

# SunCon 1Q net profit up 6% despite precast drag



KUALA LUMPUR (May 18): Sunway Construction Group Bhd's (SunCon) net profit in its first quarter ended March 31, 2018 (1QFY18) grew 6% year-on-year (y-o-y) to RM35.85 million from RM33.80 million as revenue strengthened.

However, the group's margin was slightly affected due to a decline in profitability in its precast segment, which was impacted by higher steel bar prices which more than halved the segment's profit margin to about 10% from 23% last year, SunCon said in a Bursa Malaysia filing yesterday.

Revenue rose 26% y-o-y to RM529.23 million from RM419.53 million, on higher contribution from its construction segment, which mitigated the drag in its precast segment.

SunCon said its ongoing project remains on track and that the group is expected to hand over the International School of Kuala Lumpur and Emerald Residence in Sunway Iskandar by 3QFY18. Its MRT Line 2: Package V201 from Sungai Buloh to Persiaran Dagang has also been progressing well, with completion at 44% to date.

As at March, the group's outstanding order book was at RM6.1 billion, after RM542 million new orders were secured in 1QFY18. Its latest award on Monday brings its new orders to date to RM722 million.

The group is keeping its new order-book target at RM1.5 billion to RM2 billion, driven by building orders, said SunCon group managing director Chung Soo Kiong.

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