

Westports Aiming For 5-10 Per Cent Growth in Container Handling This Year

KUALA LUMPUR, April 30 (Bernama) -- Westports Holdings Bhd is optimistic of achieving between five and 10 per cent growth this year in container handling, underpinned by terminal expansion and a robust global trading environment.

Chief Executive Officer Ruben Emir Gnanalingam said construction of Container Terminal 7 was on track and scheduled to be fully operational this year, increasing the port's capacity to 11 million twenty-foot equivalent units (TEUs) from 9.5 million TEUs in 2013.

"With the increased capacity, the port will be well-positioned to leverage on the growth opportunities in the region," he told reporters after the company's maiden annual general meeting here Wednesday following its listing on Bursa Malaysia last year.

Ruben said the terminal was also designed to handle 19,000 TEU vessels, the world's largest container vessel in the orderbook.

Apart from capacity expansion, the company was confident cargo shipment and throughput growth momentum would remain robust in the first quarter of this year given the increasing volume on the intra-Asia, Asia-Africa and Asia-Australasia routes.

On another development, Ruben said Westports has expressed its intention to the government to revise container tariffs.

"The tariffs have not been revised for the last 11 years...but any decision on the adjustment is up to the government," he said.

For the financial year ended Dec 31, 2013, Westports' revenue, year-on-year, grew 15 per cent to RM1.71 billion while profit after tax increased 21 per cent to RM435.3 million.

The better results was due to a eight per cent surge in container throughput to 7.5 million TEUs while conventional throughput grew four per cent to 10.7 million tonnes.

The company's market share last year expanded by three per cent to 72 per cent and the port operator dominated Port Klang with 80 per cent transshipment and 60 per cent import/export market share.

Westports shareholder's funds stood at RM1.6 billion while cash balance remained healthy at RM342 million.

Its net-to-equity ratio was modest at 0.35 times while return on equity increased by three per cent to 27 per cent.

Westports also declared RM178 million in dividends in line with the company's 75 per cent dividend payout policy.

"Going forward, the company aims to maintain the 75 per cent dividend policy," said Ruben.

Westports, besides being involved in container and conventional cargo handling, also provided marine, rental and ancillary services.