



DAMANSARA
REALTY BERHAD (4030-D)

MEDIA RELEASE

DAMANSARA REALTY RETURNS TO BLACK WITH RM17.8 MILLION NET PROFIT FOR 2017

**COMPANY SUCCESSFUL IN ITS TURNAROUND PLANS, HITTING PROFITABILITY AFTER
THREE YEARS**

KUALA LUMPUR, 13 February 2018 - Damansara Realty Berhad (“DBhd” or the “Group”) moved into profitability after three consecutive years of loss, recording a profit after tax of RM17.8 million for its financial year ended 31 December 2017, against a net loss of RM27.8 million last year. Revenue from its three main core segments increased by 36 percent to RM249.4 million against RM183.2 million in 2016.

The Group’s outstanding performance is attributed to the successful implementation of its turnaround programme that was introduced in November 2016 by the incoming Group Chief Executive Officer, *Ts. Brian Iskandar Zulkarim.

“Our transformation plans have been effective and we are seeing results faster than expected. We have broken a three year streak of losses from the second quarter onwards in 2017 by securing more higher-value contracts and increasing revenue through synergised offerings from our subsidiaries.”

“We believe we are in a stronger position for growth and on track for sustained profitability,” said Brian.

Revenue stream increased from all three of DBhd’s business segments which include integrated facilities management (“IFM”), property and land development, as well as project management consultancy (“PMC”).

Notably, the IFM segment contributed significantly to the Company’s overall revenue with a 30.8 percent jump in yearly revenue to RM221.6 million in FY2017 as compared to RM169.3 million in FY2016. This momentous increment was due to the ongoing contracts from Petronas, Malaysia Airports, Menara TM, Dataran Maybank and Etiqa buildings, MRT stations, Singapore Sports Centre, and AeroDarat Services. The IFM segment offers a wide range of services including landscaping, F&B & catering, security, medical facility, hotel & cabin management, parking & logistic and cleaning services.

“With increasing demand from clients to deal with a single service provider that can offer a one stop solution for all maintenance and operational requirements, our strengthened IFM segment is now able to provide a wider scope of related services to meet our clients’ needs. This puts us on a good standing to benefit from increased recurring income from a diverse suite of bundled offerings through our various subsidiaries,” said Brian.

The Group's PMC segment posted an increase of 12 percent in annual revenue to RM11.2 million compared to RM10 million last year. The company aims to broaden its offerings to more than just hospital planning and consultancy in order to diversify income streams from other project management consultancy and construction management activities.

Revenue for DBhd's property and land development segment almost tripled to RM20.07 million compared to RM7 million last year, mainly due to unit sales from its Damansara Hills 1 development in Kuantan, Pahang and Aliff Square 2 in Tampoi, Johor.

The Group's transformation success is also reflected in its net current assets of RM1.53 million from RM154.65 million of net current liabilities, following the completion of a large portion of its settlement agreement for 53-acre land in Johor.

"We have completed the bulk of our settlement with JCorp, which has reversed our standing from being in a net current liability position to a net current asset position," Brian added.

In addition, through the issuance of Redeemable Convertible Notes ("RCN") with bonus issue of warrants, DBhd will be able to potentially raise up to RM239 million of funds cost-effectively, allowing flexibility to draw down funds as needed and to increase DBhd's trading liquidity.

The funds will be used to accelerate DBhd's development activities and finance working capital requirements for any newly-secured, ongoing and future projects.

**Ts. stands for the title of 'Certified Professional Technologist' awarded by the Malaysia Board of Technologists (MBOT).*

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About Damansara Realty Berhad

Damansara Realty Berhad ("DBhd") or the Group is an investment holding company that was established in 1960 and was listed in Main Board of Bursa Malaysia in 1973. DBhd involved in three major business segments; property and land development, integrated facilities management ("IFM"), project management and consultancy ("PMC") services. The Group has its international presence spread across countries includes Singapore, Philippines and Papua New Guinea. For more information, please visit www.dbhd.com.my or email corporateinfo@dbhd.com.my

Issued on behalf of Damansara Realty Berhad. For any media enquiries, please contact Millennium Associates:-

Michell Lee
M: 011 1856 8678
E: michell@millennium.net.my

Alleya Wong
M: 012 314 0082
E: alleya@millennium.net.my