

Westports net profit up 19% in Q4

PETALING JAYA (Feb 14, 2014): Westports Holdings Bhd, which debuted on the Main Market of Bursa Malaysia last year, saw net profit increasing by 19% to RM131.17 million in the fourth quarter ended Dec 31, 2013, from RM110.07 million a year earlier due to increased container volume throughput. It was also helped by savings in management fee from the termination of a management service agreement.

Westports' revenue for the quarter rose 5.3% to RM502.63 million from RM477.23 million in the year before.

Container volume throughput grew to 7.5 million twenty-foot equivalent unit (TEUs) for the financial year ended Dec 31, 2013, from 6.9 million TEUs.

The port operator said it also witnessed a strong growth in both transshipment and import/export container volume, which rose by 12% in the fourth quarter compared to 2012.

It has proposed single tier dividend of 5.22 sen per share of 10 sen each for financial year 2013.

For the financial year ended Dec 31, 2013, Westports' net profit rose 21% to RM435.3 million from RM359.3 million a year earlier, while revenue advanced by 14.7% to RM1.71 billion from RM1.49 billion previously.

Westports expects its 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.

To support the growth, the port operator is constructing Container Terminal Seven (CT7). CT7 is expected to be fully operational by the end of this year. Once CT7 is fully operational, Westports' handling capacity is expected to increase from 9.5 million TEUs to about 11 million TEUs a year.

Westports CEO Ruben Emir Gnanalingam said CT7 is work on progressing as scheduled and phase one of the project is on track to begin operations by the second quarter of FY14.

As part of its routine planning strategy, Ruben said, the port operator regularly engages with its key customers and remains positive that volume throughput growth in FY14 will be relatively similar to past performance.

In addition, he added, there are opportunities for Westports to increase throughput by tapping into emerging routes, such as China, Africa or intra-Southeast Asia, or growing the regional feeder network.