

PRESS RELEASE

For Immediate Release
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Sime Darby Berhad Q1 Net Profit Up 14 per cent to RM281 million

PETALING JAYA, 26 November 2020 – Sime Darby Berhad reported a net profit of RM281 million for the Group’s first quarter ended 30 September 2020 (Q1 FY2021), a 14.2 per cent increase from its first quarter ended 30 September 2019 (Q1 FY2020), on strong growth in the Group’s Motors division, particularly in China.

Revenue for the first quarter was up 14.8 per cent at RM10.9 billion, while profit before interest and tax (PBIT) was 17.6 per cent higher year-on-year (YoY) at RM447 million.

“Our solid first quarter results were fuelled by China’s economic recovery. Our operations in Greater China performed exceptionally, growing profits by more than 70 per cent for Motors and over 30 per cent for Industrial during the quarter. The Motors division staged a comeback, with most markets posting an increase in profits thanks to the easing of restrictions which facilitated consumer spending. However, we also saw the impact of lower coal prices in our Industrial division, with a cut back in mining operations translating to lower equipment deliveries and parts sales,” said Dato’ Jeffri Salim Davidson, Sime Darby Berhad’s Group Chief Executive Officer.

“While it is an encouraging start to FY2021, we are mindful of the ever-present risk of the resurgence of COVID-19 that could adversely impact the global economy and our prospects ahead. We remain focused on executing our strategies and managing efficiency in equal measure.”

The Industrial division’s PBIT decreased by 24.6 per cent YoY to RM196 million in the first quarter of FY2021, mainly due to lower equipment deliveries and parts sales in Australia following the decline in coal prices. China’s Industrial division continued to perform well and registered a 38.1 per cent increase in PBIT for the quarter, compared with its corresponding quarter in FY2020.

The Motors division’s PBIT increased by 66.4 per cent YoY to RM223 million in the first quarter of FY2021, with most countries registering higher profits. Profits from the Division’s China operations increased significantly by 78.1 per cent mainly due to resurgent vehicle sales.

The Logistics division continued to be under pressure, with port operations registering a decline in bulk cargo throughput of 36.5 per cent mainly due to stiff competition.

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About Sime Darby Berhad

Sime Darby Berhad is a partner of choice for the world's best brands in the Industrial and Motors sectors. We deliver sustainable value to our stakeholders through operational excellence, high performance standards and good corporate governance. Founded in 1910, Sime Darby Berhad today has a workforce of approximately 20,920 employees and a presence in 18 countries and territories across the Asia Pacific region. It is listed on the main market of Bursa Malaysia with a market capitalisation of RM16.32 billion (USD3.99 billion) as at 25 November 2020.

For more information, please visit <http://www.simedarby.com>.