



# **Gamuda Berhad**

***MRT – On the verge of take-off***

**Q3 `11 INVESTORS' BRIEFING**

*23 June 2011*



# INCOME STATEMENT SUMMARY

(RMmil)	9 mths to 30 Apr 2011	9 mths to 30 Apr 2010 (restated)	Change (%)
<b>Revenue</b>	<b>1,862.6</b>	<b>1,740.4</b>	<b>+7</b>
Profit from operations (EBIT)	290.3	180.2	+61
Finance Costs	(43.4)	(28.4)	+52
<b>Share of associates (net of tax)</b>	<b>146.4</b>	<b>145.3</b>	<b>+1</b>
<b>Profit before tax</b>	<b>393.4</b>	<b>297.1</b>	<b>+32</b>
Tax	(86.8)	(52.8)	+65
Minority Interests	(7.4)	(8.1)	-9
<b>Net profit attributable to equity holders</b>	<b>299.2</b>	<b>236.2</b>	<b>+27</b>
Fully diluted EPS (sen)	14.0	11.7	
<b>Dividend per share (sen)</b>	<b>12.0</b>	<b>12.0</b>	
<b>EBIT margins (%)</b>	<b>15.6</b>	<b>10.4</b>	
<b>PBT margins (%)</b>	<b>21.1</b>	<b>17.1</b>	



# BALANCE SHEET SUMMARY

(RMmil)	As at 30 Apr `11	As at 31 Jan `11 (restated)
Current Assets	4,185.4	3,970.2
Current Liabilities	1,873.6	1,716.3
Current Ratio	2.2x	2.3x
Total borrowings	1,759.1	1,780.3
Cash and marketable securities	1,395.5	1,546.2
<b>Net cash</b>	<b>(363.6)</b>	<b>(234.1)</b>
Share capital	2,059.1	2,057.4
Reserves	1,592.9	1,521.3
<b>Equity attributable to equity holders</b>	<b>3,651.9</b>	<b>3,578.7</b>
<b>Net gearing (overall)</b>	<b>10%</b>	<b>7%</b>
Net assets per share (RM)	1.77	1.74



# QUARTERLY SEGMENTAL PROFITS

(RMmil)	Q310	Q410	Q111	Q211	Q3 `11	Q3 `10	+/-
Construction & Eng	18.7	29.1	25.8	28.0	48.2	18.7	+158
Properties	27.9	16.3	25.9	32.4	52.7	27.9	+89
Expressways	n.a.	n.a.	15.4	19.5	12.0	n.a.	n.m.
Water	n.a.	n.a.	42.6	45.4	45.5	n.a.	n.m.
<b>Group Pretax Profit</b>	<b>101.8</b>	<b>n.a.</b>	<b>109.7</b>	<b>125.3</b>	<b>158.4</b>	<b>101.8</b>	<b>+56</b>
<b>Group Net Profit</b>	<b>83.5</b>	<b>n.a.</b>	<b>88.5</b>	<b>94.0</b>	<b>116.6</b>	<b>83.5</b>	<b>+40</b>

## YTD Segmentals

(RMmil)	3Q '11	3Q '10	+/-
Construction	102.0	50.8	+101
Properties	111.1	71.9	+54
Expressways	46.9	n.a.	n.m.
Water	133.5	n.a.	n.m.
<b>Group PBT</b>	<b>393.4</b>	<b>297.1</b>	<b>+32</b>

## Pretax Margins

%	3Q '11	3Q '10
Construction	7.9	4.0
Properties	21.0	17.1
Expressways	29.7	n.a.
Water	n.a.	n.a.
<b>Group PBT</b>	<b>21.1</b>	<b>17.1</b>



# KEY HIGHLIGHTS

- **KV MRT project making excellent progress** – all set for ground-breaking on 8 July, prequalification exercises almost completed, substantial contract awards over next six months
- **SBK tunnel contracts likely opened for tender in Q4** – Swiss Challenge incorporated into preQ docs, Gamuda JV gearing up for a leading contracting role, preQ closes on 27 June
- **Strong nine months performance** – driven by construction and properties with strong margin expansions
- **Celadon City recently soft-launched** – encouraging response seen, Sept launch for Gamuda City as foundation works start
- **Heading for record earnings** – expect to comfortably surpass previous earnings record in FY08



# KEY CORPORATE UPDATES

- KV MRT to groundbreak on 8 July; prequalification for elevated works successfully completed; preQ for tunnelling works ongoing; elevated works packages to be awarded over next 6 months, tunnelling package to be awarded by Q1 '12; PDP agreement at advanced stage of negotiations
- Remaining 2 MRT lines finalised by independent consultants; recommendations being evaluated by govt; approval and implementation likely by mid 2012
- Celadon City soft-launched this week, encouraging response; Yenso residential parcels handovers making good progress
- Property sales remain buoyant, achieved RM1bn new sales in 9 months; revised up full year target to RM1.3bn



# CONSTRUCTION ORDER BOOK

- Current balance of works about **RM4.5 billion** (US\$1.5bn)

Major Projects	Balance works (RMbn)	Completion Status		Comments
		% now	completion date	
<u>Major Ongoing</u> Double Tracking Yenso Park infra	2.4 0.2	62 82	2014 2012	2nd EOT granted Civil works substantially completed
<u>Completing Soon</u> NDIA – Ph 1, 2} Sitra Bridges}	0.1 -	98 100	2011 2011	Tail-end works in progress Handover in progress
<u>Yet to commence</u> Nam Theun 1	1.8	0	n.a.	Pending finalization



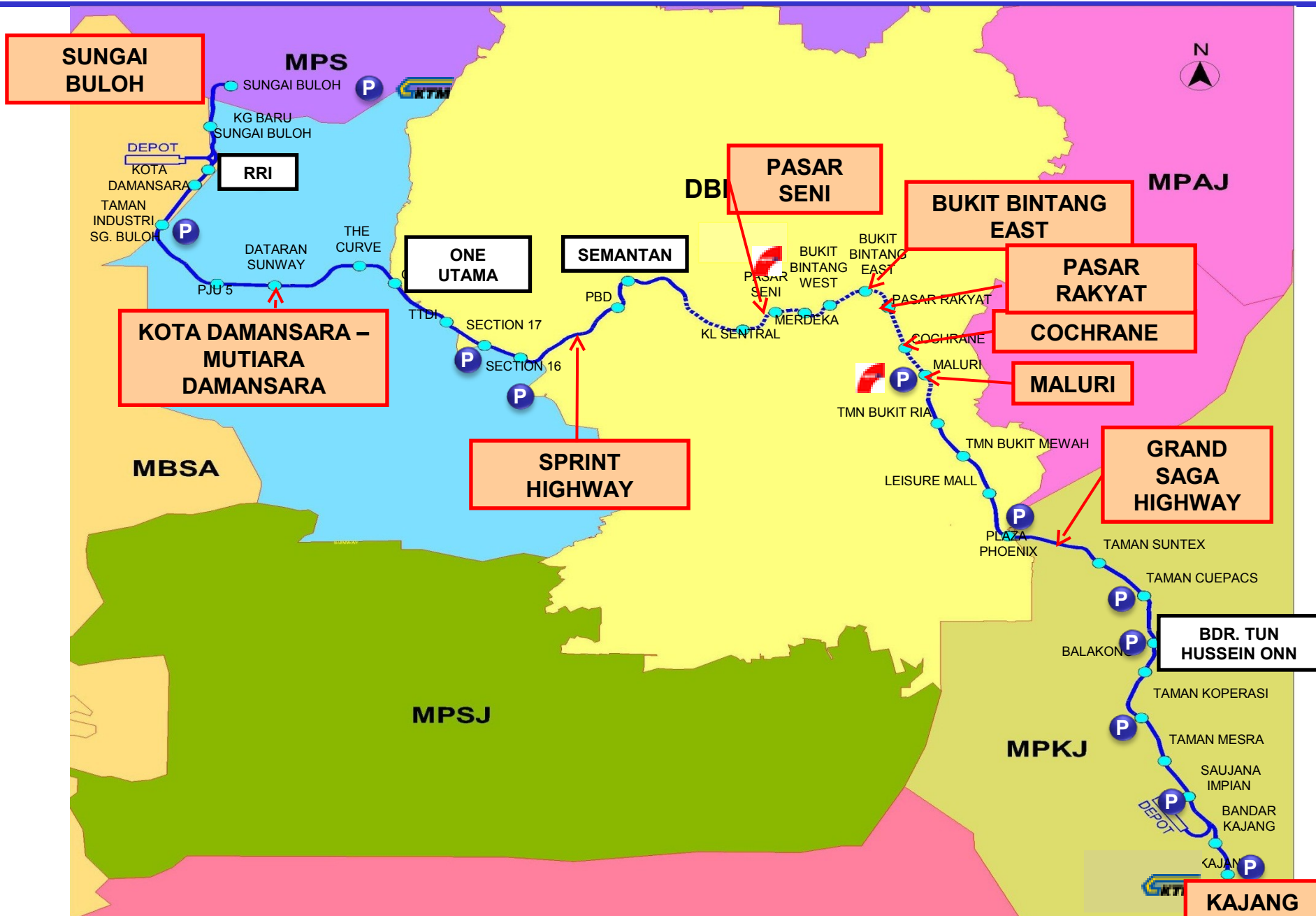
# CONSTRUCTION - OUTLOOK

- Strong surge in Q3 profits; YTD profit doubles to RM102m; Q3 profit expands 72% over Q2; outstanding order book stands at RM4.5bn
- YTD margin increases to 7.9% from 4.0% previously; achieves 11.5% in Q3; seventh consecutive quarter of margin expansion; full year margins on track to expand further
- SBK line to kick-off in July; works momentum to build up over next 6 months; 70+ qualified contractors to bid for >RM12bn of elevated works; preQ for underground works closes 27 June; tenders likely called in Q4 this year; underground works to commence early 2012
- Remaining 2 lines likely to be approved by year end; contract awards expected from mid-2012 onwards





# KV MRT: Sg Buloh – Kajang Line





# SBK Line – Project Details

	Total	Elevated	Underground		
Length (km)	51	41.5	9.5		
Station (Nos)	35	27	8		
Park & Ride	12				
Majlis	MBS	MBSA	MBPJ	DBKL	MPKj
Length (km)	0.8	6.4	9.0	21.8	16.2
Station (Nos)	1	3	6	16	9
Interchange Stations with Existing Rail Line					
1. KTMB at Sg. Buloh					
2. KLJ Line at Pasar Seni					
3. AMG Line at Maluri					
4. KTMB at Kajang					

Source: Prasarana



# PROPERTIES - OUTLOOK

- Strong surge in Q3 profits; YTD profit rises 54% to RM111m; margins improve from 17.1% to 21.0%
- Achieved new sales of RM1bn in 9 mths (+60% y-o-y), unbilled sales exceeds RM1bn, sales target for FY11 raised to RM1.3bn; Malaysian division compensates for Vietnam shortfall
- Three key projects achieved outstanding sales - Bandar Botanic, Horizon Hills, Jade Hills
- Celadon City soft-launched this week; encouraging response seen; targeting RM500m new sales in FY12
- Gamuda City soft-launch set for Sept 2011; handover of residential land parcels making good progress, foundation works have commenced
- RM48m translation losses from Dong devaluation in Q3



# INFRASTRUCTURE - OUTLOOK

- No meaningful comparatives for HY given adoption of IC12 for service concessions (Splash only)
- Accounting changes result in RM23.8m profit boost in YTD `11 and RM32.1m in YTD `10
- Federal govt to acquire all water bonds from bondholders; exercise will remove all risk of bond default
- Water consolidation exercise still deadlocked; unclear when or how impasse can be resolved



# THANK YOU

For any clarification, please email  
[clarence@gamuda.com.my](mailto:clarence@gamuda.com.my)