



MEDIA RELEASE

Full Year Revenue up 41.9% and Profit Before Tax up 6.1% in 2016

Revenue and Profit Before Tax Highest Recorded in 10 years

Kuala Lumpur Sentral CBD, 27 February 2017 – Malaysian Resources Corporation Berhad (MRCB) wishes to announce that in the 4th Quarter ended 31st December 2016, the Group recorded 166% growth in revenue to RM 1.032 billion. Profit before tax in the 4th Quarter of 2016 was RM238.6 million.

Revenue for the financial year ended 31st December 2016 rose 41.9% to RM2.408 billion compared to RM1.697 billion in the corresponding period in 2015. Profit before tax in the financial year ended 31st December 2016 was 6.1% higher at RM392.6 million, compared to RM370.1 million in the previous financial year.

Both revenue and profit before tax in the financial year ended 31st December 2016 were the highest recorded by the Group in 10 years.

The higher profit before tax in the current financial year was mainly attributable to the recognition of higher property development profits of RM173.3 million, a profit of RM56.1 million generated from the sale of a leasehold land to Mass Rapid Transit Corporation Sdn Bhd and gains of RM186.5 million recorded from the disposals of completed investment properties, namely Menara Shell and Sooka Sentral.

The main contributors to Group revenue and profits in 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, 9 Seputeh mixed development in Jalan Klang Lama and the office towers at PJ Sentral Garden City, Menara MRCB in Putrajaya and the SIDEC residential project in Perak. The results also included recurring income from its remaining investment properties in KL Sentral CBD and Shah Alam of RM12.8 million during the financial year. MRCB's property projects, which are predominantly Transit Oriented Developments (TOD), 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, power transmission related construction projects across Peninsular Malaysia and other smaller scale civil engineering projects in the Klang Valley. Following a number of successful tenders, MRCB's current external construction order book totals RM7.0 billion.

MRCB continued to reduce its net gearing throughout 2016, which improved further to 0.73 times at the end of 2016 from 1.27 times at the end of 2015, a significant improvement since its corporate transformation strategy was unveiled at the end of 2013, when net gearing stood at 1.73 times.

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 RM17.0 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 400 acre urban land bank which has an estimated GDV of RM48.9 billion. Its property investment activity is conducted through its 27.9% 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 RM7.0 billion.

MRCB's largest shareholder is the Employees Provident Fund.

Visit www.mrcb.com for more information.

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