

Leader Universal Q3 profit rises to RM22.5mil

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PETALING JAYA: Leader Universal Holdings Bhd's net profit more than doubled in the third quarter ended Sept 30, boosted by better sales and higher selling prices for its wire and cable products.

In the three months ended Sept 30, net profit surged 132% to RM22.55mil, or 5.17 sen per share, from RM9.7mil, or 2.23 sen per share, a year earlier. Revenue stood at RM816mil versus RM688.7mil.

The company expects "notable improvement" in its full year results ending Dec 31, compared with the preceding years.

Net earnings for the cumulative nine months ended Sept 30 shot up to RM50.6mil, or 11.6 sen per share, from RM26.6mil, or 6.1 sen per

share, in the previous corresponding period.

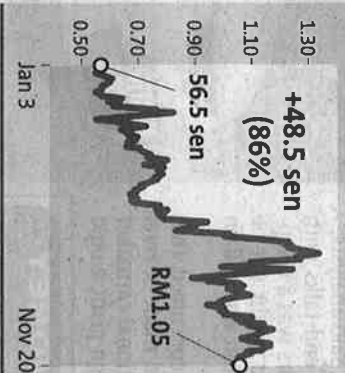
The stock finished 2 sen higher at RM1.05 yesterday.

Meanwhile, in a separate announcement, Leader Universal told Bursa Malaysia it had aborted a plan to build a 200MW coal-fired power plant in Pakistan after having considered various factors, including recent developments in that country. The project was announced in March.

However, talks are still ongoing for a similar project in Cambodia announced in November last year, which is a joint venture with a local partner.

Interest in the stock is also expected to surge on news that the Government would proceed with plans to transmit power from the Bakun hydroelectric dam to

Leader Universal
(RM)



Peninsular Malaysia.

Deputy Prime Minister Datuk Seri Najib Tun Razak said yesterday the project would be undertaken by Sime Darby Bhd, which might outsource the contract to lay the

cable. Recently, Leader Universal proposed to list a subsidiary involved in making power cables in Sarawak on the second board next year.

Analysts said the planned listing of UCS Holdings Bhd would help raise fresh funds and put UCS in a better position to capture the expected upswing in cable demand in Sarawak.

Leader Universal has 35% equity interest in UCS, and state power utility firm Sarawak Energy Bhd owns another 35%.

Analysts said Sarawak was poised to become a "powerhouse" for South-East Asia, with the Bakun dam slated for completion in 2010.

The state is also building smaller hydroelectric dam near Bakun, and a coal-fired power plant in Mukah.