

City & Country

left to right:
 Datuk Tunku Putra Badlishah Tunku Annuar, Sime Darby
 Tan Sri Liew Kee Sin, S P Setia
 Ngian Siew Siong, Sunway City
 Robert Tan, IGB Corp
 Datuk Jamaludin Osman, Island & Peninsular
 Datuk Lee Yeow Chor, IOI Properties
 Datuk Jagan Sabapathy, Bandar Raya Developments
 Datuk Terry Tham, Eastern & Oriental
 Tong Kooi Ong, Sunrise
 Datuk Teo Chiang Kok, Bandar Utama City Corp



TOP 10

RANK	COMPANY	SIGNIFICANT PROJECTS
1	Sime Darby Property Bhd	Ara Damansara, Putra Heights, Melawati, Bukit Jelutong, Denai Alam, Bandar Bukit Raja
2	S P Setia Bhd	Setia Eco Park, Setia Alam, Setia Tropika (Johor), Setia Pearl Island (Penang), Setia Walk
3	Sunway City Bhd	Sunway South Quay, Sunway Damansara, Kiara Hills, Sunway SPK, Sunway Palazzio, Sunway Vivaldi
4	IGB Corp Bhd	Mid Valley City, Cendana, Seri Maya, U-Thant Residence, Hampshire Place, Laman Sierramas West
5	Island & Peninsular Sdn Bhd*	Bandar Kinrara, Seri Beringin, Alam Damai, Alam Impian, Kota Bayuemas, Kota Seriemas, Alam Sutera
6	IOI Properties Bhd	Bandar Puchong Jaya, Bandar Puteri Puchong, Bandar Putra (Johor), IOI Mall, IOI Boulevard
7	Bandar Raya Developments Bhd	The Troika, One Menerung, CapSquare, Bandar Baru Permas Jaya (Johor), Bangsar Shopping Centre
8	Eastern & Oriental Bhd	Seri Tanjung Pinang (Penang), Dua Residency, Idamansara, Seventy Damansara
9	Sunrise Bhd	11 Mont'Kiara, 10 Mont'Kiara, Solaris Dutamas, Solaris Mont'Kiara, Mont'Kiara Meridin, Mont'Kiara Aman
10	Bandar Utama City Corp Sdn Bhd	Bandar Utama, 1 Utama Shopping Centre, Centrepoint, One World Hotel, Plaza IBM, KPMG Tower

TOP 11 — 30

RANK	COMPANY	RANK	COMPANY
11	Gamuda Bhd — Prop Div	21	PJ Devt Holdings Bhd
12	IJM Land Bhd	22	WCT Land Sdn Bhd
13	YTL Land & Devt Bhd	23	Metro Kajang Holdings Bhd
14	Paramount Corp Bhd	24	Plenitude Bhd
15	Selangor Dredging Bhd	25	Naim Holdings Bhd
16	Mah Sing Group Bhd	26	Malton Bhd
17	Naza TTDI Sdn Bhd	27	United Malayan Land Bhd
18	Selangor Properties Bhd	28	Hunza Properties Bhd
19	Dijaya Corporation Bhd	29	Sagajuta (S) Sdn Bhd
20	UEM Land Holdings Bhd	30	Bolton Bhd

*On May 1, 2009, I&P Group Sdn Bhd emerged following a rationalisation exercise and merger of Island & Peninsular Sdn Bhd, Petaling Garden Sdn Bhd and Pelangi Sdn Bhd

THE EDGE
MALAYSIA

Top Property Developers Awards 2009

The Edge ranks Malaysia's best players — from the consumer's perspective



IS PROUD TO BE ASSOCIATED WITH THE EDGE TOP PROPERTY DEVELOPERS AWARDS 2009



1971

- Bukit Damansara, Kuala Lumpur
- 598 acres
- Originally it was built primarily to provide affordable housing for the country's growing civil population
- Developed by SPPK

1974

- Taman Pelangi, Johor Bahru
- 499 acres
- One of the earliest developments in the heart of Johor Bahru
- Developed by Pelangi Sdn Bhd

1981

- Taman Perling, Johor Bahru
- 922 acres
- A matured township with vast business opportunities
- Easy access to Singapore and close to Nusajaya & Bandar Iskandar
- Developed by Pelangi Sdn Bhd

1984

- Taman Setiawangsa, Kuala Lumpur
- 257 acres
- A fully matured township in the heart of KL city
- Developed by I&P Setiawangsa Sdn Bhd

1991

- Bandar Kinrara, Puchong
- 1904 acres
- A freehold development with a population of 54,000 upon full completion
- Proven track-record of good returns on property investments
- Developed by Perumahan Kinrara Berhad

1977

- Bandar Baru Seri Petaling, Kuala Lumpur
- 620 acres
- Vibrant and self-contained suburban township with excellent infrastructure
- Developed by Petaling Garden Sdn Bhd

1982

- Taman Rinting, Johor Bahru
- 831 acres
- A matured township within close proximity to established amenities
- Developed by Taman Gunung Hijau Sdn Bhd

1995

- Temasya Industrial Park, Shah Alam
- 571 acres
- Pre-dominantly consists of industrial developments
- Developed by Temasya Development Co. Sdn Bhd

Bukit Damansara

Taman Pelangi

Bandar Baru Seri Petaling

Taman Perling

Taman Rinting



WHEN IT COMES TO PUTTING A ROOF OVER EVERY MALAYSIAN'S



Taman Pelangi Indah



Alam Damai



TemasyaGlenmarie



Alam Sutera



I & P Group

I&P Menara Sendirian Berhad. Syarikat Perumahan Pegawai Kerajaan Sdn. Bhd. Perumahan Kinrara Berhad. Petaling Garden Sdn. Bhd. Pelangi Sdn. Bhd. Temasya
“While together we are a brand new entity, our collective experience speaks of age-old trustworthiness in developing and delivering

I&P Group Sdn. Berhad 24-31 Jalan Setiawangsa 8, Taman Setiawangsa, 54200 Kuala Lumpur, PO Box 12378, 50776 Kuala Lumpur, Malaysia. Tel: 03-4259 7600 Fax: 03-4259 7500

1997

- Taman Pelangi Indah, Johor Bahru
- 939 acres
- Designed around a 40-acre lake with a resort-like concept
- Developed by Yukong Development (Pte) Limited

2001

- TemasyaGlenmarie, Shah Alam
- Temasya Industrial Park has been renamed to TemasyaGlenmarie
- A mixed development within a sought-after location and close to Subang Jaya
- Developed by Temasya Development Co. Sdn Bhd

2005

- Alam Sutera, Kuala Lumpur
- 71 acres
- A residential enclave in Bukit Jalil offering convenience, quality and creativity
- Developed by SPPK

2006

- Bayuemas, Klang
- 545 acres
- A planned freehold development
- Developed by I&P Bayuemas Sdn Bhd

1998

- Alam Damai, Cheras
- 641 acres
- Developed around a 30-acre central park with a population of 25,000
- Developed by SPPK

2005

- Seri Beringin, Bukit Damansara
- 42 acres
- A low-density high-end development within the heart of top notch address of Bukit Damansara
- Developed by SPPK

2006

- Alam Impian, Shah Alam
- 1,235 acres
- A freehold development built around the concept of 'Township of the Arts' with various artistic features and elements
- Linked by LKSA Highway via KESAS and Federal Highway
- Developed by I&P Alam Impian Sdn Bhd

2007

- Alam Sari, Bangi
- 432 acres
- A freehold township inspired by its academic surroundings
- Developed by I&P Menara Sendirian Berhad

Taman Setiawangsa



Bandar Kinrara



Temasya Industrial Park



HEAD, I&P IS NO LONGER JUST A COMPANY, IT HAS BECOME A CAUSE.



Seri Beringin



Bayuemas



Alam Impian



Alam Sari

Development Co. Sdn. Bhd. Taman Gunung Hijau Sdn. Bhd. Yukong Development (Pte) Limited. Biltmore (M) Sdn. Bhd.

properties that reap returns through generations. It's the very reason why we care to build, and why we build with care."



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2003-2007 RANKINGS

TOP 30 OVERALL (2007)

RANKING	COMPANY
1	S P Setia Bhd
2	IGB Corp Bhd
3	IOI Properties Bhd
4	Sunway City Bhd
5	Island & Peninsular Bhd
6	Sime UEP Properties Bhd
7	Boustead Properties Bhd
8	Bandar Raya Devt Bhd
9	E&O Property Devt Bhd
10	Sunrise Bhd
11	YTL Land & Devt Bhd
12	Glomac Bhd
13	Paramount Corp Bhd
14	Dijaya Corp Bhd
15	Selangor Properties Bhd
16	Mah Sing Group Bhd
17	MK Land Holdings Bhd
18	PJ Devt Holdings Bhd
19	Metro Kajang Holdings Bhd
20	YNH Property Bhd
21	Malton Bhd
22	Plenitude Bhd
23	Daiman Devt Bhd
24	Petaling Garden Bhd
25	GuocoLand (M) Bhd
26	Naim Cendera Holdings Bhd
27	Ayer Hitam Planting Syndic. Bhd
28	Johor Land Bhd
29	RB Land Holdings Bhd
30	Equine Capital Bhd

Qualitative attributes (2007)

RANKING	COMPANY
1	S P Setia Bhd
2	Sunrise Bhd
3	IGB Corp Bhd
4	Sunway City Bhd
5	YTL Land & Devt Bhd
6	IOI Properties Bhd
7	Bandar Raya Devt Bhd
8	Glomac Bhd
9	E&O Property Devt Bhd
10	Boustead Properties Bhd
11	Sime UEP Properties Bhd
12	Island & Peninsular Bhd
13	Paramount Corp Bhd
14	Mah Sing Group Bhd
15	Dijaya Corp Bhd
16	Bolton Bhd
17	Hunza Properties Bhd
18	PJ Devt Holdings Bhd
19	Country Heights Holdings Bhd
20	Malton Bhd
21	Metro Kajang Holdings Bhd
22	Equine Capital Bhd
23	Asia Pacific Land Bhd
24	MK Land Holdings Bhd
25	YNH Property Bhd
26	Johor Land Bhd
27	Selangor Dredging Bhd
28	Negara Properties (M) Bhd
29	Mutiara Goodyear Devt Bhd
30	RB Land Holdings Bhd

Quantitative attributes (2007)

RANKING	COMPANY
1	IGB Corp Bhd
2	S P Setia Bhd
3	IOI Properties Bhd
4	Sunway City Bhd
5	Island & Peninsular Bhd
6	Sime UEP Properties Bhd
7	Boustead Properties Bhd
8	Selangor Properties Bhd
9	Naim Cendera Holdings Bhd
10	Bandar Raya Devt Bhd
11	E&O Property Devt Bhd
12	MK Land Holdings Bhd
13	Paramount Corp Bhd
14	Daiman Devt Bhd
15	Krisassets Holdings Bhd
16	Dijaya Corp Bhd
17	Petaling Garden Bhd
18	Worldwide Holdings Bhd
19	PJ Devt Holdings Bhd
20	Plenitude Bhd
21	United Malayan Land Bhd
22	Metro Kajang Holdings Bhd
23	KSL Holdings Bhd
24	Matrix International Bhd
25	Ayer Hitam Planting Syndic. Bhd
26	GuocoLand (M) Bhd
27	Mah Sing Group Bhd
28	YNH Property Bhd
29	RB Land Holdings Bhd
30	Malton Bhd

TOP 30 (2006)

RANKING	COMPANY
1	S P Setia Bhd
2	IGB Corp Bhd
3	Island & Peninsular Bhd
4	Sunway City Bhd
5	IOI Properties Bhd
6	Sime UEP Properties Bhd
7	Sunrise Bhd
8	MK Land Holdings Bhd
9	Bandar Raya Devt Bhd
10	YTL Land & Devt Bhd
11	Glomac Bhd
12	E&O Property Devt Bhd
13	Paramount Corp Bhd
14	Mah Sing Group Bhd
15	Boustead Properties Bhd
16	Dijaya Corp Bhd
17	PJ Devt Holdings Bhd
18	UDA Holdings Bhd
19	Malton Bhd
20	RB Land Holdings Bhd
21	SHL Consolidated Bhd
22	Selangor Properties Bhd
23	Bolton Bhd
24	Naim Cendera Holdings Bhd
25	Country Heights Holdings Bhd
26	Plenitude Bhd
27	Metro Kajang Holdings Bhd
28	Petaling Garden Bhd
29	Negara Properties Bhd
30	Talam Corp Bhd

Qualitative attributes (2006)

RANKING	COMPANY
1	Sunrise Bhd
2	S P Setia Bhd
3	IGB Corp Bhd
4	Sunway City Bhd
5	IOI Properties Bhd
6	Glomac Bhd
7	YTL Land & Devt Bhd
8	Sime UEP Properties Bhd
9	Bandar Raya Devt Bhd
10	E&O Property Devt Bhd
11	Island & Peninsular Bhd
12	Mah Sing Group Bhd
13	MK Land Holdings Bhd
14	Paramount Corp Bhd
15	Boustead Properties Bhd
16	Bolton Bhd
17	Malton Bhd
18	PJ Devt Holdings Bhd
19	Negara Properties Bhd
20	Dijaya Corp Bhd
21	Country Heights Holdings Bhd
22	SHL Consolidated Bhd
23	Hunza Properties Bhd
24	RB Land Holdings Bhd
25	Mulpha Land Bhd
26	Metro Kajang Holdings Bhd
27	Plenitude Bhd
28	Equine Capital Bhd
29	Asia Pacific Land Bhd
30	Selangor Properties Bhd

Quantitative attributes (2006)

RANKING	COMPANY
1	Island & Peninsular Bhd
2	S P Setia Bhd
3	IGB Corp Bhd
4	IOI Properties Bhd
5	Sunway City Bhd
6	Sime UEP Properties Bhd
7	Talam Corp Bhd
8	MK Land Holdings Bhd
9	UDA Holdings Bhd
10	Naim Cendera Holdings Bhd
11	Boustead Properties Bhd
12	Selangor Properties Bhd
13	Sunrise Bhd
14	Bandar Raya Devt Bhd
15	Krisassets Holdings Bhd
16	WCT Land Bhd
17	Dijaya Corp Bhd
18	Paramount Corp Bhd
19	E&O Property Devt Bhd
20	Petaling Garden Bhd
21	Worldwide Holdings Bhd
22	PJ Devt Holdings Bhd
23	LBS Bina Group Bhd
24	RB Land Holdings Bhd
25	Plenitude Bhd
26	YTL Land & Devt Bhd
27	Mah Sing Group Bhd
28	KSL Holdings Bhd
29	Glomac Bhd
30	Matrix International Bhd

TOP 30 (2005)

RANKING	COMPANY
1	S P Setia Bhd
2	IOI Properties Bhd
3	IGB Corp Bhd
4	Sunway City Bhd
5	MK Land Holdings Bhd
6	Sime UEP Properties Bhd
7	Bandar Raya Devt Bhd
8	Boustead Properties Bhd
9	Island & Peninsular Bhd
10	Sunrise Bhd
11	Glomac Bhd
12	UDA Holdings Bhd
13	E&O Property Devt Bhd
14	Naim Cendera Holdings Bhd
15	Petaling Garden Bhd
16	YTL Land & Devt Bhd
17	Talam Corp Bhd
18	Dijaya Corp Bhd
19	Paramount Corp Bhd
20	Selangor Properties Bhd
21	Country Heights Holdings Bhd
22	Plenitude Bhd
23	Daiman Devt Bhd
24	PJ Devt Holdings Bhd
25	Mah Sing Group Bhd
26	SHL Consolidated Bhd
27	GuocoLand (M) Bhd
28	Pelangi Bhd
29	WCT Land Bhd
30	LBS Bina Group Bhd

Qualitative attributes (2005)

RANKING	COMPANY
1	Sunrise Bhd
2	S P Setia Bhd
3	IGB Corp Bhd
4	Bandar Raya Devt Bhd
5	IOI Properties Bhd
6	Sime UEP Properties Bhd
7	YTL Land & Devt Bhd
8	Sunway City Bhd
9	KLCC Property Holdings Bhd
10	Boustead Properties Bhd
11	MK Land Holdings Bhd
12	Glomac Bhd
13	Paramount Corp Bhd
14	Island & Peninsular Bhd
15	E&O Property Devt Bhd
16	Mah Sing Group Bhd
17	Dijaya Corp Bhd
18	SHL Consolidated Bhd
19	Country Heights Holdings Bhd
20	Equine Capital Bhd
21	GuocoLand (M) Bhd
22	Daiman Devt Bhd
23	Petaling Garden Bhd
24	Selangor Dredging Bhd
25	Naim Cendera Holdings Bhd
26	Pelangi Bhd
27	Plenitude Bhd
28	Eastern & Oriental Bhd
29	EUPE Corp Bhd
30	PJ Devt Holdings Bhd

Quantitative attributes (2005)

RANKING	COMPANY
1	IOI Properties Bhd
2	S P Setia Bhd
3	IGB Corp Bhd
4	Sunway City Bhd
5	MK Land Holdings Bhd
6	Sime UEP Properties Bhd
7	Talam Corp Bhd
8	UDA Holdings Bhd
9	Island & Peninsular Bhd
10	Boustead Properties Bhd
11	Bandar Raya Devt Bhd
12	Naim Cendera Holdings Bhd
13	Petaling Garden Bhd
14	Selangor Properties Bhd
15	E&O Property Devt Bhd
16	WCT Land Bhd
17	Dijaya Corp Bhd
18	Worldwide Holdings Bhd
19	Glomac Bhd
20	LBS Bina Group Bhd
21	PJ Devt Holdings Bhd
22	Plenitude Bhd
23	Country Heights Holdings Bhd
24	Metro Kajang Holdings Bhd
25	KSL Holdings Bhd
26	Sunrise Bhd
27	Daiman Devt Bhd
28	Pelangi Bhd
29	GuocoLand (M) Bhd
30	PK Resources Bhd

TOP 10 (2003)

RANKING	COMPANY
1	IGB Corp Bhd
2	S P Setia Bhd
3	IOI Properties Bhd
4	Bandar Raya Devt Bhd
5	MK Land Holdings Bhd
6	Sunway City Bhd
7	Sime UEP Properties Bhd
8	Island & Peninsular Bhd
9 (tie)	Sunrise Bhd
	Pelangi Bhd

Qualitative attributes (2003)

RANKING	COMPANY
1	Sunrise Bhd
2	IGB Corp Bhd
3	Sime UEP Properties Bhd
4	S P Setia Bhd
5	Bandar Raya Devt Bhd
6	MK Land Holdings Bhd
7	Sunway City Bhd
8	Pelangi Bhd
9	Island & Peninsular Bhd
10 (tie)	Dijaya Corp Bhd
	Negara Properties Bhd

Quantitative attributes (2003)

RANKING	COMPANY
1	IOI Properties Bhd
2	S P Setia Bhd
3	IGB Corp Bhd
4 (tie)	Bandar Raya Devt Bhd
	MK Land Holdings Bhd
	Sunway City Bhd
7	UDA Holdings Bhd
8	Sime UEP Properties Bhd
9	Talam Corp Bhd
10 (tie)	Island & Peninsular Bhd/Malton Bhd

TOP 10 (2004)

RANKING	COMPANY
1	IGB Corp Bhd
2	S P Setia Bhd
3	IOI Properties Bhd
4	MK Land Holdings Bhd
5	Sime UEP Properties Bhd
6	Bandar Raya Devt Bhd
7	Sunway City Bhd
8	Island & Peninsular Bhd
9	Boustead Properties Bhd
10	Sunrise Bhd

Qualitative attributes (2004)

RANKING	COMPANY
1	Sunrise Bhd
2	IGB Corp Bhd
3	S P Setia Bhd
4	Sime UEP Properties Bhd
5	Bandar Raya Devt Bhd
6	Sunway City Bhd
7	YTL Land & Devt Bhd
8	Island & Peninsular Bhd
9	Boustead Properties Bhd
10	IOI Properties Bhd

Quantitative attributes (2004)

RANKING	COMPANY
1	IGB Corp Bhd
2	IOI Properties Bhd
3	S P Setia Bhd
4	MK Land Holdings Bhd
5	Sime UEP Properties Bhd
6	Sunway City Bhd
7	UDA Holdings Bhd
8	Bandar Raya Devt Bhd
9	Island & Peninsular Bhd
10	Talam Corp Bhd



2008 RANKINGS

TOP 30 OVERALL (2008)

RANKING	COMPANY	RANKING	COMPANY	RANKING	COMPANY	RANKING	COMPANY	RANKING	COMPANY
1	S P Setia Bhd	7	Bandar Utama City Corp Sdn Bhd	13	Eastern & Oriental Bhd	19	YNH Property Bhd	25	Selangor Dredging Bhd
2	IGB Corp Bhd	8	Sunrise Bhd	14	Dijaya Corp Bhd	20	Plenitude Bhd	26	WCT Land Sdn Bhd
3	Sunway City Bhd	9	E & O Property Devt Bhd	15	Paramount Corp Bhd	21	Naza TTDI Sdn Bhd	27	Bolton Bhd
4	Island & Peninsular Sdn Bhd	10	Boustead Properties Bhd	16	Glomac Bhd	22	PJ Devt Holdings Bhd	28	Metro Kajang Holdings Bhd
5	IOI Properties Bhd	11	Mah Sing Group Bhd	17	Malton Bhd	23	Naim Cendera Holdings Bhd	29	GuocoLand (M) Bhd
6	Bandar Raya Devt Bhd	12	YTL Land & Devt Bhd	18	Selangor Properties Bhd	24	United Malayan Land Bhd	30	Mulpha Land Bhd

Quantitative Attributes 2008

BEST 30

RANKING	COMPANY
1	S P Setia Bhd
2	IGB Corporation Bhd
3	Sunway City Bhd
4	Island & Peninsular Sdn Bhd (N)
5	IOI Properties Bhd
6	Eastern & Oriental Bhd
7	Bandar Raya Devt Bhd
8	Boustead Properties Bhd
9	Selangor Properties Bhd
10	E&O Property Devt Bhd
11	Mah Sing Group Bhd
12	Naim Cendera Holdings Bhd
13	Bandar Utama City Corp Sdn Bhd (N)
14	Daiman Development Bhd
15	Dijaya Corporation Bhd
16	Sunrise Bhd
17	Paramount Corp Bhd
18	Malton Bhd
19	United Malayan Land Bhd
20	Krisassets Holdings Bhd
21	PJ Development Hldgs Bhd
22	Plenitude Bhd
23	KSL Holdings Bhd
24	MK Land Holdings Bhd
25	YNH Property Bhd
26	Matrix International Bhd
27	Metro Kajang Holdings Bhd
28	GuocoLand (M) Bhd
29	Asia Pacific Land Bhd
30	TAHPS Group Bhd

Shareholders Funds

RANKING	COMPANY
1	IGB Corporation Bhd
2	Island & Peninsular Sdn Bhd (N)
3	IOI Properties Bhd
4	S P Setia Bhd
5	Selangor Properties Bhd
6	Bandar Raya Devt Bhd
7	Sunway City Bhd
8	Boustead Properties Bhd
9	Matrix International Bhd
10	MK Land Holdings Bhd
11	Bandar Utama City Corp Sdn Bhd (N)
12	Krisassets Holdings Bhd
13	Daiman Development Bhd
14	Karambunai Corp Bhd
15	United Malayan Land Bhd
16	E&O Property Devt Bhd
17	GuocoLand (M) Bhd
18	Asia Pacific Land Bhd
19	PJ Development Hldgs Bhd
20	Country Heights Hldgs Bhd
21	YNH Property Bhd
22	IJM Land Bhd (prev. RB Land Hldgs)
23	Johor Land Bhd
24	Ekran Bhd
25	Mah Sing Group Bhd
26	Sunrise Bhd
27	Eastern & Oriental Bhd
28	Dijaya Corporation Bhd
29	KSL Holdings Bhd
30	Metro Kajang Holdings Bhd

Qualitative Attributes 2008

BEST 30

RANKING	COMPANY
1	S P Setia Bhd
2	Sunrise Bhd (H)
3	Bandar Utama City Corp Sdn Bhd (N)(H)
4	IGB Corporation Bhd
5	Bandar Raya Devt Bhd
6	E&O Property Devt Bhd
7	Sunway City Bhd (H)
8	Glomac Bhd (H)
9	YTL Land & Devt Bhd
10	Island & Peninsular Sdn Bhd (N)
11	IOI Properties Bhd
12	Boustead Properties Bhd
13	Selangor Dredging Bhd
14	Mah Sing Group Bhd
15	Naza TTDI Sdn Bhd (N)
16	YNH Property Bhd
17	Paramount Corp Bhd
18	Dijaya Corporation Bhd
19	Malton Bhd
20	WCT Land Sdn Bhd (N)
21	Bolton Bhd
22	Mulpha Land Bhd
23	Plenitude Bhd
24	Palam Mesra Sdn Bhd (N)
25	Hunza Properties Bhd
26	Embassy Court Sdn Bhd (N)
27	PJ Development Hldgs Bhd
28	United Malayan Land Bhd
29	SHL Consolidated Bhd
30	Eastern & Oriental Bhd

Product Quality

RANKING	COMPANY
1	Sunrise Bhd (H)
2	Bandar Raya Devt Bhd
3	S P Setia Bhd
4	IGB Corporation Bhd
5	E&O Property Devt Bhd
6	Bandar Utama City Corp Sdn Bhd (N)(H)
7	Island & Peninsular Sdn Bhd (N)
8	Glomac Bhd (H)
9	Sunway City Bhd (H)
10	IOI Properties Bhd
11	YTL Land & Devt Bhd
12	Boustead Properties Bhd
13	Selangor Dredging Bhd
14	Mah Sing Group Bhd
15	Naza TTDI Sdn Bhd (N)
16	Bolton Bhd
17	Mulpha Land Bhd
18	Palam Mesra Sdn Bhd (N)
19	Hunza Properties Bhd
20	Malton Bhd
21	Paramount Corp Bhd
22	WCT Land Sdn Bhd (N)
23	Dijaya Corporation Bhd
24	Plenitude Bhd
25	SHL Consolidated Bhd
26	YNH Property Bhd
27	PJ Development Hldgs Bhd
28	Embassy Court Sdn Bhd (N)
29	GuocoLand (M) Bhd
30	United Malayan Land Bhd

Turnover

RANKING	COMPANY
1	S P Setia Bhd
2	Sunway City Bhd
3	Eastern & Oriental Bhd
4	Island & Peninsular Sdn Bhd (N)
5	IOI Properties Bhd
6	E&O Property Devt Bhd
7	IGB Corporation Bhd
8	Bandar Raya Devt Bhd
9	Naim Cendera Holdings Bhd
10	Mah Sing Group Bhd
11	Sunrise Bhd
12	Malton Bhd
13	PJ Development Hldgs Bhd
14	Boustead Properties Bhd
15	Matrix International Bhd
16	United Malayan Land Bhd
17	Bandar Utama City Corp Sdn Bhd (N)
18	Bolton Bhd
19	Asian Pac Holdings Bhd
20	Encorp Bhd
21	Metro Kajang Holdings Bhd
22	Paramount Corp Bhd
23	Glomac Bhd
24	AMDB Bhd
25	LBS Bina Group Bhd
26	YNH Property Bhd
27	KSL Holdings Bhd
28	Dijaya Corporation Bhd
29	Country Heights Hldgs Bhd
30	WCT Land Sdn Bhd (N)

Profit Before Tax

RANKING	COMPANY
1	IOI Properties Bhd
2	S P Setia Bhd
3	Sunway City Bhd
4	Tanco Holdings Bhd (F)
5	IGB Corporation Bhd
6	E&O Property Devt Bhd
7	Krisassets Holdings Bhd
8	Island & Peninsular Sdn Bhd (N)
9	Bandar Utama City Corp Sdn Bhd (N)
10	Sunrise Bhd
11	Eastern & Oriental Bhd
12	KSL Holdings Bhd
13	Boustead Properties Bhd
14	Naim Cendera Holdings Bhd
15	Mah Sing Group Bhd
16	Encorp Bhd
17	YNH Property Bhd
18	Selangor Properties Bhd
19	WCT Land Sdn Bhd (N)
20	Bolton Bhd
21	Plenitude Bhd
22	Country Heights Hldgs Bhd
23	Metro Kajang Holdings Bhd
24	Bandar Raya Devt Bhd
25	United Malayan Land Bhd
26	Dijaya Corporation Bhd
27	Paramount Corp Bhd
28	Naza TTDI Sdn Bhd (N)
29	GuocoLand (M) Bhd
30	Hunza Properties Bhd

Innovation & Creativity

RANKING	COMPANY
1	S P Setia Bhd
2	Sunrise Bhd (H)
3	IGB Corporation Bhd
4	E&O Property Devt Bhd
5	YTL Land & Devt Bhd
6	Bandar Raya Devt Bhd
7	Glomac Bhd (H)
8	Selangor Dredging Bhd
9	Sunway City Bhd (H)
10	IOI Properties Bhd
11	Boustead Properties Bhd
12	Bandar Utama City Corp Sdn Bhd (N)(H)
13	Mah Sing Group Bhd
14	YNH Property Bhd
15	Island & Peninsular Sdn Bhd (N)
16	Palam Mesra Sdn Bhd (N)
17	Mulpha Land Bhd
18	Naza TTDI Sdn Bhd (N)
19	Dijaya Corporation Bhd
20	Malton Bhd
21	Paramount Corp Bhd
22	Plenitude Bhd
23	WCT Land Sdn Bhd (N)
24	Bolton Bhd
25	Embassy Court Sdn Bhd (N)
26	Hunza Properties Bhd
27	PJ Development Hldgs Bhd
28	United Malayan Land Bhd
29	Country Heights Hldgs Bhd
30	Eastern & Oriental Bhd

Value Creation for Buyers

RANKING	COMPANY
1	Bandar Utama City Corp Sdn Bhd (N)(H)
2	Sunrise Bhd (H)
3	S P Setia Bhd
4	Bandar Raya Devt Bhd
5	IGB Corporation Bhd
6	YTL Land & Devt Bhd
7	Glomac Bhd (H)
8	Sunway City Bhd (H)
9	IOI Properties Bhd
10	Island & Peninsular Sdn Bhd (N)
11	E&O Property Devt Bhd
12	Embassy Court Sdn Bhd (N)
13	Mah Sing Group Bhd
14	Naza TTDI Sdn Bhd (N)
15	Boustead Properties Bhd
16	Paramount Corp Bhd
17	Selangor Dredging Bhd
18	Dijaya Corporation Bhd
19	WCT Land Sdn Bhd (N)
20	Hunza Properties Bhd
21	Malton Bhd
22	Palam Mesra Sdn Bhd (N)
23	YNH Property Bhd
24	PJ Development Hldgs Bhd
25	Plenitude Bhd
26	Bolton Bhd
27	Metro Kajang Holdings Bhd (H)
28	Mulpha Land Bhd
29	SHL Consolidated Bhd
30	United Malayan Land Bhd

Cash

RANKING	COMPANY
1	Sunway City Bhd
2	IGB Corporation Bhd
3	S P Setia Bhd
4	Eastern & Oriental Bhd
5	Island & Peninsular Sdn Bhd (N)
6	Land and General Bhd
7	Selangor Properties Bhd
8	Encorp Bhd
9	E&O Property Devt Bhd
10	WCT Land Sdn Bhd (N)
11	Mah Sing Group Bhd
12	Golden Plus Hldgs Bhd
13	Daiman Development Bhd
14	Krisassets Holdings Bhd
15	IOI Properties Bhd
16	Boustead Properties Bhd
17	Dijaya Corporation Bhd
18	Bandar Raya Devt Bhd
19	IJM Land Bhd (prev. RB Land Hldgs)
20	MK Land Holdings Bhd
21	Paramount Corp Bhd
22	Glomac Bhd
23	YTL Land & Devt Bhd
24	LBS Bina Group Bhd
25	TAHPS Group Bhd (D)
26	Malton Bhd
27	Naim Cendera Holdings Bhd
28	Sunrise Bhd
29	Asia Pacific Land Bhd
30	Plenitude Bhd

Gearing

RANKING	COMPANY
1	TAHPS Group Bhd (D)
2	Daiman Development Bhd
3	Oriental Interest Bhd
4	Petaling Tin Bhd
5	Asia Pacific Land Bhd
6	Keladi Maju Bhd
7	FIMA Corporation Bhd
8	KSL Holdings Bhd
9	Tebrau Teguh Bhd
10	Hua Yang Bhd
11	Paramount Corp Bhd
12	A & M Realty Bhd
13	Plenitude Bhd
14	MUI Properties Bhd
15	Asas Dunia Bhd
16	Bandar Utama City Corp Sdn Bhd (N)
17	Perduren (M) Bhd
18	Naim Cendera Holdings Bhd
19	Dijaya Corporation Bhd
20	IOI Properties Bhd
21	Mulpha Land Bhd
22	Gromutual Bhd
23	Ekran Bhd (a)
24	GuocoLand (M) Bhd
25	Boustead Properties Bhd
26	Bertam Alliance Bhd
27	Island & Peninsular Sdn Bhd (N)
28	Selangor Properties Bhd
29	EUPE Corporation Bhd
30	Crescendo Corporation Bhd

Image

RANKING	COMPANY
1	Bandar Utama City Corp Sdn Bhd (N)(H)
2	S P Setia Bhd
3	Sunrise Bhd (H)
4	IGB Corporation Bhd
5	Island & Peninsular Sdn Bhd (N)
6	Sunway City Bhd (H)
7	IOI Properties Bhd
8	E&O Property Devt Bhd
9	YTL Land & Devt Bhd
10	Glomac Bhd (H)
11	Bandar Raya Devt Bhd
12	Naza TTDI Sdn Bhd (N)
13	Mah Sing Group Bhd
14	Boustead Properties Bhd
15	YNH Property Bhd
16	Dijaya Corporation Bhd
17	Malton Bhd
18	Paramount Corp Bhd
19	Plenitude Bhd
20	WCT Land Sdn Bhd (N)
21	Selangor Dredging Bhd
22	Bolton Bhd
23	Hunza Properties Bhd
24	Mulpha Land Bhd
25	Eastern & Oriental Bhd
26	Embassy Court Sdn Bhd (N)
27	PJ Development Hldgs Bhd
28	United Malayan Land Bhd
29	Selangor Properties Bhd
30	Palam Mesra Sdn Bhd (N)

Expertise

RANKING	COMPANY
1	S P Setia Bhd
2	IGB Corporation Bhd
3	Bandar Utama City Corp Sdn Bhd (N)(H)
4	Sunrise Bhd (H)
5	Bandar Raya Devt Bhd
6	Sunway City Bhd (H)
7	Glomac Bhd (H)
8	E&O Property Devt Bhd
9	Boustead Properties Bhd
10	IOI Properties Bhd
11	Island & Peninsular Sdn Bhd (N)
12	YTL Land & Devt Bhd
13	Mah Sing Group Bhd
14	Selangor Dredging Bhd
15	Naza TTDI Sdn Bhd (N)
16	Paramount Corp Bhd
17	YNH Property Bhd
18	Dijaya Corporation Bhd
19	WCT Land Sdn Bhd (N)
20	Plenitude Bhd
21	Bolton Bhd
22	Malton Bhd
23	Mulpha Land Bhd
24	Palam Mesra Sdn Bhd (N)
25	United Malayan Land Bhd
26	Metro Kajang Holdings Bhd (H)
27	Hunza Properties Bhd
28	PJ Development Hldgs Bhd
29	SHL Consolidated Bhd
30	Embassy Court Sdn Bhd (N)

(N) Non-listed property developer

(H) The average score for these companies is divided by 6 instead of 7 as one of the judges may have an interest in the co. & abstained

(a) Ekran Bhd — PN 17 on 8 May 2006

(F) Tanco Bhd — regularised from PN17 status on Jan 16, 2008

(D) TAHPS Bhd was formerly known as Ayer Hitam Planting Syndicate Bhd



2009 RANKINGS

Quantitative Attributes 2009

BEST 30

RANKING	COMPANY
1	Sime Darby Property Bhd (N)
2	Sunway City Bhd
3	S P Setia Bhd
4	Island & Peninsular Sdn Bhd (N)
5	IGB Corp Bhd
6	IOI Properties Bhd (D)
7	Eastern & Oriental Bhd
8	Bandar Raya Devt Bhd
9	Selangor Properties Bhd
10	Krisassets Holdings Bhd
11	Bandar Utama City Corp Sdn Bhd (N)
12	Naim Holdings Bhd
13	Gamuda Bhd — Property Div (N)
14	Plenitude Bhd
15	Sunrise Bhd
16	PJ Devt Holdings Bhd
17	Dijaya Corp Bhd
18	Paramount Corp Bhd
19	Mah Sing Group Bhd
20	IJM Land Bhd (C)
21	Metro Kajang Holdings Bhd
22	Selangor Dredging Bhd
23	UEM Land Holdings Bhd (G)
24	Naza TTDI Sdn Bhd (N)
25	Guocoland (M) Bhd
26	Matrix International Bhd
27	YTL Land & Devt Bhd
28	United Malayan Land Bhd
29	Mutiara Goodyear Devt Bhd
30	Encorp Bhd

Shareholders Funds

RANKING	COMPANY
1	Sime Darby Property Bhd (N)
2	IGB Corp Bhd
3	Island & Peninsular Sdn Bhd (N)
4	IOI Properties Bhd (D)
5	S P Setia Bhd
6	Selangor Properties Bhd
7	Sunway City Bhd
8	Bandar Raya Devts Bhd
9	UEM Land Holdings Bhd (G)
10	Matrix International Bhd
11	Bandar Utama City Corp Sdn Bhd (N)
12	Krisassets Holdings Bhd
13	MK Land Holdings Bhd
14	Daiman Devt Bhd
15	Cyberview Sdn Bhd
16	Guocoland (M) Bhd
17	Karambunai Corp Bhd
18	United Malayan Land Bhd
19	PJ Devt Holdings Bhd
20	Sunrise Bhd
21	Eastern & Oriental Bhd
22	Asia Pacific Land Bhd
23	IJM Land Bhd (C)
24	Mah Sing Group Bhd
25	Country Heights Holdings Bhd
26	YNH Property Bhd
27	Johor Land Bhd
28	KSL Holdings Bhd
29	Ekran Bhd (A)
30	Dijaya Corp Bhd

Turnover

RANKING	COMPANY
1	Sime Darby Property Bhd (N)
2	S P Setia Bhd
3	Sunway City Bhd
4	Bandar Raya Devts Bhd
5	Island & Peninsular Sdn Bhd (N)
6	IOI Properties Bhd (D)
7	Eastern & Oriental Bhd
8	IGB Corp Bhd
9	Sunrise Bhd
10	PJ Devt Holdings Bhd
11	Mah Sing Group Bhd
12	Naim Holdings Bhd
13	UEM Land Holdings Bhd (G)
14	Gamuda Bhd - Property Division (N)
15	AMDB Bhd
16	Paramount Corp Bhd
17	Malton Bhd
18	YNH Property Bhd
19	Plenitude Bhd
20	Bandar Utama City Corp Sdn Bhd (N)
21	Metro Kajang Holdings Bhd
22	YTL Land & Devt Bhd
23	Glomac Bhd
24	Matrix International Bhd
25	Bolton Bhd
26	IJM Land Bhd (C)
27	Sagajuta (S) Sdn Bhd (N)
28	Encorp Bhd
29	Bina Darulaman Bhd
30	LBS Bina Group Bhd

Profit Before Tax

RANKING	COMPANY
1	Sunway City Bhd
2	IOI Properties Bhd (D)
3	Sime Darby Property Bhd (N)
4	S P Setia Bhd
5	Eastern & Oriental Bhd
6	IGB Corp Bhd
7	Sunrise Bhd
8	Island & Peninsular Sdn Bhd (N)
9	Gamuda Bhd — Property Div (N)
10	Mah Sing Group Bhd
11	Selangor Properties Bhd
12	Bandar Utama City Corp Sdn Bhd (N)
13	KSL Holdings Bhd
14	PJ Devt Holdings Bhd
15	Krisassets Holdings Bhd
16	Naza TTDI Sdn Bhd (N)
17	YNH Property Bhd
18	Plenitude Bhd
19	Selangor Dredging Bhd
20	Naim Holdings Bhd
21	Bandar Raya Devts Bhd
22	Sagajuta (S) Sdn Bhd (N)
23	Dijaya Corp Bhd
24	UEM Land Holdings Bhd (G)
25	WCT Land Sdn Bhd (N)
26	Metro Kajang Holdings Bhd
27	Encorp Bhd
28	Hunza Properties Bhd
29	SHL Consolidated Bhd
30	Bolton Bhd

Cash

RANKING	COMPANY
1	Sime Darby Property Bhd (N)
2	IGB Corp Bhd
3	S P Setia Bhd
4	Sunway City Bhd
5	Island & Peninsular Sdn Bhd (N)
6	Selangor Properties Bhd
7	Eastern & Oriental Bhd
8	Cyberview Sdn Bhd
9	Bandar Raya Devt Bhd
10	Gamuda Bhd — Property Div (N)
11	Land & General Bhd
12	IOI Properties Bhd (D)
13	Glomac Bhd
14	Mah Sing Group Bhd
15	Naza TTDI Sdn Bhd (N)
16	Krisassets Holdings Bhd
17	Plenitude Bhd
18	Dijaya Corp Bhd
19	Asia Pacific Land Bhd
20	United Malayan Land Bhd
21	Paramount Corp Bhd
22	Selangor Dredging Bhd
23	YTL Land & Devt Bhd
24	IJM Land Bhd (C)
25	TAHPS Group Bhd
26	Metro Kajang Holdings Bhd
27	Triplc Bhd (F)
28	Encorp Bhd
29	WCT Land Sdn Bhd (N)
30	MK Land Holdings Bhd

Gearing

RANKING	COMPANY
1	Asas Dunia Bhd
2	Oriental Interest Bhd
3	Bandar Utama City Corp Sdn Bhd (N)
4	Petaling Tin Bhd
5	Dijaya Corp Bhd
6	Krisassets Holdings Bhd
7	Lien Hoe Corp Bhd
8	Villamas Sdn Bhd (N)
9	Prime Utilities Bhd
10	Emerald Capital Devt Sdn Bhd (N)
11	Hua Yang Bhd
12	A & M Realty Bhd
13	Ibraco Bhd
14	Mutiara Goodyear Devt Bhd
15	Island & Peninsular Sdn Bhd (N)
16	Naim Holdings Bhd
17	Triplc Bhd (F)
18	Ekran Bhd (A)
19	IJM Land Bhd (C)
20	Asian Pac Holdings Bhd
21	Guocoland (M) Bhd
22	Selangor Dredging Bhd
23	Plenitude Bhd
24	Capital Land Sdn Bhd (N)
25	Fountain View Devt Bhd
26	Menang Corp (M) Bhd
27	Metro Kajang Holdings Bhd
28	Paramount Corp Bhd
29	Farlim Group (M) Bhd
30	Furqan Business Organisation Bhd

Qualitative Attributes 2009

BEST 30

RANKING	COMPANY
1	Sunrise Bhd (X)
2	S P Setia Berhad
3	Sunway City Bhd (X)
4	Bandar Raya Devt Bhd
5	IGB Corp Bhd
6	Bandar Utama City Corp Sdn Bhd (N)(X)
7	Eastern & Oriental Bhd
8	YTL Land & Devt Bhd
9	Gamuda Bhd — Property Div (N)
10	Sime Darby Property Bhd (N)
11	IOI Properties Bhd (D)
12	IJM Land Berhad (C)
13	Island & Peninsular Sdn Bhd (N)
14	Glomac Bhd (X)
15	Naza TTDI Sdn Bhd (N)
16	Selangor Dredging Bhd
17	Paramount Corp Bhd
18	Mah Sing Group Bhd
19	YNH Property Bhd
20	Malton Bhd
21	Mulpha Land Bhd
22	WCT Land Sdn Bhd (N)
23	Sagajuta (S) Sdn Bhd (N)
24	Dijaya Corp Bhd
25	UEM Land Holdings Berhad (G)
26	Hunza Properties Bhd
27	Ivory Associates Sdn Bhd (N)
28	Capital Land Sdn Bhd (N)
29	United Malayan Land Bhd
30	PJ Devt Holdings Bhd

Product Quality

RANKING	COMPANY
1	Sunrise Bhd (X)
2	Bandar Raya Devt Bhd
3	Sunway City Bhd (X)
4	Eastern & Oriental Bhd
4	S P Setia Berhad
6	IGB Corp Bhd
6	YTL Land & Devt Bhd
8	Gamuda Bhd — Property Div (N)
8	Selangor Dredging Bhd
10	IJM Land Berhad (C)
11	Paramount Corp Bhd
12	Bandar Utama City Corp Sdn Bhd (N)(X)
13	Island & Peninsular Sdn Bhd (N)
14	Glomac Bhd (X)
15	IOI Properties Bhd (D)
15	Sime Darby Property Bhd (N)
17	Naza TTDI Sdn Bhd (N)
18	Mulpha Land Bhd
19	Mah Sing Group Bhd
19	Malton Bhd
21	Capital Land Sdn Bhd (N)
21	Hunza Properties Bhd
21	YNH Property Bhd
24	United Malayan Land Bhd
25	Dijaya Corp Bhd
25	Sagajuta (S) Sdn Bhd (N)
25	WCT Land Sdn Bhd (N)
28	UEM Land Holdings Berhad (G)
29	Ivory Associates Sdn Bhd (N)
30	Cyberview Sdn Bhd (N)

Innovation & Creativity

RANKING	COMPANY
1	S P Setia Berhad
2	Sunway City Bhd (X)
3	Sunrise Bhd (X)
4	YTL Land & Devt Bhd
5	Eastern & Oriental Bhd
5	IGB Corp Bhd
7	Bandar Raya Devt Bhd
8	Selangor Dredging Bhd
9	Bandar Utama City Corp Sdn Bhd (N)(X)
10	Gamuda Bhd — Property Div (N)
11	Naza TTDI Sdn Bhd (N)
12	Sime Darby Property Bhd (N)
13	IJM Land Berhad (C)
14	Glomac Bhd (X)
15	Mulpha Land Bhd
16	Island & Peninsular Group Sdn Bhd (N)
16	IOI Properties Bhd (D)
16	Mah Sing Group Bhd
19	Paramount Corp Bhd
19	YNH Property Bhd
21	Malton Bhd
21	Sagajuta (S) Sdn Bhd (N)
23	Cyberview Sdn Bhd (N)
24	Hunza Properties Bhd
24	Ivory Associates Sdn Bhd (N)
24	UEM Land Holdings Berhad (G)
27	Bolton Bhd
27	Dijaya Corp Bhd
27	United Malayan Land Bhd
27	WCT Land Sdn Bhd (N)

Value Creation for Buyers

RANKING	COMPANY
1	S P Setia Berhad
1	Sunrise Bhd (X)
3	Bandar Utama City Corp Sdn Bhd (N)(X)
4	Bandar Raya Devt Bhd
4	Eastern & Oriental Bhd
4	IGB Corp Bhd
4	IOI Properties Bhd (D)
8	Sime Darby Property Bhd (N)
9	Sunway City Bhd (X)
10	Island & Peninsular Sdn Bhd (N)
10	YTL Land & Devt Bhd
12	Gamuda Bhd — Property Div (N)
13	Glomac Bhd (X)
14	IJM Land Berhad (C)
15	Paramount Corp Bhd
15	Selangor Dredging Bhd
17	WCT Land Sdn Bhd (N)
18	Naza TTDI Sdn Bhd (N)
19	Malton Bhd
20	YNH Property Bhd
21	Hunza Properties Bhd
21	Mah Sing Group Bhd
21	Mulpha Land Bhd
24	Sagajuta (S) Sdn Bhd (N)
25	Metro Kajang Holdings Bhd (X)
26	Capital Land Sdn Bhd (N)
26	Dijaya Corp Bhd
26	Ivory Associates Sdn Bhd (N)
26	United Malayan Land Bhd
30	Crystalville Sdn Bhd (N)

Image

RANKING	COMPANY
1	Sunrise Bhd (X)
2	S P Setia Berhad
3	Bandar Utama City Corp Sdn Bhd (N)(X)
4	Bandar Raya Devt Bhd
4	IGB Corp Bhd
6	Sunway City Bhd (X)
7	Sime Darby Property Bhd (N)
8	IOI Properties Bhd (D)
9	Eastern & Oriental Bhd
10	Island & Peninsular Sdn Bhd (N)
10	YTL Land & Devt Bhd
12	IJM Land Berhad (C)
13	Gamuda Bhd — Property Div (N)
14	Glomac Bhd (X)
15	Mah Sing Group Bhd
15	Naza TTDI Sdn Bhd (N)
17	Paramount Corp Bhd
17	YNH Property Bhd
19	UEM Land Holdings Berhad (G)
20	WCT Land Sdn Bhd (N)
21	Dijaya Corp Bhd
22	Malton Bhd
22	Mulpha Land Bhd
22	Sagajuta (S) Sdn Bhd (N)
25	Ivory Associates Sdn Bhd (N)
26	PJ Devt Holdings Bhd
26	United Malayan Land Bhd
28	Capital Land Sdn Bhd (N)
29	Hunza Properties Bhd
30	Metro Kajang Holdings Bhd (X)

Expertise

RANKING	COMPANY
1	Sunrise Bhd (X)
2	IGB Corp Bhd
3	S P Setia Berhad
4	Bandar Raya Devt Bhd
4	Bandar Utama City Corp Sdn Bhd (N)(X)
4	Sunway City Bhd (X)
7	Gamuda Bhd — Property Div (N)
8	IJM Land Berhad (C)
8	IOI Properties Bhd (D)
8	Sime Darby Property Bhd (N)
11	Eastern & Oriental Bhd
12	YTL Land & Devt Bhd
13	Glomac Bhd (X)
14	Mah Sing Group Bhd
15	Selangor Dredging Bhd
16	Island & Peninsular Sdn Bhd (N)
16	Paramount Corp Bhd
16	WCT Land Sdn Bhd (N)
16	YNH Property Bhd
20	Naza TTDI Sdn Bhd (N)
21	Malton Bhd
21	Sagajuta (S) Sdn Bhd (N)
23	Dijaya Corp Bhd
24	Capital Land Sdn Bhd (N)
24	Ivory Associates Sdn Bhd (N)
24	Mulpha Land Bhd
24	UEM Land Holdings Berhad (G)
28	Hunza Properties Bhd
29	Metro Kajang Holdings Bhd (X)
30	PJ Devt Holdings Bhd

NOTES

(A) Ekran Bhd - PN 17 on 8 May 2006 & amended PN17 on 18 May 2009. Bursa Malaysia's Listing Committee is in the process of deciding whether to delist the company.

(C) Changed name from RB Land Holdings Bhd to IJM Land Bhd on 1 Jul 2008.

(D) Delisted on 28 Apr 2009. Released annual report for financial year 2008.

(F) Triplc Bhd - PN17 on 8 May 2006 & amended PN17 on 18 May 2009.

(G) UEM Land Holdings was listed on 18 Nov 2008.

(N) Non-listed property developer

(X) The average score for these companies is divided by 6 instead of 7 as one of the judges may have an interest in the co. & abstained.

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Judges for *The Edge* Top Property Developers Awards 2009 — from left: Chen, Teo, Ng, Au, Fong, Tong and Kumar



Challenging year for the TOP 10

BY SHARON KAM I

There is a new but not unfamiliar name this year at the No 1 spot of *The Edge* Top Property Developers Awards 2009. Sime Darby Property Bhd (SDP), the property division of Sime Darby Bhd, wrested the top spot from S P Setia Bhd, which had held the position the past four consecutive years. SDP, which did not feature in the ranking last year, certainly made its presence felt this year.

The non-listed property arm of Malaysia's largest corporation Sime Darby rode on its strong financials for FY2008 as it came first in the quantitative sub-ranking. The developer has the largest amount of shareholders' funds totalling more than RM4 billion, the highest turnover at RM1.4 billion and the healthiest cash standing among all the developers featured in the ranking.

This is not surprising considering that SDP is the result of a merger of the previous property arms of Sime Darby — Golden Hope Plantations Bhd and Kumpulan Guthrie Bhd — in January 2007. (Sime UEP Properties Bhd, which was ranked sixth in 2007, was delisted following the merger.) SDP is now one of the largest property groups in the country in terms of landbank. This developer came in 10th in the qualitative sub-ranking.

The developer is currently involved in several township projects in the Klang Valley, including Ara Damansara, USJ Heights, Melawati, Bukit Jelutong and Putra Heights. Despite the current soft market, SDP has managed to continue selling homes in its developments. Overseas, it has two residential projects in Singapore known as Orion and Balmoral Hills and is set to launch a waterfront development called Eagle's Cove in Australia's Gold Coast. The company also recently acquired 400 acres of land in Weifang prefecture in China's Shangdong province for a mixed development.

S P Setia, which took second place overall, came in third in the quantitative and second in the qualitative sub-rankings (based on FY2008). It was tops in both the sub-rankings last year. In its FY2008 ended Oct 31, it recorded impressive sales exceeding RM1.4 billion, the highest ever

in its history. Despite the soft market sentiment, the group achieved a net profit of RM213.5 million. This was attributed to property sales in the Klang Valley, Johor and Penang.

S P Setia has expanded into the commercial sector with its first mixed-used development called SetiaWalk in Puchong and Setia City Mall in Shah Alam. It also recently launched its first high-end condominium project called Setia Sky Residences in the Kuala Lumpur city centre. Overseas, the group has a project in Vietnam called Setia EcoLakes and in April 2008, signed a cooperation agreement with Saigon Hi-Tech Park Development Company to jointly design and develop a mixed-used real estate development.

In third place is Sunway City Bhd (Suncity), retaining the position for the second year running. Suncity improved in the sub-rankings this year, with its second and third spot in the quantitative and qualitative sub-rankings respectively. It boasts the highest profit before tax in FY2008 among the developers at RM634.05 million. This was mainly contributed by the property investment division following, among others, the expansion of Sunway Pyramid Mall and the opening of Sunway Carnival Mall in Penang. Suncity also secured two en bloc sales of condos in its RM5.2 billion Sunway South Quay and in Sunway Palazzio, with a total gross development value (GDV) of RM440 million.

It is currently working on a real estate investment trust (REIT), with an estimated value of RM4 billion.

IGB Corp Bhd, the developer of the iconic Mid Valley City, is down two spots to fourth position overall, due partly to its weaker standings in the quantitative sub-rankings where it slipped from second to fifth. The company's bottom line is derived from recurring income mainly from its Mid Valley City development, hence it is not pressured to launch new projects. Nevertheless, it continues to seek opportunities here and overseas, especially to grow its hotel business. It was also fifth in the qualitative sub-ranking this year, one spot down from last year.

Non-listed Island & Peninsular Sdn Bhd (I&P) and the previously listed IOI Properties Bhd and Bandar Raya Developments Bhd (BRDB) all stepped down one rung to take fifth, sixth

and seventh position overall respectively, while Eastern & Oriental Bhd (E&O Bhd) is in eighth spot.

I&P, the decades-old township developer, was voluntarily delisted in July 2007 and on May 1 this year, I&P Group Sdn Bhd emerged following a rationalisation exercise and merger of I&P with Petaling Garden Sdn Bhd and Pelangi Sdn Bhd. It is also among the largest developers in the country in terms of landbank. The developer of Bandar Kinrara in Puchong and Temasya Glenmarie in Shah Alam saw overnight queues forming at recent project launches in the two developments.

Although IOI Properties was voluntarily delisted on April 28, 2009, it was automatically included in the ranking based on the release of its annual report for FY2008 ended June 30. Taken private by IOI Corp Bhd, the developer is building one of its most significant commercial developments to date — the Puchong Financial Corporate Centre in Bandar Puteri Puchong. Some 15% to 20% of its income is derived from property investments including three shopping malls.

BRDB, the developer of Troika — the Foster & Partners-designed high-rise residence on Jalan Binjai near KLCC — and One Menerung in Bangsar, was in FY2008 busy with the refurbishment and expansion of Bangsar Shopping Complex while adding a new office building annex to it. These should be completing soon. The expanded BSC will provide some 325,000 sq ft of retail space while the BRDB office tower will have 220,000 sq ft. BRDB improved in its qualitative rankings but went down a rung in its quantitative rankings although its FY2008 revenue and pre-tax profit doubled from the previous FY.

E&O Property Development Bhd was voluntarily delisted in August 2008 and merged with E&O Bhd to form a larger entity. Last year, E&O Property Development was in ninth position while E&O Bhd came in 13th. This year, E&O Bhd moved up to eighth spot. The launch of St Mary Residences in downtown KL in June of one block of 169 serviced apartments saw an 80% take-up rate over three weeks and recorded an average selling price of RM1,000 psf. There was also good response to launches

in its ongoing 1,000-plus acre development of Seri Tanjung Pinang in Penang.

Sunrise Bhd, the name synonymous with the development of the high-end expatriate enclave of Mont'Kiara in Kuala Lumpur, is in ninth place overall although it comes in as the developer with the best qualitative attributes in the country in the eyes of consumers. Sunrise made a record RM201.1 million pre-tax profit for FY2008 ended June 30 or a 28% increase from RM157.4 million the previous year. Revenue contributors are its commercial development Solaris Dutamas, residential developments such as Mont'Kiara Banyan, Mont'Kiara Meridin, 10 Mont'Kiara and 11 Mont'Kiara. The sales of commercial units and car park lots in Plaza Mont'Kiara to Quill Capita Trust have also contributed favourably to the group's financial performance.

11 Mont'Kiara, a 339-unit luxury residential development with a GDV of about RM900 million, is due for completion in 2011. As of August, it has been 90% sold.

Non-listed Bandar Utama City Corp Sdn Bhd (Bandar Utama) rounded up the Top 10. The developer under the See Hoy Chan Holdings Group was in seventh place last year. Bandar Utama's revenue in FY2008 ended Dec 31 fell from RM388.95 million in 2007 to RM346.50 million in 2008, while pre-tax profits retreated from RM160.43 million in 2007 to RM131.55 million in 2008. The developer is currently busy with a 911-unit condo development 9 Bukit Utama with a GDV of RM1 billion, and a 25-storey purpose-built green office building with a net lettable area of 550,000 sq ft. It will refurbish the old wing of 1 Utama Shopping Centre next.

Missing from the Top 10 this year is Boustead Properties Bhd, developer of Selangor's popular Mutiara Damansara township, which was taken private on Aug 8 last year but did not offer itself for ranking. This is the second year that the ranking is open to non-listed property developers whose participation has certainly raised the stakes. Competition is getting tighter and many developers are closing the gap on each other as shown in the qualitative sub-rankings where a number of developers are tied in the standings.

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EDITOR'S NOTE

BIG DEVELOPERS OF QUALITY

This year's edition of *The Edge* Top Property Developers Awards 2009 is, by far, the most competitive for the companies under scrutiny and challenging for the panel of judges tasked with ranking the qualitative attributes of the participants.

Introduced in 2003, the award ranks automatically all companies listed under the Property Sector on Bursa Malaysia. From last year, the ranking was opened to all other property developers in Malaysia, making the award both comprehensive and complete.

With the ranking placing equal weight on the quantitative and qualitative attributes of the developers, companies that were not listed under the property sector but which wished to be ranked were required to submit their audited financials for scrutiny. Listed developers were not required to do so because their financials are public knowledge.

The qualitative ranking was carried out by a panel of seven judges who have been picked for their experience and knowledge of the local property market. *The Edge* is represented in the panel.

Seven non-listed developers submitted themselves voluntarily for the ranking last year but this year, the number had doubled to 15. These comprised not only privately-owned development companies but also the property development arms of companies that are listed, but not in the property sector.

The fact that the ranking has attracted 15 submissions speaks for itself. It is also noteworthy that this year's No 1 developer, Sime Darby Property Bhd, is among the 15.

Transparency

This is the third year that we have enlisted independent auditors from auditing firm Deloitte Malaysia to verify the tabulation of the results. The financial data of listed companies was sourced from Interactive Data Systems Sdn Bhd.

Like last year, we have published the ranking results in detail to show how the top developers fared in each of the 10 sub-attributes (five quantitative and five qualitative). It must be noted that the overall result was based on the total number of points secured and not positions in the 10 sub-attributes.

Consumers' perspective

Allow us to emphasise, again, that *The Edge* Top Property Developers Awards have been created to rank Malaysia's best players from the perspective of consumers and not stock investors. That's how we assess a developer's quantitative and qualitative attributes. Consequently, companies that shine in the awards may not necessarily be top performers on the local bourse.

This is primarily because the needs and wants of the buyers can differ substantially from that of investors. For example, to the buyers, a developer with low or no gearing and with a huge cash pile is good news, but stock investors may or may not agree.

While stock investors will give the thumbs up for a company with regular and good dividend payments, property buyers will not be too bothered about it. Rather, the latter will be anxious to know if a developer is big, financially strong, has a trusted track record of producing quality products and delivering them on time. Attributes like innovation and value creation will also rank highly with buyers.

In short, *The Edge* Top Property Developers must be both big and deliver quality.

Our salute to companies that have voluntarily offered themselves to be ranked. It shows that not only were they willing to benchmark themselves in the industry but also had the determination to move up the ladder.

To all winners this year, our heartiest congratulations to you!

Best Regards,




Stanley Teo, audit partner at Deloitte Malaysia (standing), and his team at work

THE AWARDS METHODOLOGY

Introduced in 2003, the annual ranking is based on the companies' quantitative and qualitative attributes, and is from the consumer's perspective.

All companies listed on the property sector of Bursa Malaysia automatically qualify for *The Edge* Top Property Developers Awards 2009.

Advertisements calling for entries from non-listed, privately owned companies and property development subsidiaries of companies not listed on the property sector of Bursa were publicised over six weeks, from May 22 until June 30. Submissions by non-listed developers — together with their supporting documents, including a copy of signed audited accounts — closed at 5pm on June 30. A total of 15 entries were received from non-listed developers.

Quantitative attributes

This aspect of the ranking involves the application of five quantitative attributes: shareholders' funds, group revenue, group pretax profit, gearing (total short and long-term debt divided by shareholders' funds) and cash and cash equivalents.

All financial data considered is for the 2008 financial year sourced through Interactive Data Systems (M) Sdn Bhd. The financial data of unlisted companies are submitted by the individual companies.

Qualitative attributes

There are five qualitative attributes: product quality (service, finish, timeliness), innovation and creativity (product, marketing), value creation for buyers (capital appreciation), image — market perception (credibility, management style, effectiveness), and expertise (management, experience).

Points awarded

A maximum of 10 points is awarded for each quantitative and qualitative attribute. Points awarded for the quantitative attributes are straightforward, based on the financial data of each company. Points for the qualitative attributes were awarded by a panel of seven judges — veterans in the field and *The Edge*.

Five of the judges abstained during the deliberation and judging of companies in which they have direct or indirect interest. They were Datuk Richard Fong for Glomac Bhd (he is the group executive vice-chairman), Datuk Teo Chiang Kok for Bandar Utama City Corp Bhd (he is a director), Datuk Jeffrey Ng for Sunway City Bhd (he is an executive director), Datuk Eddy Chen for Metro Kajang Holdings Bhd (he is the managing director) and Au Foong Yee for Sunrise Bhd (Sunrise and *The Edge* have in common a major shareholder).

The other two judges were Datuk Alan Tong and Kumar Tharmalingam.

The results from the tabulation of points for both quantitative and qualitative attributes were audited by Deloitte Malaysia.

Note: The ranking has been carried out with the best of intentions. The property development sector, an important engine of growth of the economy, has played and is expected to continue playing a significant role in the country's economic health. This is in addition to the need for the sector to fulfil the nation's housing requirements. Given the onus placed on the sector, we therefore feel the need to identify and benchmark the country's top property developers, as perceived by the general property-buying public. We have also taken the opportunity to highlight some of their success stories. Feedback and suggestions are welcome. — Editor, *City & Country*

FROM PAGE 7

New names in the Top 30 rankings are the newly listed UEM Land Bhd (listed Nov 18, 2008), Gamuda Bhd's property division, which made an impressive debut at 11th position overall, and IJM Land Bhd, the renamed RB Land Holdings Bhd following the merger between RB Land and IJM Properties Sdn Bhd. IJM Land is now construction group IJM Corp Bhd's listed property arm. RB Land did not feature in the Top 30 last year, but IJM Land is now just two rungs away from the Top 10 at No 12, indicating perhaps how branding can help change consumers' perceptions.

It was a challenging year for property de-

velopers around the world, no doubt, but the developers featured among the Top 10 of *The Edge* Top Property Developers Awards 2009 have stood their ground and held firm in the face of the global financial crisis.

Submissions from non-listed developers increased to 15 this year. Other non-listed or private limited companies which made it to the Top 30 this year are the property arm of Gamuda (11th position), Naza TTDI Sdn Bhd (18), WCT Land Sdn Bhd (23) and Sabah-based Sagajuta Sdn Bhd (29), the developer of 1Borneo mall.

This is the seventh year of the awards. The ranking is based on quantitative and qualitative attributes according to FY2008 results. Data on

the quantitative attributes of listed companies in the property sector of Bursa Malaysia are based on published sources compiled by Interactive Data Systems Sdn Bhd, while non-listed companies were required to submit copies of signed audited accounts. The five quantitative attributes are: shareholders' funds, group pretax profit, revenue, gearing, and cash plus cash equivalents.

The qualitative attributes are product quality, innovation and creativity, value creation for buyers, image and expertise. The qualitative attributes were judged by industry experts and veteran property developers, namely, Datuk Alan Tong, Datuk Richard Fong, Datuk Jeffery

Ng, Datuk Teo Chiang Kok, Kumar Tharmalingam and Datuk Eddy Chen. *The Edge* was represented by its executive editor Au Foong Yee, who is also editor of *City & Country* and theedgeproperty.com.

Five of the judges abstained in the deliberation and judging of companies in which they have direct or indirect interest. They are Fong for Glomac Bhd (he is the group executive vice-chairman), Teo for Bandar Utama City Corp (he is a director), Ng for Sunway City (he is an executive director), Chen for Metro Kajang (he is the managing director) and Au for Sunrise (Sunrise and *The Edge* have in common a major shareholder). The results were audited by Deloitte Malaysia. **E**

The judges and what they say

DATUK ALAN TONG



Tong is the first and only Malaysian to have held the post of Fiabci world president (2005-2006). It was during this time when the Kuala Lumpur-based Asia Pacific Fiabci regional secretariat, which he now chairs, was set up. Tong, a past president of Fiabci Malaysia, founded Sunrise Sdn Bhd in 1968. A leading property development company, it was listed as Sunrise Bhd on the Main Board of the local bourse in 1995. Two years later, he cashed out and is now the group chairman of Bukit Kiara Properties Sdn Bhd and ATKM Sdn Bhd, two private companies he formed in 2000 to undertake property development.

“I observe that *The Edge* Top Property Developers Awards have been receiving great enthusiasm from property developers, especially those in the upper echelons of the industry. Last year, only seven developers who were not listed on Bursa Malaysia voluntarily made submissions to be ranked. This year, the number of submissions from non-listed developers has increased to 15, quite a significant jump! This shows their aspirations to be top developers in this country.

“Their aspirations to excel definitely augurs well for the industry as a whole and will undoubtedly be welcomed by house purchasers and investors. *The Edge* Top Property Developers Awards have certainly elevated the overall standards of property development in this country.”

KUMAR THARMALINGAM



Kumar, a registered real estate valuer and property consultant, is the secretary-general of the Fiabci Asia-Pacific secretariat and a past president of Fiabci Malaysia. In 1987, he established the First Malaysia Property Trust (FMPT) — a joint venture between Bank of Commerce and Austwide of Australia — and was appointed its manager. Kumar continues to actively track the REIT (real estate investment trust) industry worldwide. He is also chairman of Hall Chadwick Asia Sdn Bhd, a corporate real estate services company.

“This year, we saw 15 non-listed developers submitting themselves to be ranked. These are subsidiaries of companies listed on Bursa but not under the property index, as well as those privately owned. Their increasing interest shows that the awards are providing a rating they desire to help raise their profile as top developers in the country.

“The winners are judged based on both financial performance and qualitative attributes. The former was scrutinised by a professional auditor while the latter was judged by a panel comprising their real estate peers. In short, the winners were ranked purely on merit.

“This is not an award that can be purchased, directly or indirectly. I am a huge fan of best practices and am delighted to be part of this august panel.

“Maybe *The Edge* should start a rating for the plethora of awards that have mushroomed in the last few years, ranging from property to consumer goods where the promoters seem to earn large fees to satisfy the demand for external ratification by companies.”

DATUK RICHARD FONG



Fong is president of Fiabci (International Real Estate Federation) Malaysia and chairman of Malaysia Property Incorporated, a joint private and public initiative set up to promote Malaysia as the preferred destination for international property investors. He is also group executive vice-chairman of Glomac Bhd. A civil engineering graduate from University College London, Fong started his career at Mudajaya

Construction Sdn Bhd and IJM Corp Bhd before co-founding Glomac in 1988 with Tan Sri F D Mansor. Today, Glomac has grown into a large, dynamic group of over 20 subsidiaries and associated companies involved in every facet of the real estate business.

“It is an honour to be named the Top 10 developers in the country because it is difficult to make the list. Again, we can see from the list of winners this year that size and a good balance sheet counts. Of course, branding and local recognition are the other important criteria.”

DATUK JEFFREY NG



Ng, executive director of Sunway City Bhd and a past president of Rehda Malaysia, is involved in a boutique property development. The former managing director of AP Land Bhd is a Fellow of The Institute of Chartered Accountants Australia. He is also a member of the Malaysian Institute of Accountants and the Malaysian Institute of Certified Public Accountants. Ng's experience in finance, corporate planning and executive management in the property and hotel industry in Malaysia spans more than 26 years.

“It is definitely a great feeling to see increasing interest and competitiveness among property developers in the country for this coveted award. This will only get stronger in the coming years because the basis of these awards is about recognising Malaysia's best property players from the consumer's viewpoint.

“The results of the 2009 Awards are an accurate reflection of property companies, which have performed well in terms of reputation and financial strength. As more non-listed property companies have participated this year, it would certainly be in the interest of public-listed companies to be more proactive and visible to showcase their capability and products through the media as part of their brand-building exercise. Otherwise, they may run into the danger of being overshadowed by private companies.”

DATUK EDDY CHEN



Chen, a past president of the Real Estate and Housing Developers' Association (Rehda) Malaysia and managing director of the Metro Kajang Group, has been in property development and construction-related businesses for more than two decades. He sits on various government-private sector committees that formulate policies governing the housing and real estate industry and is also a board member of Malaysia Property Incorporated.

“This is the second year the awards are open to companies that are not listed under the Bursa Malaysia property index and we can already see increased interest from them. This shows that these companies are keen to be recognised and benchmarked against the best in the industry; something that will keep listed companies on their toes.

The Top 10 and Top 30 developers lists continue to be dominated by the same companies. This clearly shows that these developers are not letting up on their quality and quantitative attributes, something that augurs well for the property-buying public and in the longer term, propels the industry to the next level. This is what the industry needs to go global.”

DATUK TEO CHIANG KOK



Teo is the Fiabci Asia-Pacific regional secretariat vice-president, immediate past president of Fiabci Malaysia, a past president of Rehda Malaysia and adviser for Malaysia Property Incorporated. He is a director of companies in the See Hoy Chan Holdings Group, which is behind the development of Bandar Utama township in Petaling Jaya, and where the award-winning 1 Utama shopping centre is located. Teo is also a council member of the Kuala Lumpur and Selangor Chinese Chamber of Commerce and a national council member

of the Associated Chinese Chambers Commerce and Industry of Malaysia. He has some three decades of experience in property development.

“This year we saw more participation from non-listed property companies and this is testimony to how coveted the ranking is. The increased interest is good in that the ranking recognises more comprehensively all the market players, be they listed or non-listed companies. However, the mega mergers of several companies and the submission by their property wings for ranking have skewed the listing somewhat.

“It needs to be emphasised that the scoring, especially in the quantitative attributes, are geared more for property investors as opposed to financial investors. Thus, the size, cash assets and low financial gearing of the companies ranked are considered more important. All in all, the companies that made it into the Top 10 are familiar and trusted players.”

AU FOONG YEE



Au is *The Edge* executive editor of property and retailing. She is the editor of *City & Country* at *The Edge*; *haven*, a bi-monthly interior design and garden magazine published by *The Edge* and the newly launched property portal of The Edge Communications Sdn Bhd called *theedgeproperty.com*

“This is the seventh edition of the annual awards and by far, the most competitive. While the list of 2009 Top Property Developers may once again appear to comprise the so-called usual suspects, these

companies have done exceptionally well to make it to the A-list. It has become even more challenging for them as there are more non-listed companies joining the race.

“All companies listed on the property sector of Bursa Malaysia are automatically ranked in the exercise. From last year, the ranking was opened to non-listed developers.”



Of property buyers and stock investors

INTERACTIVE DATA SYSTEMS

BY RACHEAL LEE I

Bashed by impact of the global financial crisis, property stocks were bad news last year. There was no running away from the close link between the economy and the property market. Neither has Malaysia decoupled from the rest of the world as some quarters had earlier touted.

Several positive policy changes have been made to boost the local property development and construction sectors since the onslaught of the global credit woes, including those in the 2009 Budget announced last August and two stimulus packages that totalled more than RM273 billion that followed.

All eyes are on the 2010 Budget, which will be unveiled on Oct 23, on how the government will drive the economy to full recovery.

Known to generate greater upside-downside swings compared to the broader stock market, property stocks have since crawled back onto the radar screens of investors from 2Q this year. This reflects the improved sentiment about the economy, which in turn helped boost property sales.

How did the public-listed winners of *The Edge* Top Property Awards 2009 — a ranking based on quantitative and qualitative attributes seen from the consumer's perspective — perform on the local bourse over the 21-month period ended Sept 15, 2009?

As in previous years, it is clear there is no guarantee that the needs and wants of the property-buying community will match that of property stock investors.

It must be noted that some of the listed companies would have undergone corporate exercises during the review period that would have impacted their share prices.

According to the data from Interactive Data Systems Sdn Bhd, Plenitude is the only listed developer in the Top 30 this year that showed a positive difference in share price between Jan 1, 2008 and Sept 15 this year (see charts).

Plenitude registered a 7.2% jump in share price or a 19-sen improvement during the review period. The stock closed at RM2.86 last Tuesday, with 7,000 shares traded.

Paramount Corp Bhd eased 0.41% from January 2008 to close at RM2.42 on Sept 15 this year; in real terms, it only experienced a mere one sen drop. The counter closed at RM2.46 last Tuesday, with 11,000 shares changing hands.

Taken private

On April 28 this year, IOI Properties was voluntarily delisted. It had requested for suspension on Jan 30 (last traded price: RM2.22; offer price: RM2.598) to pave the way for it to be taken private by parent company IOI Corp Bhd.

IOI Corp launched a voluntary general offer (VGO) for all IOI Properties shares it did not own at RM2.598 apiece via a combination of share swap and cash payment.

The offer price of RM2.598 was at a 17% premium over its last traded price of RM2.22 prior to the privatisation announcement. However, it was at a substantial 34% discount to IOI Properties' net tangible value of RM3.95 per share. The VGO was made after IOI Properties' share price tumbled to a seven-year low. (Editor's note: IOI Properties was automatically considered in this year's ranking because it is based on published financials for the year ended 2008)

How the top developers fared on Bursa Malaysia (Jan 1, 2008 to Sept 15, 2009)

	JAN 1, 08	SEPT 15, 09	GAIN/LOSS (POINTS)	GAIN/LOSS (%)	
FTSE Bursa Malaysia KLCI	1435.68	1207.47	-228.21	-15.9	
Bursa Malaysia Property Index	1027.46	781.85	-245.61	-23.9	
AWARDS RANKING	DEVELOPER	JAN 1, 08	SEPT 15, 09	GAIN/LOSS (RM)	GAIN/LOSS (%)
1	Sime Darby Property Bhd	non-listed			
2	S P Setia Berhad	5.1	4.38	-0.72	-14.12
3	Sunway City Bhd	4.98	3.08	-1.9	-38.15
4	IGB Corp Bhd	2.26	1.8	-0.46	-20.35
5	Island & Peninsular Sdn Bhd	non-listed			
6	IOI Properties Bhd ¹	6.48	—	—	—
7	Bandar Raya Devt Bhd	3.1	1.6	-1.5	-48.39
8	Eastern & Oriental Bhd ³	2.68	1.49	-1.19	-44.4
9	Sunrise Bhd	3.22	2.13	-1.09	-33.85
10	Bandar Utama City Corp Sdn Bhd	non-listed			
11	Gamuda Bhd — property division	non-listed			
12	IJM Land Bhd ⁴	2.82	2.23	-0.59	-20.92
13	YTL Land & Devt Bhd	1.47	0.975	-0.495	-33.67
14	Paramount Corp Bhd	2.43	2.42	-0.01	-0.41
15	Selangor Dredging Bhd	0.89	0.58	-0.31	-34.83
16	Mah Sing Group Bhd	1.93	1.85	-0.08	-4.15
17	Naza TTDI Sdn Bhd	non-listed			
18	Selangor Properties Bhd	3.46	3.28	-0.18	-5.2
19	Dijaya Corp Bhd	1.53	1.16	-0.37	-24.18
20	UEM Land Holdings Bhd ²	—	1.59	—	—
21	PJ Devt Holdings Bhd	0.795	0.63	-0.165	-20.75
22	WCT Land Sdn Bhd	non-listed			
23	Metro Kajang Holdings Bhd	1.4	1.21	-0.19	-13.57
24	Plenitude Bhd	2.64	2.83	0.19	7.2
25	Naim Holdings Bhd	4.7	2.74	-1.96	-41.7
26	Malton Bhd	0.475	0.36	-0.115	-24.21
27	United Malayan Land Bhd	2.29	1.35	-0.94	-41.05
28	Hunza Properties Bhd	2.7	1.49	-1.21	-44.81
29	Sagajuta (S) Sdn Bhd	non-listed			
30	Bolton Bhd	1.09	0.665	-0.425	-38.99

AWARDS RANKING	DEVELOPER	GAIN/LOSS (%)
24	Plenitude Bhd	7.2
14	Paramount Corp Bhd	-0.41
16	Mah Sing Group Bhd	-4.15
18	Selangor Properties Bhd	-5.2
23	Metro Kajang Holdings Bhd	-13.57
2	S P Setia Berhad	-14.12
4	IGB Corp Bhd	-20.35
21	PJ Devt Holdings Bhd	-20.75
12	IJM Land Bhd ⁴	-20.92
19	Dijaya Corp Bhd	-24.18
26	Malton Bhd	-24.21
13	YTL Land & Devt Bhd	-33.67
9	Sunrise Bhd	-33.85
15	Selangor Dredging Bhd	-34.83
3	Sunway City Bhd	-38.15
30	Bolton Bhd	-38.99
27	United Malayan Land Bhd	-41.05
25	Naim Holdings Bhd	-41.7
8	Eastern & Oriental Bhd ³	-44.4
28	Hunza Properties Bhd	-44.81
7	Bandar Raya Devt Bhd	-48.39
1	Sime Darby Property Bhd	non-listed
5	Island & Peninsular Bhd	non-listed
10	Bandar Utama City Corp Sdn Bhd	non-listed
11	Gamuda Bhd — property division	non-listed
17	Naza TTDI Sdn Bhd	non-listed
22	WCT Land Sdn Bhd	non-listed
29	Sagajuta (S) Sdn Bhd	non-listed
6	IOI Properties Bhd ¹	—
20	UEM Land Holdings Bhd ²	—

¹ Delisted on April 28, 2009 ² Listed on Nov 18, 2008³ ICSSL 1:2 @ 65 sen ex on Oct 19, 2009⁴ Rights issue 4+2W:5 @ RM1.35 ex on Aug 14, 2008

Meanwhile, Bandar Raya Developments Bhd (BDRB), Hunza Properties Bhd and Eastern & Oriental Bhd (E&O) gave up 48.39%, 44.81% and 44.4% in share price respectively during the review period.

BRDB closed at RM1.69 last Tuesday, Hunza Properties at RM1.50 and E&O at RM1.36.

Interestingly, IOI Properties, BDRB and E&O have managed to emerge as the Top 10 developers, coming in at 6th, 7th and 8th respectively.

Of the Top 10, seven are listed companies (including IOI Properties). However, outshining them all is Sime Darby Property Bhd, the property arm of Sime Darby Bhd, which made history by being the first non-listed developer to come out on top in the awards. This is the first time Sime Darby Property has submitted an entry to the awards which were opened to non-listed developers last year.

S P Setia Bhd, Sunway City Bhd and IGB Corp Bhd, ranked 2nd, 3rd and 4th in the awards, were also the three best performers percentage wise at the end of the 21-month period although, ironically, share prices dipped during the same period.

S P Setia saw a drop of 14.12% or 72 sen in its share price during that period. The stock once rose to a 52-week high of RM4.24 on June 8, after it inked a cooperation agreement with Hangzhou Ju Shen Construction Engineering Ltd to set up a joint venture to carry out a mixed property development in the province of Zhejiang, China. However, the counter tumbled the most in 15 months to RM3.84 on June 19 this year after reporting a 15% fall in net profit in 2QFY2009 ended April 30. It closed at RM4.01 last Tuesday.

Mah Sing Group Bhd, meanwhile, expects to conclude talks with the country's largest fund manager Permodalan Nasional Bhd (PNB)

to jointly develop some pieces of land. The developer is said to be looking at a long-term relationship with PNB.

(Note: The 30-component FTSE Bursa Malaysia KLCI (FBM KLCI) was launched on July 6 this year to replace the 100-member Kuala Lumpur Composite Index (KLCI) in order to keep Bursa Malaysia relevant in the global market.)

Corporate exercises

Analysts' recommendations might also have impacted the share prices of these listed developers. E&O, for instance, was the top property pick of CIMB Research on Sept 3. The research house recommended the stock as a "trading buy" at RM2.18 after tagging a 30% discount to its adjusted fully diluted revised net asset value per share (RNAV/share) of RM3.11. E&O's share price surged 13% to close at RM1.47 on Sept 3.

E&O shareholders had in August this year approved a proposed renounceable rights issue of up to RM246.9 million nominal value 10-year irredeemable convertible secured loan stocks (ICSLs) due 2019, which will position the group on a solid footing to consolidate its earning drivers.

The exercise will involve the issue of one ICSSL of 65 sen each for every two existing E&O shares. The stock closed at RM1.36 with 3.46 million shares done last Tuesday.

IJM Land Bhd, formerly known as RB Land Holdings Bhd, acquired 100% of IJM Properties Sdn Bhd for RM1.222 billion last year. The acquisition was satisfied with RM822 million cash and the issuance of RM400 million nominal value of 10-year 3% RB Land redeemable convertible unsecured loan stocks (RCULS).

To help finance the acquisition, RB Land

proposed a renounceable rights issue of 454.549 million new RM1 shares.

It also proposed to issue 227.274 million detachable warrants at an issue price of RM1.25 per rights share on the basis of four rights shares and two warrants for every five existing shares held in RB Land. The exercise price of the warrant is fixed at RM1.35 per share.

IJM Land's share price surged 10% to RM1.98 on Aug 13, the most since Jan 5 this year after AmResearch raised its target price on the stock to RM3 from RM2.40, as well as several signs of a recovery in the sector. It closed at RM2.31 last Tuesday.

Naza Group, the parent company of Top 30 property developer Naza TTDI Sdn Bhd, meanwhile is undertaking a mandatory general offer (MGO) for construction outfit Kumpulan Jetson Bhd via Superior Pavilion Sdn Bhd (SPSB) and Odyssey Wealth Sdn Bhd (OWSB), which are privately owned by the chief executive and executive chairman of the Naza Group S M Nasarudin S M Nasimuddin as well as the group managing director of Naza TTDI S M Faliq S M Nasimuddin.

The scions of the Naza Group founder — the late Tan Sri S M Nasimuddin S M Amin — are offering a revised price of RM1 for the Jetson shares and 90 sen for the irredeemable convertible loan stocks (ICULs). As at press time, the brothers, however, failed in their conditional takeover bid as the minority shareholders rejected their RM1 per share offer price for the remaining shares in the company. Kumpulan Jetson closed at RM1.80 last Tuesday, with 524,500 shares transacted. **E**

SEE ANALYSTS' PICKS ON PAGE 40

When it comes to the issue of sustainability,
 we don't just take it lying down.

We sit on it.

Jokes aside, S P Setia established an academic Chair in Environmental Engineering and Green Technology at University Tunku Abdul Rahman, in conjunction with World Environment Day this year. Our RM1.25 million endowment is dedicated to research in green technology which will contribute to the creation of a sustainable future for all.

Endowing this academic Chair is just one of the S P Setia Group's initiatives in fulfilling our corporate responsibility charter, "Building Sustainable Communities for All." We are not only focussed on achieving sustainability in all our development projects around the world, we are passionate about sharing the message of sustainability with everyone.

Yes, we are definitely not taking the future of mankind lying down. We hope you will join us in standing up—or sitting down—to the challenge of achieving a truly sustainable future for our children and grandchildren.



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livelearnworkplay



A strong comeback

Sime Darby Property Bhd clinches the top spot in *The Edge* Top Property Developers Awards 2009, proving that size does matter if you want to stay ahead of the competition. But beyond financial strength, being sensitive to market needs, building sustainable communities and constantly pushing the envelope when it comes to design and marketing properties are also what make this company outstanding.

Sime Darby Property Bhd

	2009	2008
Overall	1	—
Quantitative	1	—
Qualitative	10	—

BY SREEREMA BANOO |

Sime Darby Property Bhd's managing director Datuk Tunku Putra Badlishah Tunku Annuar says the company made a conscious decision to not participate in last year's edition of *The Edge* Top Property Developer Awards. "At the time, we felt we were not ready and we wanted to wait a year to consolidate so that we would make a strong comeback."

And that the company certainly did by taking the top spot this year. As a result of a merger in 2007, which created one of the largest property groups in the country, Sime Darby Property has the wherewithal to be and grow as a formidable property player, both in the Malaysian and international markets.

(Prior to the merger, Sime Darby's presence in the ranking was through Sime UEP Properties Bhd, which took the sixth spot

in the 2007 edition of the awards.)

Sime Darby Property — a non-listed division of Sime Darby Bhd — was created when Sime Darby Bhd, Kumpulan Guthrie Bhd and Golden Hope Plantations Bhd were merged. In terms of landbank, Sime Darby Property owns one of the largest in the country — about 17,300 acres. Of this, 4,500 acres are ready for immediate development while 9,100 acres have been earmarked for development within the next five years.

Sime Darby Property has "emerged stronger, more efficient and more effective after the merger", thanks to achieving economies of scale in developing and marketing its properties and adopting the best practices of the merged entities, Tunku Badlishah says. It is these strengths that have helped the company weather the current slowdown in the property market.

Like many players in the market, Tunku Badlishah says, the most challenging period in

terms of sales was from 4Q2008 to 1Q2009. "It was an uncertain period for everyone. From our focus group studies, we learnt from prospective customers that while they still wanted to buy houses, the uncertainties made them delay the purchase. So, we came up with a scheme to allay their fears."

The scheme — Parade of Homes 3 — offered prospective buyers of housing and commercial properties across all 10 of its developments various incentives, such as an interest rate of BLR minus 2.3%, special downpayment scheme (where customers can opt to pay in instalments of up to 12 months) and no interest charged during the construction period. Held from March 7 to June 15, the scheme's third instalment raked in sales of more than RM1 billion. (The first, held in June 2008 over nine days and the second from Nov 14 to Dec 15, made sales of over RM246 million and RM100 million respectively.)

Tunku Badlishah acknowledges that these sales contributed to the company's strong financial showing. For FY2009 ended June 30, Sime Darby Property recorded a pre-tax profit of RM458 million on a turnover of RM1.408 billion. That the company managed to pull through almost unscathed despite the economic uncertainties is a testament to the success of the merger.

"We have been able to use economies of scale, especially in the way we marketed the Parade of Homes; we were able to roll out a single marketing platform for all the townships. We were able to create a high level of awareness of the scheme and our townships by using the combined marketing dollars more effectively," Tunku Badlishah says.

The developer was also able to secure savings of 5% to 30% in the purchase of materials by combining the purchasing power of all the various townships, he adds. The processes of

PICTURES FROM SIME DARBY PROPERTY



The Idea House is a prototype dwelling that will boast several environment-friendly features



Having completed projects like Balmoral Hills in Singapore, the developer is actively looking for more opportunities on the island state

the merged entities were also studied and the best practices selected to enhance the various departments within the company.

While Sime Darby Property appears to be reaping the benefits of the merger, Tunku Badlishah admits that there were challenges, especially in getting the right people for the respective jobs. "Even now, we are still undertaking job profiling for every position and competence analysis to see if we have the right person for the job."

No room for complacency

While the company managed to weather the storm, Tunku Badlishah says it learnt an important lesson from the difficult times — one cannot be complacent. "We have to always be sensitive to market needs and react quickly to market sentiments," he says, pointing out that this is key to staying ahead of the competition.

In reiterating the importance of creating a product that prospective buyers would desire, Tunku Badlishah refers to his experience as managing director of Auto Bavaria (a Sime Darby company that is the authorised dealer for BMW vehicles). "The product was an easy sell because people desired it and so it was only a question of affordability." And while he is

hesitant to equate a Sime Darby property to the luxury brand, the desirability factor, he says, is vital. "In the 1980s and 1990s, people would queue up for Sime UEP's properties; the design of these properties captured the imagination of the property buying public then."

Today, with more developers entering the market, he recognises that to stand out is a challenge. In response to this, Sime Darby Property has established a R&D innovation department tasked with scouring the globe for trends in property development. Every fortnight, the department churns out a report encompassing new launches and building methods and technology. "Through the work of this department, we come up with interesting product prototypes," he says, adding that the developer expects to roll out some of these innovative designs across all its townships next year.

With its tagline of "Developing Sustainable Futures", a key focus of the department is to come up with products that are more environment-friendly, says Tunku Badlishah.

One initiative that he is excited about is the Idea House, a prototype dwelling whereby the developer systematically adopts the strategies used in the construction of the house — in

Sime Darby Property Bhd

FINANCIAL YEAR-END JUNE 30 (RM mil)

Item/year	2009	2008
Revenue	1,408	1,402
Pre-tax profit	458	434
Paid up capital	243	243
Shareholders' funds	5,012	4,065
Profit attributable to shareholders	358	334
Dividend payout ratio (%)	41	102

The business results shown have been prepared based on merger accounting as a result of the merger of Golden Hope Plantations Berhad, Kumpulan Guthrie Berhad, Kumpulan Sime Darby Berhad and Negara Properties (M) Berhad (hereinafter collectively referred to as the Merged Entities) on 1 October 2007. The Merged Entities were under common control before and after the combination and the predecessor method of merger in accounting for the combination of the business was applied.

In applying the predecessor method of merger accounting, the Merged Entities' financial statements are included in the consolidation as if the combination had occurred from the earliest date presented or from the date when these entities came under the control of the common controlling party.

ONGOING LAUNCHES/UNDER CONSTRUCTION

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM mil)	LAUNCH DATE	TAKE-UP (%)
Ara Damansara, Petaling Jaya	Resort condos and villas	461	351	Dec 06	76
Bandar Bukit Raja, Kelang	Mixed development	995	350	Dec 07	64
Bukit Jelutong, Shah Alam	Mixed development	209	379	Aug 08	53
Denai Alam, Shah Alam	Terraced	729	367	Jan 08	81
Nilai Impian, Negeri Sembilan	Mixed residential development	181	67	Nov 08	60
Putra Heights, Subang Jaya	Mixed development	544	404	Jan 08	90
Melawati, Ulu Kelang	High-rise residential & commercial	424	158	July 07	77

IN THE PIPELINE

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM mil)	EXPECTED LAUNCH
Ara Damansara, Petaling Jaya	Exclusive bungalows and semidees	199	527	Oct 09
Bandar Bukit Raja, Kelang	Mixed development	649	288	March 10
Bukit Jelutong, Shah Alam	Bungalows, semidees and condos	305	495	Oct 09
Denai Alam, Shah Alam	Mixed development	489	385	Feb 10
Nilai Impian, Negeri Sembilan	Mixed development	210	137	Oct 09
Putra Heights, Subang Jaya	Mixed development	243	562	Jan 10
Melawati, Ulu Kelang	High-rise residential & commercial	1053	468	Oct 09
USJ Heights, Subang Jaya	Bungalows & terraced	361	337	Oct 09
UEP Subang Jaya	Bungalows	12	41	April 10
Elmina, Shah Alam	Mixed development	212	232	June 10

GDV: Gross development value

part or its entirety — for future projects. The 2-storey house currently under construction in Denai Alam will boast several green features, such as an East-West orientation, a rainwater-harvesting system and photovoltaic (PV) panels on the roof.

In designing green homes, the developer is also sensitive to the concerns that such homes may come with a hefty price tag. "While we hope that buyers can pay the premium, it's also our job to make green products that pay for themselves. For example, in the case of installing PV panels, yes, it's going to cost more but we tell our buyers the savings on the electricity bill over 10 years will cover the initial cost" says Tunku Badlishah.

Opportunities at home and abroad

While the outlook for the property market depends on the general economy, going forward, Sime Darby Property sees opportunities in all areas of its operations — development, asset management and hospitality and leisure. To this end, the company is focused on strengthening some of these operations, such as the rebranding of Darby Park serviced apartments and the renovation of the Kuala Lumpur Golf and Country Club.

It is also actively exploring opportunities overseas. With two recent projects under its belt in Singapore — the Orion and Balmoral Hills — Tunku Badlishah says the company has, over the last four months, been looking for acquisition opportunities on the island state. The developer is also exploring opportunities in the UK, both greenfield and brownfield endeavours.

Sime Darby Property is also set to launch its waterfront development, Eagles Cove (previously known as Oyster Cove), in Australia's Gold Coast sometime next year.

Tunku Badlishah says the developer is keen to expand its presence in China too. The company recently acquired 400 acres in Weifang

prefecture in China's Shangdong province and is expected to commence on the groundbreaking for the mixed development this month. "We will continue to look for opportunities but at the moment, we're concentrating on this development... we're excited about it, especially since it is in the fastest growing province in China."

Although revenue from its overseas operations comprises only 10% of turnover, Tunku Badlishah hopes this will grow to 25% in five years. "Ultimately, a 50:50 contribution is ideal," he says.

As for the risks involved in doing business abroad, he says besides being prudent and conservative, the developer is fortunate that the Sime Darby group has a significant overseas presence. "The Sime Darby group is in 20 countries whereas [Sime Darby] Property is only in six countries. So, we have the advantage of piggybacking on the group."

Meanwhile, on the home front, Sime Darby Property hopes to unveil its pilot "sustainable neighbourhood" development — the 1,000-acre Elmina East in Shah Alam — sometime next year. The layout plan that has been submitted to the authorities is pending approval.

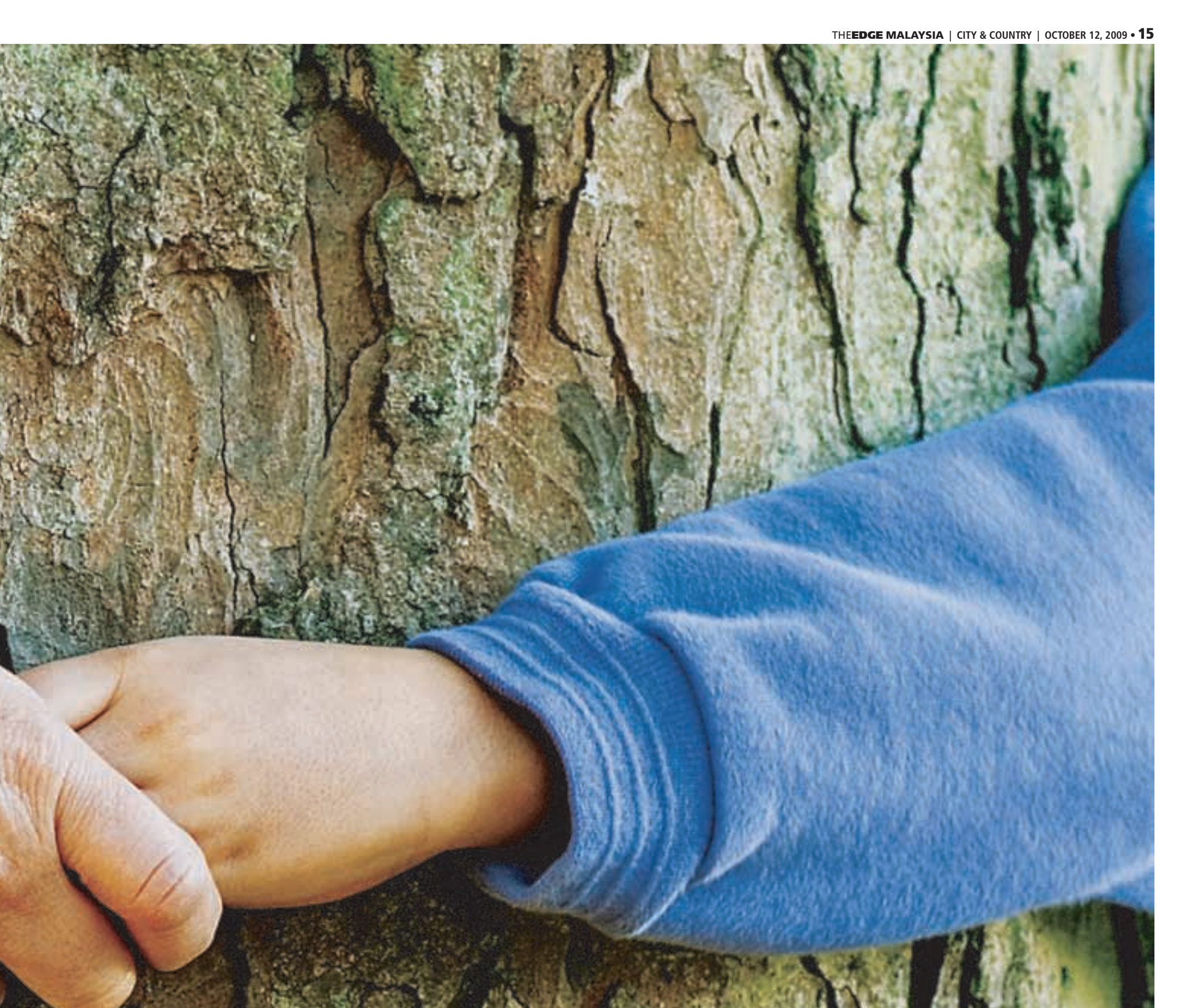
Recently, the developer completed the concept plan for its Sime Darby Vision Valley, encompassing a development area of 80,000 acres that comprise Selangor Vision City (made up of Subang Jaya and Putra Heights, Carey Island, Ampar Tenang and Sepang Estate) and Negeri Sembilan Vision City. Spanning two decades and with a gross development value of between RM25 billion and RM30 billion, the project boasts several strategic clusters — sport, healthcare and wellness, education, aviation and maintenance, repair and overhaul, green-tech park, tourism and entertainment.

With the completion of the concept plan, the company can now embark on marketing the development, Tunku Badlishah says. **E**



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Property



Setting high goals

A different S P Setia is set to emerge with a three-pronged strategy designed to see the company through the current crisis. Its long-term goal is to grow into a regional and international property player.

BY ROSALYNN POH I

“Time really flies, and I guess you can say *The Edge* [which celebrated its 15th year anniversary last month] and I have grown together through the years,” a smiling Tan Sri Liew Kee Sin says as he greets *City & Country*.

Liew started out as a banker for five years in a local merchant bank, after graduation in 1981, before venturing into property development. He set up his own property development company Syarikat Kemajuan Jerai Sdn Bhd in 1990, which developed Bukit Indah Ampang, and later on, Pusat Bandar Puchong in Selangor. He was appointed group managing director of S P Setia Bhd after a reverse takeover of Syarikat Kemajuan Jerai in 1996. Liew, 51, is now president and CEO of the group.

S P Setia holds the record for retaining the No 1 position in *The Edge* Top Property Developers Awards for the past four consecutive years, a no mean feat by any account.

The man is calm, composed and inspiring. He is also a living proof of determination, passion and hard work — all essential ingredients for success. “I do not believe people are born leaders. You learn from experiences,” he says.

It is easy to see the source of his conviction. Born in Plentong, Johor, Liew’s father was a lorry driver and mother a rubber tapper. The youngest in a family of four, he spent his primary school years in a Chinese school and later in a mission-

ary school where he first learnt English.

Liew recalls his father encouraging him to study hard and not drop out of school like many of his peers who quit school to help support their families. Liew secured a place in Universiti Malaya, where he graduated with a Bachelor of Arts Degree in Business Administration in 1981. Soon after, he ventured into banking and the rest, as they say, is history.

“I look at the phrase ‘good luck’ differently from most people. To me, it means you have to be prepared and not just wait for luck to come to you. If you are ready and luck comes along, then that is great. If luck comes to you and you are not armed with knowledge and experiences, then it is of no use,” he says.

With knowledge and experience comes confidence. Earlier this year, Liew made a bold move to introduce the unprecedented Setia 5/95 campaign, where one only needs to pay a 5% downpayment to buy a property — no interest on the loan or any other payment was needed until the property is handed over.

The scheme was a hit, propelling sales to RM1.25 billion by July 31. The six-month campaign ended on July 19. So successful was the scheme that some other developers also launched almost similar incentives to woo buyers.

Why stop the campaign, then? “We want to concentrate on building the properties sold. We also want to ensure that the group’s usual high quality standards and timely

delivery are met,” Liew explains.

During the campaign, monthly sales averaged more than RM190 million, setting a new sales performance benchmark for the group. “Historically, this was the strongest and most rapid sales performance ever witnessed by the group over a six-month duration. We are pleased to report that as at 3Q2009 ended July 31, we have achieved sales of RM1.25 billion, exceeding our full-year FY2009 sales target of RM1.1 billion by 14%,” Liew says, adding that it has been a good year for S P Setia despite the negativity surrounding the global crisis.

Opportunities in a crisis

Looking back, Liew says the first three quarters of 2008 were challenging. Extreme cost pressures faced by the construction sector resulted in a slowdown and disruption in work progress coupled with runaway inflation impacted all sectors led by fuel and energy price increased.

“Nonetheless, the group rang up a net profit of RM213.5 million, with revenue totalling RM1.3 billion for FY2008, thanks to continued strong demand for our properties in the Klang Valley, Johor Baru and Penang. We also achieved RM1.4 billion in total group sales despite the soft market conditions,” he says when commenting on how the economic downturn has affected the group.

To Liew, the current crisis came and went rather quickly. “We cannot compare this crisis

S P Setia Bhd		
	2009	2008
Overall	2	1
Quantitative	3	1
Qualitative	2	1

to the Asian financial crisis. They are different. This crisis was caused by greed and overspending,” he says.

Besides, this time around, corporate and household balance sheets are strong. Banks are still lending and interest rates are accommodative. Also, jobs appear to be largely intact despite initial fears. The success of the Setia 5/95 campaign is evidence that the market is not as bad it has been made out to be.

“It is not that people have no money to buy. It’s just that they are being more cautious. Other developers that came up with attractive financing packages have also done well, and this proves the point that there is ample liquidity in the market,” adds Liew.

Ironically, it was the Asian financial crisis that had led S P Setia to where it is today. “The government organised a Home Ownership campaign in early 1999. We grabbed the opportunity to sell as much as we could, raking in sales of RM665 million in 1999 compared with RM185 million in 1998,” says Liew. Strong sales in subsequent years generated the cash flow that enabled the developer to grow its landbank and launch projects.

For Liew, the Asian financial crisis and other downturns in the past decade have shown that the country’s middle market segment to be very robust. “S P Setia is fortunate that it has the breadth and depth of products to meet market needs.

“Although most of our properties are landed

PICTURES FROM S P SETIA



An artist's impression of Kuala Lumpur Eco City, under the Commercial brand, with an estimated GDV of RM300 million

S P Setia Bhd

FINANCIAL YEAR-END OCT 31

ITEM/YEAR	2008 (RM'000)	2007 (RM'000)	2006 (RM'000)	2005 (RM'000)	2004 (RM'000)
Revenue	1,328,325	1,153,803	1,154,641	1,262,445	1,025,091
Pre-tax profit	291,015	328,491	319,949	289,774	234,624
Paid-Up Capital	762,524	504,454	498,513	490,734	568,048
Shareholder's Funds	1,975,342	1,840,883	1,702,410	1,574,340	1,392,205
Profit Attributable to Shareholders	213,456	260,070	238,234	203,384	161,198
Dividend payout ratio (%)	60	62	61	58	51

ONGOING LAUNCHES/UNDER CONSTRUCTION

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM bil)	LAUNCH DATE	TAKE-UP (%)
Bukit Indah Johor	Mixed township	16,000	3.30	May 97	99
Setia Indah Johor	Mixed township	7,700	1.70	Jan 01	97
Setia Alam, Shah Alam	Mixed township	25,000	5.50	April 04	92
Setia Eco Park, Shah Alam	Semidees & bungalow	3,000	3.50	June 04	89
Setia Tropika, Johor	Mixed township	7,800	2.00	Sept 05	89
Setia Pearl Island, Penang	3-storey terraced & semidees	1,200	0.90	April 07	93
SetiaWalk, Puchong	Mixed development	1,500	0.80	Oct 07	83
Setia Eco Gardens, Johor	Mixed township	6,000	2.00	Feb 08	69
Eco Lakes, Vietnam	Mixed township	9,000	2.70	March 09	81
Setia Vista, Penang	2-storey terraced & semidees	723	0.15	May 09	61
Setia Sky Residences, KL	Condo	800	0.80	June 09	79

IN THE PIPELINE

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM bil)	EXPECTED LAUNCH
Kenny Hills Grande	Bungalows	15	0.45	TBC
Aeropod @ Tg Aru	Commercial	1,200	1.00	TBC
Setia Nexus 1	Commercial	280	0.20	TBC
Setia Nexus 2	Commercial	TBC	0.15	TBC
Setia City (@ RM120 psf)*	Commercial	TBC	0.83	TBC
Setia Eco City (@ RM85 psf)*	Commercial	TBC	0.30	TBC

GDV: Gross development value
 *GDV based on land cost only
 TBC: To be confirmed

homes in townships, the group's business has expanded to include high-end high-rises and commercial properties over the last decade," he says.

With two projects in 1997 — one in Puchong and another in Johor — S P Setia has since made a significant presence in Kuala Lumpur, Selangor, Johor, Penang and recently, Vietnam. Its products are categorized into five brands — Setia, Eco, Duta, Commercial and Setia Sky Residences.

Liew sees opportunities in a crisis. "It has been our experience that when others are holding back, there are opportunities to be tapped. We continued with our launches... This has paid off for us and I see our group growing to another level after the current crisis, just as we did after 1998," he says.

Asked about the competition among developers, Liew says: "We always want to stay ahead of the curve. Competition is very good as it drives you to excel. It makes one aggressive."

High anticipation

The group's outlook for the rest of the year is good. "Everyone wants to know if the market is recovering. It is difficult to say as we are not economists. Our earnings margins are likely to remain range-bound over the near term, given the costs to be absorbed by the group from the 5/95 campaign, as well as the knock-on effects of the high construction costs contracted in 2008.

Nevertheless, we are confident of prospects, going forward," says Liew.

On entering Setia Alam, the developer's flagship township development spanning 2,525-acre in Shah Alam, signs of development are evident. Among the buildings are a clubhouse and the Tenby International Schools. The upcoming Setia City Mall, expected to be ready in early 2012, will incorporate components of Malaysia's Green Building Index. Efforts will be made to include these green elements into its future developments.

S P Setia's Setia Eco Park, situated within Setia Alam, won the FIABCI Prix d'Excellence Awards for Best Master Plan Development in 2007. The group repeated the feat with its Johor township Setia Eco Gardens this year.

Liew says the group will continue to come up with attractive ideas and marketing plans, with the focus on branding. "After this crisis, you will see a different S P Setia emerging. We have come up with our core three-pronged strategy to see us through this crisis. The first strategy is going back to basics, refocusing on our forte of township development. The second and third strategies are to concentrate on brand building and find ways to generate cash," he adds.

With a presence in Vietnam, it is S P Setia's long-term plan to grow into a regional and international property player. Liew hopes to see its overseas project contribute 30% to its business in the future.



An artist's impression of the RM800 million Setia Sky Residences in Kuala Lumpur



One of the bungalows in Setia Hills in Ampang, under the Duta brand.



Gearing for growth

Sunway City has big plans and while the global financial crisis may have decelerated some of these plans, the developer has its sights firmly trained on the future



Sunway City Bhd

	2009	2008
Overall	3	3
Quantitative	2	3
Qualitative	3	7

BY SREEREMA BANOO I

Three things excite Sunway City Bhd. According to its managing director (property development) Ngian Siew Siong, they are “property development, our real estate investment trust (REIT) and our regional expansion”. As excited as he is about what’s on the drawing board at Sunway City, Ngian is cognisant of the fact that in property development, timing is everything.

What’s more, depending on the macroeconomic conditions, plans can — and need to — change.

Just a year ago when *City & Country* caught up with Ngian for *The Edge* Top Property Developer Awards 2008, he revealed Sunway City’s plans to launch new developments in India and China as well as unveil its much-anticipated RM4 billion REIT. While the US subprime mortgage crisis that then swept the world into financial turmoil decelerated those plans, one year on, it appears as if the company has survived the crisis largely unscathed. Net profit for the 12-month period of July 2008 to June 2009 stood at RM141 million, up from the RM129 million recorded in the previous corresponding period, says Ngian. This, he adds, is the result of the continued strong showing from its commercial and retail properties as well as unbilled sales from property development that stood at RM1 billion at the beginning of 2009.

He acknowledges that the growing contribution from Sunway City’s property investment activities has also buoyed the company’s financial performance and helped it weather the uncertainties in the property development sector.

“For the first time, our income from prop-

erty investment [contributing 60% to the total revenue] has surpassed that of property development,” he says. This, he points out, is largely due to the completion of Sunway Pyramid’s expansion at end-2007 and subsequent registering of 100% occupancy in 2008. Sunway City also completed the RM20 million refurbishment of Wisma Denmark on Jalan Ampang (since renamed Sunway Towers KL) in June this year; with the refurbishment, the building, with a net lettable area of 260,000 sq ft, is now commanding net rents of RM5 psf, up from RM3 psf previously.

“With the retail and office market being stable, we’ve been able to enjoy the best of both worlds,” adds Ngian.

However, he says up until August this year, the property market has been relatively quiet as evidenced by the lack of new launches and the less-than-encouraging take-up rates for existing offerings. “Up until a month or so ago, there were not many new launches,” he says, adding that new launches are an indication of the return of market confidence.

Sales, too, have been slow, especially in the upmarket segment, he says, pointing to Sunway Vivaldi in Mont’Kiara. Launched at end-2008, to date 40% of the 98 units of condominiums and duplexes have been sold. The condos, with built-ups of 2,500 sq ft, are pegged from RM2.2 million while the duplex units boast built-ups of 3,200 sq ft and a price tag of RM2.8 million onwards.

Lessons from previous recessions

While Sunway City has felt the effects of the global financial crisis like many others in the property sector, Ngian — who’s been with the company for more than two decades — says the

present challenges are different from those that cropped up in the wake of the Asian financial crisis of 1997/98. “This time around, we’ve been lucky in that we’ve been quite insulated from the effects of the global financial crisis, banks are also flush with liquidity and the interest rate is the lowest I’ve known in my entire working career,” he says.

He adds that lessons learnt from previous recessions have also taught developers to be more prudent. The company, he says, has maintained a low gearing at 0.6%. While this is still higher than that of other developers, he points out that the debt has been put to good use for the purchase of investment property. “We also have strong reserves; our cash reserve stands at RM442 million.”

He says unlike the previous recession, which saw a large oversupply of properties, this time around many developers have opted to defer new launches. “Property is not something perishable and if you have prime land, it doesn’t make good business sense if you cannot realise its full potential,” he says.

He observes that new launches are meeting demand rather than speculation and as such, the property market isn’t faced with an oversupply of properties. That the property has to meet demand is fundamental to the way in which Sunway City approaches property development. “We carry out R&D and conduct tests on our focus group of customers,” he says, adding that the R&D department that has been in existence for some time is an integral part of the company. “The product has to be right... the identification of the market segment has to be correct.”

In addition, the developer places importance on customer loyalty and through a customer

loyalty programme, rewards repeat customers with special previews to view and select choice properties as well as discounts of 2% to 3%. “For some of our developments, repeat customers make up 70% of the buyers while in general, it’s quite common to have 30% to 50% of buyers being repeat customers,” says Ngian. He adds that Sunway City’s database of repeat customers total about 15,000 and this grows by about 20% a year. “Developers cannot rely on advertisements alone... your customers are your best advertisers and marketers.”

Having weathered previous periods of slowdown, the developer recognises that even in a downturn there is no room for complacency. That is why despite having had to defer some of its launches, Ngian and his team have not been idle.

“In the last year, apart from building the relationship management team, we have also been building capacity... we have been aggressive in recruiting management trainees and developing our mid-level management talent,” he says. On the product development front, the developer has also been reviewing and redesigning its property offerings in anticipation of the economic upturn.

Going green

For Sunway City, building green homes isn’t just a buzzword or part of a marketing strategy. “As a responsible corporate citizen, we must embark on green [initiatives] to not only save the environment but also because customer demands dictate this,” says Ngian.

He says green buildings are important, especially for commercial developments,

CONTINUES ON PAGE 20



PICTURES FROM SUNWAY CITY BHD



The R&D department is an integral part of the company and is responsible for coming up with designs that meet market needs



An artist's impression of one of the developer's latest projects, Sunway South Quay

REITs launch on track

FROM PAGE 18

where very often potential tenants, in particular multinational corporations, ask if the property is a green building. He says two of Sunway City's developments — Sunway Palazzo at Sri Hartamas, KL, and Sunway Chalis Damansara in Petaling Jaya — have the distinction of being awarded the Building and Construction Authority of Singapore's Green Mark certification.

Elaborating on the green features at Sunway Palazzo, he says the condominium development boasts deep balconies for sun shading, large windows to promote natural light and ventilation as well as rainwater harvesting, among others. He adds that with these green features — which set a new benchmark where environment-friendly features are concerned — more than two million kWh of electricity can be saved in a year which translates to RM625,990. This, he points out, results in 1,250 tonnes of carbon dioxide saved or an equivalent of 57,000 trees.

He says Sunway City has also been implementing environment-friendly features in its developments from the very beginning, starting

with the orientation of its properties to avoid the rising and setting sun.

On the cards

Going forward, Sunway City has a few developments on the drawing board that it plans to launch once the property-investing climate improves. These include Sunway Velocity, a 22-acre development on Jalan Peel in KL, and Phase Three of the Sunway Pyramid development comprising SoHo (small office and home office), retail units and generous car park facilities to complement the existing mall.

The developer has also trained its sights on the overseas markets, particularly India and China. Ngian says the soft launch for its Sunway Opus Grand, a condo development in Hyderabad, India, is slated for sometime this month. The project, he adds, is a mid-end development. "As it is our first entry into India, we wanted to venture into something less risky... this gives us the opportunity to learn about the local business culture and understand the local market sentiment."

In the meantime, construction on its project in Jiangyin, China, is also expected to begin

Sunway City Bhd

FINANCIAL YEAR-END JUNE 30

ITEM/YEAR	2008 (RM mil)	2007 (RM mil)	2006 (RM mil)	2004 (RM mil)
Revenue	1,314.6	1,142.6	1,574.4	992.5
Pre-tax profit	634.05	296.2	419.3	167.4
Paid-up capital	469.9	463.4	414.9	410.5
Shareholders' funds	1,681.8	1,429.9	855.7	681.2
Profit / (loss) attributable to equity holders	261.9	147.2	200.1	69.1
Gross Dividend per share (sen)	8.0	10.8	7.5	5.0

ONGOING LAUNCHES/UNDER CONSTRUCTION

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM mil)	LAUNCH DATE	TAKE-UP (%)
Sunway Palazzo	Condo	160	460	April 07	85
Sunway Vivaldi	Condo	228	635	April 08	40
(3 blocks out of 6 launched)					
GIZA @ Dataran Sunway, Sunway Damansara	2½, 3 and 4-storey shop offices	48	160	May 07	98
Sunway Chalis Damansara @ Sunway Damansara	1½-storey Garden townhouse	102	60	June 07	100
Villa Manja (Phase 1) @ Sunway SPK Damansara	2-storey twin villa (Phase 1)	100	197	Aug 07	97
	2-storey twin villa (Phase 2)	96	208	April 08	80
Sunway SPK Damansara	2-storey shop office	8	7	May 08	100
Sunway Surian Avenue @ Sunway Damansara	2-storey shop office	23	41	June 08	52
Sunway Damansara Technology Park @ Sunway Damansara	1½-storey detached factory	6	34	April 08	83
Sunway South Quay	Waterfront villas	77	426	NA	40
	Condo	249	171	Dec 07	100
Sunway City Ipoh	Plot 13 Bungalow	5	6	Oct 09	NA
Sunway Bukit Gambier, Penang	2-storey terraced	NA	NA	NA	NA
Sunway Toul Kok City, Phnom Penh, Cambodia	2-storey villas	NA	NA	NA	NA
Sunway Opus Grand, Hyderabad, India	Condo	260	72.3	Oct 09	NA

IN THE PIPELINE

PROJECT/LOCATION — RESIDENTIAL	TYPE	NO OF UNITS	GDV (RM MIL)
Sunway VeloCity, Kuala Lumpur	Shop offices	88	80
	Serviced apartments	289	150
	Serviced apartments	8	9.6
Sunway South Quay (Phase 2B)	Condo	242	198.7
Sunway SPK Damansara (Phase 4A)	3-storey townhouse	180	113.5
Sunway Semenyih (Phases 9 & 10)	2-storey terraced	183	75.19
Sunway Alam Suria, Shah Alam (Phase 2B)	2-storey semidees	100	38.6
Sunway Kayangan, Shah Alam	Shop office	27	16
Sunway Merica, Sungai Ara, Penang (Phase 1)	3-storey terraced & 3-storey semidees	98	84.07
Sunway Aspera, Sg Batu, Penang (Phases 1 & 2)	2 & 3-storey terraced	85	38.47
Sunway Cassia, Batu Maung, Penang (Phase 1)	3-storey terraced	53	32.2
Sunway City Ipoh (Phases 3i, 5i, 5ii, 6, 9i & 11)	Mixed development	164	67.79
Sunway Opus Grand, Hyderabad, India (Phase 1B)	Condo	466	92.3
Sunway Jiangyin, China (Phase 1A)	Condo	292	74.2
PROJECT/LOCATION — COMMERCIAL	TYPE	NLA (sq ft)	
Sunway Tower 2 (formerly Wisma Denmark)	Grade A Office Tower	267,000	
Sunway Pyramid 3 (Sunway SOHO)	Mix development	280,000	

Note: Expected launch not available

GDV: Gross development value

this month with the launch slated for mid-2010. "We're also looking at Vietnam, but we're more excited about India and China, given the market size," adds Ngian. He anticipates that in five years, 30% of Sunway City's revenue will be derived from its overseas projects.

While the launch of the much-anticipated REIT has been delayed, Ngian assures that the launch is on track. "It's still in the pipeline; it's just a matter of timing. It also depends on the investment climate. It's too early to tell where it'll be listed, most probably Malaysia as we're quite patriotic," he says.

While the properties to be included in the RM4 billion REIT have not been finalised, Ngian stresses that the developer is eager "to

unlock the value of our assets".

"After that, my guess is the company's gearing will be very much lowered, almost zero, and these proceeds will then be used to invest in landbanks, both local and regional, and reinvested into incubation projects," he says. These would include Phase Three of Sunway Pyramid as well as a purpose-built office building located on the one-acre vacant land adjacent to Sunway Towers KL (formerly Wisma Denmark).

With these plans, he projects that in five years, Sunway City will be a regional player. "With the REIT, we will be one of only a few property players that are active in property development, investment and REIT." ■



Leaving livability to our children

For over 20 years, Sunway City has made livability its top priority. Emphasizing safety, health, education, mobility and recreation, we've nurtured holistic living through our developments. In turn, we believe we've enhanced the lives of countless families.

It is our sincere hope that our customers will have the peace of mind that they have chosen to buy a property that respects and cares for the environment and its surroundings.

After all, a livable natural environment is the best we can leave our children.



TOP 10 PROPERTY DEVELOPERS AWARD 2003-2009
For 7 consecutive years in Malaysia



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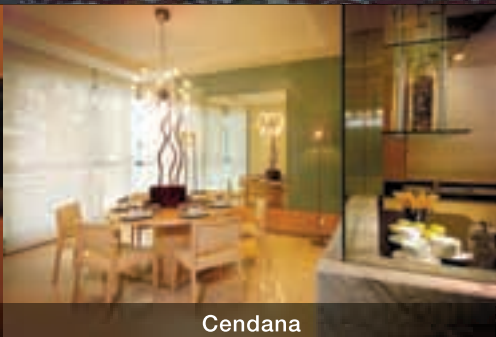
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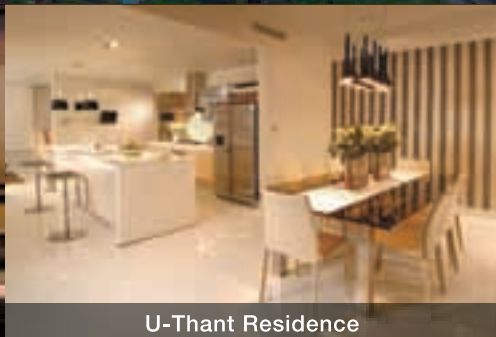
Mid Valley City



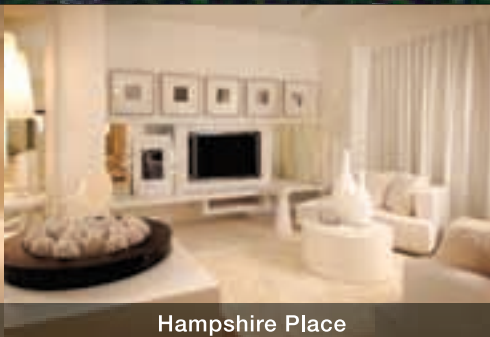
Cititel Express Kota Kinabalu



Cendana



U-Thant Residence



Hampshire Place

Building Iconic Lifestyles

At **IGB**, our experience, innovation and creativity are matched by our ability to understand and anticipate the changing needs and aspirations of our customers. The success of our integrated and high quality products and services is the consequence of our uncompromising dedication to create better living environment and richer lifestyles by staying a step ahead always.



TAN & TAN DEVELOPMENTS BERHAD
(An **IGB** company) (13042-11)



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In an aggressive mode

By sticking to its 'conserve when times are good, capitalise when times are bad' approach, IGB Corp has weathered many an economic storm, emerging stronger after each downturn

KENNY YAP/THE EDGE

IGB Corp Bhd

	2009	2008
Overall	4	2
Quantitative	5	2
Qualitative	5	4

| BY SREEREMA BANOO |

IGB Corp Bhd group managing director Robert Tan is not being glib when he admits — a day after the one-year anniversary of the Lehman Brothers collapse that triggered a global economic and financial crisis which the world is still recovering from — that it's a "pretty exciting time" at the company.

Tan's disclosure is certainly not one of nonchalance, but rather recognition that these tough times present opportunities for one of the country's top developers. "When the market is up, it's not too exciting for us, but it's a pretty exciting time now. We conserve when times are good and capitalise when times are bad. So now we're in an aggressive mode," he says.

The aggressive mode notwithstanding, Tan describes the company's financial results for the first six months of 2009 as being "pretty flat". Not only has the company managed to survive the turmoil that began a year ago with the collapse of some of the world's largest financial institutions, Tan says the mood has been positive. "Initially, we thought that our performance, especially the malls (Mid Valley Megamall and Gardens) would dip but we have actually managed to lock in higher turnover. Mall turnover, he discloses, is up by 3% for the six months of 2009 compared with the previous half, thanks to the sales and promotional activities undertaken by the retailers.

"Barring any unforeseen circumstances, we should be in the same financial position as last year," he adds.

Having weathered some seven to eight periods of economic downturn, Tan credits IGB Corp's resilience to its prudent financial management. "We're not concerned so much about whether the economy is up or down... what's important is to put yourself in a situation where you can capitalise on it." And as a testimony to the fact that going on the offensive does pay off, Tan says the company has "grown and become stronger after each downturn".

While, by and large, there are lessons learnt from each period of recession, it is by sticking to this philosophy of capitalising on opportunities that has allowed IGB Corp to navigate through tough times. "We cannot miss this window of opportunity because if we miss it, we'll have to wait for the next cycle," he says. Even so, the company is treading with a measure of prudence. "We look at what we are able to afford because we are putting a portion of our reserves into that investment," he says of the investment considerations. "It's easy to be aggressive but difficult to be restrained and prudent."

Be that as it may, Tan is not allowing opportunities to slip by. In the last six weeks alone, he's chalked up 50,000 miles, travelling to the US, Europe, China and Southeast Asia scouting



IGB Corp Bhd

FINANCIAL YEAR-END DEC 31

ITEM/YEAR	2008 (RM'000)	2007 (RM'000)	2006 (RM'000)	2005 (RM'000)	2004 (RM'000)
Revenue	688,224	673,931	718,961	619,677	504,558
Pre-tax profit	208,363	204,189	202,028	173,357	141,742
Paid-up capital	745,148	744,862	732,523	730,277	706,937
Shareholders' funds	2,677,450	2,639,601	2,477,603	2,382,386	2,292,083
Profit attributable to equity holders	154,960	136,851	135,915	105,458	101,123
Dividend rate (%)	5.0	5.0	5.0	5.0	5.0

ONGOING LAUNCHES/UNDER CONSTRUCTION

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM mil)	LAUNCH DATE	TAKE-UP (%)
Hampshire Place	Serviced residences	186	151	March 07	93
U-Thant Residence	Condo	77	175	Aug 06	100
Laman Sierramas	Linked villas	49	37	April 07	100
One Jelatek	Condo	90	58	Oct 07	100

IN THE PIPELINE

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM mil)	EXPECTED LAUNCH
20 Jalan Ampang Hilir	Condo	40	85	Dec 09
Desa Pandan	Office & serviced apartment	238	140	May 10
Sierramas	Bungalow	41	66	Nov 09
Lot 15 & 16, Jalan Tun Razak	Home office	134	155	Aug 10
Kundang	Terraced houses	85	20	Oct 09
Mid Valley Phase 3	Condo	600	450	Aug 10
Sierramas	Bungalow	42	110	Nov 10
Cheras South	Semidees & bungalow	40	48	Aug 10

GDV: Gross development value

for investments to add to IGB Corp's portfolio. Tan cites the US and Europe as regions that offer opportunities and bargains. "There are some hotels to be acquired; we've identified a few but we're still at the negotiation stage," he says, adding that the company is eyeing hotel properties in large cities such as New York, London, Paris and Rome.

IGB Corp is no stranger to the hospitality business, having created the first hotel apartments in Malaysia with the MiCasa Hotel Apartments. The developer also has hotels at its landmark development Mid Valley City — namely, the Gardens Hotel & Residences, Boulevard Hotel and Cititel — as well as several other hotels around the country. IGB Corp also owns two hotels in London — St Giles Hotel in Central London and St Giles Hotel at Heathrow Airport.

Besides the hospitality sector, IGB Corp is also looking at residential development opportunities in the UK. "In Vietnam and China, we're looking at residential and some commercial opportunities," he says, adding that there has been suggestions that the company venture into retail developments abroad, given its experience developing Mid Valley. "We're more cautious when it comes to retail; it's not an easy sector to penetrate, but hotels, offices and residential... these we can do."

Transforming to an asset-based company

Over the decades, IGB Corp and its residential property development arm Tan & Tan Developments Bhd have made their mark in the Malaysian property scene. From Desa Kudalari, the country's first condo development, to Sierramas, a gated residential development in a resort setting, IGB Corp is recognised as one of the country's most innovative property developers.

And while the company continues to offer niche residential developments, such as Hampshire Place, Cendana and U-Thant Residence, Tan admits that the company's bottom line is not dependant on property development activities. "We're not under pressure to launch new properties," he says, describing the company's property launches in 2008 as "small launches that are not significant enough to mention".

But by that Tan is not dismissing these developments, rather he's reiterating the company's transformation in the last 15 years

from a property development company to that of an asset-based one. "Rather than build and sell, we now build and keep so that it gives us recurring income," he says, disclosing that currently 70% of the company's turnover is derived from recurring income.

Much of this transformation is thanks to its Gardens development at Mid Valley City. The Gardens North and South Towers each offers 425,000 sq ft of gross lettable area, said to be by far one of the largest space offered by any office building in the country. This additional one million sq ft of space is said to boost IGB Corp's total office portfolio to 4 million sq ft, making it Malaysia's largest owner and manager of commercial properties.

Not building concrete jungles

In developing new properties, "going green" is an important consideration. Besides creating rooftop gardens — which the company has already introduced at The Gardens Hotel & Residences — IGB Corp is also looking into rainwater harvesting. "We're also looking at ways where we can recycle waste water and try to use heat-resistant glass for our buildings," says Tan.

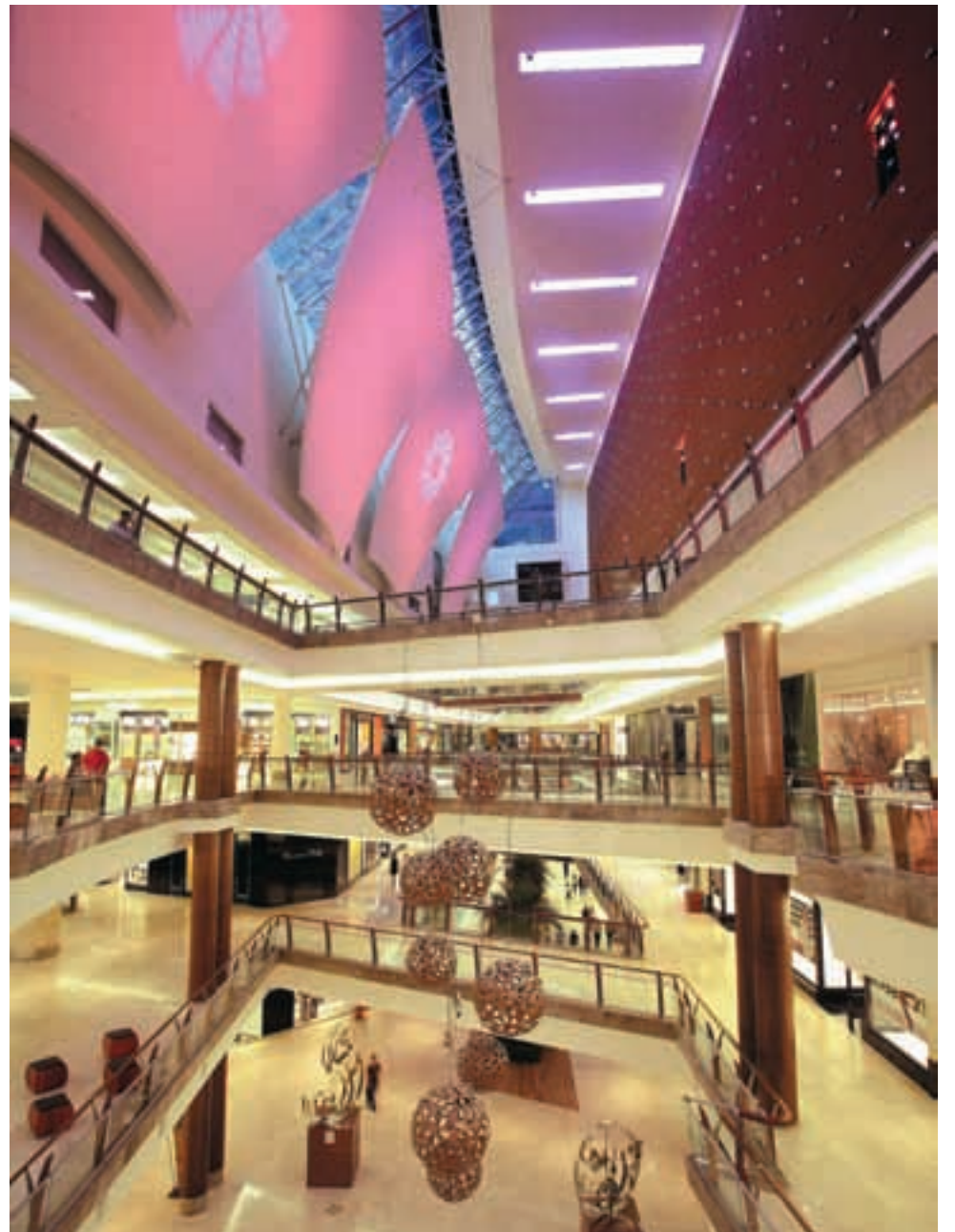
He adds that as a responsible corporate citizen, IGB Corp doesn't plan on building concrete jungles. "Here at Mid Valley City, we have a concerted effort to green the area as much as possible. I tell my people to plant more and keep planting... we've planted more plants than what was originally here," he says, pointing to the pockets and strips of green around the development from the vantage point of his penthouse office at The Gardens office tower.

Going forward, while IGB Corp is not under any pressure to launch new products, it does have a few developments in the pipeline. Some of these include projects that were delayed such as Stonor and Mid Valley City Parcel 3. "We have between RM500 million and RM1 billion of gross development value to launch once the market starts to improve," he says.

He recognises that the uncertainty in the market means there's more need for caution. "The seas have been choppy, characterised by many peaks and troughs... while it's anticipated that we're in for a long L-shaped recovery, the big question is when will 'L' end. But for us at IGB Corp, we will continue with our business and plod along."



IGB is synonymous with niche developments like Cendana on Jalan Sultan Ismail, Kuala Lumpur



Turnover at The Gardens is up despite the uncertainty in the economy, thanks to promotional activities undertaken by the retailers



Consolidating for greater growth

I&P Group Sdn Bhd's positive sales performance in recent months sees it primed to continue through 2009

I&P		
	2009	2008
Overall	5	4
Quantitative	4	4
Qualitative	13	10

BY WONG KING WAI

The journey taken by I&P Group Sdn Bhd to become one of Malaysia's top property developers has seen it go through many changes.

I&P Group Sdn Bhd was established in 1963 as Island & Peninsular Development Ltd. It underwent a name change to Island & Peninsular Bhd in 1984, the year it launched its first township, Taman Setiawangsa, in Selangor, as its only developer. Today, Taman Setiawangsa, atop 257 acres of freehold land and almost 100% completed, is a bustling township.

In November 2004 as part of the rationalisation exercise by its majority shareholder, Permodalan Nasional Bhd (PNB), Island & Peninsular Bhd had acquired Golden Hope Plantations Bhd, I&P Seriemas Sdn Bhd (formerly known as Golden Hope Development Sdn Bhd), and I&P Alam Impian Sdn Bhd (formerly known as Golden Hope Properties Sdn Bhd), making it the largest property developer in Malaysia in terms of landbank.

In April 2007, PNB proposed a voluntary general offer to acquire the remaining 285.3 million Island & Peninsular Bhd shares it did not own, and the company was subsequently delisted voluntarily from the local bourse in July 2007.

Most recently, on May 1, 2009, I&P Group Sdn Bhd emerged following a rationalisation and merger of Island & Peninsular Sdn Bhd, Petaling Garden Sdn Bhd and Pelangi Sdn Bhd. The exercise also saw several subsidiaries becoming part of the I&P Group, namely Perumahan Kinrara Bhd, Syarikat Perumahan Pegawai Kerajaan Sdn Bhd (SPPK) and I&P Alam Impian Sdn Bhd.

Positive Action

With the exercise in place, the enlarged entity now boasts a combined track record of more than 100 years in property development, says Datuk Jamaludin Osman, I&P Group managing director, in his usual jovial way.

Keeping the company afloat during the global economic slowdown is no mean feat. For Jamaludin, the task called for hard work and financial prudence.

"We went on a cost-saving exercise. We continued to launch projects to manage our cash flow but these were reduced to batches of 50 to 60 units each time," says Jamaludin. This makes sense because in the event that a launch is not successful, the smaller number of unsold units would exert less pressure on the developer's cash flow.

What also helped to keep the group going was its low gearing. "We've learnt to be prudent when it comes to spending and taking loans. If you have a manageable gearing ratio, you will be able to





PICTURES FROM I&P

An artist's impression of Bandar Kinrara's Phase 5A3 2-storey semidee. Only eight units will be launched in December 2009.



An artist's illustration of the pool area of Bandar Kinrara's Phase 5A3 semidee. The units will be launched at an indicative price of between RM1.7 million and RM2.8 million.

stay afloat during troubled times," he says.

Recalling the 1997/98 Asian financial crisis, Jamaludin says this time around, people are better prepared as they have a lot of savings. Equally important is that financial institutions are stronger now than in 1997.

Township maker

Going forward, Jamaludin is bullish on the property outlook for the next two months at least. Barring any adverse effects on the economy, he is confident the positive momentum could carry on into 2010. The developer's upbeat mood is hardly surprising as the response to its recent launches in Shah Alam and Bandar Kinrara has been hot.

There were long queues at the launch of the superlink houses called Temasya Suria @ Temasya Glenmarie in Shah Alam. Some buyers stood in line for seven days and eight nights to ensure they were the first few to get a house. The 133 units, spread over eight acres and priced from RM750,000 to RM1.4 million, had built-ups of 3,427 to 4,652 sq ft. The gross development value (GDV) of the project is RM121 million.

In Bandar Kinrara, Puchong, buyers were even more gung-ho with some camping out at the Perumahan Kinrara sales office for 10 nights and 11 days. A total of 80 link homes,

with built-ups ranging from 2,151 to 2,551 sq ft, in Phases B39 and B40 were up for sale at RM462,888 to RM693,888. The development's GDV is RM40 million.

In recent months, Jamaludin says some 500 units across all of I&P Group's townships have raked in sales totalling RM300 million.

Most of the I&P Group's projects are townships such as Bandar Kinrara, Termasya Glenmarie, Bayuemas, Seri Beringin, Taman Setiawangsa and Alam Impian. It also has a strong landbank of about 5,607 acres.

How will the developer continue to attract buyers? "The location of our townships is good. These projects are situated close to the city centres," says Jamaludin, adding that the projects offer variety — from terraced houses to semidees and bungalows. "Also, we are able to hand over the units ahead of schedule or on time. We have never abandoned any of our developments," he adds.

Another strong selling point, he says, is the capital appreciation enjoyed by buyers. Jamaludin points to Bandar Kinrara's Majestika bungalows which have doubled in value in the last two years. These 2-storey structures were launched in 2007 at between RM1.5 million and RM2.7 million. The 27 units in this guarded development have built-ups of 5,213 to 5,726 sq ft on

Island & Peninsular Sdn Bhd

On May 1, 2009, I&P Group Sdn Bhd emerged following a rationalisation exercise and merger of Island & Peninsular Sdn Bhd, Petaling Garden Sdn Bhd and Pelangi Sdn Bhd

FINANCIAL YEAR-END JAN 31

ITEM/YEAR	31 DEC 08*	2008	2007	2006	2005	2004
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue	764,282	779,879	745,034	574,087	541,521	555,142
Pre-Tax Profit	167,756	222,868	173,429	159,951	675,952	165,692
Paid-up Capital	867,880	867,880	834,850	833,136	832,736	349,916
Shareholders Fund	2,467,991	2,440,925	2,384,477	2,181,630	3,353,635	1,127,543
Profit attributable to shareholders	63,517	89,450	82,637	93,428	620,301	105,828
Dividend payout ratio (%)	57.4	70.5	51.1	19.3	6.1	44.3

* Accounts were annualised

ONGOING LAUNCHES/UNDER CONSTRUCTION

PROJECT	TYPE	NO OF UNITS	LAUNCH DATE	GDV (RM mil)	TAKE-UP (%)
Bandar Kinrara, Puchong	2-storey terraced 2-storey semidees	230	April, June & Aug 09	118.69	100
Alam Impian, Shah Alam	2-storey semidees 2-storey terraced	308	Dec 06, Jan 07 & Feb 09	162.23	28-99
Alam Sari, Bangi	2-storey terraced, cluster	289	Nov 07, March 08, April 08, Oct 08 & Feb 09	104.56	71-100
Temasya Glenmarie, Shah Alam	2-storey superlink	133	Aug 09	114.5	100
Bdr Baru Seri Petaling, KL	Shop office, 2-storey terraced 2-storey semidees	296	Aug 08 & June 09	328.76	99-100
Taman Rinting, JB	2-storey terraced	16	June 08	4.82	25
Seri Beringin, KL	Bungalow lots	9	April 09	58.16	56
Alam Damai, KL	Shop office	47	Nov 08 & Aug 09	64.87	32
Bayuemas, Klang	2-storey semidees Shop office 2-storey terraced	101	April 07 Dec 08 & April 09	33.94	36-92

IN THE PIPELINE FOR 2009

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM mil)	EXPECTED LAUNCH
Alam Impian, Shah Alam	2-storey terraced	55	44	Oct 09
Alam Impian, Shah Alam	2-storey terraced	71	36	Oct 09
Alam Sutera, Bukit Jalil	2-storey semidee	18	17	Oct 09
Alam Sutera, Bukit Jalil	2-storey semidee	14	12.6	Nov 09
Alam Sutera, Bukit Jalil	Shops	11	10.45	Nov 09
Bandar Kinrara, Puchong	2-storey semidee	24	39.7	Oct 09
Bandar Kinrara, Puchong	2-storey terraced	103	53	Oct 09
Bandar Kinrara, Puchong	2-storey semidee	8	13.9	Dec 09

GDV: Gross development value



A view of Alam Impian township in Shah Alam, Selangor that was launched in 2006. It was conceived on the idea of 'Township of the Arts'.

lots sized from 9,992 to 28,950 sq ft. These houses, which were all sold, were handed over to buyers in May 2009. A check on the Internet revealed that a unit listed in August this year, with a built-up of 5,700 sq ft on a land area of 18,500 sq ft, was going for RM3.6 million.

Bandar Kinrara, launched in 1991, is a freehold development in Puchong, Selangor, that sits on 1,904 acres and is about 70% developed. I&P Group is master developer for the township and the entire project has a GDV of RM3 billion. The township is developed and managed by Perumahan Kinrara in a joint venture with Lembaga Tabung Angkatan Tentera and Lembaga Tabung Haji.

Alam Damai is another township where property values have risen significantly. The first phase of 2-storey terraced houses, measuring 22ft by 75ft, was launched in 1998 at RM148,000 onwards. The same units can now fetch about RM450,000 on the secondary market according to the developer. Semidees launched in Alam Damai in 2002 at RM450,000 onwards are now going for RM750,000 on the secondary market, a hike of about 67%. This leasehold township, launched in 1998, will have an estimated GDV of RM1.3 billion upon completion. About 60% of the area has been developed.

Is the developer under-pricing its products? "This is one of our strategies to ensure that the

developer and buyers will make money — a win-win situation that will keep them coming back," says Jamaludin.

A strong contributor

Going forward, township development will remain a strong contributor to the group. While there are no immediate plans to build and retain projects for recurring income, Jamaludin says I&G Group will venture into this area in due course. Currently, the group's only recurring income are some bungalows in Seri Beringin, Damansara Heights.

The developer will also be moving towards sustainable developments, which require the homeowners to play their part. "Things like how to take care of the parks and trees and how to dispose of rubbish properly are important," says Jamaludin.

The I&P Group, says Jamaludin, has incorporated "green" and sustainable elements in its townships for years. These include quality landscaping, with all the utilities installed underground.

While many successful developers have ventured or are looking at overseas market, the focus of the I&P Group is on Malaysia. "However, if there is an irresistible offer aboard, we may consider it," adds Jamaludin. **E**



To Us, Sustainable Communities Mean Creating A Big **IOI** Family!



For **25 years**, it has been IOI's vision to create sustainable communities which are welcoming, self-reliant and where not only families grow, but businesses flourish too! A feat achieved with due consideration for the environment.

The Specialist In Building Self-Reliant Townships

For IOI, the winning formula of a sustainable community is to ensure that the township is well-equipped with the necessary amenities, facilities and infrastructure.

In Bandar Puteri Puchong for example, not only do residents have all the basic conveniences such as banking facility, medical centre, shopping mall, wet market and schools, businesses who have their base here thrive too!

We pride ourselves in having the distinct ability to create sizeable and vibrant commercial hubs. Not only do we ensure sufficient population to support these hubs, we also create conducive working environments to attract more people to work within the IOI Community. This in turn draws more businesses into the commercial zones. Puchong Financial Corporate Centre (PFCC), IOI Boulevard and IOI Business Park are just some of the commercial developments infused with lifestyle facilities.



Establishing Communal Amenities, Encouraging Healthy Lifestyles

To enrich the lives of our community, we make sure that their physical well-being is taken care of. Big urban town parks, Malaysia's largest badminton hall and the upcoming swimming pool complex, together with multiple pocket parks and fitness centres, all play a part in promoting a healthy lifestyle in the IOI Community. It's not an uncommon sight to see families thronging the playgrounds and having quality time in the evening.



Bringing communities closer together

To us, each resident is part of an ever-growing family - The IOI Community. To foster better relationships - not only within each IOI Community but also amongst the IOI townships - we have dedicated a team to act as the liaison between us and the resident associations; supporting them and their social activities in all ways possible. Besides that, we continue to carry out programmes to cultivate the spirit of togetherness, which include:



- IOI Privilege Card - rewarding residents and tenants of the IOI Community with exclusive discounts and privileges when they patronize the participating merchants located within the Community thereby promoting closer ties between the residents and business communities within the IOI Community .
- One IOI - connecting everyone within the IOI Community through free high-speed intranet connection
- Reach Out Community Newsletter - a bimonthly community newsletter dedicated to issues relating to Puchong
- 'A Tree In My Garden' - a tree adoption and planting programme
- Scholarships and student adoption programmes
- IOI Community Run - a biannual event attracting more than 4,000 participants in 2008
- IOI Gotong-Royong Cleanup...and much more!



Indeed, we have come a long way to achieve what we have today - where residents live, work and play - all within the IOI Community. By promoting self-dependent and sustainable communities, travelling is cut down thus saving time, reducing fuel consumption and minimizing pollution to our environment.

Our focus will remain the same and we will continue with our efforts to innovate and create 'A Better Way Of Life' - the IOI way.



For more information, call

03-8064 8899 (Puchong) **03-8947 8899** (Putrajaya) **03-5161 8833** (Klang) **07-663 2888** (Johor) **04-890 6022** (Penang)

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41200 Klang, Selangor Darul Ehsan.

Property Village Bhd (Johor)
Lebuhraya Utama,
Bandar Putra, 81000 Kulai Jaya, Johor.





Doing well no matter how the market turns

While strong financials have been an asset in weathering tough economic times, IOI Properties is also looking to property investment for future growth

BY SREEREMA BANOO I

IOI Properties Bhd executive director Datuk Lee Yeow Chor isn't one to dwell on the past. While he obliges in discussing the financial uncertainties of the past year and how these have affected the company's performance, it's really the future that excites him. Taking out a folded piece of paper from his shirt pocket, Lee is eager to share IOI Properties' vision of the future — that of a property developer and property investor. He's even coined a phrase that would best describe the company: "property de-vestor".

"This is just something I thought of... you may find a better word," he says, as he slips the paper back into his pocket. His excitement, though, is palpable.

In explaining the rationale behind the company's emphasis on property investment, Lee doesn't deny that such an approach is a means to insulate the company from the highs and lows of property cycles.

"The property industry is usually fairly segmented as there is a strict delineation between both types of activities. For example, a developer is one who develops and sells while property investors are like real estate investment trusts or property funds that buy properties after they are completed. We are going on a two-pronged approach...we own

the land, we develop to suit our needs and then we hold and manage for investment. The attractive factor is that the income is recurring and it's consistent," he says.

He adds that IOI Properties — which was taken private earlier this year by IOI Corp Bhd, and since delisted from Bursa Malaysia — began looking at property investment in earnest three years ago when embarking on its most significant commercial developments to date, namely, the Puchong Financial Corporate Centre (PFCC) in Bandar Puteri and IOI Boulevard in Bandar Puchong Jaya.

"We feel that given our relatively low land costs and the maturity of our location (Puchong), we have been seeing good returns. The properties are also yielding good returns because of the expertise in property management that we have acquired over the years," says Lee.

Currently, he says, some 15% to 20% of the company's income is derived from property investments. These comprise three shopping malls (such as IOI Mall in Bandar Puchong Jaya and Bandar Putra in Kulai) with combined net lettable area of 1.35 million sq ft, five office blocks (IOI Square and PFCC) with a net lettable area of 700,000 sq ft, as well as leisure and hospitality investments, especially hotels (Palm Garden Hotel and Marriott Putrajaya) and golf courses (Palm Garden Golf Club, Putrajaya and

Palm Villa Golf and Country Resort).

The aim, says Lee, is to further increase the contribution from property investment. To this end, the company has already embarked on the second phase of the PFCC project that consists of a retail podium and the remaining three office towers with a net lettable area of about 650,000 sq ft. "At IOI Resort, we are also planning to build some office towers which we will start sometime early next year," he adds.

Prevailing sentiments

As much as Lee prefers not to dwell on the past, he acknowledges that the downturn in the property market has had an impact on the company. In particular, the deferment of its much-awaited Sentosa Cove project in Singapore that was to have been launched at end-2008. "But we've proceeded with the construction activities and are building ahead of the launch," he says, disclosing that the launch is now slated for 1Q2010.

All, however, is not gloom in Lee's opinion. "From March this year there has been a marked upturn in the market felt by quite a few players including us, which was helped by attractive financing and marketing packages," he says.

Lee adds that there is pent-up demand for property given that many prospective buyers deferred their purchases at the onset of the global financial crisis a year ago. Today, with

IOI Properties Bhd		
	2009	2008
Overall	6	5
Quantitative	6	5
Qualitative	11	11

the stock market recovering, buying sentiments in the property market have become more favourable.

This, he points out, is evident in the company's financial results for 2009 which show revenue improving in 2HFY2009 ended June, to RM418 million, from RM281 million recorded in 1HFY2009 ended December 2008.

"We think the property market, like the stock market, is a precursor to the country's economic condition. So, if you think that the nation's economy is on the road to recovery then there is reason to be hopeful. And I am hopeful," he says.

Buoying his optimism is the response to the developer's latest offerings. Last month, IOI Properties offered 183 units of 2-storey terraced houses at Bandar Puteri Puchong at an average of RM590,000 — the selling price was 10% higher than the year before. So far, 75% of the units have been sold.

Lee says some buyers queued for several hours to buy the units of their choice. "Two months ago, we launched a mix of 3-storey and 4-storey shop offices at Bandar Puteri Puchong, with prices from RM1.5 million and RM2 million respectively. To date, we have sold 80%," he says, visibly pleased.

Are the current uncertainties different from that of the Asian financial crisis in 1997? From the financing perspective, Lee thinks so.

IOI Properties

FINANCIAL YEAR-END JUNE 30

ITEM/YEAR	2008 (RM mil)	2007 (RM mil)	2006 (RM mil)	2005 (RM mil)	2004 (RM mil)
Revenue	788	705	609	591	678
Pre-tax profit	550	555	426	326	326
Paid-up capital	334	333	333	333	333
Shareholders' equity	2,361	2,166	1,906	1,754	1,663
Profit attributable to shareholders	390	397	325	237	228
Dividend payout ratio (%)	37.18	38.79	46.77	49.79	47.37

ONGOING LAUNCHES/UNDER CONSTRUCTION

PROJECT/LOCATION (KLANG VALLEY)	TYPE	NO OF UNITS	GDV (RM mil)	LAUNCH DATE	TAKE-UP (%)
Zarra, Bandar Puteri Puchong	2-storey terraced	183	120	Aug 09	75
Serena, Bandar Puteri Puchong	2-storey terraced	216	125	Oct 08	100
Dataran Puteri 3, Bandar Puteri Puchong	3 & 4-storey shop office	78	143	April 09	90
36 Green Edge, Bandar Puteri Puchong	Bungalow	20	60	April 09	20
IOI Boulevard, Bandar Puchong Jaya	Office cum retail	254	200	June 08	85
The Verva, Bandar Puchong Jaya	4-storey shop office	32	110	Dec 08	70

PROJECT/LOCATION (JOHOR)

Alicia, Bandar Putra	2-storey terraced	131	25,924,900	Aug 09	20
Amber, Bandar Putra	1-storey terraced	214	28,654,600	July 08	83
Prima 3, Bandar Putra	3-storey shop office	19	10,562,100	Aug 09	52
Victoria, Kempas Utama	2-storey terraced	54	19,272,600	May 08	94
Vistaria, Kempas Utama	2-storey terraced	108	33,901,200	May 08	90
Cyberia, Kempas Utama	2-storey terraced	72	26,992,800	Aug 09	25
Indahria, Kempas Utama	2-storey terraced	110	36,069,000	Sep 09	15
Jelita, Lagenda Putra	1-storey terraced	49	6,610,100	July 09	70

IN THE PIPELINE

PROJECT/LOCATION (KLANG VALLEY)	TYPE	NO OF UNITS	GDV (RM mil)	EXPECTED LAUNCH
280 apartment, Bandar Puteri Puchong	Apartment	280	45	Nov 09
Skyville, Bandar Puchong Jaya	Semidees	60	138	Oct 09
Prima Avenue 2, Bandar Puchong Jaya	Shopoffice	21	40	Oct 09
Skypod, Bandar Puchong Jaya	Condo	230	92	April 10
Sierra 8A, 18Sierra	2-storey terraced	147	53	Dec 09
Sierra 8B, 18Sierra	2-storey terraced	103	39	March 10
Sierra 1A, 18Sierra	Townhouse	186	45	May 10
Puteri Palma 2B, IOI Resort	Condo	242	140	Feb 10

PROJECT/LOCATION (JOHOR)

Tanjung Indah, Bandar Putra	1-storey terraced	196	25	Oct 09
2 Storey Semi-D, Bandar Putra	2-storey semidees	32	15	March 10
Crystal, Bandar Putra	1-storey terraced	56	9	April 10
Tropics 2, Bandar Putra	2-storey terraced	106	29	June 10
Semi-D Factory, Kempas Utama	Semidee Factories	40	32	Oct 09
2 Storey Shop Office, Kempas Utama	2-storey shop office	28	12	March 10
3 Storey Shop Office Kempas Utama	3-storey shop office	20	11	March 10
Jelita 2, Lagenda Putra	1-storey terraced	51	7	Nov 09

GDV: Gross development value

PICTURES FROM IOI PROPERTIES

"In the 1997/98 crisis, Asian banks were suffering and as a result, banks squeezed credit and hiked up interest rates. This time around, local and Southeast Asian banks were not affected by the crisis, so interest rates are still competitive and banks are keen to lend on favourable terms. This is a more favourable situation for the property market compared to 10 years ago," he says.

But Lee points out the company was "little affected" during the Asian financial crisis of a decade ago. "Our profits dropped by 20% at first, but from 1999 to 2000 we chalked up record profits," he says.

This time around, the company has also been fortunate in that prices of building materials that escalated from the beginning of 2007 through to 2008 have since dropped. "This drop in materials prices has helped to increase our profit margin," he concedes.

Strong balance sheet vital

Notwithstanding the economic climate, Lee stresses that the company has always maintained a fairly strong balance sheet to support its building construction activities.

"We did not leverage until recently, and we are very efficient in carrying out changes to respond to changing market trends. With our large piece of mixed development land, we can offer a variety of products and within each sub-segment too we can vary the built-ups to cater to different markets. These factors have helped us to do relatively well no matter how the market turns," he adds.

However, Lee recognises that there is no room for complacency. "We need to improve on our branding and promotion efforts, especially in promoting community spirit, safety and environment friendliness," he says.

This, he adds, involves incorporating energy-efficient features in the design and fixtures of its commercial buildings. "For Phase 2 of PFCC, we want to be meticulous in ensuring that energy-efficient features are incorporated. We are also aiming to obtain Green Building Certification. For residential property, we are looking into the use of building materials and designs so that energy efficiency is considered," he says.



The Puchong Financial Corporate Centre is one of the developer's most significant commercial projects to date

On the issue of safety, Lee says the company's "safe city concept" is an integral part of ongoing efforts; these entail providing adequate areas for pedestrians to walk, railings to guard against snatch thieves, CCTVs, patrol cars, and even the setting up of mobile police units (the most recent being at Bandar Puteri Puchong). "Residential developments are also planned on a precinct basis with 200 to 400 units, and a single entry and exit point with extra-wide road for the guardhouse at the entrance. We are also promoting community policing units," he adds.

Fostering the community spirit is also upmost on the company's agenda so much so it has set up a dedicated unit within the company to support the respective resident associations in organising community activities.



An artist's impression of Seascape condominium at its Sentosa Cove development in Singapore



The developer also has leisure and hospitality investments such as IOI Resort



Conservatism pays for BRDB

Lessons learnt from the Asian financial crisis have helped BRDB to weather the present downturn well

PATRICK GOH/THE EDGE

Bandar Raya Devt Bhd

	2009	2008
Overall	7	6
Quantitative	8	7
Qualitative	4	5

| BY NOELLE LIM |

Datuk Jagan Sabapathy, the CEO of Bandar Raya Developments Bhd (BRDB), was cheerful throughout the interview except when asked to pose for photographs. “Shy-la... why every interview, must take photographs?” he protested with a smile.

While he finds it daunting posing for the photographer, the affable CEO has, what the Chinese proverb says, “eaten more salt than rice”, meaning that he has come a long way and is rich in experience.

One lesson he learnt from the Asian financial crisis in 1997/98 is not to panic. So, he did not lose sleep when the impact of the US banks’ collapse reverberated across the globe last year. The fact that bankers did not pull back the lines of credit for the developer must have helped.

Sharing BRDB’s experience in the global credit meltdown, he says: “This time, we were not caught. In fact, I expect we’ll deliver better results this year than in 2008 which was a record year for us. BRDB’s current debt level of RM345 million (for the property business) is purely working capital, matched by substantial unbilled sales. And in the next couple of years, we’ll be debt free.”

Still, BRDB is not about to let its guard down. Costs were reined in and there was a hiring freeze. Bonuses, including that of Jagan, was cut. Excess employees in the Johor office were laid off via a voluntary separation scheme.

Weathering the crisis

Since the Asian financial crisis, BRDB has tidied up its affairs and is now taking a conservative path. Too conservative, by any chance? Well, it’s better to be safe than sorry, responds Jagan. “It was quite clear in 1Q2008 that things were going to get bad. There was a lot of nervousness, so we started to evaluate what we were going to do for 2009, and decided to take new projects off the table,” he says.

For example, BRDB postponed the development of its landbank behind Tivoli Villa condominium in Bangsar to 2012.

However, it continued with its phased development programme to ensure profits for 2009. “Two years ago, we embarked on plans to upgrade Bangsar Shopping Centre (BSC) and to build an office tower at the annexe (BRDB Tower). This should be completed this year, along with Troika and One Menerung. Troika has been 85% sold and One Menerung is close to 95% sold. We also sold CapSquare Office Tower II in 2008,” says Jagan.

What’s more, BRDB has been beefing up its investment property portfolio to insulate its balance sheet from property development cycles. “We are looking at ramping up gross rental income to RM90 million, even RM100 million,



PICTURES FROM BRDB



Bangsar Shopping Centre

per year from 2011 onwards. Rental income will provide more stable earnings and raise dividend yield through 2010 to 2012," he says.

The expanded BSC will provide some 325,000 sq ft retail space while the BRDB office tower will have 220,000 sq ft. Apart from BRDB as the anchor tenant (it will be relocating its head office from Menara Multipurpose), the company is talking to prospective tenants like advertising agencies and banks. Each floor at BRDB Tower is 20,000 sq ft. Jagan expects full occupancy by next year for offices and retail outlets in BSC. BRDB is also managing the CapSquare retail (188,000 sq ft) and signature office. And in 1Q2009, Troika office suites will be contributing. In Johor, BRDB owns the Jusco Mall in Permas Jaya (172,000 sq ft).

While BRDB strives to maximise returns from its asset portfolio, it's easier said than done when the benefits aren't immediately quantifiable. One painful decision was to bring the curtain down on The Actors Studio at BSC. The decision had raised some eyebrows and Jagan clarifies: "Because we wanted a better theatre, we had to look at the structural elements in the building. The total cost would have bloated to a very significant amount. But we're still committed to the arts and are looking at other options such as in CapSquare."

Developing properties that appreciate in value

With many high-end developments popping up, how does BRDB differentiate itself? "We think through our projects. We design timeless designs and we work very hard on our layout and finishes. The fact that our properties have appreciated substantially must be indicative that our whole package is done well and consistently," says Jagan.

On the leveling off on the secondary market prices of some condominiums in the Kuala Lumpur City Centre, he says: "I don't want to sound arrogant. Troika's secondary market pricing has not been affected at all... there is no collapse. We are still selling units at RM1,800 to RM2,500 psf, and in August alone, we sold five to six units. One Menerung (in Bangsar) prices have also gone up. Today, our developer's price for prime units has moved close to RM1,400 psf from RM750 psf at the initial launch."

Developing Troika has proved to be somewhat challenging. Collaborating with Norman Foster, the project caused some excitement when it was launched in 2005. It was due to be completed in 3½ years but the handover date had to be extended to end of this year. Jagan explains the delay: "We had to build a 50-storey building under a tight deadline, and the contractors were challenged. Many contractors in town saw a high staff turnover. I'd also like to see the Housing Development Act allowing for a longer delivery period than 36 months. Some buildings take longer to build."

He concedes there are a few buyers who

were affected by Troika's delay because they had bought into the project early. "But we've swapped the agreement for a later handover date. We could have rushed the construction and come up with a crap product," he says.

Going forward, BRDB's projects will not only be green but certified as such. "We're all in the age of sustainability — energy and water conservation, proper ventilation and getting lighting right — because energy cost is spiralling. All of BRDB's future projects will go for Singapore's Building and Construction Authority's Green Mark certification," says Jagan.

Busy again in 2010

While BRDB laid low on new launches this year, it has to get busy again in 2010 to meet its earnings target. The launch of the North Tower and South Tower blocks of strata office suites at CapSquare is scheduled to take place next March and October respectively (collectively 320,000 sq ft). The condominium, Six CapSquare (300,000 sq ft), which was initially planned for launch this year, will be unveiled mid-2010. On market talk that the condo was to be sold to a Middle Eastern investor, Jagan says there is no compelling reason to sell the building enbloc.

The strata office suites launches will be followed by that of condominiums in the Dutamas area, opposite the French International School, in September. The plan is also to launch gated semi-detached homes in Permas Jaya, Johor Baru.

Jagan stresses it's a sign of BRDB's confidence in the market that it has close to RM900 million worth of projects (gross development value) coming onstream for 2010. In total for the next five years, BRDB has RM5 billion worth of projects to be launched in the Klang Valley and Johor.

BRDB also owns landbanks in the Subang area, located along Federal Highway, on the lefthand side after Subang Parade. This will be developed from 2012 to 2016 and will include residential and commercial elements.

Proceeding cautiously overseas

While BRDB has been on the lookout for overseas deals with good upside, it is proceeding with caution given the still uncertain global outlook. At this point, Jagan estimates that in two years, overseas projects will contribute not more than 5% of BRDB's net profit. Jagan says he expects Pakistan's contribution to remain at the current level (3% of net profits). "It is not an easy market to tackle," he says.

An exciting project in the pipeline worth RM6.4 billion is in Oman. Approval by the Oman government is expected by end-2010. BRDB had bought a stake in Amouage Hotels and Resorts to develop an integrated tourism resort in Muscat. The resort will be built on 50 acres of land plus another 50 acres of reclaimed land. It is located near the airport and a 10-minute



One Menerung

Bandar Raya Developments Bhd

FINANCIAL YEAR-END DEC 31

ITEM/YEAR	1Q2009*	2Q2009*	TOTAL 1H2009*	2008	2007	2006	2005	2004
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
BRDB PROPERTY DIVISION								
Revenue	159,183	184,896	344,079	644,053	316,417	230,295	179,599	207,585
Pre-tax profit / (loss)	41,242	46,612	87,854	135,988	72,095	9,277	(48,798)	54,553
BRDB GROUP (INCL MIECO)								
Revenue				1,006,637	663,695	561,523	429,633	425,234
Pre-tax profit / (loss)				98,881	72,037	19,526	(64,138)	71,379
Paid-up capital				476,378	476,378	476,378	476,378	476,378
Shareholders' funds				1,494,940	1,420,986	1,379,260	1,148,936	1,226,405
Profit attributable to shareholders				93,326	70,385	1,177	(67,151)	37,331
Gross dividend per share (sen)				3.0	7.5	7.5	1.0	3.0

* Unaudited

ONGOING LAUNCHES UNDER CONSTRUCTION

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV* (RM mil)	LAUNCH DATE	TAKE-UP (%)
The Troika, KL	Condo	231	726	June 05	77
One Menerung, KL	Condo	229	720	June and Oct 05	92
Office Tower 2		1 block	432	Jan 08	100
Phase 1, Lahore, Pakistan	Mixed development	174	209	Nov 06	96

ONGOING PROJECTS UNDER CONSTRUCTION — Property Investment

PROPERTY INVESTMENT	TYPE	SQ FT	PROJECTED ANNUAL GROSS RENTAL (RM mil)	RENTAL COMMENCE
BSC Office Tower, KL	Office space	214,116	15	2Q2010
The Troika, KL	Retail and Office space	97,595	8	2Q2010
Total		311,711	24	

IN THE PIPELINE

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM mil)	EXPECTED LAUNCH
Defence Raya Golf Resort	Mixed development	1,076	1,561	3Q2008-2011
Ph 2 Zone 6E Bandar Baru Permas Jaya	Condos	113	53	3Q2008
Johor Baru				
Bukit Bandaraya, Bangsar, KL	Condo	128	643	3Q2009
Taman Zoo View, Gombak, Selangor	Semidees	14	37	3Q2009
Taman Duta, KL	Condo	167	716	4Q2009
Six CapSquare, KL	Condo	176	227	4Q2009
Bandar Baru Permas Jaya, Johor Baru	Condo, semidees, detached & townhouses	918	505	2009-2012
CapSquare South Tower, KL	Office space	1 block	125	2010
CapSquare North Tower, KL	Office space	1 block	125	2010
The Hartamas Sanctuary, KL	Condo	698	598	2010-2011

GDV: Gross development value

drive to the heart of the city, Jagan says.

"We are looking to build very upscale homes, consisting of villas, a marina, hotels and commercial real estate. It'll allow us to develop something special and niche, very upscale and more personalised than neighbouring larger developments. It will be a residential area not just for Omanese but also for people from other parts of the Middle East, India and Pakistan," he says.

Jagan believes the timing of the project is about right: "We've come in when the market was at its low. And it has allowed us time to work out the agreement with the Oman government," he adds.

Commercial market flat, residential recovering

The office market is expected by some quarters to be flat for one to two years as multinationals

are not growing so fast. But Jagan asserts that BRDB Towers offers a different proposition. "In a difficult time, do you have the right ingredients to be successful? We have a Grade A building in a wonderful location," he says.

"I see confidence returning to the mid to high-end residential property market, judging by sales recorded by developers who offered aggressive terms. Under a low interest rate regime, there is the risk of inflation and quality property remains an excellent hedge against inflation," he adds.

Are there too many high-end condominiums? "There's always an element of supply running ahead of demand. But the middle class is continuing to grow. I believe the gap will be narrowed. What's key is location and... developer, developer, developer," says Jagan. **E**

The piece of real estate in which all o



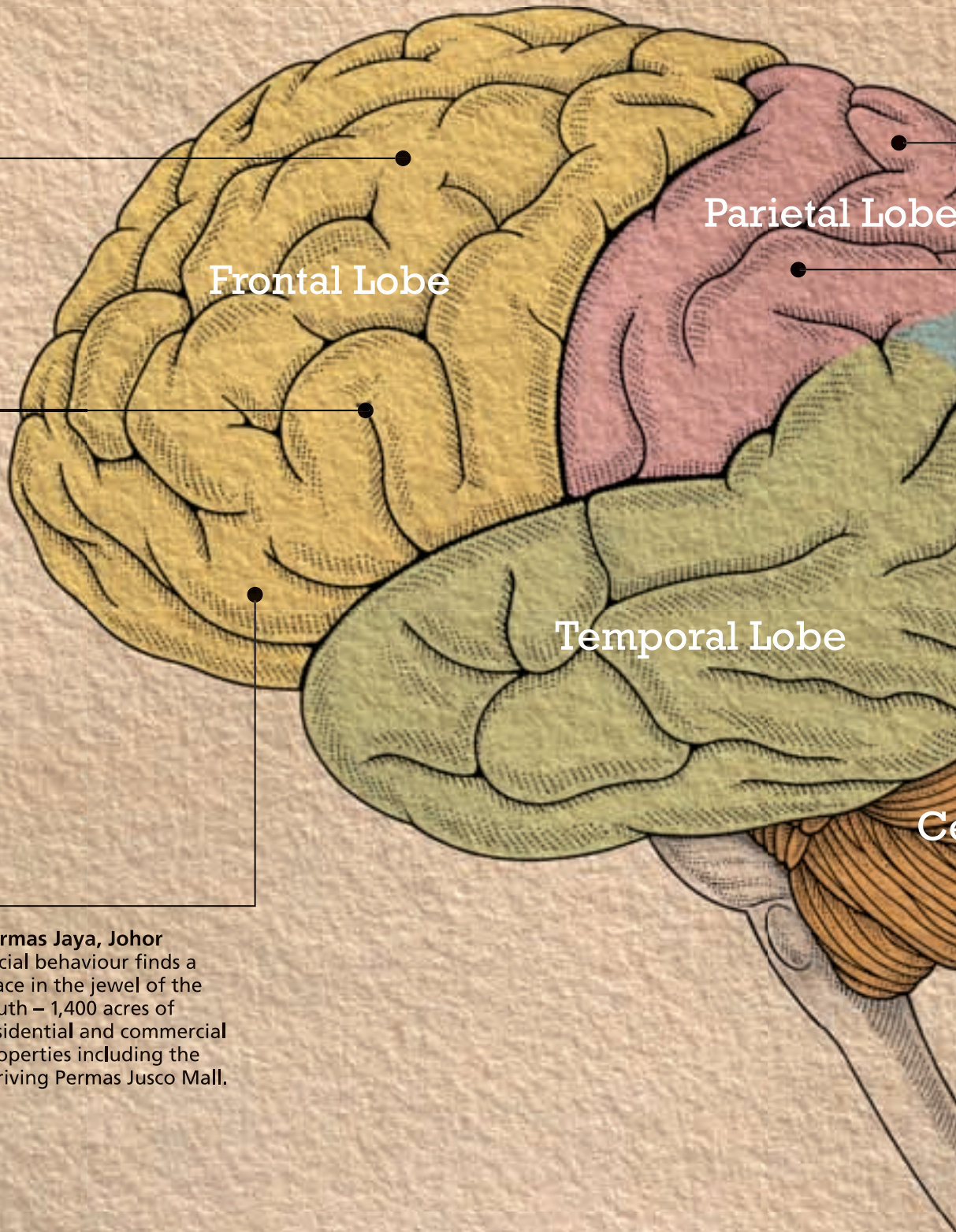
The Troika, KL
Vision and foresight are what inspired the world-class, multiple award-winning luxury residences that are a distinctive signature in the KL skyline.



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Home to your personality – one of KL's most sought after addresses for total community living.



Permas Jaya, Johor
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ur developments begin.



BSC, Bangsar
The tactile senses are rewarded at Bangsar's premier shopping destination.



CapSquare, KL
Spatial relations drive the perfect harmony between commercial, residential and retail developments in this 15-acre urban sanctuary in midtown KL.

Occipital Lobe



One Menerung, Bangsar
The need for visual satisfaction results in luxurious living in manicured gardens – a treat for the eyes.

Cerebellum



Lahore, Pakistan
Coordination and balance are challenged in the country's first PGA-standard, 18-hole golf course, within which luxury residences and a retail centre nestle.

It all begins with a thought: how can we improve the way we live? At BRDB, we believe that quality living comes not only from quality homes, but also from the quality of total community living. That's why we create thoughtfully designed landmark projects that incorporate the best of work and play; offering graciously appointed homes, offices and retail spaces that come together in perfect harmony. It's this ability to think of our customers' needs first that sets us apart. Coupled with our commitment to excellence, it has kept us on the country's top 10 list of developers for the past 6 years.

BRDB

Crafting Tomorrow's Landmarks



Weathering the storm

When the recent financial crisis sent the property market reeling, Eastern & Oriental Bhd did not panic. It had learnt its lesson well during the 1997/98 Asian financial crisis. This time round, says managing director Datuk Terry Tham, the developer just restructured to keep the company afloat. And judging from the positive response to its recent launches, investor confidence in the company has certainly returned.

Eastern & Oriental Bhd		
	2009	2008
Overall	8	13
Quantitative	7	6
Qualitative	7	30

In July last year, E&O Property Development Bhd merged with Eastern & Oriental Bhd



BY WONG KING WAI |

The amount of sunlight that streams into the high-ceilinged, modern lobby of Eastern & Oriental Bhd (E&O), situated in Menara Milenium in Damansara Heights, takes our breath away.

Equally impressive is Datuk Terry Tham, the group's managing director, who tells *City & Country* about the company's performance throughout the year. The conversation very quickly turns to how the group has weathered the global economic woes brought about by the US subprime crisis.

"With the subprime crisis, failure of Lehman Brothers and the stock market crash worldwide, Malaysia, like other parts of Asia, initially thought it could decouple from the US and Europe but that optimism was dashed," Tham laments.

Malaysia was not spared from the global credit crunch as a severe confidence crisis sent world stock markets plunging. In many parts of the globe, people lost their jobs overnight and even corporate giants were brought to their knees. As for the Malaysian property sector, buying stopped and investors adopted a wait-and-see stance.

In response to a rapidly falling market, Tham and his team took a hard look at their balance sheet and strategies were quickly revised to weather the storm.

There was no time to lose because E&O's accumulation of landbank in the preceding years had put the group in a net borrowing position.

Tham elaborates: "Although our bankers remained supportive, it was impossible for anyone to foresee how protracted or severe the crisis would be. Hence, we felt the safest route was to raise cash, thereby improving our gearing ratio and in doing so, giving confidence to our bankers, shareholders and stakeholders."

A two-pronged approach was adopted to raise liquidity: dispose of non-core assets and go back to the shareholders with an attractive but reasonable scheme.

The non-core assets that were sold were development land with a long gestation period. One of the projects that was jettisoned was a joint venture (JV) with Selangor Properties Bhd on Wisma Damansara in Damansara Heights, which was entered into in 2005. The two companies had formed a strategic partnership via JV company Puncak Madu Sdn Bhd (PMSB) to acquire and develop several parcels of land totalling 10.34 acres in Jalan Semantan into a mixed development. The purchase consideration was RM231.7 million. E&O exited the JV arrangement this year by selling its stake in PMSB to Selangor Properties at the same value it had paid for the land bought via PMSB.

There was also the selling of a 0.4-acre lot on Jalan Mayang, off Jalan Yap Kwan Seng, and close to the junction facing the Australian High Commission. This was sold for RM15 million to a private company.

One other disposal was the bumiputera units at Dua Residency, which were placed on the market after the company received a



A view of Seri Tanjung Pinang

waiver from the authorities. The majority of these have been sold.

Furthermore, a one-for-two rights issue via which the company hopes to raise RM200 million is expected to be completed before the end of this year.

Indeed, confidence in E&O has returned if the response to its recently unveiled St Mary Residences development in Kuala Lumpur is any indication.

"We started our launch of St Mary in June. Everyone was waiting to see how we would fare," says Tham. "We started with Tower C of 169 serviced apartment units. To our surprise, 80% was taken up within three weeks and we were able to achieve RM1,000 psf on average."

St Mary Residences is a luxury development situated between The Weld shopping complex and Menara Hap Seng in KL's Golden Triangle and will feature three 28-storey serviced apartment towers with 657 units and a 3-storey parking lot for 719 cars. This 4.04-acre freehold project is a 50:50 JV with Lion Group and has a gross development value (GDV) of RM1 billion.

Interestingly, it was not just St Mary Residences that were warmly received. Over in Penang, the market reacted positively to E&O's latest and higher-end launch in the ongoing development of Seri Tanjung Pinang, a 980-acre project on reclaimed land. Based on a multi-island and headland concept, Seri Tanjung Pinang is split into two phases.

Phase 1, covering 240 acres, is the headland

PICTURES FROM E&O



The serviced Suites at Waterside sit atop the Straits Quay Retail Marina in Seri Tanjung Pinang, Penang



The launch of St Mary Residences Tower C in June 2009 surprised everyone with a take-up rate of 80% within three weeks averaging RM1,000 psf

Left: Dua Residency's living area

and is attached to Penang island. Already 197 acres of Phase 1 have been developed or under construction. The remaining 43 acres will be developed in the next three to five years with a GDV of RM2 billion.

Phase 2, which spans 740 acres, has islands that are separated from Phase 1. Reclamation work is targeted to start in 2010. Its estimated GDV is RM10 billion.

Tham says E&O also launched its waterside serviced suites — Suites at Waterside — and 33 units of its Ariza seafront terraced residences — four of which face the sea — in Penang in July. “The suites are all taken up. We launched the last blocks of the Ariza seafront terraces at an average price of RM1.1 million, which is about 50% more than the prices of similar terraces — from RM735,000 — launched in 2005,” he explains. The Ariza seafront terraces are 2½-storey units with a built-up of 3,400 sq ft.

So keen was the interest in the four Ariza seafront units that they had to be balloted on July 11. “We received a total of 150 ballots, with the highest purchase price being RM2.1 million,” says Tham.

How things have changed for E&O. Not long

ago, the developer was forced to hold back the launch of St Mary Residences because the market was weak.

What kept E&O steady in the early days of the financial crisis was the lesson learnt from the 1997/98 Asian financial crisis. This time round, Tham says, they did not panic but carefully reviewed strategies to keep the company afloat. “I slept a lot better this time round compared with 1997,” he laughs.

A new era

Last year opened a new chapter for the group following a corporate exercise whereby E&O Property Development Bhd became a wholly-owned subsidiary of the E&O Bhd in July 2008. This saw a voluntary delisting of the property arm from the local bourse in August last year. As a larger and single-listed entity, E&O Bhd has been able to pool its resources, strengthen its base and venture into new locations.

E&O Bhd now has three core businesses, with property development as a major contributor to revenue. Hospitality and lifestyle and property investment now play smaller roles but the plan is to grow their contribution

Eastern & Oriental Bhd

FINANCIAL YEAR-END: 31 MARCH

ITEM/YEAR	2009 (RM'000)	2008 (RM'000)	2007 (RM'000)	2006 (RM'000)	2005 (RM'000)
Revenue	304,449	516,399	518,444 [#]	270,301 [#]	21,130
Pre-tax profit**	(38,124)	194,565	91,618 [#]	12,536 [#]	13,088
Paid-up Capital	591,995	419,061	358,961	232,472	232,472
Shareholder's Funds	814,371	729,686	606,733	347,121	388,171
Profit attributable to shareholders	(37,276)	128,854	61,178	23,058	15,341
Net Dividend per stock (sen)	—	3.70	2.92	1.4	1.4

[#] In accordance with FRS 5: Non-current Assets Held for Sale and Discontinued Operations, Putrajaya Perdana Bhd is a disposal group held for sale and accordingly was classified as Discontinued Operations. The comparatives of the Discontinued Operations from FYE 2006 to FYE 2007 have been reclassified and restated accordingly

** Restated from FYE 1998 to FYE 2006 to include the Group's share of associates' tax

ONGOING LAUNCHES/UNDER CONSTRUCTION

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM mil)	LAUNCH DATE	TAKE-UP (%)
Kuala Lumpur					
Dua Residency, Jalan Tun Razak	Condo	288	510	April 04	96
Seventy Damansara, Damansara Heights	Bungalows	12	76	Jan 06	100
Idamansara, Damansara Heights	Semidees & bungalows	91	295	May 06	100
St Mary Residences, Jalan Tengah (Towers A & C)	Condo	457	750	June & Oct 09	80
Seri Tanjung Pinang, Penang					
Ariza	Courtyard terraces	97	80	Oct 05	100
Ariza	Seafront terraces	32	35	July 09	100
Ariza Duo	Courtyard terraces	160	136	Nov 06	100
Avalon	Semidees	92	131	June 06	100
Acacia (Launch 2)	Semidees	58	88	April 07	100
Acacia (Launch 3)	Semidees	64	114	April 08	81
Bungalow parcels	Land parcels	48	73	Feb 06	96
Suites at Waterside (Launch 1)	Serviced residences	160	125	July 07	96
Suites at Waterside (Launch 2)	Serviced residences	24	25	Aug 08	100
Suites at Waterside (Launch 3)	Serviced residences	33	30	July 09	82
Skye, Abrezza, Martinique	Villas-by-the-sea	40	117	Dec 07	57

IN THE PIPELINE

PROJECT/LOCATION	TYPE	NO OF UNITS	EXPECTED LAUNCH
Condominiums at Seri Tanjung Pinang	Condo	Phase 1— 698	4Q09
		Phase 2— 510	2010
Seafront Terraces at Seri Tanjung Pinang	Terraced	36	2010
Villas at Seri Tanjung Pinang	Semidees & villas	33	2010

Note: GDVs (gross development value) for projects in the pipeline are unconfirmed at the moment. The projects are in the final planning stage.

while property development continues to be the big brother.

With the return of consumer confidence, the developer plans to put on the market some RM4 billion worth of projects in the next three to four years.

“I believe the panic and the wait-and-see attitude have died off. Buying sentiment is returning,” says Tham. “Of course, prices have gone back to realistic figures. Before the crisis, there was talk of about RM3,000 psf in the KLCC area. This is not good for developers because it will push land prices up. It means developers will be taking more risks. At the time, the construction cost was also frightening. But now everything has been bought back to more realistic levels.”

Cashing in non-core assets and the completion of its rights issue should pare down E&O's gearing from 0.9 to 0.3. This will become zero if the launch of the condominium block in Seri Tanjung Pinang this November is on schedule. The condo is one of seven blocks in a 21-acre development that has an estimated GDV of RM1.8 billion. Phase 1 consists of four condo blocks with 698 units while Phase 2 has three blocks with 510 units and boasts a nine-acre resort-themed water park with clubhouse facilities for residents only.

Other divisions

The group's property investment division will focus on its own projects. For instance, there will be recurring income from Seri Tanjung Pinang's marina retail development, which

comprises 217 serviced apartments with built-ups of 850 to 2,753 sq ft and a 1 and 2-bedroom layout. All the suites have been taken up. The retail centre, dubbed Straits Quay, will have about 270,000 sq ft of net lettable area. The developer is in the process of leasing out the retail outlets. Tham says if a good offer comes along, the developer will sell the development but only en bloc.

Tesco will also be operating in Seri Tanjung Pinang. Under an agreement signed with E&O, it will rent a hypermarket built by the developer on a seven-acre site.

The hospitality and lifestyle division will concentrate on the group's Batu Ferringhi Lone Pine Hotel and the boutique E&O Hotel.

It was reported recently that Penang's heritage status bestowed by Unesco was under threat from the planned construction of several tall buildings the designs of which are said to go against the heritage guidelines set by the international body. One of the affected projects is a proposed extension to E&O Hotel. The developer had planned to build 28-storey twin towers adjoining the current hotel, but it has since decided to reduce this to just a 15-storey block. It has received the nod to start construction by the end of the year. The extension should be completed by 2011, barring delays, according to the developer.

With the new tower, the famed 101-room E&O Hotel, which has stood the test of time since 1885, will have an additional 139 rooms.

There is no doubt the market will be hearing more of E&O Bhd. **E**



Community development its forte

Sunrise has a simple philosophy — to create value for its stakeholders. Having a 'long-term partnership commitment' with its customers has been key to value creation. Now, the company is taking its game to the next level by adding sustainability to its repertoire.

Sunrise		
	2009	2008
Overall	9	8
Quantitative	15	16
Qualitative	1	2

BY FONG MIN HUN I

Sunrise Bhd's focus on value creation for its customers seems to have paid off for the property developer, but-tressing it against the worst of the global economic crisis that has taken chunks out of other companies.

Case in point, Sunrise reached new heights of profitability for its financial year ended June 30, 2008, with its profit before tax (PBT) crossing the RM200 million mark for the first time in its history, at RM201.1 million. The record was broken again the following year, when the company's PBT was RM205.8 million.

Sunrise executive chairman Tong Kooi Ong attributes the company's performance to buffers provided by its large unbilled sales of about RM1 billion and favourable cost structures.

While these protective barriers would no doubt have an important defensive role to play in padding Sunrise's bottom line for the next couple of years, they are also a testament to the popularity of the offerings of the developer that is synonymous with the exclusive Mont'Kiara enclave in Kuala Lumpur.

Sunrise's philosophy is simple, Tong says. "Our fundamental belief is that we must always create value for stakeholders — be it our customers or shareholders. We create value for our buyers by delivering superior homes that appreciate in value and generate decent yield."

"For us, there must be a win-win situation for all our stakeholders," says Tong. "When we launch a product, we must not only be confident of selling them — we want to ensure there is decent upside for the buyer.

"We continue to maintain the quality of all our buildings long after delivery — we do not just wash our hands when we're finished. This long-term partnership commitment sets us apart from most other developers."

Tong says although this means constructing quality buildings, it also means creating sustainable, lively and livable communities. Sunrise's unique proposition is its commitment to community creation, which extends beyond simply setting up guarded gateways leading in and out of the building premises.

Nonetheless, its main concern for FY2008 and FY2009 — like other property developers — has been its business operations. Although the country has weathered the so-called unprecedented economic crisis fairly well, the jury is still out as to whether the recovery will take root.

The present crisis has wreaked havoc on property developers around the world, but the lessons learnt from the Asian financial crisis have served Sunrise well this time around, Tong says.

Sunrise's success in weathering the economic storm has largely to do with its corporate practices, Tong says. Its bet has paid off, at least according to the profit numbers.

"I think everyone in Malaysia has learnt well from the Asian financial crisis, from the government to the banks, the corporate sector and consumers," Tong says. Moreover, the absence of a price bubble in the Malaysian property market has also shielded the sector from an industry-wide meltdown.

Part of those lessons, he adds, means keeping a watchful eye on risk and cash levels, as well as managing gearing. This, he says, has always been part of Sunrise's corporate practice, but more so as the company has stepped up its operations.

"We have always practised financial prudence, and are proactive and vigilant in risk and cash flow management. As we brought the company to higher levels in recent years, we also increased our efforts in risk management. In property development, you need to read cycles and manage gearing well," Tong says.

The large chunk of forward sales also means that Sunrise's margins will improve going forward as the price of construction materials has eased significantly since the fourth quarter of last year. More importantly, Tong says, Sunrise has started locking in purchases of certain basic building materials for its future projects.

"Many of our projects are still under construction, although substantially sold. These projects do benefit from the lower construction costs presently, although I must also add that there was a time when we faced very high material costs," he continues.

Tong adds that while the understanding of macro risks such as the economic crisis is important, it is just as important for companies to execute the necessary steps to control the effects of the risks on the micro level.

"Companies must have proactive risk management and controls in place," Tong says. In this respect, Sunrise had foreseen the macro problems earlier, which is why it stopped new launches after 11 Mont'Kiara in 2007.

11 Mont'Kiara, a 339-unit luxury residential development with a gross development value (GDV) of about RM900 million, is due for completion in 2011. As at August, it had been 90% sold. Recent research reports noted that sales of 11 Mont'Kiara and Mont'Kiara Residence, Sunrise's bungalow development in Mont'Kiara, has picked up notably in 4Q2008.

The developer's other ongoing projects include the 332-unit 10 Mont'Kiara, which was launched in 2006, and a commercial development worth RM1.5 billion at Solaris Dutamas. The take-up for these projects stands at 93% and 94% respectively.

Two of Sunrise's condominium projects — the 11 Mont'Kiara and 10 Mont'Kiara — won five-star awards at the Asia-Pacific Property Awards 2009 held in Singapore in July this year. The former won the award for Best High Rise Development in Malaysia while the latter grabbed the prize for Best High Rise Architecture in Malaysia.

It is noteworthy that Sunrise has been in



Solaris Mont'Kiara, view from the highway

PHOTOS FROM SUNRISE



Mont'Kiara Residence bungalow

the top 10 of *The Edge* Top Property Developers Awards since its inception in 2003, awards which place equal emphasis on quantitative and qualitative attributes.

Excess supply?

Some quarters have expressed concern that there is an oversupply of homes from new launches because developers had held back their launches when the country plunged into the crisis last year. Research houses say the property market may see a property glut in the Klang Valley, particularly in the high-end condominium sector.

Tong demurs, although he agrees that this may be true in some areas of the Klang Valley. It is for this reason that Sunrise did not build any high-rise condominiums in the Kuala Lumpur city centre, he says.

"On a macro level, I do not see the facts supporting this hypothesis, and it is not just because I am a property developer. In developed countries, the annual increment of new homes is about 1% of the population," Tong adds.

"This is despite having negative or zero population growth. In Malaysia, our annual supply of new homes is about 150,000 units. In the last three quarters, it has been substantially less. We not only have a growing population but an even faster growing work force."

Inflation threat

As for the prospects of the property sector, the recovering global economy is boosting investor sentiment across a broad range of assets, including property, he notes. Attractive financing schemes and low interest rates

have also boosted interest in the sector, as have government support through income tax exemption on interest for new homes.

Tong feels there has been recent renewed interest in the property sector because of the growing awareness of the very real threat of inflation.

"With the huge global fiscal and monetary expansions, one should be wary of inflation going forward. Property has historically been a good hedge and I think this has been compounded by the recent recovery in the property market," Tong says.

On the company's overseas operation, notably a project in Canada, Tong says Sunrise is expanding abroad slowly because caution is still a watchword for the developer in that regard. Its project in Canada, which has a GDV of RM1.2 billion, will be launched in two phases three years apart.

"We do not have the same competitive advantage at the moment," he notes. "We will expand abroad slowly, learn and not rush into any disaster."

While Sunrise offers no immediate concrete news of any new launches, which may be a concern for its future income stream, Tong assures that there is a pipeline of projects ready for launch.

What Sunrise is waiting for, he says, is the right time so that its "buyers can generate better returns". Tong declines to comment on new launches but word has it that Sunrise is ready to launch two projects within the next six months, with the first being a residential complex in Mont'Kiara and the second, a commercial development in the city centre.

Sunrise Bhd

FINANCIAL YEAR-END JUNE 30

ITEM/YEAR	2008 (RM'000)	2007 (RM'000)	2006 (RM'000)	2005 (RM'000)	2004 (RM'000)
Revenue	685,830	558,098	359,185	367,723	259,136
Profit before tax	201,116	157,392	41,208	150,215	52,528
Paid up capital	450,215	446,982	424,519	422,679	263,362
Shareholders funds	758,628	609,323	506,156	562,175	473,442
Profit attributable to equity holders	160,046	108,109	6,570	104,692	33,359
Unadjusted dividends					
Gross dividend payout (sen)	Note*	11.4	6	12	5.5
Net dividend payout (sen)	Note*	8.32	4.32	8.64	3.96
Adjusted dividends**					
Gross dividend payout (sen)	Note*	11.4	6	12	3.44
Net dividend payout (sen)	Note*	8.32	4.32	8.64	2.48

* Note: In FY2008, Sunrise undertook a distribution of treasury shares in the ratio of 1 free share for every 25 shares held. This replaced the cash dividend payout.

** Dividends for FY2004 adjusted for a 3-for-5 bonus issue completed in July 2004.

ONGOING LAUNCHES/UNDER CONSTRUCTION

PROJECT/LOCATION — COMMERCIAL	LAUNCH DATE	GDV	NO OF UNITS	SOLD %
Solaris Dutamas	April 1, 06	RM1.5 bil	400 Retail 1000 office suites 800 designer suites	94*
PROJECT/LOCATION — RESIDENTIAL				
10 Mont'Kiara	2006	RM700 mil	332	93*
11 Mont'Kiara	Aug 1, 07	RM900 mil	339	90*

GDV: Gross development value

* Sales status as at 18 August 2009 including those pending SPA execution

At a recent analysts' briefing, Tong noted that there were parties looking to partner Sunrise for its expertise and branding to help with developments. These projects, which will not be capital intensive for Sunrise, will pad its revenue stream going forward without increasing its gearing.

Sunrise may have thus far showcased resilient numbers and received numerous accolades for its projects but Tong remains vigilant against complacency.

"Although we have done well, we cannot rest on our laurels. We must continuously innovate and reinvent if we want to stay ahead," he says. "We will continue to widen our product mix and create new products that will cater for new and wider markets."

Value creation and going green

Sunrise's unique proposition as a developer is the extra effort it takes to promote community development, and part of what this means is creating sustainable communities. It realises the need to take a proactive role in bringing the residents together, as exemplified in its Mont'Kiara developments.

A community initiative launched recently was a free shuttle bus service for the exclusive use of Sunrise Mont'Kiara residents. Sunrise, which bears the entire cost of maintaining and running the bus, was responding to the requests of its residents who are looking for a better way of getting out and about the community.

Other initiatives include the development of a multipurpose community centre and setting up events for Sunrise residents. It is this "long-term partnership commitment" that extends

beyond the handing over the keys that sets Sunrise apart, Tong says.

Sunrise has recently added sustainability to its development repertoire. The developer's efforts to promote its eco-friendly agenda has been recognised by Singapore's Building and Construction Authority (B&C), which awarded 11 Mont'Kiara a provisional Green Mark Certified Award.

It is an impressive accolade as 11 Mont'Kiara is the first residential development in Malaysia to receive the environmental mark of approval. Sunrise's planned Solaris on the Park mixed development also received a similar award from the B&C at the same time.

Sunrise has always been mindful of its role towards environmental preservation through its actions and policies.

"Apart from promoting recycling efforts within the Sunrise Mont'Kiara community and environmentally friendly building through the incorporation of numerous eco-features in our latest iconic development, 11 Mont'Kiara, we believe a long-term approach calls for the need to go beyond 'greening efforts' to the concept of sustainability," says Tong.

"With a growing population, we need to reduce our carbon footprint and be more efficient in the utilisation of scarce resources such as land... By creating sustainable communities that are well supported by a host of amenities, services and infrastructure, we reduce pollution and improve human mobility as travel distance becomes shorter."

Sunrise's strategy is holistic, Tong adds. Community development will always be at the forefront of the company's agenda. **E**



Riding the waves with aplomb

Having the confidence to ride out market challenges and the skill to prepare for an upturn is something that has stood Bandar Utama City Corp in good stead over the years

BY SREEREMA BANOO

“We don’t have a crystal ball and we don’t read the market. We go in and hope that our track record and location will give us the heads up,” says Bandar Utama City Corp Sdn Bhd director Datuk Teo Chiang Kok. Words of wisdom indeed but also reflective of the developer’s recognition that while you can’t predict the future and some things are beyond your control, there is a degree of comfort in knowing that everyone else is in the same boat and as such, to be ahead you’ll need to rely on your strengths.

For Bandar Utama, this means competing on quality, delivery, design, location and its track record; strengths that have helped the developer secure its position as one of the Top 10 developers in *The Edge* Top Property Developers Award 2009.

While it has retreated to the 10th spot — from seventh in the 2008 edition of the awards — Teo is nonetheless pleased that Bandar Utama is still in the Top 10. His delight is understandable; it’s been a challenging few years, starting from the sharp increase in the

price of building materials at the beginning of 2008. “We were in the midst of active tendering at the time and we had to bite the bullet... but life goes on because everyone is also working from the same cost base — we were all in the same boat,” he says.

Then came the retreat in consumer confidence stemming from the global financial crisis that began in the middle of last year. Like many developers, the less-than-encouraging investing sentiments in 2008 and for the better part of 2009 led it to defer some of its launches but unlike many, it had the opportunity to do so given its build-then-sell approach. The deferment, however, has had an impact on the company’s financial performance.

“Our work-in-progress assets have grown but our revenue and profits in 2008 reflected the lesser sales,” says Teo. Bandar Utama’s revenue in 2008 fell from RM388.95 million in 2007 to RM346.49 million in 2008, while profits retreated from RM160.42 million in 2007 to RM131.55 million in 2008.

Within this challenging environment, however, there have been a few bright spots: prices of building materials have now fallen from the

highs of early 2008, allowing the developer to continue its construction activities. “We’ve been busy... the global financial crisis has been a blessing because of the lower building materials prices and we’ve been able to get the labour that we need,” says Teo.

What’s more, the breathing room as a result of deferring some of its launches has allowed the developer to review some of the components in the Bandar Utama township’s masterplan as well as plan for more environment-friendly features in its upcoming properties.

“The Bandar Utama masterplan was done in 1988; over time we have had to fine-tune it, so we took this opportunity to review it and respond to market demands,” he says of the initiative that began in mid-2008. The review meant that instead of link houses originally planned, the developer is now building detached villas within a gated and guarded enclave.

“Over the last 20 years, the expectations of residents have increased and many residents are upgrading from link houses to bungalows. Furthermore, having a gated and guarded development is important to buyers these days,” says Teo.

Bandar Utama City Corp Sdn Bhd

	2009	2008
Overall	10	7
Quantitative	11	13
Qualitative	6	3

Accelerating construction

Given the signs of economic recovery and a return of consumer confidence, Teo is keen for the developer to speed up its construction activities to take advantage of the upturn. “For the past four to five months, the mood has been more positive and we’ve been getting many enquiries about our launches,” he says, adding that after a two-year hiatus the developer is keen to accelerate construction to accommodate launches in 2010.

Apart from the 212 units of gated and guarded villas at BU5 that are slated for launch at end-2010, the developer is also busy with the construction of its condominium development, 9 Bukit Utama. The 911-unit condo with a gross development value of RM1 billion was to have been offered for sale this year, but the developer decided to delay its launch until market sentiments improved.

“We will also be undertaking a massive renovation of the old wing of 1-Utama,” he says,

PICTURES FROM BANDAR UTAMA CITY CORP



The developer had to delay the launch of its condo development currently under construction

adding that the renovation will be undertaken in stages. “We’ve actually started the renovation in small ways, especially in the non-visible sections like the mechanical and engineering systems and in installing more energy-efficient equipment.” He discloses that the refurbishment will see more retail space added to the 15-year-old shopping centre.

In addition, construction of 1 First Avenue is well underway. The 25-storey purpose-built office tower with a lettable area of 550,000 sq ft is expected to be completed by March next year, boasting several green building features, some of which are a first in the country.

Being frugal pays off

For Teo, going green is more than a catchphrase or clever marketing; rather, it is a conscious effort on the part of the developer to reduce its carbon footprint. “We’re proud that we’ve had green features in our masterplan from the time we started without realising that it was going to be an important aspect of the development.” These features include the creation of green buffer zones between the main roads and the residential areas, the creation of large central parks and the creation of a neighbourhood concept so that residents need not drive to access amenities. “Back then, we also incorporated a whole network of bicycle and jogging tracks within the development,” he says.

The impetus towards being environment-friendly, he says, comes from having a frugal background. Teo wears this frugality like a badge of honour, pointing out that many of the green features and initiatives are a result of the company’s focus on keeping costs down. “At the onset, we took a corporate decision to own and operate all our commercial properties. The main cost is energy; that’s why, managing an energy-efficient system is important to us. From the get-go at the old wing of 1-Utama, we were the first to use a chilled-water storage air-condition system that uses off-peak idling electricity supply. Today, all our commercial properties use off-peak power,” says Teo.

“We’ve also installed efficient transformers, pumps and chillers and we’re also changing all our light fittings from halogen to LED, which will save between 30% and 40% in energy costs.”

Bandar Utama’s emphasis on green building features is especially apparent in 1 First Avenue, its office tower currently under construction. Besides a North-South orientation to minimise sun heat penetration, the Eastern and Western ends of the building are shielded from the morning and afternoon sun by the juxtapositioning of services areas such as toilets, M&E rooms, staircases and balconies. The developer is also installing high-perform-

ance low e-glass to reduce solar heat gain by 25%. The helipad also boasts a grassed roof garden for heat insulation.

In addition, at the central command centre — which oversees all the commercial properties at Bandar Utama — the developer has installed a sophisticated building automation system to monitor and optimise energy usage.

Teo is especially excited about plans to convert sewage into clean energy using an environmentally-safe bio-digestion process. “I was appalled when I found out that the 120 restaurants at the mall and the restaurants and banquet halls at the hotel generate three to four tonnes of waste everyday. With this pilot project, we will use this waste along with the sewerage waste and, through a bio-digestion process, convert it to heat pellets that can then be used to dry the next batch of waste. The excess heat can also be used to boil the water for the hotel’s needs and run the steam generator for the air-cond chiller,” he says. Installed at a cost of RM7 million, the plant — the first of its kind in the country — is slated for commissioning in November.

These green building features, he points out, are a plus when marketing commercial space. “Multinational corporations are in particular conscious about whether a building [they are to occupy] has green features,” he says, adding that besides Bandar Utama being recognised as a MSC Malaysia Cybercentre, the developer is also applying for the Malaysian Green Building Index certification, beginning with 1 First Avenue. **E**



At the onset, the developer took a corporate decision to own and manage all its commercial properties, including One World Hotel

Bandar Utama City Corp Sdn Bhd

FINANCIAL YEAR-END DEC 31

ITEM/YEAR	2008 (RM'000)	2007 (RM'000)	2006 (RM'000)	2005 (RM'000)	2004 (RM'000)
Revenue	346,498	388,952	318,898	279,230	344,130
Pre-tax profit	131,551	160,428	160,651	132,443	127,568
Paid-up capital	108,000	108,000	108,000	108,000	108,000
Shareholders' funds	1,132,501	1,034,077	944,149	858,991	770,731
Profit attributable to shareholders	793,935	695,511	605,583	520,425	432,165
Dividend payout ratio (%)	—	25	25	—	—

ONGOING LAUNCHES / PROJECTS UNDER CONSTRUCTION

PROJECT/LOCATION	TYPE	NO OF UNITS	GDV (RM mil)	EXPECTED LAUNCH
9 Bukit Utama/ Bandar Utama, Petaling Jaya	Condo	911	1 billion	March 2010
BU5/ Bandar Utama, Petaling Jaya	Villas	212	650	Dec 2010
1 First Avenue, Bandar Utama/ Bandar Utama City Centre	Office tower	550,000 sq ft	300	March 2010

GDV: Gross development value



Bandar Utama is now a thriving township

Analysts name their favourites

| BY RACHEAL LEE |

There is a saying that goes: invest in property investment stocks during a downturn and property development stocks during an upturn. While the general consensus is that the worst is over for the property market, which property stocks are analysts' picks?

Research head-cum-property analyst of Kenanga Research Yeonzon Yeow has a "neutral" call on property counters, especially those into high-end developments. He prefers township developers.

"In high-end areas like KLCC and Mont'Kiara, there is oversupply and lack of FDI (foreign direct investment). Demand by tenants has also gone down and we expect flat capital appreciation this year. High-end developers then tend to be cautious in their launches.

"However, township developers such as S P Setia, Sime Darby, IOI Properties, Island & Peninsular and Mah Sing Group will see better opportunities. For property stocks, S P Setia is expensive and we like Mah Sing due to its valuation," he tells *City & Country*.

Yeow also likes the fact that township developers have the advantage of launching projects according to the market's needs.

"Township developments are mainly for owner-occupiers rather than investors. They (buyers) can get bank loans to finance their properties and they have job security. However, many developers launched their projects with financial packages recently to fill up their order books and we don't expect them to have any aggressive launches this year," Yeow says.

Bernard Ching, associate director of ECM Libra Research, concurs. He says developers targeting the mid to upper-mid residential market such as S P Setia and Sime Darby Property are doing well due to end-financing packages offered as well as pent-up demand from potential buyers who deferred their buying decision last year.

"Sales take-up for high-end high-rise properties is still rather mixed and depends very much on pricing as buyers are looking for bargains due to ample supply in the market. For example, the good response to E&O's (Eastern & Oriental) St Mary Residences project is probably due to the much lower selling price of about RM1,000 psf compared with the RM1,500 psf initially targeted.

"While there is optimism about the property market due to recovering sales, there is concern recent strong sales take-up may not be sustainable once the cheap end-financing packages are withdrawn. Developers such as S P Setia and Sime Darby have already withdrawn their end-financing packages after achieving their respective sales target for the year," he tells *City & Country*.

While some might argue that property developers will see their profit margin squeezed with various financial packages introduced to push sales, Ching is not too concerned about a slightly lower margin as most developers have not dropped prices. In fact, certain developers have actually increased selling prices, he notes.

Analysts generally like stocks with a smaller float, such as Sunway City Bhd (SunCity). ECM Libra's Ching says the research house is looking at mid-cap property stocks such as Sunway City Bhd (SunCity) and Sunrise Bhd, which remain laggards with undemanding valuation.

"SunCity is currently trading at decent valuations. Its earnings from the property investment division remain stable while there is some upside in its development division. The proposed REIT (real estate investment trust) listing next year will be a potential catalyst. Meanwhile, Sunrise is a valuation call as it is currently trading at a significant discount to its peers.

"We do not favour exposure to pure property investment stocks such as KLCC Property Holdings and IGB Corp as property development stocks will outperform the more defensive property investment stocks during the recovery or upcycle stage," he adds.

An analyst with a foreign brokerage firm, however, likes IGB Corp. She also finds SunCity interesting for its proposed REIT listing.

On Aug 27, AmResearch maintained its "buy" call on IGB Corp at a revised fair value of RM2.80 per share from RM2, based on a 30% discount (previously 50%) to its net asset value (NAV) estimate of RM4. IGB Corp's property investment and hotel segment (Gardens Hotel and serviced apartments) showed solid numbers, with an operating profit growth of 6% and 35% y-o-y to RM203 million and RM68 million respectively. IGB Corp closed at RM1.67 last Tuesday, with 1.26 million shares done. **E**

OFFSHORE

SAMUEL ISAAC CHUA/THE EDGE SINGAPORE



Artist's impression of the Clementi Mall. The buyer of the 7-storey, 99-year leasehold property will have full flexibility to plan the interior theme.

HDB to sell Clementi Mall by tender

The Singapore HDB is putting up Clementi Mall for sale by tender and has appointed Jones Lang LaSalle (JLL) as the exclusive marketing agent. The suburban retail mall is at the junction of Commonwealth Avenue West and Clementi Avenue 3, and in the heart of an established residential township with over 98,000 residents. It is also supported by a student population of 65,000 from tertiary institutions like the National University of Singapore, Singapore Polytechnic and Singapore Institute of Management.

The suburban mall is being built by HDB and forms part of a larger integrated development at the hub of Clementi Town. Sitting on top of the mall will be two blocks of 40-storey residences (388 apartments) and it will be linked to a two-storey carpark and bus interchange. The mall will also be linked directly to the Clementi MRT station on the third floor.

The buyer of the 7-storey, 99-year leasehold Clementi Mall will have full flexibility to plan the interior theme as well as naming rights, says Stella Hoh, head of investments at JLL. Permissible gross floor area (GFA) is around 269,100 sq ft. The library on the fifth floor has an additional GFA of around 21,270 sq ft. The property is under construction and is scheduled for completion and handover at end-August next year. JLL estimates that the new owner would have to spend another \$50 million to fit out the mall. Indicative pricing is said to be "in excess of \$300 million".



Hoh: The suburban mall has proven to be resilient in past economic downturns

"The Singapore retail sector has traditionally been tightly held and there are few retail opportunities available," says Hoh. "The suburban mall has proven to be resilient in past economic downturns as they rely on domestic consumer spending," she says. Hoh adds that occupancy rates have consistently been more than 97% over the past decade. The tender closes at noon on Nov 10. — *The Edge Singapore* **E**

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SUNRISE



SUNWAY CITY BERHAD

ONE CITY, Successful Commercial Property Pointers: Be Informed

As a responsible and dedicated developer, we analysed and evaluated hundreds of existing commercial properties in the country. One City Properties Sdn Bhd (a member of MCT Consortium Bhd) is now poised to crystallize its findings and share its knowledge with its investors. Our mission is to build investors knowledge first before we build our properties. Not just any property but properties built to meet smart investors' requirements.

For ease of understanding, we've basically segmented commercial development into two types based on the type of investors. Corporate investors tend to go for offices, hotel towers and retail malls. On the other hand, individual investors look for shop lots (individual titles) and shop offices (strata titles).



Delving further, the success of commercial properties can be categorized into four tiers as reflected by its occupancy rate. Obviously, Tier 1 is much sought-after and Tier 4 has the lowest demand.

Category	Occupancy	Classification	Evaluation
Tier 1	100%	First-rate occupancy	Landmark/conic address that attracts the global crowd (tourist)
Tier 2	90%-100%	High Occupancy	Attract domestic /neighbourhood crowd & foreigner
Tier 3	70%-100%	Good occupancy	Mainly attracts the domestic crowd & caters mainly to the neighbourhood community
Tier 4	50% & below	Low occupancy	Basically not successful

Before you embark on your investment decision, consider how these four time-tested success factors can contribute to a successful commercial development.

1. LOCATION

"Location" is the most important primary factor for investors. A strategically situated development is vital to the success of its popularity and is correlated to a matured and high social class population. It should be easily accessible by highways. This criterion reveals the most potential when assessing a development.

2. INTEGRATION

A high potential development should be integrated to attract good investors. An integrated development that offers a continuous stream of activities throughout the year is certainly a plus point. In retrospect, it will create a prominent address with its good mix of business and leisure activities. It should be about delivering a good experience all the time rather than just a collection of buildings.

3. DESIGN QUALITY & LAYOUT

First impression counts. Good design and a well planned layout continue to work hand-in-hand to create a lasting perception of a development and therefore, attract visitors again and again. It's a compelling factor to drive awareness.

4. UNIQUENESS

Key elements to watch out are the designs and components of a development to attract both local and foreign visitors. A unique development proves highly effective at stimulating a desire to purchase.

It's also a driving consideration of one development over another.

Today, people's tastes and preferences are more sophisticated. They do not just look for a house; they want a home. Likewise, office is an integral part of our lives. People spend a great deal of their time working in the office. Based on our recent studies, the most common elements of a good office are: strategic location, high-end infrastructure, overall well-being, surroundings, and enhanced functionality.

The most important question often raised is: "What's in it for me?" The best way to answer the question is by following the ten good office criteria below. They illustrate on how to invest soundly either from the owners', employees' or visitors' perspectives.

1. LOCATION

Look out for strategic locations that are surrounded by a matured and high density population that is highly visible and easy to access by highways. Residents with white collar professions form the best target market segment.

2. BRANDING OF DEVELOPMENT ADDRESS

A high profile address immediately raises the image and identity of the property. It draws a bigger and steady flow of visitors.

3. I.T. INFRASTRUCTURE

"Getting connected" is part and parcel of today's borderless world. A good property incorporates up-to-date I.T. infrastructure in its development as it has a significant impact on commercial as well as personal lives.

4. CAR PARKS

This criterion deserves special mention in particular to today's growing hectic lifestyle. Sufficient, clean and safe parking lots charged at reasonable rates are essential elements to keep office users and visitors coming back.

5. FOOD & BEVERAGES

Meals are an important part of our lives. Eating out is borne out of necessity and is an important social activity. As such, availability of a variety of food and beverages at reasonable pricing and within reach is another big deciding factor.

6. SECURITIES

Demand for good security system is not only confined to offices but extends to the design of buildings and development as a whole. Make sure the property you're investing have the security features built in.

7. ATMOSPHERE/ENVIRONMENT

A property that incorporates a good indoor ambience and a right outdoor environment are points of attraction.

Investment Opportunity: Commercial versus Residential Property

Descriptions	Residential (Landed/Apartment)	Commercial (Office Suite, Not SoHo Office)
Rental yield	Low	High
Capital to furnish	By owner	By tenant
Commitment		
a. Rental payment		
b. Property upkeep	Not so committed	Committed
Tenancy	Short term	Long term
Property maintenance	By owner	By tenant

ONE CITY, KLANG VALLEY'S NEXT ICONIC COMMERCIAL EPICENTRE MEETS ALL OF THE ABOVE CRITERIA.

One City is strategically located in USJ25. It's a matured and established prime location situated right at the centre of Klang Valley. It's highly accessible and sits at the criss-cross network of two major highway intersections, namely, ELITE and LDP. The development is surrounded by major housing areas such as USJ, Subang Jaya, Putra Heights, Puchong and Shah Alam, yielding 1.87 million people within a 10km radius. The residents here are significantly educated, middle and high income earners. They share a common modern lifestyle and are upwardly mobile.

Spread across over 77 acres gross development land, ONE CITY is a mixed development that is presented in three progressive phases:

PHASE 1 or better known as the Garden Shoppe, comprises of 63 units of 3 to 4 storey shop lots.

PHASE 2, also called the Sky Park, is a boutique development that integrates 63 units of retail shops, 222 office suites, 12-storey hotel comprising 209 rooms, 15-storey corporate office tower with an area of 128,000 square feet, 12 boutique seminar rooms cum cinemas, 20,000 sq. ft. fitness centre, 120,000 sq. ft. sky park and other entertainment amenities.

PHASE 3, which will be built next to Sky Park, will offer a 1.5 million sq. ft. shopping mall, a hotel, a corporate office tower, a SoHo tower, and an auditorium

One City emerges out of the radical concept in line with the spirit of world class design and components. It is designed for function and form. Any aspect of what One City does is committed to quality aimed at attracting domestic and international visitors. There are more than 10 unique designs and components in One City development. Amongst them are: the 120,000 sq. ft. Sky Garden featuring a rooftop gourmet paradise; the 26' x 56' Glass Sky bridge overlooking 13 floors of spacious retail space, spacious central boulevard, double volume ceiling retail shops, state-of-the-art I.T. infrastructure, and a lush, green outdoor environment.

ONE CITY IS THE "EVER HAPPENING CITY"

Just through word-of-mouth and even before launching our first two phases, ONE CITY saw an unbelievably fast take-up rate of 100% for Phase 1 and 70% for Phase 2. Our aim is to sell a Tier 1 commercial property at a Tier 3 price.

The remaining 30% unsold units are mainly office suites. Lack of knowledge in office suites has deterred some investors from taking an interest in this property segment. However, the situation will turn around once investors are well informed.

In a nutshell, the key to good decision-making lies in observing the above criteria as a guideline. It is important to remember that a good development comes in well-designed package: form and functionality. For example, even a grade A standard office without fulfilling the above-mentioned criteria may not fully function as an ideal office environment.

Indeed, One City's Sky Park shop offices meet the criteria mentioned. It offers value for money as the development is in a centralized location with a list of intangible offerings such as more differentiated amenities built with a class of its own.

8. LEISURE/ENTERTAINMENT FEATURES

Well designed leisure and entertainment outlets are features to take note. They are part of living the good life, be it for business, leisure or simply shopping.

9. INDEPENDENT AIR-CONDITIONED CONTROLLING SYSTEM

Check out that the property offers individually controlled air-conditioned system instead of a centralized one. This allows for flexibility in switching on or off when needed.

10. CAR PARK RESERVATION AND JOCKEY PARKING SERVICES

Sometimes visitors get overwhelmed with ample parking lots but are marked "reserved". A good property should offer more unreserved parking lots. Other convenient service should include jockey parking services for people in the rush.

To ensure that you stay connected to everything property, do not miss exclusive news highlights found only in *The Edge's* recently launched property portal *theedgeproperty.com*.

This page gives a peek at some of the noteworthy news and other features of the portal. Do register (for free) for access to our archives as well as to enjoy a host of other privileges.

NEWS & VIEWS

Excerpts of some postings in this section:

- **Dubai prepares to shine again:** Delegates to Cityscape Dubai (from Oct 5 to 8) heard that Dubai is ready to regain its competitiveness in the real estate industry amid a landscape of cautious investors and developers
- **Glomac looking at more en bloc sales:** Glomac Bhd is moving ahead with two of its commercial projects — one in Mutiara Damansara and the other at the old Kelana Seafood Centre site, both in Petaling Jaya, Selangor. It is also looking to sell the projects on an en bloc basis.
- **St Mary Residences' Tower A block 25% sold in four days of launch on Oct 1:** Developer Eastern & Oriental Bhd's (E&O) said there was a substantial number of potential buyers registering interest in the second phase of the project in the heart of Kuala Lumpur.



OPINION

Au Foong Yee stresses why it is important to check out a property more than once before putting money on it.



Newsbytes

VIDEO

Jalan Masjid India's unique lustre

Do you know that Kuala Lumpur's bustling area of Jalan Masjid India is the most expensive commercial address in the Klang Valley and possibly in Malaysia?



Take a virtual tour of this vibrant part of the city that offers a unique and niche shopping experience. Shops here are never vacant, offering a mind-boggling range of goods such as sarees, jewellery, fabric and food. Those familiar with the property market say monthly rents of the ground floor of the shops average from RM25,000 to RM50,000.

However, there are signs that Jalan Masjid India may be in danger of losing its appeal to the tourist hot spot of Jalan Bukit Bintang, which has seen rapid development over the last decade.

AUDIO

Is the surge in sales during recent home launches in Penang a mere flash in the pan? Penang-based Raine & Horne International Zaki + Partners senior partner Michael Geh shares his thoughts with Sharon Kam on the "rebound" in the Penang residential market.



PHOTO



Take a peek into the restoration of what used to be traditional Peranakan houses that are about 150 years old and once known as Millionaire's Row of Melaka. Two such adjoining units — one of them had served as a rest-house and the other a maternity clinic — have been restored. They are now a field school for aspiring architects.

RESEARCH

Knight Frank Residential London Review Autumn 2008.

HOT DEALS

Check out the latest transactions done on condominiums, terraced homes and land in and around the Klang Valley

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Foreign briefs

DTZ sees positive sentiment translated into higher investment in Asia-Pacific

Total commercial real estate investment transactions in Asia-Pacific reached an estimated US\$17.1 billion (RM58.5 billion) in 3Q2009, 50% higher than in 2Q, according to a DTZ report. The strong investment recovery comes after the volume fell to a low of US\$4.3 billion in 4Q2008. The increase in investment was more evident in major markets such as China, Australia, Hong Kong and Singapore. "Activity across the region continues to be driven mainly by private domestic purchasers, although a growing interest from the institutions is emerging," says David Green-Morgan, head of Asia-Pacific research at DTZ.

Hong Kong's residential market back to pre-Lehman days

The Hong Kong residential market has seen a 25% rebound in prices since March and recorded a rise in rental in 3Q, all pointing to a market recovery. The home-sales market was the first to recover and the leasing market appears to be at or very near the bottom of the cycle. "With growing confidence in a global economic recovery, we have witnessed many large occupiers of space start planning for increasing head counts in 2010 and beyond," says Richard Kirke, Colliers International Hong Kong's managing director.

The luxury residential market saw the biggest and quickest rebound, with buyers favouring mid-tier units priced from HK\$20 million (RM8.8 million) to HK\$50 million. Demand for top-tier units priced at HK\$50 million or more was also strong and, with limited stock available in traditional luxury residential areas such as the Peak and the South Side, significant price increases were recorded. Luxury residential property prices rose some 9.6% q-o-q to HK\$14,200 psf as at end-August. Prices are currently only 5% below the peak just before the financial crisis in September 2008. "Some individual units have actually surpassed their previous highs," notes Ricky Poon, Colliers' executive director of residential sales. "We anticipate that the market will set new peaks again in the next 12 months."

Ascott Group secures seventh serviced apartment contract in Vietnam

The Ascott Group, CapitalLand's serviced apartment arm, secured a contract to manage a serviced residence property in Vietnam's third largest city, Hai Phong, which will be called Somerset Central TD Hai Phong. This will be Ascott's first serviced residence property in the coastal city and its seventh in Vietnam, bringing its total portfolio in the country to 1,182 units. The serviced apartment property is part of landmark TD Plaza, a mixed-use development with a five-storey shopping centre, an office block and two towers of residential apartments. — *Compiled by The Edge Singapore*

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