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MMC REPORTS STRONG PERFORMANCE FOR 2004

MMC posted a profit before tax of RM459 million for 2004, an increase of 108% over the previous year, the Company announced today. All three core businesses turned in a strong performance, recording double-digit earnings growth. The last financial year's results were based on 11 months pursuant to a change in year-end from 31 January to 31 December.

• **Revenue** grew to a record RM1.4 billion, up 18% from previous year, driven by a 13% growth in the Transport & Logistics division and a 36% growth in the Energy & Utilities division. Revenue from the Engineering & Construction division remained relatively flat due to the softening in the construction sector.

Excluding the gain from the sale of Sime Darby shares of RM108 million:

• **Profit before tax** increased by 59% to RM350 million from RM220 million.

• **Net profit after tax and minority interests** increased by 57% to RM182 million.

• **Earnings per share (EPS)** increased by 57% to 16.2 sen.

• **Net Tangible Assets (NTA)** increased by 37% to 87.6 sen per share.

• **Shareholders' funds** stood at RM3.3 billion.

• The Board recommended a **dividend** of 6 sen per share, less 28% income tax.

Group Chief Executive DatoTM Ismail Shahudin said, "The Transport & Logistics division will be our growth platform in the long term. Pelabuhan Tanjung Pelepas (PTP) maintained its position as MalaysiaTM's largest container terminal with a new throughput record of over four million TEUs in 2004 and was recognised as the "Container Terminal of the Year 2004" at the Asia Logistics Award. PTP will continue to experience strong growth, driven by the current upturn in the world economy and the increase in world containerisation and trade."

"Malakoff continues to be our primary earnings driver, accounting for 47% of our earnings. MalakoffTM's expansion is well underway and the company will supply a quarter of the nationTM's installed capacity when the 2,100 MW Tanjung Bin power plant comes on stream in 2007. Gas Malaysia delivered sustained progress in 2004 recording a strong earnings growth. The company is aggressively laying pipelines to meet the increasing demand for natural gas."

"We are also upbeat about the prospects of our Engineering & Construction division, despite the softening of the construction sector, as we are planning to secure more jobs overseas. Locally, the progress of the Stormwater Management & Road Tunnel (SMART) project is on schedule and is now 43% completed. We will continue the momentum to build our order book based on these successes and through strategic partnerships."

"This strong performance," DatoTM Ismail said, "further strengthens our confidence in our outlook for continuing growth this year."

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MMC Corporation Berhad is a diversified group with interests in Transport & Logistics, Energy & Utilities, and Engineering & Construction. The group's key businesses include Pelabuhan Tanjung Pelepas Sdn Bhd (Malaysia's largest container terminal and the fastest growing transshipment hub in South East Asia), Malakoff Bhd (Malaysia's largest independent power producer) and Gas Malaysia Sdn Bhd (Malaysia's sole supplier of natural gas to the non-power sector). MMC is also involved in major engineering & construction projects, like the RM2 billion Stormwater Management and Road Tunnel (SMART) project, a flood mitigation project for the city of Kuala Lumpur. Through Tronoh Consolidated Malaysia Berhad, MMC has interests in IJM Corporation Berhad, one of Malaysia's premier construction companies, and Zelan Holdings (M) Sdn Bhd, a specialist design & build contractor for power plants. For more information, visit the company's web site at www.mmc.com.my.

Contact:

Azlan Shahrim

General Manager

Corporate Communications & Investor Relations

MMC Corporation Berhad

Phone: +603 2087 8615 ▪ Fax: +603 2094 3281 ▪ Email: azlan@mmc.com.my