



MEDIA RELEASE

Significant Progress Recorded in MRCB's 3rd Quarter 2016 Results

Revenue Rises 47.4% and Profit Before Tax Increases 143.2%

Kuala Lumpur Sentral CBD, 30 November 2016 – Malaysian Resources Corporation Berhad (MRCB) wishes to announce that in the 3rd Quarter ended 30th September 2016, the Group recorded a 47.4% growth in revenue to RM 551.2 million, and a 143.2% increase in Profit before tax to RM61.6 million compared to the results of the corresponding quarter in 2015.

Revenue for the 9 months ended 30th September 2016 rose 5.2% to RM1.376 billion compared to the corresponding period in 2015. Profit before tax in the 9 months to 30th September 2016 was lower at RM154 million, due to the RM278.5 million gain recorded from the Group's non-core asset disposal programme in 2015.

Similar to the first half of 2016, the main contributors to Group revenue and profits in the first nine months of 2016 were its two core operating activities, Property Development & Investment and Engineering, Construction & Environment.

Property Development & Investment Division recorded revenue and profits from its on-going property development projects, namely Sentral Residences in KL Sentral CBD, which contributed just over half of the division's revenue, the Group's 9 Seputeh mixed development in Jalan Klang Lama and the office towers at PJ Sentral. The results included profits from the disposal of its Sooka Sentral project in KL Sentral CBD during the period, and income from its remaining investment properties in KL Sentral CBD and Shah Alam. The Group's property development projects, which are mainly focussed on Transit Oriented Developments ("TOD"), presently have a GDV of RM48.9 billion.

Engineering, Construction & Environment Division's external revenue and profits were mainly contributed by the recently completed LRT Ampang Line Extension and the LRT Stations 6 & 7 projects, the on-going construction of six commercial buildings in Johor, including the Westin Hotel and Aman Resort in Desaru, a range of power transmission related construction projects across Peninsular Malaysia and other smaller civil engineering projects in the Klang Valley. Following a number of successful tenders, MRCB's current external construction order book now stands at RM6.7 billion.

MRCB continued to make good progress in reducing its net gearing, which fell further to 1.00 times at the end of the 3rd Quarter 2016, from 1.09 times at the end of 2nd Quarter 2016, and marks a significant drop since its corporate transformation strategy was first unveiled at the end of 2013, when net gearing stood at 1.74 times. Net Gearing will drop considerably further on the completion of the RM640 million sale of Menara Shell to MRCB-Quill REIT.

The Group will continue to focus on reducing its net gearing and growing its core activities of Property Development & Investment and Construction, Engineering & Environment.

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 & Concession.

As the developer of the iconic RM14.0 billion KL Sentral CBD, MRCB pioneered TOD in Malaysia and is setting the standard for future fully integrated TOD projects. MRCB's property development revenue are underpinned by its 410 acre urban land bank which has an estimated GDV of RM48.9 billion. Its property investment activity is conducted through its 31.2% 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 RM6.7 billion.

MRCB's largest shareholder is the Employees Provident Fund.

Visit www.mrcb.com for more information.

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