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## PRESS RELEASE

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# LAND & GENERAL: FULLY PAID-UP AND POISED FOR NEW CHAPTER OF GROWTH

*Assets freed, zero debt and healthy cash reserves*

Kuala Lumpur – Land & General Berhad (L&G) [Bursa Malaysia Stock Code: 3174] is now ready for a new chapter of growth with its full settlement of its RM657 million debt ahead of schedule. With the final payment of the outstanding Redeemable Convertible Secured Loan Stocks (RCSLS) of RM71.7 million on 30 June, 2009 the group is now debt-free. Following an Extraordinary General Meeting (EGM) today, the group has also eliminated all accumulated losses.

L&G's Managing Director, Low Gay Teck said, "We are ready for a new chapter of growth. With the completion of our debt repayments and zero gearing, we have healthy cash reserves that will provide sufficient working capital for the projects we have in the pipeline."

As part of its Composite Debt Restructuring Scheme, L&G previously undertook an Asset Disposal Program that saw the disposal of the group's non-core assets and resulted in its remaining ones being locked until full settlement of the company's RCSLS.

"With full settlement of our RCSLS, L&G's previously encumbered assets are now freed, allowing us to take advantage of their inherent value which will be pivotal in rebuilding the group's financial strength and competitive edge," said Low.

At today's EGM, L&G shareholders approved the reduction of the group's issued and paid-up share capital. Under the exercise, par value of L&G shares will be reduced to RM0.20 per share from its existing value of RM1.00. L&G's share premium of RM133.0 million (as of 31 March, 2009) will be decreased to RM14.6 million.

Low said, "The capital reduction will result in the cancellation of paid-up capital that no longer represents our group's available assets. The credit resulting from this and the share premium reduction will be sufficient for us to fully eliminate our accumulated losses which amount to RM597.0 million as of 31 March, 2009."

Moving forward, L&G is focusing on its three core businesses: property development, plantation and education.

In the property sector, L&G's efforts will centre on enhancing the value of Bandar Sri Damansara township, sourcing of new local and overseas land banks and exploring potential joint ventures and strategic alliances with land owners.

2 The group, primarily known for its award-winning development of the Bandar Sri Damansara township, recently announced the launch of 8trium – a landmark commercial development project combining office suites, retail and leisure facilities in the township.

"8trium will rejuvenate Bandar Sri Damansara and be part of our plans to spearhead the township's next phase of growth. The office and retail experiences today have changed – people want more aspects of their lifestyles under one roof and closer to home. 8trium will deliver that for the Bandar Sri Damansara township," said Low.

The group has also submitted a proposal for the development of high-end condominiums in Bandar Sri Damansara. "This new development will be the first of its kind in Malaysia. Only 50% of its 42-acre site will be developed, while the remaining half will be retained for eco-friendly recreational facilities. We believe this new project will add further value to the overall Bandar Sri Damansara township."

On the plantation front, the company is targeting to complete the planting of oil palm on the remaining half of its Ladang Sg. Jerneh estate within the next 3 years. Ladang Sg. Jerneh's total acreage stands at approximately 2500 acres, of which 50% is currently planted with oil palm and rubber trees.

In the education sector, the group's Sekolah Sri Bestari saw an increase in enrolments to 1000 students for the academic year beginning January 2009. Said Low, "Although this represents a modest increment from our enrolment of 943 the previous academic year, we feel it is a positive sign amidst today's challenging economic scenario and 20% increase in school fees." Last year, the group invested in improving the school's facilities and training programmes for its teachers. "We believe these factors played an important part in our ability to not only retain but grow our student enrolment in 2009, despite the current challenges. " For the coming financial year, the group will continue to expand the school's physical facilities and continue with its teacher training programmes as its main strategies for increasing student enrolment.

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## **ABOUT LAND & GENERAL BERHAD**

Land & General Berhad (L&G) was incorporated in 1964. The company has been listed on the Main Board of Bursa Malaysia since 1968.

Originally a saw-miller and timber trader, Land & General has expanded into property development since the mid 1980s. The company is now a holding company with subsidiaries engaged primarily in the property sector with investments in the plantation, education and leisure & hospitality sectors. In 2007, Malaysia Land Sdn Bhd (Mayland) became a new key stakeholder in Land & General.



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Land & General introduced their 1,200-acre freehold Bandar Sri Damansara township in Selangor two decades ago. Property owners at Bandar Sri Damansara have seen their acquisitions appreciate by as much as 200%. The company recently launched 8trium, a two 21-storey tower with premium office suites and retail space.

Past projects include Villa Putera, Villa Puteri, Taman Sg Besi, Plaza Putra, Lembah Beringin, Bandar Sg Buaya and joint development projects at Hidden Valley and Flinders Wharf in Melbourne, Australia.