

Port operations lift MMC's first quarter earnings

KUALA LUMPUR: A jump in contribution from its port operations boosted MMC Corp Bhd's earnings in the first quarter.

Net profit in the three-month ended March 31 rose 29.4% to RM53.5mil compared with RM41.3mil made a year ago.

Revenue slipped 10.7% to RM1.28bil mainly due to lower contribution from its construction and engineering businesses.

The company said in a filing with Bursa Malaysia today that its performance affected by the contract revision of the MRT-SSP line project in November, as well lower progress from Langat sewerage project.

"These were moderated by consolidation of Penang Port Sdn Bhd (PPSB) revenue and higher volume handled at Pelabuhan Tanjung Pelepas (PTP)," it said.

The group's port operations generated a revenue of RM780.4mil, or an increase of 19.2% compared with RM654.5mil reported in the corresponding quarter last year.

Profit before zakat and taxation jumped by RM36.9mil to RM103.9mil due to higher contribution from Johor Port Bhd and Northport Malaysia Bhd, as well as full consolidation of PPSB's result.

"Ports and logistics division is expected to record positive volume growth across all the ports," it said.

Meanwhile, the group expects substantial existing order-book to provide earnings visibility for the engineering division anchored by the KVMRT-SSP line underground and elevated work, as well as by on-going projects including Langat 2 water treatment plant and Langat centralized sewerage treatment project.

"The energy & utilities division is expected to contribute positively from the group's associated companies, namely Malakoff and Gas Malaysia," it said.