Sime Darby Property
Battersea Power Station
Sime Darby Property
The Largest Property Developer in Malaysia
A Leader in Building Sustainable Communities

Property Development
Some of Malaysia’s most well-known and award-winning townships and highly sought-after commercial & mixed development projects

Property Investment
Operates and manages award-winning commercial, industrial, offices, retail, hotels, golf clubs and service residences in Malaysia, Singapore, Australia and Vietnam.

“A community of 425,000 people”

“~40,000 acres of land bank”

“More than 85,000 homes”

“Award-winning operations in 5 countries”
Global Presence in 5 Countries

- UK
- Malaysia
- Vietnam
- Singapore
- Australia
Major Awards/Achievements

OASIS ARA DAMANSARA LEED CERTIFIED

Special Awards for Sime Darby Idea House
(prototype of the FIRST carbon-neutral residence in South East Asia)
Strategy
Driving Sime Darby Property’s Growth
To be a leader in building sustainable communities

1. To achieve PBIT of RM1.0 billion by 2016/17

<table>
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<tr>
<th>FY2011</th>
<th>FY2016/17</th>
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<tbody>
<tr>
<td>Property Development</td>
<td>95%</td>
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<tr>
<td>Property Investment</td>
<td>5%</td>
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2. To have at least 20% of income contribution derived from overseas operations by 2016/17

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<th>FY2011</th>
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<td>Domestic</td>
<td>95%</td>
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Strategy – Entering new high growth domestic and international markets is key to achieving Blueprint targets.

- **Growth historically focused in Malaysia**
  - Townships Along Guthrie Corridor
    - Bdr Bukit Raja
    - Kuala Lumpur
    - Ara Damansara
    - Subang Jaya
    - Ampar Tenang
    - Labu
    - Sepang

- Greater Kuala Lumpur

- **NEGERI SEMBILAN**

- **UK PROPERTY MARKET**
  - • London

- **Focus on niche developments in high growth international markets**
  - • Exposure to high-growth market in London

- **Diversify Land Bank into Prime Areas**
  - • Exposure to prime land bank in Malaysia

- **Large undeveloped land bank**
  - consisting of ex-plantation estates
- **Located further away from the Kuala Lumpur conurbation areas**
The Battersea Power Station

A regeneration opportunity
The Battersea Power Station Regeneration will be Sime Darby Property’s Biggest International Development

- 39 acres of freehold land
- GDV of £8 billion
  - Land cost of £400 million is only 5% of the GDV
- Mixed Development (57% Residential, 43% Commercial)
- SPA signed on 4th July 2012
- Completed all due diligence and investigations

Source: battersea-powerstation.com
Leveraging on the Strength of London’s Property Market

Strong financial and business sectors

- Ranked 1st by IMF as preferred destination for international banking
- 2nd for equity & bond trading, and fund management
- 3rd largest insurance market globally behind the US and Japan
- Home to 33% of European HQs of Global Fortune 500 companies
- London accounted for 50% of all real estate transactions in the UK in 2010

Attractive Residential Market to Asian Buyers

- More than 50 nationalities purchased properties in London in 2010, with interest typically from high net worth sector
- Chinese and Hong Kong, Singaporean and Malaysian buyers are the most active (26%) among foreign purchasers in the new build market
- Knight Frank’s London Residential Hotspot 2011 forecast that Nine Elms will experience the highest house price growth (140%) of all development hotspots throughout London between now and 2015
Vauxhall Nine Elms Battersea Opportunity Area is the Last Greatest Single Prospect for Regeneration in Central London

**Choice Location**
- 204 acres with 1 mile of River Thames frontage in the vicinity of Westminster
- New culture center for London

**Strong Growth Potential**
- Estimated new gross area of 22 million sq ft providing 16,740 new homes, commercial place for 27,000 new employees
- Total estimated new population of 40,500

**Approvals Granted**
- 10 land owners with planning permission either granted or application made
The Nine Elms Development Masterplan Covers 200 Acres of Undeveloped Land

Battersea
Featuring 3,400 new homes, 160,000 sqm of new office space, 56,000 sqm of retail and 9 hectares of public realm breathing life into the iconic power station.

Riverlight
Prime riverfront location featuring modern and elegant pavilions designed to maximise sunlight

US Embassy
Located at the heart of Nine Elms with development of an urban park in its surrounding area

The Garden at New Covent Garden Market
Commercial spaces, shops, a hotel and 1,600 new homes spread across 9 new residential buildings

Marco Polo House
A vibrant mixed-use development comprising private and affordable housing, office and retail space and basement car park

Embassy Garden
Mixed use community comprising of a significant residential and office scheme
Extension of the Northern Line will be a Catalyst to Battersea’s Growth

- 2 new stations (Battersea and Nine Elms station) will connect Nine Elms to the London Underground network from Kennington. This will create a direct link from Nine Elms to Westminster (8 minutes), The City (12 minutes) and Leicester Square (14 minutes).

- The route has been finalized and the extension is expected to be operational in 2018/19.

- Also new Riverbus service, buses and refurbished overground stations create a new transportation hub at the Power Station.
The Partnership
The Venture Combines the Property Development Capabilities and Financial Strength of 3 Major Malaysian Institutions
Reputable Partners in SP Setia Berhad and EPF

VIETNAM

EcoLakes, My Phuoc
- A township consists of row houses, villas, twin villas, apartments and commercial properties
- Launched in 2009 with a take up rate of 90%

EcoXuan, Lai Thieu
- Consists of twin villas and villas, luxury condominiums, row houses, apartments, shop lots
- Launched in May 2011
- Phase 1 - 28 units of terrace houses are fully sold

SINGAPORE

18 Woodsville
- Consists of a 15-storey block with 101 units
- Expected to be launched in 1HFY12

AUSTRALIA

Fulton Lane
- Consists of 759 units of apartments
- Tower One saw a take-up rate of 80% since it was first launched in June 2011

The largest pension fund in Malaysia
- As at 31 March 2012, EPF has a total of RM489 billion (£100 billion) of investment assets
- Increased its exposure in real estate by investing with best in class property groups
- Joint Venture with Goodman Group, an initial 40/60 stake with EPF holding the majority share

- Manages Australia’s logistics assets with an initial investment of A$400mil
The current partnership will leverage on the experiences of previous owners to ensure a successful undertaking.

Lessons Learnt

Grade II* listed building
Power station’s bad physical condition
Land contamination risk
Opposition to ‘Vegas-like’ tourist development
Opposition to the demolition of the chimney
Planning risk to get legal approval
Northern Line Extension (NLE)
Funding capabilities

Actions Taken by Current Partnership

The power plant façade will be preserved
Refurbishment cost has been accounted for
Consultants have been engaged to ensure all risks and associated costs have been accounted for
REO new design well received by the locals
New chimneys will be erected
New design has received planning approval and consent
NLE has received full support from the government
Partnership ensures sound financial support to execute the development
Key Concerns have been Addressed

Potential costs associated with the development / Upfront Cost

- All development costs have been accounted for including the following:
  - Contribution to the Northern Line Extension (NLE)
  - Restoration costs (preservation of the structure)
  - Environmental costs (cleaning-up of contaminants)
- All relevant approvals and consent for the development have been obtained from the rightful authorities

Funding Issues

- The project is backed by the combined financial strength of Sime Darby, SP Setia and EPF to ensure a successful execution

Target Market

- Expand target market to Asian buyers in China, Hong Kong, Singapore, Brunei and Malaysia
- Recent projects adjacent to the Battersea site have sold well prices of £1,000-£1,500/sqft

Environmental Issues

- Extensive site/soil investigation have been carried out on the site
- Consultants engaged to identify all potential risks and associated costs

Construction of the NLE

- The NLE is seen as a key national infrastructure project and all key stakeholders have given full commitment to its implementation
- The NLE construction is expected to be on-track given the political will and economic necessity for the site
  - The NLE has also received widespread support from the public with an approval rating of above 80%
Partnership Allows the Customer Base to Expand

- Chinese and Hong Kong, Singaporean and Malaysian buyers are the most active (26%) among foreign purchasers in London.
  - Leverage on strong brand name to lure Asian buyers to invest in our property in London.
At £400 million, the purchase price is only 5% of the GDV.

Our purchase price is among the lowest price/sqft compared to the recent land transactions in prime London areas.

- Land cost is only 5% of GDV (20%-40% in Malaysia; 40-60% in Singapore, HK; 30% in London)
- The consortium’s bid does not take on any of the owners/sellers liabilities
- The consortium’s proposal is less risky as there are already approved plans and consent

The site was last valued at £500 million in October 2011 by a third party. With current secured approvals, work can begin within 1-2 years of the signing of the SPA.
A Partnership to Shape the Future of London
Thank You