

Tun Razak Exchange infrastructure may cost RM2bil

PETALING JAYA: The infrastructure cost for the Tun Razak Exchange (TRX) is estimated at RM2bil with about 10 pre-qualified contractors who are eyeing the earthwork packages of the overall project.

UOB Kay Hian said in a report that as the land had a gradient which required a sizeable amount of earth work, the first RM1bil would be spent on earthwork and basement works, while the remaining RM1bil

would go to external infrastructure works and rejuvenation of the surrounding areas of TRX, including Jalan Imbi, in order to enhance connectivity.

"Malaysia Development Bhd (1MDB) has not decided on the source of funding as it is still deliberating on a few available options. However, a portion of this is likely to come from foreign direct investments (FDI)," it said.

It said currently ground clearing works on the land were ongoing and the first physical construction would commence in mid-2013.

"We understand there are about three packages comprising earthwork, basement and civil works in phase one. We believe that the earthwork packages could be significant, with packages valued at RM500mil to RM1bil in total," it said.

It opined that the potential win-

ner was WCT Bhd, which could leverage on its expertise and track record from previous jobs in Iskandar, KLIA and Vale to stand a better chance in securing the earthwork packages.

"Other potential winners are IJM Corp Bhd and Mudajaya Bhd, we believe. Property developers will benefit as well because of its location and connectivity. Other than being located in a prime area, the

development will also feature a dedicated MRT (mass rapid transit) station, and an existing and upcoming network of public transportation systems," it said.

It added these would greatly benefit developers who have developments or landbanks around the area, which include Sunway Bhd and Boustead Bhd (potential of replicating The Curve in their landbank near TRX).