

Pasdec expects net profit to double

KUALA LUMPUR: Property developer Pasdec Holdings Bhd aims to double its net profit to RM12mil next year, said group managing director Yusof Ali Mohamed Zain.

"Net profit for 2006 is expected to remain at around the same level as the previous financial year, which was RM6mil," he said at a media briefing on the recent issuance of Pasdec's RM150mil million Rainbow Exchangeable Bonds (REBs).

Yusof Ali said the REBs would help the company expedite the development of its projects as well as reduce the debt level of the group.

"We will use RM70mil from the bonds to reduce our gearing level," he said, adding that the group's debts totalled RM80mil.



Pasdec also expects revenue for the current financial year ending Dec 31 to increase to RM100mil from RM72.9mil previously.

The REBs, issued on Nov 15, are split into two series. The first series, which has a five-year tenure, consists of RM15mil REBs exchangeable into 4.79 million shares of Road Builder (M) Holdings Bhd.

Yusof Ali
Mohamed
Zain

The second series has a seven-year tenure and comprises RM135mil REBs exchangeable into 40.78 million YTL Cement Bhd shares.

Part of the proceeds from the bonds will be used to develop three new townships in Kuantan - Bandar Damansara, Bandar Putra and Bandar Gebeng. The combined gross development value of the three townships is RM1.53bil.

Yusof Ali said phase one of Bandar Damansara, consisting of 187 residential units, was launched in July and was expected to generate RM29.1mil in sales.

Phase one of Bandar Putra's residential houses is expected to be launched by mid-2007 while Bandar Gebeng, which is currently in its third phase of development, is expected to be fully developed by 2010.