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MMC CORPORATION BERHAD RECORDS HIGHER PROFIT BEFORE ZAKAT AND TAXATION OF RM104.6MILLION

KUALA LUMPUR, 28 Aug 2017 – MMC Corporation Berhad (“MMC” or “the Group”), a premier utilities and infrastructure group saw higher Profit Before Zakat and Taxation (PBZT) of RM104.6 million in the current quarter compared to RM92.4 million in the immediate preceding quarter.

The growth came on the heels of increased throughput handled at Pelabuhan Tanjung Pelepas (PTP) and higher contribution from KVMRT Sungai Buloh-Serdang-Putrajaya (SSP Line), partially offset by lower container volume at Northport (Malaysia) Bhd (Northport) in the current quarter.

The Group recorded higher revenue for the current quarter with RM944.4 million compared to RM925.2 million in the immediate preceding quarter following the completion of KVMRT Sungai Buloh-Kajang (SBK Line) in July. This was partially moderated by progress from KVMRT-SSP Line and Langkat Sewerage Treatment project, as well as higher throughput handled at Johor Port Berhad (JPB) and Northport.

Review of Key Operating Companies

The Ports & Logistics division recorded revenue of RM1.42 billion, a 4.7% growth compared to RM1.35 billion in the corresponding period of the preceding year boosted by higher contribution in handling RAPID Material Offloading Facilities (RAPID MOLF) operations at JPB.

The division recorded PBZT of RM241.9 million compared to RM247.1 million reported in the corresponding period of the preceding year. This is due to higher depreciation and operational cost attributed by increase in average diesel price per litre at all ports.



The Energy & Utilities division recorded PBZT of RM99.8 million compared to RM105.4 million reported in the corresponding period of the preceding year due to lower share of profit from Malakoff.

Meanwhile, the Engineering & Construction division recorded revenue of RM413.5 million compared to RM495.9 million reported in the corresponding period of the preceding year following the completion of KVMRT-SBK Line offset by progress from KVMRT-SSP Line and Langat Sewerage Treatment project.

The division recorded a PBZT of RM84.7 million from RM109.7 million reported in the corresponding period of the preceding year.

Moving Forward

“The Group remains resilient on the back of stable performances within our operating companies and we are committed to delivering continuous growth driven by our port operations and nation building projects”, said Dato’ Sri Che Khalib Mohamad Noh, Group Managing Director of MMC Corporation Berhad.

Ports & Logistics division is expected to register higher revenue across all the ports. The completion of 49% acquisition in Penang Port Sdn Bhd (Penang Port) and the proposed acquisition of the remaining 51% equity interest is expected to contribute positively to the Group’s future earnings as it allows full consolidation of Penang Port as a wholly-owned subsidiary. The acquisition allows the Group to establish a strong foothold in the Northern region of Peninsular Malaysia and complement the Group’s strategic presence throughout the Straits of Malacca. The operational and cost synergies driven by MMC, will further enhance the financial performance of the division.

The Energy & Utilities division on the other hand, is expected to continue to contribute positively from the Group’s associate companies, Malakoff and Gas Malaysia.

Meanwhile, the Group’s Engineering & Construction’s substantial existing order-book provides earnings visibility for the division anchored by the KVMRT-SSP Line underground work and Project Delivery Partner (PDP) role for the elevated portion. Additionally, the earnings contribution from the division will be sustained by on-going nation building projects namely Langat 2 Water Treatment Plant, Langat Centralised

Sewerage Treatment Project and our involvement in the PDP role for Pan Borneo Sabah Highway.



Photo caption: Johor Port Berhad recorded a higher throughput in the second quarter of 2017

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About MMC Corporation Berhad

MMC Corporation Berhad (MMC) is a leading utilities and infrastructure group with diversified businesses under three divisions, namely ports & logistics, energy & utilities and engineering & construction.

Its key businesses under the Ports and Logistics division include the operations of Port of Tanjung Pelepas Sdn Bhd, Johor Port Berhad, Northport (Malaysia) Bhd, Penang Port Sdn Bhd and Kontena Nasional Berhad. Internationally, MMC has an associate stake in Red Sea Gateway Terminal Company Limited, a container port terminal within the Jeddah Islamic Port, Saudi Arabia.

Under the Energy & Utilities division, MMC is the single largest shareholder of both Malakoff Corporation Berhad (Malaysia's largest independent power producer), and Gas Malaysia Berhad (sole supplier of reticulated natural gas in Peninsular Malaysia to non-power sector).



MMC's Engineering & Construction division has further established itself in the sector with a leading role as the Project Delivery Partner (PDP) and underground works package contractor for the 51km Klang Valley Mass Rapid Transit (KVMRT) project (Sungai Buloh-Kajang Line) and Line 2 project (Sungai Buloh-Serdang-Putrajaya Line). Prior to this, MMC has successfully completed the 329km Ipoh-Padang Besar Electrified Double Tracking Project as well as the innovative Stormwater Management and Road Tunnel (SMART) motorway, the first-of-its-kind dual-purpose tunnel in the world.

MMC continues to make inroads in the construction industry, securing key civil and infrastructure projects in the country namely Langat Centralised Sewerage Treatment Plant, Langat 2 Water Treatment Plant, civil and infrastructure works for RAPID Pengerang Cogeneration Plant. Additionally, MMC has a 20% effective interest in Borneo Highway PDP Sdn Bhd (BHP) which has been appointed as PDP for the Sabah Pan Borneo Highway Project.

In other businesses, MMC owns Aliran Ihsan Resources Berhad (a water treatment plant operator) and also operates Senai International Airport, Johor Bahru, a major aviation hub and the main air transportation gateway to Iskandar Malaysia. Additionally, MMC's Group Property arm manages close to 6,000 acres of industrial developments in Iskandar Malaysia, Johor and Kulim, Kedah, namely Senai Airport City, Tanjung Bin Petrochemical & Maritime Industrial Centre (TBPMIC) and Northern Technocity (NTC) in Kulim. The Senai Airport City, TBPMIC and NTC developments come under the ambit of Group Property's three operating companies – Senai Airport City Sdn Bhd, Seaport Worldwide Sdn Bhd and Northern Technocity Sdn Bhd respectively

Enquiries

Please log on to www.mmc.com.my or call:

Azlina Ashar, Head of Group Corporate Communications, MMC Corporation Berhad

Tel: 019 6688 990 / +603 2071 1124, Fax: +603 2026 2431