

SapuraKencana Profits Rise Despite Q4 Dive

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SapuraKencana
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SapuraKencana said net profit fell to RM129.13 million in the fourth quarter ended Jan 31, 2015 (4QFY15) from RM337.23 million. Revenue was, however, higher at RM2.39 billion versus RM1.88 billion.

SapuraKencana Petroleum Berhad has recorded net profit of RM 1.4 billion (approximately \$383.6 million) for the financial year 2015 (FY2015), an increase of 32%, compared to RM 1.1 billion (\$301 million).

Malaysia's offshore oil & gas contractor generated revenues of RM 9.9 billion (\$2.7 billion) and profits before tax of RM 1.6 billion (\$438 million) for FY2015 as compared to RM 8.4 billion (\$2.3 billion) and RM 1.2 billion (\$329million) respectively for FY2014.

However, SapuraKencana reported a 62% fall in fourth quarter net profit compared with corresponding period a year earlier as it registered higher depreciation and amortisation, besides foreign exchange losses.

Additionally, during 4QFY15, offshore construction and subsea service revenue fell 10.6% while drilling and energy services division's revenue rose 38.8%.

The company's Drilling division secured 5 new contracts and 9 contract extensions in 2015, contributing with approximately RM 5.1 billion to the Group's order book. This year, we took delivery of two new tender barges, expanded operations in West Africa and completed two contracts in Myanmar.

Offshore Construction and Subsea Services division was highlighted by the delivery of the PLSVs Sapura Diamante and Sapura Topazio for SapuraKencanas' Brazil ops and the delivery of SK 1200 and SK 3500 which have completed their maiden projects in China and Thailand.

Furthermore, the Fabrication, Hook-up and Commissioning division, won contracts to build 11 offshore structures this year totaling RM 2.17 billion in value. The most recent projects include EPCC of Baronia & Tukai WHPs for Petronas Carigali and Phase 3 Brownfield work for CPOC.

"Going forward, we expect the market to remain challenging due to volatility in oil prices. However, we have operated and thrived in challenging markets. We are confident with our continued focus on operational effectiveness, cost optimization and our aggressive drive to win new businesses worldwide," said Tan Sri Dato' Seri Shahril Shamsuddin, President and Group CEO.

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