

## **MEDIA RELEASE**

### **MRCB Records Revenue of RM1.5 billion and Profit of RM114.1 million in the First 9 Months of 2018**

**Kuala Lumpur Sentral, 22 November 2018** – Malaysian Resources Corporation Berhad (“MRCB”) is pleased to announce that it recorded Revenue of RM1.5 billion and Profit Before Tax of RM114.1 million in the first 9 months of 2018. The 37% decline in Revenue compared to the corresponding period in 2017, was due to the absence of two big revenue contributors in 2017, namely the refurbishment of the KL Sports City in Bukit Jalil and toll collection revenue from the Eastern Dispersal Link, both of which made up over half of MRCB’s total Revenue in 2017. Profit Before Tax fell 1.0%, impacted by the LRT3 project being re-modelled to a fixed price contract, which has resulted in the re-timing of income recognition from the project to future quarters.

Encik Imran Salim, Group Managing Director of MRCB said “We are very upbeat on the LRT3 project and the recent termination and settlement agreement with the Government in relation to the Eastern Dispersal Link, which will significantly strengthen our balance sheet.”

The Engineering, Construction & Environment Division saw margins almost triple to 8.0% during the first 9 months of 2018 compared to the corresponding period in 2017. The Division also saw a contribution of RM20.7 million Profit After Tax from the Group’s 50%-owned LRT3 project company MRCB George Kent Sdn Bhd, while much higher than the RM7.2 million recorded in the same period last year, was significantly lower than budgeted, because of the re-negotiations with the Government. The Division’s revenue was mainly contributed by the Mass Rapid Transit 2 V210 Package project, the rehabilitation project at Sungai Pahang, as well as several commercial buildings for clients in Johor. The Division has an external client order book of RM5.9 billion with an unbilled portion of RM4.8 billion.

The Property Development & Investment Division recorded a 42.4% increase in Revenue to RM882.9 million, driven by the sale of a piece of freehold land which contributed a Profit Before Tax of RM37.6 million. Other Revenue contributors included the Group’s on-going property development projects, namely 9 Seputeh, PJ Sentral Garden City, Sentral Suites and Kalista Park Homes, and the sales of completed units from Sentral Residences, Q Sentral and Easton Burwood. Operating Profit fell to RM88.9 million from RM111.9 million, mainly due to the construction completion of the Group’s Eastern Burwood apartment development in Melbourne, which was almost fully recognised in 2017. Recurring Income from MRCB-Quill REIT and MRCB Quill Management Sdn Bhd contributed RM13.8 million.

Unbilled property sales as at 30 September 2018 totaled RM1.6 billion.

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### **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 27.89 % 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 record of accomplishment 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 RM5.9 billion.

MRCB's largest shareholder is the Employees Provident Fund.

Visit [www.mrcb.com](http://www.mrcb.com) for more information.

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