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Megawide's construction revenues up 43% in first six months
P353M net income reversed loss in first half 2020

Megawide Construction Corporation (“Megawide” or the “Company”) sustained the momentum of its construction business in the first six months of 2021, generating 43% higher revenues at almost P7.0 billion. This resulted in a net income of P353 million for the first half and reversed the P303 million loss in the same period last year.

The construction segment, which is a critical component in pump-priming the economy due to its significant multiplier effect, remains a bright spot in the Company’s portfolio amid the ongoing pandemic, as activities were unhampered despite the re-imposition of ECQ.

On a consolidated basis, the Company reported revenues of P7.6 billion, 18% higher than the previous year, buoyed by the strong construction performance, with landport and airport operations contributing revenues of P360 million and P237 million, respectively, during the period. Consolidated earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to P1.6 billion and 11% higher year-on-year. Operating expenses were reduced by 7% due to conscious expense. A lower net loss attributed to the parent company, amounting to P93 million compared with P290 million the previous year, was recorded as non-cash items affected the bottomline.

“We remain bullish for our construction segment as our primary growth driver in the coming years, as we slowly work towards global herd immunity to usher in the next normal and restart the economy. As such, we remain focused on the opportunities in this segment, especially in the infrastructure front, which will enable us to upskill and further sharpen our competencies,” said Edgar Saavedra, Chairman and CEO of Megawide.

Infrastructure projects as Megawide growth drivers

The Company submitted bids and is currently awaiting results for the Metro Manila Subway Project (MMSP), where it partnered with Tokyu Construction and Tobishima Construction from Japan for Package CP-104, and for Packages 1 and 7 for the North-South Commuter Rail Southline (NSCR-South) with Hong Kong-based Chun Wo Construction. In addition to these, the Company, together with an established Japanese player, is seriously evaluating securing the electro-mechanical and track works for the Malolos-Clark and Solis-Calamba stretches of the NSCR alignment.

Megawide is also fast expanding its transport-oriented development (TOD) portfolio, anchored on a hub-and-spoke model, with the country’s first landport, PITX, currently at the core. After successfully signing the joint-venture agreement with Cebu City for the Carbon Market Redevelopment, which has a vital integrated transport component, and advancing discussions with Baguio City for a potential landport location, the Company is in initial talks for a future Bus Rapid Transit (BRT) system in the Southwest area of Luzon.



“We are cognizant that restoring the country’s economic health quickly will require a faster pace of commerce, an accelerated supply chain, and support for tourism campaigns. This is why we want to focus on rail infrastructure and other TODs, leveraging on our engineering and innovation advantage, to improve connectivity within adjacent growth center and accessibility across the country, to promote economic activities. These are small pockets of growth that will build the foundation for a stronger socio-economic rebound and prepare us for the next normal, as we together engineer a First-World Philippines,” Saavedra added. **END**

ABOUT MEGAWIDE

Megawide is one of the leading infrastructure and engineering innovators in the Philippines. Publicly-listed since 2011, it is one of the largest contractors for private sector construction projects in the country and the private partner of the Philippine Government for flagship infrastructure projects such as the development of the Mactan-Cebu International Airport (MCIA) and the Paranaque Integrated Terminal Exchange (PITX). Megawide is also the construction partner for the Clark International Airport New Passenger Terminal Building. It is currently undertaking the construction of the Malolos-Clark Railway Project Package 1, and the modernization of Cebu’s historic Carbon Market District. In 2012, the company established Megawide Corporate Foundation, Inc., a non-profit organization focusing on social development projects.