

Construction stocks react mildly to MRT Corp news

LONG WAIT: It's good piece of news after many previous delays, says trader

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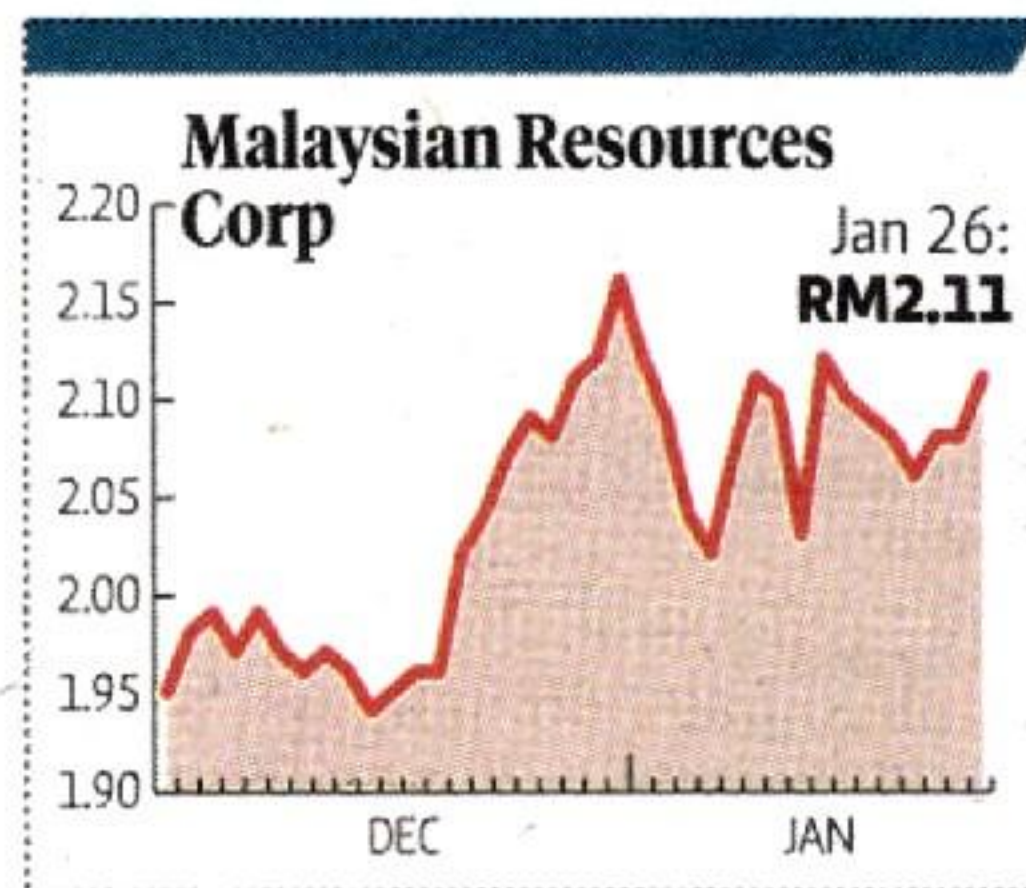
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CONSTRUCTION stocks hardly reacted to the news yesterday that Mass Rapid Transit Corp Sdn Bhd (MRT Corp) is expected to call for tenders for 18 elevated civil, station and depot work packages worth around RM15 billion within the first half of the year.

At the close, Malaysian Resources Corp Bhd (MRCB) shares gained three sen to close at RM2.11, Gadang up one sen to settle at RM0.60 sen, Muhibbah gained five sen to settle at RM1.23, WCT up 14 sen to close at RM2.48, Ahmad Zaki gained RM0.05 sen to RM0.74 while Mitrajaya up five sen to RM0.50 sen.

MMC Corp gained one sen to RM2.77 while Gamuda up 10 sen to RM3.70. IJM Corp and Mudajaya closed unchanged at RM5.45 and RM2.50 respectively.

"I think this is a good piece of news and about time. It been delayed since last year due to land acquisitions. People are getting fed up already. It may be delayed further as the government may start works on the MRT after the general elections," said a trader.



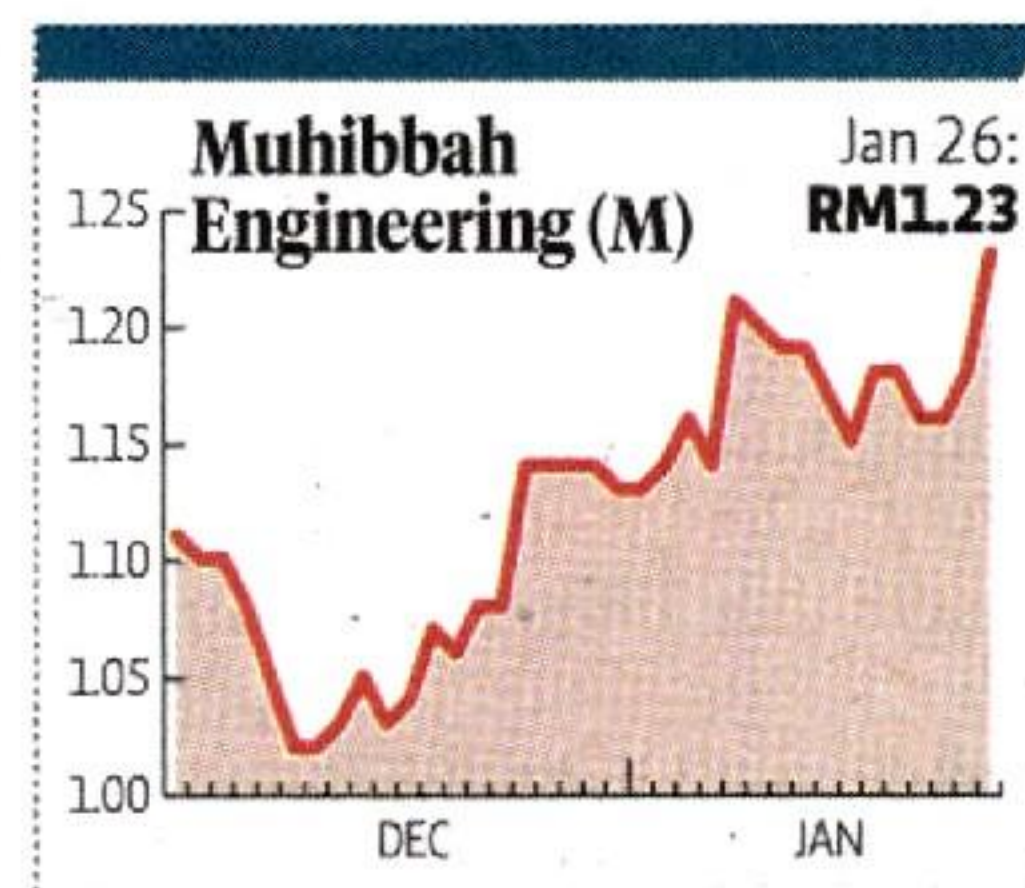
Business Times reported yesterday that tenders for the Klang Valley Mass Rapid Transit (KVMRT) Sungai Buloh-Kajang line may be called in the first half of this year.

The tenders are for the first phase of the project involving some 20km between Maluri and Kajang.

Some 28 companies have been pre-qualified to bid for the jobs.

They include Sunway, IJM Corp Bhd, MRCB, Gadang Holdings Bhd, Muhibbah Engineering Bhd, Mudajaya Corp Bhd, MTD, Loh & Loh Corp Bhd, Fajarbaru Builder Group Bhd, WCT Bhd, TRS, Ahmad Zaki Resources Bhd, Naim Engineering Sdn Bhd and Pembinaan Mitrajaya Sdn Bhd.

Of the 18 packages, there are eight packages each for elevated civil and



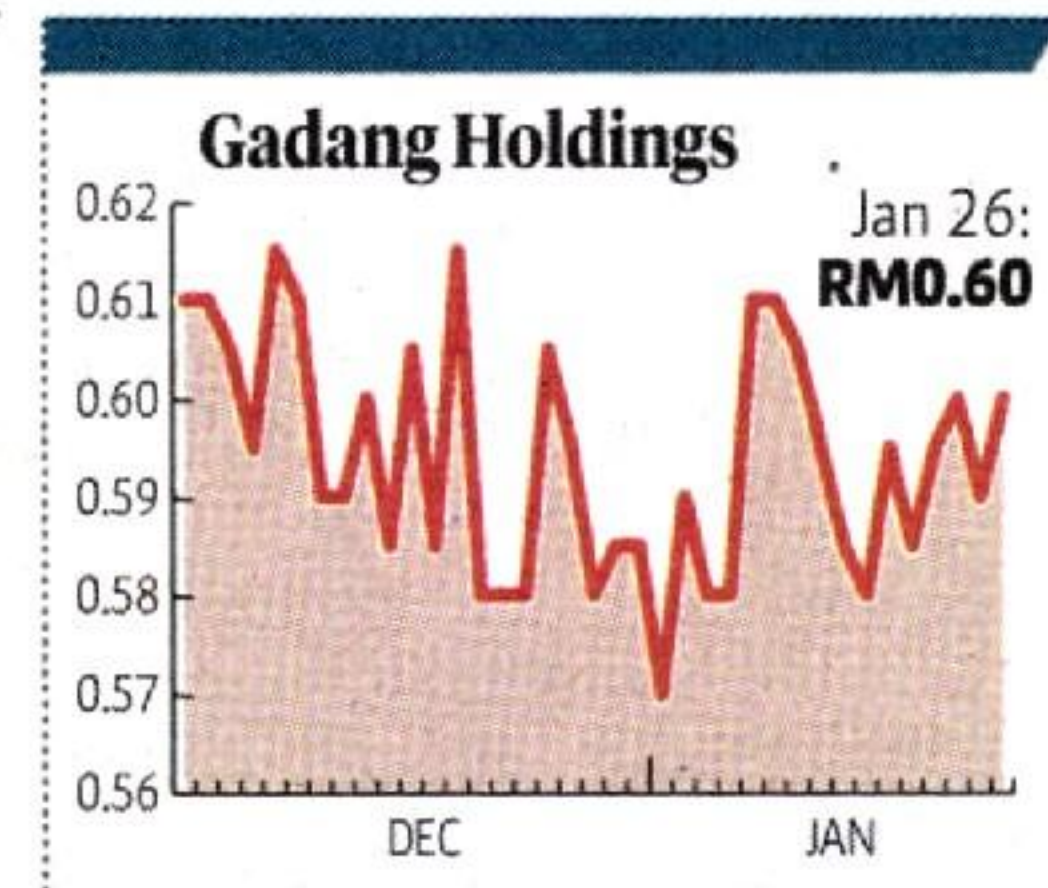
station works, and two packages for depot.

These packages are divided into two categories — the open category and the Bumiputera category.

The source said tenders for phase two of the KVMRT project will be called in the second half of 2012, also valued at about RM15 billion.

MRT Corp, set up under the Ministry of Finance, is the MRT project owner and MMC-Gamuda KVMRT (PDP) Sdn Bhd is the project delivery partner (PDP).

The MRT, which is expected to cost about RM50 billion, is a proposed electrified passenger rail line running from Sungai Buloh to Kajang that will consist of high-capacity trains running on a dedicated electrified track.



The line will start from Sungai Buloh cutting through the Kuala Lumpur city centre to Kajang in a distance of 51km, comprising a 9.5km underground tunnel between Jalan Semantan to Maluri.

The KVMRT Sungai Buloh-Kajang line is expected to be completed by July 2017.

Business Times reported late last year that there were five contenders for the underground tunnelling works worth an estimated RM9 billion to RM12 billion.

They were Gamuda-MMC, Gadang-Hyundai, China's Sinohydro Group, China Railway Corp and Japan's Taisei Corp.

The source said MRT Corp is likely to spend around RM10 billion for system works and rolling stocks.