



# IJM CORPORATION BERHAD (104131-A)

## Part A1 : Quarterly Report

Quarterly report for the financial period ended:	30/06/2010
Quarter:	1st Quarter
Financial Year End:	31/03/2011
The figures:	Have not been audited
Full Quarterly Report:	Refer attached

## Part A2 : Summary of Key Financial Information for the financial period ended 30/06/2010

	Individual Quarter		Cumulative Period	
	Current year quarter 30/06/2010 RM'000	Preceding year quarter 30/06/2009 RM'000	Current year to date 30/06/2010 RM'000	Preceding year to date 30/06/2009 RM'000
1 Revenue	986,086	1,161,648	986,086	1,161,648
2 Profit before taxation	179,065	123,864	179,065	123,864
3 Net profit for the period	131,547	86,227	131,547	86,227
4 Net profit attributable to owners of the Company	90,048	70,824	90,048	70,824
5 Basic earnings per share (sen)	6.76	5.39	6.76	5.39
6 Proposed/Declared dividend per share (sen)	-	-	-	-
	<b>As at end of current quarter 30/06/2010</b>		<b>As at preceding financial year end</b>	
7 Net assets per share attributable to ordinary equity holders of the Company (RM)		3.70		3.86

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

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME**

*(The figures have not been audited)*

	Individual Quarter		Cumulative Period	
	Current year quarter	Preceding year quarter	Current year to date	Preceding year to date
	30/06/2010	30/06/2009	30/06/2010	30/06/2009
	RM'000	RM'000	RM'000	RM'000
Operating revenue	<b>986,086</b>	1,161,648	<b>986,086</b>	1,161,648
Cost of sales	<b>(713,200)</b>	(942,359)	<b>(713,200)</b>	(942,359)
Gross profit	<b>272,886</b>	219,289	<b>272,886</b>	219,289
Other operating income	<b>39,696</b>	28,188	<b>39,696</b>	28,188
Tendering, selling and distribution expenses	<b>(23,452)</b>	(20,199)	<b>(23,452)</b>	(20,199)
Administrative expenses	<b>(48,907)</b>	(44,618)	<b>(48,907)</b>	(44,618)
Other operating expenses	<b>(29,381)</b>	(24,960)	<b>(29,381)</b>	(24,960)
Operating profit before finance cost	<b>210,842</b>	157,700	<b>210,842</b>	157,700
Finance cost	<b>(41,487)</b>	(46,251)	<b>(41,487)</b>	(46,251)
Operating profit after finance cost	<b>169,355</b>	111,449	<b>169,355</b>	111,449
Share of profits of associates	<b>6,135</b>	5,009	<b>6,135</b>	5,009
Share of profits of jointly controlled entities	<b>3,575</b>	7,406	<b>3,575</b>	7,406
Profit before taxation	<b>179,065</b>	123,864	<b>179,065</b>	123,864
Income tax expense	<b>(47,518)</b>	(37,637)	<b>(47,518)</b>	(37,637)
Net profit for the period	<b>131,547</b>	86,227	<b>131,547</b>	86,227
<u>Other comprehensive income / (loss) net of tax:</u>				
Currency translation differences	<b>(12,755)</b>	42,306	<b>(12,755)</b>	42,306
Total comprehensive income for the period	<b>118,792</b>	128,533	<b>118,792</b>	128,533
<u>Net profit attributable to:-</u>				
Owners of the Company	<b>90,048</b>	70,824	<b>90,048</b>	70,824
Minority interest	<b>41,499</b>	15,403	<b>41,499</b>	15,403
	<b>131,547</b>	86,227	<b>131,547</b>	86,227
<u>Total comprehensive income attributable to:-</u>				
Owners of the Company	<b>77,387</b>	109,760	<b>77,387</b>	109,760
Minority interest	<b>41,405</b>	18,773	<b>41,405</b>	18,773
	<b>118,792</b>	128,533	<b>118,792</b>	128,533
<u>Earnings per share (sen):-</u>				
Basic	<b>6.76</b>	5.39 *	<b>6.76</b>	5.39 *
Fully diluted	<b>6.62</b>	5.38 *	<b>6.62</b>	5.38 *

\* Restated for the effects of 2:5 bonus issue on 2 October 2009

**IJM CORPORATION BERHAD (104131-A)**  
**CONDENSED CONSOLIDATED BALANCE SHEET**

	<b>30/06/2010</b>	<b>31/03/2010</b>
	<b>RM'000</b>	<b>RM'000</b>
	(Unaudited)	(Audited)
<b>CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		
Share capital	<b>1,336,971</b>	1,327,216
Treasury shares	<b>(48)</b>	-
Share premium	<b>1,800,587</b>	1,776,547
Reserves	<b>40,568</b>	53,237
Retained profits	<b>1,764,990</b>	1,972,221
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Minority interest	<b>4,943,068</b>	5,129,221
	<b>1,361,679</b>	1,328,138
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Total equity	<b>6,304,747</b>	6,457,359
<b>NON-CURRENT LIABILITIES</b>		
Bonds	<b>495,076</b>	568,886
Commercial Papers and Medium Term Notes	<b>691,848</b>	691,848
Term loans	<b>1,759,269</b>	1,388,610
Government support loans	<b>203,386</b>	204,157
Hire purchase and lease creditors	<b>877</b>	510
Derivative financial instruments	<b>11,434</b>	-
Deferred tax liabilities	<b>362,358</b>	363,172
Trade and other payables	<b>76,662</b>	80,364
Retirement benefits	<b>5,914</b>	5,914
	<hr/>	<hr/>
	<b>3,606,824</b>	3,303,461
<b>GOVERNMENT GRANTS</b>	<b>107,967</b>	112,250
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	<b>10,019,538</b>	<b>9,873,070</b>
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**IJM CORPORATION BERHAD (104131-A)**  
**CONDENSED CONSOLIDATED BALANCE SHEET**

	<b>30/06/2010</b>	<b>31/03/2010</b>
	<b>RM'000</b>	<b>RM'000</b>
	(Unaudited)	(Audited)
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	<b>1,391,672</b>	1,442,623
Leasehold land	<b>144,792</b>	145,598
Concession assets	<b>1,925,964</b>	1,948,606
Plantation development expenditure	<b>486,053</b>	474,258
Investment properties	<b>132,449</b>	410,799
Associates	<b>443,903</b>	442,120
Jointly controlled entities	<b>1,053,375</b>	1,064,518
Long term investments	-	4,560
Derivative financial instruments	<b>3,383</b>	-
Available-for-sale financial assets	<b>4,341</b>	-
Long term receivables	<b>179,198</b>	157,417
Deferred tax assets	<b>88,694</b>	92,088
Land held for property development	<b>692,734</b>	702,138
Intangible assets	<b>75,422</b>	74,804
	<b>6,621,980</b>	6,959,529
<b>CURRENT ASSETS</b>		
Property development costs	<b>1,494,800</b>	1,513,061
Inventories	<b>500,789</b>	529,320
Trade and other receivables	<b>1,862,366</b>	2,173,187
Short term investments	<b>180,732</b>	108,176
Derivative financial instruments	<b>1,269</b>	-
Assets held for sale	<b>328,374</b>	501
Tax recoverable	<b>57,347</b>	53,010
Deposits, cash and bank balances	<b>1,352,751</b>	1,221,511
	<b>5,778,428</b>	5,598,766
<b>CURRENT LIABILITIES</b>		
Trade and other payables	<b>1,551,730</b>	1,689,300
Derivative financial instruments	<b>5,249</b>	-
Borrowings:		
- Bank overdrafts	<b>29,379</b>	55,917
- Others	<b>723,191</b>	902,809
Liabilities associated with assets held of sale	<b>15,300</b>	-
Current tax liabilities	<b>56,021</b>	37,199
	<b>2,380,870</b>	2,685,225
<b>NET CURRENT ASSETS</b>	<b>3,397,558</b>	2,913,541
	<b>10,019,538</b>	9,873,070
<b>NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)</b>	<b>3.70</b>	3.86

**IJM CORPORATION BERHAD (104131-A)**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 30 JUNE 2010**

*(The figures have not been audited)*

	<-----Attributable to equity holders of the Company----->						Minority interest RM'000	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Other reserves RM'000	Retained profits RM'000	Total RM'000		
<b>At 1 April 2010</b>								
<b>As previously reported</b>	<b>1,327,216</b>	-	<b>1,776,547</b>	<b>53,237</b>	<b>1,972,221</b>	<b>5,129,221</b>	<b>1,328,138</b>	<b>6,457,359</b>
Effects of adopting FRS 139	-	-	-	-	(186,999)	(186,999)	(7,593)	(194,592)
<b>As restated</b>	<b>1,327,216</b>	-	<b>1,776,547</b>	<b>53,237</b>	<b>1,785,222</b>	<b>4,942,222</b>	<b>1,320,545</b>	<b>6,262,767</b>
Total comprehensive income for the period	-	-	-	(12,661)	90,048	77,387	41,405	<b>118,792</b>
Interim dividends payable for year ended:- 31 March 2010	-	-	-	-	(110,300)	(110,300)	-	<b>(110,300)</b>
Shares buy back	-	(48)	-	-	-	(48)	-	<b>(48)</b>
Accretion/dilution arising from changes in composition of the Group	-	-	-	490	20	510	(304)	<b>206</b>
Issuance of shares by subsidiaries to minority shareholders	-	-	-	-	-	-	33	<b>33</b>
Issuance of shares:								
- exercise of Warrants 2005/2010	9,702	-	23,866	(485)	-	33,083	-	<b>33,083</b>
- exercise of Warrants 2009/2014	53	-	174	(13)	-	214	-	<b>214</b>
<b>At 30 June 2010</b>	<b>1,336,971</b>	<b>(48)</b>	<b>1,800,587</b>	<b>40,568</b>	<b>1,764,990</b>	<b>4,943,068</b>	<b>1,361,679</b>	<b>6,304,747</b>
<b>At 1 April 2009</b>	941,952	(16,298)	2,128,037	2,112	1,714,347	4,770,150	845,917	5,616,067
Total comprehensive income for the period	-	-	-	38,936	70,824	109,760	18,773	128,533
Accretion/dilution arising from changes in composition of the Group	-	-	-	83	(30,371)	(30,288)	183,852	153,564
Dividend paid for the year ended:- 31 March 2009 (Second interim)	-	-	-	-	(35,199)	(35,199)	-	(35,199)
Disposal of subsidiary's warrants to minority shareholders	-	-	-	-	-	-	18,120	18,120
Issuance of shares and warrants by subsidiaries to minority shareholders	-	-	-	-	-	-	2	2
Issuance of shares:								
- exercise of Warrants 2005/2010	45	-	174	-	-	219	-	219
<b>At 30 June 2009</b>	<b>941,997</b>	<b>(16,298)</b>	<b>2,128,211</b>	<b>41,131</b>	<b>1,719,601</b>	<b>4,814,642</b>	<b>1,066,664</b>	<b>5,881,306</b>

**IJM CORPORATION BERHAD (104131-A)**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 30 JUNE 2010**  
*(The figures have not been audited)*

	<b>3 months ended 30/6/2010 RM'000</b>	<b>3 months ended 30/6/2009 RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Receipts from customers	<b>1,121,702</b>	1,041,079
Payments to contractors, suppliers and employees	<b>(916,111)</b>	(990,012)
Interest received	<b>16,592</b>	8,409
Interest paid	<b>(38,266)</b>	(45,840)
Income tax paid	<b>(34,762)</b>	(24,301)
<b>Net cash flow from/(used in) operating activities</b>	<b>149,155</b>	(10,665)
<b>INVESTING ACTIVITIES</b>		
Acquisition of investments	<b>(11,287)</b>	(123,000)
Purchases of property, plant and equipment, development and leasehold land, investment properties, concession assets, plantation development expenditure and deferred expenditure	<b>(66,991)</b>	(91,907)
Disposal of investments, property, plant and equipment, leasehold land, investment properties and assets held for sale	<b>564</b>	223,098
Dividends received	<b>805</b>	9,360
Net (advances to) and repayments from associates and jointly controlled entities	<b>(6,829)</b>	(33,203)
<b>Net cash flow used in investing activities</b>	<b>(83,738)</b>	(15,652)
<b>FINANCING ACTIVITIES</b>		
Issuance of shares by the Company	<b>33,297</b>	219
- exercise of Warrants	<b>33</b>	2
Issuance of shares and warrants by subsidiaries to minority shareholders	<b>(48)</b>	-
Repurchase of treasury shares	<b>292,262</b>	47,622
Net proceeds from bank and government borrowings	<b>(111,000)</b>	-
Repayment of Bonds	<b>(49,000)</b>	-
Repayment of Commercial Papers and Medium Term Notes	<b>(8,489)</b>	(5,665)
Payments of Bonds and Medium Term Notes interest	<b>(3,000)</b>	-
Repayment to the State Government	<b>(1,054)</b>	(3,424)
Repayments to hire purchase and lease creditors	<b>(130,860)</b>	(52,310)
Net increase of bank deposits assigned to trustees	<b>22,141</b>	(13,556)
<b>Net cash flow from/(used in) financing activities</b>	<b>22,141</b>	(13,556)
<b>Net increase/(decrease) in cash and cash equivalents during the financial period</b>	<b>87,558</b>	(39,873)
<b>Cash and cash equivalents at beginning of the financial period</b>	<b>1,270,789</b>	787,697
Foreign exchange differences on opening balances	<b>765</b>	(1,716)
<b>Cash and cash equivalents at end of the financial period</b>	<b>1,359,112</b>	746,108

# IJM CORPORATION BERHAD (104131-A)

## A NOTES TO THE QUARTERLY RESULTS

### A1. Basis of Preparation

The unaudited interim 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 interim financial report should be read in conjunction with the audited financial statements for the year ended 31 March 2010 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 2010.

### A2. Changes in Accounting Policies

The significant accounting policies applied are consistent with those adopted for the audited financial statements for the year ended 31 March 2010 except for the adoption of the following new standards, amendments to standards and IC interpretations issued by Malaysian Accounting Standards Board (“MASB”) that are mandatory for the Group for the financial year beginning 1 April 2010:

FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendment to FRS 2	Share-based Payment Vesting Conditions and Cancellations
Amendment to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendment to FRS 7	Financial Instruments: Disclosures
Amendment to FRS 8	Operating Segments
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendment to FRS 117	Leases
Amendment to FRS 119	Employee Benefits
Amendment to FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
Amendment to FRS 123	Borrowing Costs
Amendment to FRS 127	Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly-Controlled Entity or Associate
Amendment to FRS 128	Investments in Associates
Amendment to FRS 131	Interests in Joint Ventures
Amendment to FRS 132	Financial Instruments: Presentation
Amendment to FRS 134	Interim Financial Reporting
Amendment to FRS 138	Intangible Assets
Amendment to FRS 139	Financial Instruments: Recognition and Measurement
Amendment to FRS 140	Investment Property
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 Group and Treasury Share Transactions

## IJM CORPORATION BERHAD (104131-A)

### A2. Changes in Accounting Policies (continued)

The adoption of the above standards, amendments and interpretations do not have a material impact on the interim financial information of the Group except for the adoption of the following standards as set out below:

a) FRS 101 (Revised) “Presentation of Financial Statements”

The revised standard requires changes in the format of the financial statements including the amounts directly attributable to shareholders in the primary statements, but does not affect the measurement of reported profit or equity. The Group has elected to present the statement of comprehensive income in a single statement. As a result, the Group has presented all owner changes in equity in the condensed consolidated statement of changes in equity whilst all non-owner changes in equity have been presented in the condensed consolidated statement of comprehensive income. Certain comparative figures have been reclassified to conform with the current period’s presentation. There is no impact on the results of the Group since these changes affect only the presentation of items of income and expenses.

b) Amendment to FRS 117 “Leases”

Leasehold land is classified as a finance lease if the Group has substantially all the risks and rewards incidental to ownership. Previously, leasehold land was classified as an operating lease unless title is expected to pass to the lessee at the end of the lease term. Following the amendment to FRS 117, the Group has reclassified certain leasehold lands to property, plant and equipment and investment properties. This change in classification has no effect on the results of the Group. The reclassification has been accounted for retrospectively in accordance with the transitional provision and certain comparative balances have been restated.

The effect of the reclassification to the comparatives following the adoption of the Amendment to FRS 117 as mentioned above is as follows:

	As previously reported RM'000	Effects of adopting FRS 117 RM'000	As restated RM'000
<b>Balances as at 31 March 2010</b>			
<b><u>Non-current assets:-</u></b>			
Leasehold land	383,658	(238,060)	145,598
Property, plant and equipment	1,226,819	215,804	1,442,623
Investment properties	388,543	22,256	410,799



## IJM CORPORATION BERHAD (104131-A)

### A2. Changes in Accounting Policies (continued)

#### c) FRS 139 “Financial Instruments: Recognition and Measurement”

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale. The Group’s financial liabilities include financial liabilities at fair value through profit or loss and payables which are carried at amortised cost. The classification depends on the nature of the assets and liabilities and the purpose for which the assets/liabilities were acquired/incurred. Management determines the classification of its financial assets and liabilities at initial recognition. Set out below are the major changes in classifications of financial assets and liabilities of the Group:

##### i) Financial Assets and Liabilities at fair value through profit or loss

Financial assets and liabilities that are classified at fair value through profit or loss comprise derivative financial instruments as listed in Note B10, which were not previously recognised in the financial statements on inception and were recognised in the financial statements on settlement date. These are now recognised and measured at fair value on the date a derivative contract is entered into and are subsequently re-measured at fair value with changes in fair value recognised in profit or loss at each reporting date.

Financial assets include short term investments (as classified under current assets) that are acquired principally for the purpose of selling in the short term. Prior to the adoption of FRS 139, short term investments were recognised at the lower of cost and market value. With the adoption of FRS 139, short term investments are recognised and measured at fair value on the date a transaction is entered into and are subsequently re-measured at fair value with changes in fair value recognised in profit or loss at each reporting date.

##### ii) Loans and receivables

Non-current receivables, previously measured at invoiced amount and subject to impairment, are now classified as loans and receivables and measured at fair value plus transaction costs initially and subsequently, at amortised cost using the effective interest method.

When loans and receivables are impaired, the carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. Impairment loss is measured as the difference between the asset’s carrying amount and the present value of estimated future cash flows discounted at the asset’s original effective interest rate.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment loss is recognised in profit or loss.

##### iii) Available-for-sale financial assets

Non-current investments, previously measured at cost and subject to impairment, are now classified as available-for-sale financial assets. These are initially measured at fair value plus transaction costs and subsequently, at fair value except for investment in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured. These are measured at cost and are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date.

## IJM CORPORATION BERHAD (104131-A)

### A2. Changes in Accounting Policies (continued)

c) FRS 139 “Financial Instruments: Recognition and Measurement”(continued)

iii) Available-for-sale financial assets (continued)

Changes in fair values of available-for-sale equity securities are recognised in other comprehensive income. A significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the asset is impaired. If any such evidence exists, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss previously recognised in profit or loss, is removed from equity and recognised in profit or loss. Impairment losses recognised in profit or loss on equity instruments classified as available-for-sale are reversed through other comprehensive income and not through profit or loss.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are included in profit or loss.

iv) Payables

Payables were previously measured initially and subsequently at cost, are now initially recognised at fair value, which is usually the original invoiced amount and subsequently carried at amortised cost using the effective interest method.

The Group has applied the new policies in relation to the financial instruments above in accordance with the transitional provisions in FRS 139 by recognising and re-measuring all financial assets and financial liabilities as at 1 April 2010 as appropriate. The related adjustments to the previous carrying amounts are made to the opening retained earnings. Comparatives are not restated.

The effects arising from the adoption of FRS 139, other than those disclosed in the statement of changes in equity, are set out below:

	As previously reported RM'000	Effects of adopting FRS 139 RM'000	After effects of adopting FRS 139 RM'000
<b>Balances as at 1 April 2010</b>			
<b><u>Non-current liabilities:-</u></b>			
Derivative financial instruments	-	(13,424)	(13,424)
<b><u>Non-current assets:-</u></b>			
Jointly controlled entities	1,064,518	(63,349)	1,001,169
Long term receivables	157,417	(5,599)	151,818
Derivative financial instruments	-	1,433	1,433
<b><u>Current assets:-</u></b>			
Trade and other receivables	2,173,187	(153,068)	2,020,119
Short term investments	108,176	8,756	116,932
<b><u>Current liabilities:-</u></b>			
Trade and other payables	(1,689,300)	30,659	(1,658,641)

## IJM CORPORATION BERHAD (104131-A)

### **A3. Audit Report**

The audit report for the financial year ended 31 March 2010 was not subject to any qualification.

### **A4. Seasonality or Cyclical of Operations**

The Group's operations are not materially affected by seasonal or cyclical factors except for the Plantations division 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**

Other than those disclosed in Note A2 above, there were no items affecting assets, liabilities, equity, net income, or cash flows that were unusual in nature, size or incidence during the financial period-to-date.

### **A6. Material Changes in Estimates**

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

### **A7. Debt and Equity Securities**

- (a) For the period ended 30 June 2010, the paid-up share capital of the Company was increased by RM9,755,340 by way of:-
- i. allotment and issue of 9,701,840 ordinary shares of RM1.00 each arising from the exercise of IJM Warrants 2005/2010; and,
  - ii. allotment and issue of 53,500 ordinary shares of RM1.00 each arising from the exercise of IJM Warrants 2009/2014.
- (b) For the period ended 30 June 2010, 10,000 ordinary shares of RM1.00 each were repurchased in the open market at RM4.75 per share and retained as treasury shares of the Company. There were no cancellations and repayments of debt and equity securities for the financial period-to-date.

### **A8. Dividend Paid**

No dividend has been paid in the period ended 30 June 2010.

## IJM CORPORATION BERHAD (104131-A)

### A9. Segmental Information

Analysis by business segments

	Group revenue including share of revenue of JVs and associates		GROUP	
	3 months ended 30/06/2010	3 months ended 30/06/2009	3 months ended 30/06/2010	3 months ended 30/06/2009
	RM'000	RM'000	RM'000	RM'000
<b><u>External revenue:</u></b>				
Construction	306,876	588,438	237,680	474,146
Property	379,524	301,890	364,967	284,837
Industry	201,856	244,668	189,591	236,256
Plantation	120,632	102,225	113,255	94,277
Infrastructure	149,651	95,494	80,374	71,739
Investment and others	219	393	219	393
	<u>1,158,758</u>	<u>1,333,108</u>	<u>986,086</u>	<u>1,161,648</u>
<b><u>Inter-segment revenue:</u></b>				
Construction			114,945	156,256
Property			41	12
Industry			6,065	9,867
Plantation			-	-
Infrastructure			-	-
Investment and others			-	9,005
			<u>121,051</u>	<u>175,140</u>
<b><u>Profit / (Loss) before taxation:</u></b>				
Construction			8,994	10,152
Property			84,661	40,981
Industry			29,126	47,450
Plantation			38,767	11,420
Infrastructure			15,432	14,267
Investment and others			2,085	(406)
			<u>179,065</u>	<u>123,864</u>
<b><u>Total Assets:</u></b>				
Construction			1,774,735	2,171,114
Property			4,540,014	4,309,240
Industry			930,566	924,080
Plantation			1,406,576	1,079,425
Infrastructure			3,223,052	3,335,079
Investment and others			379,424	77,732
Total segment assets			<u>12,254,367</u>	<u>11,896,670</u>
Unallocated corporate assets			146,041	140,462
Consolidated total assets			<u>12,400,408</u>	<u>12,037,132</u>

## IJM CORPORATION BERHAD (104131-A)

### 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

As at 25 August 2010, there was no other material event subsequent to the end of the current financial period-to-date that has not been reflected in the financial statements.

### A12. Changes in the Composition of the Group

During the financial period-to-date, the following change in composition was effected:

- i. On 6 May 2010, the Company entered into a Deed of Sale of Shares with Pipgall Pty Ltd to dispose 2,400,000 ordinary shares of AUD0.68 each in IJM Australia Pty Ltd ("IJMA"), representing 80% equity interest in IJMA, for a total cash consideration of AUD6,244 (translated to RM17,882 based on an exchange rate of 1 Australia Dollar equivalent to RM2.8639). With the disposal, IJMA will cease to be a subsidiary of the Company. The disposal has no significant effect on the financial results of the Group in the current financial period-to-date and the financial position of the Group as at the end of the current financial period.

### A13. Contingent Liabilities

The changes in contingent liabilities since 31 March 2010 are summarised as follows:-

	<b>RM'000</b>
Balances as at 31 March 2010	107,561
- additional performance guarantees given on behalf of jointly controlled entities	23,318
- Exchange difference	(1,641)
Balances as at 30 June 2010	<u>129,238</u>

### A14. Capital Commitments

Capital commitments not provided for in the financial statements as at 30 June 2010 are as follows:

	<b>RM'000</b>
Approved and contracted for	333,824
Approved but not contracted for	<u>504,440</u>
	<u>838,264</u>
<u>Analysed as follows:</u>	
- Purchases of property, plant and equipment and plantation expenditure	262,743
- Purchases of development land	322,626
- Concession assets	15,846
- Share of capital commitments of jointly controlled entities	<u>237,049</u>
	<u>838,264</u>

The current estimated cost of developing our oil palm plantation in Indonesia is about RM700 million of which RM238.9 million has been incurred up to 30 June 2010 and another RM207.7 million has been included in the above stated capital commitment. The Board of Directors of IJM Plantations Berhad, a subsidiary of the Company, will review and approve the development programme and cost annually.

## IJM CORPORATION BERHAD (104131-A)

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

#### **B1. Review of Performance**

The Group recorded operating revenues of RM986 million for the current quarter which represents a decline of 15.1% over the corresponding quarter of the preceding year, attributable mainly to the Construction Division. Whilst construction works at new major projects such as the Grand Hyatt in Kuala Lumpur and new India projects are expected to go full-swing later in the current financial year, the delays in some of the works of overseas projects and the substantial completion of major construction projects in the 4<sup>th</sup> quarter of the last financial year were the primary contributory factors towards the decline. Additionally lower selling prices and deliveries of building materials also resulted in the Group's Industry division reporting a 19.8% decline in revenue.

On the other hand, the Group's operating profit before tax for the current quarter rose by 44.6% to RM179 million compared to RM124 million in the preceding year's corresponding quarter as the Group's Property, Plantation and Infrastructure divisions reported higher profits following increased property sales, higher crude palm oil prices and added contribution from the Group's 20%-owned Gautami Power Plant in India that was commissioned in June 2009 respectively.

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

The Group recorded a 13.8% growth in operating revenue mainly attributable to higher property sales while pre-tax profit increased by 10.0% with higher margins recorded in the Group's Property and Plantation divisions.

#### **B3. Prospects for the Current Financial Year**

Despite the uncertain environment, barring any unforeseen circumstances, the Group expects to achieve a satisfactory performance for the current financial year. Whilst the performance of the Group's Construction division is expected to be sustained, the performance of the Group's property division is expected to take on added significance in the current financial year given improved consumer sentiments, attractive mortgage environment as well as recent successful project launches. Whilst the Group's Industry division expects a gradual recovery in the sales of building materials in tandem with the governments' implementation of various infrastructure projects, the expected increase in palm produce production and higher CPO prices augur well for the Group's Plantation division. Despite the initial amortisation and higher finance costs of new toll concessions in India being expected to have an adverse impact on divisional results, the Group's prospects are further enhanced by the steady revenue streams contributed by the Malaysian tolling and port operations.

## IJM CORPORATION BERHAD (104131-A)

### 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:

	<b>INDIVIDUAL QUARTER 3 MONTHS ENDED 30 JUNE</b>		<b>CUMULATIVE PERIOD 3 MONTHS ENDED 30 JUNE</b>	
	<b>2010 RM'000</b>	<b>2009 RM'000</b>	<b>2010 RM'000</b>	<b>2009 RM'000</b>
Malaysian income tax	42,801	35,023	42,801	35,023
Overseas taxation	117	3	117	3
Transfer to/(from) deferred taxation	4,600	2,611	4,600	2,611
	<u>47,518</u>	<u>37,637</u>	<u>47,518</u>	<u>37,637</u>

The Group's effective tax rate (excluding the results of associates and jointly controlled entities which are equity accounted net of tax) was higher than the statutory tax rate mainly due to certain expenses not allowable for tax purposes and the non-recognition of deferred tax assets on unused tax losses in certain subsidiaries.

### B6. Unquoted Investments and/or Properties

There were no material sales of unquoted investment and/or properties for the financial period-to-date.

## IJM CORPORATION BERHAD (104131-A)

### B7. Quoted Investments

a. Purchases and sales of quoted investments (excluding unit trusts deposits)

	<b>Current Quarter Ended 30/06/2010 RM'000</b>	<b>Cumulative Current Period-to-date 30/06/2010 RM'000</b>
Long term:		
- Total purchases	-	-
- Total disposals / sale proceeds	303	303
- Total profit / (loss) on disposal	83	83
Short term:		
- Total purchases	11,000	11,000
- Total disposals / sale proceeds	-	-
- Total profit / (loss) on disposal	-	-

b. Quoted investments as at 30 June 2010

	<b>RM'000</b>
Long term:	
Quoted investments at cost	2,430
Quoted investments at carrying value	2,879
Quoted investments at market value	2,879
Short term:	
Quoted investments at cost	177,811
Quoted investments at carrying value	180,732
Quoted investments at market value	180,732



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### B8. Status of Corporate Proposals

There was no corporate proposal announced that was not completed at the end of the reporting period.

### B9. Group Borrowings

Particulars of the Group's borrowings as at 30 June 2010 are as follows:

	<b>RM'000</b>
<b>(a) (i) Short Term Borrowings</b>	
Secured:-	
- Islamic bonds	42,064
- Term loan	19,074
- Hire purchase and lease creditors (included in trade and other payables)	2,811
- Revolving credits	8,000
- Bank overdrafts	12,463
Unsecured:-	
- Medium Term Notes	41,532
- Government support loans (included in trade and other payables)	2,482
- Term loan	308,461
- Revolving credits	170,117
- Bankers acceptances	24,837
- Bank overdrafts	16,916
	648,757
<b>(ii) Long Term Borrowings</b>	
Unsecured Medium Term Notes	691,848
Secured Islamic bonds and notes	495,076
Unsecured Government support loans	203,386
Secured Hire purchase and lease creditors	877
Secured term loan	908,046
Unsecured term loan	960,329
	3,259,562

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

	Foreign Currency '000	RM Equivalent '000
US Dollar	272,556	891,666
Indian Rupee	8,660,960	613,196
Chinese Renminbi	23,366	11,244
		1,516,106

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### B10. Derivatives

As at 30 June 2010, the details of outstanding derivatives are as follows:

Type of Derivative	Contract/ Notional Amount	Carrying Amount < 1 year RM'000	Carrying Amount 1 – 3 years RM'000	Carrying Amount > 3 years RM'000	Fair Value Gain/(Loss) RM'000
a. Interest rate swaps (from floating rate to fixed rate)	RM371.5 million	(5,249)	(9,265)	-	(14,514)
b. Interest rate swap (from fixed rate to floating rate)	RM200 million	-	-	3,383	3,383
c. Cross currency swap (from Indian Rupee to US Dollar)	INR1,824 million swapped to USD40 million	-	-	(2,169)	(2,169)
d. Crude palm oil pricing swap (to fix crude palm oil selling price at RM2,500 per tonne)	1,000 tonnes per month	1,269	-	-	1,269

The cross currency swap as disclosed in item (c) above is a new contract that was entered into by the Group in May 2010 to swap future INR proceeds to USD. The cross currency swap enables the Company to hedge its foreign exchange exposures and it forms part of the overall structure for financing the Group's India-based subsidiary.

All of the above derivatives involve little or no cash requirements and have minimal credit risk as they were entered into with reputable banks. The accounting policies relating to the above derivatives are explained in Note A2(c)(i) above.

## IJM CORPORATION BERHAD (104131-A)

### B11. Fair value changes of financial liabilities

The Group recognised total fair value losses on derivative financial instruments of RM0.46 million during the current quarter of which RM3.2 million losses arose from financial liabilities. The details are as follows:

Type of financial liability	Current quarter fair value gains/(losses) RM'000	Basis of fair value measurement RM'000	Reasons for the losses
Interest rate swaps (from floating rate to fixed rate)	(1,090)	Interest rates differential between the floating and fixed rates	The interest rates differential between the floating and fixed rates from the last measurement date of 31 March 2010 up to the respective maturity dates of swaps have moved unfavourably.
Cross currency swap	(2,169)	Mark to market valuation	Unfavourable changes in the mark to market value as driven by spot foreign exchange

### B12. Changes in Material Litigation

There was no change in material litigation since 31 March 2010 which exceeds 5% of the Group's net assets.

### B13. Dividend

In respect of the financial year ended 31 March 2010, an interim dividend of 11 sen per share less tax of 25% was paid on 24 August 2010 to every member who is entitled to receive the dividend at the close of business on 30 July 2010.

No dividend has been declared for the financial year-to-date.

## IJM CORPORATION BERHAD (104131-A)

### B14. Earnings per Share

	Individual Quarter		Cumulative Period	
	Current year quarter	Preceding year quarter	Current year to date	Preceding year to date
	30/06/2010 RM'000	30/06/2009 RM'000	30/06/2010 RM'000	30/06/2009 RM'000
<u>Basic Earnings per share:-</u>				
(a) Profit for the period attributable to owners of the Company	90,048	70,824	90,048	70,824
(b) Weighted average number of ordinary shares as previously reported ('000)	-	938,570	-	938,570
<b>Basic Earnings per share as previously reported (sen)</b>	<b>-</b>	<b>7.55</b>	<b>-</b>	<b>7.55</b>
(c) Weighted average number of ordinary shares, adjusted for bonus issue ('000)	1,332,544	1,313,998	1,332,544	1,313,998
<b>Basic Earnings per share, adjusted for bonus issue (sen)</b>	<b>6.76</b>	<b>5.39</b>	<b>6.76</b>	<b>5.39</b>
<u>Diluted Earnings per share:-</u>				
(a) Profit for the period attributable to equity holders of the parent	90,048	70,824	90,048	70,824
<b>Diluted Earnings per share as previously reported (sen)</b>	<b>-</b>	<b>7.53</b>	<b>-</b>	<b>7.53</b>
(b) Weighted average number of ordinary shares, adjusted for bonus issue ('000)	1,332,544	1,313,998	1,332,544	1,313,998
Effect of dilution ('000)				
- Warrants	27,228	2,643	27,228	2,643
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	1,359,772	1,316,641	1,359,772	1,316,641
<b>Diluted Earnings per share (sen)</b>	<b>6.62</b>	<b>5.38</b>	<b>6.62</b>	<b>5.38</b>

### B15. Comparative Figures

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