



# IJM CORPORATION BERHAD (104131-A)

## Part A1 : Quarterly Report

Quarterly report for the financial period ended:	30/09/2005
Quarter:	2nd Quarter
Financial Year End:	31/03/2006
The figures:	Have not been audited
Full Quarterly Report:	Refer attached

## Part A2 : Summary of Key Financial Information for the financial period ended 30/09/2005

	Individual Quarter		Cumulative Period	
	Current year quarter 30/09/2005 RM'000	Preceding year quarter 30/09/2004 RM'000	Current year to date 30/09/2005 RM'000	Preceding year to date 30/09/2004 RM'000
1 Revenue	407,499	337,905	787,073	659,127
2 Profit before tax	61,640	59,399	126,808	117,841
3 Profit after tax and minority interests	37,016	36,546	72,699	77,243
4 Net profit for the period	37,016	36,546	72,699	77,243
5 Basic earnings per share (sen)	7.90	8.25	15.63	17.87
6 Dividend per share (sen)	5.00	-	5.00	5.00
	<b>As at end of current quarter 30/09/2005</b>		<b>As at preceding financial year end</b>	
7 Net tangible assets per share (RM)		4.03		3.85

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

**CONDENSED CONSOLIDATED INCOME STATEMENT**

*(The figures have not been audited)*

	<b>Individual Quarter</b>		<b>Cumulative Period</b>	
	<b>Current year quarter 30/09/2005 RM'000</b>	<b>Preceding year quarter 30/09/2004 RM'000</b>	<b>Current year to date 30/09/2005 RM'000</b>	<b>Preceding year to date 30/09/2004 RM'000</b>
Operating revenue	<b>407,499</b>	337,905	<b>787,073</b>	659,127
Cost of sales	<b>(327,706)</b>	(261,288)	<b>(625,469)</b>	(511,530)
Gross profit	<b>79,793</b>	76,617	<b>161,604</b>	147,597
Other operating income	<b>12,198</b>	7,186	<b>28,346</b>	16,181
Tendering and marketing expenses	<b>(3,251)</b>	(8,585)	<b>(6,258)</b>	(11,033)
Administrative expenses	<b>(13,634)</b>	(15,719)	<b>(28,719)</b>	(28,570)
Other operating expenses	<b>(10,988)</b>	(5,527)	<b>(21,585)</b>	(16,439)
Operating profit before finance cost	<b>64,118</b>	53,972	<b>133,388</b>	107,736
Finance cost	<b>(14,172)</b>	(6,972)	<b>(22,835)</b>	(13,115)
Operating profit after finance cost	<b>49,946</b>	47,000	<b>110,553</b>	94,621
Share of results of associates	<b>10,785</b>	10,079	<b>14,627</b>	19,125
Share of results of jointly controlled entities	<b>909</b>	2,320	<b>1,628</b>	4,095
Profit from ordinary activities before taxation	<b>61,640</b>	59,399	<b>126,808</b>	117,841
Taxation:-				
Company and subsidiaries	<b>(14,858)</b>	(11,520)	<b>(33,031)</b>	(25,453)
Associates	<b>(2,895)</b>	(2,731)	<b>(4,588)</b>	(4,711)
Jointly controlled entities	<b>(6)</b>	(339)	<b>(35)</b>	(847)
	<b>(17,759)</b>	(14,590)	<b>(37,654)</b>	(31,011)
Profit from ordinary activities after taxation	<b>43,881</b>	44,809	<b>89,154</b>	86,830
Minority interests	<b>(6,865)</b>	(8,263)	<b>(16,455)</b>	(9,587)
Net profit for the period	<b>37,016</b>	36,546	<b>72,699</b>	77,243
Earnings per share (sen):-				
Basic	<b>7.90</b>	8.25	<b>15.63</b>	17.87
Fully diluted	<b>7.78</b>	8.15	<b>15.47</b>	17.63
Dividend per share (sen):-				
Less income tax at 28%	<b>5.00</b>	-	<b>5.00</b>	5.00
Depreciation and amortisation expense (RM'000)	<b>13,330</b>	12,993	<b>26,169</b>	23,844

**IJM CORPORATION BERHAD (104131-A)**  
**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2005**

*(The figures have not been audited)*

	<b>30/09/2005</b>	<b>31/03/2005</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CAPITAL AND RESERVES</b>		
Share capital	<b>471,032</b>	458,654
Share premium	<b>388,134</b>	349,796
Reserves	<b>103,661</b>	98,250
Retained Earnings	<b>1,004,578</b>	931,879
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Shareholders' equity	<b>1,967,405</b>	1,838,579
Minority interest	<b>168,830</b>	135,033
	<hr/>	<hr/>
	<b>2,136,235</b>	1,973,612
<b>NON-CURRENT LIABILITIES</b>		
Bonds	<b>98,027</b>	97,781
Medium term notes	<b>150,000</b>	150,000
Term loans	<b>285,058</b>	173,671
Hire purchase and lease creditors	<b>3,791</b>	742
Deferred tax liabilities	<b>22,494</b>	24,299
Trade payable	<b>6,000</b>	6,000
Retirement benefits	<b>2,717</b>	2,588
	<hr/>	<hr/>
	<b>568,087</b>	455,081
<b>DEFERRED INCOME</b>	<b>68,275</b>	68,399
	<hr/>	<hr/>
	<b>2,772,597</b>	<b>2,497,092</b>
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**IJM CORPORATION BERHAD (104131-A)**  
**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2005**

*(The figures have not been audited)*

	<b>30/09/2005</b>	<b>31/03/2005</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	<b>384,942</b>	348,744
Concession assets	<b>157,721</b>	159,190
Associates	<b>736,916</b>	730,636
Jointly controlled entities	<b>34,645</b>	22,384
Long term investments	<b>138,010</b>	140,029
Long term receivables	<b>93,398</b>	94,372
Deferred tax assets	<b>12,000</b>	12,442
Land held for property development	<b>200,816</b>	154,467
Intangible assets	<b>55,453</b>	57,586
	<b>1,813,901</b>	1,719,850
<b>CURRENT ASSETS</b>		
Property development costs	<b>390,932</b>	332,692
Inventories	<b>108,226</b>	100,272
Trade and other receivables	<b>1,158,688</b>	1,131,840
Short term investments	<b>84,505</b>	84,927
Deposits with licensed banks	<b>97,339</b>	38,673
Cash and bank balances	<b>99,218</b>	41,201
	<b>1,938,908</b>	1,729,605
<b>CURRENT LIABILITIES</b>		
Trade and other payables	<b>751,315</b>	748,778
Bank borrowings	<b>213,528</b>	192,699
Taxation liabilities	<b>15,369</b>	10,886
	<b>980,212</b>	952,363
<b>NET CURRENT ASSETS</b>	<b>958,696</b>	777,242
	<b>2,772,597</b>	2,497,092
<b>NET TANGIBLE ASSETS PER SHARE (RM)</b>	<b>4.03</b>	3.85

**IJM CORPORATION BERHAD (104131-A)**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2005**

*(The figures have not 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 April 2005	458,654	349,796	98,250	931,879	1,838,579
Net gain not recognised in income statement	-	-	691	-	691
Reserve arising from the issue of Warrants	-	-	4,720	-	4,720
Net profit for the period	-	-	-	72,699	72,699
Issue of shares under ESOS	12,233	37,788	-	-	50,021
Issue of shares on conversion of Warrants	145	550	-	-	695
At 30 September 2005	<u>471,032</u>	<u>388,134</u>	<u>103,661</u>	<u>1,004,578</u>	<u>1,967,405</u>
At 1 April 2004	389,897	209,296	107,663	831,882	1,538,738
Net gain / (loss) not recognised in income statement	-	-	(4,027)	-	(4,027)
Net profit for the period	-	-	-	77,243	77,243
Dividends for the year ended:- 31 December 2003 (second interim)	-	-	-	(787)	(787)
Issue of shares under ESOS	9,025	27,145	-	-	36,170
Issue of shares on conversion of Warrants	53,302	93,810	-	-	147,112
At 30 September 2004	<u>452,224</u>	<u>330,251</u>	<u>103,636</u>	<u>908,338</u>	<u>1,794,449</u>

**IJM CORPORATION BERHAD (104131-A)**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 2005**  
*(The figures have not been audited)*

	<b>2005</b>	<b>2004</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Receipts from customers	797,945	591,951
Payments to contractors, suppliers and employees	(732,472)	(514,325)
Interest received	14,172	9,952
Interest paid	(14,695)	(5,365)
Income tax paid	(29,911)	(21,606)
<b>Net cash flow from operating activities</b>	<b>35,039</b>	<b>60,607</b>
<b>INVESTING ACTIVITIES</b>		
Acquisition of subsidiaries, net of cash acquired	-	(160,801)
Acquisition of investments	(2,157)	(50,471)
Purchases of property, plant and equipment, development land and concession assets	(106,569)	(133,228)
Government grants received	-	10,666
Disposal of investments, property, plant and equipment, net of cash disposed	24,855	21,549
Dividends received	8,144	8,511
Advances and repayments from / (to) associates and jointly controlled entities	4,270	6,425
<b>Net cash flow used in investing activities</b>	<b>(71,457)</b>	<b>(297,349)</b>
<b>FINANCING ACTIVITIES</b>		
Issue of shares by the Company		
- Employees Share Option Scheme	50,021	36,170
- Conversion of warrants	695	147,112
Issue of warrants by the Company	4,720	-
Net proceeds / (repayments) of bank borrowings	127,010	21,440
Interest on bond and medium term notes	(8,140)	(7,750)
Net proceeds / (repayments) of hire purchase and lease creditors	6,752	(736)
Dividends paid by the Company	(33,153)	(30,769)
Net redemptions / (placements) of bank deposits assigned to trustees	(5,613)	15,163
<b>Net cash flow from financing activities</b>	<b>142,292</b>	<b>180,630</b>
<b>Net (decrease) / increase in cash and cash equivalents during the period</b>	<b>105,874</b>	<b>(56,112)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>36,505</b>	<b>124,795</b>
Foreign exchange differences on opening balances	(10)	(263)
<b>Cash and cash equivalents at end of period</b>	<b>142,369</b>	<b>68,420</b>

**NOTES TO THE QUARTERLY REPORT  
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 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 financial period ended 31 March 2005.

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 financial period ended 31 March 2005.

**2 Audit Report**

The audit report of the Group's annual financial statements for the financial period ended 31 March 2005 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 January - March quarter, and the Plantations associate, which normally sees its cropping pattern declining to a trough in the January - March quarter before rising again to a peak in the second half of a calendar year.

**4 Individually Significant Items**

There is no individually significant item for the current financial year-to-date.

**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:

- (i) 103,171,576 Warrants 2005/2010 at an issue price of RM0.05 each.
- (ii) 12,232,800 ordinary shares of RM1.00 each arising from the exercise of Employees' Share Option Scheme;
- (iii) 144,700 ordinary shares of RM1.00 each arising from the conversion of Warrants 2005/2010;

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, an interim dividend of 5% or 5 sen per share less tax at 28% is declared. The interim dividend will be paid on 10 February 2006 to every member who is entitled to receive the dividend as at 5.00pm on 27 January 2006. Warranholders, who lodge their duly completed forms and monies for subscription of new shares to the Share Registrar by 5.00pm on 16 January 2006, would be entitled to receive the dividend.

For the preceding year's corresponding period, an interim dividend of 5% or 5 sen per share less tax at 28% was declared and paid on 12 November 2004. .

## 8 Segmental Reporting

### Analysis by business segments

	Group revenue including share of revenue of JVs and associates		GROUP	
	6 months ended 30/09/2005 RM'000	6 months ended 30/09/2004 RM'000	6 months ended 30/09/2005 RM'000	6 months ended 30/09/2004 RM'000
<b><u>Revenue:-</u></b>				
Construction	338,126	428,079	286,339	313,844
Property	252,315	170,648	243,521	154,070
Industries	267,886	211,122	246,266	185,285
Infrastructure	30,351	22,862	5,320	1,436
Investment and others	20,692	18,027	5,627	4,492
	<b>909,370</b>	850,738	<b>787,073</b>	659,127
Plantation associate	58,677	66,121		
	<b>968,047</b>	916,859		
<b><u>Profit/(loss) before taxation:-</u></b>				
Construction			42,541	42,853
Property			50,617	35,192
Industries			25,324	23,807
Infrastructure			(4,489)	482
Investment and others			598	535
			<b>114,591</b>	102,869
Plantation associate			12,217	14,972
			<b>126,808</b>	117,841

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

- i) IJM Rajasthan (Mauritius) Limited has been incorporated in the Republic of Mauritius on 27 April 2005 as a wholly-owned subsidiary of IJM Investments (M) Limited, which in turn is a wholly-owned subsidiary of the Company. This has no material impact on the Group for the financial year-to-date.
- ii) The Company's equity interest in Industrial Concrete Products Berhad ("ICP") has decreased from 71.5% to 66.3% following the disposal of 7,500,000 ordinary shares in ICP in April and May 2005 pursuant to the stock exchange's public shareholding spread requirement. This has no material impact on the Group for the financial year-to-date.
- iii) IJM (India) Geotechniques Private Limited has been incorporated in India as a wholly-owned subsidiary of IJM (India) Infrastructure Limited, which in turn is a 97.3% subsidiary of IJMII (Mauritius) Limited, a wholly-owned subsidiary of IJM Investments (M) Limited, which in turn is a wholly-owned subsidiary of the Company. This has no material impact on the Group for the financial year-to-date.
- iv) IJM (India) Infrastructure Limited ("IJMII") and Lingamaneni Estates Private Limited have, on 14 September 2005, incorporated IJM Lingamaneni Township Private Limited in India as a 55:45 joint venture company to carry out the development of an Integrated Township on 119.35 acres land in Vijayawada, Andhra Pradesh. IJMII is a 97.3% subsidiary of IJMII (Mauritius) Limited, a wholly-owned subsidiary of IJM Investments (M) Limited, which in turn is a wholly-owned subsidiary of the Company. This has no material impact on the Group for the financial year-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 March 2005 are as follows:-

	<u>RM'000</u>
Group's proportionate share of guarantees for borrowings of associates:	
- As at 31 March 2005	142,239
- Decrease during the financial year-to-date	(2,623)
- As at 30 September 2005	<u>139,616</u>
Pledging of share certificates for term loan facility granted to an associate:	
- As at 31 March 2005	48,864
- Decrease during the financial year-to-date	(231)
- As at 30 September 2005	<u>48,633</u>

### 13 Capital Commitments

Capital commitments not provided for in the financial statements as at 30 September 2005 are as follows:-

	<u>RM'000</u>
Approved and contracted for	121,850
Approved but not contracted for	33,145
	<u>154,995</u>
 <u>Analysed as follows:</u>	
- Purchases of property, plant and equipment	22,389
- Acquisition of development land	63,934
- Investment in associates	68,672
	<u>154,995</u>

### 14 Taxation

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

	<b>Current Quarter Ended 30/09/2005 RM'000</b>	<b>Cumulative Current Year To date 30/09/2005 RM'000</b>
Malaysian income tax	14,487	30,782
Overseas taxation	1,225	3,647
Transfer to/(from) deferred taxation	(848)	(1,363)
	<u>14,864</u>	<u>33,066</u>
Share of associates' taxation	2,895	4,588
	<u>17,759</u>	<u>37,654</u>

The effective tax rate for the Group is higher than the statutory tax rate mainly because of losses incurred by certain associates with no corresponding deferred tax credit.

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

There was no sale of unquoted investments and/or properties during the current quarter and financial year-to-date.

## 16 Quoted Investments

### a) Purchases and sales of quoted investments

	<b>Current Quarter Ended 30/09/2005 RM'000</b>	<b>Cumulative Current Year To date 30/09/2005 RM'000</b>
i) Long Term		
Total purchases	-	7
Total disposals / sale proceeds	1,453	1,453
Total Profit/(Loss) on Disposal	866	866
ii) Short Term		
Total purchases	-	14
Total disposals / sale proceeds	75	75
Total Profit/(Loss) on Disposal	17	17

### b) Quoted investments as at 30 September 2005

	<b>RM'000</b>
i) Long Term	
Quoted investments at costs	101,130
Unquoted investments at costs	47,847
Total investments at costs	148,977
Less: Allowance for diminution in value and amortisation	(10,967)
Total investments at carrying value	138,010
Less: Unquoted investments at carrying value	(43,255)
Quoted investments at carrying value	94,755
Quoted investments at market value	99,406

	<b>RM'000</b>
ii) Short Term	
Quoted investments at costs	94,332
Unquoted investments at costs	-
Total investments at costs	<u>94,332</u>
Less: Allowance for diminution in value	(9,827)
Total investments at carrying value	<u>84,505</u>
Less: Unquoted investments at carrying value	-
Quoted investments at carrying value	<u>84,505</u>
Quoted investments at market value	<u><u>112,868</u></u>

## **17 Status of Corporate Proposals**

- i) On 30 May 2005, the Company entered into a Share Purchase Agreement ("SPA") to acquire 118,373,600 ordinary shares of RM1.00 each in Kumpulan Europlus Berhad ("KEB") representing 25% of the equity interest in KEB from certain shareholders of KEB for a total cash consideration of RM33,144,608 or RM0.28 per share. In addition the Company has been granted a call option to acquire a further 5% equity interest in KEB. The completion of the SPA has been extended to 30 November 2005 pending the fulfillment of the conditions precedent, which include the finalisation of the revised terms of the proposed concession agreement for the Peninsular Malaysia West Coast Highway Concession by KEB.
- ii) On 30 September 2005, the Company entered into a Definitive Agreement with Antah Holdings Berhad ("Antah"), KASEH Lebuhraya Sdn Bhd ("KASEH") and Lebuhraya Kajang-Seremban Sdn Bhd ("LEKAS") for the Company to participate in the Concession for the 48km new highway linking Kajang to Seremban for a period of 33 years. The Company will be participating in the Concession by way of management, and subscription of RM50 million of new ordinary shares of RM1 each (representing 50%) and RM200 million 7% Redeemable Unsecured Loan Stocks (RCULS) in LEKAS. The Company will grant Antah a call option to acquire up to 50% of the RCULS. LEKAS, incorporated on 22 June 2005, is intended to be the special purpose vehicle to carry out and undertake the Concession to be novated by KASEH, subject to the approval of shareholders of Antah at a general meeting to be convened, and the Government.

## 18 Group Borrowings

**As at  
30/09/2005  
RM'000**

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

Secured:-

- Term loan	13,515
- Bank overdrafts	26,159
- Hire purchase and lease creditors	4,270

Unsecured:-

- Term loan	37,690
- Revolving credits	72,862
- Bankers acceptances and bills payable	58,905
- Bank overdrafts	4,397

217,798

**(ii) Long Term Borrowings**

8% Secured Fixed Rate Bond 1999/2009 (net of discount)	98,027
5.5% Unsecured Medium Term Notes 2005/2010	150,000
Hire purchase and lease creditors	3,791
Secured term loan	97,148
Unsecured term loan	187,910
	<u>536,876</u>

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

	Foreign Currency '000	RM Equivalent '000
US Dollar	69,362	261,424
Indian Rupee	1,647,785	141,921
		<u>403,345</u>

## 19 Financial Instruments

### Foreign Exchange Forward Contracts:-

In anticipation of committed equity investments 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)	31 Mar 2005 to 3 Oct 2005	Indian Rupee (INR)	US Dollar (USD)	USD 5,000 INR 220,000	1 USD = INR44.000	18,854
ii)	5 Apr 2005 to 9 Jan 2006	Indian Rupee (INR)	US Dollar (USD)	USD 10,000 INR 441,300	1 USD = INR44.130	37,819
iii)	11 Apr 2005 to 13 Jan 2006	Indian Rupee (INR)	US Dollar (USD)	USD 10,000 INR 441,500	1 USD = INR44.150	37,837

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.

### Interest Rate Swaps:-

In order to hedge its exposure to floating interest rates in connection with a USD100 million syndicated term loan facility, the Group has entered into interest rate swaps as follows:-

	<u>Tenure</u>	<u>Floating rate</u>	<u>Fixed rate</u>	<u>Amount in foreign currency</u> '000	<u>RM equivalent</u> '000
i)	31 May 2005 to 29 Jul 2012	6-Month LIBOR + 0.7%	5.00%	USD 80,000	301,520
ii)	2 Jun 2005 to 29 Jul 2012	6-Month LIBOR + 0.7%	4.95%	USD 20,000	75,380

As the above 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 March 2005 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 results compared to the results of the immediate preceding quarter.

## **22 Review of Performance**

For the current quarter, the Group achieved a revenue of RM407.50 million, a pre-tax profit of RM61.64 million and a net profit of RM37.02 million. Despite the continued suspension of works at some substantial contract sites, the Group achieved a 20.6% increase in revenue over the preceding year corresponding quarter mainly attributable to higher revenues recorded by the Properties, Industries and Infrastructure divisions. The 3.8% increase in pre-tax profit and 1.3% increase in net profit were mainly attributable to higher profits recorded by the Properties division.

For the current financial year-to-date, the Group achieved a revenue of RM787.07 million, a pre-tax profit of RM126.81 million and a net profit of RM72.70 million. The 19.4% increase in revenue over the preceding year corresponding period was mainly attributable to higher revenues recorded by the Properties, Industries and Infrastructure divisions. The 7.6% increase in pre-tax profits was mainly due to better performances from the Properties and Industries divisions. The 5.9% decrease in net profit was mainly due to a higher effective tax rate (as mentioned in Note 14 above) and a higher minority share of Group profits following further disposal of shares of Industrial Concrete Products Berhad in compliance with public shareholding spread requirements.

## **23 Prospects**

Based on the existing good order book for Construction, Properties and Industries divisions and the anticipated restarting of suspended works in the fourth quarter, the Group is confident of a satisfactory 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 30/09/2005</b>	<b>Preceding Year Quarter Ended 30/09/2004</b>	<b>Current Year To date 30/09/2005</b>	<b>Preceding Year To date 30/09/2004</b>
<b>(a) <u>Basic earnings per share</u></b>					
Net profit for the period	(RM'000)	<b>37,016</b>	36,546	<b>72,699</b>	77,243
Weighted average number of ordinary shares in issue	('000)	<b>468,759</b>	442,790	<b>464,993</b>	432,189
Basic earnings per share	(sen)	<b>7.90</b>	8.25	<b>15.63</b>	17.87
<b>(b) <u>Diluted earnings per share</u></b>					
Net profit for the period	(RM'000)	<b>37,016</b>	36,546	<b>72,699</b>	77,243
Weighted average number of ordinary shares in issue	('000)	<b>468,759</b>	442,790	<b>464,993</b>	432,189
Adjustment for options	('000)	<b>4,750</b>	5,907	<b>4,400</b>	5,992
Adjustment for warrants	('000)	<b>2,201</b>	-	<b>588</b>	-
Weighted average number of ordinary shares for diluted earnings per share	('000)	<b>475,710</b>	448,697	<b>469,981</b>	438,181
Diluted earnings per share	(sen)	<b>7.78</b>	8.15	<b>15.47</b>	17.63

## 26 Comparative Figures

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