



# IJM CORPORATION BERHAD (104131-A)

## Part A1 : Quarterly Report

**Quarterly report for the financial period ended:** 31/03/2005  
**Quarter:** Others (5th Quarter)  
**Financial Year End:** 31/03/2005  
**The figures:** Have been audited  
**Full Quarterly Report:** Refer attached

## Part A2 : Summary of Key Financial Information for the financial period ended 31/03/2005

	<b>Individual Quarter</b>		<b>15 Months</b>	<b>12 Months</b>
	Current period quarter 31/03/2005 RM'000	Preceding year quarter 31/03/2004 RM'000	Current period to date 31/03/2005 RM'000	Preceding year to date 31/12/2003 RM'000
1 Revenue	527,801	311,989	1,802,291	1,363,895
2 Profit before tax	49,294	55,104	283,809	206,800
3 Profit after tax and minority interests	31,377	35,223	185,486	145,724
4 Net profit for the period	31,377	35,223	185,486	145,724
5 Basic earnings per share (sen)	6.87	9.18	42.97	39.19
6 Dividend per share (sen)	-	-	15.00	15.00
	<b>As at end of current quarter 31/03/2005</b>		<b>As at preceding financial year end</b>	
7 Net tangible assets per share (RM)		3.85		3.88

**IJM CORPORATION BERHAD (104131-A)**

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	Unaudited Individual Quarter	Unaudited Preceding year quarter	Audited 15 months Current period to date	Audited 12 months Preceding year to date
	31/03/2005 RM'000	31/03/2004 RM'000	31/03/2005 RM'000	31/12/2003 RM'000
Operating revenue	<b>527,801</b>	311,989	<b>1,802,291</b>	1,363,895
Cost of sales	<b>(433,620)</b>	(245,341)	<b>(1,421,690)</b>	(1,117,441)
Gross profit	<b>94,181</b>	66,648	<b>380,601</b>	246,454
Other operating income	<b>14,454</b>	6,891	<b>49,025</b>	54,658
Tendering, selling and distribution expenses	<b>(19,495)</b>	(1,287)	<b>(45,840)</b>	(10,069)
Administrative expenses	<b>(6,720)</b>	(11,021)	<b>(58,766)</b>	(50,978)
Other operating expenses	<b>(23,115)</b>	(7,031)	<b>(48,453)</b>	(45,890)
Operating profit before finance cost	<b>59,305</b>	54,200	<b>276,567</b>	194,175
Finance cost	<b>(12,451)</b>	(5,765)	<b>(41,245)</b>	(23,161)
Operating profit after finance cost	<b>46,854</b>	48,435	<b>235,322</b>	171,014
Share of results of associates	<b>7,137</b>	5,060	<b>46,167</b>	35,225
Share of results of jointly controlled entities	<b>(4,697)</b>	1,609	<b>2,320</b>	561
Profit from ordinary activities before taxation	<b>49,294</b>	55,104	<b>283,809</b>	206,800
Taxation:-				
Company and subsidiaries	<b>(17,033)</b>	(13,958)	<b>(68,347)</b>	(50,130)
Associates	<b>(1,408)</b>	(904)	<b>(10,520)</b>	(5,452)
Jointly controlled entities	<b>1,574</b>	(561)	<b>(467)</b>	(557)
	<b>(16,867)</b>	(15,423)	<b>(79,334)</b>	(56,139)
Profit from ordinary activities after taxation	<b>32,427</b>	39,681	<b>204,475</b>	150,661
Minority interests	<b>(1,050)</b>	(4,458)	<b>(18,989)</b>	(4,937)
Net profit for the period	<b>31,377</b>	35,223	<b>185,486</b>	145,724
Earnings per share (sen):-				
Basic	<b>6.87</b>	9.18	<b>42.97</b>	39.19
Fully diluted	<b>6.78</b>	8.56	<b>42.49</b>	36.69
Dividend per share (sen):-				
Less income tax at 28%	-	-	<b>15.00</b>	15.00
Depreciation and amortisation expense (RM'000)	<b>15,874</b>	6,228	<b>51,695</b>	29,441

**IJM CORPORATION BERHAD (104131-A)**  
**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2005**

*(The figures have been audited)*

	<b>31/03/2005</b>	<b>31/12/2003</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CAPITAL AND RESERVES</b>		
Share capital	458,654	382,276
Share premium	349,796	193,873
Reserves	98,250	101,657
Retained Earnings	931,879	826,647
	<b>1,838,579</b>	1,504,453
Shareholders' equity	<b>1,838,579</b>	1,504,453
Minority interest	135,033	18,482
	<b>1,973,612</b>	1,522,935
<b>NON-CURRENT LIABILITIES</b>		
Bonds	97,781	247,164
Medium term notes	150,000	-
Term loans	173,671	68,909
Hire purchase and lease creditors	742	1,244
Deferred tax liabilities	24,299	4,956
Trade payable	6,000	6,000
Retirement benefits	2,588	2,886
	<b>455,081</b>	331,159
<b>DEFERRED INCOME</b>	<b>68,399</b>	27,423
	<b>2,497,092</b>	1,881,517
	<b>2,497,092</b>	1,881,517

**IJM CORPORATION BERHAD (104131-A)**  
**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2005**

*(The figures have been audited)*

	<b>31/03/2005</b>	<b>31/12/2003</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	348,744	250,450
Concession assets	159,190	-
Associates	730,636	676,935
Jointly controlled entities	22,384	12,045
Long term investments	140,029	96,221
Long term receivables	94,372	43,466
Deferred tax assets	12,442	14,068
Land held for property development	154,467	72,331
Intangible assets	57,586	5,811
	<b>1,719,850</b>	<b>1,171,327</b>
<b>CURRENT ASSETS</b>		
Property development costs	332,692	332,492
Inventories	100,272	29,730
Trade and other receivables	1,131,840	752,617
Short term investments	84,927	91,323
Deposits with licensed banks	38,673	137,356
Cash and bank balances	41,201	47,639
	<b>1,729,605</b>	<b>1,391,157</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	748,778	614,819
Bank borrowings	192,699	54,784
Taxation liabilities	10,886	11,364
	<b>952,363</b>	<b>680,967</b>
<b>NET CURRENT ASSETS</b>	<b>777,242</b>	<b>710,190</b>
	<b>2,497,092</b>	<b>1,881,517</b>
<b>NET TANGIBLE ASSETS PER SHARE (RM)</b>	<b>3.85</b>	<b>3.88</b>

**IJM CORPORATION BERHAD (104131-A)**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 31 MARCH 2005**

*(The figures have been audited)*

	<b>Share capital RM'000</b>	<b>Share premium RM'000</b>	<b>Non- distributable reserves RM'000</b>	<b>Retained Earnings RM'000</b>	<b>Total RM'000</b>
At 1 January 2004	<b>382,276</b>	<b>193,873</b>	<b>101,657</b>	<b>826,647</b>	<b>1,504,453</b>
Net gain not recognised in income statement	-	-	<b>(3,407)</b>	-	<b>(3,407)</b>
Net profit for the period	-	-	-	<b>185,486</b>	<b>185,486</b>
Dividends for the period ended:-					
31 December 2003 (second interim)	-	-	-	<b>(30,775)</b>	<b>(30,775)</b>
31 March 2005 (first interim)	-	-	-	<b>(16,313)</b>	<b>(16,313)</b>
31 March 2005 (second interim)	-	-	-	<b>(33,166)</b>	<b>(33,166)</b>
Issue of shares under ESOS	<b>17,088</b>	<b>51,573</b>	-	-	<b>68,661</b>
Issue of shares on conversion of Warrants	<b>59,290</b>	<b>104,350</b>	-	-	<b>163,640</b>
At 31 March 2005	<b><u>458,654</u></b>	<b><u>349,796</u></b>	<b><u>98,250</u></b>	<b><u>931,879</u></b>	<b><u>1,838,579</u></b>
At 1 January 2003					
- as previously reported	363,937	241,880	113,373	737,453	1,456,643
- prior year adjustment in relation to deferred taxation following adoption of new MASB 25 "Income taxes"	-	-	(20,518)	31,999	11,481
- as restated	363,937	241,880	92,855	769,452	1,468,124
Inflationary adjustment	-	-	-	(5,448)	(5,448)
Net gain not recognised in income statement	-	-	13,483	-	13,483
Capital distribution	-	(81,933)	(4,681)	(50,876)	(137,490)
Net profit for the period	-	-	-	145,724	145,724
Dividends for the year ended:-					
31 December 2002 (second interim)	-	-	-	(18,512)	(18,512)
31 December 2003 (first interim)	-	-	-	(13,693)	(13,693)
Issue of shares on conversion of Warrants	18,339	33,926	-	-	52,265
At 31 December 2003	<b><u>382,276</u></b>	<b><u>193,873</u></b>	<b><u>101,657</u></b>	<b><u>826,647</u></b>	<b><u>1,504,453</u></b>

**IJM CORPORATION BERHAD (104131-A)**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE PERIOD ENDED 31 MARCH 2005**  
*(The figures have been audited)*

	<b>2005</b> <b>RM'000</b>	<b>2003</b> <b>RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Receipts from customers	1,554,922	1,322,408
Payments to contractors, suppliers and employees	(1,622,549)	(1,132,816)
Interest received	24,598	20,363
Interest paid	(22,444)	(7,661)
Income tax refunded	-	1,042
Income tax paid	(59,697)	(61,446)
<b>Net cash flow from operating activities</b>	<b>(125,170)</b>	<b>141,890</b>
<b>INVESTING ACTIVITIES</b>		
Acquisition of subsidiaries, net of cash acquired (refer Note 10(ii))	(97,412)	(675)
Acquisition of investments	(171,852)	(49,560)
Redemption of preference shares in an associate	6,600	3,400
Purchases of property, plant and equipment, developmentland and concession assets	(189,119)	(152,759)
Government grants received	42,539	27,423
Capital distribution in conjunction with listing of subsidiary	-	(11,102)
Disposal of investments, property, plant and equipment, net of cash disposed	48,231	8,773
Dividends received	11,216	7,166
Advances and repayments from / (to) associates and jointly controlled entities	(4,992)	31,551
<b>Net cash flow used in investing activities</b>	<b>(354,789)</b>	<b>(135,783)</b>
<b>FINANCING ACTIVITIES</b>		
Issue of shares by the Company		
- Employees Share Option Scheme	68,661	-
- Conversion of warrants	163,640	52,265
Issue of shares by a subsidiary to minority shareholders	4,586	1,510
Net proceeds / (repayments) of bank borrowings	195,679	45,256
Bond interest	(18,801)	(15,500)
Net proceeds / (repayments) of hire purchase and lease creditors	(139)	(12,577)
Dividends paid by subsidiaries to minority shareholders	(7,974)	(5,667)
Dividends paid by the Company	(47,122)	(32,272)
Net redemptions / (placements) of bank deposits assigned to trustees	4,916	(10,323)
<b>Net cash flow from financing activities</b>	<b>363,446</b>	<b>22,692</b>
<b>Net (decrease) / increase in cash and cash equivalents during the period</b>	<b>(116,513)</b>	<b>28,799</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>152,857</b>	<b>123,785</b>
Foreign exchange differences on opening balances	161	273
<b>Cash and cash equivalents at end of period</b>	<b>36,505</b>	<b>152,857</b>

**NOTES TO THE QUARTERLY REPORT  
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2005**

**1 Accounting Policies**

This quarterly report is prepared in accordance with FRS 134 "Interim Financial Reporting" and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements, and should be read in conjunction with the Group's financial statements for the year ended 31 December 2003.

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 2003.

The following accounting standards which come into effect in the current financial period were adopted early by the Group since the previous financial year:-

- i) FRS 120 "Accounting for Government Grants and Disclosure of Government Assistance".
- ii) FRS 201 "Property Development Activities".

**2 Audit Report**

The audit report of the Group's annual financial statements for the year ended 31 December 2003 was not subject to any audit qualification.

**3 Seasonality or Cyclicity of Operations**

The Group's 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 Jan - Mar quarter, and the Plantations associate, which normally sees its cropping pattern declining to a trough in the Jan - Mar quarter before rising again to a peak in the second half.

#### 4 Individually Significant Items

(i) Acquisition of Industrial Concrete Products Berhad ("ICP")

On 12 May 2004, the Company acquired an additional 32.4% equity interest in ICP, raising the Company's equity interest from 20.4% to 52.8%. Following that, on 10 June 2004, the Company made a mandatory general offer ("MGO") for the remaining ordinary shares in ICP not held by the Company. At the close of the MGO period, the Company secured acceptances for 23,776,000 ordinary shares in ICP, thereby raising the Company's equity interest in ICP to 73.8%.

On 18 Jan 2005, the Company acquired an additional 39,285,714 ordinary shares in ICP as consideration for the disposal of its wholly-owned subsidiary, Malaysian Rock Products Sdn Bhd to ICP. In the months of January and March 2005, the Company has also disposed of 13,700,000 ordinary shares in ICP in the open market pursuant to the stock exchange's public shareholding spread requirements. The Company's equity interest in ICP stood at 71.5% as at 31 March 2005.

The effect of this acquisition on the financial results of the Group is as follows:-

	Current period to date 31/03/2005 RM'000	Preceding year to date 31/12/2003 RM'000
Operating revenue	279,760	-
Cost of sales	(200,208)	-
Gross profit	79,552	-
Other income	1,265	-
Expenses	(45,213)	-
Finance cost	(903)	-
Operating profit	34,701	-
Share of results of associates	-	3,031
Profit from ordinary activities before taxation	34,701	3,031
Taxation	(5,622)	722
Profit from ordinary activities after taxation	29,079	3,753
Minority interests	(8,874)	(2)
Net profit	20,205	3,751
Less: Group's share of profit had the Group not acquired the additional equity interest	(5,946)	-
Increase in Group net profit	14,259	3,751



The effect of this acquisition on the financial position of the Group as at 31 March 2005 is as follows:-

	31/03/2005 RM'000
Non-current assets	173,632
Current assets	156,114
Current liabilities	(82,015)
Non-current liabilities	(19,099)
Minority interests	(4,645)
	<u>223,987</u>
Amount accounted for as associates	(46,394)
Group's share of profit had the Group not acquired the additional equity interest.	(5,946)
Increase in Group net assets	<u><u>171,647</u></u>

- (ii) The listing of IJM Plantations Berhad on the Main Board of the Bursa Malaysia Securities Berhad on 2 July 2003 and the resultant decrease in IJM's equity interest from a wholly-owned subsidiary to a 49.4%-associate have also affected the Group's income statement when compared to the previous financial year.

## 5 Material Changes in Estimates

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

## 6 Debt & Equity Securities

For the current financial period-to-date, there was no issuance of debt or equity securities other than the issuance of:

- (i) 59,290,021 ordinary shares of RM1.00 each arising from the conversion of Warrants;
- (ii) 17,088,700 ordinary shares of RM1.00 each arising from the exercise of Employees' Share Option Scheme;
- (iii) RM150 million nominal value 5.5% Unsecured Medium Term Notes 2005/2010.

Except for 757,504 unexercised warrants which had expired on 28 August 2004 and full redemption of the RM150,000,000 nominal amount of 5% Redeemable Unsecured Bond 2000/2005 upon its maturity on 28 February 2005, there was no share buy back, share cancellation, share held as treasury share or redemption of bonds for the current financial period-to-date.

## 7 Dividends

For the current financial period-to-date, a first interim dividend of 5% or 5 sen per share less tax at 28% was paid on 12 November 2004 and a second interim dividend of 10% or 10 sen per share less tax at 28% was paid on 12 May 2005.

For the preceding year's corresponding period, a first interim dividend of 5% or 5 sen per share less tax at 28% was paid on 14 November 2003 and a second interim dividend of 10% or 10 sen per share less tax at 28% was paid on 21 May 2004.

## 8 Segmental Reporting

### Analysis by business segments

	Group revenue including share of revenue of JVs and associates		GROUP	
	15 months ended 31/03/2005 RM'000	12 months ended 31/12/2003 RM'000	15 months ended 31/03/2005 RM'000	12 months ended 31/12/2003 RM'000
<b>Revenue:-</b>				
Construction	1,172,157	1,132,274	898,259	961,563
Property	478,842	204,378	440,617	170,094
Industries	513,595	222,847	451,820	150,517
Plantation (subsidiary until 1 Jul 2003)	-	75,450	-	75,450
Infrastructure	60,493	34,675	4,921	-
Investment and others	43,922	31,012	6,674	6,271
	<b>2,269,009</b>	<b>1,700,636</b>	<b>1,802,291</b>	<b>1,363,895</b>
Plantation (associate since 2 Jul 2003)	157,030	76,933		
	<b>2,426,039</b>	<b>1,777,569</b>		
<b>Profit/(loss) before taxation:-</b>				
Construction			110,784	101,596
Property			88,001	35,774
Industries			57,491	20,889
Plantation (subsidiary until 1 Jul 2003)			-	15,846
Infrastructure			(2,668)	4,526
Investment and others			(1,871)	9,162
			<b>251,737</b>	<b>187,793</b>
Plantation (associate since 2 Jul 2003)			32,072	19,007
			<b>283,809</b>	<b>206,800</b>

## **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 Changes in the Composition of The Group**

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

- i) A wholly-owned subsidiary, IJM Properties Sdn Bhd, has disposed its entire 53.0% equity interest in BDA-Kidurong Development Sdn Bhd. This has no material impact on the Group for the financial period to-date.
- ii) The Company's equity interest in ICP has increased from 20.4% to 71.5% following the transactions detailed in Note 4(i) above. The effect of this change in composition is also explained in Note 4(i) above.
- iii) The Company has acquired an additional 28.0% equity interest in GR Commerce Sdn Bhd thereby increasing its stake from 72.0% to 100.0%. This has no material impact on the Group for the financial period-to-date.
- iv) The Company has acquired an additional 5.0% equity interest in Cofreth (M) Sdn Bhd thereby increasing its stake from 20.0% to 25.0%. This has no material impact on the Group for the financial period-to-date.
- v) A wholly-owned subsidiary, Malaysian Rock Products Sdn Bhd, has disposed its entire 50.0% equity interest in Pulai Maju Sdn Bhd. This has no material impact on the Group for the financial period-to-date.
- vi) A wholly-owned subsidiary, Torsco Bhd, has acquired 2,000,400 Class A ordinary shares of RM1 each representing 40.0% equity interest in IMPSA (Malaysia) Sdn Bhd for a total cash consideration of RM3,500,700 or RM1.75 per share. This has no material impact on the Group for the financial period-to-date.
- vii) IJM Concrete Products Private Limited has been incorporated in India on 15 July 2004 as a wholly-owned subsidiary of IJM (India) Infrastructure Limited, a 97.3% subsidiary of the Group. This has no material impact on the Group for the financial period-to-date.
- viii) IJM Construction (Middle East) Limited Liability Company has been incorporated in Dubai, United Arab Emirates on 14 August 2004 as a 49.0% associate of the Company. This has no material impact on the Group for the financial period-to-date.

- ix) IJMII (Mauritius) Limited, a wholly-owned subsidiary of IJM Investments (M) Limited, which in turn is a wholly-owned subsidiary of the Company, has together with PACIFIC ALLIANCE-STRADEC Group Infrastructure Company incorporated a 70:30 joint venture company, Roadstar (India) Infrastructure Private Limited ("RII") in India on 17 August 2004. This has no material impact on the Group for the financial period-to-date.
- x) A wholly-owned subsidiary, IJM Properties Sdn Bhd, has entered into a Shareholders Agreement with Maxisegar Sdn Bhd to establish a 50:50 joint venture company, Astaka Tegas Sdn Bhd. This has no material impact on the Group for the financial period-to-date.
- xi) A wholly-owned subsidiary, IJM Construction Sdn Bhd, has entered into a Shareholders Agreement with KEB Builders Sdn Bhd to establish a 50:50 joint venture company, Ambang Usaha Sdn Bhd. This has no material impact on the Group for the financial period-to-date.
- xii) A wholly-owned subsidiary, IJM Properties Sdn Bhd, has entered into a Shareholders Agreement with Landmarks Land & Properties Sdn Bhd to establish a 50:50 joint venture company, Elegan Pesona Sdn Bhd. This has no material impact on the Group for the financial period-to-date.
- xiii) A wholly-owned subsidiary, IJM Properties Sdn Bhd, has acquired 800,000 ordinary shares of RM1 each at par and 7,200,000 preference shares of RM0.10 each at a premium of RM0.90 each, representing 80.0% equity interest in Aqua Aspect Sdn Bhd for a total cash consideration of RM8,000,000. This has no material impact on the Group for the financial period-to-date.

## 11 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.

## 12 Contingent Liabilities

The changes in contingent liabilities since 31 December 2003 are as follows:-

	<u>RM'000</u>
Group's proportionate share of guarantees for borrowings of associates:	
- As at 31 December 2003	90,613
- Increase during the financial period-to-date	51,626
- As at 31 March 2005	<u>142,239</u>
Pledging of share certificates for term loan facility granted to an associate:	
- As at 31 December 2003	-
- Increase during the financial period-to-date	48,864
- As at 31 March 2005	<u>48,864</u>

### 13 Capital Commitments

Capital commitments not provided for in the financial statements as at 31 March 2005 are as follows:-

	<u>RM'000</u>
Approved and contracted for	59,073
Approved but not contracted for	466
	<u>59,539</u>
<u>Analysed as follows:</u>	
- Purchases of property, plant and equipment	7,807
- Acquisition of development land	16,205
- Investment in associates	35,527
	<u>59,539</u>

### 14 Taxation

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

	<b>Current Quarter Ended 31/03/2005 RM'000</b>	<b>Cumulative Current Period To date Ended 31/03/2005 RM'000</b>
Malaysian income tax	8,951	56,623
Overseas taxation	(4,387)	2,258
Transfer to/(from) deferred taxation	10,895	9,933
	<u>15,459</u>	<u>68,814</u>
Share of associates' taxation	1,408	10,520
	<u>16,867</u>	<u>79,334</u>

The effective tax rate for the Group approximates the statutory tax rate.

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

	<b>Current Quarter 31/03/2005 RM'000</b>	<b>Cumulative Current Period To date 31/03/2005 RM'000</b>
i) Long Term		
Total purchases	-	12,170
Total disposals / sale proceeds	-	-
Total Profit/(Loss) on Disposal	-	-

## 16 Quoted Investments

### a) Purchases and sales of quoted investments

	<b>Current Quarter 31/03/2005 RM'000</b>	<b>Cumulative Current Period To date 31/03/2005 RM'000</b>
i) Long Term		
Total purchases	202	27,891
Total disposals / sale proceeds	2,058	4,001
Total Profit/(Loss) on Disposal	70	531
ii) Short Term		
Total purchases	-	-
Total disposals / sale proceeds	3,160	3,595
Total Profit/(Loss) on Disposal	2,177	1,970

### b) Quoted investments as at 31 March 2005

	<b>RM'000</b>
i) Long Term	
Quoted investments at costs	101,707
Unquoted investments at costs	48,843
Total investments at costs	150,550
Less: Allowance for diminution in value and amortisation	(10,521)
Total investments at carrying value	140,029
Less: Unquoted investments at carrying value	(43,258)
Quoted investments at carrying value	96,771
Quoted investments at market value	97,433

	<b>RM'000</b>
ii) Short Term	
Quoted investments at costs	94,376
Unquoted investments at costs	-
Total investments at costs	<u>94,376</u>
Less: Allowance for diminution in value	<u>(9,449)</u>
Total investments at carrying value	84,927
Less: Unquoted investments at carrying value	-
Quoted investments at carrying value	<u>84,927</u>
Quoted investments at market value	<u><u>120,812</u></u>

## **17 Status of Corporate Proposals**

- i) On 29 March 2004, the Company proposed to dispose 247,135,172 ordinary shares of RM0.50 each in IJM Plantations Berhad to Styrobilt Sdn Bhd, a wholly-owned subsidiary of the Company, for a total consideration of RM299,034,000. The completion of this proposal was announced on 5 January 2005.
- ii) On 6 May 2004, the Company entered into an agreement with ICP to dispose its entire equity interest in Malaysian Rock Products Sdn Bhd, a wholly-owned subsidiary of the Company, to ICP for a sale consideration of RM110 million to be satisfied by an issuance of 39,285,714 ordinary shares of RM1.00 each in ICP at RM2.80 per share. The completion of this proposal was announced on 18 January 2005.

As part of its plan to comply with the public shareholding spread requirement of ICP, the Company has disposed 21,200,000 ICP shares thereby reducing the Company's equity interest in ICP to 66.3% at the date of this report.

- iii) On 12 October 2004, the Company announced the proposed issue of up to RM300 million nominal value 7-year Commercial Papers and Medium Term Notes ("MTNs"). The first issuance of MTNs of RM150 million nominal value was completed on 24 February 2005.
- iv) On 12 October 2004, the Company announced the proposed renounceable rights issue of up to 100,944,400 new warrants at an indicative issue price of RM0.05 per warrant on the basis of 1 new warrant for every 5 existing shares held in the Company on an entitlement date to be announced later. In addition, the Company also announced the proposed issuance of up to 10,000,000 new warrants to eligible management staff of the Group at an indicative issue price of RM0.05 per warrant. Approval from the SC has been obtained via its letter dated 27 January 2005 and approval from the shareholders has been obtained at an Extraordinary General Meeting held on 22 March 2005.

## 18 Group Borrowings

As at  
31/03/2005  
RM'000

### (a) (i) Short Term Borrowings

Secured:-

- Term loan	25,296
- Bank overdrafts	21,846

Unsecured:-

- Revolving credits	67,785
- Bankers acceptances and bills payable	74,268
- Bank overdrafts	3,504

192,699

### (ii) Long Term Borrowings

8% Secured Fixed Rate Bond 1999/2009 (net of discount)	97,781
5.5% Unsecured Medium Term Notes 2005/2010	150,000
Secured term loan	71,071
Unsecured term loan	102,600
	<u>421,452</u>

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

	Foreign Currency '000	RM Equivalent '000
US Dollar	41,565	157,947
Indian Rupee	1,398,425	121,663
		<u>279,610</u>



## 19 Financial Instruments

For the purpose of certain anticipated business ventures in India, the Group has entered into foreign exchange forward contracts as follows:-

	<u>Tenure</u>	<u>Currency to be received</u>	<u>Currency to be paid</u>	<u>Amount in foreign currency</u> '000	<u>Contractual rate</u>	<u>RM equivalent</u> '000
i)	28 Mar 2005 to 28 Jun 2005	Indian Rupee (INR)	US Dollar (USD)	USD 3,000 INR 131,400	1 USD = INR43.800	11,425
ii)	28 Mar 2005 to 27 Sep 2005	Indian Rupee (INR)	US Dollar (USD)	USD 7,000 INR 308,350	1 USD = INR44.050	26,811
iii)	28 Mar 2005 to 27 Sep 2005	Indian Rupee (INR)	US Dollar (USD)	USD 10,000 INR 441,050	1 USD = INR44.105	38,349
iv)	31 Mar 2005 to 3 Oct 2005	Indian Rupee (INR)	US Dollar (USD)	USD 5,000 INR 220,000	1 USD = INR44.000	19,129

Any difference arising from the movements in the currencies of the above forward contracts would be deferred until the related receipts or payments occurred, at which time they will be included in the measurement of such receipts or payments. However if such receipts or payments do not occur, the difference at the maturity of these contracts would be recognised in the income statement.

As these contracts are executed with creditworthy financial institutions, the Directors are of the view that, at present, the credit and market risks associated with these contracts are minimal.

## 20 Material Litigation

There was no change in material litigation since 31 December 2003 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

The pre-tax profit for the current quarter decreased by 19.9% compared to the immediate preceding quarter mainly due to the seasonal downturn in the Construction and Plantations divisions as explained in Note 3 above.

## **22 Review of Performance**

For the current quarter, the Group achieved a revenue of RM527.80 million, a pre-tax profit of RM49.29 million and a net profit of RM31.38 million. The 69.2% increase in revenue over the preceding year corresponding quarter was mainly attributable to higher revenues recorded by all the divisions. The 10.5% decrease in pre-tax profit over the preceding year corresponding quarter was mainly due to increased allowance for diminution in value of investments and doubtful debts.

For the current financial period-to-date, the Group achieved a revenue of RM1,802.29 million, a pre-tax profit of RM283.81 million and a net profit of RM185.49 million. On an annualised basis, the Group's revenue, pre-tax profit and net profit increased by 5.7%, 9.8% and 1.8% respectively compared to the previous financial year mainly due to better performance from the Properties division and increased contribution from ICP since it became a subsidiary of the Group on 12 May 2004.

## **23 Prospects**

Based on the existing good order book for Construction, Properties and Industries divisions and a good prospect to increase it further, the Group is confident of a good operating performance for financial year ending 31 March 2006, barring unforeseen circumstances.

## **24 Profit Forecast**

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

## 25 Earnings Per Share

		<b>Current Quarter Ended 31/03/2005</b>	<b>Preceding Year Quarter Ended 31/03/2004</b>	<b>15 Months Ended 31/03/2005</b>	<b>12 Months Ended 31/12/2003</b>
<b>(a) <u>Basic earnings per share</u></b>					
Net profit for the period	(RM'000)	<b>31,377</b>	35,223	<b>185,486</b>	145,724
Weighted average number of ordinary shares in issue	('000)	<b>456,750</b>	383,839	<b>431,708</b>	371,846
Basic earnings per share	(sen)	<b>6.87</b>	9.18	<b>42.97</b>	39.19
<b>(b) <u>Diluted earnings per share</u></b>					
Net profit for the period	(RM'000)	<b>31,377</b>	35,223	<b>185,486</b>	145,724
Weighted average number of ordinary shares in issue	('000)	<b>456,750</b>	383,839	<b>431,708</b>	371,846
Adjustment for options	('000)	<b>5,940</b>	5,369	<b>4,827</b>	-
Adjustment for warrants	('000)	-	22,381	-	25,303
Weighted average number of ordinary shares for diluted earnings per share	('000)	<b>462,690</b>	411,589	<b>436,535</b>	397,149
Diluted earnings per share	(sen)	<b>6.78</b>	8.56	<b>42.49</b>	36.69

## 26 Comparative Figures

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

## 27 Change of Financial Year End

As announced to the Bursa Malaysia Securities Berhad on 18 August 2004, the Company has changed its financial year end from 31st December to 31st March with effect from the current financial year.