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Perkapalan expects drop in imports

TRANSPORTATION-provider Konsortium Perkapalan Bhd is evaluating the impact of economic and currency problems on its earnings.

Executive chairman Mirzan Mahathir said the group, whose fortunes are tied to trade, expected a drop in import figures and was gauging future export numbers and their effect on earnings.

"Our business is based on trade and depends on the performance of each country's trade, so we certainly are looking at our numbers (earnings)," Mirzan said.

He was speaking to reporters in Subang yesterday after the group's subsidiary KP Asia Auto Logistics Sdn Bhd signed an affreightment agreement with Edaran Otomobil Nasional Bhd on the shipment of Proton cars to Sabah and Sarawak.

"We will be realistic and have to look at ways to ensure that our operations meet the needs of the situation... There is some discussion as to what impact (on earnings) it will have. We are monitoring the situation and are being prudent as an organisation," he added.

Mirzan who is also chairman of KP Asia Auto Logistics, said the agreement with EON was worth RM10 million annually.

EON has appointed it as "integrated logistic facilitator" for the shipment and handling of Proton cars for the Sabah and Sarawak markets.

EON managing director Datuk Adzmi Abdul Wahab, who was present, said demand for Proton cars in the two States averaged about 1,000 units a month.

Such demand necessitated the appointment of an experienced logistics provider for EON's 11 branches and 13 authorised dealers in the two States, he added.

The affreightment contract is for two years and KP Asia Auto Logistics has the option of extending it for a year.

KP Asia Auto Logistics specialises in freight forwarding, warehousing and transportation. It counts among its clients the likes of Perusahaan Otomobil Nasional Bhd, Perusahaan Otomobil Kedua Sdn Bhd and Auto Bavaria.

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