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Westports profit gets a lift



Revenue up: Westports recorded higher revenue of RM474.4mil in the third quarter compared to RM400.8mil in the corresponding quarter last year.

Q3 earnings buoyed by higher container throughput, tariff revision

PETALING JAYA: Westports Holdings Bhd's net profit for the third quarter ended Sept 30 soared to RM151mil, reflecting a jump of 16.15% from a year ago buoyed by healthy container throughput growth and a revision in container tariff.

According to Westports, container throughput increased by 9% year-on-year from 2.29 million twenty-foot equivalent units (TEUs) to 2.49 million TEUs for the quarter under review.

The port operator also recorded a higher revenue of RM474.4mil compared to RM400.8mil in the corresponding quarter last year.

"Our above industry average volume growth has been gratifying, and it reflected the results of our relentless commitment towards accommodating growing requirements from our customers.

"Westports has also benefited from shipping clients' ad-hoc handling requirements as they introduced larger vessels into their existing container shipping services," said Westports chief executive officer Ruben Emir Gnanalingam in a statement yesterday.

For the nine-month period, Westports' net profit increased to RM482mil from RM372.3mil, while revenue was higher at RM1.5bil against RM1.2bil in the corresponding period last year.

Ruben added that the sustained high container volume growth and heavy terminal utilisation had triggered the need to commence with the CT9 phase one expansion to meet the future requirements of the port shipping customers.

"The CT9 phase one expansion programme will entail the construction of the 600m wharf and additional terminal operating equipment such as ship-to-shore cranes and rubber tyred gantry cranes," he said.

Westports achieved another milestone by handling 7.4 million TEUs in the first nine months of this year.

Conventional throughput in the nine months increased by 10% to 8.5 million tonnes, as Westports handled a higher volume of dry bulk commodities such as sugar and imported grains.

Westports contributed 76% to the total containers moved at Port Klang.

"Westports has grown tremendously by supporting our shipping clients' regional transshipment requirements.

"The impending realignment in the container shipping industry next year will result in a lesser number of but significantly larger alliances. Westports has always been a supply-driven terminal that accommodates our clients' requirements.

"To service these bigger alliances, we have completed our CT8 phase one expansion, kept on schedule the CT8 phase two construction work, and commenced on the latest CT9 phase one container wharf," said Ruben.

Expansion of the CT8 phase two wharf construction is on schedule, and the 300m facility is expected to be completed by mid-2017.

Expansion at CT9 will commence due to the record volume and high utilisation of existing container terminal facilities at Westports, and these additional facilities are expected to be completed by the end of next year.