

Record profit for Westports



Westports handled 8.4 million TEUs last year

PETALING JAYA: Westports Holdings Bhd's net profit jumped 6.6% to RM139.8mil for its fourth quarter ended Dec 31, 2014, resulting in a record 12-month net profit of RM512.2mil for the port operator.

It posted an 8% increase in operational revenue to RM385.9mil from RM357.3mil for the quarter under review, while container throughput increased 11.7% to 2.19 million twenty-foot equivalent units (TEUs) from 1.96 million.

Its full-year operational revenue came in 11% higher at RM1.5bil compared to RM1.3bil a year earlier, due mainly to the 12% increase in container throughput to 8.4 million TEUs.

Its full-year net profit, meanwhile, jumped 17.7% to RM512.2mil from RM435.3mil a year ago.

Westports has proposed a second interim dividend of 6.15 sen per share and declared a total dividend of 11.25 sen for the year, in line with its payout ratio of 75% after tax.

Chief executive officer Ruben Emir Gnanalingam said 2014 was a momentous year for the company as it achieved its highest ever operational revenue, profit level and also container throughput volume.

“To enhance our growth momentum, Westports is laying the foundation for the next phase of expansion as we capitalise on the ever-rising container throughput levels while also supporting our clients’ strategic requirements such as the Ocean Three Alliance (O3),” he said in a statement yesterday.

Capitalising on Westports’ Klang Valley hinterland, its gateway container increased by 12.1%, boosted by the completion of Container Terminal 7 (CT7), while transshipment expanded further by 11.6%.

It also created a new all-time high by handling 764,000 TEUs last November, with its gateway’s container volume continuing its positive underlying trend with throughput exceeding 200,000 TEUs since March 2014.

Westports noted that on a normalised basis, excluding initial public offering expenses and write-off assets, its profit after tax would have actually increased by 8%.

“The write-off assets were for two units of obsolete cranes and unutilised slag and fertiliser conveyor system for the company’s dry bulk operations,” it said.

The company added that the O3, consisting of CMA CGM, China Shipping and United Arab Shipping Co, had commenced operations on Jan 17, 2015.

The three liners are currently using Westports as their hub, with the alliance set to further reinforce Westports as its key shipping hub in this region.

The company has also commenced its Container Terminal 8 (CT8) expansion plan, as the recently completed CT7 had attained an overall container terminal utilisation rate of over 75%.

The first phase, consisting of a 300m wharf and supporting port equipment and facilities, is expected to be completed in 2016, while the second phase is expected to be done by mid-2017.

“Westports’ container handling capacity will increase to 13.5 million TEUs upon the completion of CT8,” it said.

Its stock finished one sen higher to RM3.50 in yesterday’s trading.