



Headline : Deleum 4Q net profit rises 15.3%, declares 5 sen dividend
Media : The Edge Markets
Day/Date : 25 February 2015
Page :
Links : <http://www.theedgemarkets.com/my/article/deleum-4q-net-profit-rises-153-declares-5-sen-dividend?type=Corporate>

Deleum 4Q net profit rises 15.3%, declares 5 sen dividend

By Sulhi Azman / theedgemarkets.com | February 24, 2015 : 10:54 PM MYT

KUALA LUMPUR (Feb 24): Deleum Bhd ([Financial Dashboard](#)) saw its net profit for the fourth quarter ended Dec 31, 2014 (4QFY14) jump 15.3% to RM16.8 million or 4.20 sen per share from RM14.57 million or 3.64 sen per share a year ago, on higher contribution from its oilfield services segment.

Revenue for 4QFY14 also rose 18.6% to RM205.8 million from RM173.45 million a year ago, boosted higher level of oilfield chemicals activities and improvement from the slickline activities, which it reaped from a contract it secured in 3QFY13.

Deleum (fundamental: 2.1; valuation: 2.1) declared a second interim dividend of 5 sen per share, payable on March 26, 2015. This brings the total dividend for the financial year ended Dec 31, 2014 (FY14) to 7.5 sen per share.

For the 12 months period (FY14), Deleum recorded a 19.7% increase in net profit to RM59.32 million or 14.83 sen per share from RM49.56 million or 12.39 sen per share in FY13, while revenue rose 37.5% to RM657.27 million from RM477.96 million.

Going forward, the group expects a downward pressure on its activities and margins on falling oil prices, amid having a diversified portfolio of products and services.

“Global oil prices reached new lows in January 2015, and oil prices are expected to stay depressed compared with the recent past. Petronas (Petroliam Nasional Bhd had) announced that it would be making capital expenditure deferrals and reductions in operational expenditure which in turn would affect the level of the oil and gas activities in the country,” Deleum said in a filing with Bursa Malaysia this evening.

“However, existing development and production activities are expected to continue thus ensuring an ongoing need for products and services for operations and maintenance,” it added.

The stock ended 1.15% lower to RM1.72 today, with 294,900 shares changing hands, bringing its market capitalisation to RM688 million.