



SIME DARBY BERHAD

Tokyo Non-Deal Investor Roadshow

15th January 2019



Developing
Sustainable Futures



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Company overview

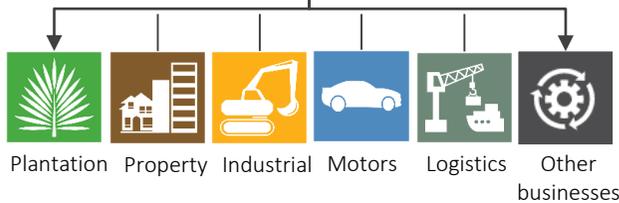
Sime Darby Berhad

A new beginning

Before Pure-Play

Shareholders

↓ 100%



After Pure-Play

Shareholders

↓ 100%



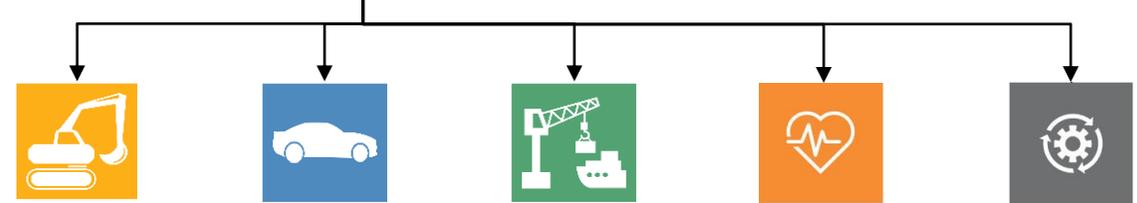
Shareholders

↓ 100%



Shareholders

↓ 100%



Industrial Motors Logistics Healthcare Other Businesses

Following the pure-play exercise in 2017, Sime Darby is now a **trading** company focused on **Industrial** and **Motors** with ambitions to grow **Healthcare**



Sime Darby Berhad

Leading trading company in APAC with strong partnerships with premium brands



One of the **largest** BMW dealers in the world



One of the **largest** CAT dealers globally



6 hospitals in Malaysia & Indonesia



4 ports in China

Logistics

FY18 Financial Snapshot



Revenue
RM33,828m



PBIT
RM1,074m



EBITDA
RM1,738m



PATAMI
RM618m



Total Assets
RM24,857m



Shareholders' Funds
RM14,370m

18 Countries & Territories⁽¹⁾

20,096 Employees⁽²⁾

● Motors ● Industrial ● Logistics ● Healthcare



(1) Geographical footprint defined as locations in which Sime Darby Berhad has assets or employees, and includes JV's operations (i.e. Ramsay Sime Darby Health Care operates in Indonesia); (2) As at September 2018. Excludes employees of Ramsay Sime Darby Healthcare

Business Overview

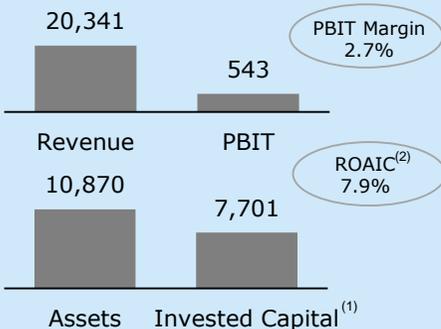
Diversified trading and logistics company; valuable healthcare component

Motors



- Retail, distribution and assembly businesses
- Presence in 10 countries & territories across APAC, over 40 years experience
- Represents 31 brands, ranging from luxury brands (e.g. BMW, Porsche, Rolls Royce) to mass market brands (e.g. Ford, Hyundai), as well as trucking names (e.g. Hino and Mack)
- BMW dealer since 1972 and is the second largest BMW dealer group globally

(FY18; RM m)

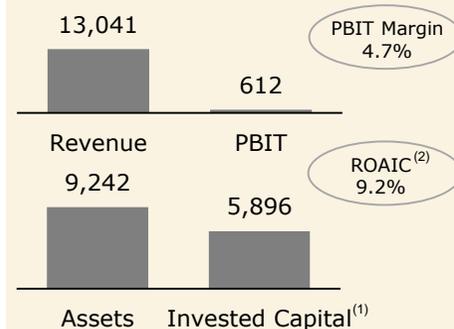


Industrial



- Comprehensive range of equipment and services, i.e., new and used machine and engine sales, rental and full range of product support services
- Network of more than 109 branches throughout APAC
- Balanced sectoral exposure in mining, construction, forestry, marine and energy
- Also provides comprehensive range of industrial solutions via Allied Brands and Energy Solutions
- CAT dealer since 1929 and is the third largest CAT dealer globally

(FY18; RM m)

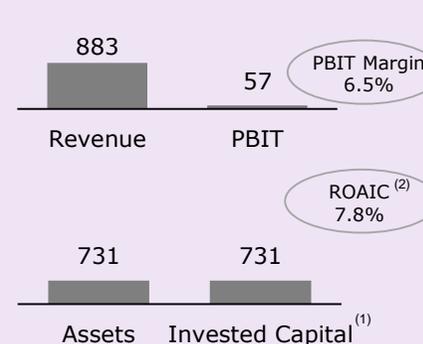


Healthcare



- 50:50 JV with Ramsay Healthcare for the management of hospitals and provision of healthcare services

(FY18; RM m)

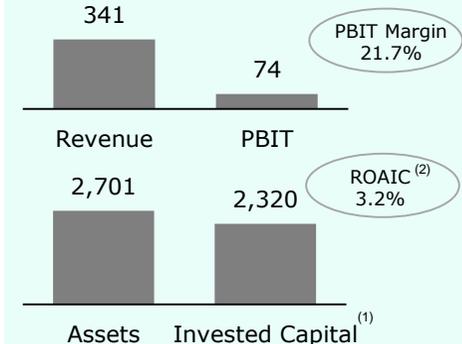


Logistics



- Ports and logistics in Shandong, Eastern China
- Entered Shandong in 2005 and is currently the largest multi-purpose port in Yellow Delta River, Shandong

(FY18; RM m)



Others



MALAYSIA VISION VALLEY

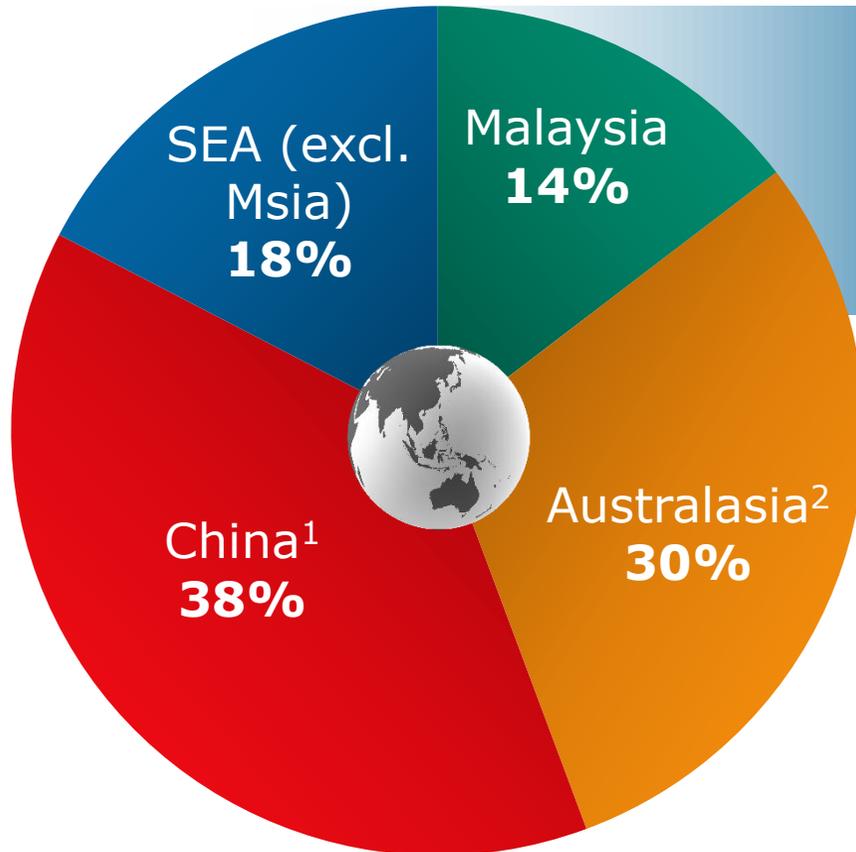


- 12% stake in Eastern & Oriental
- Own c.8,800 acres of land in the Malaysia Vision Valley region and 4 corporate towers in Ara Damansara
- 30% stake in Tesco Malaysia
- Provision of shared services to all Sime Darby pure plays
- Insurance broking services in Malaysia, Singapore, Hong Kong and Thailand

(1) Invested capital is total assets (excluding tax assets and intercompany balances) less operating liabilities (i.e. all liabilities except borrowings, intercompany balances, leases and tax liabilities) (2) ROAIC is PBIT divided by average invested capital

Sime Darby Berhad

FY2018 Revenue by Geography



Sime Darby is a regional MNC
whereby **85%** of revenue
comes from outside Malaysia



China is the **largest** region,
contributing **~40%** of our revenue



The **second largest** region is
Australia, contributing **~30%** of
our revenue, largely from the
mining industry

Notes:

1. China consists of China, Hong Kong, Macau & Taiwan
2. Australasia consists of Australia, New Caledonia, New Zealand, Papua New Guinea & Solomon Islands

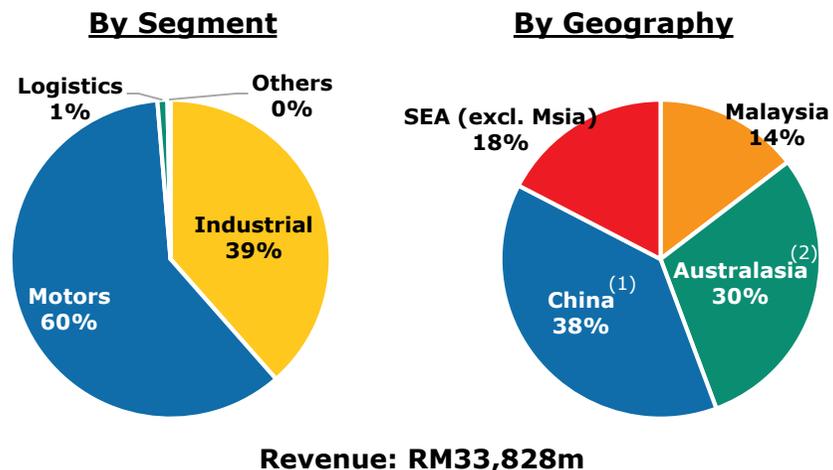


FY2018: Segmental Information

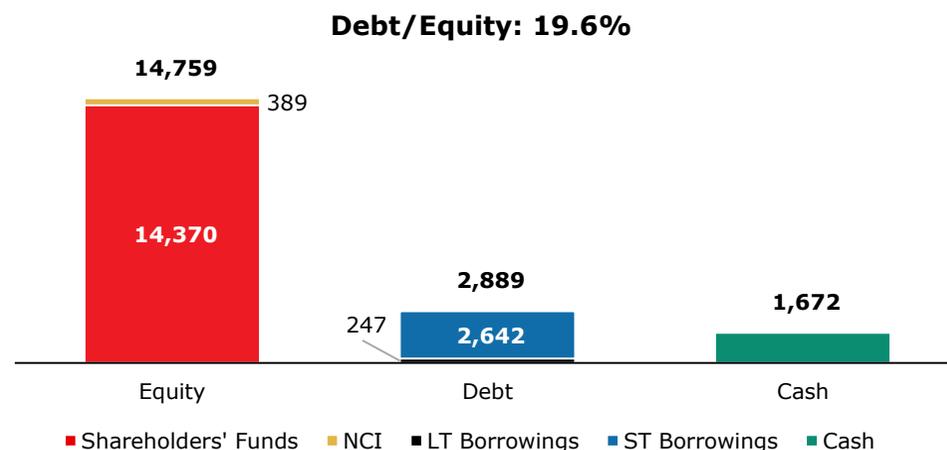
Diversified exposure across segments and geographies, low gearing for expansion

(FYE June 2018; RM mm)

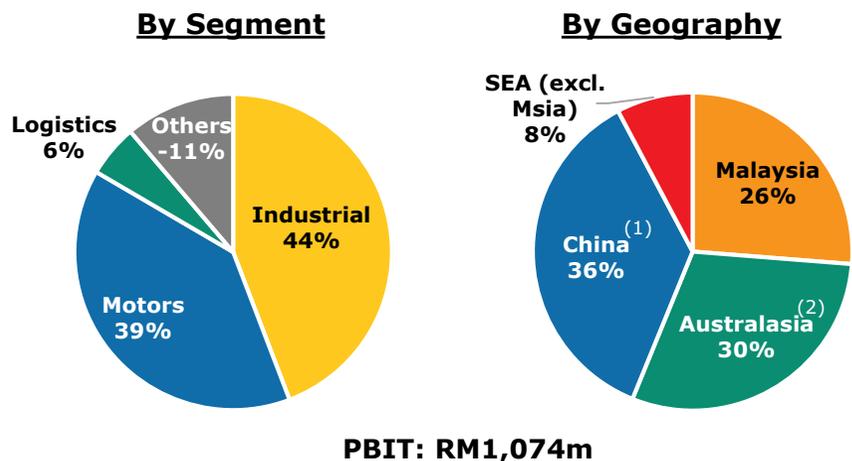
Total Revenue



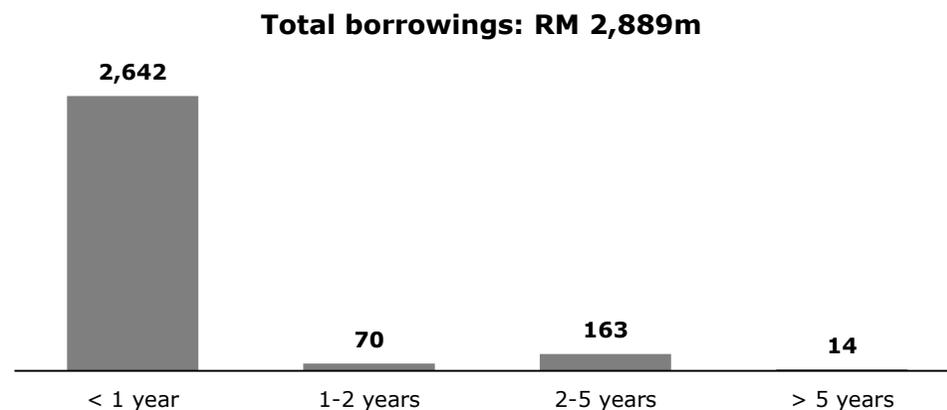
Capital Structure



Total PBIT



Total Borrowings (By maturity)

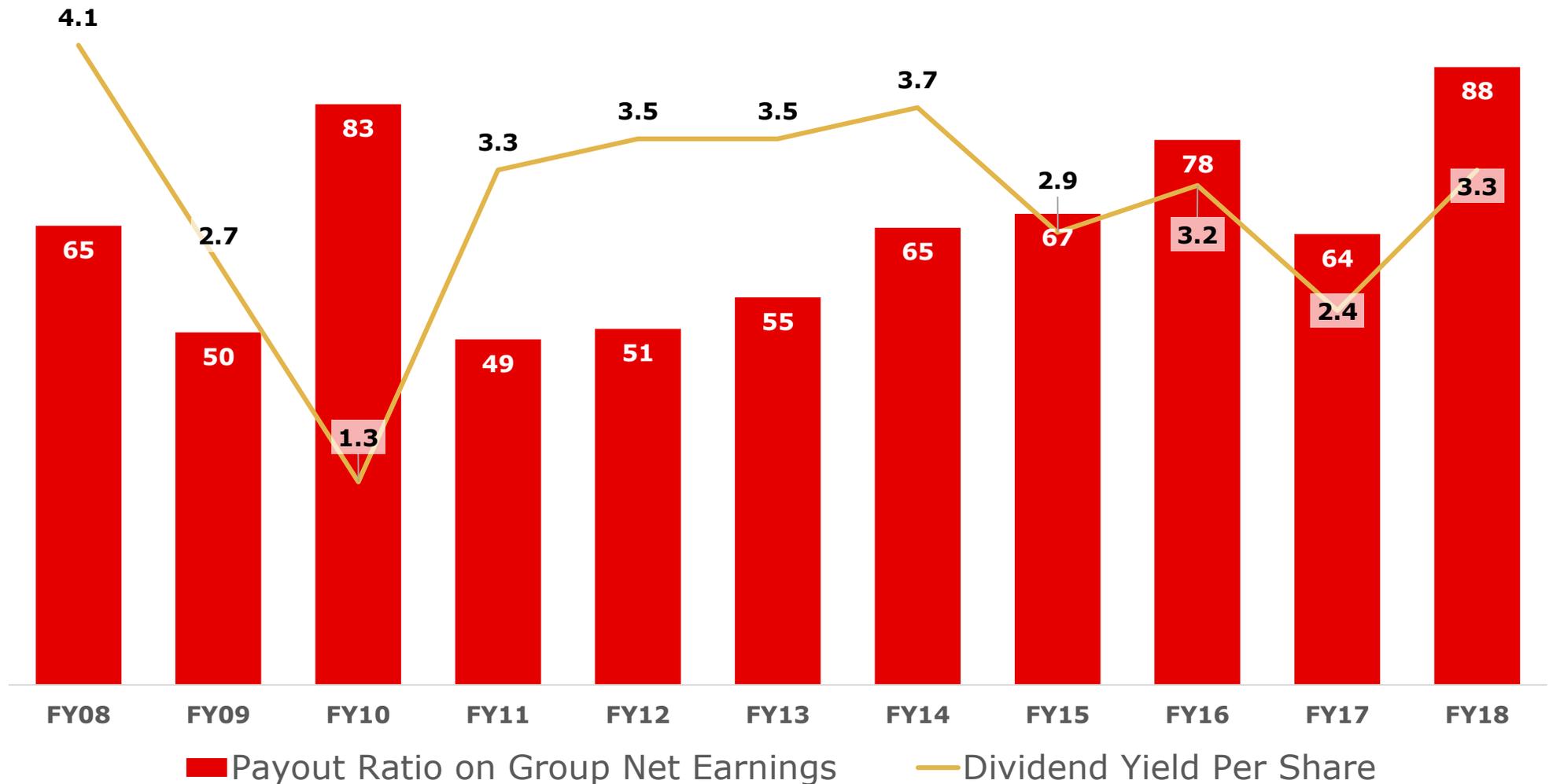


(1) China consists of China, Hong Kong, Macau & Taiwan; (2) Australasia consists of Australia, New Caledonia, New Zealand, Papua New Guinea & Solomon Islands



Sime Darby: Historical dividend yield

Historically, we have dividend payout of >50%, equating to ~3% dividend yield





FY2018 Financial Results

Reported Profit: 12 Months ended 30 June 2018

In RM Million	FY2018	FY2017	YoY %
Revenue	33,828	31,087	8.8
PBIT	1,074	784	37.0
Finance income ⁽¹⁾	104	512	
Finance costs	(113)	(289)	
Profit before tax	1,065	1,007	5.8
Taxation	(380)	(212)	
Profit from continuing operations	685	795	(13.8)
Non-controlling interests & Perpetual	(67)	(180)	
Net profit from continuing operations	618	615	0.5
Net profit from discontinued operations (Plantation & Property)	1,301	1,823	
Net profit attributable to owners of the Company	1,919	2,438	

(1) Includes finance income from discontinued operations of RM48m (FY2018) and RM465m (FY2017)



FY2018 Financial Results

Core Net Profit: 12 Months ended 30 June 2018

In RM Million	FY2018	FY2017	YoY %
Reported PBIT	1,074	784	37.0
Adjustments			
• Disposal of/compensation from properties	(238)	(30)	
• Bucyrus impairment	-	257	
• Motors Vietnam	199 ⁽¹⁾	66	
• Impairment of equity in E&O	103	-	
• Disposal of E&O shares/warrants	-	(35)	
• Yayasan Sime Darby – deconsolidated in Q3	85 ⁽²⁾	27	
• ONGC Provision	28	-	
• Net corporate forex gain	(23)	(120)	
Core PBIT	1,228	949	29.4
Net finance costs	(56)	(137)	
Tax expense	(282)	(140)	
Non controlling interests	(55)	(59)	
Core Net Profit	835	613	36.2

(1) Includes impairment of distribution rights (RM61m) and write-down of inventories (RM89m); (2) Includes writedown of assets (RM61m), expenses (RM37m) and reversal of accruals (RM13m)

Value Creation Plan

Strategic Plans to Deliver Returns and Growth



To be the leading Motors & Industrial multi-national in Asia Pacific

REVENUE ENHANCEMENT	COST OPTIMISATION	BUSINESS EXPANSION	PORTFOLIO RATIONALISATION	EXPAND HEALTHCARE	SYNERGISTIC M&A
<p>Enhanced sales from mining & infrastructure spend and new model launches</p> <p>Digitalisation to grow market share</p> <p>Focus on after-sales</p>	<p>Operational excellence to strengthen resilience</p> <p>Turnaround under - performing businesses</p>	<p>Expansion into adjacencies</p> <p>Assembly for existing partners and introduce new marques to assemble</p>	<p>Disposal of non-core businesses to streamline portfolio</p>	<p>Expansion of Healthcare via operational excellence, asset maximisation and M&A</p>	<p>Explore new markets to represent new or existing marques</p>

REVENUE ENHANCEMENT, COST MANAGEMENT, BUSINESS EXPANSION & PORTFOLIO RATIONALISATION ARE KEY DRIVERS

Business Characteristics

High volume, low margin business with large footprint across Asia; strong partnerships

Cyclical business

Business dependent on **commodity cycle** (coal, O&G) for Industrial and **model cycle** for Motors

BMW sales expected to pick up with **popular new models**



BMW X5 2019

Industrial benefiting from **pick up in coal prices**

22%

Coal % of world energy consumption by 2040⁽¹⁾

Broad footprint across Asia Pacific

- **Large network** and strong **"know how"** in the **Asia Pacific region**
- Diversified operational footprint with **exposure to emerging markets and developed economies**

- **Proxy to key macro trends** i.e. growing Asian affluence (BMW), demographics (Healthcare) and commodity upcycle (Industrial)

High volume, low margin business

Business is characterized by **high unit sales and low trading margins (~3%)**. However, if working capital is managed well, cash flows are significant and ROIC can be high.



Capital requirement not strenuous

Undemanding capex requirements which largely revolve around showroom upgrades and warehouses

Long-standing partnership with premium brands

Partner of choice for MNCs who wish to expand in Asia



Healthcare a hidden gem



- **Premium hospitals** in Indonesia and Malaysia tap into growing affluence in the region
- Significant **expansion opportunities in other Asian markets** by leveraging on brand
- Asian healthcare business supported by **strong valuations**

Low gearing, room for expansion

19.6% Ample **debt headroom for strategic expansion** and M&As
Debt to equity ratio

Japanese partnerships

Our Motors and Industrial divisions have existing relationships with Japanese principals

Motors



Mazda Assembly in Kulim, Malaysia since 2011



Nissan distributor in New Zealand since 2004

Largest standalone Nissan dealership in New Zealand



Dealer and Distributor of Suzuki, Mitsubishi Motors, and Mitsubishi Fuso in Hong Kong and Macau



Dealer and Distributor of Hino in New Zealand

Industrial



Kubota distributor in Malaysia, Singapore, Brunei

Exclusive distributor of KUBOTA agricultural tractors and diesel engines for Malaysia, Singapore and Brunei

Others



Rights to Dunlop brand in Malaysia, Singapore and Brunei which is owned by Sumitomo Rubber

Executive Leadership

Qualified & Experienced Management Team



**DATO' JEFFRI SALIM
DAVIDSON**

Group Chief Executive Officer



MUSTAMIR MOHAMAD

Group Chief Financial Officer



DATUK THOMAS LEONG

Group Chief Strategy Officer



ROSELAINI FAIZ

Group Chief Human
Resources Officer



SCOTT W. CAMERON

Managing Director,
Sime Darby Industrial



ANDREW BASHAM

Managing Director,
Sime Darby Motors



TIMOTHY LEE CHI TIM

Managing Director,
Sime Darby Logistics



PETER HONG

Managing Director,
Sime Darby Healthcare

Latest Developments (1/2)

Good FY18 results, monetization plan on track, changing political landscape provides opportunities

FY18 results

- Sime Darby Berhad reported strong set of numbers for FY2018
- **Revenue** – RM33.8bn | **PBIT** – RM1,074m | **Net Profit** – RM618m | **Core net profit** – RM835m (36% increase YoY)
- Largely attributed to mining recovery in Australia and increased infrastructure spend in China
- Motors was impacted by the losses from the exit of the BMW business in Vietnam (RM199m)
- Industrial order book up by 94% from RM1.4bn to RM2.7bn due to Australia mining recovery

Monetisation of non-core assets

- **Weifang Water:** Sale completed in Sept 2018 for RM275m, recording a post-tax gain of RM65m
- **Ports:** Sale process underway
- **Review of non-core and non-strategic businesses** within Motors and Industrial completed. Asset rationalization in progress.

BMW Engine Assembly

- May 2018: SDB officiated the opening of new BMW engine assembly facility in Kulim, Kedah
- Plant produces **~10,000 engines** a year and increases the **local content** of our cars, making them more cost competitive
- Plant is the **second BMW engine plant in the region** after Thailand.
- Assembly is a key component in our strategy as Motors is looking to assemble more marques

Impact of new government following 9 May elections

- Review of infra projects: Expected delay/cancellation of large projects (ECRL, HSR) may lead to **lower equipment sales**
- Motors: **Subsidy on RON95** will benefit sales of mass market brands
- Industrial: RM5bn for Sabah and RM4bn for Sarawak for **infra spending to benefit CAT**
- Healthcare: Initiatives to encourage **medical tourism** (RM20m) will benefit RSDH

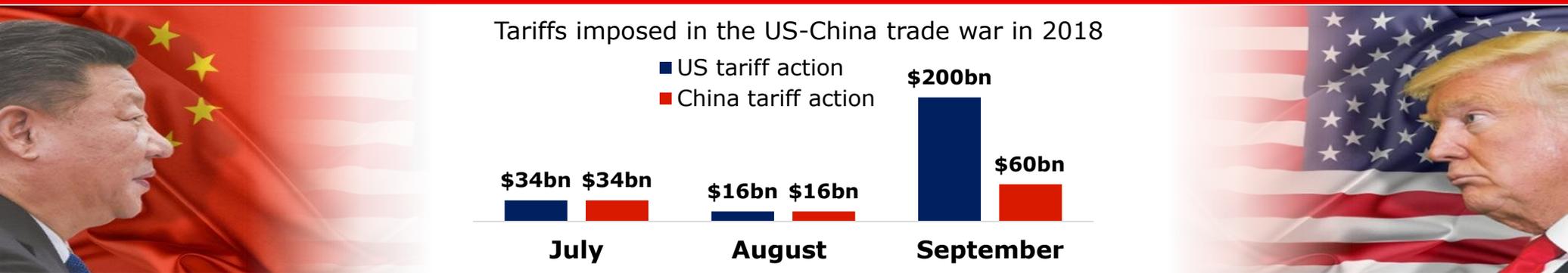
Positive Australia mining outlook

- Adani will self-finance its Carmichael mine that has the production target of 27.5 million tons a year
- **Thermal coal prices** have more than **doubled** since 2016
- Exploration has increased in the Queensland coal sector for the first time since 2011-12



Latest Developments (2/2)

Minimal direct impact due to localization



Dec
2018

- **Imposition of additional tariffs will be held off for 90 days.** Possible trade deal is being negotiated
- **China to temporarily remove additional 25% tariffs (40%→15%) on US autos and 5% on certain US auto parts** for three months, beginning 1 Jan 2019.

Motors

Industrial

Direct Impact

- Minimal impact as **75% of BMWs sold in China are manufactured locally**
- Bestselling BMW models in China are 3 series, 5 series, 7 series and X5 (50% of sales)
- **All are locally assembled** except for the X5 which is CBU from the US (11% of sales)
- CAT equipment sold in China are sourced from China, Indonesia, India, Thailand, Brazil, UK
- Minimal impact as **~95% of machine sales are from factories in China**
- Some parts are imported from the US, but if China imposes tariffs on these, CAT will be able to source these parts from Korea or Japan

Indirect Impact

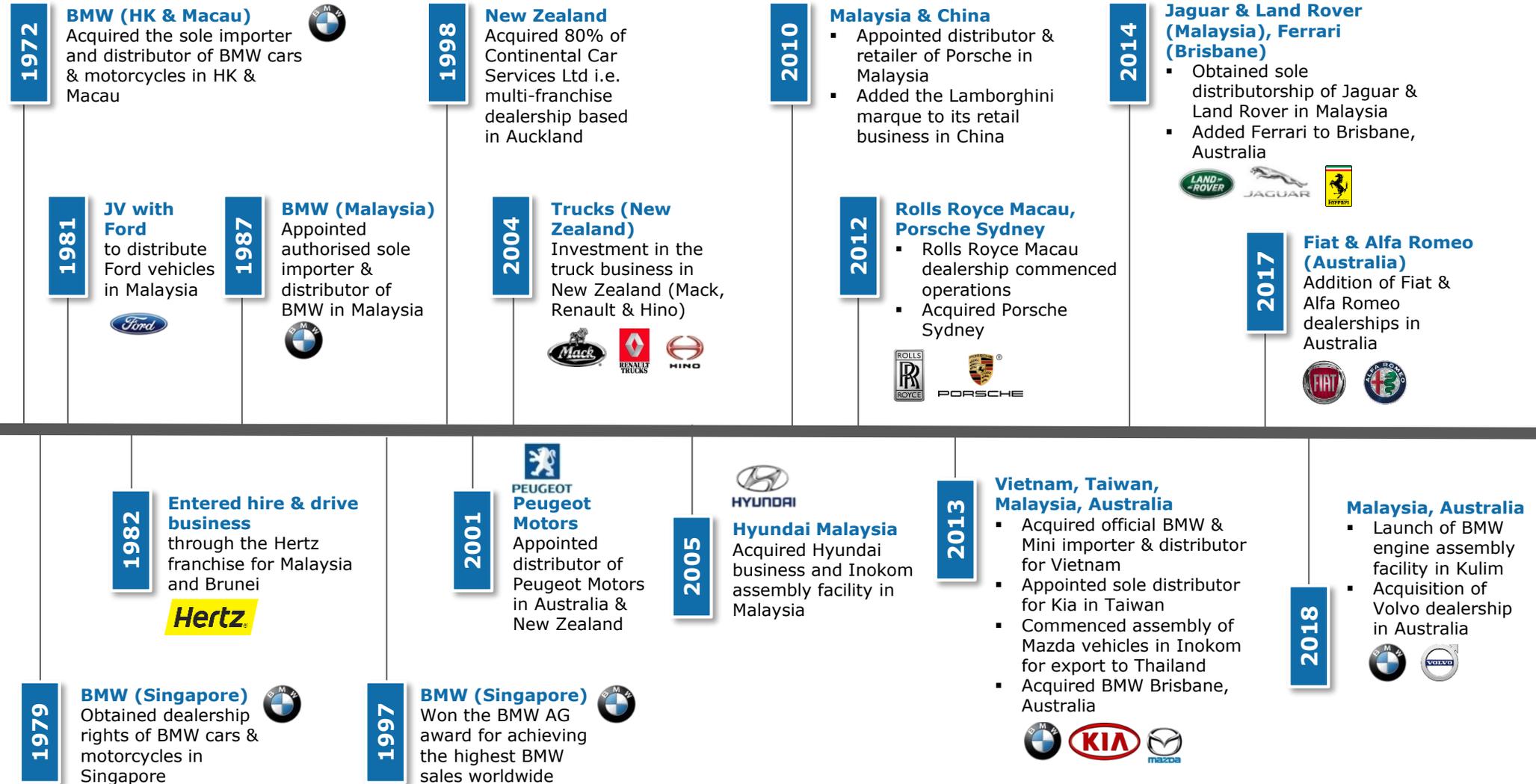
- Delayed purchases: BMW cars are "nice to have" but not "must have" products, hence, customers may hold back purchases **if consumer sentiment is weak.**
- However, potential reduction in autos import tariffs should spur demand
- **No negative sentiment observed by China team for CAT products** as they are still preferred by customers for being best in class.
- Infra spending: China plans to put **more money into infrastructure projects** to help soften the blow to the economy from the China-US trade war. This should spur equipment sales.



Motors Division

History & Key Milestones

Solid Track Record Across 9 Markets in the Asia Pacific Region



Sime Darby Motors

We represent strong luxury and mass market brands across APAC

Malaysia	Singapore	Thailand	Australia	New Zealand	Hong Kong	Macau	China	Taiwan
Distributor & Dealer Assembly (Inokom) 	Distributor & Dealer 	Dealer 	Dealer 	Distributor & Dealer Dealer 	Distributor & Dealer 	Distributor & Dealer 	Dealer 	Distributor & Dealer Assembly
Rental 	Rental 		Rental 					

Sime Darby Motors

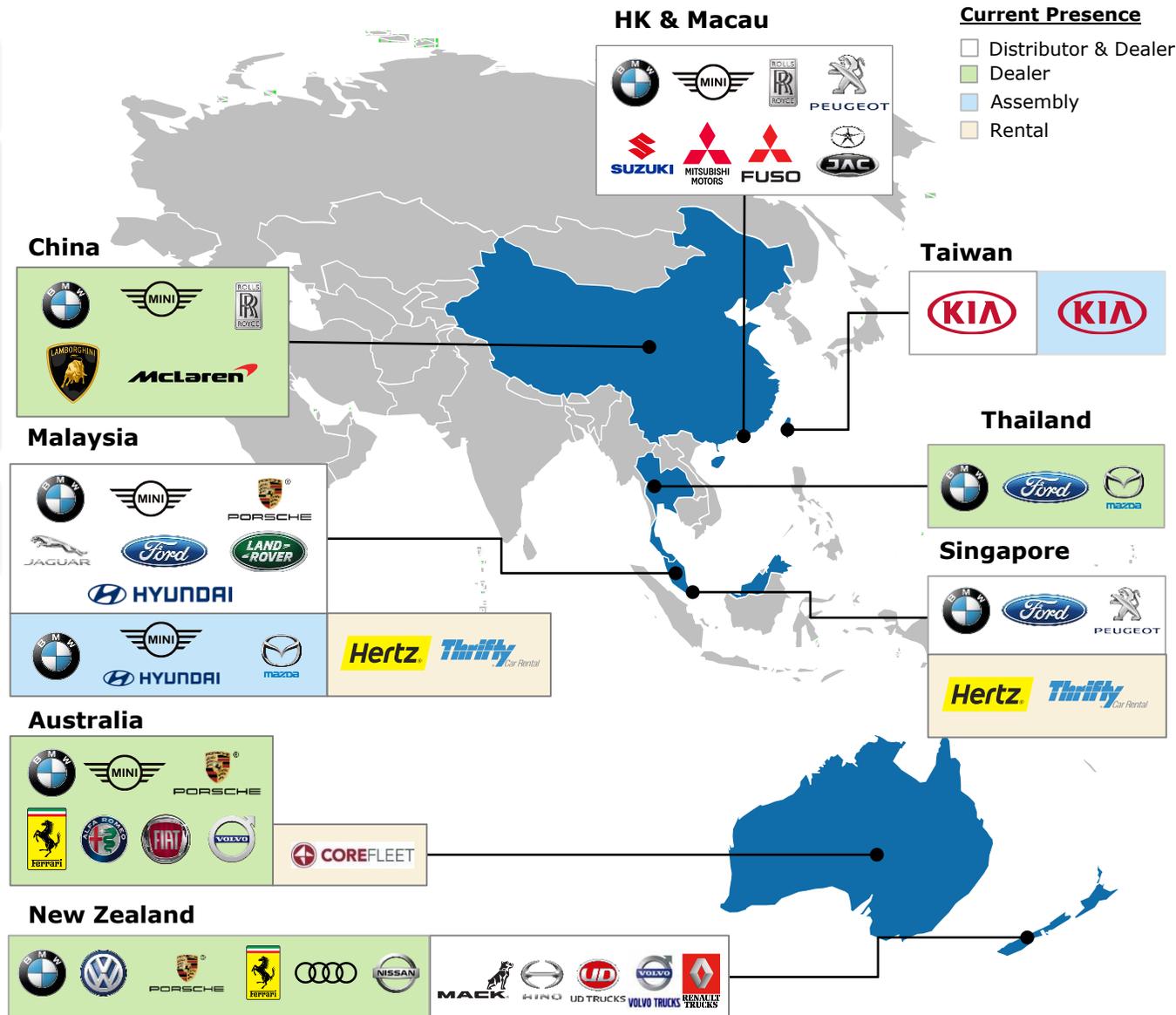
Focused on Expansion in Asia Pacific

Countries & Achievements

- One of the **largest** BMW dealer globally
- One of **Top** Rolls Royce dealers in Asia Pacific
- A **leading** Distribution group in Malaysia
- A **leading** Commercial Vehicle Distributor in NZ

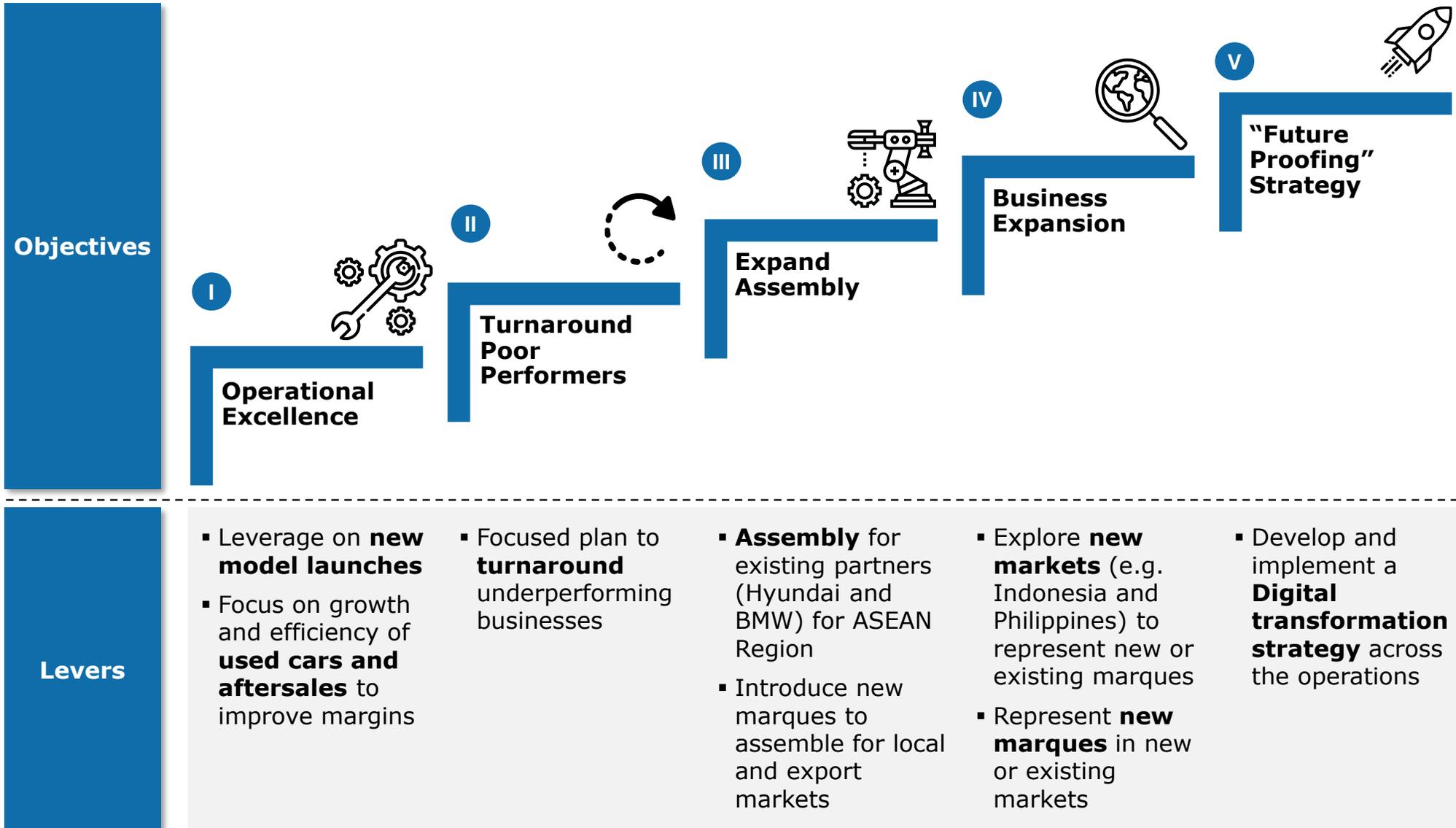
Key Strategic Partners

- BMW (44 years) – Seven markets
- Ford (37 years) – Singapore, Thailand and Malaysia
- Porsche (30 years) – Malaysia, Australia and New Zealand
- Hyundai (14 years) – Malaysia



Sime Darby Motors

Focus on new model launches, expand assembly, M&A for new territories and marques



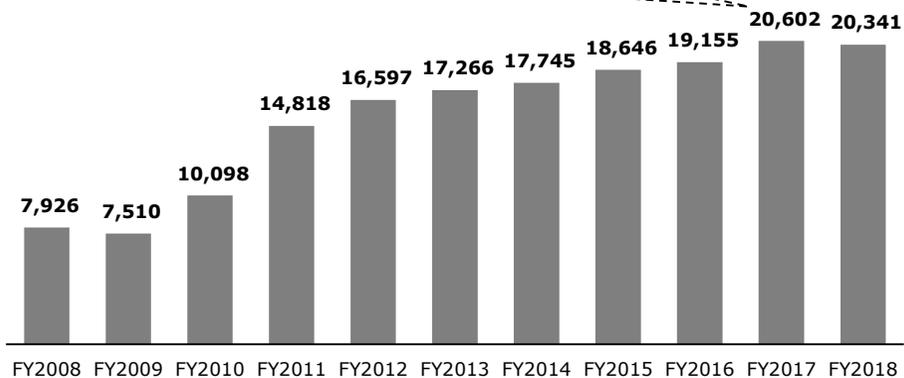


Sime Darby Motors

Key Financial Highlights

Revenue (RM mm)

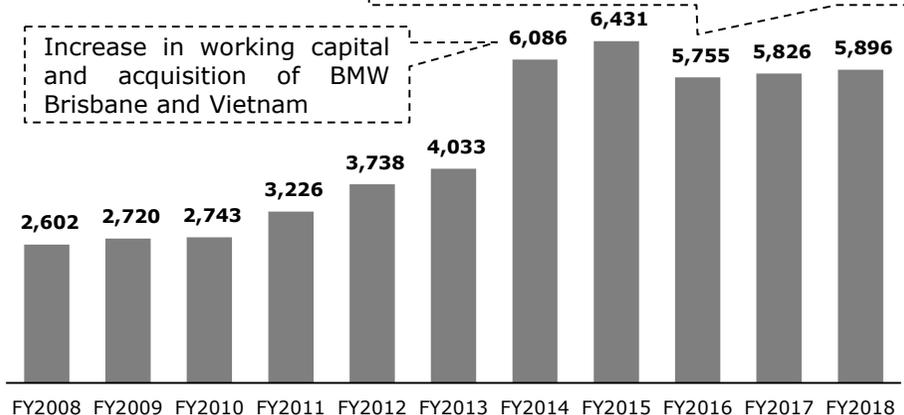
Record sales of the trucking business across all brands in NZ, higher sales volume in China and increased COE quota & timely launches of new BMW models in Singapore



Invested Capital⁽³⁾ (RM mm)

Reduction in working capital - inventories, receivables and cash balances

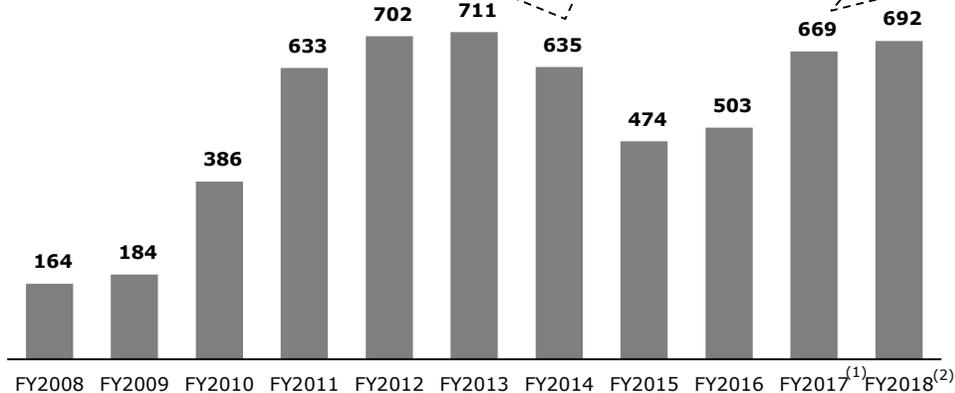
Increase in working capital and acquisition of BMW Brisbane and Vietnam



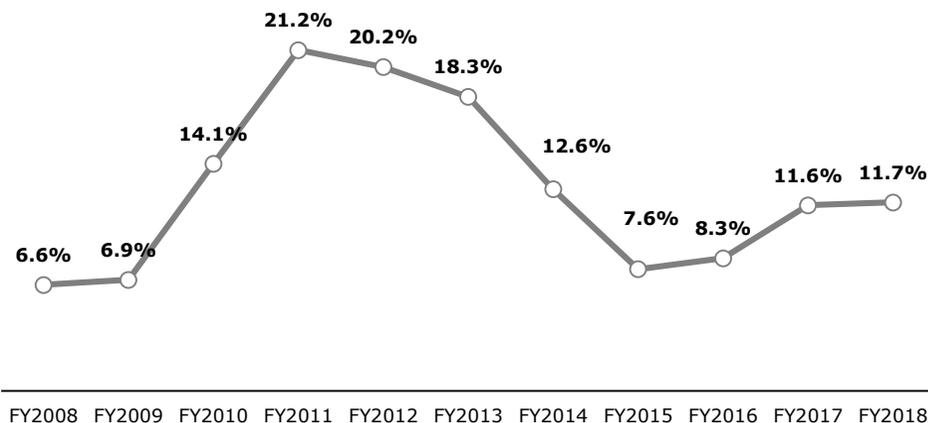
PBIT (RM m)

Impacted by GST in Malaysia and government policy in China

Stronger contributions from Malaysia and China operations



ROAIC⁽⁴⁾ (%)



(1) Excludes losses on Vietnam operations (RM66m) and gains on property disposals (RM30m)

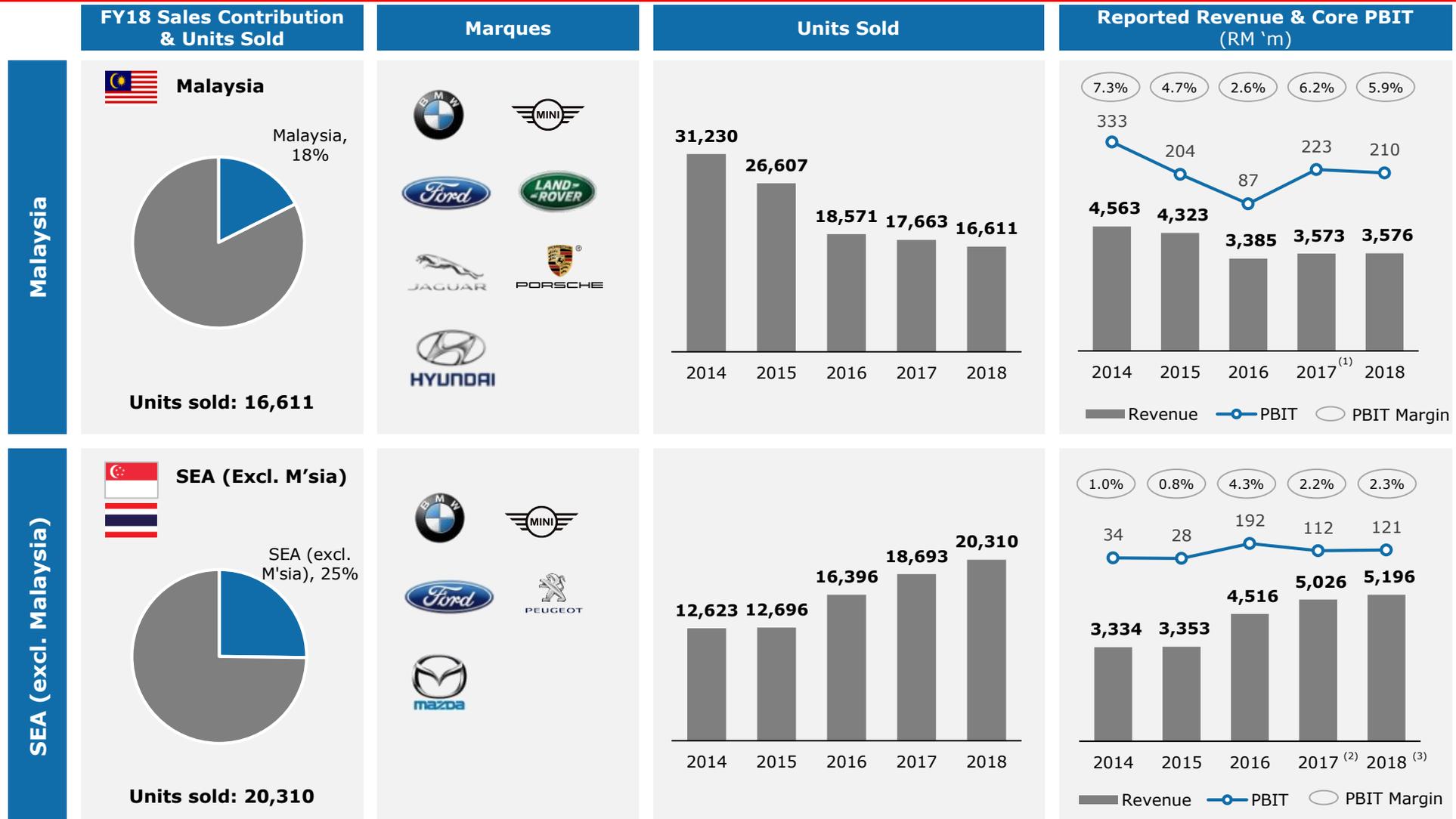
(2) Excludes impairments of RM199m relating to Vietnam and gains on property disposal of RM50m

(3) Invested capital is calculated as total assets (excluding tax assets and intercompany balances) less operating liabilities (i.e. all liabilities except borrowings, intercompany balances, leases and tax liabilities)

(4) ROAIC is calculated as PBIT divided by average invested capital

Sime Darby Motors

Units Sold, Revenue & PBIT by Region (1/2)



(1) Excludes land compensation of RM9m

(2) Excludes a goodwill impairment of RM19m and provision on inventories of RM18m in Vietnam

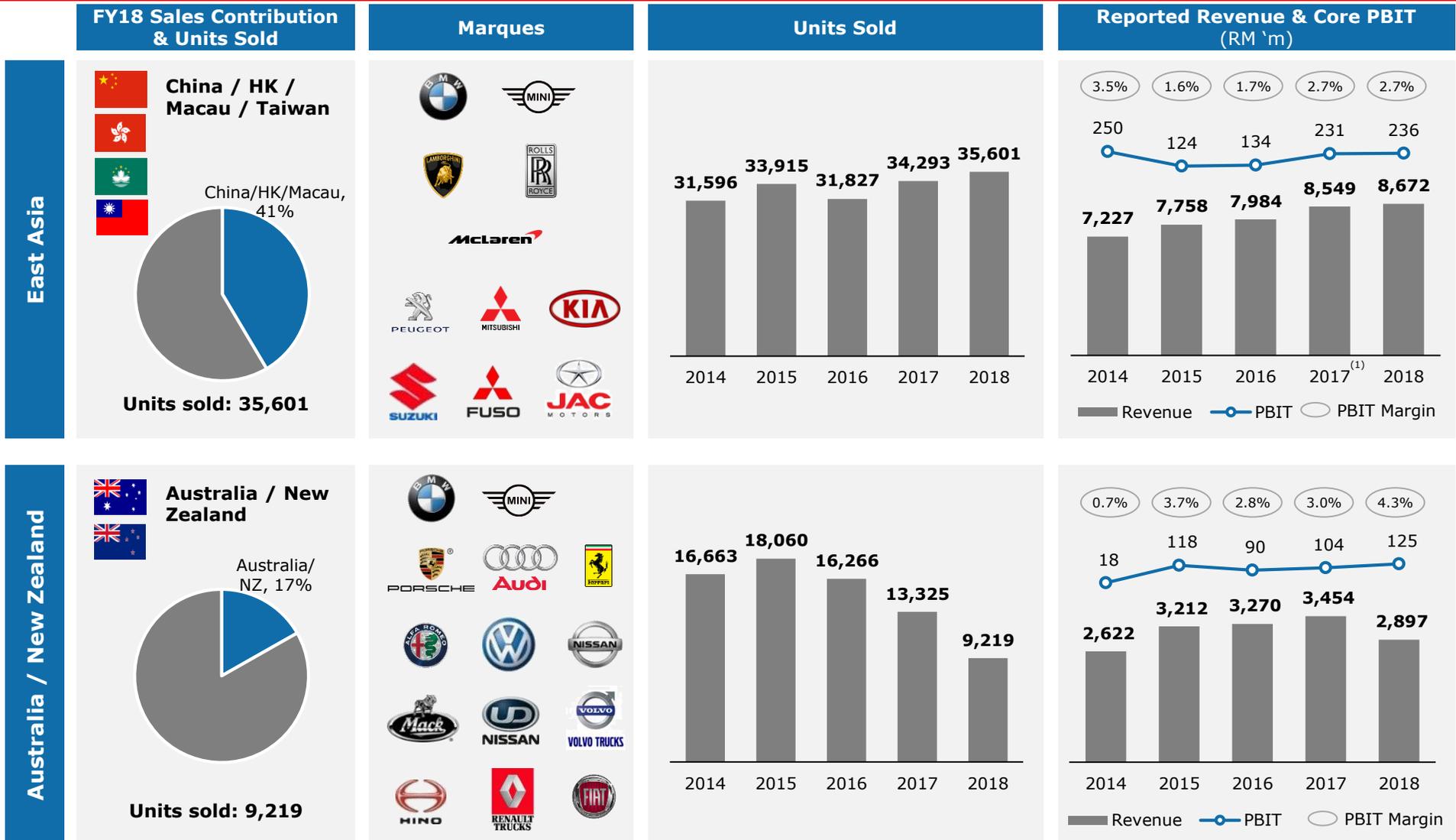
(3) Excludes impairment of distribution rights or RM61m and writedown of inventories amounting RM89m in Vietnam

Source: Audited accounts, Corporate presentation



Sime Darby Motors

Units Sold, Revenue & PBIT by Region (2/2)

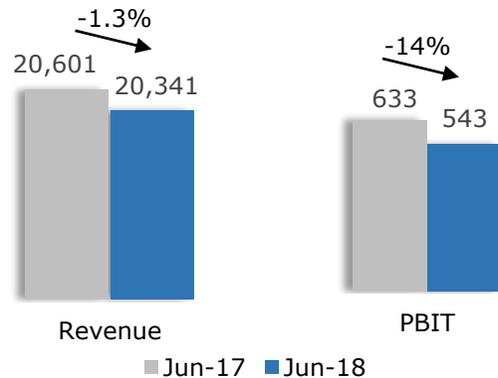


(1) Excludes land compensation of RM41m
Source: Audited accounts, Corporate presentation



Sime Darby Motors

Improved performance in China region



In RM Million	FY2017	FY2018
China, HK, Macau & Taiwan	8,550	8,672
Singapore & Thailand	4,548	5,127
Malaysia	3,571	3,576
Australia & NZ	3,454	2,897
Vietnam	478	69
Total Revenue	20,601	20,341
China, HK, Macau & Taiwan	201	236
Singapore & Thailand	141	121
Malaysia	223	210
Australia & NZ	104	125
Total Core PBIT	669	692
Vietnam	(66)	(199)
Property disposal/compensation	30	50
Total PBIT	633	543
PBIT margin	3.1%	2.7%
Core PBIT margin	3.3%	3.4%
ROIC	10.9%	9.2%

China, HK, Macau, Taiwan

- Higher volume from luxury cars in Hong Kong
- Financial performance in Taiwan improved due to new models being launched and growing dealer network

Singapore, Thailand

- Includes share of loss from associate (Munich Auto) of RM10m

Malaysia

- Higher corporate costs despite higher sales volume due to zero-rated GST in June 2018

Australia, NZ

- Higher profit after the divestment of loss-making operations and improved light commercial rental business due to mining recovery

Vietnam

- Impairment of distribution rights (RM61m) and write-down of inventories (RM89m)

Property Disposal

- Land/property compensation: China (RM41m) and Malaysia (RM9m)
- FY2017: Disposal of property in Hong Kong

Sime Darby Motors

Upcoming Model launches expected to boost sales in 2QFY2019



BMW 7 Series
October 2018



Ford Ranger
October 2018



Hyundai Tucson
October 2018



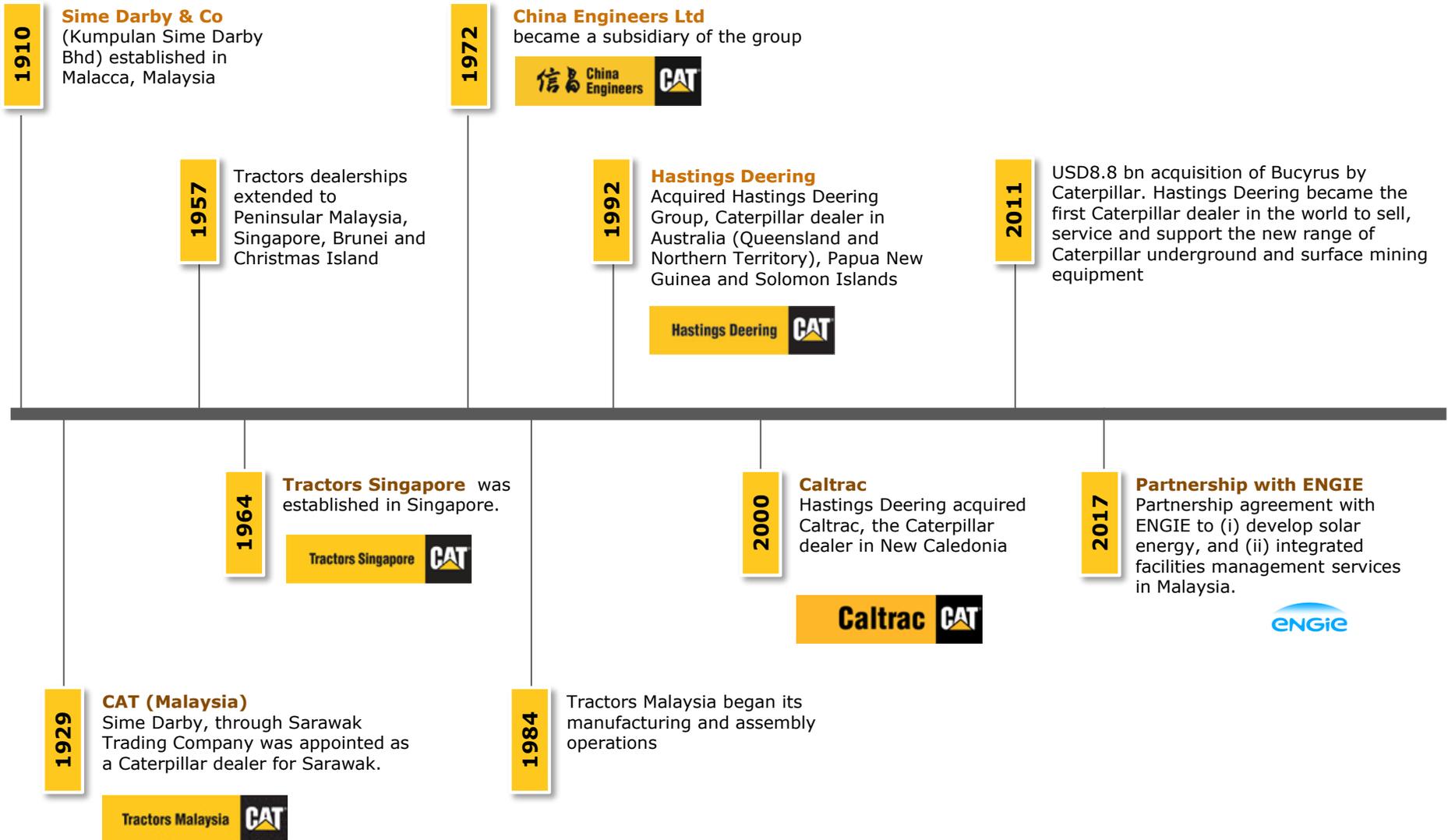
BMW X5
November 2018



Industrial Division

History & Key Milestones

Long-standing Partnership with Caterpillar Since 1929





Sime Darby Industrial

Strong brands and comprehensive market reach across APAC



Industrial

CAT Dealer Operations

	Malaysia, Brunei
	Singapore, Maldives, Christmas Island
	Hong Kong, Macau
	Southeast China (Province of Guangdong, Guangxi, Hainan, Fujian, Hunan, Jiangxi) and Xinjiang
	Australia (Queensland & Northern Territory), PNG & SI
	New Caledonia

Allied Brands Group

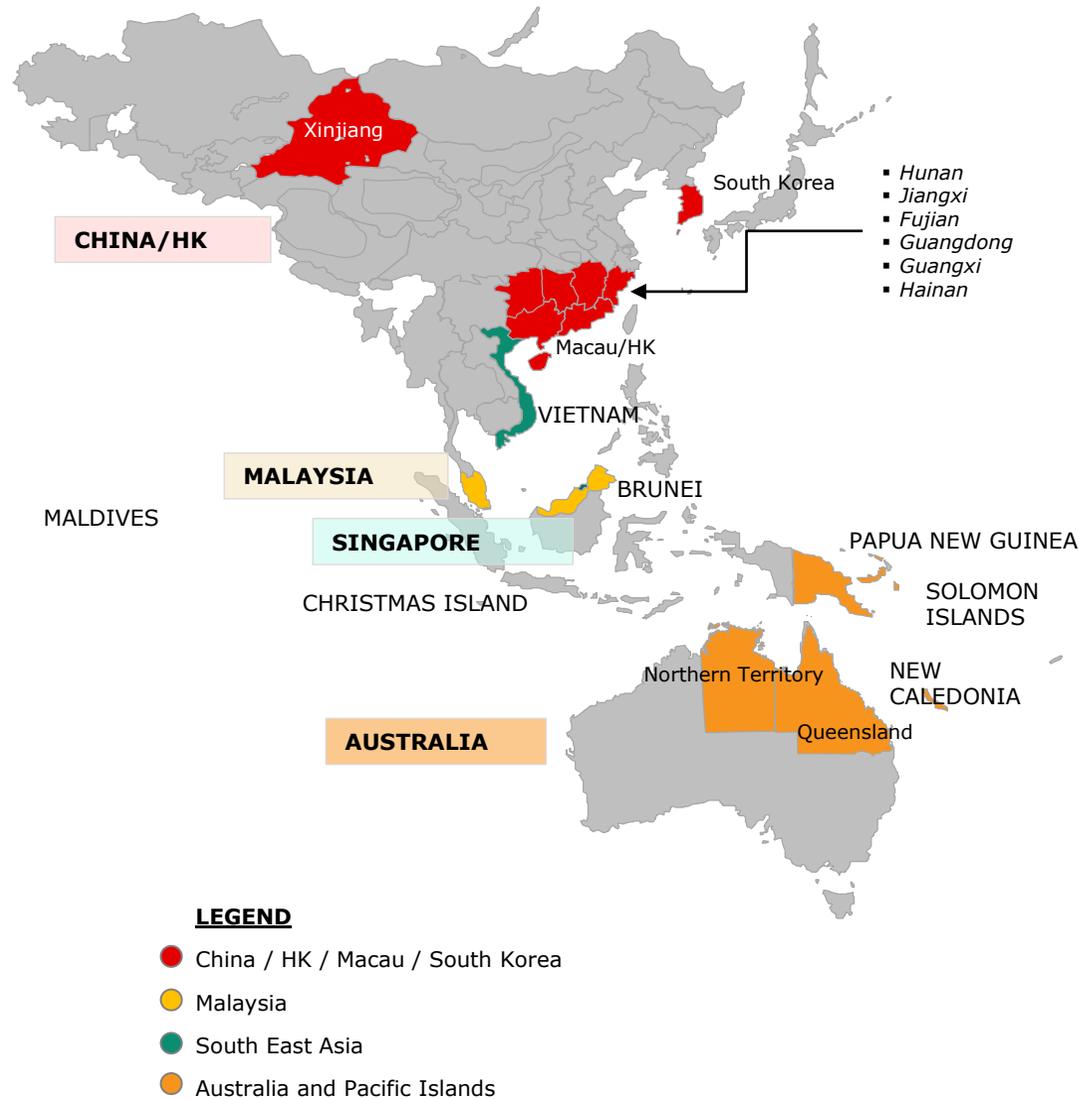
	Malaysia (via JV with Kubota Corp & Marubeni Corp)		Hong Kong & Macau, China
	Asia Pacific region (JV with Terberg Benschop)		Hong Kong & Macau
	Malaysia, Christmas Island (Indian Ocean), Singapore		China
	Malaysia		Australia
	Malaysia		Australia
	Malaysia		Australia
	Malaysia, Hong Kong, Macau, China, South Korea		Australia, China & Malaysia
	Singapore		Vietnam
	Australia, Malaysia & Singapore		Christmas Island (Indian Ocean), Singapore, Maldives

Energy Solutions Group

Mecomb Group: Singapore, Malaysia and Thailand	
Engineering & Technical Services: Malaysia	

Sime Darby Industrial

Regional Presence Across 17 Countries and Territories, Supported by a Network of Branches



- Principal activities
 - Sale, rental and used equipment of Caterpillar equipment and engine
 - Sale of parts, service maintenance, equipment monitoring system and technology equipment's
- Regional presence: **14 countries & territories**⁽¹⁾
- No. of branches: **109**⁽²⁾
- Orderbook: **RM2.74 bn** (as at 30 June 2018)
- Total no. of employees: **8,151** (as at 31 May 2018)

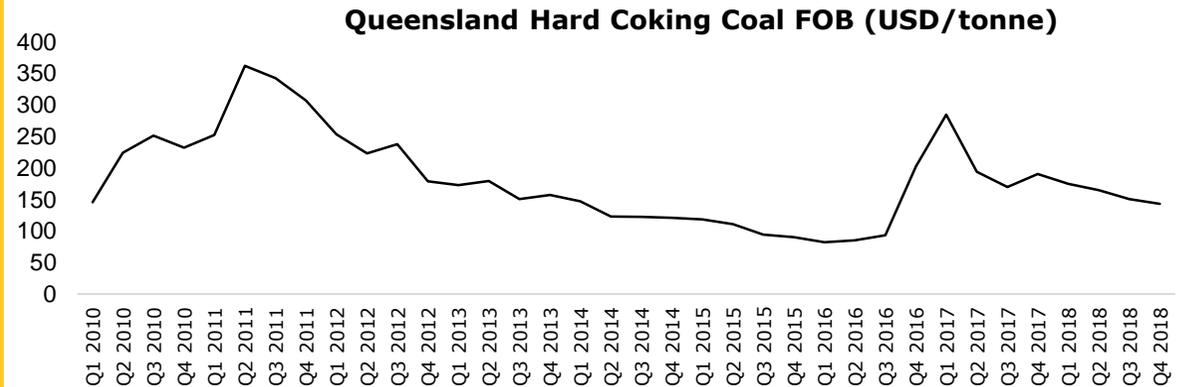
Regional industry presence	No. of branches ⁽¹⁾	Construction	Forestry	Mining	Quarry	Power Systems
China & HK, Macau	63	✓		✓	✓	✓
South East Asia	23 (4 depot & 7 CAT rental stores)	✓	✓			✓
Australasia	23	✓		✓		

Note: (1) Regional presence defined as locations in which Sime Darby Industrial has assets or employees; (2) Refers to Caterpillar branches only

Sime Darby Industrial

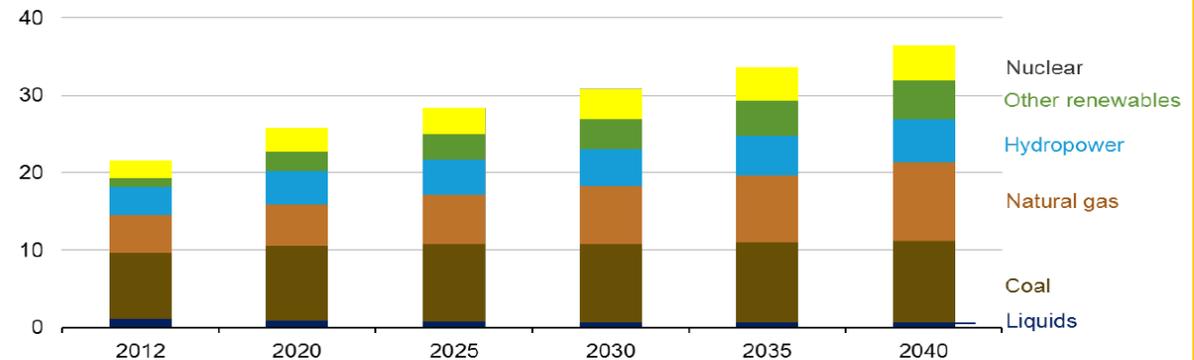
Key Industry Highlights

- **Metallurgical coal prices have stabilised** around **USD200/tonne** vs. average FOB cost for Queensland producers of USD100/tonne.
- The return to profitability has sparked **renewed capital investment** by BHP Billiton



- Coal will continue to remain **relevant as a source of power** for the next two decades.
- Utilisation is projected to remain constant at 10 trillion kilowatt hours, ~30% of fuel requirements.

world net electricity generation by source
trillion kilowatt hours

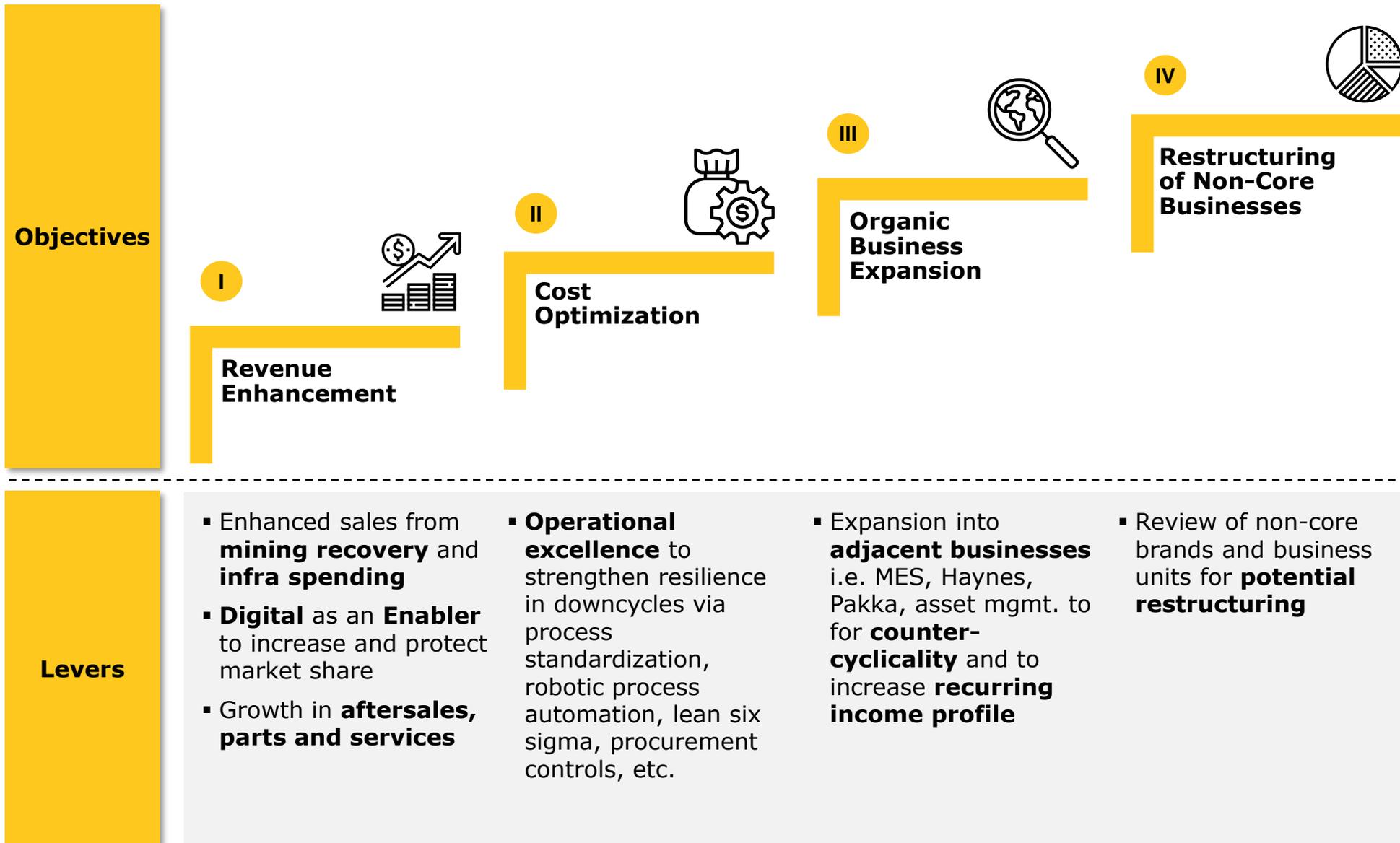


Source : EIA International Energy Outlook 2016

Sime Darby Industrial



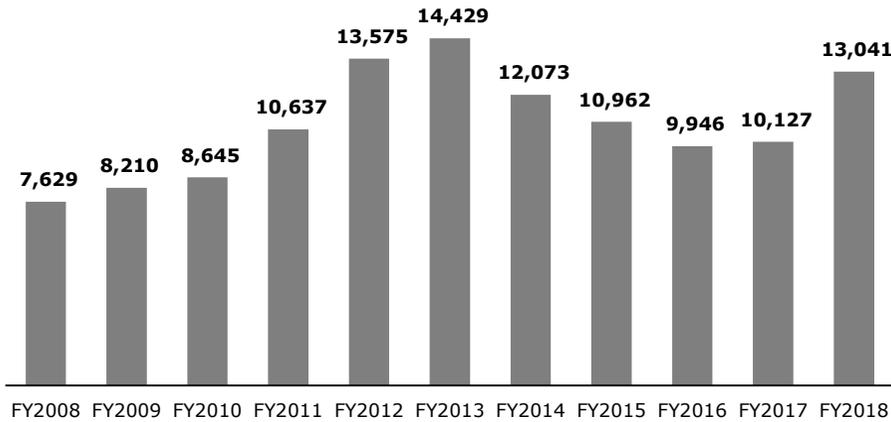
Leverage on commodity upswing, digital as key enabler, enhance recurring income profile



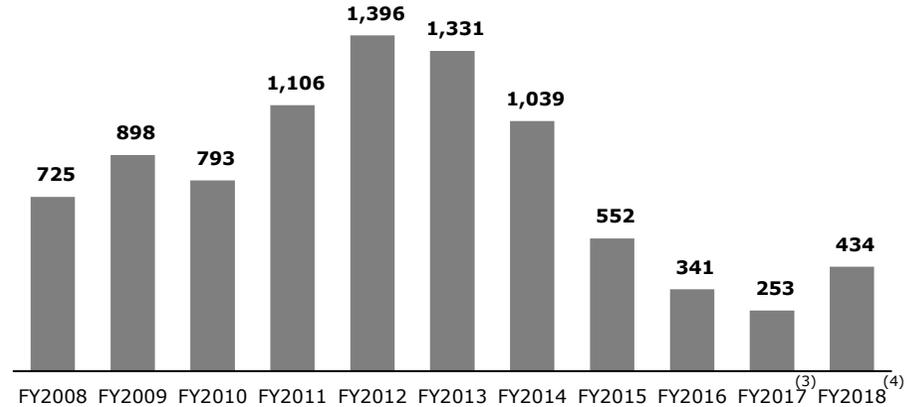
Sime Darby Industrial

Key Financial Highlights

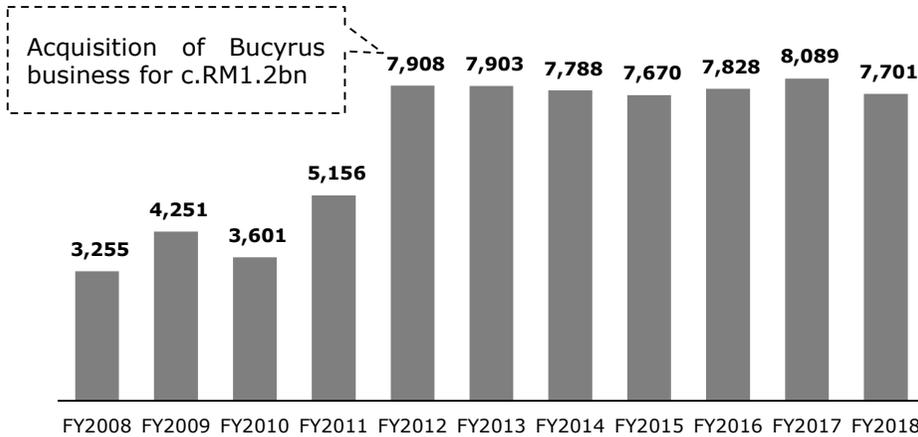
Revenue (RM m)



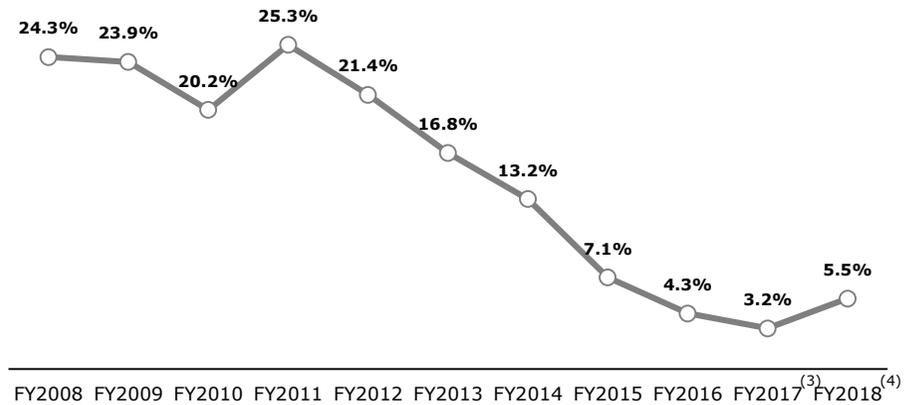
PBIT (RM m)



Invested Capital⁽¹⁾ (RM m)



ROAIC⁽²⁾ (%)



Note:

- (1) Invested capital is calculated as total assets (excluding tax assets and intercompany balances) less operating liabilities (i.e. all liabilities except borrowings, intercompany balances, leases and tax liabilities)
- (2) ROAIC is calculated as PBIT divided by invested capital
- (3) Excludes impairments and provisions of RM257m related to Bucyrus
- (4) Excludes RM178m gain on property disposal



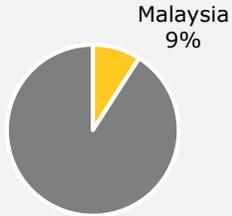
Sime Darby Industrial

Revenue & PBIT by Region (1/2)

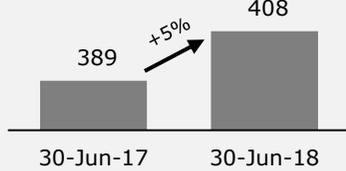
Malaysia

FY18 Sales Contribution & YoY Orderbook

FY18 Sales Contribution



Orderbook



Products / Services

CAT New Equipment & Engines



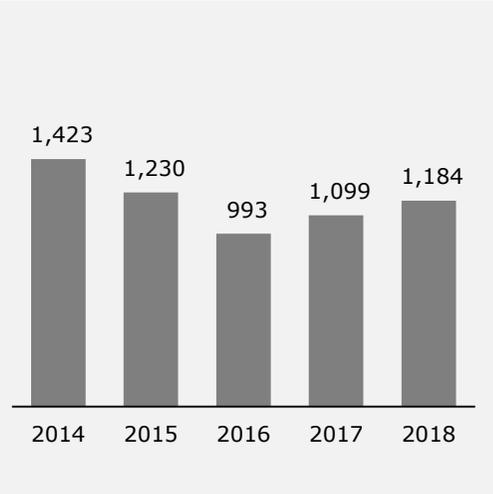
Rental & Used Equipment

Parts & Services

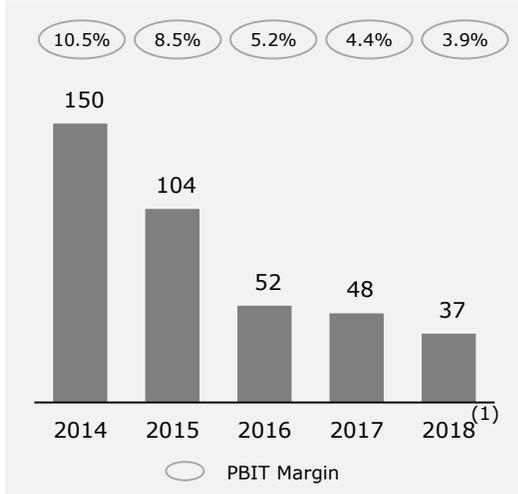
Allied Solutions

Energy Solutions

Revenue (RM 'm)



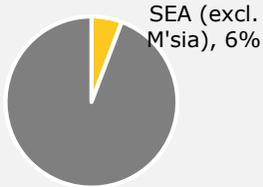
Core PBIT (RM 'm)



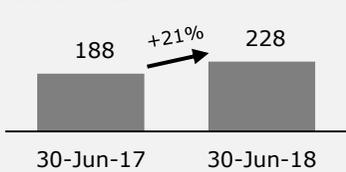
SEA (excl. Malaysia)

FY18 Sales Contribution & YoY Orderbook

FY18 Sales Contribution



Orderbook



Products / Services

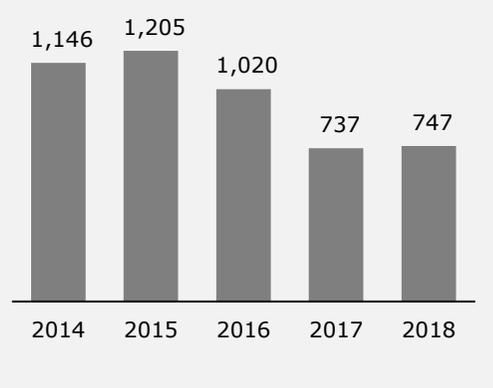
CAT New Equipment & Engines



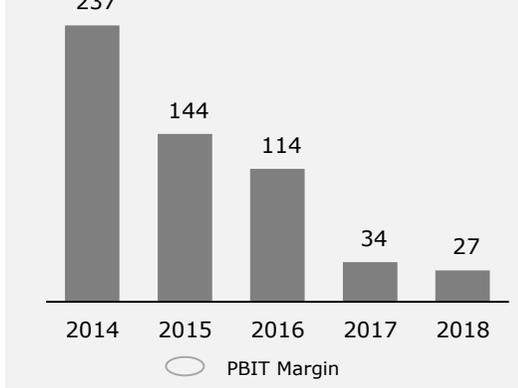
Rental & Used Equipment

Parts & Services

Revenue (RM 'm)



Core PBIT (RM 'm)



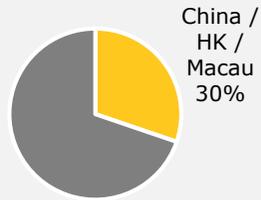
Note:
(1) Excludes gain on property disposal of RM9m

Sime Darby Industrial

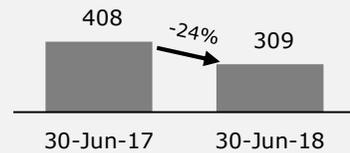
Revenue & PBIT by Region (2/2)

FY18 Sales Contribution & YoY Orderbook

FY18 Sales Contribution



Orderbook



Products / Services

CAT New Equipment & Engines



Excavators

Dozers



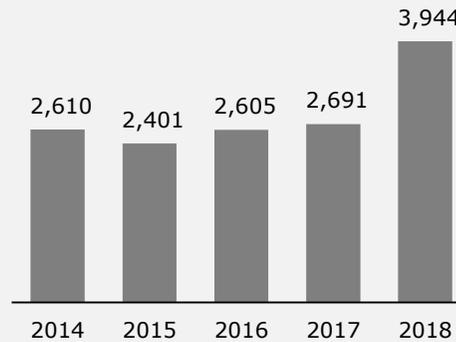
Wheel loaders

Marine engines

Rental & Used Equipment

Parts & Services

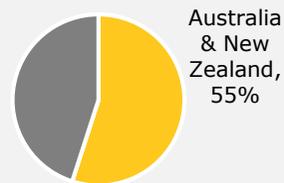
Revenue (RM 'm)



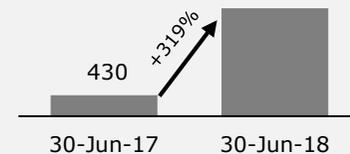
Core PBIT (RM 'm)



FY18 Sales Contribution



Orderbook



CAT New Equipment & Engines



Large mining trucks

Underground mining loaders

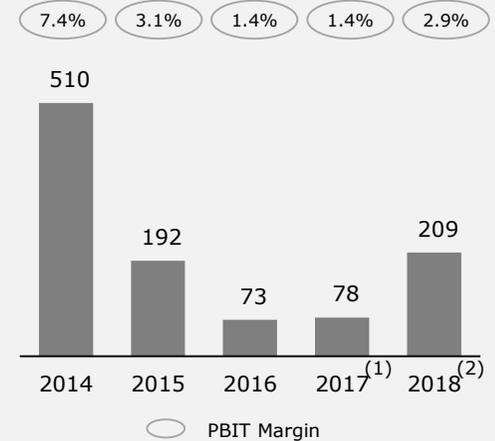
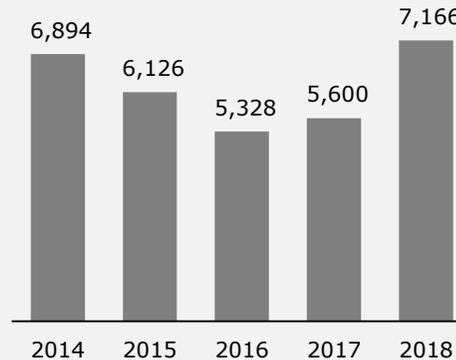


Hydraulic mining shovels

Dozers

Rental & Used Equipment

Parts & Services



Note:

(1) Excludes impairments and provisions of RM257m related to Bucyrus

(2) Excludes gain on property disposal of RM169m

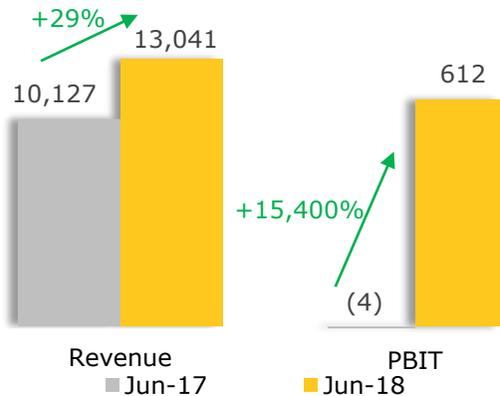
East Asia

Australia & Pacific Islands



Sime Darby Industrial

Strong demand from Australia mining and China infrastructure spending



In RM Million	FY2017	FY2018
Australasia	5,600	7,166
China	2,691	3,944
Malaysia	1,120	1,184
Southeast Asia	715	747
Total Revenue	10,127	13,041
Australasia	78	209
China	93	161
Malaysia	48	37
South East Asia	34	27
Total Core PBIT	253	434
Disposal of Properties	-	178
Bucyrus Impairment	(257)	-
Total PBIT	(4)	612
PBIT margin	-	4.7%
Core PBIT margin	2.5%	3.3%
ROIC	-	7.9%

Australasia

- Improved contribution from equipment deliveries to both mining and construction sectors
- Product support business segment (mainly parts) attributed to higher sales from increased mining activities

China

- Higher deliveries of new equipment and improved contribution from product support in growing construction sector and initiatives in infrastructure developments

Malaysia

- Weaker results mainly from lower product support sales and low milestone billings from ongoing projects

South East Asia

- RM20m share of losses from associate (APAC Energy Rental) (FY2017: RM14m)

Property Disposal

- Gains from disposal of properties amounting to RM169m in Australia and RM9m in Malaysia



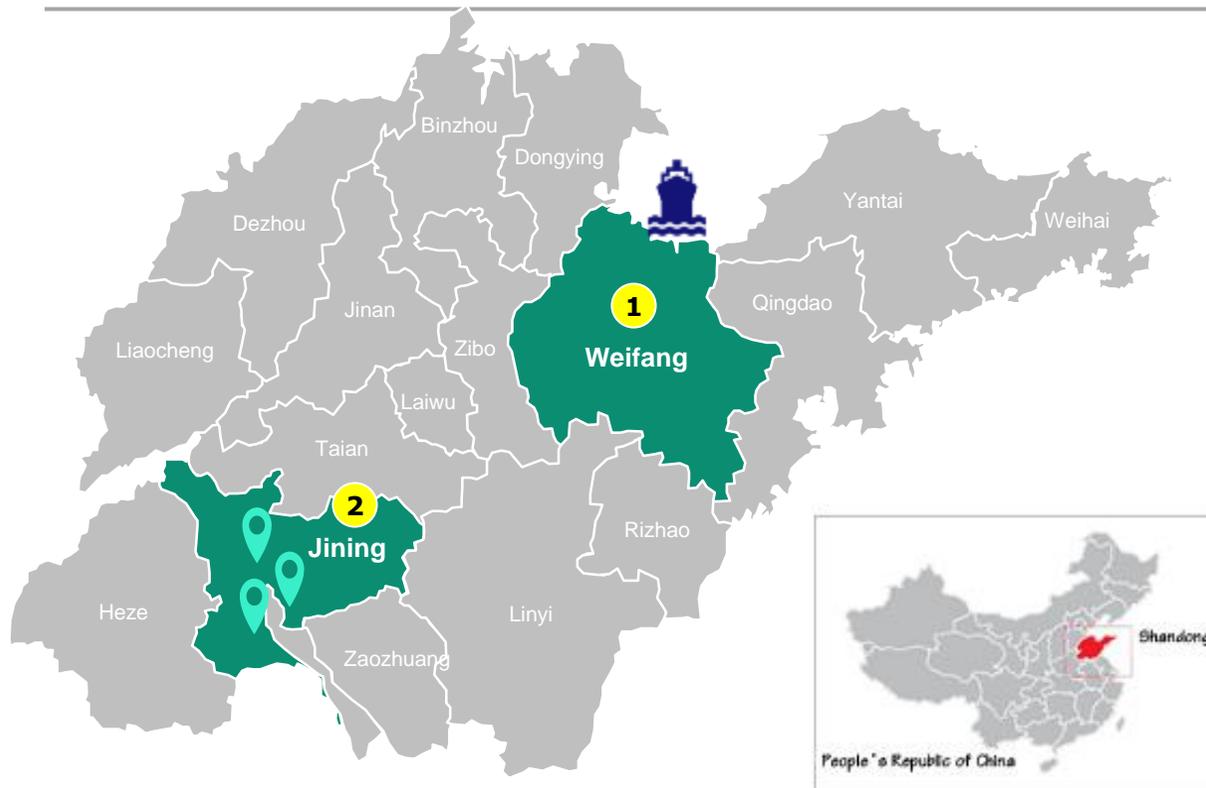
Logistics Division

Business Overview

Well-connected major multipurpose port in the Yellow Delta River

- Sime Darby Logistics is the primary operator of Weifang Port, of which operations cover dry bulk, break bulk, liquid bulk, general cargo and container handling services.
- The Division also operates three river ports located in Jining, Shandong Province. The Jining Ports provide basic port related services such as stevedoring and storage services primarily for coal and coal-related products
- In September 2018, successfully disposed of Weifang Water for RM270m, locking in an RM70m profit.

Location of Assets



Annual Throughput & Capacity

1 Weifang Port (Sea Port)

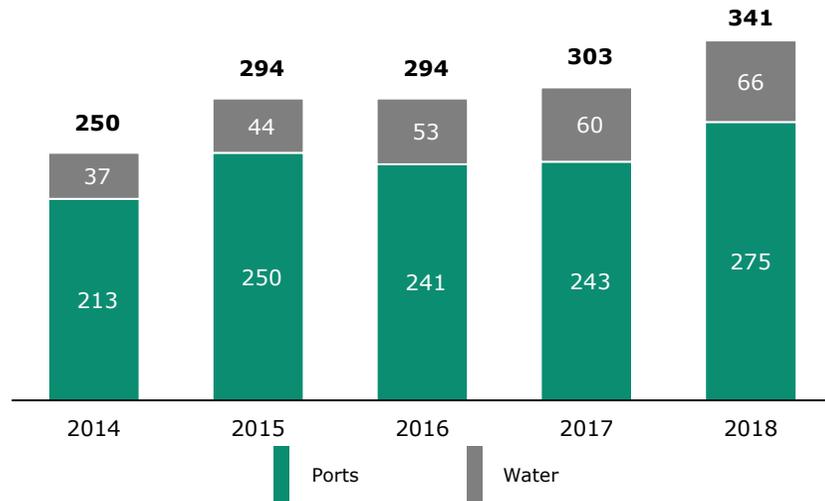
	FY2018
Throughput - bulk	21.7 mm MT
Throughput - container	240.5 k TEU
Capacity - bulk	20.0 mm MT
Capacity - container	463.2 k TEU
Target Capacity - bulk (FY2020)	40.6 mm MT

2 Jining Ports (River Port)

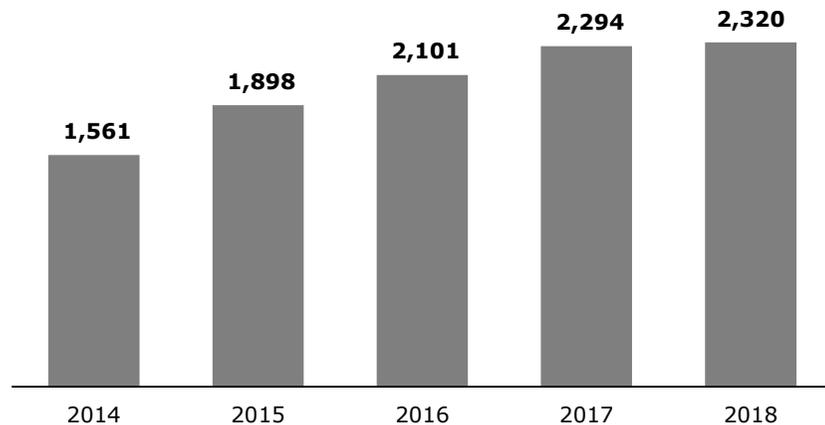
	FY2018
Throughput	10.9 mm MT
Capacity	16.4 mm MT
Target Capacity (FY2020)	18.7 mm MT

Key Financial and Operational Highlights

Revenue (RM 'm)



Invested Capital⁽¹⁾ (RM 'm)

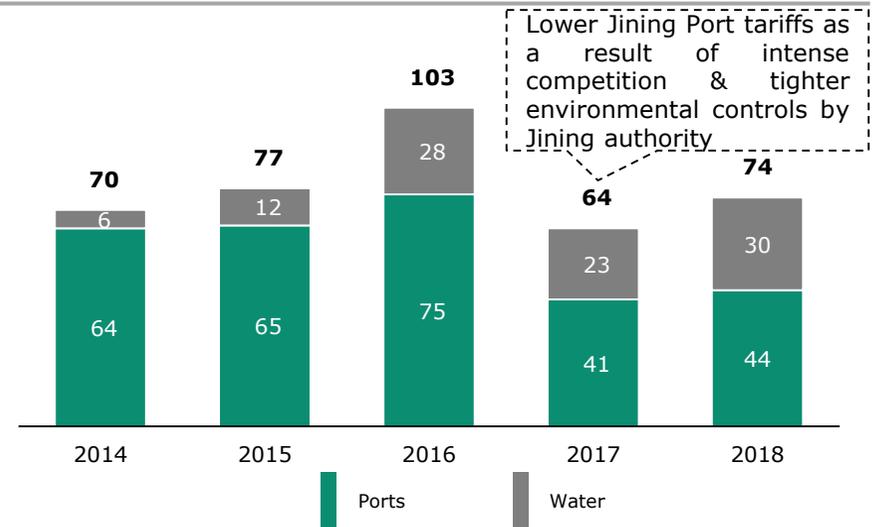


Notes:

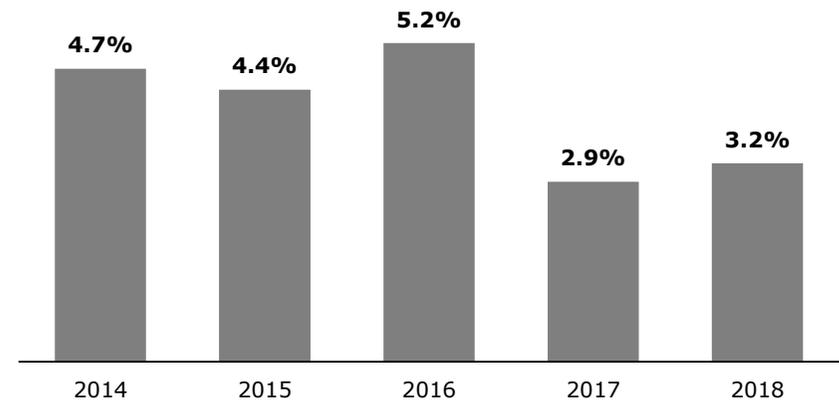
(1) Invested capital is calculated as total assets (excluding tax assets and intercompany balances) less operating liabilities (i.e. all liabilities except borrowings, intercompany balances, leases and tax liabilities)

(2) ROAIC is calculated as PBIT divided by average invested capital

PBIT (RM 'm)



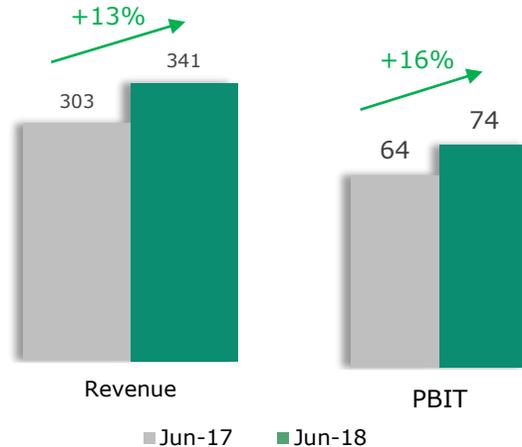
ROAIC⁽²⁾ (%)





Sime Darby Logistics

Higher port throughput; Gain on Weifang Water disposal



In RM Million	FY2017	FY2018
Ports	243	275
Water	60	66
Total Revenue	303	341
Ports	46	44
Water	22	28
Forex	(4)	2
Total PBIT	64	74
PBIT margin	21.1%	21.7%
ROIC	2.8%	3.2%

Ports

- Higher general cargo and container throughput
- FY17 includes RM10m gain on disposal of 50% equity interest in Weifang Sime Darby West Port

Water

- Higher profit from Weifang Water mainly due to cessation of depreciation and amortisation of its operations following its classification as a disposal group

Forex

- Mainly from translation of RMB loans given to JVs to HKD

32.6 million MT
General cargo throughput
(FY2017: 31.1 million MT)

240,536 TEU
Container throughput
(FY2017: 219,778 TEU)

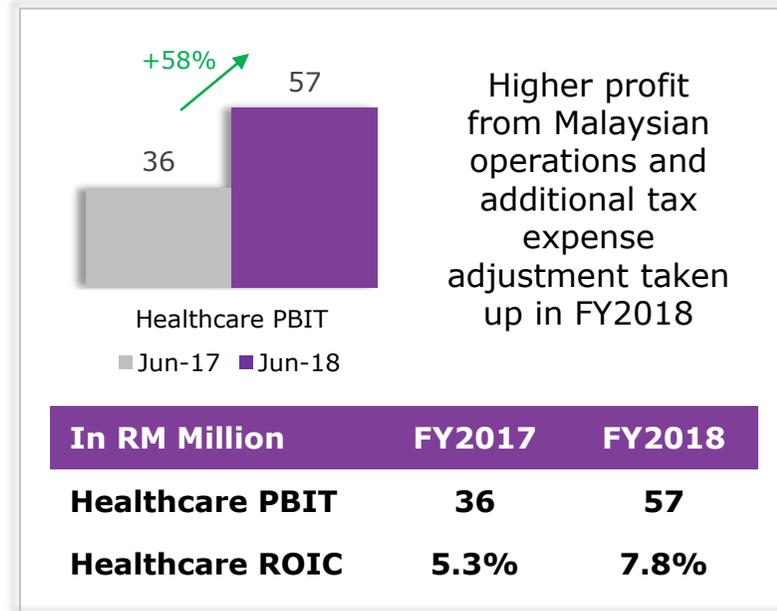


Healthcare Division

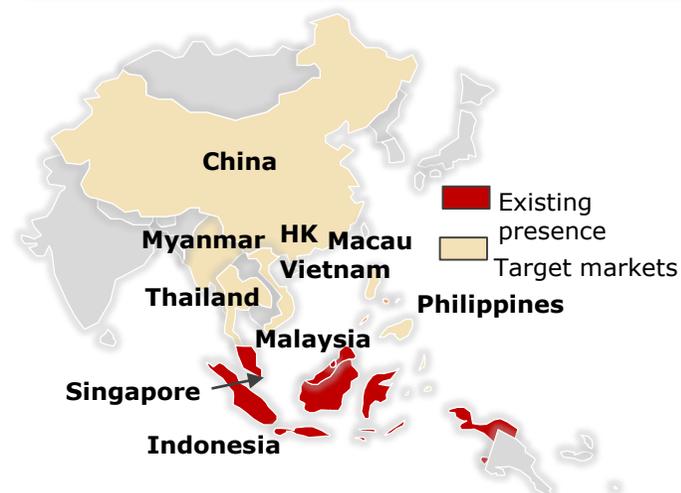


Ramsay Sime Darby Health Care

Premium hospitals in Malaysia and Indonesia with good earnings growth



Asia-focused Portfolio



Positive Prospects

Demographic Trends

- Fast growing sector in Asian emerging markets due to **population growth & increasing life expectancy**
- Rising affluence** in Asia

Organic Growth

- Driving **cost reduction** and attaining **operational excellence** will also drive profit growth

Availability of Opportunities

- Strategic partnerships** in Asia



Others

Malaysia Vision Valley Land

~8,800 acres of land – Option to sell to SD Property

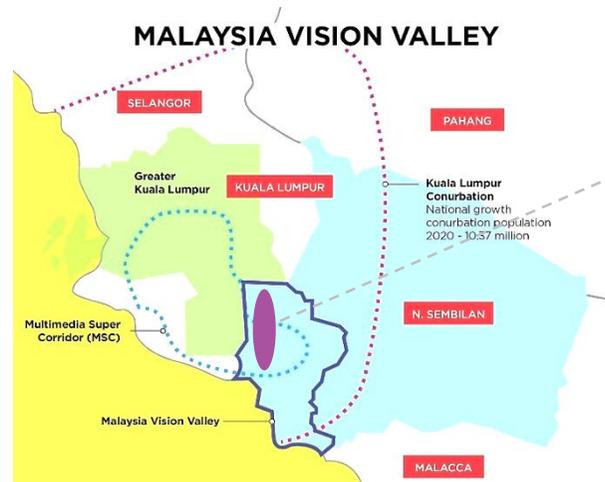
Highlights of MVV

MVV is a large scale project announced by the Malaysian Prime Minister during his 2016 Budget speech, and is a component of the Government's 11th Malaysia Plan and the National Transformation Plan.

Tenure of development
30-year project

Total development area
379,000 acres

Coverage area
Seremban and Port Dickson in Negeri Sembilan



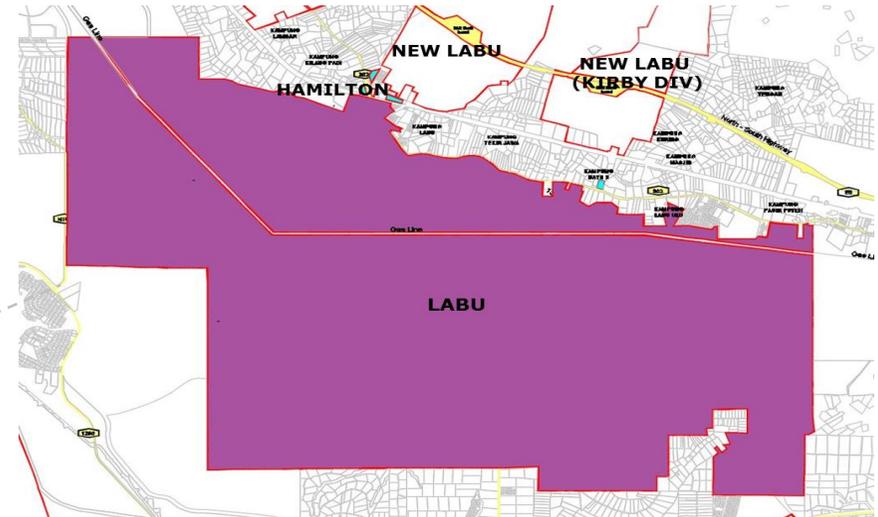
The area is intended to focus on **4 key development drivers**:

- High-technology manufacturing
- Tourism
- Skill-based education and research
- Specialised services

MVV development is expected to:

- ✓ **Attract investments of RM290bn by 2045**
- ✓ **Create 1.38 million new job opportunities**

Option to sell ~8,800 acres



- Sime Darby Berhad holds c.**8,800** acres of land in MVV area, acquired for **RM2.5 bn** in FY17
- Signed **29 option agreements** with SD Property for the potential sale of 29 parcels
- The options are valid for a **5-year period** (plus 3 years extension option)
- The timing of exercise of the option by Property will be dependent on the MVV development plan which is currently being developed
- Transfer value will be based on market price at the point of exercise



Appendices



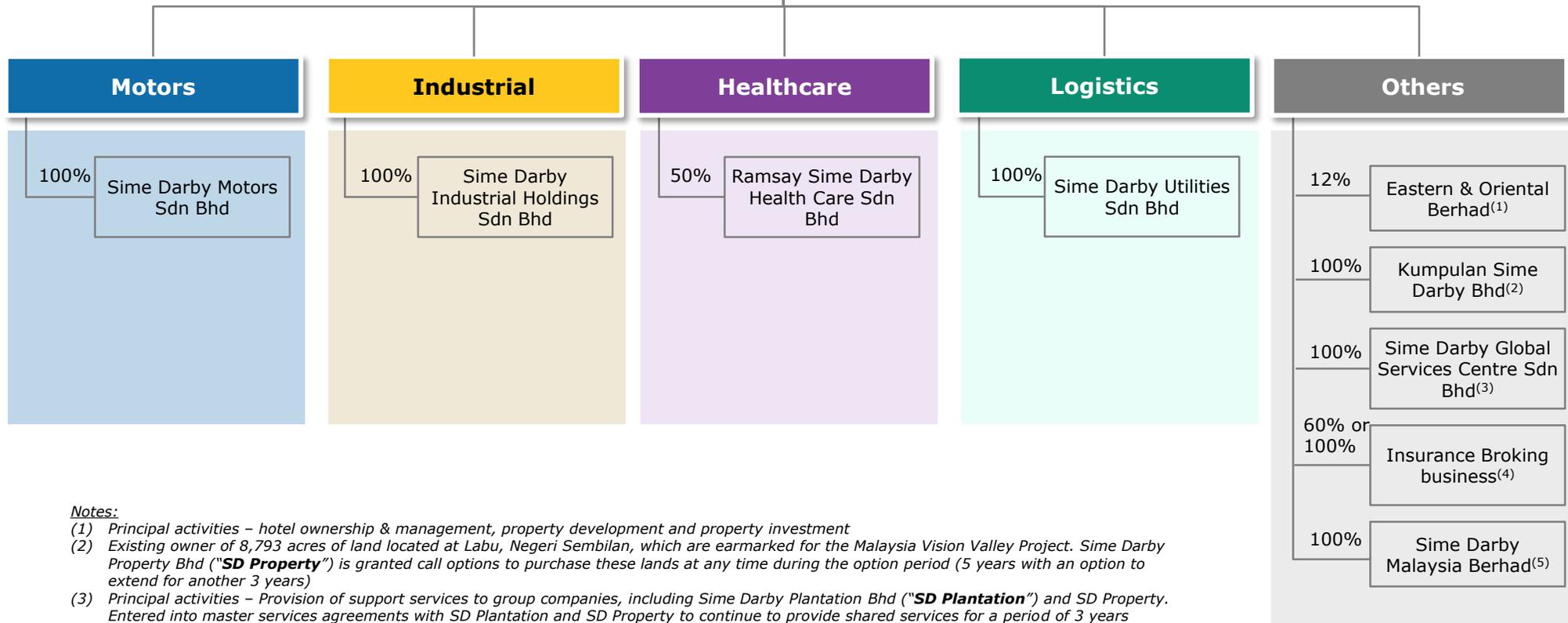
Sime Darby Berhad

Group Corporate Structure



(RM million)

30-Jun-18	Motors	Industrial	Logistics	Others	Group
External Debt	1,048	1,483	316	42	2,889
Cash	605	480	227	360	1,672
Revenue	20,341	13,041	341	105	33,828
PBIT	543	612	74	(155)	1,074



Notes:

- (1) Principal activities – hotel ownership & management, property development and property investment
- (2) Existing owner of 8,793 acres of land located at Labu, Negeri Sembilan, which are earmarked for the Malaysia Vision Valley Project. Sime Darby Property Bhd ("SD Property") is granted call options to purchase these lands at any time during the option period (5 years with an option to extend for another 3 years)
- (3) Principal activities – Provision of support services to group companies, including Sime Darby Plantation Bhd ("SD Plantation") and SD Property. Entered into master services agreements with SD Plantation and SD Property to continue to provide shared services for a period of 3 years
- (4) Principal activities – insurance and reinsurance brokers, insurance advisory and consultancy services. Malaysia – 60% owned Sime Darby Lockton, Singapore and Hong Kong – 100% owned
- (5) Principal activities – holding of trademarks (SIME DARBY mark, logo and tagline). Entered into trademark and brand license agreement with SD Plantation and SD Property for the licence of the trademarks for a period of 4 years



Sime Darby Berhad

FY2018 Balance Sheet

(FYE June 2018; RM million)	Motors	Industrial	Logistics	Healthcare & Others	Total
Fixed Assets	3,291	2,735	1,715	23	7,764
Assocs, JVs & Investments	336	100	424	979	1,839
Inventories	3,762	3,447	1	-	7,210
Receivables	2,627	2,319	300	467	5,713
Tax Assets	249	161	34	215	659
Cash	605	480	227	360	1,672
Total Assets	10,870	9,242	2,701	2,044	24,857
Shareholders' Equity	4,462	3,179	708	6,021	14,370
Non Controlling Interests	18	266	103	2	389
Total Equity	4,480	3,445	811	6,023	14,759
Payables	2,924	3,182	347	381	6,834
IG balances	2,178	1,008	1,222	(4,408)	-
Borrowings & Leases	1,048	1,483	316	42	2,889
Tax Liabilities	240	124	5	6	375
Total Liabilities	6,390	5,797	1,890	(3,979)	10,098
Total Equity & Liabilities	10,870	9,242	2,701	2,044	24,857
Invested Capital¹	7,700	5,896	2,320	1,448	17,364
Debt/Equity (%)	23.4%	43.0%	39.0%	0.7%	19.6%

Notes:

(1) Invested capital is total assets (excluding tax assets and intercompany balances) less operating liabilities (i.e. all liabilities except borrowings, intercompany balances, leases and tax liabilities)



Thank You
