



IJM CORPORATION BERHAD (104131-A)

Part A1 : Quarterly Report

Quarterly report for the financial period ended:	31/03/2003
Quarter:	1st Qtr
Financial Year End:	31/12/2003
The figures:	Have not been audited
Full Quarterly Report:	Refer attached

Part A2 : Summary of Key Financial Information for the financial period ended 31/03/2003

	Individual Quarter		Cumulative Period	
	Current year quarter 31/03/2003 RM'000	Preceding year quarter 31/03/2002 RM'000	Current year to date 31/03/2003 RM'000	Preceding year to date 31/03/2002 RM'000
1 Revenue	390,885	240,706	390,885	240,706
2 Profit before tax	44,639	36,412	44,639	36,412
3 Profit after tax and minority interests	27,327	24,148	27,327	24,148
4 Net profit for the period	27,327	24,148	27,327	24,148
5 Basic earnings per share (sen)	7.50	6.70	7.50	6.70
6 Dividend per share (sen)	-	-	-	-
	As at end of current quarter 31/03/2003		As at preceding financial year end	
7 Net tangible assets per share (RM)		3.92		3.90

IJM CORPORATION BERHAD (104131-A)

CONDENSED CONSOLIDATED INCOME STATEMENT

(The figures have not been audited)

	Individual Quarter		Cumulative Period	
	Current year quarter 31/03/2003 RM'000	Preceding year quarter 31/03/2002 RM'000	Current year to date 31/03/2003 RM'000	Preceding year to date 31/03/2002 RM'000
Operating revenue	390,885	240,706	390,885	240,706
Cost of sales	<u>(327,657)</u>	<u>(195,047)</u>	<u>(327,657)</u>	<u>(195,047)</u>
Gross profit	63,228	45,659	63,228	45,659
Other operating income	4,328	5,349	4,328	5,349
Tendering, selling and distribution expenses	<u>(3,924)</u>	<u>(2,130)</u>	<u>(3,924)</u>	<u>(2,130)</u>
Administrative expenses	<u>(11,320)</u>	<u>(8,463)</u>	<u>(11,320)</u>	<u>(8,463)</u>
Other operating expenses	<u>(6,492)</u>	<u>(5,245)</u>	<u>(6,492)</u>	<u>(5,245)</u>
Operating profit before finance cost	45,820	35,170	45,820	35,170
Finance cost	<u>(6,511)</u>	<u>(5,727)</u>	<u>(6,511)</u>	<u>(5,727)</u>
Operating profit after finance cost	39,309	29,443	39,309	29,443
Share of results of associates	3,007	4,932	3,007	4,932
Share of results of jointly controlled entities	<u>2,323</u>	<u>2,037</u>	<u>2,323</u>	<u>2,037</u>
Profit from ordinary activities before taxation	44,639	36,412	44,639	36,412
Taxation:-				
Company and subsidiary companies	<u>(12,558)</u>	<u>(8,237)</u>	<u>(12,558)</u>	<u>(8,237)</u>
Associates	<u>(464)</u>	<u>(1,165)</u>	<u>(464)</u>	<u>(1,165)</u>
Jointly controlled entities	<u>(507)</u>	<u>(522)</u>	<u>(507)</u>	<u>(522)</u>
	<u>(13,529)</u>	<u>(9,924)</u>	<u>(13,529)</u>	<u>(9,924)</u>
Profit from ordinary activities after taxation	31,110	26,488	31,110	26,488
Minority interests	<u>(3,783)</u>	<u>(2,340)</u>	<u>(3,783)</u>	<u>(2,340)</u>
Net profit for the period	<u>27,327</u>	<u>24,148</u>	<u>27,327</u>	<u>24,148</u>
Earnings per share (sen):-				
Basic	7.50	6.70	7.50	6.70
Fully diluted	6.96	6.26	6.96	6.26
Dividend per share (sen):-				
Less income tax at 28%	-	-	-	-
Depreciation and amortisation expense (RM'000)	8,291	7,021	8,291	7,021

IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2003

	(Unaudited) 31/03/2003 RM'000	(Audited) 31/12/2002 RM'000
CAPITAL AND RESERVES		
Share capital	364,317	363,937
Share premium	242,636	241,880
Reserves	92,402	92,966
Retained Earnings	746,418	737,453
	<hr/>	<hr/>
Shareholders' equity	1,445,773	1,436,236
Minority interest	103,436	102,825
	<hr/>	<hr/>
	1,549,209	1,539,061
NON-CURRENT LIABILITIES		
Bond	246,794	246,671
Term loans	-	523
Hire purchase and lease creditors	4,717	4,338
Deferred taxation	32,348	33,777
Amount due to an associate	36,956	36,956
Trade payable	12,000	12,000
Retirement benefits	2,388	2,262
	<hr/>	<hr/>
	335,203	336,527
DEFERRED INCOME		
	5,861	6,661
	<hr/>	<hr/>
	1,890,273	1,882,249
NON-CURRENT ASSETS		
Property, plant and equipment	706,620	674,218
Associates	326,729	320,084
Long term investments	66,663	66,638
Long term receivables	49,741	53,701
Intangible assets	12,084	11,718
	<hr/>	<hr/>
	1,161,837	1,126,359
CURRENT ASSETS		
Development properties	358,776	351,013
Inventories	46,395	47,492
Trade and other receivables	882,844	826,699
Short term investments	99,810	101,048
Deposits with licensed banks	46,804	87,705
Cash and bank balances	69,922	49,572
	<hr/>	<hr/>
	1,504,551	1,463,529
CURRENT LIABILITIES		
Trade and other payables	658,037	626,614
Bank borrowings	101,307	69,126
Taxation liabilities	16,771	11,899
	<hr/>	<hr/>
	776,115	707,639
NET CURRENT ASSETS		
	728,436	755,890
	<hr/>	<hr/>
	1,890,273	1,882,249
NET TANGIBLE ASSETS PER SHARE (RM)		
	3.92	3.90

IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2003
(The figures have not been audited)

	Share capital RM'000	Share premium RM'000	Non- distributable reserves RM'000	Retained Earnings RM'000	Total RM'000
At 1 January 2003:-					
- as previously reported	363,937	241,880	113,638	737,453	1,456,908
- prior year adjustment in relation to deferred taxation following adoption of new MASB 25 "Income taxes"	-	-	(20,672)	-	(20,672)
- as restated	363,937	241,880	92,966	737,453	1,436,236
Net gain / (loss) not recognised in income statement	-	-	(564)	-	(564)
Net profit for the period	-	-	-	27,327	27,327
Dividends for the year ended:-					
31 December 2002 (second interim)	-	-	-	(18,362)	(18,362)
Conversion of warrants	380	756	-	-	1,136
At 31 March 2003	<u>364,317</u>	<u>242,636</u>	<u>92,402</u>	<u>746,418</u>	<u>1,445,773</u>

IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2003
(The figures have not been audited)

2003
RM'000

OPERATING ACTIVITIES

Receipts from customers	339,848
Payments to contractors, suppliers and employees	(312,918)
Interest received	1,996
Interest paid	(6,511)
Income tax paid	(9,115)
Net cash flow from operating activities	13,300

INVESTING ACTIVITIES

Acquisition of investments	(4,849)
Purchases of property, plant and equipment	(39,885)
Disposal of investments, property, plant and equipment	1,733
Dividends received	70
Advances and repayments from / to associates and jointly controlled entities	(23,796)
Net cash flow (used in) / from investing activities	(66,727)

FINANCING ACTIVITIES

Issue of shares by the Company	1,136
- Conversion of warrants	8,044
Bank borrowings	(2,730)
Repayments of hire purchase and lease instalments	(87)
Dividends paid by the Company	(87)
Net cash flow from financing activities	6,363

Net increase / (decrease) in cash and cash equivalents during the period	(47,064)
Cash and cash equivalents at beginning of period	123,785
Foreign exchange differences on opening balances	53
Cash and cash equivalents at end of period	76,774

**NOTES TO THE QUARTERLY REPORT
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2003**

1 Accounting Policies

This quarterly report is prepared in accordance with MASB 26 "Interim Financial Reporting" and paragraph 9.22 of the Kuala Lumpur Stock Exchange Listing Requirements, and should be read in conjunction with the Group's financial statements for the year ended 31 December 2002.

The quarterly financial statements have been prepared based on accounting policies and methods of computation consistent with those adopted in the annual audited accounts for the year ended 31 December 2002, except for the adoption of the following new MASB standards:-

- i) MASB 25 "Income Taxes".
- ii) MASB 27 "Borrowing Costs".
- iii) MASB 28 "Discontinuing Operations".
- iv) MASB 29 "Employee Benefits".

2 Audit Report

The audit report of the Group's annual financial statements for the year ended 31 December 2002 was not subject to any audit qualification.

3 Seasonality or Cyclicity of Operations

The Group operations are not materially affected by seasonal or cyclical factors except for the Construction Division, which normally sees a lower level of activity in the first quarter. However, due to the exceptionally high turnover of a fast-track construction contract, the Group's turnover for this quarter is higher when compared with preceding year's corresponding quarter.

4 Individually Significant Items

There is no individually significant item for the current quarter except for a prior year adjustment made in relation to deferred taxation following the adoption of new MASB 25 "Income Taxes", as indicated in the Condensed Consolidated Statement of Changes in Equity.

5 Material Changes in Estimates

There was no change in estimates which have a material effect in the current quarter and financial year-to-date.

6 Debt & Equity Securities

For the current financial year-to-date, there was no issuance of debt or equity securities other than the issuance of 380,000 ordinary shares of RM1.00 each arising from the conversion of warrants.

There was no share buy back, share cancellation, share held as treasury share or redemption of bonds for the current financial year-to-date.

7 Dividends

For the current financial year-to-date, no dividend has been declared. For the preceding year's corresponding period, no dividend was declared.

8 Segmental Reporting

Analysis by business segments

	3 months ended 3/31/2003 RM'000	3 months ended 3/31/2002 RM'000
Revenue:-		
Construction	329,829	224,550
Property development	48,264	20,244
Manufacturing & Quarrying	51,012	45,464
Plantation	37,430	18,856
Infrastructure	8,553	10,341
Investment and others	5,680	5,944
	<u>480,768</u>	<u>325,399</u>
Group's share of revenue of associated companies and joint ventures	<u>(89,883)</u>	<u>(84,693)</u>
	<u><u>390,885</u></u>	<u><u>240,706</u></u>
Profit/(loss) before taxation:-		
Construction	26,837	23,659
Property development	7,841	2,058
Manufacturing & Quarrying	5,272	4,075
Plantation	4,541	3,170
Infrastructure	1,167	3,081
Investment and others	(1,019)	369
	<u>44,639</u>	<u>36,412</u>

9 Carrying Amount of Revalued Property, Plant and Equipment

The valuation of certain property, plant and equipment have been brought forward without amendment from the latest audited annual financial statements.

10 Material Subsequent Events

There is no material event subsequent to the end of the period reported on that has not been reflected in the financial statements.

11 Changes in the Composition of The Group

During the financial year-to-date, the following changes in composition were effected:-

- i) The Company has acquired an additional 10.65% equity in CIDB Inventures Sdn Bhd thereby increasing its stake from 23% to 33.65%.
- ii) A wholly-owned subsidiary, IJMII (Mauritius) Limited, has subscribed for additional equity shares in IJM (India) Infrastructure Limited thereby increasing its stake from 70% to 95.2%.

These changes in composition have no material impact on the Group for the financial year-to-date.

12 Contingent Liabilities

The changes in contingent liabilities since 31 December 2002 are as follows:-

	<u>RM'000</u>
Group's proportionate share of guarantees for bank borrowings of associates:	
- As at 31 December 2002	76,995
- Increase during the financial year-to-date	4,793
- As at 31 March 2003	<u><u>81,788</u></u>

13 Capital Commitments

Capital commitments not provided for in the financial statements as at 31 March 2003 are as follows:-

	<u>RM'000</u>
Approved and contracted for	37,142
Approved but not contracted for	36,712
	<u>73,854</u>
<u>Analysed as follows:</u>	
- Purchases of property, plant and equipment	41,154
- Acquisition of development land	32,700
	<u>73,854</u>

14 Taxation

The taxation of the Group for the financial period under review is as follows:-

	Current Quarter Ended 31/03/2003 RM'000	Cumulative Current Year To date Ended 31/03/2003 RM'000
Malaysian income tax	13,250	13,250
Overseas taxation	1,244	1,244
Transfer to/(from) deferred taxation	(1,429)	(1,429)
	<u>13,065</u>	<u>13,065</u>
Share of associates' taxation	464	464
	<u>13,529</u>	<u>13,529</u>

The effective tax rate for the Group of 30% exceeds the statutory tax rate mainly due to losses made by certain subsidiaries, for which group tax relief was not available.

15 Profits / (Losses) on Sale of Unquoted Investments and/or Properties

There was no sale of unquoted investment or property for the current quarter and financial year-to-date.

16 Quoted Investments

a) Purchases and sales of quoted investments

	Current Quarter 31/03/2003 RM'000	Cumulative Current Year To date 31/03/2003 RM'000
i) Long Term		
- Total purchases	-	-
- Total disposals / sale proceeds	-	-
- Total Profit/(Loss) on Disposal	-	-
ii) Short Term		
- Total purchases	-	-
- Total disposals / sale proceeds	1,326	1,326
- Total Profit/(Loss) on Disposal	-	-

b) Quoted investments as at 31 March 2003

	RM'000
i) Long Term	
- Total investments at costs	60,736
- Total investments at carrying value/book value (after allowance for diminution in value)	49,598
- Total investments at market value	30,034
ii) Short Term	
- Total investments at cost	111,169
- Total investments at carrying value/book value (after provision for diminution in value)	99,810
- Total investments at market value	124,747

17 Status of Corporate Proposals

On 29 April 2002, the Company announced the signing of a Transfer of Listing Agreement between the Special Administrators of Rahman Hydraulic Tin Berhad ("RHTB"), IJM Corporation Berhad ("IJM") and IJM Plantations Sdn Bhd ("IJMP"), a wholly-owned subsidiary of IJM, for the proposed acquisition of the listing status of RHTB. Details of the Scheme was announced to the KLSE on 28 June 2002 and application has been submitted to the Securities Commission ("SC") on 29 June 2002 for approval.

Approvals have been obtained from the Securities Commission, Ministry of International Trade and Industry, Foreign Investment Committee as well as the shareholders. Subsequently, the sanction of the High Court of Malaya was obtained for the reduction of the share premium account pursuant to the Proposed Capital Distribution.

The listing of IJMP on the Main Board of the KLSE is expected to be completed in July 2003. Thereafter, IJMP shall become an associate of the Group.

18 Group Borrowings

As at
31/03/2003
RM'000

(a) (i) **Short Term Borrowings**

Unsecured:-

- Revolving credits	17,480
- Bankers acceptances	59,333
- Bank overdrafts	24,494
	101,307

(ii) **Long Term Borrowings**

Secured:-

- 8% Secured Fixed Rate Bond 1999/2009 (net of discount)	96,794
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Unsecured:-

- 5% Redeemable Unsecured Bond 2000/2005	150,000
	246,794

(b) Foreign currency bank borrowings included in the above short term borrowings are as follows:

	Foreign Currency '000	RM Equivalent '000
US Dollar	8,763	33,301

19 Financial Instruments

(a) Outstanding forward foreign exchange contracts as at 31 March 2003:-

<u>Maturity</u>	<u>Currency</u>	<u>Amount in foreign currency</u>	<u>Contractual rate</u>	<u>RM'000 equivalent</u>
Within 1 month	Euro	280,489	4.1055	1,152
Within 1 month	Euro	34,000	3.7197	126
Total		314,489		1,278

20 Material Litigation

There was no change in material litigation since 31 December 2002 which exceeds 5% of the Group's net tangible assets.

21 Material Changes in the Quarterly Results compared to the Results of the Immediate Preceding Quarter

There was no material change in the quarterly pre-tax profits, compared to the pre-tax profits of the preceding quarter, except for the individually significant items mentioned in the preceding quarter's announcement, which were not repeated in the current quarter.

22 Review of Performance

For the current quarter, the Group achieved a revenue of RM390.88 million and a pre-tax profit of RM44.64 million. The 62% increase in revenue and 23% increase in pre-tax profit over the preceding year corresponding quarter was mainly attributable to better performances from the Construction, Properties, Industries and Plantations divisions.

23 Current Year Prospects

Based on the existing good order book, the Group is confident of a good operating performance for financial year 2003, barring unforeseen circumstances.

24 Profit Forecast

The Group did not issue any profit forecast for the year.

25 Earnings Per Share

		Current Quarter Ended 31/03/2003	Preceding Year Quarter Ended 31/03/2002	Current Year To date Ended 31/03/2003	Preceding Year To date Ended 31/03/2002
(a) <u>Basic earnings per share</u>					
Net profit for the period	(RM'000)	27,327	24,148	27,327	24,148
Weighted average number of ordinary shares in issue	('000)	364,222	360,214	364,222	360,214
Basic earnings per share	(sen)	7.50	6.70	7.50	6.70
(b) <u>Diluted earnings per share</u>					
Net profit for the period	(RM'000)	27,327	24,148	27,327	24,148
Weighted average number of ordinary shares in issue	('000)	364,222	360,214	364,222	360,214
Adjustment for warrants	('000)	28,381	25,710	28,381	25,710
Weighted average number of ordinary shares for diluted earnings per share	('000)	392,603	385,924	392,603	385,924
Diluted earnings per share	(sen)	6.96	6.26	6.96	6.26

26 Comparative Figures

Comparative figures, where applicable, have been modified to conform to the current quarter and year-to-date presentation.