

The Star

Local firms clinch RM1.5b highway projects abroad

SUNWAY Holdings Inc Bhd's (SunInc) wholly-owned unit Sunway Construction Sdn Bhd and a joint-venture between Gamuda Bhd and WCT Engineering Bhd have clinched highway projects worth a combined RM1.5bil in India and Qatar.

SunInc said in a statement Sunway Construction had secured the RM411mil contract for the rehabilitation, upgrading and maintenance of a stretch of highway in Uttar Pradesh in India.

It also won a similar contract, worth RM284mil, to upgrade and maintain a four-lane highway in Rajasthan in the republic.

The two contracts are to be completed in 30 months and they are expected to contribute positively to the earnings of the SunInc group for the years ending 2005 to 2007.

In Qatar, WCT Engineering had teamed up with Gamuda to bid for the RM784mil Dukhan highway project from Shahaniya to Zekreet.

The project involved the construction of 43km of new highway near the Dukhan industrial area. The four-lane dual carriageway with grade-separated interchanges will replace the existing two-lane single carriageway. The rights and liabilities of WCT Engineering and Gamuda in the joint venture are 49:51. The construction period of the project is 24 months.

WCT Engineering said in a statement it would fund its share in the joint venture through internally generated funds and bank borrowings.

Companies with recent construction contracts overseas			
	Country	Contract	Value
Sunway Holding Incorporated Bhd	India	• Part of the East-West corridor project in Uttar Pradesh	RM411.3mil
WCT Engineering and Gamuda Bhd	Qatar	• Upgrading 2-lane carriageway to 4-lane configuration • Dukhan Highway from Shahaniya to Zekreet	RM284.2mil RM784mil
BM Corp Bhd	India	Toll highway project in Rajasthan	RM480mil
JAKS Resources Bhd	China	Three construction contracts in Wei Fang City Shandong Province	RM743mil

The project is not expected to have any material effect on WCT Engineering's earnings or net tangible asset for the financial year ending Dec 31, 2005. However, it is expected to contribute positively to its future earnings.