

Mirvac
Keen on
good year

PROPERITY giant Mirvac Group has upgraded its full-year guidance on the back of its strengthening residential business and after a better-than-expected first half profit.

Net profit for the six months to December 31 was \$47.16 million, compared to a \$645.7 million loss in the prior first half after writedowns on its investments and assets during the global financial crisis.

Mirvac said operating profit was up 59 per cent at \$129.38 million after revenue rose 12 per cent to \$907.6 million from \$809.7 million.

Mirvac managing director Nick Collishaw said after a difficult period the group had now set itself up for the future.

"Our results in the first half of this year together with the efforts of the group over the past 18 months have positioned Mirvac group business for growth," Mr Collishaw said yesterday.

Guidance for operating profit in 2009/10 was upgraded to \$268.8 million from \$253 million, or up to 9.2 cents per stapled security from nine cents previously announced.

Mirvac's distribution guidance was unchanged at eight

Mayors share in future vision



COMMON GOAL . . .
Townsville Enterprise CEO Trevor Goldstone with mayors Lyn McLaughlin, Alf Lacey, Pino Giandomenico and Ben Callcott

By TONY RAGGATT

LOCAL government leaders say they have made the first step toward a unified approach on the region's development.

Leaders of the Townsville, Hinchbrook, Burdekin, Charters Towers and Palm Island councils joined with Townsville Enterprise and State Government representatives to begin the task of drawing up a regional economic development plan for 2030.

While the wish list of ideas varied from building dams and starting commuter rail services to helping Palm Island establish an economy, the one common goal was a willingness to work together.

Burdekin Mayor Lyn McLaughlin said the united approach was a turning point for the region.

"I see from this bigger things will

"We can only survive in the future by working together as a region."

Or McLaughlin said building a second stage of the Burdekin Falls Dam was an excellent project on which it had already lodged a joint submission with Townsville council to the Federal Government.

Charters Towers Mayor Ben Callcott said each local area relied on common infrastructure such as the port, the roads and rail corridors, and needed to work together.

He believed harnessing water resources, from upgrading the Burdekin Falls Dam to building the Hells Gate Dam on the upper Burdekin, would boost development.

It was a 'build it and they will come' philosophy.

"Harness the water and then watch the population come up here," he said.

"paddock" concept, sending young cattle away for fattening at feedlots in the south or as live exports to countries such as Indonesia.

It was more economical to breed large numbers of young cattle for sale rather than to breed them into bullocks, he said.

Palm Island Mayor Alf Lacey said Palm Island was making great inroads into working more closely with other regional councils.

He was eager for Palm Island to advance itself by taking advantage of opportunities in the region.

"What we would like to see is more attention being paid to Palm with the likes of public infrastructure so we can become a player within the region," he said.

Further workshops will be held this month before a development plan is finalised.

Profit forecast boosted

CONTRACTOR. Macmahon Holdings Ltd has upgraded its full year profit guidance after a turnaround in the mining and construction sectors.

A strong first-half performance and improving outlook is likely to drive full year net profit to between \$36 million and \$40 million, subject to the volume and timing of new work, the company said yesterday.

This compares to prior guidance of \$34 million, which represented a doubling of its result for the 2008/09 financial year when the mining sector downturn was hard felt.

Macmahon's net profit for the six months to December 2009 was \$21.5 million, up 52.5 per cent from \$14.1 million for the same period in 2008.

Revenue of \$656.3 million was down 11 per cent from \$734.8 million previously but the Perth-based company said its net profit rose due to improving margins.

Its construction division achieved strong revenue growth on the back of resource-related projects in Western Australia and Queensland, but revenue from its mining business fell 34 per cent during the half year.

But confidence has returned to the mining division and it was 'back on track', Macmahon chief executive Nick Rowen said.