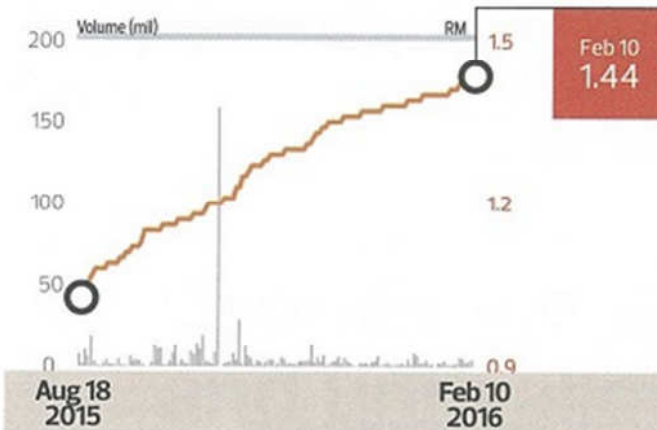


Sunway Construction Group Bhd

Target price: **RM1.65 BUY**



MAYBANK INVESTMENT RESEARCH (FEB 11): Sunway Construction Group (SCG) secured sizeable job wins of RM2.6 billion in 2015. With its track record, SCG's job win momentum should persist into 2016. Leveraging its experience in KVMRT 1, KVLRT 2 and Sunway BRT, it could clinch contracts from KVMRT 2, KVLRT 3 and KL-Klang BRT. SCG is also pre-qualified for construction of major highways, including the Pan Borneo Highway (Sarawak), DASH and SUKE. In addition, it is eyeing design-build building projects, foundation jobs and Sunway Group's property developments. The total potential job wins in 2016 could be worth up to RM5.6 billion.

SCG's newly appointed managing director, Chung Soo Kiong — since Nov 1, 2015 — was selected from a group of capable leaders in SCG who have been trained in different areas of the business. The group's far-sighted succession planning will ensure a smooth transition and that it upholds its superior execution ability.

We raise our FY16 and FY17 EPS estimates by 7% and 10% after being updated on the estimated RM3.7 billion outstanding order book as at end-2015. Our FY15 EPS remains unchanged.