

# Westports 3Q net profit surges 33% on higher container volume

BY GHO CHEE YUAN

KUALA LUMPUR: Westports Holdings Bhd saw its net profit for the third quarter ended Sept 30 of financial year 2014 (3QFY14) jump 33.25% to RM140.88 million from RM105.73 million a year ago, underpinned by a growth of 11.3% from its container volume to 2.16 million 20-ft equivalent units (TEUs).

This was despite revenue in 3QFY14 falling 11.85% to RM405.41 million from RM459.9 million in 3QFY13. Earnings per share (EPS) grew to 4.13 sen versus 3.36 sen a year ago. In a filing with Bursa Malaysia yesterday, Westports said it posted a new high in its container volume by handling 739,000 TEUs in August this year, erasing its last record of 719,000 TEUs in May.

"The gateway's container continues showing a positive trend

with throughput exceeding 200,000 TEUs since March 2014, which reflects the underlying strength of the domestic economy," Westport said.

For the nine months (9MFY14), Westports' net profit rose 22.45% to RM372.4 million from RM304.13 million a year ago. Revenue, however, fell 2.48% to RM1.18 billion from RM1.21 billion in 9MFY13. Going forward, the group said it had received the last batch of three units of ship-to-shore cranes and expects the Container Terminal 7 (CT7) will be fully operational by the end of this month.

"Once CT7 is fully operational by the end of this month, the group's handling capacity is expected to increase from 9.5 million TEUs to 11 million TEUs per year," it said.

Westports said the proposed Ocean Three alliance (O3), which consists of CMA CGM SA, China

Shipping Container Lines Co Ltd or CSCL and United Arab Shipping Co or UASC, is expected to commence operations in January 2015.

"These three liners are currently using Westports as their hub, and will further reinforce Westports as their key shipping hub in this region post the O3 entry," it said.

The group will embark on the CT8 expansion plan to cater for its next phase of growth in view of the increasing container volume and high terminal utilisation rate.

Westports said the expansion plan is expected to commence by early next year and will be carried out in two phases.

Phase 1 will consist of a 300m wharf and supporting port equipment and facilities which are expected to be completed by 2016, while phase 2 is expected to be completed by mid-2017.