

PRESS RELEASE

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For Immediate Release

S P Setia closes the year with respectable RM4.62billion sales for FY2014

Kuala Lumpur, 16 December 2014 – S P Setia Berhad today announced that the Group had achieved sales of RM922 million for the fourth quarter of FY2014 bringing the total sales of RM4.62 billion for the full financial year ended 31 October 2014. The international sales contributed RM1.80 billion towards the Group’s total sales and the local Malaysian market contributed a respectable achievement of RM2.82 billion sales.

Acting President and CEO Dato’ Voon Tin Yow said, “I am delighted to note that S P Setia’s sales performed well thanks to our strong and loyal customers who continue to believe in our brand. On the international front, S P Setia continues to obtain high brand acceptance among the locals in London, Melbourne and Singapore. As for Malaysia, we are confident that once the market stabilises, aggressive demands for properties will return as Malaysia is a young nation with a growing population.”

Ongoing projects which contributed to the profit and revenue achieved included Setia Alam and Setia Eco-Park in Shah Alam, Setia Ecohill in Semenyih, Setia Eco Glades in Cyberjaya, Setia Sky Residences at Jalan Tun Razak, KL Eco City at Jalan Bangsar, Aeropod in Kota Kinabalu, Bukit Indah, Setia Indah, Setia Tropika, Setia Eco Cascadia, Setia Business Park II, Setia Eco Gardens and Setia Sky 88 in Johor Bahru, Setia Pearl Island, Setia Vista, Setia Greens, Setia V Residences and Brook Residences in Penang and 18 Woodsville and Eco Sanctuary in Singapore.

The Group achieved a profit before taxation (PBT) of RM722.4 million on the back of revenue totalling RM3.8 billion. This represents a 10% increase in PBT and 17% increase in revenue as compared to the preceding year.

The slower rate of increase in PBT compared to the percentage increase in revenue is mainly due to a mismatch between initial expenses incurred and revenue recognition in the United Kingdom and Australia as revenue is recognised at a point in time when the construction of the assets are completed and handed over to the customers. It is also due to the Goods and Services Tax (GST) financial impact of RM6.8 million charged out in the current quarter which was recognised progressively since 2Q 2014.

The Group sales performance in FY2014 has grown the total unbilled billings to be carried forward to FY2015 to RM11.1 billion, which will contribute strongly to the Group's earnings and cash generation over the next few financial years.

“The Management's well thought out strategy in terms of products and locations diversification such as to venture globally has borne fruits and we will continue to strengthen our presence in the global cities in the likes of London and Melbourne. On the local front, we are cautiously optimistic that we will achieve satisfactory sales in the next year as we will focus our launches on specific product type such as mid-range homes to meet the current market demands and in land banks that have ready infrastructure and amenities such as Setia Alam and Setia Eco Park as well as projects like Setia EcoHill and Setia Eco Glades that have benefitted from new infrastructure projects such as the Klang Valley Mass Rapid Transit (KVMRT) project. The Group has set RM4.6 billion sales target for the next financial and we are confident we will be able to achieve the target. Some key projects that we will be launching next year will be Eco Templer in Rawang and EcoHill in Semenyih” Voon added.

S P Setia has proposed a gross final dividend of 5.7 sen per share and an interim dividend of 4 sen per share totalling 9.7 sen per share for the year representing a 60.5% pay out of its profit attributable to the owner of the company.

About S P Setia Berhad

Since its incorporation in 1974, S P Setia has been a household name in the property development industry. The Group is recognised as one of Malaysia's leading listed real estate players with a portfolio that encompasses townships, eco sanctuaries, luxury enclaves, high-rise residences, commercial and retail developments.

In 2013, S P Setia was ranked No.1 in The Edge Malaysia Top Property Developers Awards for the 8th time, the only developer to have achieved this feat since the inception of the awards.

S P Setia is also the only Malaysian developer to have received six FIABCI Prix d'Excellence Awards by the International Real Estate Federation (FIABCI) and eight FIABCI Malaysia Property Awards.

The Group is well-established in the three key economic centers of Malaysia, namely Klang Valley, Johor Bahru and Penang and also has a project in Sabah. Its international reach now includes five countries which are Vietnam, Australia, Singapore, China and the United Kingdom.

As of 31 October 2014, the Group has 30 ongoing projects, with an effective stake of 4,273 acres in undeveloped land bank remaining and RM73.6 billion in Gross Development Value.

For media enquiries, contact:

Adelene Wong

Head, Corporate Communications

S P Setia Berhad

T: +603 3348 2255 ext 2651

HP: +6012 2121 303

E: adelene.wong@spsetia.com

W: www.spsetia.com