



MMC Group

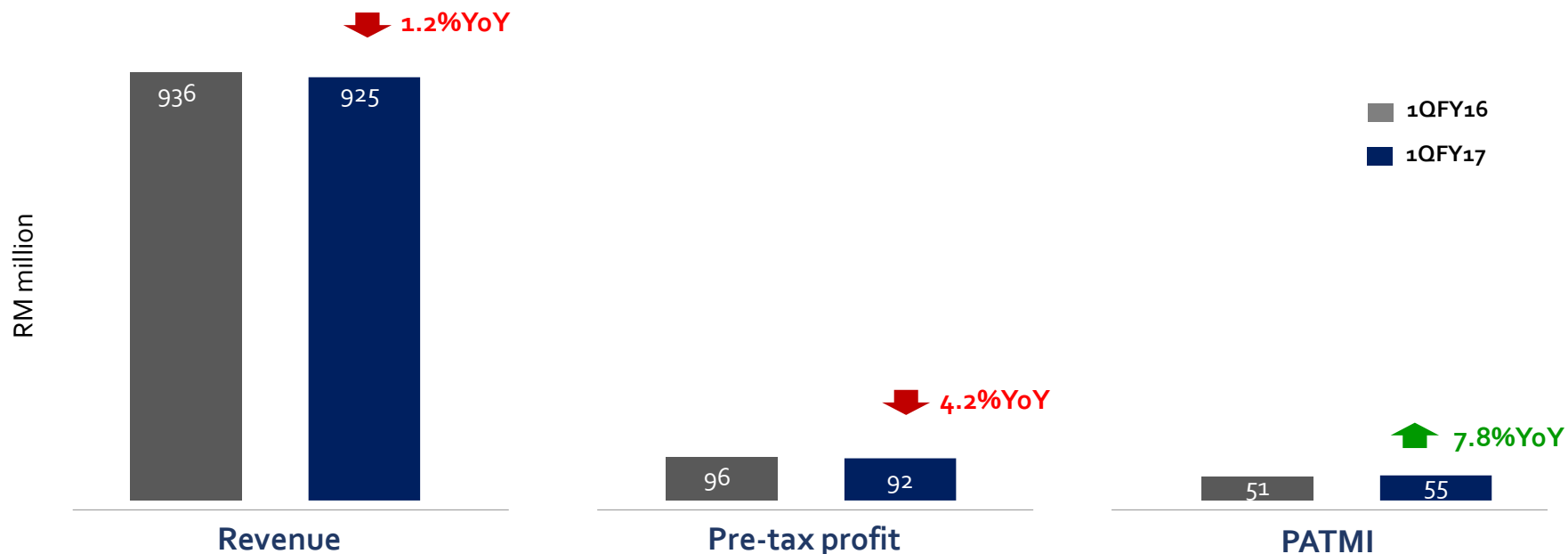
Quarterly Financial Results Ended 31 March 2017 (1Q2017)



Premier Utilities & Infrastructure Group

ports & logistics • energy & utilities • engineering & construction

May 2017

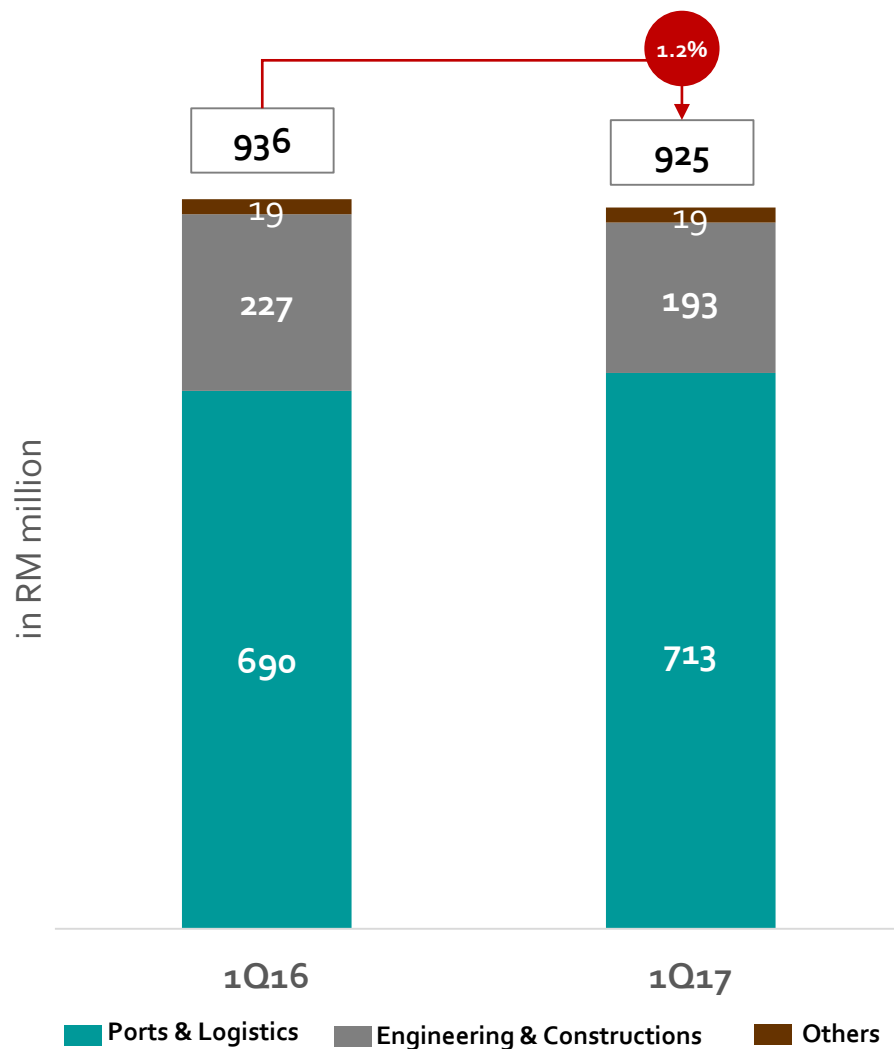


- Group revenue dropped 1.2%YoY mainly due to:
 - Substantial completion of KVMRT-SBK Line in 2016 coupled with;
 - Lower throughput volume at Pelabuhan Tanjung Pelepas ("PTP") attributed to change in network strategies of certain customers.
- In-line with lower revenue recorded, Group's PBT decreased by 4.2%YoY mitigated by:
 - Absence of Zelan Berhad's effects on discounted receivables and unrealized loss on foreign exchange;
 - Contribution from KVMRT-SSP Line; and
 - Better performance from Malakoff due to higher fuel margin.

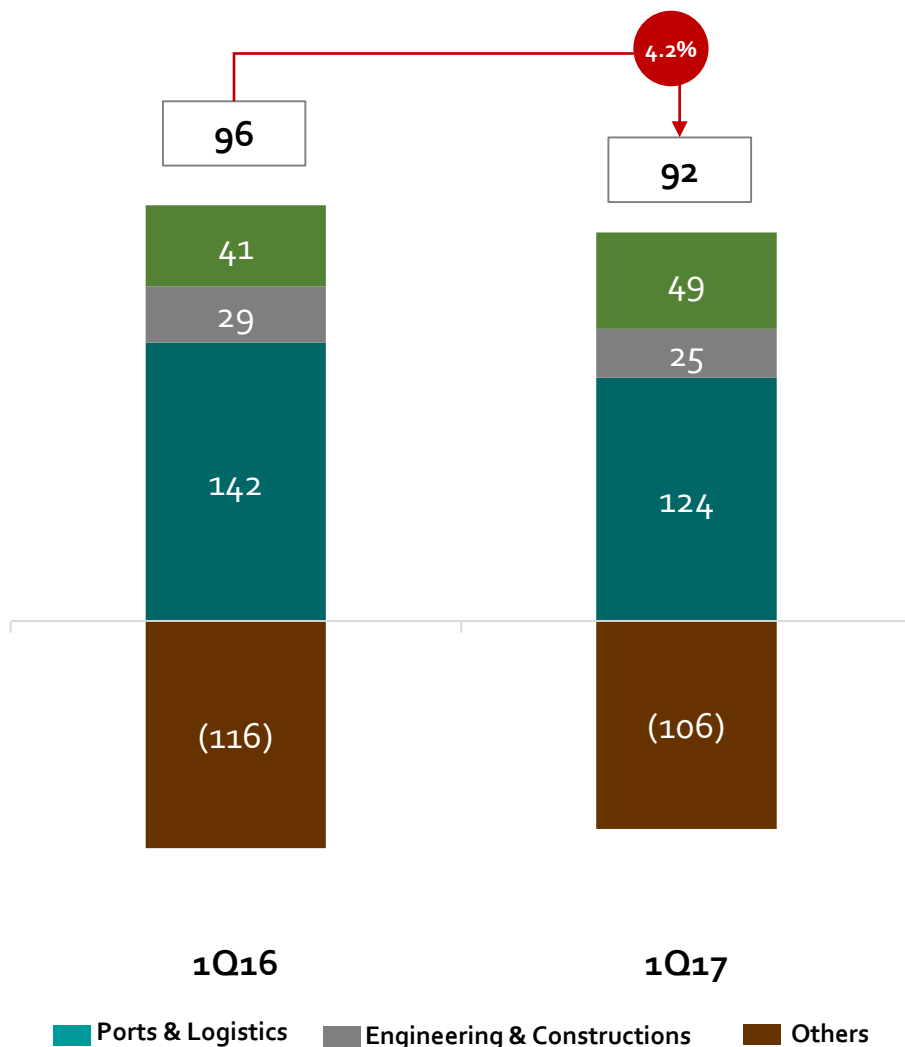
MMC GROUP: CONSOLIDATED INCOME STATEMENT



in RM million	1Q17	1Q16	Variance (YoY)	Highlights	4Q16	Variance (QoQ)	Highlights
Revenue	925.2	936.2	-1%		1,852.1	-50%	Higher revenue in 4Q16 mainly due to:
Cost of Sales	(566.2)	(557.0)	2%		(1,207.2)	-53%	<ul style="list-style-type: none"> Contribution from KVMRT-SBK Line as the project is at its tail-end; Higher work progress of Langat Sewerage Plant; and Recognition of land sale at SAC.
Gross Profit	359.0	379.3	-5%		644.9	-44%	
Other operating income	41.5	24.2	71%		22.5	84%	
Administrative expenses	(163.3)	(171.8)	5%		(178.2)	-8%	
Other operating expenses	(92.2)	(73.4)	26%		(114.1)	-27%	
Finance costs	(121.0)	(117.3)	3%		(121.5)	-19%	
Share of results:							
associates	57.3	30.6	87%	Higher contribution from Malakoff & Gas Malaysia.	37.1	55%	Higher losses from Zelan due to effects of discounted receivables and provision of defect works concerning Meena Plaza Project.
joint ventures	11.1	23.9	-54%	Substantial completion of KVMRT-SBK Line .	14.3	-22%	
Profit before zakat & tax	92.4	95.5	-3%		305.0	-70%	
Taxation & Zakat	(26.9)	(29.1)	-8%		(19.5)	38%	
Profit attributable to:							
Owners of the Parent	55.1	51.3	7%		267.4	-79%	
Non-controlling interests	10.4	15.1	-31%		18.0	-43%	
	65.5	66.5	-1%		285.4	-77%	
EPS (sen)	1.8	1.7	6%		8.8	-79%	



- Ports & Logistics – Higher revenue mainly due to handling activities from RAPID MOLF at Johor Port, partially offset by lower throughput volume at PTP.
- Engineering & Construction – Lower revenue mainly due to substantial completion of KVMRT-SBK Line, compensated by progress from KVMRT-SSP Line.



- Ports & Logistics – Lower PBT due to lower throughput volume at PTP and higher operational cost mainly due to increase in average diesel price per litre.
- Engineering & Construction – PBT dropped primarily due to substantial completion of KVMRT-SBK Line tunneling works and lower fees recognized for PDP portion.
- Corporate & Others – Lower loss due to higher fair value gain on Zelan warrants following higher price recorded.

QUARTERLY SEGMENTAL BREAKDOWN



In RM million	1Q17	1Q16	Variance (YoY)	Highlights	4Q16	Variance (QoQ)	Highlights
Revenue:							
Ports & Logistics	713	690	3%		729	-2%	Higher revenue in 4Q16 mainly due to: <ul style="list-style-type: none"> ▪ Contribution from KVMRT-SBK Line tunnelling works as the project is at its tail-end; and ▪ Higher work progress of Langat Sewerage Plant.
Engineering & Constructions	193	227	-15%	Substantial completion of KVMRT-SBK Line.	803	-76%	
Corporate & Others	19	19	0%		320	-94%	
Total revenue	925	936	-1%		1,852	-50%	<ul style="list-style-type: none"> ▪ Recognition of land sale at SAC.
Profit before Tax:							
Ports & Logistics	124	142	-13%	Lower contribution from PTP due to lower throughput and higher OPEX.	104	19%	<ul style="list-style-type: none"> ▪ Higher PBT in 4Q16 in-line with higher revenue as well as higher PDP fees from KVMRT-SBK Line.
Energy & Utilities	49	41	20%		49	0%	
Engineering & Constructions	25	29	-14%	Higher contribution from Malakoff & Gas Malaysia.	135	-81%	<ul style="list-style-type: none"> ▪ Gain on sale of SAC land.
Corporate & Others	(106)	(116)	-9%		17	NA	
Total PBT	92	96	-4%		305	-70%	

Revenue

Pre-tax profit

Operational Statistics

Port of Tanjung Pelepas

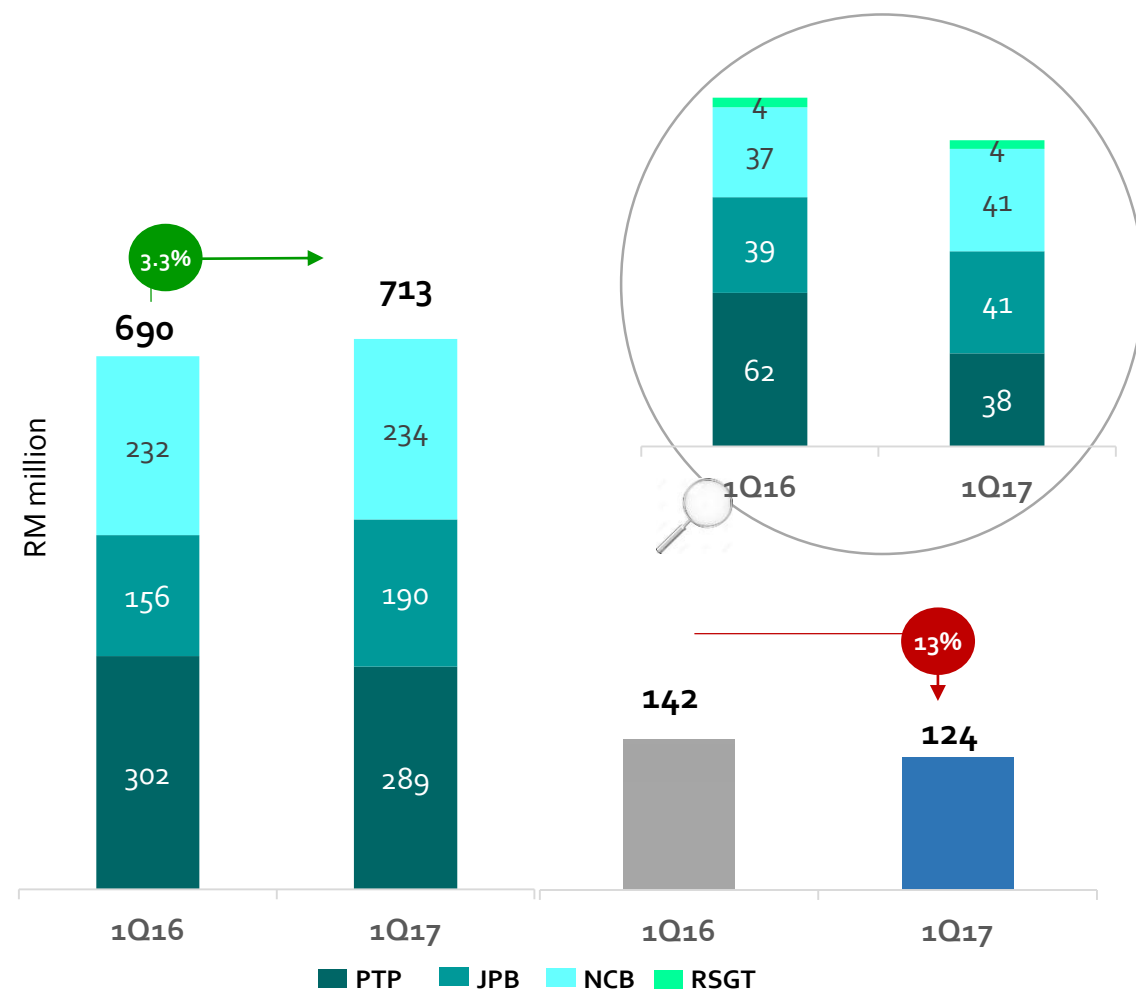
Volume	1Q17	Growth (YoY)
Container (mil. TEUs)	2.03	-7.51%

Johor Port Berhad

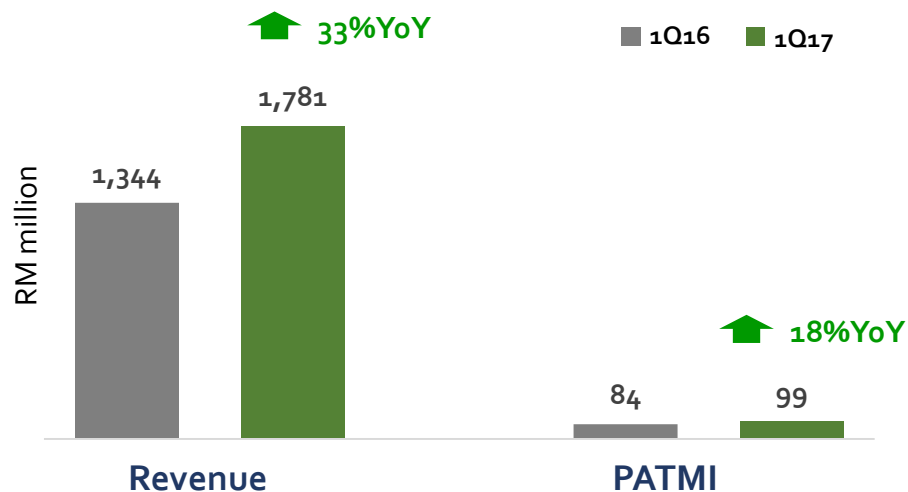
Conventional Cargo (in mil. FWT)	1Q17	Growth (YoY)
Liquid bulk	3.07	2.68%
Dry bulk	1.04	-21.21%
Break bulk	0.17	-39.29%
Total Conventional	4.28	-6.75%
Container (in '000 TEUs)	204.44	3.69%

Northport (M) Bhd

Throughput (in mil. FWT)	1Q17	Growth (YoY)
Liquid bulk	0.52	-6.68%
Dry bulk	0.55	-7.23%
Break bulk	0.60	-5.06%
RORO	0.16	-8.00%
Total Conventional	1.83	-6.21%
Container (in mil. TEUs)	0.79	0.05%



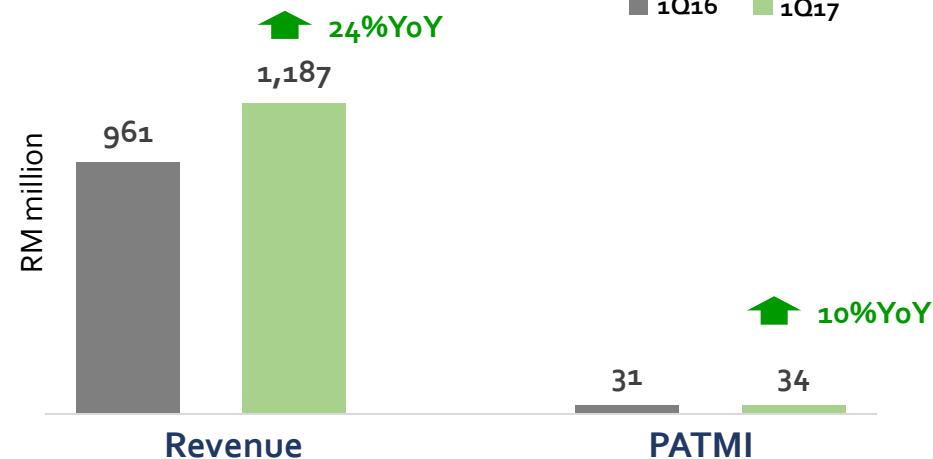
MALAKOFF Company Level



- Higher revenue mainly due to contribution from Tanjung Bin Energy as compared to only 10 days of contribution in 1Q16.
- Higher profit mainly due to higher fuel margin and higher contribution from associates.
- However, these were offset by additional depreciation due to the change in estimate of residual values of gas-fired power plants and higher maintenance costs.



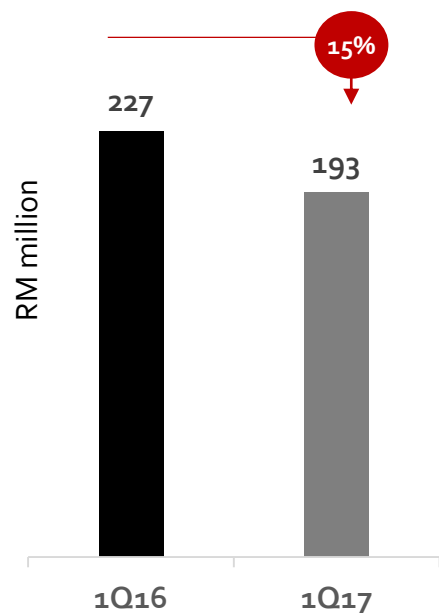
Company Level



- Higher revenue mainly due to higher volume of gas sold and the upward revision of natural gas tariff.
- Additionally, higher profitability attributable to higher gross profit in line with the increase in volume of gas sold coupled with lower administrative expenses.

Revenue

Lower revenue mainly due to substantial completion of KVMRT-SBK Line.

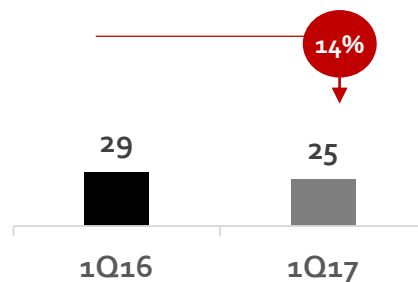


Pre-tax profit

- PBT dropped primarily due to substantial completion of KVMRT-SBK Line tunneling works and lower fees recognized for PDP portion.

Partially offset by:

- Absence of Zelan Berhad's effects on discounted receivables and unrealized loss on FOREX concerning Meena Plaza project.
- Progress from KVMRT-SSP Line.



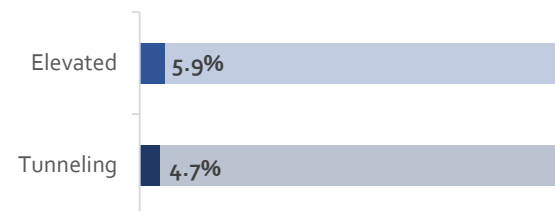
KVMRT Project Progress



1 Sungai Buloh – Kajang Line (SBK)



2 Sungai Buloh – Sedang – Putrajaya Line (SSP)



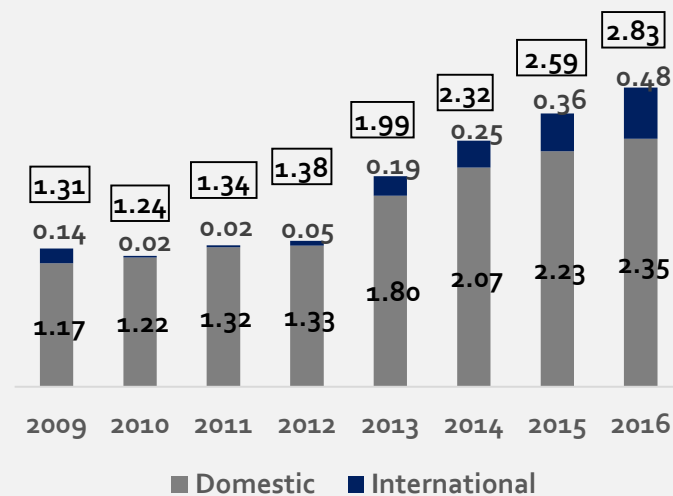


Operational Statistics

Senai Airport Terminal

Operational Data	1Q17	Growth (YoY)
Passengers Traffic ('000)		
Domestic	634.2	10.3%
International	132.3	30.2%
Total	766.5	13.3%
Cargo (tonnage)	1,668	26.4%

Passengers handled (2009 – 2016)



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



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 49% acquisition in Penang Port Sdn Bhd and the proposed 51% acquisition is expected to contribute positively to the Group's future 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 & Construction

- 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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Group Strategy | Investor Relations
MMC Corporation Berhad
+603 2071 1122
investor@mmc.com.my