



FY2017/2018 Results Announcement First Quarter ended 30 September 2017

16 November 2017



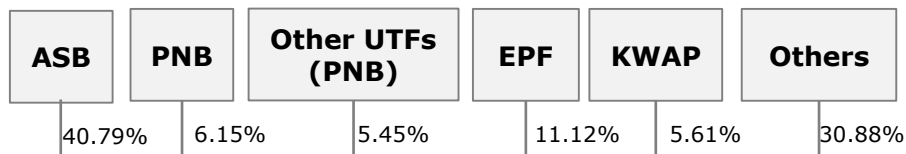
*Developing
Sustainable Futures*

SIME DARBY PURE PLAY EXERCISE

Transaction Overview



Existing Corporate Structure



Sime Darby

Listed company

Plantation

Property

Trading,
Logistics &
Others

100%

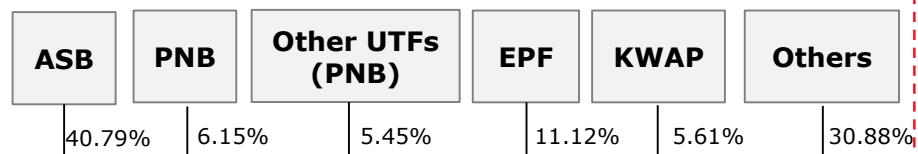
100%

SD
Plantation

SD
Property

Conglomerate group structure involved in distinct businesses, i.e. plantation, property, trading, logistics & others

Corporate Structure Post Proposals



Same set of shareholders will continue to hold the same shareholding in each entity

**SD
Plantation**

**SD
Property**

**Sime
Darby**

Listed company

Listed company

Listed company

Plantation
Business

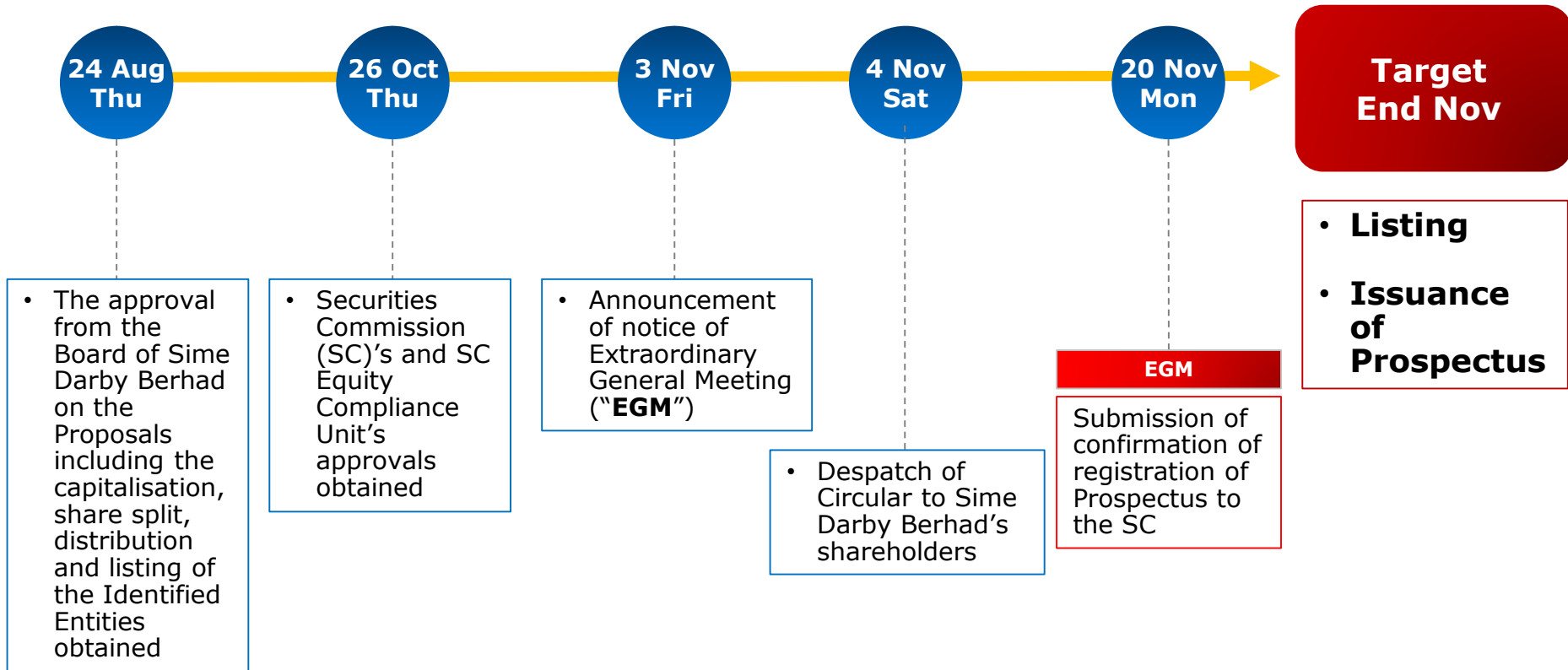
Property
Business

Trading,
Logistics &
Others

Milestones Following Actual Listing Submission



Assuming Listing by End November (EGM on 20 November 2017)



The Listing Reference Price



The listing reference price of the Identified Entities shall fall within the percentage allocation range stated below, which represents the percentage to be applied to the closing price of Sime Darby's shares on the last day of cum entitlement trading.

		Share price of RM9.05 and market cap of RM61.55bn		Share price of RM9.20 and market cap of RM62.57bn	
Companies	Percentage allocation range	Reference price (RM/share)	Market Cap (RM'bn)	Reference Price (RM/share)	Market Cap (RM'bn)
Sime Darby Plantation	60% to 68%	Min: 5.43 Max: 6.15	36.93 - 41.82	Min: 5.52 Max: 6.26	37.54 - 42.55
Sime Darby Property	16% to 19%	Min: 1.45 Max: 1.72	9.85 - 11.70	Min: 1.47 Max: 1.75	10.01 - 11.89
Adjusted Share Price: Sime Darby Berhad	13% to 24%	1.18 - 2.17	8.00 - 14.78	1.20 - 2.21	8.13 - 15.02

Adjustment to Sime Darby Berhad's share price

- Share price will be adjusted by subtracting the listing reference price of the Identified Entities from the last closing price of Sime Darby Berhad's shares
- This is to ensure that the total net worth position of our shareholders will be the same before and after the Proposed Distribution.

SIME DARBY PLANTATION

Sime Darby Plantation Financial Highlights



Stellar Performance in 1Q FY2018

<i>in RM'mn</i>	1Q FY2018	1Q FY2017	YoY %
Revenue	3,541	2,819	+26%
Operating Profit	1,281	344	+272%
One-offs ¹ : RM771mn			
PBIT	1,284	329	+290%
PBT	1,239	227	+446%
PATAMI	1,019	151	+575%
Basic EPS (RM sen)	169.8	25.2	+574%
Proforma Basic EPS² (RM sen)	15.0	2.2	+582%

¹ One-offs refer to the gain on sale of land to Sime Darby Property of RM676mn and reversal of accrual for donation of RM95mn

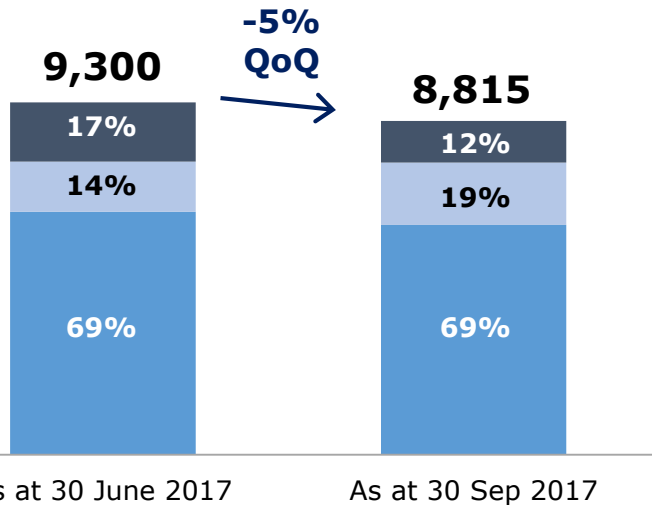
² Pursuant to Share Split and Distribution, assume 6,800,839,377 number of shares

Snapshot of Borrowings & Cash



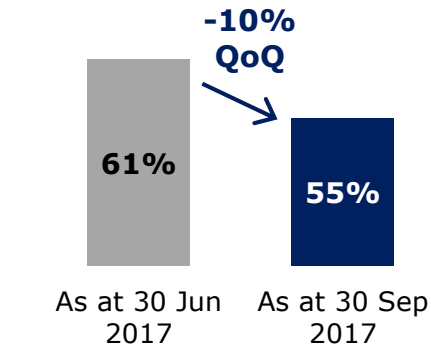
Improved Debt/Equity Ratio and Cash Balances as at 30 Sep 2017

Total Borrowings (RM'mn)

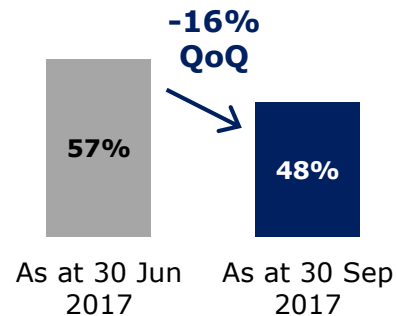


■ Long term external ■ Short term external ■ Intercompany loans

Gross Debt/Equity Ratio



Net Debt/Equity Ratio



Total Equity
RM15,958mn
(+6% QoQ)
30 June 2017: RM15,123mn

Bank Balances & Cash
RM1,218mn
(+71% QoQ)
30 June 2017: RM713mn

Lower borrowings* on the back of:

- Lower intercompany loans, as a result of the **sale of land** to Sime Darby Property
- **Lower USD forex rates**

Higher cash balances
as a result of:

- **Positive cash generated** from operations arising from higher profits

* Borrowings include intercompany loans

- As at 30 Sep 2017: RM1,100mn
- As at 30 Jun 2017: RM1,563mn

Financial Performance



Strong Contribution from Upstream Operations in 1QFY2018

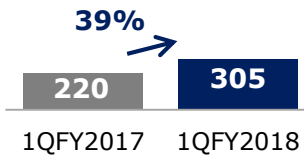
1Q FY2018

External Revenue	RM3,541mn (+26% YoY) 1QFY17: RM2,819mn						
PBIT	RM1,284mn (+290% YoY) 1QFY17: RM329mn						
Upstream	RM1,208mn +359% YoY (1QFY17: RM263mn)	<ul style="list-style-type: none"> • PBIT excluding one-offs: RM437mn, +66% YoY 	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="padding: 2px;">FFB production</td> <td style="padding: 2px;">2.70mn MT, +25% YoY (1QFY17: 2.15mn MT)</td> </tr> <tr> <td style="padding: 2px;">Average CPO price realised</td> <td style="padding: 2px;">RM2,693/MT, +4% YoY (1QFY17: RM2,592/MT)</td> </tr> </table>	FFB production	2.70mn MT, +25% YoY (1QFY17: 2.15mn MT)	Average CPO price realised	RM2,693/MT, +4% YoY (1QFY17: RM2,592/MT)
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Average CPO price realised	RM2,693/MT, +4% YoY (1QFY17: RM2,592/MT)						
Downstream & Others	RM76mn +15% YoY (1QFY17: RM66mn)	<ul style="list-style-type: none"> • Downstream: Declined 5% from RM74mn to RM70mn due to lower profit generated by refineries in Malaysia & Europe <ul style="list-style-type: none"> ▪ Lower sales volume and lower margin on the back of higher feedstock costs ○ Partially mitigated by favourable performance of Indonesia operations due to higher sales volume and margin • Others: Registered a profit of RM6mn from a loss of RM8mn in 1QFY17, due to the turnaround reported by Emery Group arising from initiatives implemented to improve its operations 					

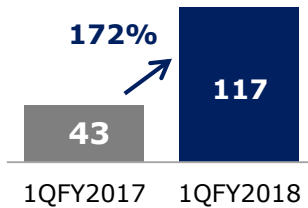
High Profit Contributions from Malaysia, Indonesia and PNG

Rise in core Upstream PBIT by +66% YoY due to higher FFB production and CPO price realised

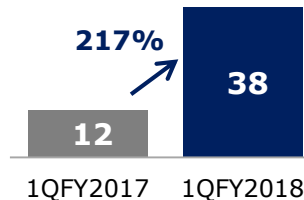
Malaysia



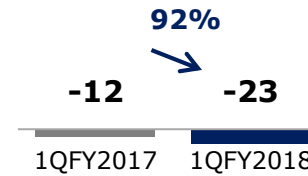
Indonesia



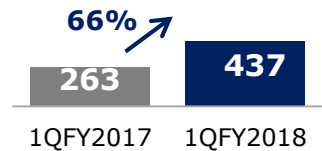
PNG



Liberia*

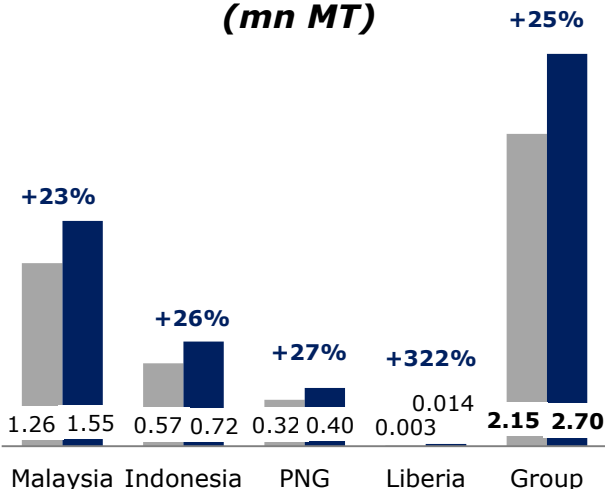


Group

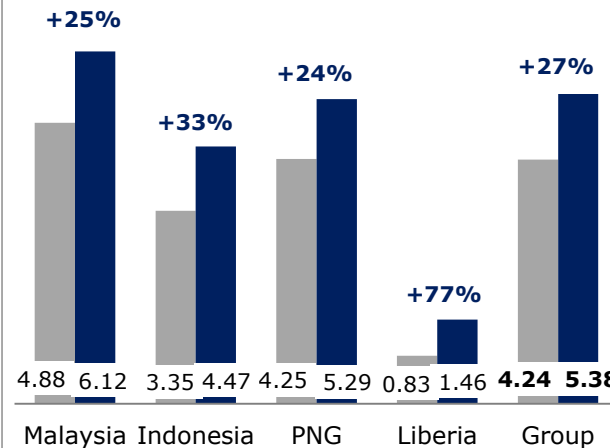


FFB production and yield improvements due to focused efforts on the ground to improve operational performance

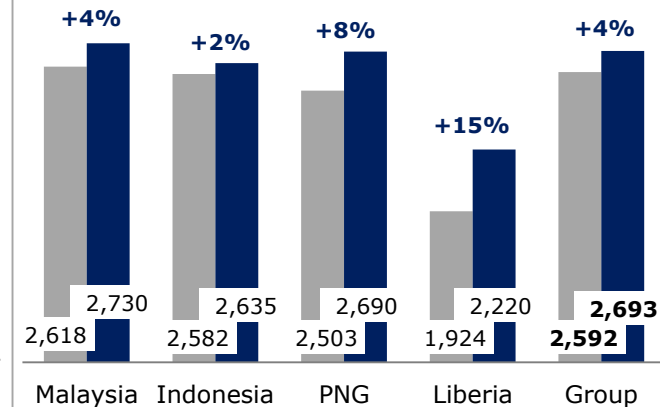
FFB Production (mn MT)



FFB Yield (MT/ha)



Avg. CPO Price Realised (RM/MT)



* The Liberia operation registered higher losses mainly due to the increase in mature area which led to higher depreciation

Strategic Initiatives

Focused Execution Remains Paramount

WATER MANAGEMENT

Mitigating El Nino and La Nina:
Efficient water management system

Micro Sprinkler



Water Reservoirs



Water Pump



MECHANISATION

Addressing human capital challenges:

- In the near and long term
- Improving productivity



DOWNSTREAM

Continuous efforts to manage cost and improve margins:

- Increase Differentiated: Commodity product ratio
- Higher lean six sigma (LSS) savings
- Better capacity utilisation rate

ACCELERATED REPLANTING WITH SUPERIOR HIGH YIELDING MATERIAL

Ensuring competitive yields:
Accelerated replanting at 5-7%

Genome Select Material Potential Oil Yield 11 MT/Ha



- 100 ha planted
- By Apr'18: 500 ha

Dami Super Family Seeds Potential Oil Yield 9 MT/Ha



New progenies

ENHANCING OER AND MILL EFFICIENCY



- **Oil loss reduction** via increased efficiency
- Ensuring **high food safety standards**

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THANK YOU

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Developing
Sustainable Futures

APPENDICES

Sime Darby Plantation



Breakdown of External Revenue and PBIT by Segment

<i>In RM'mn</i>	1QFY2018	1QFY2017	YoY %
Upstream Group	782	600	30%
Upstream Malaysia	322	172	87%
Upstream Indonesia	38	117	-68%
Upstream PNG	412	308	34%
Upstream Liberia	10	3	233%
Downstream	2,743	2,203	25%
Others	16	16	0%
TOTAL EXTERNAL REVENUE	3,541	2,819	26%

<i>In RM'mn</i>	1QFY2018	1QFY2017	YoY %
Upstream Group	1,208	263	359%
Upstream Malaysia	1,076	220	389%
Upstream Indonesia	117	43	172%
Upstream PNG	38	12	217%
Upstream Liberia	-23	-12	-92%
Downstream	70	74	-5%
Others	6	-8	-175%
TOTAL PBIT	1,284	329	290%

Sime Darby Plantation



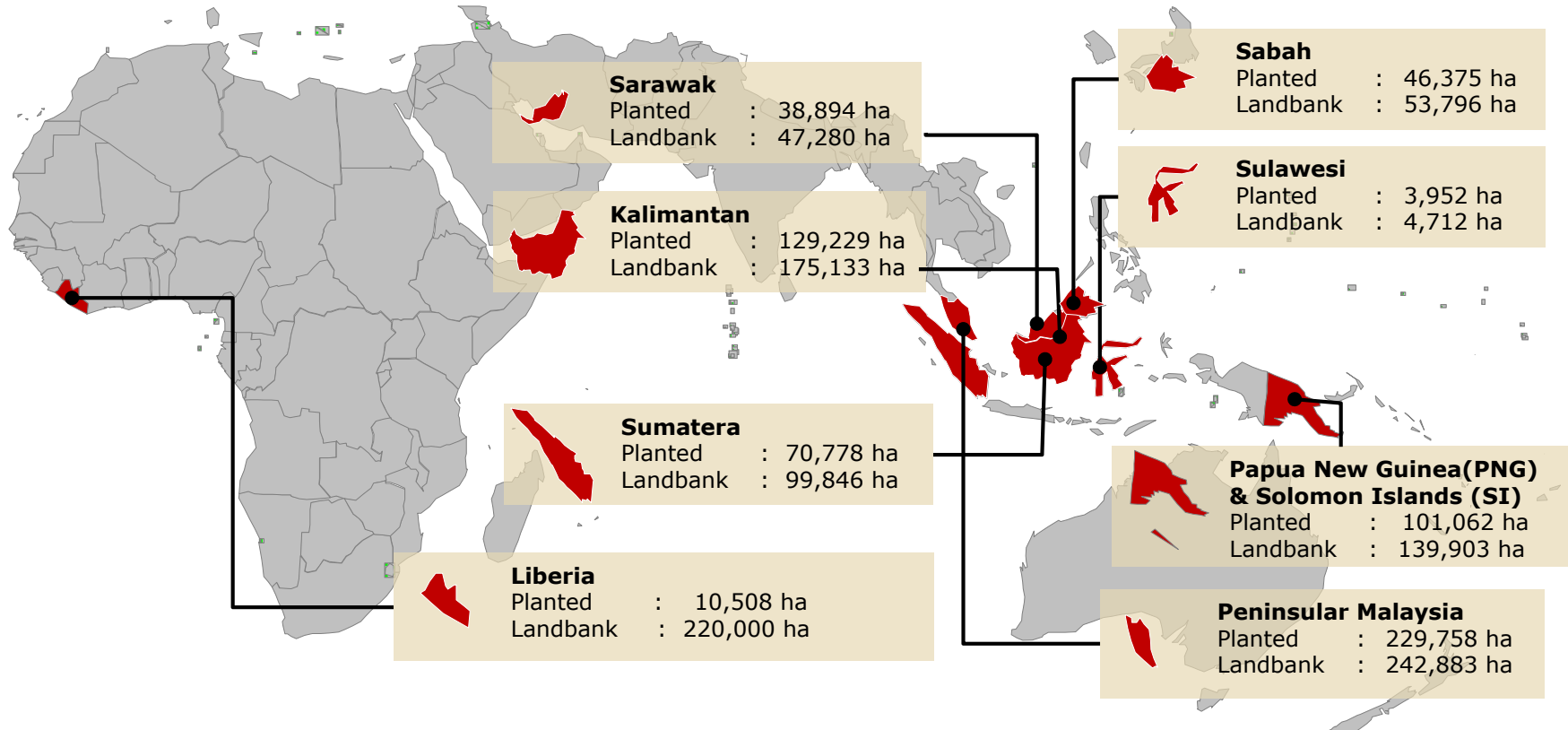
Summary of Operational Statistics as at 30 September 2017

	Malaysia		YoY %	Indonesia		YoY %	PNG		YoY %	Liberia		YoY %	Group		YoY %
	30 Sep '17	30 Sep '16		30 Sep '17	30 Sep '16		30 Sep '17	30 Sep '16		30 Sep '17	30 Sep '16		30 Sep '17	30 Sep '16	
FFB Production (mn MT)	1.55	1.26	+23%	0.72	0.57	+26%	0.40	0.32	+27%	0.014	0.003	+322%	2.70	2.15	+25%
FFB Yield per mature ha (MT/Ha)	6.12	4.88	+25%	4.47	3.35	+33%	5.29	4.25	+24%	1.46	0.83	+77%	5.38	4.24	+27%
CPO Production (mn MT)	0.37	0.28	+30%	0.19	0.15	+27%	0.12	0.09	+31%	0.003	0.0007	+390%	0.69	0.53	+30%
PK Production (mn MT)	0.09	0.07	+39%	0.04	0.03	+35%	0.03	0.02	+34%	0.0005	-	-	0.17	0.12	+37%
CPO Extraction Rate (%)	20.2	21.0	-4%	21.3	21.3	+0%	22.7	22.4	+1%	20.6	20.2	+2%	20.9	21.3	-2%
PK Extraction Rate (%)	5.1	4.9	+3%	4.8	4.5	+7%	5.9	5.7	+3%	2.9	-	-	5.1	4.9	+4%
Average CPO Selling Price (RM/MT)	2,730	2,618	+4%	2,635	2,582	+2%	2,690	2,503	+8%	2,220	1,924	+15%	2,693	2,592	+4%
Average PK Selling Price (RM/MT)	2,162	2,555	-15%	1,901	1,940	-2%	-	-	-	-	-	-	2,111	2,442	-14%

Sime Darby Plantation



Upstream Geographical Coverage as at 30 September 2017

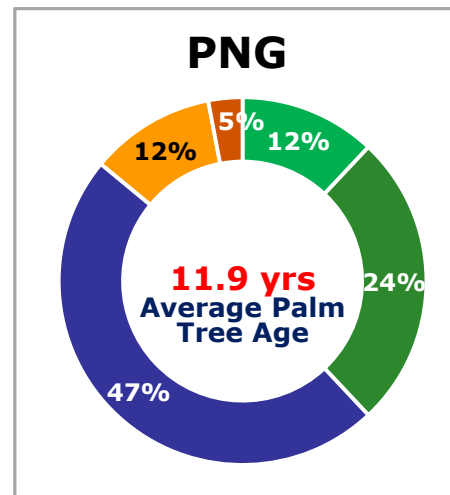
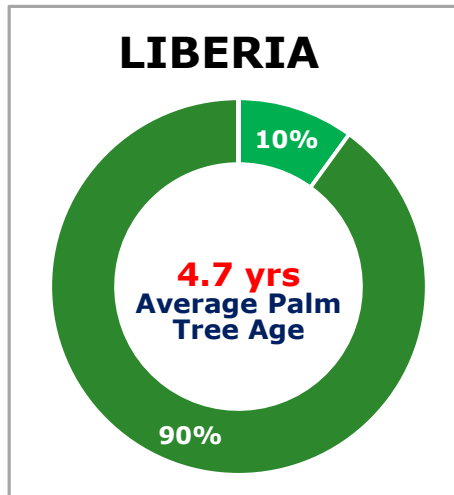
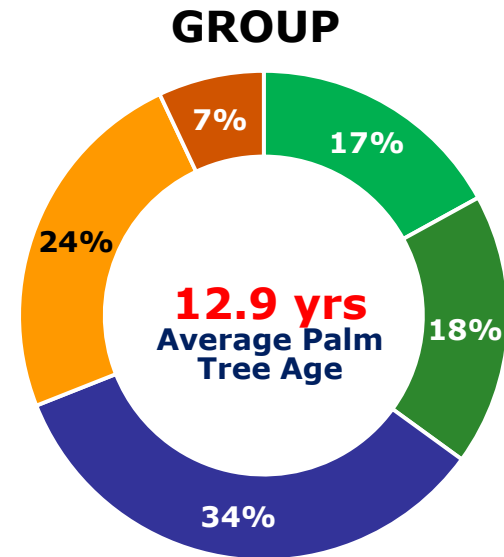
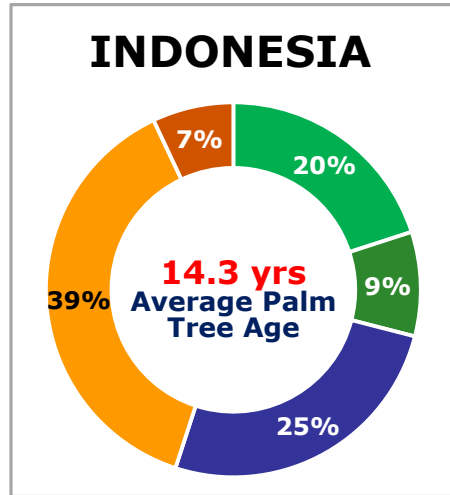
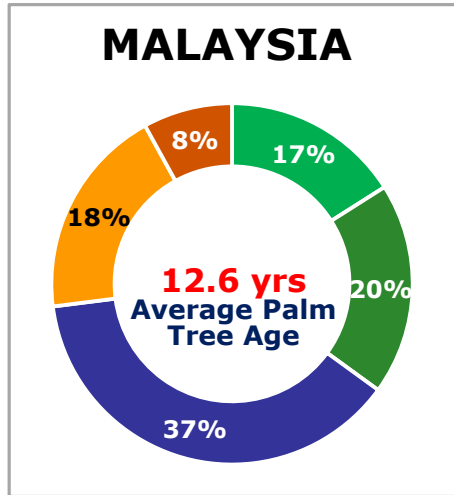


As at 30 Sep'17	Malaysia	Indonesia	Liberia	PNG	Solomon Islands	Group
Land bank (ha)	343,959	279,691	220,000	131,588	8,315	983,553
Oil Palm Planted Area (ha)	303,367	202,191	10,401	79,729	6,764	602,452
Rubber Planted Area (ha)	11,660	1,768	107	-	-	13,535
Sugarcane Planted Area (ha)	-	-	-	5,613	-	5,613
Grazing Pastures Area (ha)	-	-	-	8,956	-	8,956

Sime Darby Plantation



Oil Palm Age Profile as at 30 September 2017



Sime Darby has 602,452 ha of oil palm planted area of which 83% is mature and 17% is immature