



## **FOR IMMEDIATE RELEASE**

# **MMC CORPORATION BERHAD'S PATMI SOARS 89% FOR THE 9-MONTH FINANCIAL PERIOD OF 2016**

**KUALA LUMPUR, 23 Nov 2016** – MMC Corporation Berhad (“MMC Group”), a premier utilities and infrastructure Group today reported a continuous increase of its Profit After Tax and Minority Interests (PATMI) for the 9-month financial period ended 30 September 2016.

The Group recorded higher PATMI of RM282 million, an 89% increase from RM149 million (excluding the exceptional gains of RM1.34 billion from Malakoff's May 2015 listing) reported in the corresponding period of the preceding year. This improvement in profitability was mainly due to the consolidation of NCB Holdings and gain on disposal of land.

Revenue from continuing operations for MMC Group was RM2.8 billion compared to RM2.05 billion reported in the corresponding period of the preceding year. This represents a 35% increase and was mainly due higher contribution from both the Ports & Logistics and Engineering & Construction divisions.

### **Review of Key Operating Companies**

The Ports & Logistics division recorded an increase of revenue to RM2.01 billion, which is 48% higher compared to RM1.35 billion reported in the corresponding period of the preceding year, following the completion of NCB's acquisition in December 2015.

Correspondingly, the division also saw an increase of Profit Before Tax to RM353 million, 30% higher compared to RM271 million reported in the corresponding period of preceding year.

However, the Energy & Utilities division recorded Profit before tax of RM136 million compared to RM350 million in the corresponding period last year, reflecting the full impact of the deconsolidation of Malakoff's results.



The Engineering & Construction division on the other hand, recorded an increase of revenue to RM709 million, 9% higher compared to RM650 million reported in the corresponding period of the preceding year.

The increase was mainly attributed to higher work progression recorded from Rapid Pengerang Co-generation plant (RAPID COGEN) and Langat Centralised Sewerage Treatment project. This however, was partially offset by lesser activities performed for underground section works for KVMRT-SBK line as constructions are progressing towards completion, as scheduled.

The division saw an increase of 33% in Profit before tax to RM214 million from RM161 million reported in the corresponding period of the preceding year, primarily due to higher work progress recorded, absence of provision of litigation costs for SMART project and gain from disposal of land.

Under Investment Holding, Corporate & Others, the segment recorded revenue of RM60 million, an increase of 13% compared to RM54 million reported in the corresponding period of the preceding year, mainly due to an increase in airport passenger volume and higher land lease income. Correspondingly, the segment recorded lower Loss Before Tax of RM335 million compared to RM346 million reported in the corresponding period of the preceding year.

### **Moving Forward**

The Group remains positive of its prospects, driven by stable performances of its operating companies and contribution from on-going construction projects.

Ports & Logistics division is expected to register higher revenue on the back of improved performances at Northport and Johor Port contributed by higher container volume. MMC Ports on the other hand, aims to capture operational and cost synergies, which would further enhance the financial performance of the Ports & Logistics division.

The Energy & Utilities division will continue to account for positive contribution from its two associates namely Malakoff and Gas Malaysia.

Substantial existing order-book provides earnings visibility for the Engineering & Construction division anchored by the KVMRT-SSP Line underground work and Project Delivery Partner (PDP) role for elevated portion. Furthermore, the earnings contribution



will be further boosted by higher progress of the on-going projects namely Langat 2 Water Treatment Plant, Langat Centralised Sewerage Treatment Project and our involvement in the PDP role for the Pan Borneo Highway in Sabah.

“Our Ports & Logistics division are delivering solid growth and we are optimistic on the development of our core businesses supported by our Engineering & Construction division’s strong order book. Moving forward, we will remain prudent with our financial management and continue to reduce our operating expenses in order to maximise profitability and increase long-term value for our shareholders”, said Dato’ Sri Che Khalib Mohamad Noh, Group Managing Director of MMC Corporation Berhad.

###

### **About MMC Corporation Berhad**

MMC Corporation Berhad (MMC) is a leading utilities and infrastructure group with diversified businesses under three divisions, namely ports & logistics, energy & utilities and engineering & construction.

Its key businesses under the Ports and Logistics division include the operations of Port of Tanjung Pelepas Sdn Bhd (Malaysia's largest container terminal), Johor Port Berhad (Malaysia's leading multi-purpose port), Northport (Malaysia) Bhd and Kontena Nasional Berhad. Additionally, MMC extends its operations to Saudi Arabia via its associate stake in Red Sea Gateway Terminal Company Limited, a container port terminal within the Jeddah Islamic Port.

MMC owns and operates Senai International Airport, Johor Bahru, a major aviation hub and the main air transportation gateway to Iskandar Malaysia. Surrounding the airport is an area covering over 2,718 acres known as Senai Airport City which is being transformed into a major integrated industrial and commercial development.

Under the Energy & Utilities division, MMC is the single largest shareholder of both Malakoff Corporation Berhad (Malaysia's largest independent power producer), and Gas Malaysia Berhad (sole supplier of reticulated natural gas in Peninsular Malaysia to non-power sector). Within the utilities segment, MMC also wholly owns Aliran Ihsan Resources Berhad (a water treatment plant operator).

MMC's Engineering & Construction division has further established itself in the sector with a leading role as the Project Delivery Partner (PDP) and underground works package contractor for the 51km Klang Valley Mass Rapid Transit (KVMRT) project (Sungai Buloh-Kajang Line) and Line 2 project (Sungai Buloh-Serdang-Putrajaya Line). Prior to this, MMC has successfully completed the 329km Ipoh-Padang Besar Electrified



Double Tracking Project as well as the innovative Stormwater Management and Road Tunnel (SMART) motorway, the first-of-its-kind dual-purpose tunnel in the world.

MMC continues to make inroads in the construction industry, securing key civil and infrastructure projects in the country namely Langat Centralised Sewage Treatment Plant, Langat 2 Water Treatment Plant, civil and infrastructure works for RAPID Pengerang Cogeneration Plant. Additionally, MMC has a 20% effective interest in Borneo Highway PDP Sdn Bhd (BHP) which has been appointed as PDP for the Sabah Pan Borneo Highway Project.

### **Enquiries**

Please log on to [www.mmc.com.my](http://www.mmc.com.my) or call:

Azlina Ashar, Head of Group Corporate Communications, MMC Corporation Berhad

Tel: 019 6688 990 / +603 2071 1124, Fax: +603 2026 2431