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PRESS RELEASE

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Sime Darby Berhad Delivers Net Profit of RM1.3 billion for 4Q FY2012/2013

The Group's net profit of RM3.7 billion for the financial year ended 30 June 2013 exceeds its FY2012/2013 net profit key performance indicator

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Kuala Lumpur, 30 August 2013 – Sime Darby Berhad posted a pre-tax profit of RM1.2 billion and a net profit of RM1.3 billion for the fourth quarter ended 30 June 2013 (4Q FY2012/2013). The Group's pre-tax profit declined by 14 percent whilst the Group's net profit rose by 19 percent, compared to the corresponding quarter of the previous financial year.

The Group registered a lower pre-tax profit for 4Q FY2012/2013 due to lower profit contributions from the Plantation, Motors and Energy & Utilities Divisions. However, these lower contributions were mitigated by stronger performances of the Property and Industrial Divisions. The Group's net profit for 4Q FY2012/2013 included the gain of RM340 million on the partial disposal of the Group's interest in the Healthcare business. The gain on disposal was registered following the completion of the establishment of Ramsay Sime Darby Health Care Sdn Bhd, a joint-venture with a wholly owned subsidiary of Ramsay Health Care Ltd, on 30 June 2013.

For the financial year ended 30 June 2013 (FY2012/2013), the Group recorded a pre-tax profit of RM4.5 billion and a net profit of RM3.7 billion. The Group's pre-tax profit and net profit for FY2012/2013 declined by 22 percent and 11 percent respectively, compared to the previous financial year.

The Group's net profit of RM3.7 billion exceeded its FY2012/2013 net profit Key Performance Indicator (KPI) of RM3.2 billion by 16 percent. Return on Average Shareholders' Fund at 14 percent for FY2012/2013 was 2 percent higher than the KPI target of 12 percent.

Commenting on the overall performance of the Group, Sime Darby's President and Group Chief Executive, Tan Sri Dato' Mohd Bakke Salleh said, "The difficult global economic environment tested our mettle over and over again throughout the financial year. It is the strength and diversity of our global portfolio that enabled us to protect the core earnings base of the Group and face the worst of the challenges. The Group's financial performance, which has again, exceeded our KPI targets, justifies our efforts over the past several years to streamline our portfolio by focusing on the high value core businesses and disposing non-core and low yielding assets."

"The Group is currently in a strong position to continue delivering growth from our platform of large market leading global businesses to realize the long-term targets that we had set for ourselves back in 2011. I am pleased to report that despite the economic conditions we face, Sime Darby is on track to achieve our targets." said Mohd Bakke. "Going forward, we remain steadfast in our efforts to expand profit pools through organic growth via improved operating efficiencies, while continuing to explore other growth opportunities that fit the Group's strategic targets."

4Q FY2012/2013 versus 4Q FY2011/2012 (Year-on-Year Comparison)

In the period under review, the **Plantation Division's** profit before interest and tax (PBIT) declined to RM399.4 million, a decrease of 51 percent compared to RM807.2 million in the same period last year. The Division's PBIT declined due to the lower average crude palm oil (CPO) price realized of RM2,250 per metric tonne (MT) in 4Q FY2012/2013 against RM3,010 per MT in the previous corresponding period. The Division also saw a decline in fresh fruit bunch (FFB) yield by 11 percent to 4.30 MT per hectare (ha) in the quarter under review following the onset of tree stress after a strong yield performance for the first 9 months of the financial year. On the other hand, the oil extraction rate (OER) increased by 0.26 percent to 21.86 percent, a sustainable year-on-year (YoY) improvement for 4 consecutive quarters. Notwithstanding the lower FFB yield for 4Q FY2012/2013, the Division's FFB yield for the 12-month period rose by 4.76 percent YoY to 21.52 MT per ha attributable to continuous yield enhancement initiatives and best agro-management practices.

The midstream and downstream operations posted a PBIT of RM64.6 million in 4Q FY2012/2013 compared to RM3.0 million in the previous corresponding period. The strong performance and the twenty-fold increase in PBIT for the 4Q was attributable to lower feedstock costs and better margins for downstream products and the write back of earlier provision for impairment.

The Division recorded a PBIT of RM2.0 billion for FY2012/2013 compared to RM3.2 billion in the same period last year, representing a decline of 37 percent over the preceding financial year. This was mainly attributable to the lower average CPO price realized of RM2,317 per MT against RM2,925 per MT in the previous financial year.

The **Industrial Division** registered a PBIT of RM369.7 million in the current quarter under review compared to RM365.6 million as a result of stronger performances in the Australasia, Malaysia and China operations. The PBIT of the Australasia operations rose by 4 percent due to the improvement in equipment sales to the mining sector while the Malaysia and China operations improved by 37 percent and 8 percent, respectively following an increase in construction activities in these markets. For FY2012/2013, the PBIT of the Division declined marginally by 4 percent to RM1.3 billion compared to RM1.35 billion in the last financial year.

The **Motors Division** recorded a PBIT of RM203.9 million in 4Q FY2012/2013 compared to RM240.6 million in the previous corresponding period, representing a decline of 15 percent. This was mainly attributable to the lower contributions from the Hong Kong, Singapore and Australia operations. The weaker showings from these three markets were mitigated by better performances from the Malaysia, China, Macau, New Zealand and Thailand operations. Nonetheless, the full year PBIT of the Division grew by 1 percent to RM711.4 million due to higher performances recorded for all regions, except Singapore, which was affected by weaker market sentiments and changes in government legislation.

The **Property Division** exceeded expectations by achieving a 98 percent growth in PBIT to RM301.5 million in 4Q FY2012/2013 compared to RM152.5 million in the same period last year. Higher sales contributions from various townships, including Denai Alam and Elmina East contributed to the strong results in the reporting period under review. The Division's latest property development project, City of Elmina which is located at the nexus of Guthrie Corridor and the other future development corridor in the west of Kuala Lumpur, recorded sales of up to RM188 million when all the 255 units of its double-storey link houses were sold.

The PBIT of the Property Division surged by 22 percent to RM571.5 million in FY2012/2013 compared to RM467.2 million in the last financial year. This was mainly due to the higher profit recognition from property development in Denai Alam, Bandar Bukit Raja, Taman Pasir Putih in Pasir Gudang, Johor and the new launches in Elmina East.

The **Energy & Utilities Division** posted a lower PBIT of RM40.2 million, a 26 percent decrease compared to RM54.6 million in the previous year's corresponding quarter. The PBIT of the power operations declined by 56 percent due to the provision for doubtful debts. This was mitigated by better profits from the China Utilities operations, which improved by 28 percent in the period under review. The improvement was mainly driven by the higher average tariff rate realized in the ports operations. The Division registered a lower PBIT of RM229.9 million for FY2012/2013, a 32 percent decline compared to RM335.4 million in the previous financial year, due to the recognition of the deferred revenue of RM99.4 million from its power plant in Malaysia in the previous year.

The **Healthcare Division's** PBIT for the period under review increased by 18 percent to RM9.4 million compared to RM8.0 in the same period last year. The improvement was mainly due to higher inpatient visits.

In line with the Group's five-year strategy blueprint to grow and strengthen its existing businesses, the Group had on 30 June 2013, completed the establishment of Ramsay Sime Darby Health Care Sdn Bhd (RSDHC), a joint-venture with a wholly owned subsidiary of Ramsay Health Care Ltd, to expand the healthcare business in Asia. The Group recognized a gain of RM340 million from the disposal of its 50 percent stake in Sime Darby Healthcare to RSDHC.

Outlook

The Group expects the global economic and business environment to remain volatile despite the signs of nascent economic recovery in the United States and Japan. Although the prospect for a recovery in CPO price in the coming financial year is more encouraging than it was at the beginning of 2013, the CPO price outlook is dependent on global demand and inventory considerations. In view of such challenges, the Group remains resolute in its focus on improving operational efficiency and growing each business as it seeks opportunities to streamline the portfolio of businesses to propel the Group towards achieving its short and long term strategic targets.

Dividend

The Group proposed a final dividend of 27 sen per share for FY2012/2013. Together with the earlier interim dividend of 7 sen per share, total dividend for the year is 34 sen per share.

About Sime Darby

Sime Darby is a Malaysia-based diversified multinational involved in key growth sectors, namely, plantations, property, motors, industrial equipment, energy & utilities and healthcare. Founded in 1910, its business divisions seek to create positive benefits in the economy, environment and society where it has a presence.

With a workforce of over 100,000 employees in over 20 countries, Sime Darby is committed to building a sustainable future for all its stakeholders. It is one of the largest companies on Bursa Malaysia with a market capitalization of RM56bn (USD17bn) as of 29 August 2013.