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# SunCon earnings higher

More contracts including LRT works boost bottom line

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**PETALING JAYA:** Sunway Construction Group Bhd's (SunCon) earnings improved in the third quarter ended Sept 30, as recent contract wins including work on a new light rail transit (LRT) line lifted its outstanding order book to a record high.

"We are confident about our continued good performance, which will be backed by opportunities in the current infrastructure boom coupled with an existing strong order book and a good track record in delivering projects," group managing director Chung Soo Kiong said in a statement yesterday.

Net profit rose 11% in the third quarter to RM34.59mil from RM31.14mil a year ago, while revenue rose 29% to RM491.36mil compared with RM381.05mil a year earlier.

SunCon said margins were slightly affected by the decline in profitability in its precast segment as a result of a lower turnover.

Its construction segment saw a 56.6% surge in revenue in the third quarter to RM471.7mil from RM301.3mil last year.



**MRT job:** The Klang Valley Mass Rapid Transit line is one of the two main projects undertaken by Sunway Construction Group.

The surge in revenue, it said, was driven by ongoing work at two main projects – the Klang Valley Mass Rapid Transit line from Sungai Buloh to Persiaran Dagang and the

building known as Parcel F in Putrajaya.

Meanwhile, the precast segment's revenue fell 75% to RM19.6mil from RM79.8mil previously.

Shares in SunCon have risen more than 45% on a year-to-date basis. Yesterday, the counter closed unchanged at RM2.40 a share.

Cumulatively, for the first nine months of financial year 2017, the construction company posted a net profit of RM106mil, a 16% increase from RM91.46mil last year.

Revenue for the period rose to RM1.33bil from RM1.24bil a year ago.

In a statement yesterday, SunCon said that its outstanding order book amounted to RM6.8bil, of which RM4bil is in new order book wins after including the recent project wins in LRT3 amounting to RM2.18bil.

The company said, quoting CIDB, that the construction sector is expected to grow by 8% to RM170bil this year, boosted by numerous mega-infrastructure projects in the country compared to a 7.4% growth or RM166bil in 2016.

SunCon said its tender book value was more than RM15bil, with the majority of jobs tendered under the civil/infrastructure division.

"In addition, SunCon at present is in discussion with our parent company for several potential projects," it said.