

Westports continues to shine, posts net profit of RM132mil in Q4



Uptrend mode: Westports sees encouraging improvements along major shipping routes for transshipment

PETALING JAYA: Westports Holdings Bhd sustained its uptrend as it posted a net profit of RM131.18mil for the fourth quarter of the financial year ended Dec 31, 2013, a 19% increase from a year ago.

The growth in profit came on the back of a 5% increase in revenue for the quarter to RM502.63mil, up from RM477.24mil recorded in the same period last year.

This is on the back of an increase in container throughput, which added 12% to 1.96 million 20-ft equivalent units (TEUs) and savings of the management fee arising from termination of management service agreement, the company said in its filing with Bursa Malaysia.

Additionally, transshipment and import and or export container volumes rose by 12% compared to the same quarter in 2012.

“Our volume throughput has continuously demonstrated growth in both the transshipment and import and, or export segment. For transshipment, we have seen encouraging improvements along major shipping routes, such as intra-Asia, Asia Africa and Asia Australasia, fuelled by growth in those markets.

“Further, we have successfully increased our market share in Sabah and Sarawak, thereby providing higher contribution to our import and, or export segment,” chief executive officer Ruben Emir Gnanalingam said in a statement.

Westports posted a 21% rise in net profit to RM435.31mil on revenue of RM1.713bil for the full year.

The company is constructing an additional container terminal, CT7, to support the expected growth in its container volume.

“We expect our container volume to grow between 5% and 10% in 2014 driven mainly by both the transshipment business as well as the import and export segment,” it said.

Phase one of the CT7 terminal expansion project is expected to commence operations by the second quarter of this year.

The group’s handling capacity is expected to increase from 9.5 million TEUs to about 11 million TEUs per annum, once CT7 is fully operational by the end of 2014.

There are also other opportunities for Westports to increase volume throughput by tapping into emerging routes such as China, Africa or intra South-East Asia, said Gnanalingam.

The company declared a second interim single-tier dividend of 5.22 sen per share, bringing full-year dividends to 40.47 sen per share.

However, it should be noted that the bulk of the dividend payout was before its listing in October last year.