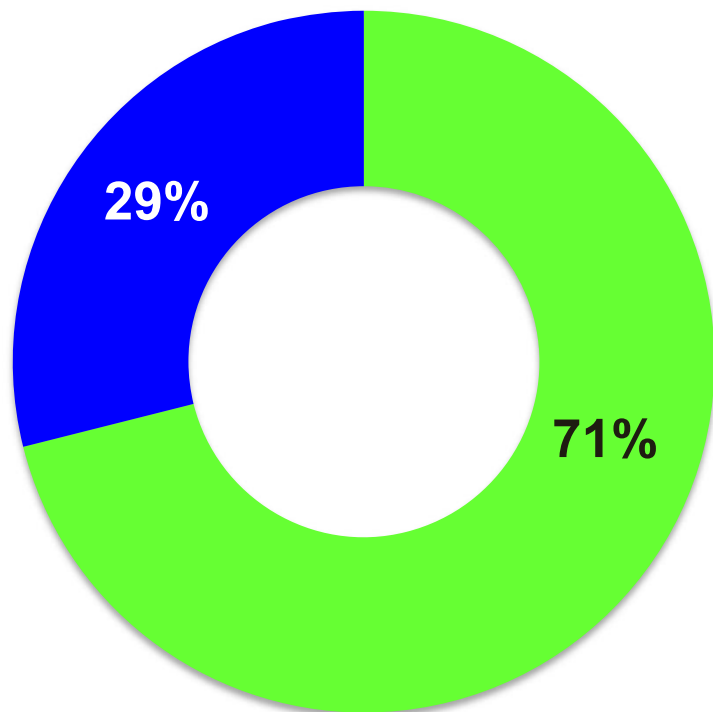
Revenue By Division (RM'Million)



<p>Property Division</p>	<p>Revenue decreased by 12% due to: “ Lower sales and progressive billings from the Utropolis and Sekitar26 Business developments.</p>
<p>Education Division</p>	<p>Revenue increased marginally by 3% due to higher student population at KDU University College in Utropolis.</p>

Revenue - Contribution By Division

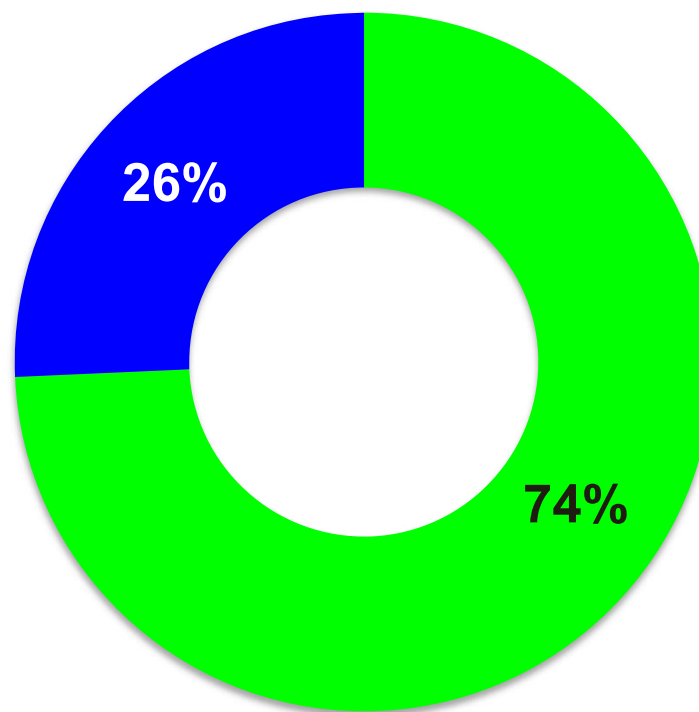
9M2016 Revenue



■ Property

■ Education

9M2015 Revenue

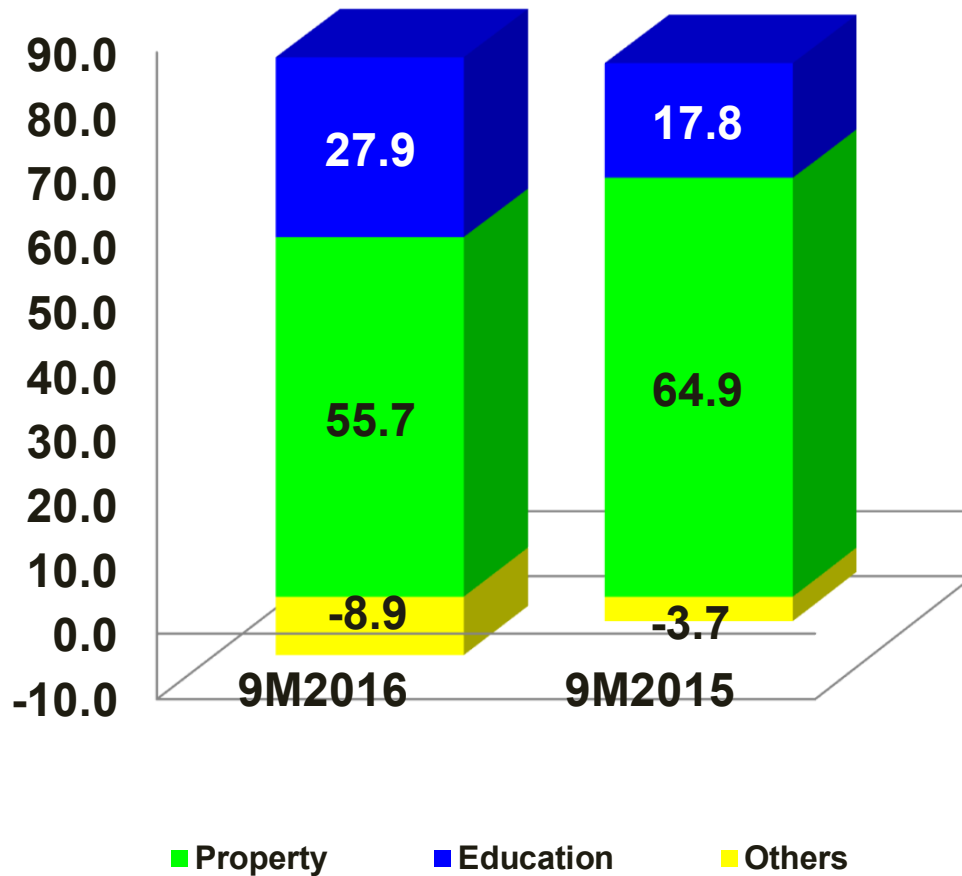


■ Property

■ Education

PBT

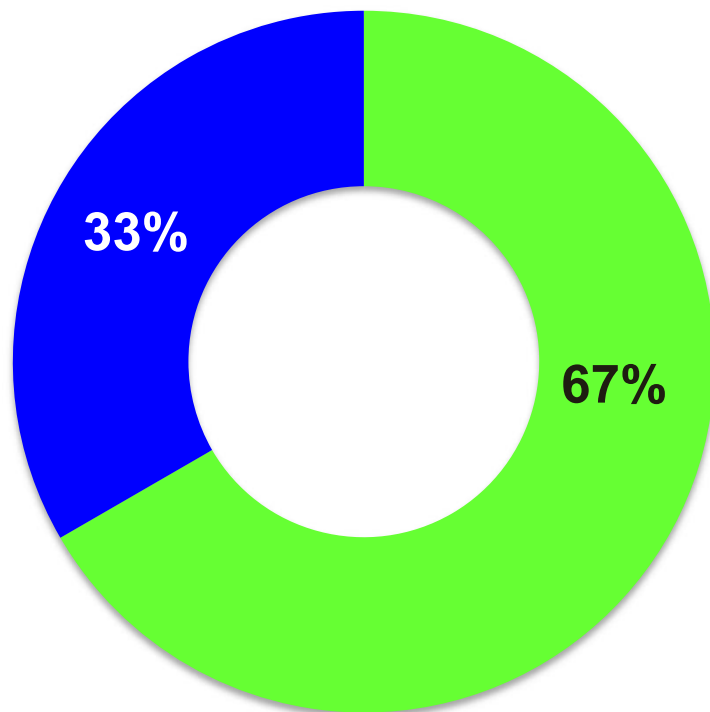
PBT By Division (RM'Million)



Property Division	As a result of the lower revenue, PBT decreased by 14%.
Education Division	<p>PBT increased by 57% due to:</p> <ul style="list-style-type: none"> “ Gain of RM8.7 million on the disposal of student accommodation apartments “ Higher PBT from Sri KDU primary and secondary schools “ Lower losses from KDU University College in Utropolis.

PBT – Contribution By Division

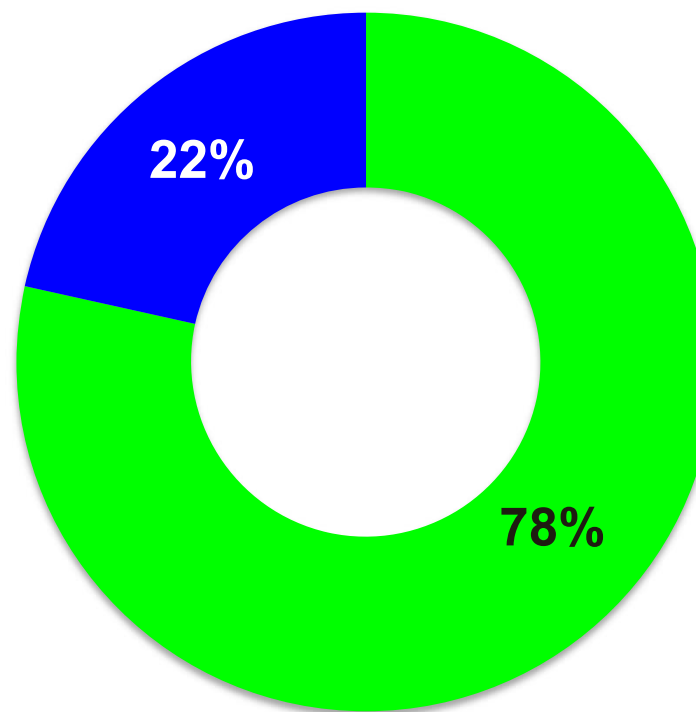
9M2016 PBT



■ Property

■ Education

9M2015 PBT



■ Property

■ Education

Statement of Financial Position

RM'000	30/9/2016	31/12/2015
Non-current assets	1,518,709	1,479,919
Current assets	405,036	450,304
Total assets	1,923,745	1,930,223
Current liabilities	372,446	377,484
Net current assets	32,590	72,820
Non-current liabilities	450,710	462,116
Total liabilities	823,156	839,600
Total equity	1,100,589	1,090,623
Total equity and liabilities	1,923,745	1,930,223

Debt/Equity Ratio

	30/9/2016	31/12/2015
	RM'Mil	RM'Mil
Borrowings	577.1	549.6
Cash & bank balances	70.5	149.6
Total equity*	1,100.6	1,090.6
	30/9/2016	31/12/2015
Gross D/E ratio	0.52	0.50
Net D/E ratio	0.46	0.37

*Included Private Debt Securities of RM200 million

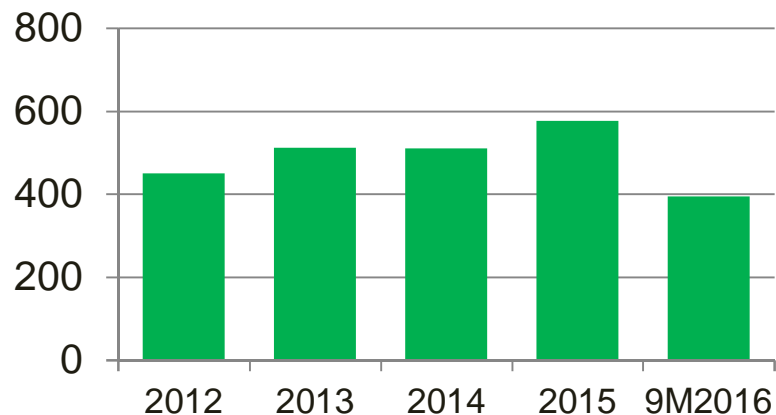
Gross D/E Ratio = Total Borrowings/Total Equity

Net D/E Ratio = (Total Borrowings-Cash & Bank Balances)/Total Equity

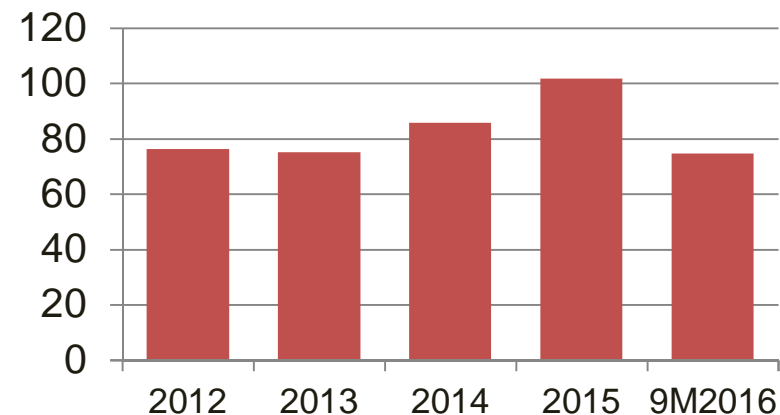
5-Year Financial Highlights

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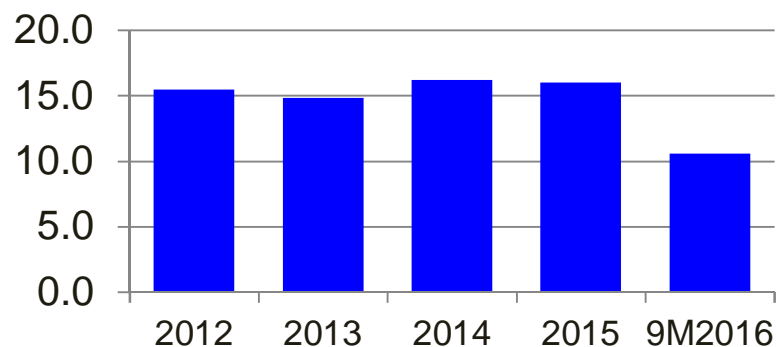
Revenue (RM'Mil)



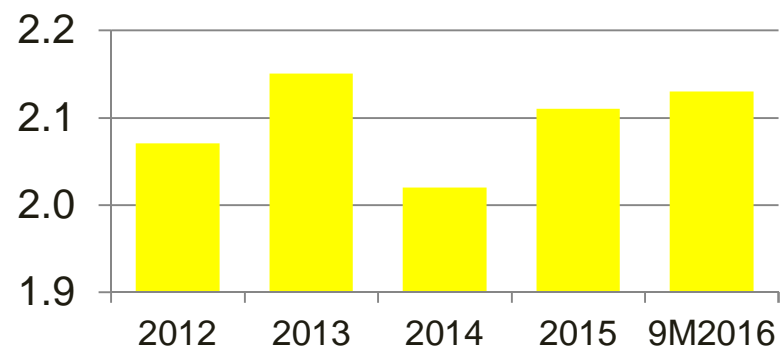
PBT (RM'Mil)



Earnings Per Share (Sen)

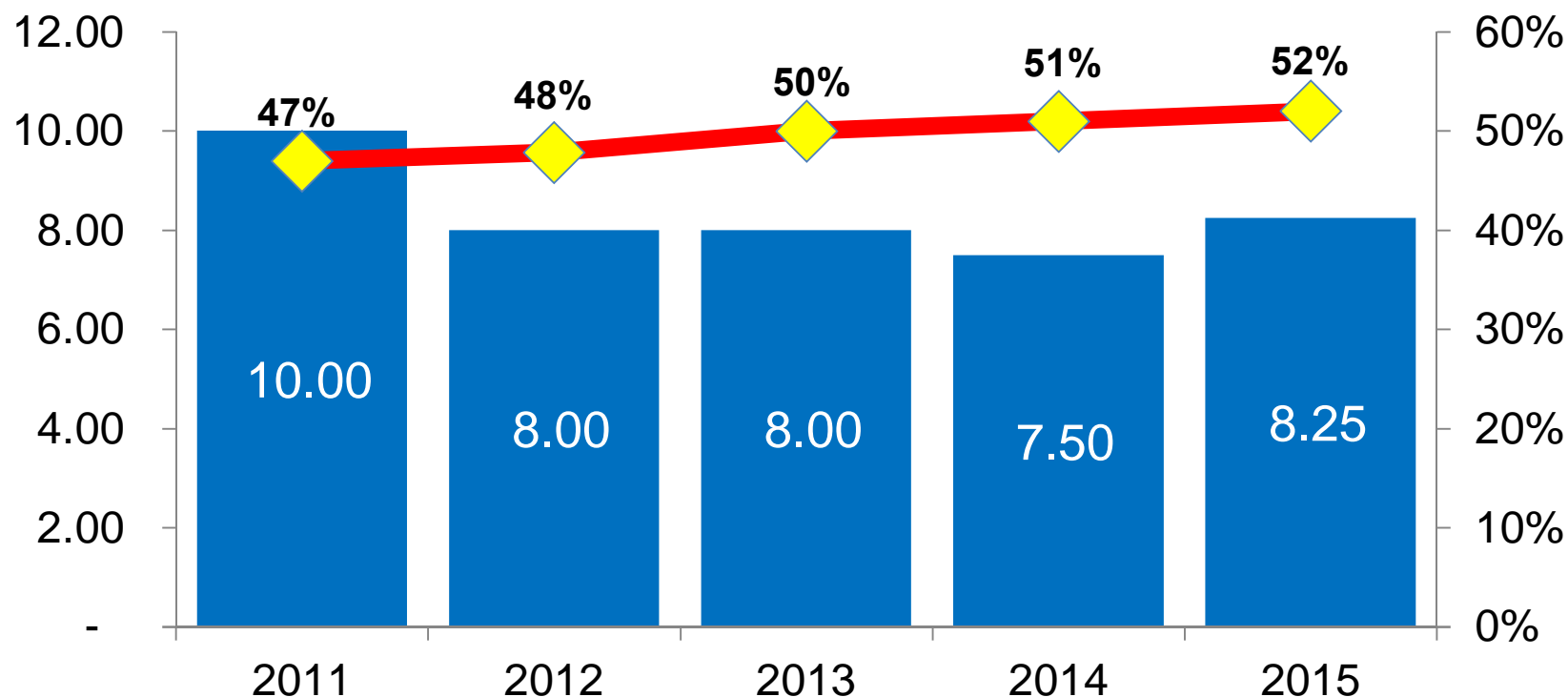


Net Assets Per Share (RM)



5-Year Financial Highlights

Gross Dividend Per Share (sen) and Payout Ratio (%)



An interim dividend of 2.50 sen per share was paid on 28 September 2016 for the financial year ending 31 December 2016.

9M2016 Highlights

9M2016 Highlights

Property Division

- “ Good sales momentum for 2Q2016 continuing into 3Q2016. Sale of 88 units with a GDV of RM81 million vs 73 units with a GDV of RM76 million for 2Q2016;
- “ Property sales of 244 units with a total sales value of RM211 million was recorded for 9M2016;
- “ Locked-in sales of RM327 million as at 30 September 2016.

Education Division

- “ Higher student number at KDU UC and KDU College PJ contributed to the higher revenue;
- “ Gains from sale of student accommodation apartments boosted PBT;
- “ Better performance from Sri KDU and KDU UC.

Total landbank & GDV

Total Landbank & GDV

Project	Original Land Size (Acre)	Remaining GDV (Million)	Development Period	
			Start	End
On going Developments				
Sekitar26 Business, Shah Alam	13.5	0	2013	2016
Paramount Utropolis, Glenmarie	11.8	274	2013	2023
Bandar Laguna Merbok, Sungai Petani	500	14	1996	2016
Bukit Banyan, Sungai Petani	520	800	2012	2027
Sejati Residences, Cyberjaya	50	888	2013	2021
Greenwoods, Salak Perdana	238	1,597	2015	2023
Total		3,573		

Total Landbank & GDV

Project	Land Size (Acre)	GDV (Million)	Development Period	
			Start	End
Projects in the Pipeline				
Section 13, Petaling Jaya	5.2	701	2016	2020
Jalan Goh Hock Huat, Klang	29.16	1,052	2016	2026
Batu Kawan, Penang	20	1,368	2016	2026
Machang Bubuk, Penang	65	395	2017	2025
Future Projects				
Lots 7&9, Kota Damansara*	9.4	870		
Sekitar26, Shah Alam	16.8	364		
Total		4,750		
Grand Total		8,323		

Prospect for 2016

Prospects

- “ The Group remains cautiously optimistic about its performance for the rest of the year. There are positive signs with demand in good locations remaining steady while demand for mid-priced and affordable homes has increased. Commercial and industrial properties are also seeing an increase in demand as astute investors seek long term income-generating assets.
- “ Prospects for the Property division are expected to hold steady on the back of good sales momentum for 2Q2016 continuing into 3Q2016. The recent launch of 196 units of retail lots in Utropolis Batu Kawan Penang with a GDV of RM162 million saw a take up rate of 95 units with a gross development value (GDV) of RM80 million. Other planned launches for the Group’s commercial developments - Sekitar26 Enterprise commercial shophots (GDV: RM117 million) and Greenwoods Salak Perdana shophouses (GDV: RM30 million) are expected to meet with favourable demand.
- “ These will be complemented by the launch of several residential developments to maintain the Group’s business strategy of having an array of products at different price points and locations. These include Sejati Residences semi-detached units in Cyberjaya (GDV RM77 million), as well as more attractively priced bungalows, semi-detached, double storey link homes and shophots in Bukit Banyan, Sg Petani (GDV: RM122 million).
- “ Unbilled sales as at 30 September 2016 stood at RM327 million, on the back of 9M2016 sales of 244 units with a sales value of RM211million.
- “ The Education Division will continue to face challenges, as business remained very competitive and increasingly price-sensitive, especially in the tertiary segment where providers are offering promotions and discounts. Sri KDU’s excellent reputation, its strong value proposition, and its consistent enrolment, which is on track with budget, is expected to drive the performance of Paramount Education in 2016.
- “ Barring any unforeseen circumstances, the Group is expected to deliver a comparable set of results for 2016.

Disclaimer

Statement Regarding Unaudited Financial Information

The unaudited financial information set forth above is preliminary and subject to adjustments and modifications.

Disclaimer on Forward-Looking Statements

This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. All of these forward-looking statements are subject to risks and uncertainties that may change at any time, and, therefore, our actual results may differ materially from those we expected. We therefore caution against placing undue reliance on the forward-looking statements contained in this presentation, which are based on current view of management on future events.

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Thank You