



MEDIA RELEASE

MRCB Records Steady Profit Growth in the First Half of 2018

Kuala Lumpur Sentral, 30 August 2018 – Malaysian Resources Corporation Berhad (“MRCB”) is pleased to announce that it recorded Revenue of RM832.8 million and Profit Before Tax of RM73.6 million in the first half of 2018. Despite a 33.1% decline in Revenue, MRCB recorded a 20.0% growth in Profit Before Tax on the back of a stronger performance from the Engineering, Construction & Environment Division.

Commenting on the results, Imran Salim, Group Managing Director of MRCB said “We are very encouraged to see continued profit growth in the first half of 2018. As anticipated the stronger performance was driven by better margins in our Engineering, Construction and Environment Division, which is expected to be a significant contributor moving forward. As one of the largest construction players in the country, the division has a good pipeline of contracts to sustain its business over many years.”

The Engineering, Construction & Environment Division saw Operating Profits increase 168.1% to RM41.0 million during the period, mainly due to the progress of the Group’s on-going projects and other value engineering initiatives implemented to reduce construction costs. The division has an external order book of RM6.5 billion and an unbilled order book of RM5.1 billion.

The Property Development & Investment Division recorded an 8.1% decrease in Revenue to RM413.9 million, and saw Operating Profit fall to RM55.1 million from RM77.9 million in the corresponding period in 2017. The higher Revenue and Operating Profit recorded in the same period last year was mainly due to the construction completion of the Group’s Eastern Burwood apartment development in Melbourne, which was largely recognised in the corresponding period in 2017. The main Revenue contributors in the first half of 2018 were the Group’s on-going property development projects, which include 9 Seputeh in Jalan Klang Lama, PJ Sentral Garden City, Sentral Suites and Kalista Park Homes, and the sales of completed units from Sentral Residences, Q Sentral and Easton Burwood. The sale of a piece of development land in Penang also contributed a Profit Before Tax of RM31.3 million, while Recurring Income from MRCB-Quill REIT and MRCB Quill Management Sdn Bhd contributed RM9.5 million.

Unbilled property sales at the end of the first half of 2018 totaled RM1.7 billion.

Ends



About MRCB

MRCB is a leading urban property and construction company, which has been listed on the Main Board of Bursa Malaysia since 1971.

The Group's activities span four areas: Property Development & Investment, Engineering, Construction & Environment, Facilities Management, and Infrastructure and Concession.

As the developer of the iconic RM18 billion KL Sentral CBD, MRCB pioneered Transit Oriented Development (TOD) in Malaysia and is setting the standard in future fully integrated TOD projects. MRCB's property development revenues are underpinned by its 358-acre urban land bank which has an estimated GDV of RM52 billion. Its property investment activity is conducted through its 27.9 % equity stake in MRCB-Quill REIT.

Apart from constructing world class commercial and residential developments, MRCB's Engineering, Construction & Environment division also has an enviable track record in highways, rail infrastructure, high voltage power transmission projects and the rehabilitation of rivers and coastal areas. The division currently has an external order book of RM6.5 billion.

MRCB's largest shareholder is the Employees Provident Fund.

Visit www.mrcb.com for more information.

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