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MMC CORPORATION BERHAD REVENUE JUMPS TO RM1.06 BILLION FOR Q3 2017

KUALA LUMPUR, 22 Nov 2017 – MMC Corporation Berhad (MMC or the Group), a premier utilities and infrastructure group recorded an 18.8% increase in revenue to RM1.06 billion compared to RM889 million reported in the corresponding period of the preceding year.

For the 9-month cumulative period ended 30 September 2017, the Group's revenue stood at RM2.93 billion, a 5.4% increase from RM2.78 billion reported in the corresponding period of the preceding year, due to higher work progress from KVMRT-SSP Line and Langat Sewerage Treatment project, supported by higher contribution from Pelabuhan Tanjung Pelepas Sdn Bhd (PTP) and Johor Port Berhad (JPB).

The Group however recorded 9-month Profit before zakat and taxation (PBZT) of RM267 million compared to RM368 million reported in the corresponding period of the preceding year due to one-off provision for impairment of RM98 million on SMART, substantial completion of KVMRT-SBK Line in 2016 and absence of gain on land disposal.

Review of Key Operating Companies

The Ports & Logistics division recorded a 6.8% increase in 9-month revenue to RM2.14 billion from RM2.01 billion reported in the corresponding period of the preceding year, due to higher contribution in PTP and RAPID Material Offloading Facilities operations at JPB.

The division recorded an increase of PBZT to RM369 million compared to RM353 million reported in the corresponding period of the preceding year.

The Engineering & Construction division recorded an increase in revenue to RM720 million from RM709 million reported in the corresponding period of the preceding year due to higher progress from KVMRT-SSP Line and Langat Sewerage Treatment project.



The division recorded PBZT of RM92 million compared to RM214 million reported in the corresponding period of the preceding year.

In other businesses, the segment recorded an increase in revenue to RM62 million compared to RM60 million reported in the corresponding period of the preceding year due to upward revision of water bulk sales rate from Aliran Ihsan Resources Bhd and an increase in airport passenger volume at Senai Airport.

Moving Forward

MMC is optimistic of its prospects and will continue to build on its momentum driven by stable performances of its operating companies as well as contribution from on-going construction projects.

Ports & Logistics division is expected to register higher revenue across all the ports. The completion of 49% acquisition in Penang Port Sdn Bhd (PPSB) and the on-going proposed acquisition of the remaining 51% equity interest is expected to contribute positively to the Group's future earnings as it allows full consolidation of PPSB as a wholly-owned subsidiary. The acquisition allows the Group to establish a strong foothold in the Northern region of Peninsular Malaysia and complement the Group's strategic presence throughout the Straits of Malacca.

Operational and cost synergies driven by MMC, would further enhance the financial performance of its Ports & Logistics division.

The Group's associated companies, Malakoff Corporation Berhad and Gas Malaysia Berhad will continue to contribute positively to the Energy & Utilities division.

Substantial existing order-book provides earnings visibility for the Engineering & Construction division anchored by the KVMRT-SSP Line underground work and Project Delivery Partner role for the elevated portion. Earnings contribution from Engineering & Construction division will be sustained by on-going projects namely Langat 2 Water Treatment Plant, Langat Centralised Sewerage Treatment Project and our involvement in the PDP role for Pan Borneo Highway Sabah project.



Photo caption: MMC's Ports & Logistics division recorded a 6.8% increase in revenue to RM2.14 billion due to higher contribution in PTP and RAPID Material Offloading Facilities operations at JPB.

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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, Johor Port Berhad, Northport (Malaysia) Bhd, Penang Port Sdn Bhd and Kontena Nasional Berhad. Internationally, MMC has an associate stake in Red Sea Gateway Terminal Company Limited, a container port terminal within the Jeddah Islamic Port, Saudi Arabia.

Under the Energy & Utilities division, MMC is the single largest shareholder of both Malakoff Corporation Berhad and Gas Malaysia Berhad.

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 Sewerage 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.

In other businesses, MMC owns Aliran Ihsan Resources Berhad, a water treatment plant operator and Senai Airport Terminal Services Sdn Bhd, the operator of Senai International Airport in Johor Bahru; a major aviation hub and the main air transportation gateway to Iskandar Malaysia. Additionally, MMC's Group Property arm manages close to 6,000 acres of industrial developments in Iskandar Malaysia, Johor and Kulim, Kedah, namely Senai Airport City, Tanjung Bin Petrochemical & Maritime Industrial Centre (TBPMIC) and Northern Technocity in Kulim. The Senai Airport City, TBPMIC and NTC (NTC) developments come under the ambit of Group Property's three operating companies – Senai Airport City Sdn Bhd, Seaport Worldwide Sdn Bhd and Northern Technocity Sdn Bhd respectively

Enquiries

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