

PRESS RELEASE

DAMANSARA REALTY WINS RM27.62 MILLION CONTRACT FOR PETRONAS' PENGERANG INTEGRATED FACILITIES MANAGEMENT PROJECT

- Over RM285 million contracts under IFM segment already inked as at 30 July 2017
- DBhd's Aggressive Strategic Restructuring Plan hauled PAT into positive RM2.5 million for 1H17 compared to a negative RM9.8 million for 1H16

Kuala Lumpur, 25 September 2017 - Damansara Realty Berhad ("DBhd" or the "Group") has won another integrated facilities management (IFM) project for an estimated RM27.62 million, in a joint venture with Kumpulan Perubatan (Johor) Sdn Bhd (KPJSB) for a small medical facility in Petronas' Pengerang refinery in Johor.

PRPC Utilities and Facilities Sdn Bhd (PRPC UF), a subsidiary of Petronas Refinery and Petrochemical Corporation Sdn Bhd has awarded the contract to a consortium of DBhd's subsidiary TMR Urusharta (M) Sdn Bhd and KPJ Healthcare Berhad's Kumpulan Perubatan (Johor) Sdn Bhd (KPJSB). The project covers medical services for utilities, interconnecting and offsite facilities for the Petronas Refinery and Petrochemical Integrated Development (RAPID) project in Pengerang.

The small medical facility project also includes an optional services contract for RM7.8 million, bringing the potential total contract value to RM35.42 million, DBhd said in an announcement to Bursa Malaysia. This win will boost DBhd's IFM segment further, adding to the RM285 million in contracts already secured as of July this year.

"Our IFM division has been the engine in driving our return to profitability, contributing 46 percent from our total EBITDA in the first half of 2017 alone," said Group Chief Executive Officer, Brian Iskandar Zulkarim.

"We implemented an aggressive strategic restructuring plan in late 2016 which has seen improved operational efficiencies within the Group. Barring any unforeseen circumstances, we expect the Group to show a full-year operating profit for the first time in four years," he added.

DBhd's strategic transformation initiatives resulted in a first half net profit of RM2.5 million compared to a net loss of RM9.8 million in the corresponding period in 2016. Gross profit surged 78 percent to RM27.6 million from RM15.5 million a year ago.

"The turnaround in our financial performance shows that our strategic restructuring plan is working. From now until the end of 2018, our focus in the next stage of the plan is to unlock shareholder value," Brian said.

DBhd's IFM segment has benefitted greatly from the turnaround initiatives, becoming a preferred provider in integrated facilities management services to national oil company, Petronas. DBhd was awarded with RM124 million contract to operate and maintain the temporary executive village and management office of Petronas' RAPID project in September 2016, and secured another contract for security management services worth RM26.21 million in July 2017.

This small medical facility project will see the consortium to provide the management of medical services, including liaison, accounts and finance, monitoring and administrative services.

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About Damansara Realty Berhad

Damansara Realty Berhad is an investment holding company with three major business segments, namely property and land development, integrated facilities management (IFM) as well as project management and consultancy services. For more information, please visit www.dbhd.com.my or email corporateinfo@dbhd.com.my

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