



IJM CORPORATION BERHAD (104131-A)

Part A1 : Quarterly Report

Quarterly report for the financial year ended:	31/03/2006
Quarter:	4th Quarter
Financial Year End:	31/03/2006
The figures:	Have been audited
Full Quarterly Report:	Refer attached

Part A2 : Summary of Key Financial Information for the financial year ended 31/03/2006

	Individual Quarter		12 months	15 months
	Current year quarter 31/03/2006 RM'000	Preceding year quarter 31/03/2005 RM'000	Current year to date 31/03/2006 RM'000	Preceding period to date 31/03/2005 RM'000
1 Revenue	537,093	527,801	1,665,859	1,802,291
2 Profit before tax	65,597	49,294	259,774	283,809
3 Profit after tax and minority interests	41,193	31,377	160,433	185,486
4 Net profit for the period	41,193	31,377	160,433	185,486
5 Basic earnings per share (sen)	8.60	6.87	34.03	42.97
6 Dividend per share (sen)	10.00	-	15.00	15.00
	As at end of current quarter 31/03/2006		As at preceding financial year end	
7 Net assets per share (RM)		4.66		4.30

IJM CORPORATION BERHAD (104131-A)

CONDENSED CONSOLIDATED INCOME STATEMENT

	Unaudited	Unaudited	Audited	Audited
	Individual Quarter	Individual Quarter	12 months	15 months
	Current year	Preceding year	Current year	Preceding period
	quarter	quarter	to date	to date
	31/03/2006	31/03/2005	31/03/2006	31/03/2005
	RM'000	RM'000	RM'000	RM'000
				Restated
Operating revenue	537,093	527,801	1,665,859	1,802,291
Cost of sales	(433,515)	(447,686)	(1,323,111)	(1,455,505)
Gross profit	103,578	80,115	342,748	346,786
Other operating income	20,075	14,454	61,825	49,025
Tendering, selling and distribution expenses	(3,340)	(5,429)	(13,409)	(12,025)
Administrative expenses	(13,862)	(6,720)	(61,162)	(58,766)
Other operating expenses	(29,383)	(23,115)	(64,717)	(48,453)
Operating profit before finance cost	77,068	59,305	265,285	276,567
Finance cost	(16,499)	(12,451)	(48,812)	(41,245)
Operating profit after finance cost	60,569	46,854	216,473	235,322
Share of results of associates	5,158	7,137	35,962	46,167
Share of results of jointly controlled entities	(130)	(4,697)	7,339	2,320
Profit from ordinary activities before taxation	65,597	49,294	259,774	283,809
Taxation:-				
Company and subsidiaries	(14,528)	(17,033)	(63,723)	(68,347)
Associates	(2,761)	(1,408)	(11,727)	(10,520)
Jointly controlled entities	(4)	1,574	(979)	(467)
	(17,293)	(16,867)	(76,429)	(79,334)
Profit from ordinary activities after taxation	48,304	32,427	183,345	204,475
Minority interest	(7,111)	(1,050)	(22,912)	(18,989)
Net profit for the year/period	41,193	31,377	160,433	185,486
Earnings per share (sen):-				
Basic	8.60	6.87	34.03	42.97
Fully diluted	8.46	6.78	33.68	42.49
Dividends per share (sen) declared:-				
Less income tax at 28%	10.00	-	15.00	15.00
Depreciation and amortisation expense (RM'000)	18,907	15,874	55,906	51,695

Note: In view of the change in financial year end from 31 December to 31 March in the previous financial period, the comparative amounts are not comparable.

IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2006

(The figures have been audited)

	31/03/2006	31/03/2005
	RM'000	RM'000
CAPITAL AND RESERVES		
Share capital	479,931	458,654
Share premium	420,401	349,796
Reserves	93,804	98,250
Retained profits	1,071,916	931,879
	<hr/>	<hr/>
Shareholders' equity	2,066,052	1,838,579
Minority interest	169,288	135,033
	<hr/>	<hr/>
	2,235,340	1,973,612
NON-CURRENT LIABILITIES		
Bonds	98,274	97,781
Medium term notes	150,000	150,000
Term loans	489,987	173,671
Hire purchase and lease creditors	3,335	742
Deferred tax liabilities	30,849	24,299
Trade and other payables	70,333	6,000
Retirement benefits	5,150	2,588
	<hr/>	<hr/>
	847,928	455,081
DEFERRED INCOME	63,822	68,399
	<hr/>	<hr/>
	3,147,090	2,497,092
	<hr/> <hr/>	<hr/> <hr/>

IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2006

(The figures have been audited)

	31/03/2006	31/03/2005
	RM'000	RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	466,045	348,744
Concession assets	218,476	159,190
Associates	769,494	730,636
Jointly controlled entities	43,838	22,384
Long term investments	131,728	140,029
Long term receivables	86,163	94,372
Deferred tax assets	14,518	12,442
Land held for property development	246,481	154,467
Intangible assets	61,285	57,586
	2,038,028	1,719,850
CURRENT ASSETS		
Property development costs	459,325	332,692
Inventories	150,008	100,272
Trade and other receivables	1,152,600	1,131,840
Short term investments	84,088	84,927
Deposits with licensed banks	138,505	38,673
Cash and bank balances	94,078	41,201
	2,078,604	1,729,605
CURRENT LIABILITIES		
Trade and other payables	767,763	748,778
Bank borrowings	196,361	192,699
Current tax liabilities	5,418	10,886
	969,542	952,363
NET CURRENT ASSETS	1,109,062	777,242
	3,147,090	2,497,092
NET ASSETS PER SHARE (RM)	4.66	4.30

IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2006
(The figures have been audited)

	Share capital RM'000	Share premium RM'000	Other reserves RM'000	Retained profits RM'000	Total RM'000
At 1 April 2005	458,654	349,796	98,250	931,879	1,838,579
Net losses not recognised in income statement	-	-	(8,845)	(3,173)	(12,018)
Warrants reserve arising from the issuance of Warrants 2005/2010	-	-	5,159	-	5,159
Warrants issue expenses	-	-	(439)	-	(439)
Net profit for the year	-	-	-	160,433	160,433
Dividends paid for the year ended:- 31 March 2006 (first interim)	-	-	-	(17,223)	(17,223)
Issuance of shares:					
- exercise of ESOS	14,853	45,875	-	-	60,728
- conversion of Warrants 2005/2010	6,424	24,730	(321)	-	30,833
At 31 March 2006	<u>479,931</u>	<u>420,401</u>	<u>93,804</u>	<u>1,071,916</u>	<u>2,066,052</u>
At 1 January 2004	382,276	193,873	101,657	826,647	1,504,453
Net loss not recognised in income statement	-	-	(3,407)	-	(3,407)
Net profit for the period	-	-	-	185,486	185,486
Dividends:-					
Year ended 31 December 2003	-	-	-	(30,775)	(30,775)
Period ended 31 March 2005	-	-	-	(49,479)	(49,479)
Issuance of shares:					
- exercise of ESOS	17,088	51,573	-	-	68,661
- conversion of Warrants 2000/2004	59,290	104,350	-	-	163,640
At 31 March 2005	<u>458,654</u>	<u>349,796</u>	<u>98,250</u>	<u>931,879</u>	<u>1,838,579</u>

Note: In view of the change in financial year end from 31 December to 31 March in the previous financial period, the comparative amounts are not comparable.

IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2006
(The figures have been audited)

	Year ended 31/03/2006 RM'000	15 months ended 31/03/2005 RM'000
OPERATING ACTIVITIES		
Receipts from customers	1,711,872	1,554,922
Payments to contractors, suppliers and employees	(1,534,502)	(1,622,549)
Interest received	24,152	24,598
Interest paid	(36,647)	(22,444)
Income tax paid	(65,617)	(59,697)
Net cash flow from/(used in) operating activities	99,258	(125,170)
INVESTING ACTIVITIES		
Acquisition of subsidiaries, net of cash acquired	(5,734)	(97,412)
Acquisition of investments	(20,027)	(171,852)
Redemption of preference shares in an associate	-	6,600
Purchases of property, plant and equipment, development land and concession assets	(317,874)	(189,119)
Government grants received	-	42,539
Disposal of investments, property, plant and equipment, development land, net of cash disposed	52,639	48,231
Dividends received	8,072	11,216
Advances and repayments from / (to) associates and jointly controlled entities	(14,065)	(4,992)
Net cash flow used in investing activities	(296,989)	(354,789)
FINANCING ACTIVITIES		
Issuance of shares by the Company		
- exercise of ESOS	60,728	68,661
- conversion of Warrants	30,833	163,640
Issuance of shares by subsidiaries to minority interest in subsidiaries	150	4,586
Issuance of Warrants by the Company	5,159	-
Net proceeds / (repayments) of bank borrowings	322,873	195,679
Payments of Bonds and Medium Term Notes interest	(16,253)	(18,801)
Advances from the State Government	7,000	-
Repayments to hire purchase and lease creditors	(4,068)	(139)
Dividends paid by subsidiaries to minority shareholders	(8,763)	(7,974)
Dividends paid by the Company	(50,275)	(47,122)
Net (placement) / redemption of bank deposits assigned to trustees	(16,543)	4,916
Net cash flow from financing activities	330,841	363,446
Net increase / (decrease) in cash and cash equivalents during the financial year / period	133,110	(116,513)
Cash and cash equivalents at beginning of the financial year / period	36,505	152,857
Foreign exchange differences on opening balances	472	161
Cash and cash equivalents at end of the financial year / period	170,087	36,505

Note: In view of the change in financial year end from 31 December to 31 March in the previous financial period, the comparative amounts are not comparable.

**NOTES TO THE QUARTERLY REPORT
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2006**

1 Basis of preparation

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, other than the change in accounting for construction of concession assets during the financial year whereby construction profits amounting to RM9.8 million which would otherwise be eliminated upon consolidation, have now been recognised in the income statement.

The Group changed its financial year end from 31 December to 31 March in the previous financial period. Accordingly, the comparative amounts for income statements, statements of changes in equity, cash flow statements and their related notes are not comparable.

2 Audit Reports

The audit reports of the Group's annual financial statements for the financial period ended 31 March 2005 and the financial year ended 31 March 2006 were 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 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, other than as disclosed in Note 1 above.

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) 14,853,350 ordinary shares of RM1.00 each arising from the exercise of Employees' Share Option Scheme;
- (iii) 6,423,436 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, first interim dividend of 5% or 5 sen per share less tax at 28% was paid on 10 February 2006. A second interim dividend of 10% or 10 sen per share less tax at 28% has been declared to every member who is entitled to receive the dividend as at 5.00pm on 31 July 2006 and will be paid on 18 August 2006.

For the preceding 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.

8 Segmental Reporting

Analysis by business segments

	Group revenue including share of revenue of JVs and associates		GROUP	
	12 months ended 31/03/2006 RM'000	15 months ended 31/03/2005 RM'000	12 months ended 31/03/2006 RM'000	15 months ended 31/03/2005 RM'000
Revenue:-				
Construction	816,142	1,172,157	666,159	898,259
Property	517,224	478,842	491,644	440,617
Industries	538,970	513,595	491,495	451,820
Infrastructure	60,876	60,493	10,714	4,921
Investment and others	36,309	43,922	5,847	6,674
	1,969,521	2,269,009	1,665,859	1,802,291
Plantation associate	118,612	157,030		
	2,088,133	2,426,039		

Analysis by business segments

	GROUP	
	12 months ended 31/03/2006 RM'000	15 months ended 31/03/2005 RM'000
<u>Profit/(loss) before taxation:-</u>		
Construction	105,965	110,784
Property	95,623	88,001
Industries	50,287	57,491
Infrastructure	(12,964)	(2,668)
Investment and others	(4,536)	(1,871)
	<u>234,375</u>	<u>251,737</u>
Plantation associate	25,399	32,072
	<u>259,774</u>	<u>283,809</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 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 ("IJMII"), 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 Lingamaneni Township Private Limited has been incorporated in India on 14 September 2005 as a 55% subsidiary of IJMII, 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.

- v) IJM Construction Sdn Bhd, a wholly-owned subsidiary of the Company, has acquired 3,000,002 ordinary shares of S\$1 each representing the entire equity interest in Insitu Envirotech Pte Ltd, Singapore. This has no material impact on the Group for the financial year-to-date.
- vi) IJM Properties Sdn Bhd, a wholly-owned subsidiary of the Company, has entered into a 50:50 joint venture with Terang Tanah Sdn Bhd to jointly develop a parcel of land in Mukim Ulu Kelang, Selangor Darul Ehsan. Sierra Ukay Sdn Bhd will be used as the joint venture company to undertake the development. This has no material impact on the Group for the financial year-to-date.
- vii) ICPB (Mauritius) Limited ("ICPBM") has been incorporated in the Republic of Mauritius on 20 October 2005 as a wholly-owned subsidiary of ICP Investments (L) Limited, a wholly-owned subsidiary of ICP, which in turn is a 66.3% subsidiary of the Company. This has no material impact on the Group for the financial year-to-date.
- viii) Torsco Berhad, a wholly-owned subsidiary of the Company, has on 16 December 2005 entered into a Sale of Shares Agreement, to dispose its entire 2,000,400 Class A ordinary shares of RM1 each representing 40% of the issued and paid-up capital of IMPSA (Malaysia) Sdn Bhd for a total cash consideration of RM3,500,700. This has no material impact on the Group for the financial year-to-date.
- ix) ICP has on 27 December 2005 acquired an additional 6% equity interest in ICP Jiangmen Co. Ltd ("ICPJM"), for a total cash consideration of RM1.65 million. Following the acquisition, ICPJM has become a 79% owned subsidiary of ICP, which in turn is a 66.3% subsidiary of the Company. This has no material impact on the Group for the financial year-to-date.
- x) ICP has on 30 December 2005 acquired the remaining 35% equity interest in Concrete Mould Engineering Sdn Bhd ("CME"), for a total cash consideration of RM1,356,250. Following the acquisition, CME has become a wholly-owned subsidiary of ICP, which in turn is a 66.3% subsidiary of the Company. This has no material impact on the Group for the financial year-to-date.
- xi) IJM Properties Sdn Bhd, a wholly-owned subsidiary of the Company, has on 23 January 2006 entered into a 50:50 joint venture with Island Bay Resorts Sdn Bhd, for a mixed development on 42.76 acres of land located at Batu Ferrighi, Pulau Pinang. This has no material impact on the Group for the financial year-to-date.
- xii) IJMII has disposed its entire equity interest in IJM Concrete Products Private Limited ("IJMCP") to ICPBM for a total cash consideration of Rs1,69,07,636 (approximately RM1.4 million). 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. Whilst, ICPBM is a wholly-owned subsidiary of ICP Investments (L) Limited, a wholly-owned subsidiary of ICP, which in turn is a 66.3% subsidiary of the Company. This has no material impact on the Group for the financial year-to-date.
- xiii) ICP, a 66.3% subsidiary of the Company, has disposed its entire equity interest in Cosmic Centre Sdn Bhd., comprising two ordinary shares of RM1 each for a cash consideration of RM2. This has no material impact on the Group for the financial year-to-date.

- xiv) IJM Properties Sdn Bhd, a wholly-owned subsidiary of the Company, has entered into a 50:50 joint venture with Star Everest Sdn Bhd to jointly develop a parcel of land in Mukim Batu, Daerah Gombak, Selangor Darul Ehsan. Sierra Selayang Sdn Bhd will be used as the joint venture company to undertake the development. 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	(47,999)
- As at 31 March 2006	<u>94,240</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	(856)
- As at 31 March 2006	<u>48,008</u>

13 Capital Commitments

Capital commitments not provided for in the financial statements as at 31 March 2006 are as follows:-

	<u>RM'000</u>
Approved and contracted for	1,746
Approved but not contracted for	305,687
	<u>307,433</u>
<u>Analysed as follows:</u>	
- Purchases of property, plant and equipment	22,542
- Acquisition of development land	1,746
- Investments (Note 17)	283,145
	<u>307,433</u>

14 Taxation

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

	Current Quarter Ended 31/03/2006 RM'000	Cumulative Current Year To date 31/03/2006 RM'000
Malaysian income tax	871	46,886
Overseas taxation	6,931	13,262
Transfer to deferred taxation	6,730	4,554
	<hr/>	<hr/>
	14,532	64,702
Share of associates' taxation	2,761	11,727
	<hr/>	<hr/>
	17,293	76,429

The effective tax rate for the Group is higher than the statutory tax rate mainly because of losses incurred by certain associates and subsidiaries 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

	Current Quarter Ended 31/03/2006 RM'000	Cumulative Current Year To date 31/03/2006 RM'000
i) Long Term		
Total purchases	-	-
Total disposals / sale proceeds	<hr/>	<hr/>
	6,080	7,533
Total profit/(loss) on disposal	<hr/>	<hr/>
	367	1,217
ii) Short Term		
Total purchases	-	14
Total disposals / sale proceeds	<hr/>	<hr/>
	-	103
Total profit/(loss) on disposal	<hr/>	<hr/>
	-	43

b) Quoted investments as at 31 March 2006

	RM'000
i) Long Term	
Quoted investments at costs	94,104
Unquoted investments at costs	48,593
Total investments at costs	<u>142,697</u>
Less: Allowance for diminution in value and amortisation	(10,969)
Total investments at carrying value	<u>131,728</u>
Less: Unquoted investments at carrying value	(43,268)
Quoted investments at carrying value	<u>88,460</u>
Quoted investments at market value	<u><u>89,765</u></u>
ii) Short Term	
Quoted investments at costs	94,321
Unquoted investments at costs	-
Total investments at costs	<u>94,321</u>
Less: Allowance for diminution in value	(10,233)
Total investments at carrying value	<u>84,088</u>
Less: Unquoted investments at carrying value	-
Quoted investments at carrying value	<u>84,088</u>
Quoted investments at market value	<u><u>108,234</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 further extended to 30 November 2006 pending the fulfillment of the conditions precedent, which include the finalisation 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 (RULS) in LEKAS. The Company will grant Antah a call option to acquire up to 50% of the RULS. 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 and this has been approved by the shareholders of Antah. The terms of the Concession is still pending finalisation with the Government.

18 Group Borrowings

	As at 31/03/2006 RM'000
(a) (i) Short Term Borrowings	
Secured:-	
- Term loan	23,041
- Bank overdrafts	19,197
- Hire purchase and lease creditors (included in trade and other payables)	8,026
Unsecured:-	
- Term loan	43,943
- Revolving credits	62,500
- Bankers acceptances	38,943
- Bank overdrafts	8,737
	<u>204,387</u>
(ii) Long Term Borrowings	
8% Secured Fixed Rate Bond 1999/2009 (net of discount)	98,274
5.5% Unsecured Medium Term Notes 2005/2010	150,000
Hire purchase and lease creditors	3,335
Secured term loan	67,975
Unsecured term loan	422,012
	<u>741,596</u>

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

	Foreign Currency '000	RM Equivalent '000
US Dollar	109,591	403,843
Indian Rupee	1,788,614	148,455
		<u>552,298</u>

19 Financial Instruments

Foreign Exchange Forward Contracts:-

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)	20 Mar 2006 to 15 Nov 2007	US Dollar (USD)	Ringgit Malaysia (MYR)	6,372	3.66-3.76	23,680
ii)	28 Apr 2006 to 15 May 2006	Sterling Pound (GBP)	Ringgit Malaysia (MYR)	150	6.5079	976
iii)	28 Apr 2006 to 31 May 2006	Sterling Pound (GBP)	Ringgit Malaysia (MYR)	85	6.5105	554
iv)	16 May 2006 to 15 Jun 2006	Sterling Pound (GBP)	Ringgit Malaysia (MYR)	60	6.7880	406

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 its USD term loan facilities, 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
iii)	22 Mar 2006 to 22 Feb 2010	1-Month LIBOR + 1.25%	6.45%	USD 5,276	19,440

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 RM537.09 million, a pre-tax profit of RM65.60 million and a net profit of RM41.19 million. The Group revenue increased slightly by 1.76% as compared to the fifth quarter in the preceding year mainly attributable to higher revenues recorded by the Construction, Industries and Infrastructure divisions. The 33.1% increase in pre-tax profit and 31.3% increase in net profit were mainly attributable to higher profits recorded by the Construction, Industries and Plantations divisions.

For the current financial year-to-date, the Group achieved a revenue of RM1,665.86 million, a pre-tax profit of RM259.77 million and a net profit of RM160.43 million. The 15.5% increase in revenue as compared to the annualised revenue of RM1,441.83 million in the preceding year was mainly attributable to higher revenues recorded by the Properties, Industries and Infrastructure divisions. The 14.4% increase in the pre-tax profits as compared to the annualised pre-tax profits of RM227.05 million was mainly due to better performances from Construction, Properties and Industries divisions.

23 Prospects

Based on the existing good order book for Construction, Properties and Industries divisions, the Group is confident of a better operating performance for financial year ending 31 March 2007, barring unforeseen circumstances.

24 Profit Forecast

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

25 Earnings Per Share

		Current Quarter Ended 31/03/2006	Preceding Year Quarter Ended 31/03/2005	Current Year To date 31/03/2006	Preceding Period To date 31/03/2005
(a) <u>Basic earnings per share</u>					
Net profit for the period	(RM'000)	41,193	31,377	160,433	185,486
Weighted average number of ordinary shares in issue	('000)	478,732	456,750	471,457	431,708
Basic earnings per share	(sen)	8.60	6.87	34.03	42.97
(b) <u>Diluted earnings per share</u>					
Net profit for the period	(RM'000)	41,193	31,377	160,433	185,486
Weighted average number of ordinary shares in issue	('000)	478,732	456,750	471,457	431,708
Adjustment for options	('000)	7,953	5,940	4,894	4,827
Weighted average number of ordinary shares for diluted earnings per share	('000)	486,685	462,690	476,351	436,535
Diluted earnings per share	(sen)	8.46	6.78	33.68	42.49

26 Comparative Figures

During the financial year, certain expenses of a subsidiary has been reclassified from tendering, selling and distribution expenses to cost of sales as the Directors are of the view that this is more reflective of the nature of the expenses.

For comparative purposes, the comparative Group income statement has been restated to conform with the current year's presentation.

The effect of the reclassification on the Group's income statement for the period ended 31 March 2005 is as follows:

<u>Group</u>	As previously reported	Effects of	As stated
<u>As at 31 March 2005</u>	RM'000	n	RM'000
		RM'000	RM'000
Consolidated Income Statement			
Cost of sales	1,421,690	33,815	1,455,505
Tendering, selling & distribution expenses	45,840	(33,815)	12,025