

Condensed Consolidated Income Statements
Quarterly report on Unaudited consolidated results
for the year ended 31 December 2009

	<u>3 months</u> <u>quarter ended</u> <u>31.12.09</u> RM'000 (Unaudited)	<u>3 months</u> <u>quarter ended</u> <u>31.12.08</u> RM'000 (Unaudited)	<u>Cumulative</u> <u>12 months ended</u> <u>31.12.09</u> RM'000 (Unaudited)	<u>Cumulative</u> <u>12 months ended</u> <u>31.12.08</u> RM'000 (Restated)
Revenue	2,198,352	2,438,473	8,444,321	8,545,033
Cost of sales	<u>(1,455,729)</u>	<u>(1,788,633)</u>	<u>(5,451,414)</u>	<u>(5,669,533)</u>
Gross profit	742,623	649,840	2,992,907	2,875,500
Other Operating Income				
Items relating to investments	-	95,132	280	133,899
Others	132,893	49,409	340,432	194,061
Distribution costs	(112)	(107)	(337)	(630)
Administrative expenses	(171,565)	(135,793)	(664,521)	(581,013)
Operating expenses	(253,158)	(227,163)	(474,517)	(415,552)
Finance cost	(349,657)	(345,487)	(1,398,507)	(1,380,529)
Share of results of associated companies and jointly controlled entities	<u>3,685</u>	<u>57,524</u>	<u>(109,982)</u>	<u>215,333</u>
Profit before taxation	104,709	143,355	685,755	1,041,069
Taxation	<u>65,926</u>	<u>80,713</u>	<u>(59,394)</u>	<u>(124,003)</u>
Net profit for the period	<u><u>170,635</u></u>	<u><u>224,068</u></u>	<u><u>626,361</u></u>	<u><u>917,066</u></u>
Attributable to:				
Equity shareholders	107,775	153,798	236,711	552,889
Minority interest	<u>62,860</u>	<u>70,270</u>	<u>389,650</u>	<u>364,177</u>
	<u><u>170,635</u></u>	<u><u>224,068</u></u>	<u><u>626,361</u></u>	<u><u>917,066</u></u>
Basic earnings per ordinary share (sen)	3.5	5.1	7.8	18.2
Diluted earnings per ordinary share (sen)	3.5	5.1	7.8	18.2

The Condensed Unaudited Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2008.

**Condensed Unaudited Consolidated Balance Sheet
As at 31 December 2009**

	As at 31.12.09 RM' 000 (Unaudited)	As at 31.12.08 RM' 000 (Restated)
Non-Current assets		
Property, plant and equipment	16,223,530	15,692,290
Investment properties	31,319	32,492
Prepaid lease payments	1,133,628	650,759
Investment in associated companies	1,615,285	1,970,415
Investment in jointly controlled entities	265,911	346,953
Property development expenditure	2,052,166	40,648
Other assets	6,792	8,244
Intangible assets	8,070,414	8,415,862
Deferred expenditure	17,533	-
Deferred tax assets	542,011	417,315
	<u>29,958,589</u>	<u>27,574,978</u>
Current assets		
Inventories	638,416	674,426
Non-current assets held for sale	541	-
Trade and other receivables	1,813,263	2,217,978
Tax recoverable	206,914	140,783
Amount due from holding company	7,518	13,780
Marketable securities	61,237	61,237
Deposits, bank and cash balances	4,492,832	3,766,281
	<u>7,220,721</u>	<u>6,874,485</u>
Current liabilities		
Trade and other payables	2,104,981	1,910,166
Borrowings	2,559,153	2,278,454
Taxation	45,952	37,198
	<u>4,710,086</u>	<u>4,225,818</u>
Net current assets	<u>2,510,635</u>	<u>2,648,667</u>
	<u>32,469,224</u>	<u>30,223,645</u>
Financed by:		
Capital and reserves		
Share capital	304,506	304,506
Reserves	5,997,273	5,834,792
	<u>6,301,779</u>	<u>6,139,298</u>
Minority interests	<u>3,460,519</u>	<u>3,221,439</u>
Total equity	<u>9,762,298</u>	<u>9,360,737</u>
Non-Current Liabilities		
Redeemable Preference Shares	114,051	114,051
Redeemable convertible subordinated loans	158,355	158,355
Redeemable convertible unsecured loans stocks	36,930	38,419
Borrowings	18,359,545	17,202,997
Landlease received in advance	171,851	198,204
Provision for retirement benefits	48,063	44,327
Deferred income	56,739	-
Deferred tax liabilities	3,628,066	3,106,555
Other Payables	133,326	-
	<u>32,469,224</u>	<u>30,223,645</u>
Net assets per share attributable to ordinary equity holders of parent (sen)	207	202

The Condensed Unaudited Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2008.

**Condensed Unaudited Consolidated Statement of Changes in Equity
for the year ended 31 December 2009**

Note	Attributable to equity holders of the parent							Total RM'000	Minority interests RM'000	Total RM'000
	Non-distributable			Distributable						
	Share Capital RM'000	Share Premium RM'000	Foreign Exchange Reserve RM'000	Revaluation Reserve RM'000	Capital** Reserves RM'000	Capital* Reserves RM'000	Retained Earnings RM'000			
At 1 January 2009	304,506	2,039,770	139	1,219,271	28,885	422,783	2,098,675	6,114,029	3,245,997	9,360,026
Prior year adjustments	3	-	-	(301)	-	-	25,570	25,269	(24,558)	711
As restated	304,506	2,039,770	(162)	1,219,271	28,885	422,783	2,124,245	6,139,298	3,221,439	9,360,737
Acquisition through business combination	-	-	-	-	-	(13,344)	-	(13,344)	19,913	6,569
Share of movement in associates's reserves	-	-	-	-	55,868	-	-	55,868	-	55,868
Redemption of subsidiary's redeemable convertible preference shares	-	-	-	-	-	(41,160)	-	(41,160)	-	(41,160)
Currency translation differences	-	-	668	-	-	-	-	668	-	668
Net income recognised directly to equity	-	-	668	-	55,868	(54,504)	-	2,032	19,913	21,945
Issuance of share upon conversion of redeemable convertible unsecured loans stocks	-	-	-	-	-	(543)	407	(136)	-	(136)
Transfer to capital reserves	-	-	-	-	-	3,140	(3,140)	-	-	-
Net profit for the financial year	-	-	-	-	-	-	236,711	236,711	389,650	626,361
Dividend	-	-	-	-	-	-	(76,126)	(76,126)	(170,483)	(246,609)
At 31 December 2009	<u>304,506</u>	<u>2,039,770</u>	<u>506</u>	<u>1,219,271</u>	<u>84,753</u>	<u>370,876</u>	<u>2,282,097</u>	<u>6,301,779</u>	<u>3,460,519</u>	<u>9,762,298</u>
At 1 January 2008	152,253	2,039,770	-	1,219,271	308,197	350,107	1,790,916	5,860,514	2,807,088	8,667,602
Effects of adopting FRS112	-	-	-	-	-	72,293	(74,841)	(2,548)	98,455	95,907
As restated	152,253	2,039,770	-	1,219,271	308,197	422,400	1,716,075	5,857,966	2,905,543	8,763,509
Acquisition through business combination	-	-	-	-	-	-	-	-	87,601	87,601
Disposal of subsidiaries	-	-	-	-	(881)	-	-	(881)	(6,721)	(7,602)
Share of movement in associates's reserves	-	-	-	-	(126,178)	-	-	(126,178)	-	(126,178)
Currency translation differences	-	-	(162)	-	-	-	-	(162)	544	382
Net income recognised directly to equity	-	-	(162)	-	(127,059)	-	-	(127,221)	81,424	(45,797)
Transfer to capital reserves	-	-	-	-	-	383	(383)	-	-	-
Net profit for the financial year	-	-	-	-	-	-	552,889	552,889	364,177	917,066
Issuance of bonus shares	152,253	-	-	-	(152,253)	-	-	-	-	-
Dividend	-	-	-	-	-	-	(144,336)	(144,336)	(129,705)	(274,041)
At 31 December 2008	<u>304,506</u>	<u>2,039,770</u>	<u>(162)</u>	<u>1,219,271</u>	<u>28,885</u>	<u>422,783</u>	<u>2,124,245</u>	<u>6,139,298</u>	<u>3,221,439</u>	<u>9,360,737</u>

* - The distributable capital reserves represent mainly the net gain from disposals of investments.

** - The non-distributable capital reserves mainly consist of share premium of another company that merged with the Group in 1976.

The Condensed Unaudited Consolidated Statement Of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2008.

**Condensed Unaudited Consolidated Cash Flow Statement
for the year ended 31 December 2009**

	12 months ended 31.12.09 RM' 000 (Unaudited)	12 months ended 31.12.08 RM' 000 (Restated)
Cash flows from operating activities		
Profit before taxation	685,755	1,041,069
Adjustments for:		
Non-cash items	1,273,557	1,235,521
Interest expense	1,398,507	1,380,529
Interest income	(158,667)	(143,612)
Dividend income	(7,368)	(17,787)
Share of results in associates and jointly controlled entities	109,982	(215,333)
Operating profit before working capital changes	3,301,766	3,280,387
Changes in working capital:		
Net change in current assets	51,677	(612,620)
Net change in current liabilities	(245,515)	532,061
Cash generated from operations	3,107,928	3,199,828
Tax paid	(300,798)	(295,192)
Mining exploration expenditure	-	(2)
Land lease received in advance	13,894	21,964
Retirement benefits paid	(3,719)	(4,381)
One off payment in lieu of windfall profit levy	-	(37,804)
Net cash flow generated from operating activities	2,817,305	2,884,413
Cash flows from investing activities		
Net cash inflow from disposals of subsidiaries	-	97,217
Net cash inflow from disposals of associates	52,682	-
Net cash outflow from acquisition of associates	-	(6,252)
Net cash outflow from acquisition of subsidiary	(1,278,137)	(80,932)
Additional investment in a jointly controlled entity	(31,663)	(37,455)
Additional property development expenditure	(19,647)	(37,381)
Development expenditure	-	(171)
Purchase of property, plant and equipment	(725,223)	(1,284,375)
Purchase of investment properties	(30)	(111)
Redemption of RULS in a subsidiary	8,000	15,200
Proceeds from sale of property, plant and equipment	36,195	2,223
Proceeds from sale of other non-current assets	8,342	-
Interest received	158,667	143,612
Dividend received	98,500	74,248
Distribution from jointly controlled entity	154,247	-
Prepayment of lease	(1,300)	(18)
Repayment of landlease received in advance	(20,725)	-
Net cash flow used in investing activities	(1,560,092)	(1,114,195)
Cash flows from financing activities		
Drawdown of term loans	2,890,308	1,390,813
Government grant received	71,355	-
Repayment of term loans	(1,805,349)	(1,038,388)
Dividend paid	(76,126)	(144,336)
Dividend paid to minority shareholder	(170,483)	(129,705)
Interest paid	(1,398,507)	(1,380,529)
Redemption of preference shares in a subsidiary	(41,160)	-
Net cash flow used in financing activities	(529,962)	(1,302,145)
Net increase in cash and cash equivalents	727,251	468,073
Effects of changes in exchange rate	668	683
Cash & Cash Equivalents at beginning of financial year	3,746,438	3,277,682
Cash and cash equivalents at end of financial year	4,474,357	3,746,438
Cash and cash equivalents comprise:		
Deposits and bank balances	4,492,832	3,766,281
Designated accounts	(1)	(1)
Pledge deposits	(17,758)	(17,906)
Bank overdrafts	(716)	(1,936)
	4,474,357	3,746,438

The Condensed Unaudited Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2008.

Notes to the interim financial statements

1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the restated audited financial statements of the Group for the financial year ended 31 December 2008. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2008.

2. Changes in Accounting Policies

The significant accounting policies, method of computation and basis of consolidation applied in the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2008 except for the adoption of a new accounting policy on Government Grants in accordance with FRS 120: Accounting for Government Grants and Disclosure of Government Assistance following the acquisition of Senai Airport Terminal Services Sdn. Bhd. which is as follows:

"Government grants are recognised initially at their fair value in the balance sheet as deferred income where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Government grants

shall be recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis."

3. Prior year adjustments

The Group has adjusted the comparative figures in accordance with the followings:

- a) Deconsolidation of the Group's interest in Almiyah Attilemcania SPA ("AAS")

Malakoff Corporation Berhad has 70% shareholding in Tlemchen Desalination Investment Company SAS ("TDIC") which in turn has 51% shareholding in AAS. Through TDIC, the Group was entitled to elect three (3) of the five (5) members of the Board of Directors of AAS. Based on this shareholding structure, it was concluded in the previous year that AAS was a subsidiary of the Group.

However, management has since noted that certain significant decisions on operations and finance are to be approved by 66.7% of the Board members. As a result, the Group's influence over AAS is restricted. Accordingly, the Group's investment in AAS has now been accounted for as a jointly controlled entity as opposed to a subsidiary.

- b) Finalisation of the Purchase Price Allocation ("PPA") on the acquisition of Aliran Ihsan Resources Berhad ("AIRB")

Subsequent to the preliminary assessment made in the financial year ended 31 December 2008, the Group has finalised the PPA on the acquisition of AIRB within the permitted 12 months period from the date of completion of the acquisition under FRS 3: Business Combination.

The difference between the preliminary assessment, as previously reported in the financial statement for the year ended 31 December 2008 and the final assessment, in respect of the fair value of the net assets acquired, goodwill and cash flow arising from the acquisition is as follows:

<u>Group</u>	<u>Preliminary Assessment</u> RM' 000	<u>Adjustment</u> RM' 000	<u>Final assessment</u> RM' 000
Property, plant and equipment	7,775	-	7,775
Investment property	871	-	871
Investment in associates	202,678	20,374	223,052
Deferred taxation	4,003	-	4,003
Intangible assets	-	21,193	21,193
Inventories	901	-	901
Trade and other receivables	87,582	-	87,582
Other current assets	2,985	-	2,985
Cash and cash equivalents	69,842	-	69,842
Trade and other payables	(30,153)	-	(30,153)
Other current liabilities	(3,883)	-	(3,883)
Borrowings	(281)	-	(281)
Deferred taxation	(916)	(10,455)	(11,371)
Other non-current liabilities	(38,548)	255	(38,293)
Fair value of net assets acquired	<u>302,856</u>	<u>31,367</u>	<u>334,223</u>
Excess of Group's interest in the fair value of identifiable net assets acquired over the cost of business	(72,184)	(25,570)	(97,754)
Minority interest	(79,898)	(5,797)	(85,695)
Net consideration	<u><u>150,774</u></u>	<u><u>-</u></u>	<u><u>150,774</u></u>

The following tables disclose the adjustments that have been made to the comparatives figure in accordance with the above.

<u>Group</u>	<u>Previously reported</u> RM' 000	<u>Deconsolidation of AAS</u> RM' 000	<u>PPA finalisation</u> RM' 000	<u>As restated</u> RM' 000
Increase/(Decrease)				
<u>Balance Sheet</u>				
Property, plant and equipment	16,010,857	(318,567)	-	15,692,290
Investment in associates	1,950,041	-	20,374	1,970,415
Investment in jointly controlled entity	314,498	32,455	-	346,953
Intangible assets	8,394,669	-	21,193	8,415,862
Trade and other receivables	2,237,226	(19,248)	-	2,217,978
Deposits, bank and cash balances	3,787,309	(21,028)	-	3,766,281
Trade and other payables	1,912,678	(2,512)	-	1,910,166
Reserves	5,809,523	(301)	25,570	5,834,792
Minority interest	3,245,997	(30,355)	5,797	3,221,439
Redeemable convertible unsecured loans stocks	38,674	-	(255)	38,419
Borrowings	19,774,671	(293,220)	-	19,481,451
Deferred tax liabilities	3,096,100	-	10,455	3,106,555
<u>Income Statement</u>				
Other operating income				
- Item relating to investments	108,329	-	25,570	133,899
Profit before taxation	1,015,499	-	25,570	1,041,069
Net profit for the year	891,496	-	25,570	917,066
Profit attributable to equity holders of the Company	527,319	-	25,570	552,889
Earnings per ordinary shares:				
Basic	17.3	-	0.8	18.2
Diluted	17.3	-	0.8	18.2

Statement of changes in equity

Foreign currency

translation reserve	139	(301)	-	(162)
Retained earnings	2,098,675	-	25,570	2,124,245
Minority interest	3,245,997	(30,355)	5,797	3,221,439
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

4. Audit qualification

The report of the auditors on the Group's financial statements for the year ended 31 December 2008 was not subject to any qualification.

5. Seasonal or cyclical factors

The Group's operations have not been affected by seasonal or cyclical factors.

6. Unusual items

There was no unusual item affecting assets, liabilities, equity, net income or cash flows during the current quarter because of their nature, size and incidence.

7. Changes in estimates

There was no material change in financial estimates reported in prior interim periods that could materially affect the current interim period's financial statements.

8. Debt and equity securities

There was no material issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the quarter ended 31 December 2009.

9. Dividend paid

In respect of the financial year ended 31 December 2008, as reported in Directors' report during that financial year, a final single-tier dividend of 2.5 sen per share on the 3,045,058,552 ordinary shares amounting to RM76,126,463.91, was paid on 26 June 2009.

10. Segment Reporting

The Group's segmental report for the twelve-month financial period ended 31 December 2009 is as follows:

	<u>Transport & Logistics</u> RM mil	<u>Energy & Utilities</u> RM mil	<u>Engineering & Construction</u> RM mil	<u>Others</u> RM mil	<u>Total</u> RM mil
<u>Revenue</u>					
Total	1,207	7,235	11	13	8,466
Inter-segment	(4)	(15)	(3)	-	(22)
External	1,203	7,220	8	13	8,444
<u>Results</u>					
Segment Profit /(Loss)	292	1,793	(8)	(42)	2,035
Items relating to investments					-
Interest income					159
Finance cost					(1,399)
Share of results of associates and joint ventures	-	(54)	(50)	(6)	(110)
Profit before Taxation					685
Taxation					(59)
Profit after Taxation					626

The Group's segmental report for the corresponding twelve-month financial period ended 31 December 2008 is as follows:

	<u>Transport & Logistics</u> RM mil	<u>Energy & Utilities</u> RM mil	<u>Engineering & Construction</u> RM mil	<u>Others</u> RM mil	<u>Total</u> RM mil
Revenue					
Total	1,197	7,247	176	60	8,680
Inter-segment	-	1	(136)	-	(135)
External	1,197	7,248	40	60	8,545
Results					
Segment Profit /(Loss)	342	1,620	5	(38)	1,929
Items relating to investments					134
Interest income					144
Finance cost					(1,380)
Share of results of associates and joint ventures	-	29	189	(4)	214
Profit before Taxation					1,041
Taxation					(124)
Profit after Taxation					917

11. Property, plant and equipment

Certain group properties were re-valued in the past. This revaluation was brought forward without any subsequent revaluation as allowed for under FRS 116.

12. Events subsequent to the balance sheet date

There was no material event subsequent to the end of current quarter.

13. Changes in composition of the Group

There was no change in the composition of the Group during the current quarter except for Johor Port Berhad ("JPB"), a wholly-owned subsidiary, which had on 2 December 2009 entered into Share Sale and Purchase Agreement ("SPA") with Padiberas Nasional Berhad ("BERNAS") to divest its 75% equity interest comprising 12,000,000 ordinary shares of RM1.00 each in Bernas Logistics Sdn Bhd to BERNAS for a total consideration of RM11.76 million. Subsequently, JPB has also entered into a Termination Agreement with BERNAS to terminate the Sub-Lease Agreement dated 6 October 2005 signed between JPB and BERNAS.

14. Changes in contingent liabilities or contingent assets

There was no change in contingent liabilities or contingent assets since the last annual balance sheet date as at 31 December 2008 as disclosed in the financial statements of the Group for the financial year ended 31 December 2008, except for the following:

a) Bank guarantees issued to third parties:

	31.12.09	31.12.08
	RM million	RM million
Subsidiaries	425.9	481.0
	<u>425.9</u>	<u>481.0</u>
	<u>425.9</u>	<u>481.0</u>

Bank guarantees issued to customers and utilities suppliers were mainly performance bonds, security deposits and payment guarantees.

b) On 25 June 2008, Segari Energy Ventures Sdn Bhd ("SEV"), a 93.75% owned subsidiary of Malakoff Corporation Berhad, the Company's 51% owned subsidiary, filed a statement of claim in arbitration proceedings against Tenaga Nasional Berhad ("TNB"), claiming a sum of RM43,692,188.47 in relation to wrongful set-off of SEV's billing statements. On 25 July 2008, TNB filed its defence and counterclaim seeking, among others, in relation to the RM43,692,188.47 claimed by SEV, a declaration that the said amounts were lawfully deducted, or alternatively, payment of the said amounts to TNB; and in respect of the metering inaccuracies, payment of all the amounts of energy payments allegedly received by SEV in excess of the sum due to SEV, which is to be determined by the arbitral tribunal. On 25 August 2008, SEV filed its reply and defence to counterclaim. TNB filed its reply to defence to counterclaim on 24 September 2008. Subsequently TNB filed an amended defence and counterclaim dated 17 March 2009 claiming an additional sum of RM282,734.88. TNB alleges that its claim includes this additional sum but owing to a calculation error on TNB's part, TNB had not included this additional sum as part of the earlier deductions.

The Company is of the view, in consultation with solicitors, that there is a favourable chance of success in the arbitration proceedings.

c) On 13 November 2008, Wayss & Freytag (Malaysia) Sdn Bhd ("Wayss & Freytag") served on MMC Engineering Group Berhad ("MMCEG"), a subsidiary of MMC, a Writ of Summons and a Statement of Claim ("the Court Action"). The Court Action is for *inter-alia*, a declaration that the MMCEG-Gamuda Berhad Joint Venture ("the JV") is in breach of the sub-contract dated 16 April 2003 ("the Sub-Contract") awarded to Wayss & Freytag to construct and complete the North Tunnel Drive of

the Stormwater Management and Road Tunnel Project ("the SMART Project"), by failing to make payment of RM102,366,880.42 awarded by the Dispute Adjudication Board ("DAB") to Wayss & Freytag in respect of various claims arising out of the Sub-Contract and for damages of the same amount subsequent to the JV terminating the Sub-contract on 23 January 2006 due to Wayss & Freytag's inordinate delay in the progress of its work. Under the Sub-contract any party who is dissatisfied with the decision of the DAB may issue a Notice of Dissatisfaction and require the matter to be referred to arbitration for final adjudication. The JV will accordingly resist the Court Action.

On 1 June 2009, the JV obtained an order to stay the proceedings of the Court Action from the Senior Assistant Registrar of the Court. On the same day, Wayss & Freytag filed an appeal to the High Court Judge against the order granted by the Senior Assistant Registrar. On 30 October 2009, the High Court dismissed with costs Wayss & Freytag's appeal.

The Court action is therefore stayed pending resolution of the dispute through arbitration.

- d) Further to item (c) above, MMCEG and Gamuda Berhad, have on 17 December 2008, issued a Notice of Arbitration to commence arbitration proceedings against Wayss & Freytag in respect of their claims for RM154,774,949.83 against Wayss & Freytag for breach of the Sub-Contract.

Similarly, Wayss & Freytag had on 15 January 2009 issued a Notice of Arbitration to commence arbitration proceedings against MMCEG and Gamuda Berhad in respect of their claims

for approximately RM151,279,445.58 against MMCEG and Gamuda Berhad for breach of the Sub-Contract.

As advised by the solicitors acting for the JV in the arbitration proceedings, the Company is of the view that MMCEG, as a party to the JV, has a good chance of success in the arbitration proceedings.

15. Capital commitments

Capital commitments for the Group not provided for in the financial statements are as follows:

	31.12.09
	RM million
Property, plant and equipment:	
Authorised and contracted for	348.1
Authorised but not contracted for	167.4
	<hr/>
	515.5
	<hr/> <hr/>

Additional information required by the Bursa Securities Listing Requirements

16. Review of performance

The Group's profit before tax for the financial year ended 31 December 2009 of RM685.8 million was lower by RM355.3 million compared to the corresponding financial year ended 31 December 2008.

Contribution from **Engineering & Construction division** was lower by RM254.1 million or 130.3%. This is mainly due to revisions in the overall margin of the Double Track project. There were also losses from our associate, Zelan Berhad amounting to RM90.8 million for its ongoing projects in the Middle East.

Lower contribution from **Transportation & Logistics division** by RM57.3 million or 24.2% due to the impact of the depressed economic environment.

The **Corporate division** registered lower contribution by RM190.7 million. This is mainly due to an exceptional gain of RM37.5 million from the disposal of a subsidiary coupled with the negative goodwill of RM97.8 million derived from the acquisition of Aliran Ihsan Resources Berhad ("AIRB") recognised in the previous financial year. Finance costs were higher by RM53.4 million at MMCB Company level consistent with the increase in borrowings following the acquisition of Senai Airport Terminal Services Sdn. Bhd. in the current financial year.

The decrease in the above divisions was mitigated by the 25.1% improvement (RM146.8 million) from the **Energy & Utilities division**, mainly driven by better performance of Malakoff Corporation Berhad. Results from this division was also better due to consolidation of full year results of AIRB as opposed to only two months in the previous year.

17. Variation of results against preceding quarter

The Group recorded a profit before tax of RM104.7 million in the current quarter as compared to RM236.4 million in the preceding quarter. This is due to lower contribution from the energy and utilities division as a result of the provision for the impairment loss on intangible assets of an associate made in the current quarter.

18. Current prospects

The Board expects the Group's financial results for the current financial year ending 31 December 2010 to be better than those achieved in the last financial year ended 31 December 2009 in tandem with the expected improvement in the global economy.

19. Profit forecast or profit guarantee

The Group did not issue any profit forecast or profit guarantee for the reporting period in a public document.

20. Tax expense

	3 months quarter ended 31.12.09 RM mil	3 months quarter ended 31.12.08 RM mil	Cumulative 12 months ended 31.12.09 RM mil	Cumulative 12 months ended 31.12.08 RM mil
Current tax expense				
- current	(59)	(8)	(256)	(245)
- prior year	11	(37)	13	(35)
Deferred tax expense				
- current	98	77	125	108
- prior year	16	49	59	48
	<u>66</u>	<u>81</u>	<u>(59)</u>	<u>(124)</u>

The Group's effective tax rate for the current financial period is lower than the statutory income tax rate in Malaysia, mainly due to reversal of overprovision in prior year in relation to windfall profit levy coupled with deferred tax income from the Investment Tax Allowance in certain subsidiaries.

21. Unquoted investments and landed properties

There was no sale of unquoted investments and landed properties during the current quarter.

22. Quoted investments

There was no acquisition or disposal of quoted securities during the current quarter.

Investments in quoted shares as at 31 December 2009:

	At Cost RM mil	At Book Value RM mil	At Market Value RM mil
Quoted in Malaysia	62	61	326
Quoted outside Malaysia	13	-	10
Total quoted investments	<u>75</u>	<u>61</u>	<u>336</u>

23. Status of corporate proposals announced

There was no corporate proposal announced by the Group during the current quarter.

24. Borrowings

	<u>31.12.09</u>	<u>31.12.08</u>
	RM mil	RM mil
Current		
- secured	2,197	1,677
- unsecured	<u>362</u>	<u>601</u>
	<u>2,559</u>	<u>2,278</u>
Non-current		
- Long-term loans - secured	5,453	3,579
- Structure commodity - unsecured	50	-
- Sukuk Ijarah Bonds - secured	497	672
- ABBA Bonds - secured	490	610
- Al-Istisna Bonds - secured	387	452
- Istisna Medium Term Notes - secured	4,290	4,800
- Sukuk Medium Term Notes - secured	5,249	5,203
- Junior Sukuk - secured	1,700	1,700
- Redeemable Unsecured		
Loan Stock - unsecured	156	187
- Government Loan - unsecured	<u>88</u>	<u>-</u>
	<u>18,360</u>	<u>17,203</u>
- Redeemable convertible		
subordinated loans - unsecured	<u>158</u>	<u>158</u>
- Redeemable convertible		
loans stock - unsecured	<u>37</u>	<u>38</u>
- Redeemable preference share	<u>114</u>	<u>114</u>

25. Off-Balance Sheet financial instruments

The position of forward foreign exchange contracts of Tepat Teknik Sdn Bhd (a 70% owned subsidiary of MMC Engineering Group Berhad) as at 31 December 2009, is as follows:

	<u>Contracted amount '000</u>	<u>RM'000 equivalent</u>
USD	2,057	7,062
EURO	333	1,685

The related accounting policies for the off-balance sheet financial instruments are as disclosed in the financial statements for the financial year ended 31 December 2008.

26. Changes in material litigation

Save as disclosed under notes 14(b) to 14(d), there was no significant change in material litigation, including the status of pending material litigation in respect of the Company and its subsidiaries since the last audited balance sheet date as at 31 December 2008.

27. Dividend Payable

The Directors recommend the payment of a final single-tier dividend of 3.0 sen per share on the 3,045,058,552 ordinary shares, amounting to RM91,351,757 which is subject to the approval of members at the forthcoming Annual General Meeting of the Company.

28. Earnings per ordinary share

Basic/Diluted Earnings Per Ordinary Share

	3 months quarter ended <u>31.12.09</u>	3 months quarter ended <u>31.12.08</u>	Cumulative 12 months ended <u>31.12.09</u>	Cumulative 12 months ended <u>31.12.08</u>
Profit for the period attributable to shareholders of the Company (RM mil)	108	154	237	553
Weighted average number of ordinary shares in issue ('mil)	3,045.1	3,045.1	3,045.1	3,045.1
Basic earnings per ordinary share (sen)	3.5	5.1	7.8	18.2
Diluted earnings per ordinary share (sen)	3.5	5.1	7.8	18.2

The Redeemable Convertible Subordinated Loans issued by a subsidiary company as disclosed in Note 24 do not have a material impact to the dilution of the Group's earnings per share.

29. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution by the Directors as of 24 February 2010.

By Order of the Board

Ahmad Aznan Mohd Nawawi (L.S. No.0009371)

Sazlin Ayesha Abdul Samat (L.S. No.0008112)

Secretaries

Kuala Lumpur

24 February 2010