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More MRT jobs awarded

**Mudajaya and Gadang
get contracts worth over
RM800m each**

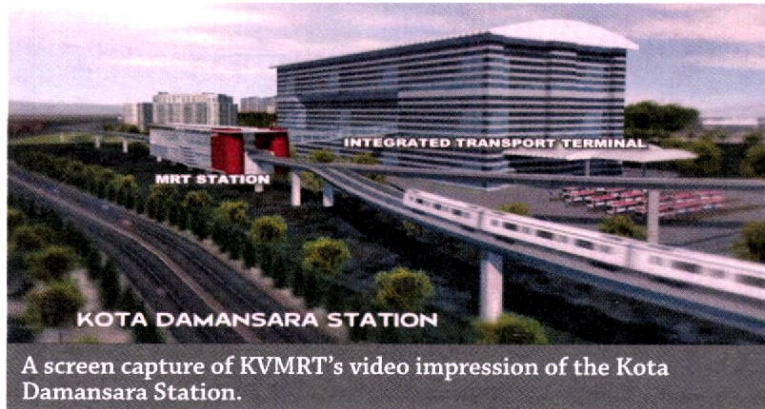
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KUALALUMPUR: Mudajaya Group Bhd and Gadang Holdings Bhd yesterday announced the official receipt of job awards worth over RM800 million each from Mass Rapid Transit Corp Sdn Bhd (MRT Corp), shoring up hopes for more MRT-related contract awards soon.

In separate statements yesterday, Mudajaya said its letter offered a RM816.24 million contract for the construction of viaduct guideways and other associated works from Dataran Sunway station to Section 17. Dubbed Package V3, this is part of the Sungai Buloh-Kajang (SBK) line of the Klang Valley Mass Rapid Transit (KVMRT) project. Mudajaya expects the job to be physically completed by February 2016.

Similarly, Gadang's RM863.39 million win for Package V2 is for viaduct guideways and associated works from Kota Damansara station to Dataran Sunway station.

The statements followed news reports on June 28 in which MRT Corp said Package V3 was awarded to



A screen capture of KVMRT's video impression of the Kota Damansara Station.

Mudajaya, the winner from 11 bids received. On the same day, MRT Corp announced that Package V2 was awarded to Gadang Engineering (M) Sdn Bhd. All 12 pre-qualified contractors bid for Package V2, MRT Corp reportedly said.

On July 29, Gadang in reply to a query from Bursa Malaysia following the statements from MRT Corp on the contract awards, said it was waiting for a formal letter of award.

According to news reports, there is one final elevated civil works or viaduct package left for grabs, Package V8, for the proposed Taman Mesra station to the Kajang station. There are eight station works packages for the SBK line up for grabs,

of which two are being evaluated while six are up for tender. Five of the jobs are reportedly to be exclusive for bumiputeras while three are in the open category. Some 26 companies are pre-qualified for the works, including 12 bumiputera firms, according to MRT Corp.

Mudajaya Group, which is currently undertaking the construction of a 1,440MW independent coal-fired power plant in Chhat-tisgarh, India, is better known for building power plants. It played a significant role in the building of Malaysia's two coal-fired power plants in Janamanjung in Lumut, Perak and Tanjung Bin in Johor. In February, Mudajaya won a contract

for the Janamanjung plant civil works worth RM1 billion.

Gadang added half a sen or 0.85% to 59.5 sen on a volume of 333,600 shares, while Mudajaya closed unchanged at RM2.72 yesterday, with only 786,800 shares done.

There are seven "buy" calls and one "hold" on Mudajaya, according to Bloomberg data. OSK Research is the least bullish with a "neutral" recommendation and target price of RM2.88, according to Bloomberg data.

Alliance Research is the most bullish, which pegged its target price at RM4.37 on June 29, following news of the Package V3 award.

Including Package V3, Mudajaya's contracts year to date total RM1.82 billion, surpassing the research houses' previous targeted job replenishments worth RM1.5 billion, Alliance Research wrote in the note. It estimates Mudajaya's total order book now stands just above RM4 billion.

"Going forward, we think that Mudajaya can also potentially secure some station packages by leveraging its track record with the existing LRT stations," the research house wrote, adding that packages S4-5 worth RM550 million to RM700 million are to be awarded by August.