



Press Release

9 November 2017

For Immediate Release

S P SETIA secured sales of RM2.82 billion for nine months of FY2017

SETIA ALAM: S P Setia Berhad today announced that the Group achieved sales of RM2.82 billion for the nine months of FY2017 ended 30 September 2017. Local projects contributed RM1.66 billion or 59% of the total sales while international projects contributed RM1.16 billion or 41% of the total sales. Revenue and Profit Before Tax for the financial period ending 30 Sept 2017 were recorded at RM2.58 billion and RM667.7 million respectively.

The sales secured locally were largely from the Central region with RM1.17 billion whereas Southern and Northern regions combined, contributed RM495.6 million. As for the international projects, *Sapphire By The Gardens* in Melbourne, Australia continued to outperform with a strong take-up rate of 83% amounting to RM871.7 million after only less than four months from the date of launch. The *Battersea Power Station* project located in the United Kingdom contributed an effective share of RM149.2 million whereas projects in Singapore and Vietnam contributed a total of RM89.4 million in sales.

“Notwithstanding the total sales achieved are within the set expectation, the local market remains subdued, and the underlying demand is only strong for selective products and locations. However, we are pleased to note that the demand in international markets has picked up, demonstrated by the higher current nine months sales which exceeded last year’s twelve months sales. In overall, we foresee a stronger contribution from our international projects for FY2017 and remain positive on achieving the sales target of RM4.00 billion for the current financial year,” said Dato’ Khor Chap Jen, President and CEO of S P Setia Berhad.

“October 2017 was a major milestone for S P Setia as the *Battersea Power Station* Phase 1 comprising 12 blocks, or 865 units were completed. Currently, more than 400 proud residents and tenants have already moved into one of Europe’s largest building sites. After more than 30

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years of being a relic, the footfall visibility has started to transform *the Battersea Power Station* site into a trendy and upscale address for residents, locals and tourists alike to enjoy a unique blend of restaurants, shops, parks and cultural spaces,” stated Dato’ Khor.

The constructions of Phase 2 and Phase 3a are on-going and are on target to be completed in year 2020 and 2021 respectively. As for the Northern Line Extension (“NLE”), the tunnelling is progressing well, and the excavation of the station and crossover box is also progressing as scheduled. Upon completion, the addition of the NLE is expected to further enhance the placemaking components and economically benefit the commercial activities in Battersea Power Station.

Moving forward into the remaining months of FY2017, the Group will focus more on the launches of mid-range landed properties in the Klang Valley. Given prevailing market sentiment, the Group is strategically repositioning the launch of its condominium project such as Setia Sky Seputeh (Tower B) and bringing forward the launches of more mid-priced range landed properties. In the fourth quarter of FY2017, the Group plans to launch projects with a combined GDV of RM2.03 billion and the notable launches are in Setia Alam, Setia Ecohill, Setia Eco Templer and KL Eco City. The Group remains resilient with its diversified range of new launches, and the strategy is to launch more of the landed properties in the Group’s flagship townships where the underlying demand by owner-occupiers are still favourable.

On 22nd June 2017, the Group entered into a Conditional Share Purchase Agreement to acquire I&P Group Sdn Berhad (“I&P Group”) for RM3.65 billion (“Proposed I&P Acquisition”), and in conjunction with the Proposed I&P Acquisition, the Group has also proposed a fund raising exercise to raise up to RM3.60 billion. Approval will be sought from the shareholders of the Company in an Extraordinary General Meeting scheduled on 16th November 2017.

The Proposed I&P Acquisition is expected to be completed in the fourth quarter of FY2017, and upon completion, I&P Group will become a wholly-owned subsidiary of the Company where the land banks of the enlarged Group will increase by 4,276 acres totalling to 9,660 acres; making S P Setia, Malaysia’s third largest property developer in terms of land bank size. In addition, the enlarged Group will also have further options to firmly roll out more products to meet the market demand.

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The Group's prospects for the rest of the year remain positive with total unbilled sales of RM7.05 billion, anchored by 31 ongoing projects and effective remaining land bank of 5,384 acres with a GDV of RM79.82 billion (not including I&P Group's land banks as at 30th September 2017). The planned pipeline of launches, the sustained momentum and the strong sales achieved to-date indicates that the Group is on its way to achieving the sales target of the current financial year.

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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.

S P Setia is the only Malaysian developer to have received seven FIABCI Prix d'Excellence Awards by the International Real Estate Federation (FIABCI) and nine FIABCI Malaysia Property Awards. In 2017, S P Setia was ranked No.1 in The Edge Malaysia Top Property Developers Awards for a record-breaking 10th time, the only developer to have achieved this feat since the inception of the awards. The Group has also received its 8th Aon Best Employer (Malaysia) award to date.

The Group is well-established in the three key economic centres 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 30 September 2017, the Group has 31 ongoing projects, with an effective remaining land banks of 5,384 acres valued at a Gross Development Value of RM79.82 billion and total unbilled sales of RM7.05 billion.

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