

RESULTS IN BRIEF

SunCon posts higher 2Q net profit amid wider margins

BY WONG EE LIN

KUALA LUMPUR: Sunway Construction Group Bhd (SunCon) achieved a 17.6% increase in net profit for the second quarter ended June 30, 2017 (2QFY17) to RM36.76 million or 2.84 sen per share, from RM31.27 million or 2.42 sen a year on better margins.

Its quarterly revenue, however, was down 3.03% to RM417.23 million from RM430.29 million a year ago, said SunCon in a filing with Bursa Malaysia yesterday.

The group has declared a first single-tier interim dividend of three sen per share in respect of the financial year ending Dec 31, 2017 (FY17), said SunCon.

SunCon said the construction segment's revenue went up 7.4% to RM387.2 million from RM360.5 million due to higher progress work from external building projects.

"Construction's profit margin improved from 5.9% to 9.4% generally due to better margins from our existing ongoing projects," said SunCon.

For the cumulative six-months of FY17, its net profit grew 18.4% to RM71.42 million or 5.52 sen a share compared to RM60.32 mil-

lion or 4.67 sen a share a year ago. Its revenue was 2.09% lower at RM836.76 million from RM854.64 million last year.

SunCon said the group's outstanding order book amounts to RM4.3 billion with RM1 billion new order book as at end June 2017.

The tender book value is now more than RM14 billion with the majority of jobs tendered under the civil/infrastructure division, the group added.

Looking forward, underpinned by its healthy outstanding order book, relatively smooth progress of its current projects and despite the anticipated slowdown in precast and barring unforeseen circumstances, SunCon said it expected to perform satisfactorily in the coming year.

In addition, SunCon said it was presently in discussion with the parent company for several potential projects.

"The expansion of our Iskandar Plant from five lines to nine lines has been completed," said SunCon, adding that the overall plant capacity of both their Senai and Iskandar Plants has now increased to 156,600 cu m per annum from 128,000 cu m per annum.