

Headline	George Kents 3Q net profit surges 67 pc on favourable exchange rate
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## George Kent's 3Q net profit surges 67% on favourable exchange rate

BY TAN SIEW MUNG

KUALA LUMPUR: George Kent (Malaysia) Bhd saw its net profit surge 67% to RM12.07 million or four sen a share in the third financial quarter ended Oct 31, 2015 (3QFY16) from RM7.23 million or 2.4 sen a share a year ago, on higher gross profit margin mainly due to the effect of foreign exchange rate on export sales.

In a filing with Bursa Malaysia yesterday, the metering and engineering company said revenue for 3QFY16 was up by a marginal 0.94% to RM96.94 million from RM96.03 million in 3QFY15.

George Kent also declared a second interim dividend of 1.5 sen per share, amounting to RM4.51 million, for the financial year ending Jan 31, 2016 (FY16), payable on Jan 26, 2016.

"Including the first interim single-tier dividend of two sen per share paid on Nov 12, the total interim dividend paid/payable amounting to RM10.51 million is 9% higher compared with the total interim dividend of RM9.61 million paid for the corresponding period last year," it said.

For the cumulative nine-month period (9MFY16), the group's net profit jumped 53.6% to RM30.41 million or 10.1 sen a share from RM19.8 million or 6.6 sen a share a year ago. Revenue for 9MFY16 also rose 14.7% to RM270.62 million from RM235.93 million in 9MFY15.

The group attributed the positive results to the increased contributions from its engineering and metering divisions and the spill-

over effects from the weakened ringgit as the majority of metering export sales are denominated in US dollars.

Following the encouraging results, George Kent is optimistic about another good year for FY16.

"We will continue to deliver the projects on time as we also explore other opportunities that will benefit George Kent and our shareholders alike," its chairman Tan Sri Tan Kay Hock said in a statement.

As of Oct 31, the group's order book stood at RM5.5 billion.

"The group will continue with its efforts to further grow its order book and to enhance the capability, achieve greater efficiency and increase productivity of the manufacturing facilities," Tan said.

Although the Light Rail Transit Line 3 project is not expected to have any significant effect on the earnings of the group for FY16, it is expected to contribute positively to its future earnings.

George Kent shares closed 5 sen or 2.96% lower at RM1.64 yesterday, bringing a market capitalisation of RM492.67 million.

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