

## Masteel net profit doubles to RM7.3 million

- *Boosted by higher sales volume and margin*
- *Fast-tracking construction of new rolling mill*

Petaling Jaya, Malaysia, 28 May 2014 - Integrated steel manufacturer Malaysia Steel Works (KL) Bhd (Masteel), 马来西亚钢厂 (吉隆坡) 有限公司, Bloomberg: MSW MK; Reuters: MSWK.KL) doubled its net profit to RM7.3 million in the first quarter ended 31 March 2014 (1Q14) from RM3.6 million in the previous year, due to higher sales volume resulting in improved margins.

1Q14 revenue stood at RM337.7 million, 2.3% higher than RM330.0 million in previous corresponding quarter.

“Our 1Q14 performance reflects the robust construction sector in the domestic market, spurred by ongoing infrastructure and property development projects undertaken primarily in the Greater Klang Valley.

The prospects of the steel industry remain bright, given that approximately RM120 billion worth of construction and infrastructure works are being rolled out by the public and private sectors as we speak. This results in sustained demand for steel bars going forward.

Recognising this, Masteel is currently fast-tracking the construction of a new 200,000 metric tonnes rolling mill which is scheduled for completion in 2015. Furthermore, we are implementing a series of technical improvements at our Bukit Raja plant to enhance our productivity and efficiency, which will give us a keener competitive edge for the long-term.”

**Dato’ Sri Tai Hean Leng (拿督斯里戴贤龙)**  
**Managing Director / Chief Executive Officer, Malaysia Steel Works (KL) Bhd**

In line with the strong construction sector, the domestic market constituted RM309.3 million, or 91.6% of 1Q14 group revenue. The balance RM28.4 million was contributed by export sales.

Dato’ Sri Tai remained buoyant of the Group’s prospects in the current financial year ending 31 December 2014.

# **Masteel**

**MALAYSIA STEEL WORKS (KL) BHD**

“With the steel industry’s positive outlook, Masteel’s strategic position within the Klang Valley and ongoing upgrading works in our plants, we target to gradually improve our earnings in subsequent quarters.

“We hope to reward our shareholders in line with our improving financial performance, and aim to maintain the practice of distributing multiple dividends per year,” concluded Dato’ Sri Tai.

<b>Financial Summary (Unaudited Consolidated Results)</b>				<b>Audited</b>
RM'000	1Q14 to 31.03.14	1Q13 to 31.03.13	Change	FY13 to 31.12.13
Revenue	337,678	330,040	2.3%	1,375,441
Pre-tax Profit	7,666	3,776	103.0%	28,957
Net Profit to Shareholders	7,280	3,550	105.1%	27,014
Basic EPS (sen)	3.29	1.63	101.8%	12.38

## **About Masteel**

Malaysia Steel Works (KL) Bhd is listed on the Main Market of Bursa Malaysia Securities Berhad. It is involved in the manufacturing of high-tensile deformed steel bars, mild steel round bars and steel billets.

It has 68 domestic dealers and several international trading houses as partners in Australia, New Zealand, Indonesia, Singapore, Thailand, Vietnam and The Philippines.

**Masteel** has vast experience in the operations & maintenance of the latest process technologies and automation systems with over 40 years of track record of managing European-made steel mills and industrial plants.

**Masteel** is one of the top five integrated steel companies in Malaysia.

**Masteel** was awarded the “Best Brands Awards 2012-2013 in Manufacturing - Steel” and Masteel’s MD/CEO, Dato’ Sri Tai Hean Leng was awarded the “Brand Personality Awards 2012-2013” by The BrandLaureate.

**Issued for and on behalf of MALAYSIA STEEL WORKS (KL) BHD by Aquilas Advisory (Malaysia) Sdn Bhd. For media enquiries, please contact:**

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