



IJM CORPORATION BERHAD (104131-A)

Part A1 : Quarterly Report

Quarterly report for the financial period ended:	30/06/2011
Quarter:	1st Quarter
Financial Year End:	31/03/2012
The figures:	Have not been audited
Full Quarterly Report:	Refer attached

Part A2 : Summary of Key Financial Information for the financial period ended 30/06/2011

	Individual Quarter		Cumulative Period	
	Current year quarter 30/06/2011 RM'000	Preceding year quarter 30/06/2010 RM'000	Current year to date 30/06/2011 RM'000	Preceding year to date 30/06/2010 RM'000
1 Revenue	1,033,791	986,086	1,033,791	986,086
2 Profit before taxation	201,610	174,757	201,610	174,757
3 Net profit for the period	153,638	127,239	153,638	127,239
4 Net profit attributable to owners of the Company	115,030	85,740	115,030	85,740
5 Basic earnings per share (sen)	8.51	6.43	8.51	6.43
6 Proposed/Declared dividend per share (sen)	-	-	-	-
	As at end of current quarter 30/06/2011		As at preceding financial year end	
7 Net assets per share attributable to ordinary equity holders of the Company (RM)		3.71		3.70

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
	30/06/2011	30/06/2010	30/06/2011	30/06/2010
	RM'000	RM'000	RM'000	RM'000
Operating revenue	1,033,791	986,086	1,033,791	986,086
Cost of sales	(741,246)	(716,349)	(741,246)	(716,349)
Gross profit	292,545	269,737	292,545	269,737
Other operating income	41,634	39,696	41,634	39,696
Tendering, selling and distribution expenses	(26,750)	(23,452)	(26,750)	(23,452)
Administrative expenses	(34,645)	(48,907)	(34,645)	(48,907)
Other operating expenses	(14,053)	(29,381)	(14,053)	(29,381)
Operating profit before finance cost	258,731	207,693	258,731	207,693
Finance cost	(50,302)	(41,805)	(50,302)	(41,805)
Operating profit after finance cost	208,429	165,888	208,429	165,888
Share of profits of associates	6,992	6,135	6,992	6,135
Share of losses of jointly controlled entities	(13,811)	2,734	(13,811)	2,734
Profit before taxation	201,610	174,757	201,610	174,757
Income tax expense	(47,972)	(47,518)	(47,972)	(47,518)
Net profit for the period	153,638	127,239	153,638	127,239
<u>Other comprehensive income / (loss) net of tax:</u>				
Currency translation differences	(4,875)	(12,755)	(4,875)	(12,755)
Share of other comprehensive income of associates	(483)	-	(483)	-
Total comprehensive income for the period	148,280	114,484	148,280	114,484
<u>Net profit attributable to:-</u>				
Owners of the Company	115,030	85,740	115,030	85,740
Minority interest	38,608	41,499	38,608	41,499
	153,638	127,239	153,638	127,239
<u>Total comprehensive income attributable to:-</u>				
Owners of the Company	109,242	73,079	109,242	73,079
Minority interest	39,038	41,405	39,038	41,405
	148,280	114,484	148,280	114,484
<u>Earnings per share (sen):-</u>				
Basic	8.51	6.43	8.51	6.43
Fully diluted	8.25	6.31	8.25	6.31

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

	30/06/2011	31/03/2011
	RM'000	RM'000
	(Unaudited)	(Audited)
		(Restated)
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share capital	1,363,804	1,351,115
Treasury shares	(83)	(77)
Share premium	1,876,915	1,835,676
Reserves	18,166	27,126
Retained profits	1,796,620	1,782,141
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	5,055,422	4,995,981
Minority interest	1,542,880	1,469,770
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Total equity	6,598,302	6,465,751
NON-CURRENT LIABILITIES		
Bonds	448,313	448,227
Commercial Papers and Medium Term Notes	750,000	650,000
Term loans	1,598,750	1,498,423
Government support loans	202,846	206,091
Hire purchase and lease creditors	3,368	2,149
Derivative financial instruments	9,753	8,037
Deferred tax liabilities	370,089	370,929
Trade and other payables	88,152	88,152
Retirement benefits	6,159	6,159
	<hr/>	<hr/>
	3,477,430	3,278,167
GOVERNMENT GRANTS	97,209	99,161
	<hr/>	<hr/>
	10,172,941	9,843,079
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IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED BALANCE SHEET

	30/06/2011	31/03/2011
	RM'000	RM'000
	(Unaudited)	(Audited)
NON-CURRENT ASSETS		
Property, plant and equipment	1,180,576	1,164,161
Leasehold land	167,960	169,234
Concession assets	2,267,808	2,255,485
Plantation development expenditure	620,543	592,679
Investment properties	123,940	124,565
Associates	467,446	471,494
Jointly controlled entities	1,005,096	1,019,527
Derivative financial instruments	1,590	771
Available-for-sale financial assets	2,204	2,204
Long term receivables	64,841	70,191
Deferred tax assets	81,883	83,147
Land held for property development	646,139	673,380
Intangible assets	77,784	77,120
	6,707,810	6,703,958
CURRENT ASSETS		
Property development costs	1,863,420	1,614,772
Inventories	461,354	584,071
Trade and other receivables	1,833,963	1,874,107
Financial assets at fair value through profit or loss	237,825	212,730
Assets held for sale	2,009	7,152
Tax recoverable	56,742	49,253
Deposits, cash and bank balances	1,554,240	1,506,597
	6,009,553	5,848,682
CURRENT LIABILITIES		
Trade and other payables	1,599,762	1,660,175
Provisions	28,183	23,938
Derivative financial instruments	3,200	3,201
Borrowings:		
- Bank overdrafts	77,367	65,559
- Others	804,192	924,915
Current tax liabilities	31,718	31,773
	2,544,422	2,709,561
NET CURRENT ASSETS	3,465,131	3,139,121
	10,172,941	9,843,079
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)	3.71	3.70

IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2011

(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		
At 1 April 2011								
As previously reported	1,351,115	(77)	1,835,676	26,010	1,834,413	5,047,137	1,469,770	6,516,907
Prior year adjustments - effects of adopting IFRIC 12	-	-	-	1,116	(52,272)	(51,156)	-	(51,156)
As restated	1,351,115	(77)	1,835,676	27,126	1,782,141	4,995,981	1,469,770	6,465,751
Total comprehensive income for the period	-	-	-	(5,788)	115,030	109,242	39,038	148,280
Shares buy back	-	(6)	-	-	-	(6)	-	(6)
Accretion/dilution arising from changes in composition of the Group	-	-	-	-	(5,086)	(5,086)	5,086	-
Interim dividends payable for year ended:- 31 March 2011	-	-	-	-	(95,465)	(95,465)	-	(95,465)
Issuance of shares by subsidiaries to minority shareholders	-	-	-	-	-	-	28,986	28,986
Issuance of shares: - exercise of Warrants 2009/2014	12,689	-	41,239	(3,172)	-	50,756	-	50,756
At 30 June 2011	1,363,804	(83)	1,876,915	18,166	1,796,620	5,055,422	1,542,880	6,598,302
At 1 April 2010								
As previously reported	1,327,216	-	1,776,547	53,237	1,697,550	4,854,550	1,308,421	6,162,971
Prior year adjustments - effects of adopting IFRIC 12	-	-	-	184	(31,914)	(31,730)	-	(31,730)
As restated	1,327,216	-	1,776,547	53,421	1,665,636	4,822,820	1,308,421	6,131,241
Total comprehensive income for the period	-	-	-	(12,661)	85,740	73,079	41,405	114,484
Accretion/dilution arising from changes in composition of the Group	-	-	-	490	20	510	(304)	206
Interim dividends payable for year ended:- 31 March 2010	-	-	-	-	(110,300)	(110,300)	-	(110,300)
Shares buy back	-	(48)	-	-	-	(48)	-	(48)
Issuance of shares by subsidiaries to minority shareholders	-	-	-	-	-	-	33	33
Issuance of shares: - exercise of Warrants 2005/2010 - exercise of Warrants 2009/2014	9,702 53	- -	23,866 174	(485) (13)	- -	33,083 214	- -	33,083 214
At 30 June 2010	1,336,971	(48)	1,800,587	40,752	1,641,096	4,819,358	1,349,555	6,168,913

IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2011
(The figures have not been audited)

	3 months ended 30/06/2011 RM'000	3 months ended 30/06/2010 RM'000
OPERATING ACTIVITIES		
Receipts from customers	1,098,925	1,121,702
Payments to contractors, suppliers and employees	(1,000,674)	(916,111)
Interest received	20,763	16,592
Interest paid	(41,726)	(38,266)
Income tax paid	(54,529)	(34,762)
Net cash flow from operating activities	22,759	149,155
INVESTING ACTIVITIES		
Acquisition of investments	(74,000)	(11,287)
Purchases of property, plant and equipment, development and leasehold land, investment properties, concession assets, plantation development expenditure and deferred expenditure	(113,444)	(66,991)
Disposal of investments, property, plant and equipment, leasehold land, investment properties and assets held for sale	58,698	564
Dividends received	10,013	805
Net (advances to) and repayments from associates and jointly controlled entities	(16,427)	(6,829)
Net cash flow used in investing activities	(135,160)	(83,738)
FINANCING ACTIVITIES		
Issuance of shares by the Company	50,756	33,297
- exercise of Warrants	28,986	33
Issuance of shares and warrants by subsidiaries to minority shareholders	(6)	(48)
Repurchase of treasury shares	(24,051)	292,262
Net proceeds from bank and government borrowings	100,000	(160,000)
Net (repayment)/drawdown of Bonds, Commercial Papers and Medium Term Notes	(8,893)	(8,489)
Payments of Bonds and Medium Term Notes interest	-	(3,000)
Repayment to the State Government	(944)	(1,054)
Repayments to hire purchase and lease creditors	-	(130,860)
Net increase of bank deposits assigned to trustees	145,848	22,141
Net cash flow from financing activities	145,848	22,141
Net increase in cash and cash equivalents during the financial period	33,447	87,558
Cash and cash equivalents at beginning of the financial period	1,319,618	1,270,789
Foreign exchange differences on opening balances	2,447	765
Cash and cash equivalents at end of the financial period	1,355,512	1,359,112

IJM CORPORATION BERHAD (104131-A)

A NOTES TO THE QUARTERLY RESULTS

A1. Basis of Preparation

The audited 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 audited interim financial report should be read in conjunction with the audited financial statements for the year ended 31 March 2011 which are available at <http://www.ijm.com>. The explanatory notes attached to the audited 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 2011.

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 2011 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 2011:

FRS 3	Business Combinations (Revised)
Amendments to FRS 2	Share-based Payment
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 3	Business Combinations
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 101	Presentation of Financial Statements
Amendments to FRS 121	The Effects of Changes in Foreign Exchange Rates
Amendments to FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 128	Investments in Associates
Amendments to FRS 131	Interests in Joint Ventures
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 134	Interim Financial Reporting
Amendments to FRS 138	Intangible Assets
Amendments to FRS 139	Financial Instruments: Recognition and Measurement
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
Amendments to IC Interpretation 13	Customer loyalty Programmes
Amendments to IC Interpretation 15	Agreements for the construction of Real Estate
IC Interpretation 4	Determining Whether an Arrangement contains a Lease
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfer of Assets from Customers

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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 IC Interpretation 12 “Service Concession Arrangements” (“IC 12”), the impact of which is explained below:

a) IC Interpretation 12 “Service Concession Arrangements”

IC 12 applies to contractual arrangements whereby a private sector operator participates in the development, financing, operation and maintenance of infrastructure for public sector services. Depending on the contractual terms, this interpretation requires the operator to recognise a financial asset if it has an unconditional contractual right to receive cash or an intangible asset if it receives a right (license) to charge users of the public service. Some contractual terms may give rise to both a financial asset and an intangible asset.

IC 12 requires that the contractual obligations to maintain the infrastructure to a specified standard or to restore the infrastructure when it has deteriorated below a specified condition be recognised and measured in accordance with FRS 137 “Provisions, Contingent Liabilities and Contingent Assets”.

The changes in the Group’s accounting policies upon the adoption of IC 12 are described as follows:

(i) Classification and measurement of concession assets

Prior to the adoption of IC 12, Expressway Development Expenditure (“EDE”) is classified as concession assets and is measured at cost less accumulated amortisation and accumulated impairment. There is no change in the classification of EDE upon the adoption of IC 12.

Prior to the adoption of IC 12, port infrastructure which consists of liquid chemical berths and inner harbour basin were classified as property, plant and equipment and depreciated over their estimated useful lives and concession period, whichever shorter. Upon the adoption of IC 12, port infrastructure are now classified as concession assets and are stated at cost less accumulated amortisation and accumulated impairment.

(ii) Heavy repairs

Prior to the adoption of IC 12, the Group’s heavy repairs were capitalised as part of concession assets and amortised on a straight line basis over the anticipated economic life of seven years, commencing from the date the expenditure are incurred.

Upon the adoption of IC 12, the carrying values of these heavy repairs were written off to retained earnings. In addition, provision for heavy repairs, being the contractual obligations to maintain and restore the infrastructure to a specified standard of serviceability, is recognised and measured at the present value of estimated expenditures expected to be required to settle the present obligation at the reporting date.

(iii) Maintenance dredging expenditure

Prior to the adoption of IC 12, the Group’s maintenance dredging expenditure are capitalised as part of property, plant and equipment and amortised on a straight line basis over the anticipated economic life of five years, commencing from the date the expenditure are incurred.

Upon the adoption of IC 12, the carrying values of maintenance dredging expenditure were written off to retained earnings. In addition, provision for maintenance dredging expenditure, being the contractual obligations to maintain and restore the infrastructure to a specified standard of serviceability, is recognised and measured at the present value of estimated expenditures expected to be required to settle the present obligation at the reporting date.

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A2. Changes in Accounting Policies (continued)

The effects of the change in accounting policy on the current period and prior year financial statements of the Group are set out below:

The Group

	Financial period ended 30 June 2011
	IFRIC 12 RM'000
Increase in costs of sales	4,797
Increase in finance cost	770
Decrease in share of profits of associates	(579)
Increase in share of losses of jointly controlled entities	1,242
Decrease in tax expense	(234)
Decrease in basic earnings per share (sen)	(0.52)
Decrease in diluted earnings per share (sen)	(0.51)

Effects of change in accounting policy on the statements of comprehensive income for financial period ended 30 June 2010

The Group

	As previously reported RM'000	IFRIC 12 RM'000	As restated RM'000
Costs of sales	(713,200)	(3,149)	(716,349)
Finance cost	(41,487)	(318)	(41,805)
Share of profits of jointly controlled entities	3,575	(841)	2,734
Basic earnings per share (sen)	6.76	(0.33)	6.43
Diluted earnings per share (sen)	6.62	(0.31)	6.31

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A2. Changes in Accounting Policies (continued)

The effects of the change in accounting policy on the current period and prior year financial statements of the Group are set out below: (continued)

Effects of change in accounting policy on the balance sheets as at 31 March 2011

The Group

	As previously reported RM'000	IFRIC 12 RM'000	As restated RM'000
<i>Capital and reserves attributable to equity holders of the Company:</i>			
Retained profits	1,834,413	(52,272)	1,782,141
Exchange translation reserve	(88,709)	1,116	(87,593)
<i>Non-current assets:</i>			
Property, plant and equipment	1,445,173	(281,012)	1,164,161
Concession assets	1,981,040	274,445	2,255,485
Associates	487,304	(15,810)	471,494
Jointly controlled entities	1,024,368	(4,841)	1,019,527
<i>Current liabilities:</i>			
Provisions	-	23,938	23,938
Net assets per share attributable to owners of the Company	3.74	(0.04)	3.70

IJM CORPORATION BERHAD (104131-A)

A3. Audit Report

The audit report for the financial year ended 31 March 2011 was not subject to any qualification.

A4. Seasonality or Cyclicity 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 2011, the paid-up share capital of the Company was increased by RM12,689,099 by way of allotment and issue of 12,689,099 new ordinary shares of RM1.00 each arising from the exercise of IJM Warrants 2009/2014.
- (b) For the period ended 30 June 2011, 1,000 ordinary shares of RM1.00 each were repurchased in the open market at RM6.30 per share and retained as treasury shares of the Company. There were no other 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 2011.

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A9. Segmental Information

	Group revenue including share of revenue of JVs and associates		GROUP	
	3 months ended 30/06/2011	3 months ended 30/06/2010	3 months ended 30/06/2011	3 months ended 30/06/2010
	RM'000	RM'000	RM'000	RM'000
<u>External revenue:</u>				
Construction	430,303	306,876	322,759	237,680
Property	260,087	379,524	252,536	364,967
Industry	237,482	201,856	233,185	189,591
Plantation	128,351	120,632	128,351	113,255
Infrastructure	166,729	149,651	96,907	80,374
Investment and others	53	219	53	219
	<u>1,223,005</u>	<u>1,158,758</u>	<u>1,033,791</u>	<u>986,086</u>
<u>Inter-segment revenue:</u>				
Construction			139,159	114,945
Property			29	41
Industry			18,536	6,065
Plantation			-	-
Infrastructure			-	-
Investment and others			33,404	-
			<u>191,128</u>	<u>121,051</u>
<u>Profit before taxation:</u>				
Construction			11,933	8,994
Property			65,073	84,661
Industry			31,666	29,126
Plantation			66,387	38,767
Infrastructure			23,415	11,124
Investment and others			3,136	2,085
			<u>201,610</u>	<u>174,757</u>
			As at	As at
			30/06/2011	30/06/2010
			RM'000	RM'000
<u>Total Assets:</u>				
Construction			1,598,899	1,774,735
Property			4,785,511	4,540,014
Industry			963,691	930,566
Plantation			1,562,757	1,406,576
Infrastructure			3,235,528	3,200,944
Investment and others			432,352	379,424
Total segment assets			<u>12,578,738</u>	<u>12,232,259</u>
Unallocated corporate assets			138,625	146,041
Consolidated total assets			<u>12,717,363</u>	<u>12,378,300</u>

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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

As at 24 August 2011, 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 changes in composition were effected:

- i. On 8 April 2011, the Company acquired 229,885,057 new ordinary shares of RM1.00 each in IJM Land Berhad ("IJML") pursuant to the conversion of RM400 million nominal value of 10-year 3% coupon redeemable convertible unsecured loan stocks in IJML at a conversion price of RM1.74. With the conversion, the Company's shareholding in IJML has increased from 61.56% to 68.09%. This has no material impact on the Group for the financial period-to-date.
- ii. The following dormant associates are being wound-up by way of members' voluntary winding-up pursuant to Section 254(1)(b) of the Companies Act, 1965. The liquidation of the following dormant companies is part of the corporate structure streamlining exercise of the Group and have no material impact on the Group for the financial period-to-date:
 - a. IT & T Builders Sdn Bhd
 - b. THB-IJM Joint Venture Sdn Bhd.

A13. Contingent Liabilities

The changes in contingent liabilities since 31 March 2011 are summarised as follows:-

	RM'000
Balances as at 31 March 2011	29,216
- Decrease in performance guarantees given on behalf of jointly controlled entities	(10,866)
- Exchange differences	(86)
Balances as at 30 June 2011	<u>18,264</u>

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A14. Capital Commitments

Capital commitments not provided for in the financial statements as at 30 June 2011 are as follows:

	RM'000
Approved and contracted for	1,071,254
Approved but not contracted for	<u>359,274</u>
	<u>1,430,528</u>
 <u>Analysed as follows:</u>	
- Purchases of property, plant and equipment, leasehold land and plantation development expenditure	514,520
- Purchases of development land	58,027
- Concession assets	634,168
- Share of capital commitments of jointly controlled entities	<u>223,813</u>
	<u>1,430,528</u>

An amount of RM395.71 million has been incurred up to 30 June 2011 for developing the oil palm plantations in Indonesia. A further sum of RM461.12 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.

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

B1. Review of Performance

The Group's operating revenue climbed 4.8% to RM1,034 million for the current quarter compared to the corresponding quarter of the preceding year, attributable mainly to the Construction, Industry, Plantation and Infrastructure divisions. The Group's operating profit before tax also rose by 15.4% to RM202 million for the current quarter compared to the preceding year's corresponding quarter, attributable mainly to earnings growth in the Group's Construction and Industry divisions as well as higher margins reported in the Group's Plantation and Infrastructure divisions.

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

There was no material change in the Group's operating revenue compared to that of the immediate preceding quarter. However the Group's pre-tax profit rose by 168.7% as construction profits began to normalise following the massive kitchen-sinking exercise undertaken in the immediate preceding quarter where provisions were made against contractual claims, recovery of receivables and project losses. Apart from that, higher margins were also recorded in the Group's Property, Plantation and Industry divisions when compared to the immediate preceding quarter.

B3. Prospects for the Current Financial Year

The Group's Construction Division's performance is expected to improve as contributions from the Group's local projects are expected to gain momentum in the current financial year. The Group's Property division expects to sustain its performance in the current financial year on the back of strong unbilled sales in excess of RM 1 billion. Likewise, the Group's Industry division expects the sales of building materials to increase in tandem with the expected growth in construction activity. Meanwhile, the expected recovery in fresh fruit bunches (FFB) production and assuming the current palm product prices will sustain, the Group's Plantation division expects a satisfactory level of profitability. Malaysian tolling and port operations are expected to continue to provide steady revenue streams to the Group's Infrastructure division but initial expensing of its higher finance costs and amortisation of new toll concessions in India are expected to dampen its divisional results.

As a result of the above factors, barring any unforeseen circumstances, the Group expects to achieve a satisfactory performance for the current financial year.

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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 JUNE		CUMULATIVE PERIOD 3 MONTHS ENDED 30 JUNE	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Malaysian income tax	50,688	42,801	50,688	42,801
Overseas taxation	(3,510)	117	(3,510)	117
Transfer to/(from) deferred taxation	794	4,600	794	4,600
	<u>47,972</u>	<u>47,518</u>	<u>47,972</u>	<u>47,518</u>

The Group's effective tax rate (excluding the results of associates and jointly controlled entities which are equity accounted net of tax) was lower than the statutory tax rate mainly due to income not subject to tax and reversal of tax which was over accrued in prior years.

B6. Unquoted Investments and/or Properties

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

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B7. Quoted Investments

a. Purchases and sales of quoted investments

	Current Quarter Ended 30/06/2011 RM'000	Cumulative Current Period-to-date 30/06/2011 RM'000
Long term:		
- Total purchases	-	-
- Total disposals / sale proceeds	-	-
- Total profit / (loss) on disposal	-	-
Short term:		
- Total purchases	74,000	74,000
- Total disposals / sale proceeds	50,539	50,539
- Total profit / (loss) on disposal	79	79

b. Quoted investments as at 30 June 2011

	RM'000
Long term:	
Quoted investments at cost	-
Quoted investments at carrying value	-
Quoted investments at market value	-
Short term:	
Quoted investments at cost	231,598
Quoted investments at carrying value	237,825
Quoted investments at market value	237,825

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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 2011 are as follows:

	RM'000
(a) (i) Short Term Borrowings	
Secured:-	
- Islamic bonds	47,097
- Term loan	49,985
- Hire purchase and lease creditors (included in trade and other payables)	2,200
- Revolving credits	44,013
Unsecured:-	
- Medium Term Notes	41,848
- Government support loans (included in trade and other payables)	4,965
- Term loan	452,432
- Revolving credits	66,826
- Bankers acceptances	79,968
- Letter of Credit	22,023
- Bank overdrafts	77,367
	888,724
(ii) Long Term Borrowings	
Unsecured Medium Term Notes	750,000
Secured Islamic bonds and notes	448,313
Unsecured Government support loans	202,846
Secured Hire purchase and lease creditors	3,368
Secured term loan	508,262
Unsecured term loan	1,090,488
	3,003,277

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

	Foreign Currency '000	RM Equivalent '000
US Dollar	248,437	751,894
Indian Rupee	12,571,396	851,084
Chinese Renminbi	26,375	12,394
		1,615,372

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B10. Derivatives

As at 30 June 2011, 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 as at 30/6/11 RM'000
a. Interest rate swaps (from floating rate to fixed rate)	RM210.8 million	(3,200)	(3,241)	-	(6,441)
b. Interest rate swap (from fixed rate to floating rate)	RM200 million	-	-	1,590	1,590
c. Cross currency swap (from Indian Rupee to US Dollar)	INR1,824 million swapped to USD40 million	-	-	(6,512)	(6,512)

B11. Fair value changes of financial liabilities

The Group recognised total fair value losses on derivative financial instruments of RM0.08 million during the current year to date of which RM1.98 million losses arose from financial liabilities. The details are as follows:

Type of financial liability	Current quarter fair value gains/(losses) RM'000	Current year to date fair value gains/(losses) RM'000	Basis of fair value measurement	Reasons for the losses
Interest rate swaps (from floating rate to fixed rate)	(331)	(331)	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 2011 up to the respective maturity dates of swaps have moved unfavourably.
Cross currency swap	(1,653)	(1,653)	Mark to market valuation	Unfavourable changes in the mark to market value as driven by spot foreign exchange

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B12. Changes in Material Litigation

There was no change in material litigation since 31 March 2011 which exceeds 5% of the Group's net assets.

B13. Dividend

In respect of the financial year ended 31 March 2011, a single tier first interim dividend of 4 sen per share was paid on 23 December 2010 and a single tier second interim dividend of 7 sen per share was paid on 13 July 2011.

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

B14. Earnings per Share

	Individual Quarter		Cumulative Period	
	Current year quarter	Preceding year quarter	Current year to date	Preceding year to date
	30/06/2011	30/06/2010	30/06/2011	30/06/2010
	RM'000	RM'000	RM'000	RM'000
<u>Basic Earnings per share:-</u>				
(a) Profit for the period attributable to owners of the Company	115,030	85,740	115,030	85,740
(b) Weighted average number of ordinary shares ('000)	1,352,430	1,332,544	1,352,430	1,332,544
Basic Earnings per share (sen)	8.51	6.43	8.51	6.43
<u>Diluted Earnings per share:-</u>				
(a) Profit for the period attributable to owners of the Company	115,030	85,740	115,030	85,740
(b) Weighted average number of ordinary shares ('000)	1,352,430	1,332,544	1,352,430	1,332,544
Effect of dilution ('000)				
- Warrants	42,541	27,228	42,541	27,228
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	1,394,971	1,359,772	1,394,971	1,359,772
Diluted Earnings per share (sen)	8.25	6.31	8.25	6.31

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B15. Disclosure of Realised and Unrealised Retained Profits / (Accumulated Losses)

The following analysis is prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses as issued by the Malaysian Institute of Accountants.

	As at 30 Jun 2011 RM'000	As at 31 Mar 2011 RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries:		
- Realised	3,559,975	3,606,097
- Unrealised ^{N1}	(110,043)	(105,378)
	3,449,932	3,500,719
 Total share of retained profits / (accumulated losses) from associates		
- Realised	153,913	155,507
- Unrealised ^{N1}	(8,312)	(6,683)
 Total share of retained profits / (accumulated losses) from jointly controlled entities		
- Realised	(82,953)	(69,143)
- Unrealised ^{N1}	51	51
	3,512,631	3,580,451
Add/Less: consolidation adjustments ^{N2}	(1,716,011)	(1,798,310)
 Total group retained profits / (accumulated losses) as per group accounts	1,796,620	1,782,141

N1 The unrealised retained profits/(accumulated losses) are mainly deferred tax provision, net gains arising from remeasurement of assets and liabilities at fair value through profits or losses and translation gains or losses of monetary items denominated in a currency other than the functional currency.

N2 Consolidation adjustments are mainly elimination of pre-acquisition profits or losses, fair value adjustments arising from the business combination and minorities' share of retained profits or accumulated losses.

B16. Comparative Figures

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