

SunCon 2Q18 turnover jumps 30.4% but profit stays flat

SUNWAY Construction Group Bhd's (SunCon) turnover for the second quarter ended June 30, 2018 (2Q18), jumped 30.4% to RM544.2 million from RM417.2 million on the back of higher contribution from the construction segment.

In an exchange filing yesterday, SunCon said its construction segment's revenue rose 32.1% from higher contributions of both its building and civil divisions in the central region, coupled with the higher work progression.

SunCon's net profit remained flat at

RM35.85 million compared to RM85.89 million a year ago due to the decline in profitability in the precast segment.

The firm added that the precast's profit margin was impacted by higher steel bar prices compared to tender price, as steel content contributes approximately 30% of its total cost, coupled with stiff competition on pricing.

Its earning per share was recorded at 2.78 sen, unchanged compared to a year ago.

As at June 2018, SunCon's outstan-

ding orderbook stood at RM5.8 billion with RM854 million new orderbook win in the first six months of 2018.

"We maintain our new orderbook target of RM1.5 billion for the financial year 2018 based on our existing active tender activities and potential in-house projects," it added.

SunCon proposed a first interim dividend of 3.5 sen which will be paid on Sept 27, 2018 amounted to RM45.2 million.

The firm says the precast's profit margin was impacted by higher steel bar prices

