



FOR IMMEDIATE RELEASE

MMC POISED FOR ANOTHER YEAR OF GROWTH

MMC Corporation Berhad (MMC) today said that it is optimistic of achieving another year of profit growth in 2011. MMC's earnings performance saw significant increase in 2010 as its strategy of owning a diverse portfolio of assets has resulted in improved operational and financial performance.

For the financial year ended 31 December 2010, MMC posted profit after tax and minority interest (PATMI) of RM344.94 million compared to RM233.62 million a year ago. The higher PATMI was attributed to the higher profits achieved by its key subsidiaries, namely Malakoff, and Gas Malaysia, which benefited from the overall improvement of the Malaysian economy that grew 7.2% in 2010. MMC revenue also rose by 5% to RM8.86 billion in 2010 from RM8.44 billion in 2009. The Energy & Utilities division continued to be the largest revenue contributor at 83% of the total Group revenue. In addition, MMC's port business improved significantly in 2010, signaling healthy port activity and positive growth. MMC's two ports, Port of Tanjung Pelepas (PTP) and Johor Port, which controlled an estimated 40% of the container market in 2010, saw an annual increase in combined revenue of 8% to RM1.3 billion for 2010.

At a press conference following the company's 35th Annual General Meeting (AGM), MMC's Group Managing Director, Datuk Hj Hasni Harun said, "We are confident that the Group is well positioned to continue to register healthy profit growth for the rest of the year, in view of the improved business condition. Our prospects will be underpinned by our Project Delivery Partner role in the Klang Valley MRT project, possible power plant extension at Tanjung Bin and organic growth in our existing core businesses."

Earlier this year, MMC, via MMC-Gamuda JV, was appointed as a Project Delivery Partner for the Klang Valley MRT project, which will be the country's largest infrastructure project announced so far. This appointment underscores MMC's proven track record in the Engineering & Construction sector, which includes the SMART Tunnel and Electrified Double Track Project (EDTP). The 329 km Ipoh-Padang Besar EDTP costing RM12.5 billion is 60% completed as at March 2011 and is due for completion in 2014.

The landmark MRT project is a crucial component of the Greater Kuala Lumpur National Key Economic Area, estimated to create 130,000 employment opportunities and generate RM3-4 billion annually, in terms of gross national income (GNI). This project will also significantly improve the coverage of rail-based public transport in Klang Valley and enable 50% of all trips in Klang Valley to be done on public transport by 2020, up from the current 17%. The first MRT line, which is scheduled to be completed in six years time, will span 51 km with 35 stations and will be integrated with the KTM Komuter, Kelana Jaya LRT line and Ampang LRT line. The targeted ground break for this project is in July 2011.

MMC also remains committed to deliver value to shareholders through strategic efforts that position the company as the premier utilities and infrastructure group. One of them is via its subsidiary, Malakoff, to secure a bid for the extension of the 1,000 MW coal-fired generation capacity in Tanjung Bin, Johor. Given its proven track record of running the country's largest coal-fired power plant of 2,100 MW, Malakoff has an edge in offering a competitive tariff.

In addition, the better business condition in 1Q2011 has resulted in improvement in the performance of several key subsidiaries of MMC, namely Malakoff, Gas Malaysia, PTP and Johor Port. Volume handled by PTP in the first quarter of 2011 increased by a robust 18% year-on-year to 1.8 million twenty foot equivalent units (TEU), while Johor Port registered a steady rate of growth as compared to 2010.

At the AGM, MMC's shareholders have approved a final dividend of 3.5 sen per share for the financial year ended 31 December 2010 under the single-tier system. This final dividend, which is 17% higher than 3.0 sen paid for the financial year 2009, will be paid out to shareholders on 15 June 2011.

Commenting on MMC's prospects going forward, Hasni said, "MMC strives to be a partner in nation-building, by harnessing greater strength in our core competencies and producing consistently higher performance for all our stakeholders. The Group's diverse portfolio of assets offers great opportunities for growth and is strategically positioned to provide long-term sustainable returns to shareholders."

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About MMC Corporation Berhad

MMC Corporation Berhad (MMC) is a premier utilities and infrastructure group with interests in Transport & Logistics, Energy & Utilities and Engineering & Construction. MMC's key businesses include the Port of Tanjung Pelepas (Malaysia's largest container terminal), Johor Port (Malaysia's leading multi-purpose port) and Senai International Airport (the main gateway to Iskandar Malaysia) in the Transport & Logistics area. In Energy & Utilities, MMC owns strategic assets in Malakoff (Malaysia's largest independent power producer), Gas Malaysia (Malaysia's sole supplier of natural gas to the non-power sector) and Aliran Ihsan Resources Berhad (a major water concessionaire in Malaysia).

MMC's track record in engineering & construction projects is unprecedented, as demonstrated in the development of innovative projects such as the SMART Motorway. MMC, via MMC-Gamuda JV, is currently undertaking the electrified double track railway project in the Northern part of Malaysia, spanning 329km. MMC-Gamuda KVMRT (PDP) Sdn Bhd is also the Project Delivery Partner for the Mass Rapid Transit (MRT) project, the country's largest infrastructure project to date. MMC's involvement in the MRT project is in line with the New Economic Model's strategic reform initiative to re-energise the private sector as one engine of economic growth.

On the international front, MMC is focusing on the utilities and logistics sectors, particularly in the Middle East. MMC has a 20% equity stake in Red Sea Gateway Terminal which operates a container terminal at Jeddah Port. MMC also has equity stakes in the 900 MW and 1,030,000 m³/day Shuaibah independent water and power plant project in Saudi Arabia, a 200,000 m³/day water desalination plant in Algeria and the Central Electricity Generation Company in Jordan.