



NEWS ROOM



The News Straits Times 4 Mac 2010

THURSDAY, MARCH 4, 2010

Faber to expand Abu Dhabi, India ventures

INTEGRATED facilities management (IFM) and property developer Faber Group Bhd is looking at growing its venture in Abu Dhabi and India to expand its revenue base.

At the same time it is looking at several merger and acquisition proposals in facilities management to expand its business, its managing director Adnan Mohammad said.

"Organic growth in the local scene is not that great ... the focus and revenue drivers for 2010 on the IFM will be these two countries (UAE and India) for both healthcare and non-healthcare," he said.

Speaking at Faber's 2009 results briefing yesterday, Adnan explained that the M&As were under Faber Facilities Sdn Bhd which deal with non-hospital management such as facility engineering.

Adnan said that talks with the local players in this business began last year and a deal is likely to be sealed in the next 18 months.

While Faber via Faber Medi-Serve holds the government concession for hospital maintenance, the prospects of growing the busi-

ness is generally small.

On the foreign front, Faber has managed to secure a second extension for maintenance of low-cost houses in Abu Dhabi. The first year of the contract is valued at AED66 million (RM62 million).

It has also bid for another similar tender in Abu Dhabi.

In India it has bid for a RM10 million-a-year contract to service seven Fortis Hospitals.

In the financial year ended December 31 2009, Faber recorded a revenue of RM805.3 million. Of this, 85 per cent was from IFM and 15 per cent from property.

Its net profit last year was RM82.7 million.

Faber also posted a 19.4 per cent jump in revenue. Its return on equity was 21.5 per cent while its set KPI target was 12 per cent to 14 per cent.

Meanwhile, the group's property division will see launches totalling RM495 million in gross development value this year.

Faber has a total landbank of 17.42ha, 13.37ha of which are in the Klang Valley.