

# MMC Corporation Berhad

Financial Results  
Ended 30 June 2018  
(1H2018)

August, 2018





➤ Group revenue recorded higher by 33%YoY mainly due to:

- Higher work progress from KVMRT-SSP Line;
- Higher volume handled at PTP; and
- Consolidation of PPSB's revenue.

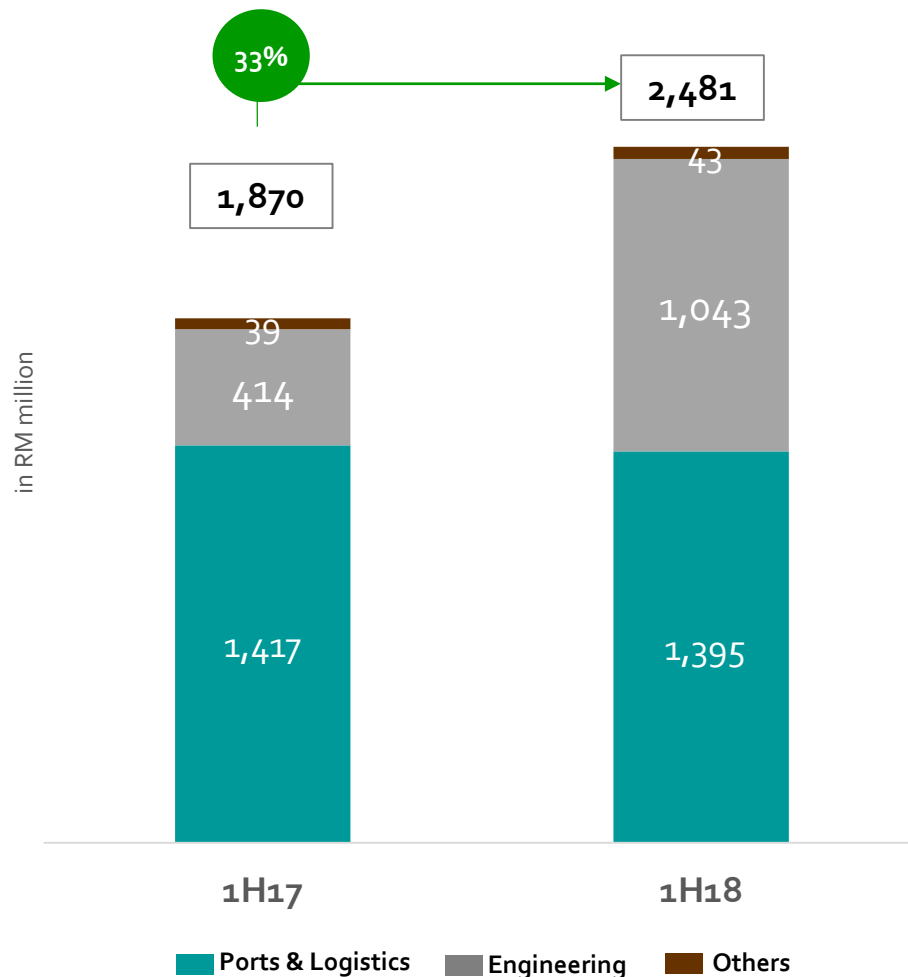
➤ Group's PBT recorded lower by 46%YoY due to:

- Lower contribution from RAPID Material Offloading Facilities (RAPID MOLF) operations at JPB;
- Lower container volume handled at NMB;
- Lower share of profit from Malakoff attributed to lower contribution from Segari Energy Venture's (SEV) plant, lower fuel margin recorded at coal plants and lower contribution from associates.

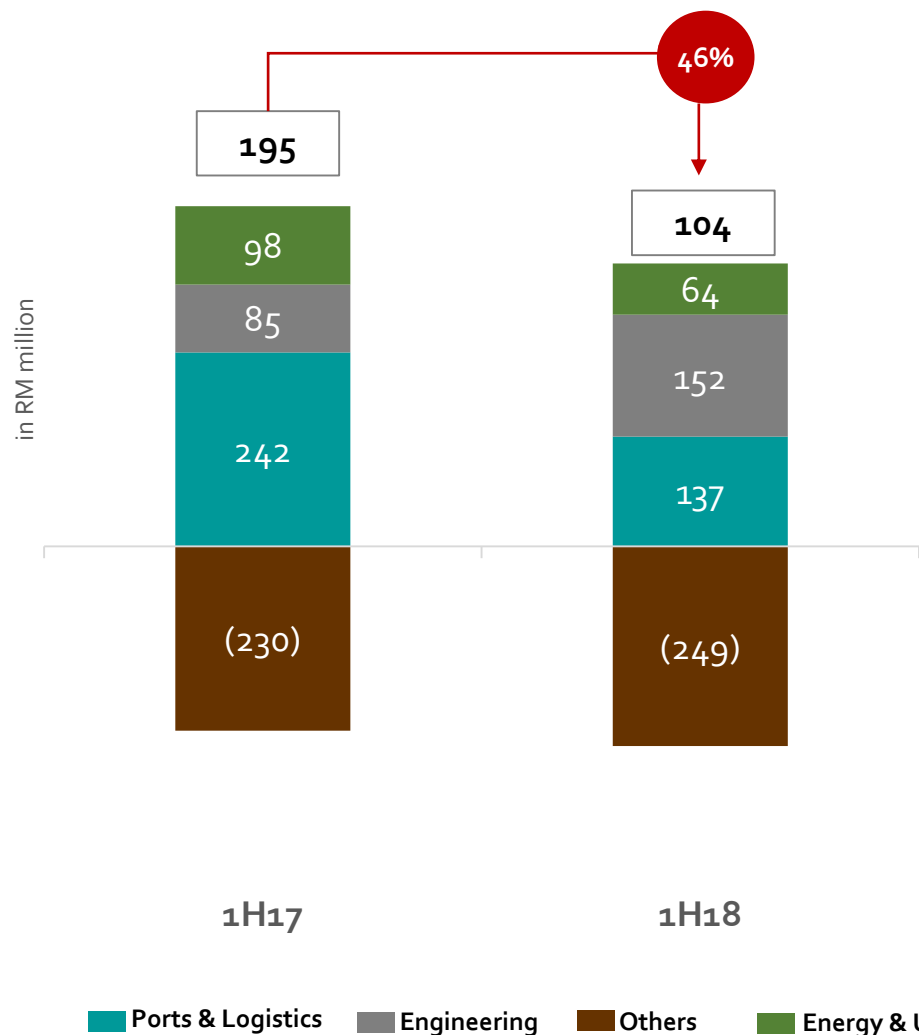
# MMC GROUP: CONSOLIDATED INCOME STATEMENT



in RM million	1H2018			Variance (YoY)	Highlights	2Q2018			Variance (QoQ)	Highlights
	1H2018	1H2017				2Q2018	1Q2018			
Revenue	2,481	1,870	33%	<ul style="list-style-type: none"> <li>- Higher work progress from KVMRT-SSP Line.</li> <li>- Higher volume handled at PTP.</li> <li>- Consolidation of PPSB's revenue.</li> </ul>	1,201	1,280	-6%	<ul style="list-style-type: none"> <li>- No remeasurement gain of investment in Zelan Berhad upon reclassification to investment securities.</li> </ul>		
Cost of Sales	(1,718)	(1,157)	49%		(812)	(906)	-10%			
<b>Gross Profit</b>	762	713	7%		389	373	4%			
Other operating income	77	67	14%		32	45	-29%			
Administrative expenses	(344)	(333)	3%	(175)	(169)	4%				
Other operating expenses	(227)	(175)	29%	(121)	(106)	14%				
Finance costs	(259)	(239)	8%	(130)	(129)	1%				
Share of results:										
associates	54	106	-49%	<ul style="list-style-type: none"> <li>• Lower contribution from RAPID MOLF operations at JPB.</li> <li>• Lower container volume handled at NMB.</li> <li>• Lower share of profit from Malakoff attributed to lower contribution from SEV's plant, lower fuel margin recorded at coal plants and lower contribution from associates.</li> </ul>	19	35	-45%			
joint ventures	41	56	-27%		26	15	74%			
Profit before zakat & tax	104	195	-46%		40	64	-38%			
Taxation & Zakat	(19)	(57)	-66%		(11)	(9)	23%			
Profit attributable to:										
<b>Owners of the Parent</b>	61	116	-47%		20	41	-51%			
Non-controlling interests	24	22	9%		9	14	-36%			
	85	138	-38%		29	56	-48%			
EPS (sen)	2.0	3.8	-47%		0.7	1.4	-50%			



- Ports & Logistics – Lower contribution from RAPID Material Offloading Facilities (“RAPID MOLF”) operations at JPB and lower container volume handled at NMB.
- Engineering – Higher work progress from KVMRT-SSP Line and Langat Sewerage Treatment Project.
- Others – Increase in passenger volume at Senai Airport.



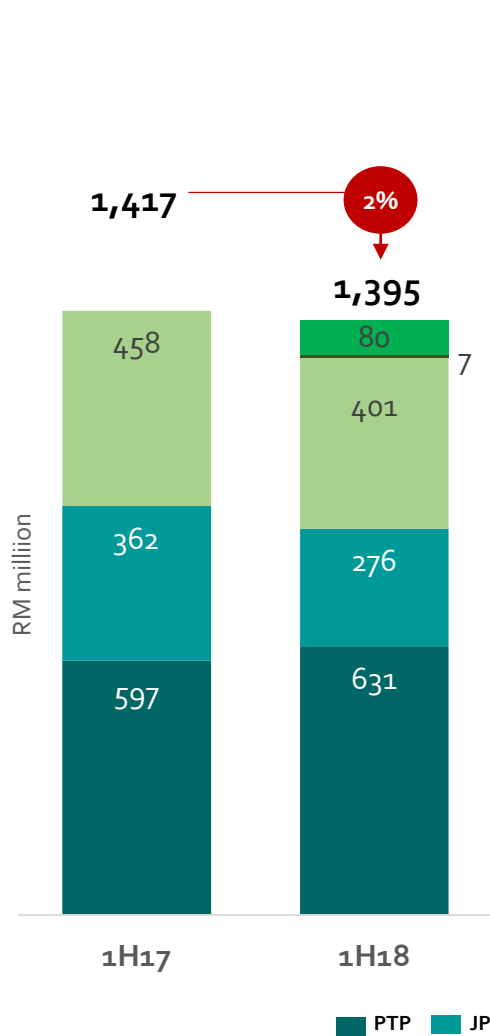
- Ports & Logistics – Lower contribution from RAPID MOLF operations at JPB and lower container volume handled at NMB.
- Engineering – Higher work progress from KVMRT-SSP Line.
- Energy & Utilities – Lower share of profit from Malakoff attributed to lower contribution from SEV’s plant, lower fuel margin recorded at coal plants and lower contribution from associates.
- Corporate & Others – Higher finance cost.

# QUARTERLY SEGMENTAL BREAKDOWN

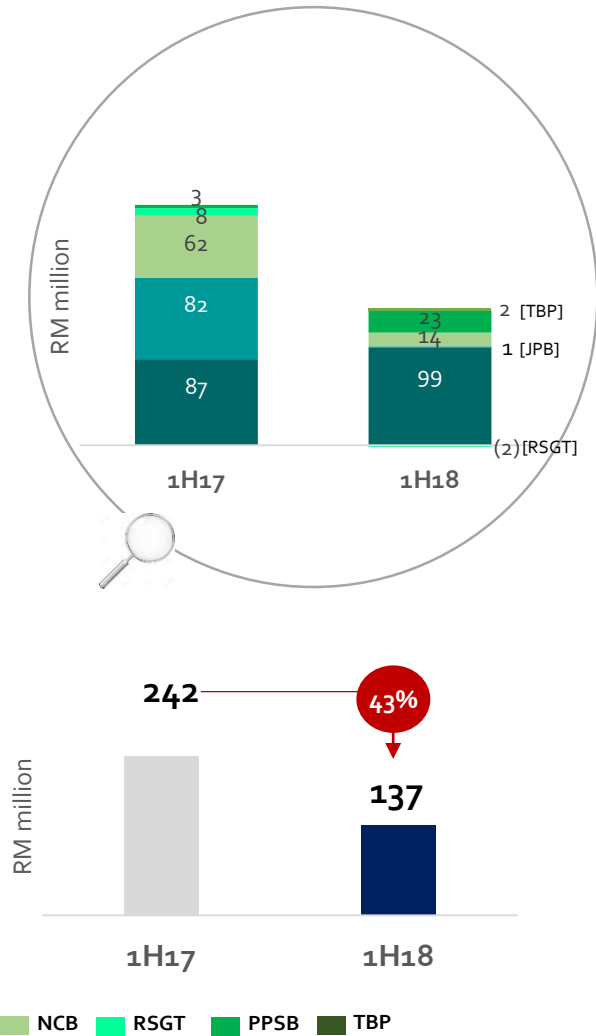


Quarterly Segmental breakdown	1H2018			Variance (YoY)	Highlights		2Q2018			Variance (QoQ)	Highlights	
	1H2018	1H2017	Variance (YoY)		2Q2018	1Q2018	Variance (QoQ)	2Q2018	1Q2018		Variance (QoQ)	
Revenue:												
Ports & Logistics	1,395	1,417	-2%	→	<ul style="list-style-type: none"> <li>• Lower contribution from RAPID MOLF operations at JPB.</li> <li>• Lower container volume handled at NMB.</li> </ul>	740	655	13%	→	<b>Consolidation of PPSB's results post additional 51% acquisition in May 2018.</b>		
Engineering	1,043	414	152%	→			439	604	-27%			
Corporate & Others	43	39	10%	→	Higher work progress from KVMRT-SSP Line.	22	21	5%				
<b>Total revenue</b>	<b>2,481</b>	<b>1,870</b>	<b>33%</b>			<b>1,201</b>	<b>1,280</b>	<b>-6%</b>				
Profit before Tax:												
Ports & Logistics	137	242	-43%			70	67	4%				
Energy & Utilities	64	98	-35%	→	Higher work progress from KVMRT-SSP Line.	26	38	-32%				
Engineering	152	85	79%	→		78	74	5%				
Corporate & Others	(249)	(230)	8%	→	Higher finance cost.	(134)	(115)	17%				
<b>Total PBT</b>	<b>104</b>	<b>195</b>	<b>-46%</b>			<b>40</b>	<b>64</b>	<b>-38%</b>				

## Revenue



## Pre-tax profit



## Operational Statistics

### Port of Tanjung Pelepas

Volume	1H18	Growth (YoY)
Container (mil. TEUs)	4.4	6%

### Johor Port Berhad

Throughput (in mil. FWT)	1H18	Growth (YoY)
Liquid bulk	7.1	12%
Dry bulk	2.1	-4%
Break bulk	0.5	32%
<b>Total Conventional</b>	<b>9.7</b>	<b>8%</b>
Container (in mil. TEUs)	0.5	8%

### Northport (M) Bhd

Throughput (in mil. FWT)	1H18	Growth (YoY)
Liquid bulk	1.2	14%
Dry bulk	1.4	6%
Break bulk	1.2	-1%
RORO	0.3	-6%
<b>Total Conventional</b>	<b>4.1</b>	<b>5%</b>
Container (in mil. TEUs)	1.4	-13%

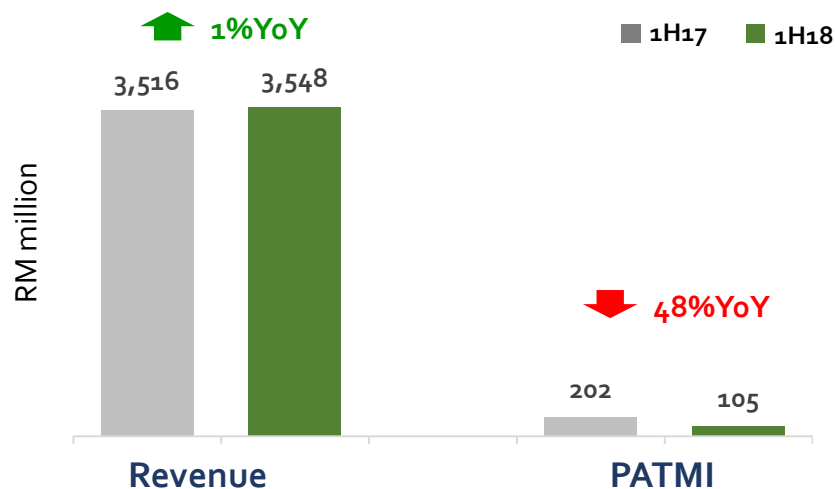
### Penang Port Sdn Bhd

Throughput (in mil. FWT)	1H18	Growth (YoY)
Liquid	2.1	1%
Dry bulk	2.4	7%
Break bulk	0.8	30%
<b>Total Conventional</b>	<b>5.4</b>	<b>7%</b>
Container (in mil. TEU)	0.7	2%

### Tanjung Bruas Port

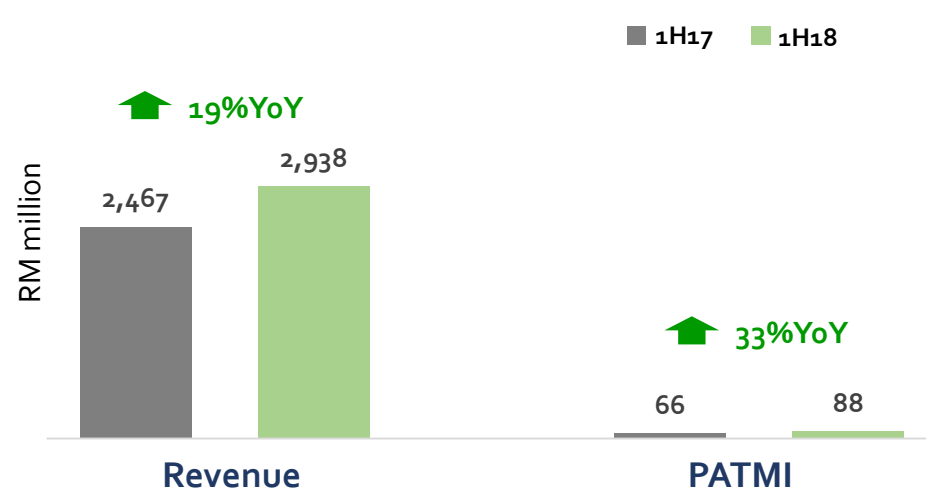
Volume ('000 FWT)	1H18	Growth (YoY)
<b>Total Conventional</b>	<b>329</b>	<b>-31%</b>

## MALAKOFF Company Level



- Slightly higher revenue recorded due to higher energy payment recorded from SEV following the increase in tariff of natural gas price under the extended PPA as well as from TBP and TBE on the back of higher applicable coal price.
- Lower profit mainly due to lower capacity payment recorded by SEV following the reduction in tariff under the extended PPA, lower fuel margin recorded at TBP and TBE coal plants and lower contributions from associates investments.

## GAS MALAYSIA Company Level

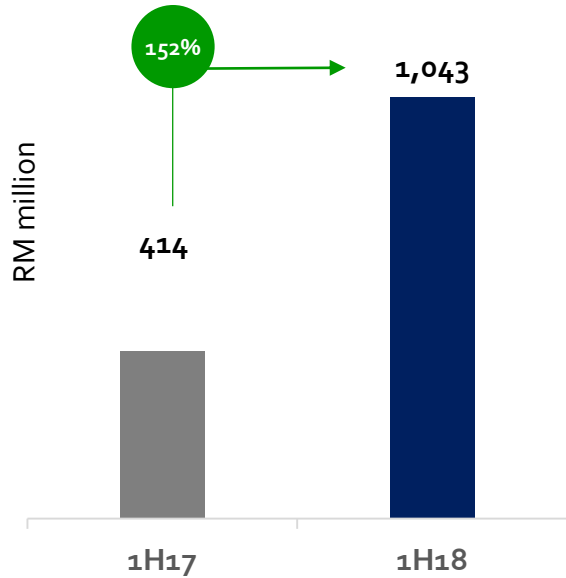


- Mainly due to higher natural gas tariff and higher volume of gas sold.



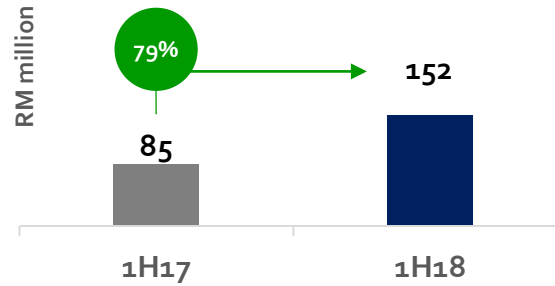
## Revenue

Higher work progress from KVMRT-SSP Line and Langkat Sewerage Treatment Project.



## Pre-tax profit

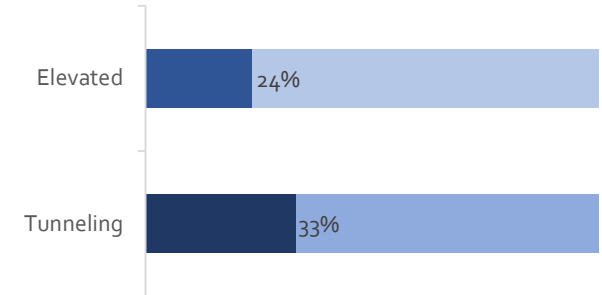
Higher work progress from KVMRT-SSP Line.



## KVMRT Project Progress



## Sungai Buloh – Serdang – Putrajaya Line (SSP)



\*As of June 2018

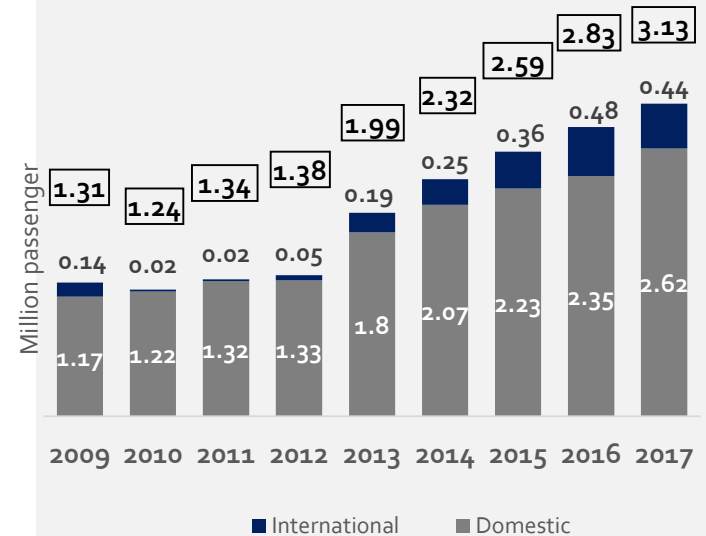


## Operational Statistics

### Senai Airport Terminal

Operational Data	1H18	Growth (YoY)
Passengers Traffic ('000)		
Domestic	1,360	5%
International	315	24%
<b>Total</b>	<b>1,675</b>	<b>8%</b>
Cargo (tonnage)	4,785	40%

### Passengers handled (2009 – 2017)





### Ports & Logistics

- Improve operational performance due to operational and cost synergies as well as to achieve improvements in efficiency and productivity across the division.
- Completion of acquisition of the balance 51% interest in Penang Port Sdn Bhd is expected to contribute positively to the Group's earnings.



### Energy & Utilities

- Positive contribution from its two associates.
- Continuous strategic initiatives from Malakoff to secure growth opportunities in the power sector as well as to broaden its earnings base in complementary business sectors for the future.
- Higher gas volume sales at Gas Malaysia.



### Engineering

- Substantial existing order-book anchored by KVMRT-SSP Line underground work and PDP role
- Other on-going project:
  - a. Langat 2 Water Treatment Plant
  - b. Langat Centralized Sewerage Project
  - c. PDP role for Pan Borneo Sabah Highway

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# Thank You



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