

Gamuda Berhad

KVMRT2 – ALL SYSTEMS GO!

Q4 2013 INVESTORS' BRIEFING

26 September 2013



GAMUDA INCOME STATEMENT SUMMARY

(RMmil)	FYE July 2013	FYE July 2012	Change (%)
Revenue	3,883.1	3,087.0	+26
Profit from operations (EBIT)	622.9	584.5	+7
<i>Less: Tribunal Awards</i>	<i>(110.7)</i>	-	<i>n.m.</i>
Finance Costs	(60.8)	(62.4)	-3
Share of associates (net of tax)	241.2	206.1	+17
Profit before tax	692.6	728.2	-5
<i>Profit before tax (before Tribunal Awards)</i>	<i>803.3</i>	<i>728.2</i>	<i>+10</i>
Tax	(142.6)	(162.2)	-12
Minority Interests	(8.7)	(18.7)	-54
Net profit attributable to equity holders	541.4	547.3	-1
<i>Net profit (before Tribunal Awards)</i>	<i>630.1</i>	<i>547.3</i>	<i>+15</i>
Fully diluted EPS (sen)	24.9	25.6	
Dividend per share (sen)	12.0	12.0	
EBIT margins (%)	16.0	18.9	

(RMmil)	As at 31 July '13	As at 30 Apr '13
Current Assets	5,716.5	5,811.5
Current Liabilities	2,480.8	2,623.7
Current Ratio	2.3x	2.2x
Total borrowings	2,458.7	2,615.3
Cash and marketable securities	1,745.1	1,853.8
Net cash	(713.6)	(761.5)
Share capital	2,276.6	2,155.4
Reserves	2,604.1	2,327.5
Equity attributable to equity holders	4,880.8	4,428.8
Net gearing (overall)	15%	17%
Net assets per share (RM)	2.14	2.08



QUARTERLY SEGMENTAL PROFITS

(RMmil)	Q412	Q113	Q213	Q313	Q4 `13	Q4 `12	+/-
Construction & Eng	61.2	55.1	65.4	85.5*	67.4*	61.2	+10
Properties	76.0	64.5	68.1	64.7	61.1	76.0	-20
Concessions	39.5	62.6	68.9	69.7	70.3	39.5	+78
Group Pretax Profit	176.7	182.2	202.4	220.0*	198.8*	176.7	+13
Group Net Profit	140.5	145.4	156.9	162.4*	165.4*	140.5	+18

** before impact of Tribunal Awards totaling -RM113.0m in Q3 and +RM2.3m in Q4*

YTD Segmentals

(RMmil)	FY `13	FY `12	+/-
Construction	273.4*	222.0	+23
Properties	258.5	286.2	-10
Concessions	271.4	220.1	+23
Group PBT	803.3*	728.2	+10

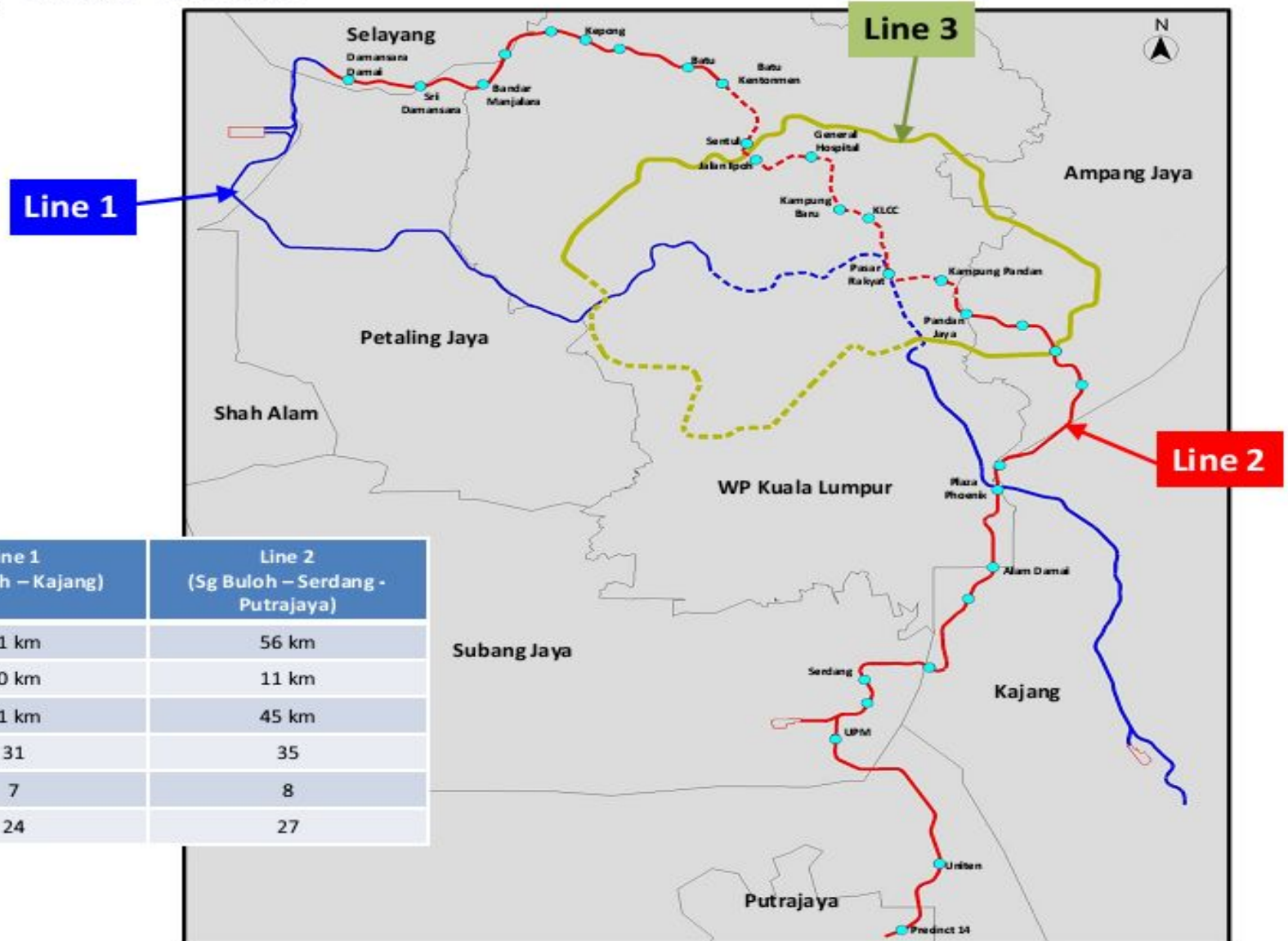
Pretax Margins (YTD)

%	FY `13	FY `12
Construction	9.9*	11.7
Properties	25.5	26.8
Concessions	n.m.	n.m.
Group PBT	20.7*	23.6

- **Third consecutive record-breaking year** – core net earnings grow to RM630m (+15%), revenues surge to near RM4bn (+26%)
- **Fiscal constraints result in projects review** – KVMRT2, 3 approved to proceed, other mega-projects may be rescheduled
- **KVMRT2 formal approval expected by year end** – PDP appointment to follow, 2-year lead time to `shovel-readiness`
- **Targeting dual-role involvement in KVMRT 2** – as main turnkey contractor for underground package, PDP for elevated works
- **KVMRT1 progress to ramp up significantly in FY14** – will underpin strong revenue and earnings growth in coming year
- **Property sales achieve new record** – RM1.75bn new sales achieved (+14%), projecting 9% growth in FY14

- RM25bn KVMRT2 set to proceed; Cabinet approval/PDP appointment expected by year end; works to start in 1HY16
- Project review/resequencing may see delays in roll-outs of Southern Double Track and HSR projects amongst others
- KVMRT1 - cumulative financial progress on PDP scope and underground works at 12% and 18% respectively at end FY13; significantly faster progress expected in FY14 and FY15
- All 10 TBMs have been delivered; 4 TBMs presently tunneling; another 2 TBMs to commence tunneling in next 2 months
- New property sales surpasses targets by 8% in FY13, totaling RM1.75bn (+14% y-o-y); RM1.5bn unbilled sales at end FY13;

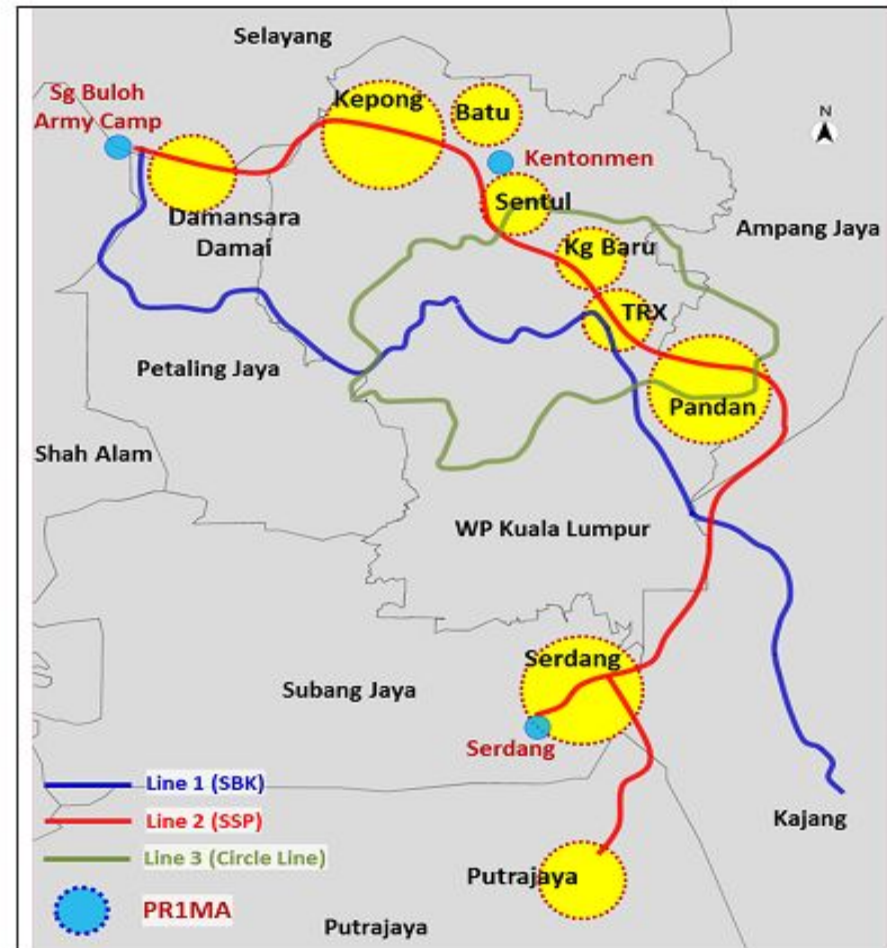
Klang Valley MRT Lines



KWRT 2 – CATALYST FOR DEVELOPMENT

Line 2 – Catalyst for Development

- Kg Baru – TRX – Serdang – Putrajaya
- PRIMA




GAMUDA CONSTRUCTION ORDER BOOK

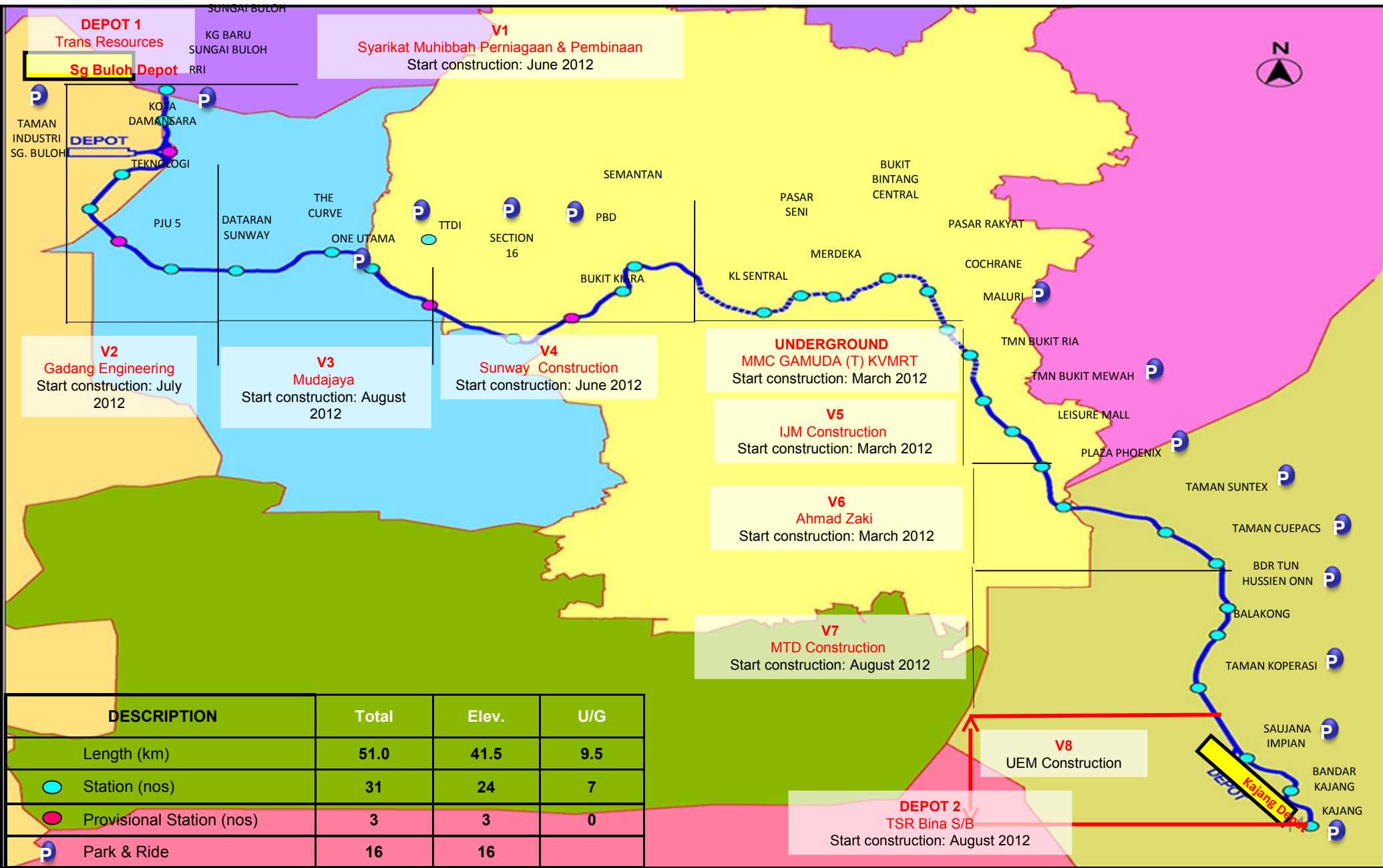
- Current unbilled order book about **RM3.5 billion** (end FY13)

Major Projects	Balance works (RMbn)	Completion Status		Comments
		% now	completion date	
<u>Major Ongoing</u> KVMRT Line 1 (SBK Line) Tunneling (50% share)	3.4	18	2017	4 TBMs tunnelling, 6 TBMs being assembled, work ongoing at all 7 underground stations
<u>Nearing Completion</u> Northern Double Tracking Railway (50% share)	0.1	97	2014	On track for completion by mid-2014
<u>Recently Completed</u> Yenso Park STP NDIA – Ph 1, 2}	- -	100 100	2012 2012	Completed Completed

- Strong FY performance with revenues up 45% to RM2.7bn; core earnings rise 23% to RM273m; unbilled order book at RM3.5bn
- Weak Q4 performance due to near completion of Double Track, increasing impact of low-margin PDP revenues, lower tunneling margins; PBT margins fell to 9.9% for FY13 and 6.4% in Q4
- Tunneling works progressing well; All 10 TBMs fully delivered; 4 TBMs actively tunneling with another 2 coming onstream in Nov
- Elevated works catching up on earlier delays; works now mainly on above ground sections - pier construction, viaduct launchings
- KVMRT2 – focus over next 2 years will centre around land acquisition, public dialogue and feedback, project design, tendering and contract awards



SBK Line – Summary of Civil Packages



- Slight 10% earnings decline in FY13 due to impact of land sale gain in Celadon City last year; FY13 PBT up 11% y-o-y if land sale gain impact stripped out; margins stable at 25%
- Group achieved new sales of RM1.75bn (+14%) in FY13; domestic sales surged 52% with unprecedented RM1bn sales from Horizon Hills alone; unbilled sales at RM1.5bn;
- Maintaining FY14 sales projections at RM1.9bn (+9%); Robertson to be launched soon
- Klang Valley market appears to have bottomed out; Vietnam still weak, but well compensated by highly buoyant Iskandar market
- Acquired 2 new parcels of landbank for RM667m; allocating RM1bn/year for landbank acquisitions over next 2 years
- Landbanking efforts making good progress

- Steady predictable concession earnings; FY13 PBT up 23% to RM271m underpinned by normalizing expressway earnings
- Water restructuring negotiations making good progress; disposal of Splash likely concluded by Q1 next year
- Exploring other options for the expressway concessions division