

# SunCon aims to start MRT viaduct work by end-June

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BY BILLY TOH

KUALA LUMPUR: Sunway Construction Group Bhd (SunCon) aims to start construction work on the viaduct work package V201 for the mass rapid transit (MRT) Sungai Buloh-Serdang-Putrajaya line by the end of June.

"This week, we are at the final stage of public hearing. Hopefully in two weeks from now, we will be able to get the clearance to start work," said SunCon managing director Chung Soo Kiong after the group's annual general meeting yesterday, the first since the company's relisting in mid-2015.

Mass Rapid Transit Corp Sdn Bhd awarded the viaduct work package

worth RM1.2 billion to SunCon in late March, which gave SunCon a total order book of RM5 billion, with about 30% of it coming from infrastructure.

The group's net profit for the first quarter ended March 31, 2016 fell 15.5% to RM29.1 million from RM34.4 million in the corresponding period a year ago, as its current construction projects neared completion and sales of precast products came in lower.

When asked about the company's outlook for financial year 2016, Chung said it is too early to talk about numbers, but said the group is committed to maintaining and sustaining the company's profitability.

"Currently, we have an order book of about RM5 billion that will last for about two to three years. The total val-

ue of projects tendered is about RM24 billion and the group has pre-qualified for RM4.5 billion of it," he shared.

Among the projects it has been pre-qualified for are the Pan Borneo Highway, the Damansara-Shah Alam Elevated Expressway and the Sungai Besi-Ulu Klang Elevated Expressway.

Meanwhile, SunCon chairman Datuk Goh Chye Koon said the construction sector is expected to continue to do well for the year, given the focus on the country's infrastructure development.

Goh said the group will leverage on the strength of the company, as one of the largest players in the construction sector, to capitalise on the opportunities available.

SunCon is also one of the few

construction companies that have an added advantage in the information technology area — the group has a virtual design construction system in place, he added.

Further, when asked about the need for hedging, Chung said the materials for construction are generally locally available, thus the ringgit's volatility will have minimal impact on the company's earnings.

He added that the steel price in Malaysia is considerably higher compared with that in other regional markets, thus limiting the upside of the price for steel.

At the market close yesterday, the group slipped 0.65% to end the day at RM1.54, with a market capitalisation of RM1.99 billion.