

## Sunway Construction Group posts 9% uptick in 4Q earnings

BY SAMANTHA HO

KUALA LUMPUR: Sunway Construction Group Bhd (SunCon) posted a 9.23% uptick in net profit to RM32.05 million for the fourth quarter ended Dec 31, 2016 (4QFY16), from RM29.35 million a year earlier.

SunCon said revenue rose 17.62% to RM553.15 million, from RM470.28 million in 4QFY15, as its construction and precast segments reported higher sales of RM466.5 million and RM86.6 million respectively.

For the construction segment, revenue rose to RM466.5 million from RM417.6 million due to increased activities under the building division.

Meanwhile, the precast segment recorded a 65% increase in revenue to RM86.6 million from RM52.6 million. This was contributed by increased production volume and higher certification from its clients, SunCon said in a filing with Bursa Malaysia.

For the full FY16, SunCon's net profit and revenue were down by 3.21% and 6.68% respectively, with

net profit slipping to RM123.51 million, from RM127.16 million a year ago.

Meanwhile, the drop in revenue to RM1.79 billion was led by lower revenue for the construction segment, particularly under the civil and infrastructure division and the foundation and geotechnical engineering division.

Under the civil and infrastructure division, SunCon saw the completion of a viaduct for the Klang Valley mass rapid transit (KVMRT) V4 project and light rail transit Package B.

"In addition, the newly awarded KVMRT V201 awarded on April 1, 2016 did not garner much revenue as there were much preparatory works involved which were not claimable this year," SunCon said.

Going forward, SunCon reported an outstanding order book of RM4.8 billion, having secured RM2.7 billion in 2016, while RM449 million was secured in January 2017.

Shares in SunCon closed up two sen at RM1.80 yesterday, with some 2.51 million shares traded, giving it a market capitalisation of RM2.23 billion.