



IJM CORPORATION BERHAD (104131-A)

Part A1 : Quarterly Report

Quarterly report for the financial period ended:	30/09/2006
Quarter:	2nd Quarter
Financial Year End:	31/03/2007
The figures:	Have not been audited
Full Quarterly Report:	Refer attached

Part A2 : Summary of Key Financial Information for the financial period ended 30/09/2006

	Individual Quarter		Cumulative Period	
	Current year quarter 30/09/2006 RM'000	Preceding year quarter 30/09/2005 RM'000	Current year to date 30/09/2006 RM'000	Preceding year to date 30/09/2005 RM'000
1 Revenue	520,283	407,499	982,233	787,073
2 Profit before tax	74,613	58,739	156,923	122,185
3 Profit for the period	56,513	43,881	119,135	89,154
4 Profit attributable to ordinary equity holders of the parent	47,181	37,016	101,482	72,699
5 Basic earnings per share (sen)	9.52	7.90	20.61	15.63
6 Proposed/Declared dividend per share (sen)	10.00	5.00	10.00	5.00
	As at end of current quarter 30/09/2006		As at preceding financial year end	
7 Net assets per share attributable to ordinary equity holders of the parent (RM)		4.42		4.30

IJM CORPORATION BERHAD (104131-A)

CONDENSED CONSOLIDATED INCOME STATEMENT

(The figures have not been audited)

	Individual Quarter		Cumulative Period	
	Current year quarter 30/09/2006 RM'000	Preceding year quarter 30/09/2005 RM'000	Current year to date 30/09/2006 RM'000	Preceding year to date 30/09/2005 RM'000
Operating revenue	520,283	407,499	982,233	787,073
Cost of sales	(397,906)	(327,706)	(765,614)	(625,469)
Gross profit	122,377	79,793	216,619	161,604
Other operating income	6,536	12,198	30,761	28,346
Tendering and marketing expenses	(9,554)	(3,251)	(14,855)	(6,258)
Administrative expenses	(14,587)	(13,634)	(32,059)	(28,719)
Other operating expenses	(20,131)	(10,988)	(29,596)	(21,585)
Operating profit before finance cost	84,641	64,118	170,870	133,388
Finance cost	(15,391)	(14,172)	(27,989)	(22,835)
Operating profit after finance cost	69,250	49,946	142,881	110,553
Share of results of associates	4,067	7,890	8,545	10,039
Share of results of jointly controlled entities	1,296	903	5,497	1,593
Profit before tax	74,613	58,739	156,923	122,185
Income tax expense	(18,100)	(14,858)	(37,788)	(33,031)
Profit for the period	56,513	43,881	119,135	89,154
Attributable to:-				
Equity holders of the Company	47,181	37,016	101,482	72,699
Minority interest	9,332	6,865	17,653	16,455
	56,513	43,881	119,135	89,154
Earnings per share (sen):-				
Basic	9.52	7.90	20.61	15.63
Fully diluted	9.09	7.78	19.81	15.47
Dividends per share (sen) declared:-				
Tax-exempt	5.00	-	5.00	-
Less income tax	5.00	5.00	5.00	5.00
Depreciation and amortisation expense (RM'000)	14,706	13,330	27,168	26,169

IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2006

	30/09/2006	31/03/2006
	RM'000	RM'000
	(Unaudited)	(Audited)
EQUITY		
Share capital	498,414	479,931
Share premium	479,412	420,401
Reserves	78,249	93,804
Retained profits	1,145,429	1,071,916
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Equity attributable to equity holders of the Company	2,201,504	2,066,052
Minority interest	445,058	169,288
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Total equity	2,646,562	2,235,340
NON-CURRENT LIABILITIES		
Bonds	203,012	98,274
Medium term notes	150,000	150,000
Term loans	623,152	489,987
Hire purchase and lease creditors	2,650	3,335
Deferred tax liabilities	112,236	30,849
Trade and other payables	77,333	70,333
Retirement benefits	5,568	5,150
	<hr/>	<hr/>
	1,173,951	847,928
DEFERRED INCOME		
	60,322	63,822
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	3,880,835	3,147,090
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IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2006

	30/09/2006	31/03/2006
	RM'000	RM'000
	(Unaudited)	(Audited)
NON-CURRENT ASSETS		
Property, plant and equipment	1,240,344	454,627
Concession assets	261,229	218,476
Investment properties	15,618	11,418
Associates	456,555	769,494
Jointly controlled entities	51,166	43,838
Long term investments	110,741	131,728
Long term receivables	78,550	86,163
Deferred tax assets	21,535	14,518
Land held for property development	264,415	246,481
Intangible assets	68,091	61,285
	2,568,244	2,038,028
CURRENT ASSETS		
Property development costs	555,700	459,325
Inventories	182,881	150,008
Trade and other receivables	1,435,669	1,152,600
Short term investments	83,928	84,088
Deposits with licensed banks	127,823	138,505
Cash and bank balances	81,932	94,078
	2,467,933	2,078,604
CURRENT LIABILITIES		
Trade and other payables	899,722	767,763
Bank borrowings	225,559	196,361
Current tax liabilities	30,061	5,418
	1,155,342	969,542
NET CURRENT ASSETS	1,312,591	1,109,062
	3,880,835	3,147,090
NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY SHAREHOLDERS OF THE PARENT (RM)	4.42	4.30

IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2006
(The figures have not been audited)

	<-----Attributable to equity holders of the Company----->					Minority interests	Total equity
	Share capital	Share premium	Other reserves	Retained profits	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 April 2005	458,654	349,796	98,250	931,879	1,838,579	135,033	1,973,612
Net gains/(losses) recognised directly in equity	-	-	691	-	691	1,217	1,908
Partial disposal of shares in a subsidiary	-	-	-	-	-	19,873	19,873
Warrants reserve arising from the issuance of Warrants 2005/2010	-	-	5,159	-	5,159	-	5,159
Warrants issue expenses	-	-	(439)	-	(439)	-	(439)
Profit for the period	-	-	-	72,699	72,699	16,455	89,154
Dividends paid by a subsidiary to minority shareholders	-	-	-	-	-	(3,748)	(3,748)
Issuance of shares:							
- exercise of ESOS	12,233	37,788	-	-	50,021	-	50,021
- conversion of Warrants 2005/2010	145	550	-	-	695	-	695
At 30 September 2005	471,032	388,134	103,661	1,004,578	1,967,405	168,830	2,136,235
At 1 April 2006:-							
As previously stated	479,931	420,401	93,804	1,071,916	2,066,052	169,288	2,235,340
Effects of adopting FRS 3	-	-	-	7,699	7,699	-	7,699
Restated	479,931	420,401	93,804	1,079,615	2,073,751	169,288	2,243,039
Net gains/(losses) recognised directly in equity	-	-	(15,555)	-	(15,555)	(190)	(15,745)
Net profit for the period	-	-	-	101,482	101,482	17,653	119,135
Dividends:-							
Year ended 31 March 2006	-	-	-	(35,668)	(35,668)	(4,361)	(40,029)
Share of net assets of a subsidiary that was previously classified as an associate	-	-	-	-	-	258,251	258,251
Issuance of shares by subsidiaries to minority shareholders	-	-	-	-	-	4,417	4,417
Issuance of shares:							
- exercise of ESOS	18,373	58,594	-	-	76,967	-	76,967
- conversion of Warrants 2005/2010	110	417	-	-	527	-	527
At 30 September 2006	498,414	479,412	78,249	1,145,429	2,201,504	445,058	2,646,562

IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2006
(The figures have not been audited)

	6 months ended 30/09/2006 RM'000	6 months ended 30/09/2005 RM'000
OPERATING ACTIVITIES		
Receipts from customers	732,595	797,945
Payments to contractors, suppliers and employees	(707,110)	(729,163)
Interest received	13,771	14,172
Interest paid	(22,617)	(14,695)
Income tax paid	(8,262)	(29,911)
Net cash flow from/(used in) operating activities	8,377	38,348
INVESTING ACTIVITIES		
Consolidation of a subsidiary previously classified as an associate	53,361	-
Acquisition of investments	(55,208)	(2,157)
Redemption of preference shares in an associate	-	-
Purchases of property, plant and equipment, development land and concession assets	(267,764)	(106,569)
Disposal of investments, property, plant and equipment, development land, net of cash disposed	66,146	24,855
Dividends received	6,960	8,144
Advances and repayments from / (to) associates and jointly controlled	(8,564)	4,270
Net cash flow used in investing activities	(205,069)	(71,457)
FINANCING ACTIVITIES		
Issuance of shares by the Company		
- exercise of ESOS	76,967	50,021
- conversion of Warrants	527	695
Issuance of shares by subsidiaries to minority interest in subsidiaries	4,417	-
Issuance of Warrants by the Company	-	5,159
Net proceeds / (repayments) of bank borrowings	126,912	127,010
Payments of Bonds and Medium Term Notes interest	(10,267)	(8,140)
Advances from the State Government	7,000	-
Repayments to hire purchase and lease creditors	(4,920)	6,752
Dividends paid by subsidiaries to minority shareholders	(4,361)	(3,748)
Dividends paid by the Company	(35,660)	(33,153)
Net (placement) / redemption of bank deposits assigned to trustees	24,232	(5,613)
Net cash flow from financing activities	184,847	138,983
Net increase / (decrease) in cash and cash equivalents during the financial period	(11,845)	105,874
Cash and cash equivalents at beginning of the financial year	170,087	36,505
Foreign exchange differences on opening balances	(205)	(10)
Cash and cash equivalents at end of the financial period	158,037	142,369

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A NOTES TO THE QUARTERLY RESULTS

A1. Basis of Preparation

The unaudited financial report has been prepared in accordance with *FRS 134: Interim Financial Reporting* and *Chapter 9 Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad*.

The unaudited financial report should be read in conjunction with the audited financial statements for the year ended 31 March 2006 which are available at <http://www.ijm.com>. The explanatory notes attached to the unaudited interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2006.

A2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2006 except for the adoption of the following new/revised Financial Reporting Standards (FRSs) which are effective for the financial year beginning 1 April 2006:

FRS 2	Share-based Payment
FRS 3	Business Combinations
FRS 5	Non-current Assets Held for Sale and Discontinued Operations
FRS 101	Presentation of Financial Statements
FRS 102	Inventories
FRS 108	Accounting Policies, Changes in Estimates and Errors
FRS 110	Events after the Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 121	The Effects of Changes in Foreign Exchange Rates
FRS 127	Consolidated and Separate Financial Statements
FRS 128	Investments in Associates
FRS 131	Interests in Joint Ventures
FRS 132	Financial Instruments: Disclosure and Presentation
FRS 133	Earnings Per Share
FRS 136	Impairment of Assets
FRS 138	Intangible Assets
FRS 140	Investment Property

In addition to the above, the Group has also taken the option of early adoption of the following new/revised FRS for the financial year beginning 1 April 2006:

FRS 124	Related Party Disclosures
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The principal effects of the changes in accounting policies resulting from the adoption of the above new/revised FRSs are as follows:

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A2. Changes in Accounting Policies (Cont'd)

- (a) FRS 3: Business Combinations, FRS 136: Impairment of Assets and FRS 138: Intangible Assets

The new FRS 3 resulted in consequential amendments to FRS 136 and FRS 138.

The adoption of these new FRSs resulted in the Group ceasing annual goodwill amortisation. Goodwill is carried at cost less accumulated impairment losses and is now tested for impairment annually at the end of each financial year, or more frequently if events or changes in circumstances indicate that it might be impaired. Any identified impairment loss is recognised in income statement and subsequent reversal is not allowed. Prior to 1 April 2006, the Group amortised goodwill on a straight-line basis over its estimated useful life or 20 years, whichever is the shorter.

Under FRS 3, any excess of the fair value of the Group's share of identifiable net assets over the cost of acquisition (previously referred to as "negative goodwill"), after assessment, is now recognised immediately in income statement. Prior to 1 April 2006, the Group amortised negative goodwill on a straight-line method over a period of 20 years unless it related to future expected losses in which case it will be recognised in the income statement as and when those losses are incurred.

The above changes in accounting policy has been accounted for prospectively and in accordance with the transitional provision of FRS 3, on 1 April 2006, the Group had credited the balance of the negative goodwill on consolidation to opening retained profits as follows:

Balance Sheet As at 1 April 2006	As previously reported RM'000	Effect RM'000	As restated RM'000
Intangible assets	61,285	7,699	68,984
Retained profits	1,071,916	7,699	1,079,615

The cessation of amortisation of goodwill and negative goodwill on consolidation has no material impact on the results of the financial period ended 30 September 2006.

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A2. Changes in Accounting Policies (Cont'd)

(b) FRS 101: Presentation of Financial Statements

The adoption of the revised FRS 101 has affected the presentation of minority interest, share of results of associates and other disclosures.

In the consolidated balance sheet, minority interests are now presented within total equity. In the consolidated income statement, minority interests are presented as an allocation of the total profit or loss for the period. A similar requirement is also applicable to the statement of changes in equity. FRS 101 also requires disclosure, on the face of the statement of changes in equity, total recognised income and expenses for the period, showing separately the amounts attributable to equity holders of the parent and to minority interest.

Share of results of associates and jointly controlled entities are now reported net of tax prior to arriving at the Group's profit before taxation.

The current period's presentation of the Group's financial statements presentation is based on the revised requirements of FRS 101, with comparatives restated to conform with the current period's presentation as follows:

Income Statement 6 months Ended 30 September 2005	As previously reported RM'000	Effect RM'000	As restated RM'000
Share of results of associates	14,627	(4,588)	10,039
Share of results of jointly controlled entities	1,628	(35)	1,593
Profit before tax	126,808	(4,623)	122,185
Income tax expense	37,654	(4,623)	33,031

(c) FRS 140: Investment Property

With the adoption of the new FRS 140, properties held for rental or capital appreciation have been reclassified to investment properties. Prior to 1 April 2006, these properties were classified under Property, Plant and Equipment in the balance sheet.

The above change in accounting policy has been accounted for prospectively and in accordance with the transitional provision of FRS 140, the Group has made the following reclassifications in the opening balance sheet:

Balance Sheet As at 1 April 2006	As previously reported RM'000	Effect RM'000	As restated RM'000
Property, plant and equipment	466,045	(11,418)	454,627
Investment properties	-	11,418	11,418

(d) FRS 2, 5, 102, 108, 110, 116, 121, 127, 128, 131, 132 and 133:

The adoption of the above FRSs does not have significant financial impact on the Group.

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A3. Audit Report

The audit report for the financial year ended 31 March 2006 was not subject to any qualifications.

A4. 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 of oil palm declining to a trough in the first half of a calendar year before rising to a peak in the second half.

A5. Unusual Significant Items

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual in nature, size or incidence other than the following:-

- i. Reclassification of IJM Plantations Berhad ("IJMP") from a 47.4%-owned associate to a subsidiary of the Group (the reason for the reclassification is mentioned in Note A12(ii) below):-

The effect of this reclassification on the income statement of the Group for the financial year-to-date is as follows:-

	RM'000
Revenue	68,269
Operating Expenses	(51,380)
Other Income	550
Profit from Operations	17,439
Finance Costs	(2,777)
Share of results of Associates	251
Share of results of Jointly Controlled Entity	(9)
Profit Before Taxation	14,904
Taxation	(4,451)
Profit for the Period	10,453
Less: Group share of profit had IJMP remained an associate	(4,955)
Increase in Group profit (before minority interests)	5,498
Less: Increase in Minority Interests	(5,498)
Increase in profit attributable to equity holders of the Company	Nil

The effect of this reclassification on the financial position of the Group as at 30 September 2006 is as follows:-

	RM'000
Non-current assets	399,115
Current assets	93,251
Current liabilities	(43,777)
Non-current liabilities	(185,607)
Minority interests	(262,982)

- ii. Gain on disposal of quoted securities amounting to RM9.3 million during the first quarter of the current financial year.

A6. Material Changes in Estimates

There were no major changes in estimates that have had material effect in the financial year-to-date.

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A7. Debt and Equity Securities

- (a) For the period ended 30 September 2006, the paid-up share capital of the Company was increased by RM18,482,570 by way of allotment and issue of 18,372,770 ordinary shares of RM1.00 each arising from the exercise of Employee Share Option Scheme and a further 109,800 ordinary shares of RM1.00 each arising from the conversion of IJM Warrants 2005/2010.
- (b) There were no cancellations, repurchases, resale and repayments of debt and equity securities for the financial year-to-date.

A8. Dividend Paid

On 18 August 2006, dividend of 10% less 28% tax in respect of the financial year ended 31 March 2006 was paid totalling RM35,668,000.

A9. Segmental Information

Analysis by business segments

	Group revenue including share of revenue of JVs and associates		GROUP	
	6 months ended 30/09/2006 RM'000	6 months ended 30/09/2005 RM'000	6 months ended 30/09/2006 RM'000	6 months ended 30/09/2005 RM'000
<u>Revenue:-</u>				
Construction	525,334	338,126	380,041	286,339
Property	208,210	252,315	194,924	243,521
Industries	355,619	267,886	328,232	246,266
Plantation	103,882	58,677	68,269	-
Infrastructure	31,417	30,351	4,978	5,320
Investment and others	19,927	20,692	5,789	5,627
	1,244,389	968,047	982,233	787,073
			GROUP	
			6 months ended 30/09/2006 RM'000	6 months ended 30/09/2005 RM'000
<u>Profit/(loss) before taxation:-</u>				
Construction			66,453	42,299
Property			26,163	50,617
Industries			40,001	25,166
Plantation (subsidiary since 2 Jul 2006)			17,170	8,754
Infrastructure			(7,983)	(5,246)
Investment and others			15,119	595
			156,923	122,185

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A10. Carrying Amount of Revalued Property, Plant and Equipment

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

A11. Material Subsequent Events

There was no other material event subsequent to the end of the current financial year-to-date that has not been reflected in the financial statements.

A12. Changes in the Composition of the Group

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

- i. IJM Trichy (Mauritius) Ltd has been incorporated in the Republic of Mauritius on 17 May 2006 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. On 15 September 2006 the Company converted 10,250,000 Redeemable Convertible Unsecured Loan Stocks (RCULS) of IJM Plantations Berhad (“IJMP”) into 20,500,000 new ordinary shares of RM0.50 each, increasing its shareholding in IJMP from 47.5% to 49.5%. IJMP has been reclassified from an associate to a deemed subsidiary of the Group effective 2 July 2006. This reclassification was made necessary by virtue of the Company holding 50,000,000 Redeemable Convertible Unsecured Loan Stocks (RCULS) of IJMP at a nominal value of RM1.00 each that are convertible from 2 July 2006 into 100,000,000 new ordinary shares of RM0.50 each in IJMP. The impact on the Group for the financial year-to-date is explained in Note A5 above.
- iii. IJM Investments J.A. Limited has been incorporated in Jebel Ali Free Zone, Dubai, United Arab Emirates on 25 July 2006 as a wholly-owned subsidiary of IJM Construction Sdn Bhd, 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 Gulf Limited (“IJMGL”) has been incorporated in Jebel Ali Free Zone, Dubai, United Arab Emirates on 12 August 2006. IJMGL is a 60% subsidiary of IJM Investments J.A. Limited which is a wholly-owned subsidiary of IJM Construction Sdn Bhd, which in turn is a wholly-owned subsidiary of the Company.

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A13. Contingent Liabilities

The changes in contingent liabilities since 31 March 2006 are as follows:-

	RM'000
Group's proportionate share of guarantees for borrowings of associates:	
- As at 31 March 2006	94,240
- Increase during the financial year-to-date	<u>3,578</u>
- As at 30 September 2006	<u><u>97,818</u></u>
Pledging of share certificates for term loan facility granted to an associate:	
- As at 31 March 2006	48,008
- Decrease during the financial year-to-date	<u>(75)</u>
- As at 30 September 2006	<u><u>47,933</u></u>

A14. Capital Commitments

Capital commitments not provided for in the financial statements as at 30 September 2006 are as follows:

	RM'000
Approved and contracted for	253,157
Approved but not contracted for	<u>290,204</u>
	<u><u>543,361</u></u>
<u>Analysed as follows:</u>	
- Purchase of property, plant and equipment	7,059
- Investment in associates	283,145
- Acquisition of concession assets	<u>253,157</u>
	<u><u>543,361</u></u>

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B Bursa Securities Listing Requirements (Part A of Appendix 9B)

B1. Review of Performance

For the current quarter, the Group achieved a revenue of RM520.28 million and a pre-tax profit of RM74.61 million. The Group revenue increased by 27.7% as compared to the corresponding quarter in the preceding year mainly attributable to higher revenues recorded by the Construction, Industries and Infrastructure divisions as well as the consolidation of IJM Plantations Berhad as a subsidiary of the Group. The 27.0% increase in pre-tax profit was mainly attributable to higher profits recorded by the Construction, Industries and Plantations divisions. The revenue and profit contributed by the Properties division dropped during the quarter mainly due to delay in the launch of several projects.

For the financial year-to-date, the Group recorded a revenue of RM982.23 million and a pre-tax profit of RM156.92 million. When compared to the corresponding period of the preceding year, the Group revenue and pre-tax profit have increased by 24.8% and 28.4% respectively. This was mainly attributable to higher revenues and profits recorded by the Construction and Industries divisions as well as the consolidation of IJM Plantations Berhad as a subsidiary of the Group.

B2. Material Changes in the Quarterly Results Compared to the Results of Immediate Preceding Quarter

There was no material change in the pre-tax profit of the Group for the current quarter compared to that of the immediate preceding quarter.

B3. Prospects for the Current Financial Year

Based on the existing good order book for Construction, Properties and Industries divisions and given the trend of increasing CPO prices opportune for the Plantations division, the Group will record better operating performance for the current financial year, barring unforeseen circumstances.

B4. Profit Forecast

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

B5. Taxation

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

	INDIVIDUAL QUARTER 3 MONTHS ENDED 30 SEPTEMBER		CUMULATIVE PERIOD 6 MONTHS ENDED 30 SEPTEMBER	
	2006 RM'000	2005 RM'000 Restated	2006 RM'000	2005 RM'000 Restated
Malaysian income tax	20,102	14,487	37,714	30,782
Overseas taxation	(339)	1,219	1,575	3,612
Transfer to/(from) deferred taxation	(1,663)	(848)	(1,501)	(1,363)
	<u>18,100</u>	<u>14,858</u>	<u>37,788</u>	<u>33,031</u>

The Group's effective tax rate (excluding the results of associates and jointly controlled entities which are equity accounted net of tax) approximates the statutory tax rate.

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B6. Unquoted Investments and/or Properties

There were no sales of unquoted investment and/or properties for the current quarter.

B7. Quoted Investment

a. Purchases and sales of quoted investments

	Current Quarter Ended 30/09/2006 RM'000	Cumulative Current Year-to-date 30/09/2006 RM'000
Long term:		
- Total purchases	30,312	30,312
- Total disposals / sale proceeds	-	60,262
- Total profit / (loss) on disposal	-	9,342
Short term:		
- Total purchases	-	-
- Total disposals / sale proceeds	421	1,297
- Total profit / (loss) on disposal	47	159

b. Quoted investments as at 30 September 2006

	RM'000
Long term:	
Quoted investments at cost	71,233
Quoted investments at carrying value	66,276
Quoted investments at market value	73,864
Short term:	
Quoted investments at cost	91,980
Quoted investments at carrying value	83,928
Quoted investments at market value	110,769

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B8. Status of Corporate Proposals

- a. 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 revised terms of the proposed concession agreement for the Peninsular Malaysia West Coast Highway Concession by KEB.
- b. 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 32.5 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 RM220 million 7% Redeemable Convertible Unsecured Loan Stocks ("RCULS") in LEKAS. The Company will divest RM110 million RCULS to Y.A.M. Tunku Naquiyuddin ibni Tuanku Ja'afar and/or Bumiputera institutions. LEKAS, incorporated on 22 June 2005, is the special purpose vehicle to carry out and undertake the Concession which was novated by KASEH on 8 November 2006 and has also entered into a Supplemental Concession Agreement with the Government.
- c. On 18 October 2006, the Company announced the proposed acquisition of the entire business and undertakings of Road Builder (M) Holdings Berhad ("RBH") for a purchase consideration of approximately RM1.56 billion to be satisfied by the issuance of approximately RM1.56 billion nominal value Redeemable Unsecured Loan Stocks ("RULS") to RBH. On 2 November 2006, the Board of Directors of RBH have agreed that the proposed acquisition is worthy of consideration by RBH's shareholders and will present the proposal to the shareholders of RBH at an extraordinary general meeting to be convened. The Company is currently in the process of negotiating the terms and conditions of the required formal agreements in relation to the proposal with the Board of Directors of RBH.

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B9. Group Borrowings

Particulars of the Group's borrowings as at 30 September 2006 are as follows:

	RM'000
(a) (i) Short Term Borrowings	
Secured:-	
- Bank overdrafts	30,652
- Hire purchase and lease creditors (included in trade and other payables)	5,906
Unsecured:-	
- Islamic bonds	24,977
- Term loan	25,265
- Revolving credits	94,307
- Bankers acceptances	39,622
- Bank overdrafts	10,736
	231,465
 (ii) Long Term Borrowings	
8% Secured Fixed Rate Bond 1999/2009 (net of discount)	98,520
5.5% Unsecured Medium Term Notes 2005/2010	150,000
Islamic bonds	104,492
Hire purchase and lease creditors	2,650
Secured term loan	129,406
Unsecured term loan	493,746
	978,814

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

	Foreign Currency '000	RM Equivalent '000
US Dollar	124,435	437,794
Indian Rupee	2,769,141	223,052
Chinese Renminbi	55,755	25,982
UAE Dirham	810	813
		687,641

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B10. Off Balance Sheet Financial Instruments

a. Foreign exchange forward contracts:

Duration	Currency to be received	Amount in foreign currency to be received '000	Contractual rate	Amount to be paid RM'000
20.03.06 – 15.11.07	US Dollar	6,372	3.66 – 3.76	23,497

b. Interest rate swaps (from floating rate to fixed rate):

Duration	Floating rate	Fixed rate	Amount in foreign currency USD'000	RM Equivalent '000
31.05.06 – 29.07.12	6-month LIBOR + 0.7%	5.00%	80,000	295,000
02.06.05 – 29.07.12	6-month LIBOR + 0.7%	4.95%	20,000	73,750
22.03.06 – 22.02.10	1-month LIBOR + 1.25%	6.45%	4,602	16,968

c. Interest rate swaps (from fixed rate to floating rate):

Duration	Fixed rate	Floating rate	RM '000
18.02.04 – 15.12.07	6.40%	6-month KLIBOR + 2.05%	35,000
18.02.04 – 15.12.08	6.65%	6-month KLIBOR + 1.90%	35,000

B11. Changes in Material Litigation

There was no change in material litigation since 31 March 2006 which exceeds 5% of the Group's net assets.

B12. Dividend

For the current financial year-to-date, a special tax-exempt dividend of 5% or 5 sen per share and an interim dividend of 5% or 5 sen per share less tax at 27% are declared. The dividends will be paid on 9 February 2007 to every member who is entitled to receive the dividends as at 5.00pm on 19 January 2007.

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 10 February 2006.

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B13. Earnings per Share

	INDIVIDUAL QUARTER 3 MONTHS ENDED 30 SEPTEMBER		CUMULATIVE PERIOD 6 MONTHS ENDED 30 SEPTEMBER	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
<u>Basic Earnings per share</u>				
(a) Profit for the period attributable to equity holders of the parent	47,181	37,016	101,482	72,699
(b) Weighted average number of ordinary shares ('000)	495,836	468,759	492,354	464,993
Basic Earnings per share (sen)	9.52	7.90	20.61	15.63
<u>Diluted Earnings per share</u>				
(a) Profit for the period attributable to equity holders of the parent	47,181	37,016	101,482	72,699
(b) Weighted average number of ordinary shares ('000)	495,836	468,759	492,354	464,993
Effect of dilution ('000)				
- ESOS	4,869	4,750	4,458	4,400
- Warrants	18,164	2,201	15,529	588
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	518,869	475,710	512,341	469,981
Diluted Earnings per share (sen)	9.09	7.78	19.81	15.47

B14. Comparative Figures

Comparative figures, where applicable, have been modified to conform with the current quarter presentation.