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Mesiniaga ventures into 2 new biz areas in real estate development

Company is confident outsourcing and technology in the real estate development business can potentially contribute to the group's added value in the future

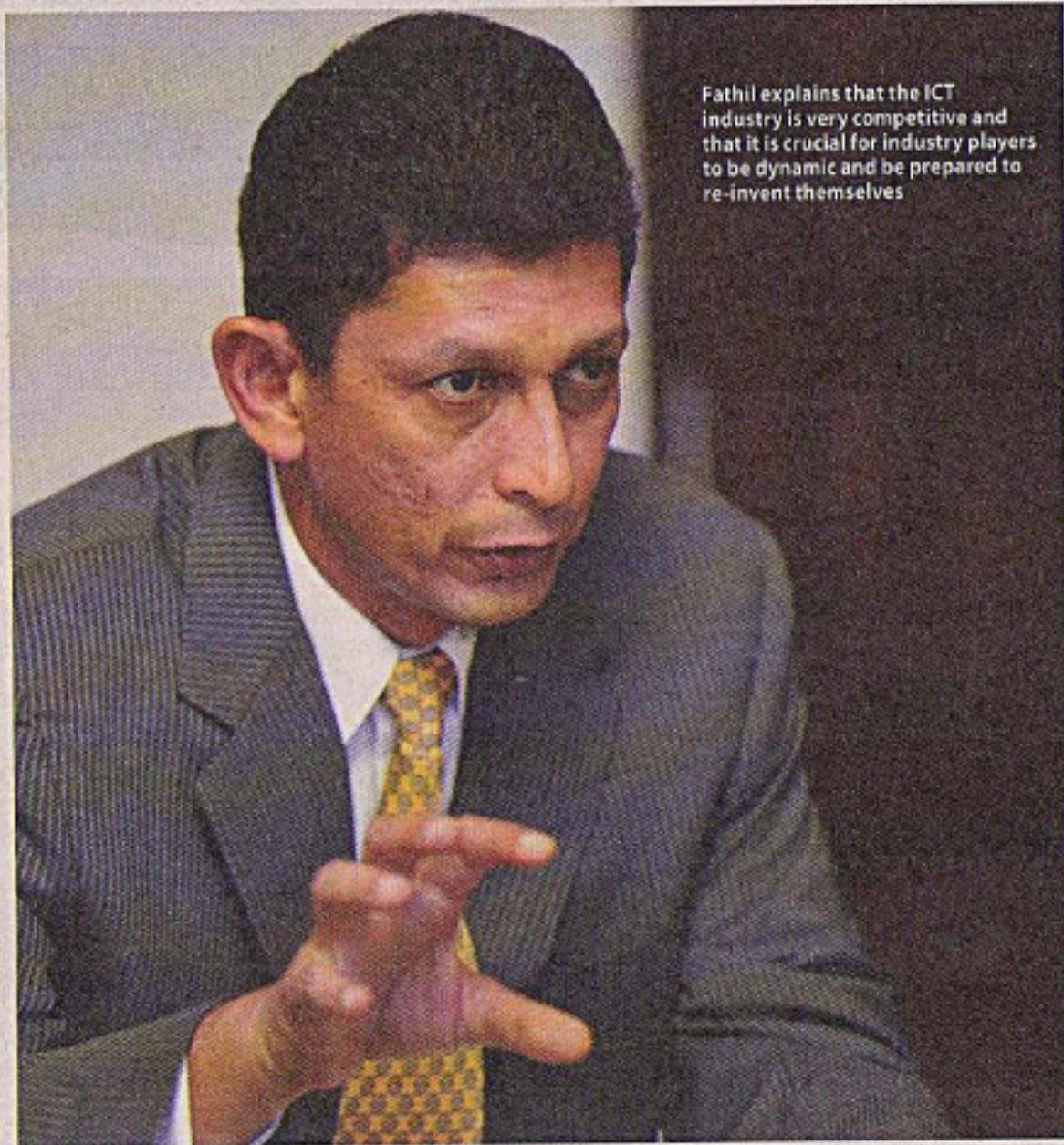
by FARAH ADILLA

MESINIAGA Bhd, via its wholly owned subsidiary Mesiniaga Alliances Sdn Bhd, is moving into strategic outsourcing and technology in real estate development — two new ventures aimed at further expanding the group's business portfolio while maintaining its competitive edge.

Its managing director, (MD) Fathil Ismail, explained that the ICT (information and communications technology) industry is very competitive because it is crucial for industry players to be dynamic have the ability to re-invent themselves.

He said that he is optimistic that both the outsourcing and technology in the real estate development business could potentially contribute 30% and 10% respectively to the group's added value in the future.

"As it involves value creation, we expect that it will drive margins superior to our traditional sources of business. In conclusion, I feel that we are making significant



Fathil explains that the ICT industry is very competitive and that it is crucial for industry players to be dynamic and be prepared to re-invent themselves

progress in building the future," he told *The Malaysian Reserve* after the company's annual general meeting in Subang Jaya yesterday.

Its chairman Datuk Wan

Mohamed Fusil, writing in the company's 2010 annual report, said the group's concept proposal unit under its 3-Pillar Strategy has enabled Mesiniaga to attain considerable break-

through in new business territories, particularly in the real estate development business.

"Among noteworthy achievements were the collaborations with several property develop-

ers such as Sime Darby Property Bhd and UEM Land Holdings Bhd for their Idea House and Symphony Hills projects respectively.

"These collaborations were for the integration of connectivity and environmental management solutions which enabled property developers to build cities and communities that are socially, environmentally and economically sustainable. The achievements signified our success in expanding our private sector business," he said.

Meanwhile, Mesiniaga recorded a 49.96% increase in net profit to RM12.83 million for its financial year ended Dec 31, 2010, from RM8.56 million in the previous year.

Wan Mohamed Fusil said through the company's continuing transformation execution since 2008, Mesiniaga has emerged stronger and is able to improve its position in the market as well as to grow its margins.

He also said Mesiniaga is confident of its potential in achieving greater growth in 2011, looking at the increasing opportunities in the market following the launch of the Economic Transformation Programme.

"Mesiniaga is part of the national key economic area lab for business services, which is responsible for identifying entry point projects in outsourcing," he said.