



IJM profit falls due to lower manufacturing and estate contributions

PETALING JAYA: IJM Corp Bhd's earnings fell 32.3% to RM110.86mil in the second quarter ended Sept 30 due to lower contributions from its manufacturing and plantation sectors.

The company said its earnings fell from RM163.89mil a year ago also due to the non-recurrence of a one-off gain of RM27.9mil from an associate a year ago, and also due to a net unrealised foreign-exchange (forex) loss of RM400,000 compared with a gain of RM16.70mil a year ago.

The infrastructure-property-plantation company reported that its revenue rose 7.2% to RM1.59bil from RM1.48bil previously. Earnings per share was at 3.06 sen compared with 4.55 sen before. It has maintained its dividend payout of three sen a share.

For the six-month period, meanwhile, earnings fell 15% to RM237.25mil from RM279.41mil in the previous corresponding period. Its revenue was, however, higher by 9.4% to RM3.06bil from RM2.79bil.

IJM's pre-tax profit fell 12.5% to RM379.48mil from RM433.88mil mainly due to lower contributions from the group's manufacturing and quarrying and plantation divisions, and the non-recurrence of a one-off gain of RM27.9mil. It recorded a net unrealised forex loss of RM4mil versus a gain of RM10.8mil a year ago.

On the outlook, IJM said the group's construction division expects an encouraging market outlook supported by RM8.3bil of outstanding order book, underpinned by the implementation of ongoing domestic infrastructural projects, as well as a healthy pipeline of new large public infrastructure projects to be rolled out under the 11th Malaysia Plan.

However, it expects the local property market to remain challenging, as weak consumer sentiment persists due to uncertain market sentiments, continued stringent mortgage approvals and incoming supply of new launches and competing completed properties.