



# IJM CORPORATION BERHAD (104131-A)

## Part A1 : Quarterly Report

Quarterly report for the financial period ended:	30/09/2011
Quarter:	2nd 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 30/09/2011

	Individual Quarter		Cumulative Period	
	Current year quarter 30/09/2011 RM'000	Preceding year quarter 30/09/2010 RM'000	Current year to date 30/09/2011 RM'000	Preceding year to date 30/09/2010 RM'000
1 Revenue	1,097,727	785,504	2,131,518	1,771,590
2 Profit before taxation	161,440	194,212	363,050	368,969
3 Net profit for the period	111,190	150,869	264,828	278,108
4 Net profit attributable to owners of the Company	74,777	115,131	189,807	200,871
5 Basic earnings per share (sen)	5.45	8.55	13.94	14.99
6 Proposed/Declared dividend per share (sen)	4.00	4.00	4.00	4.00
	<b>As at end of current quarter 30/09/2011</b>		<b>As at preceding financial year end</b>	
7 Net assets per share attributable to ordinary equity holders of the Company (RM)		3.77		3.70

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

**CONDENSED STATEMENT OF COMPREHENSIVE INCOME**

*(The figures have not been audited)*

	<b>Individual Quarter</b>		<b>Cumulative Period</b>	
	<b>Current year quarter</b>	<b>Preceding year quarter</b>	<b>Current year to date</b>	<b>Preceding year to date</b>
	<b>30/09/2011</b>	<b>30/09/2010</b>	<b>30/09/2011</b>	<b>30/09/2010</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Operating revenue	<b>1,097,727</b>	785,504	<b>2,131,518</b>	1,771,590
Cost of sales	<b>(817,612)</b>	(535,791)	<b>(1,558,858)</b>	(1,257,664)
Gross profit	<b>280,115</b>	249,713	<b>572,660</b>	513,926
Other operating income	<b>48,831</b>	51,313	<b>87,866</b>	89,857
Foreign exchange differences	<b>(29,037)</b>	14,494	<b>(27,171)</b>	6,390
Tendering, selling and distribution expenses	<b>(34,123)</b>	(24,342)	<b>(60,873)</b>	(47,794)
Administrative expenses	<b>(49,767)</b>	(42,515)	<b>(84,412)</b>	(91,422)
Other operating expenses	<b>(10,220)</b>	(20,628)	<b>(23,540)</b>	(35,229)
Operating profit before finance cost	<b>205,799</b>	228,035	<b>464,530</b>	435,728
Finance cost	<b>(48,101)</b>	(48,438)	<b>(98,403)</b>	(90,243)
Operating profit after finance cost	<b>157,698</b>	179,597	<b>366,127</b>	345,485
Share of profits of associates	<b>11,060</b>	6,186	<b>18,052</b>	12,321
Share of losses of jointly controlled entities	<b>(7,318)</b>	8,429	<b>(21,129)</b>	11,163
Profit before taxation	<b>161,440</b>	194,212	<b>363,050</b>	368,969
Income tax expense	<b>(50,250)</b>	(43,343)	<b>(98,222)</b>	(90,861)
Net profit for the period	<b>111,190</b>	150,869	<b>264,828</b>	278,108
<u>Other comprehensive income / (loss) net of tax:</u>				
Currency translation differences	<b>1,722</b>	(15,152)	<b>(3,153)</b>	(27,907)
Share of other comprehensive income of associates	<b>(5,321)</b>	-	<b>(5,804)</b>	-
Total comprehensive income for the period	<b>107,591</b>	135,717	<b>255,871</b>	250,201
<u>Net profit attributable to:-</u>				
Owners of the Company	<b>74,777</b>	115,131	<b>189,807</b>	200,871
Minority interest	<b>36,413</b>	35,738	<b>75,021</b>	77,237
	<b>111,190</b>	150,869	<b>264,828</b>	278,108
<u>Total comprehensive income attributable to:-</u>				
Owners of the Company	<b>65,058</b>	103,442	<b>174,300</b>	176,521
Minority interest	<b>42,533</b>	32,275	<b>81,571</b>	73,680
	<b>107,591</b>	135,717	<b>255,871</b>	250,201
<u>Earnings per share (sen):-</u>				
Basic	<b>5.45</b>	8.55	<b>13.94</b>	14.99
Fully diluted	<b>5.32</b>	8.38	<b>13.58</b>	14.71

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

	<b>30/09/2011</b>	<b>31/03/2011</b>
	<b>RM'000</b>	<b>RM'000</b>
	(Unaudited)	(Audited)
		(Restated)
<b>CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		
Share capital	<b>1,375,430</b>	1,351,115
Treasury shares	<b>(83)</b>	(77)
Share premium	<b>1,914,702</b>	1,835,676
Reserves	<b>4,424</b>	26,010
Retained profits	<b>1,885,214</b>	1,784,253
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	<b>5,179,687</b>	4,996,977
Minority interest	<b>1,543,161</b>	1,469,770
	<hr/>	<hr/>
Total equity	<b>6,722,848</b>	6,466,747
<b>NON-CURRENT LIABILITIES</b>		
Bonds	<b>1,148,399</b>	448,227
Commercial Papers and Medium Term Notes	<b>750,000</b>	650,000
Term loans	<b>1,534,047</b>	1,498,423
Government support loans	<b>204,601</b>	206,091
Hire purchase and lease creditors	<b>2,803</b>	2,149
Derivative financial instruments	<b>1,270</b>	8,037
Deferred tax liabilities	<b>372,189</b>	370,929
Trade and other payables	<b>88,152</b>	88,152
Retirement benefits	<b>6,159</b>	6,159
	<hr/>	<hr/>
	<b>4,107,620</b>	3,278,167
<b>GOVERNMENT GRANTS</b>	<b>91,801</b>	99,161
	<hr/>	<hr/>
	<b>10,922,269</b>	9,844,075
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**IJM CORPORATION BERHAD (104131-A)**  
**CONDENSED CONSOLIDATED BALANCE SHEET**

	<b>30/09/2011</b>	<b>31/03/2011</b>
	<b>RM'000</b>	<b>RM'000</b>
	(Unaudited)	(Audited)
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	<b>1,256,874</b>	1,167,288
Leasehold land	<b>167,673</b>	169,234
Concession assets	<b>2,284,118</b>	2,252,142
Plantation development expenditure	<b>647,216</b>	592,679
Investment properties	<b>103,021</b>	124,565
Associates	<b>463,055</b>	472,538
Jointly controlled entities	<b>1,060,820</b>	1,019,695
Derivative financial instruments	<b>6,333</b>	771
Available-for-sale financial assets	<b>2,204</b>	2,204
Long term receivables	<b>67,690</b>	70,191
Deferred tax assets	<b>83,448</b>	83,147
Land held for property development	<b>650,233</b>	673,380
Intangible assets	<b>77,927</b>	77,120
	<b>6,870,612</b>	6,704,954
<b>CURRENT ASSETS</b>		
Property development costs	<b>1,719,220</b>	1,614,772
Inventories	<b>514,956</b>	584,071
Trade and other receivables	<b>1,905,016</b>	1,874,107
Financial assets at fair value through profit or loss	<b>654,485</b>	212,730
Assets held for sale	<b>32,686</b>	7,152
Tax recoverable	<b>59,493</b>	49,253
Deposits, cash and bank balances	<b>1,635,517</b>	1,506,597
	<b>6,521,373</b>	5,848,682
<b>CURRENT LIABILITIES</b>		
Trade and other payables	<b>1,543,090</b>	1,660,175
Provisions	<b>28,876</b>	23,938
Derivative financial instruments	<b>3,462</b>	3,201
Borrowings:		
- Bank overdrafts	<b>88,218</b>	65,559
- Others	<b>760,043</b>	924,915
Current tax liabilities	<b>46,027</b>	31,773
	<b>2,469,716</b>	2,709,561
<b>NET CURRENT ASSETS</b>	<b>4,051,657</b>	3,139,121
	<b>10,922,269</b>	9,844,075
<b>NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)</b>	<b>3.77</b>	3.70

**IJM CORPORATION BERHAD (104131-A)**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE PERIOD ENDED 30 SEPTEMBER 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		
<b>At 1 April 2011</b>								
<b>As previously reported</b>	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	-	-	-	-	(50,160)	(50,160)	-	(50,160)
<b>As restated</b>	<b>1,351,115</b>	<b>(77)</b>	<b>1,835,676</b>	<b>26,010</b>	<b>1,784,253</b>	<b>4,996,977</b>	<b>1,469,770</b>	<b>6,466,747</b>
Total comprehensive income for the period	-	-	-	(15,507)	189,807	174,300	81,571	255,871
Dividends paid by subsidiaries to minority shareholders	-	-	-	-	-	-	(48,011)	(48,011)
Shares buy back	-	(6)	-	-	-	(6)	-	(6)
Accretion/dilution arising from changes in composition of the Group	-	-	-	-	6,619	6,619	(6,619)	-
Interim dividends paid for year ended:- 31 March 2011	-	-	-	-	(95,465)	(95,465)	-	(95,465)
Issuance of shares by subsidiaries to minority shareholders	-	-	-	-	-	-	46,450	46,450
Issuance of shares: - exercise of Warrants 2009/2014	24,315	-	79,026	(6,079)	-	97,262	-	97,262
<b>At 30 September 2011</b>	<b>1,375,430</b>	<b>(83)</b>	<b>1,914,702</b>	<b>4,424</b>	<b>1,885,214</b>	<b>5,179,687</b>	<b>1,543,161</b>	<b>6,722,848</b>
<b>At 1 April 2010</b>								
<b>As previously reported</b>	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	-	-	-	-	(33,242)	(33,242)	-	(33,242)
<b>As restated</b>	<b>1,327,216</b>	<b>-</b>	<b>1,776,547</b>	<b>53,237</b>	<b>1,664,308</b>	<b>4,821,308</b>	<b>1,308,421</b>	<b>6,129,729</b>
Total comprehensive income for the period	-	-	-	(24,350)	200,871	176,521	73,680	250,201
Accretion/dilution arising from changes in composition of the Group	-	-	-	396	4,063	4,459	(4,253)	206
Interim dividends paid for year ended:- 31 March 2010	-	-	-	-	(111,118)	(111,118)	-	(111,118)
Dividends paid by subsidiaries to minority shareholders	-	-	-	-	-	-	(26,465)	(26,465)
Shares buy back	-	(48)	-	-	-	(48)	-	(48)
Issuance of shares by subsidiaries to minority shareholders	-	-	-	-	-	-	6,321	6,321
Acquisition of subsidiaries	-	-	-	-	-	-	7,991	7,991
Issuance of shares: - exercise of Warrants 2005/2010	22,404	-	55,113	(1,120)	-	76,397	-	76,397
- exercise of Warrants 2009/2014	1,359	-	4,418	(340)	-	5,437	-	5,437
<b>At 30 September 2010</b>	<b>1,350,979</b>	<b>(48)</b>	<b>1,836,078</b>	<b>27,823</b>	<b>1,758,124</b>	<b>4,972,956</b>	<b>1,365,695</b>	<b>6,338,651</b>

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

	<b>6 months ended 30/09/2011 RM'000</b>	<b>6 months ended 30/09/2010 RM'000</b>
<b>OPERATING ACTIVITIES</b>		
Receipts from customers	2,147,031	2,092,642
Payments to contractors, suppliers and employees	(1,805,949)	(1,575,140)
Government grant received	-	2,654
Interest received	43,155	36,686
Interest paid	(88,885)	(78,872)
Income tax paid	(93,487)	(62,360)
<b>Net cash flow from operating activities</b>	<b>201,865</b>	<b>415,610</b>
<b>INVESTING ACTIVITIES</b>		
Acquisition of a subsidiary / additional interest in an associate	-	(15,997)
Acquisition of short term investments	(540,640)	(11,000)
Purchases of property, plant and equipment, development and leasehold land, investment properties, concession assets, plantation development expenditure and deferred expenditure	(308,248)	(153,691)
Disposal of investments, property, plant and equipment, leasehold land, investment properties and assets held for sale	111,042	13,737
Dividends received	10,163	972
Net (advances to) and repayments from associates and jointly controlled entities	(16,871)	(63,139)
<b>Net cash flow used in investing activities</b>	<b>(744,554)</b>	<b>(229,118)</b>
<b>FINANCING ACTIVITIES</b>		
Issuance of shares by the Company		
- exercise of Warrants	97,262	81,836
Issuance of shares and warrants by subsidiaries to minority shareholders	46,450	6,321
Repurchase of treasury shares	(6)	(48)
Net proceeds from bank and government borrowings	(135,922)	294,420
Net drawdown/(repayment) of Bonds, Commercial Papers and Medium Term Notes	800,000	(160,000)
Payments of Bonds and Medium Term Notes interest	(18,478)	(17,072)
Repayment to the State Government	(5,000)	(3,000)
Repayments to hire purchase and lease creditors	(1,444)	(2,228)
Dividends paid by subsidiaries to minority shareholders	(48,011)	(26,465)
Dividends paid by the Company	(95,465)	(111,118)
Net increase of bank deposits assigned to trustees	-	(129,300)
<b>Net cash flow from/(used in) financing activities</b>	<b>639,386</b>	<b>(66,654)</b>
<b>Net increase in cash and cash equivalents during the financial period</b>	<b>96,697</b>	<b>119,838</b>
<b>Cash and cash equivalents at beginning of the financial period</b>	<b>1,319,618</b>	<b>1,272,089</b>
Foreign exchange differences on opening balances	3,264	668
<b>Cash and cash equivalents at end of the financial period</b>	<b>1,419,579</b>	<b>1,392,595</b>

# 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

## 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 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; 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, there is no change in the classification of EDE whereas 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.



## IJM CORPORATION BERHAD (104131-A)

### 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

	<b>Financial period ended 30 September 2011</b>
	<b>IFRIC 12 RM'000</b>
Increase in costs of sales	6,895
Increase in finance cost	1,524
Decrease in share of profits of associates	(1,529)
Increase in share of losses of jointly controlled entities	2,459
Decrease in basic earnings per share (sen)	(0.92)
Decrease in diluted earnings per share (sen)	(0.89)

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

#### The Group

	<b>As previously reported RM'000</b>	<b>IFRIC 12 RM'000</b>	<b>As restated RM'000</b>
Costs of sales	(1,251,482)	(6,182)	(1,257,664)
Finance cost	(89,619)	(624)	(90,243)
Share of profits of jointly controlled entities	12,816	(1,653)	11,163
Basic earnings per share (sen)	15.62	(0.63)	14.99
Diluted earnings per share (sen)	15.33	(0.62)	14.71

## IJM CORPORATION BERHAD (104131-A)

### 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	(50,160)	1,784,253
<i>Non-current assets:</i>			
Property, plant and equipment	1,445,173	(277,885)	1,167,288
Concession assets	1,981,040	271,102	2,252,142
Associates	487,304	(14,766)	472,538
Jointly controlled entities	1,024,368	(4,673)	1,019,695
<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 September 2011, the paid-up share capital of the Company was increased by RM24,315,599 by way of allotment and issue of 24,315,599 new ordinary shares of RM1.00 each arising from the exercise of IJM Warrants 2009/2014.
- (b) For the period ended 30 September 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**

On 13 July 2011, a single tier second interim dividend of 7 sen per share in respect of the financial year ended 31 March 2011 was paid totalling RM95,465,097.

## IJM CORPORATION BERHAD (104131-A)

### A9. Segmental Information

	Group revenue including share of revenue of JVs and associates		GROUP	
	6 months ended 30/09/2011	6 months ended 30/09/2010	6 months ended 30/09/2011	6 months ended 30/09/2010
	RM'000	RM'000	RM'000	RM'000
<b>External revenue:</b>				
Construction	853,129	612,200	626,893	426,106
Property	557,712	594,177	547,442	577,921
Industry	457,165	385,972	448,333	359,592
Plantation	309,284	266,465	309,284	246,888
Infrastructure	336,381	288,572	199,455	160,644
Investment and others	111	439	111	439
	<u>2,513,782</u>	<u>2,147,825</u>	<u>2,131,518</u>	<u>1,771,590</u>
<b>Inter-segment revenue:</b>				
Construction			266,330	230,971
Property			67	81
Industry			46,912	12,527
Plantation			-	-
Infrastructure			-	-
Investment and others			107,016	36,269
			<u>420,325</u>	<u>279,848</u>
<b>Profit before taxation:</b>				
Construction			21,586	18,814
Property			116,387	128,997
Industry			70,359	55,280
Plantation			129,267	103,457
Infrastructure			18,547	54,977
Investment and others			6,904	7,444
			<u>363,050</u>	<u>368,969</u>
			As at 30/09/2011 RM'000	As at 31/03/2011 RM'000
<b>Total Assets:</b>				
Construction			1,755,275	1,683,738
Property			4,743,201	4,632,477
Industry			962,012	936,962
Plantation			1,562,788	1,501,695
Infrastructure			3,840,217	3,285,091
Investment and others			385,551	381,273
Total segment assets			<u>13,249,044</u>	12,421,236
Unallocated corporate assets			<u>142,941</u>	132,400
Consolidated total assets			<u>13,391,985</u>	<u>12,553,636</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 November 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:-

	<b>RM'000</b>
Balances as at 31 March 2011	29,216
- Decrease in performance guarantees given on behalf of jointly controlled entities	(10,433)
- Exchange differences	(1,243)
Balances as at 30 September 2011	<u>17,540</u>

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### A14. Capital Commitments

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

	<b>RM'000</b>
Approved and contracted for	1,118,716
Approved but not contracted for	<u>235,419</u>
	<u><u>1,354,135</u></u>

Analysed as follows:

- Purchases of property, plant and equipment, leasehold land and plantation development expenditure	447,709
- Purchases of development land	58,957
- Concession assets	632,849
- Share of capital commitments of jointly controlled entities	<u>214,620</u>
	<u><u>1,354,135</u></u>

An amount of RM462.15 million has been incurred up to 30 September 2011 for developing the oil palm plantations in Indonesia. A further sum of RM394.68 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**

In the current quarter, the Group's operating revenue rose 39.7% to RM1,098 million compared to the corresponding quarter of the preceding year with all main divisions achieving revenue growth. The Group's pre-tax profit however declined 16.9% to RM161.4 million compared to the corresponding quarter of the preceding year largely due to unrealised foreign exchange losses on US Dollar denominated borrowings in Infrastructure division of RM32 million during current quarter as opposed to unrealised foreign exchange gain of RM29 million in the preceding year's corresponding quarter. However, the Group's Property and Industry divisions posted increased profits in tandem with higher revenues.

For the year-to-date, the Group recorded operating revenue of RM2,132 million representing a growth of 20.3% over the preceding year, attributable mainly to the Construction, Industry, Plantation and Infrastructure divisions. The Group's profit before tax decreased by 1.6% mainly due to the foreign exchange translation loss of RM27 million in the current year compared to a gain of RM6 million in the previous year. However, the foreign exchange translation losses had been offset by the profits growth in Industry and Plantation divisions.

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

The Group's operating revenue rose by 6.2% compared to that of the immediate preceding quarter, attributable mainly to increased revenue from the Group's Plantation division. However the Group's pre-tax profit dropped by 19.9% mainly due to the foreign exchange translation loss mentioned in note B1 above.

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

The Group's Construction Division's performance is expected to improve as many of the Group's local projects are expected to gain momentum in the current financial year. Order book replenishment prospects remain encouraging. 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. Assuming the current level of 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. Initial expensing of higher finance costs and amortisation of new toll concessions in India are however 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.

## 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 SEPTEMBER</b>		<b>CUMULATIVE PERIOD 6 MONTHS ENDED 30 SEPTEMBER</b>	
	<b>2011 RM'000</b>	<b>2010 RM'000</b>	<b>2011 RM'000</b>	<b>2010 RM'000</b>
Malaysian income tax	50,015	38,835	100,703	81,636
Overseas taxation	(73)	777	(3,583)	894
Transfer to/(from) deferred taxation	308	3,731	1,102	8,331
	<u>50,250</u>	<u>43,343</u>	<u>98,222</u>	<u>90,861</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 expenses not deductible for tax purposes and the non-recognition of deferred tax assets on unused tax losses on certain subsidiaries.

### B6. Unquoted Investments and/or Properties

There was no material sale 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

	<b>Current Quarter Ended 30/09/2011 RM'000</b>	<b>Cumulative Current Period-to-date 30/09/2011 RM'000</b>
Long term:		
- Total purchases	-	-
- Total disposals / sale proceeds	-	-
- Total profit / (loss) on disposal	-	-
Short term:		
- Total purchases	466,640	540,640
- Total disposals / sale proceeds	50,000	100,539
- Total profit / (loss) on disposal	23	102

b. Quoted investments as at 30 September 2011

	<b>RM'000</b>
Long term:	
Quoted investments at cost	-
Quoted investments at carrying value	-
Quoted investments at market value	-
Short term:	
Quoted investments at cost	648,454
Quoted investments at carrying value	654,485
Quoted investments at market value	654,485

## IJM CORPORATION BERHAD (104131-A)

### 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 September 2011 are as follows:

	As at 30/09/2011 RM'000
<b>(a) (i) Short Term Borrowings</b>	
Secured:-	
- Islamic bonds	47,097
- Term loan	51,186
- Hire purchase and lease creditors (included in trade and other payables)	2,034
- Revolving credits	35,008
Unsecured:-	
- Medium Term Notes	41,848
- Government support loans (included in trade and other payables)	4,965
- Term loan	422,605
- Revolving credits	81,295
- Bankers acceptances	59,337
- Letter of Credits	21,667
- Bank overdrafts	88,218
	855,260
<b>(ii) Long Term Borrowings</b>	
Secured:-	
- Islamic bonds	1,148,399
- Term loan	492,315
- Hire purchase and lease creditors	2,803
Unsecured:-	
- Medium Term Notes	750,000
- Government support loans	204,601
- Term loan	1,041,732
	3,639,850

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

	Foreign Currency '000	RM Equivalent '000
US Dollar	236,875	754,564
Indian Rupee	11,889,652	772,827
Chinese Renminbi	25,750	12,800
		1,540,191

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### B10. Derivatives

As at 30 September 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 30/9/11 RM'000
a. Interest rate swaps (from floating rate to fixed rate)	RM125.6 million	(3,462)	-	-	(3,462)
b. Interest rate swap (from fixed rate to floating rate)	RM200 million	-	-	6,333	6,333
c. Cross currency swap (from Indian Rupee to US Dollar)	INR1,824 million swapped to USD40 million	-	-	(1,270)	(1,270)

### B11. Fair value changes of financial liabilities

The Group recognised total fair value gains on derivative financial instruments of RM9.84 million during the current year to date of which RM3.19 million gains 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)	(70)	(401)	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	5,241	3,588	Mark to market valuation	Favourable changes in the mark to market value as driven by spot foreign exchange

## IJM CORPORATION BERHAD (104131-A)

### 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.

The Company has declared a single tier first interim dividend in respect of the financial year ending 31 March 2012 of 4 sen per share to be paid on 22 December 2011 to every member who is entitled to receive the dividend at the close of business on 15 December 2011.

### B14. Earnings per Share

	Individual Quarter		Cumulative Period	
	Current year quarter	Preceding year quarter	Current year to date	Preceding year to date
	30/09/2011	30/09/2010	30/09/2011	30/09/2010
	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	74,777	115,131	189,807	200,871
(b) Weighted average number of ordinary shares ('000)	1,371,616	1,346,871	1,362,075	1,339,748
<b>Basic Earnings per share (sen)</b>	<b>5.45</b>	<b>8.55</b>	<b>13.94</b>	<b>14.99</b>
<u>Diluted Earnings per share:-</u>				
(a) Profit for the period attributable to owners of the Company	74,777	115,131	189,807	200,871
(b) Weighted average number of ordinary shares ('000)	1,371,616	1,346,871	1,362,075	1,339,748
Effect of dilution ('000)				
- Warrants	33,160	27,169	35,642	25,507
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	1,404,776	1,374,040	1,397,717	1,365,255
<b>Diluted Earnings per share (sen)</b>	<b>5.32</b>	<b>8.38</b>	<b>13.58</b>	<b>14.71</b>

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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.

	<b>As at 30 Sept 2011 RM'000</b>	<b>As at 30 June 2011 RM'000</b>
Total retained profits/(accumulated losses) of the Company and its subsidiaries:		
- Realised	3,787,423	3,559,975
- Unrealised <sup>N1</sup>	(138,715)	(110,043)
	3,648,708	3,449,932
 Total share of retained profits / (accumulated losses) from associates		
- Realised	170,450	153,913
- Unrealised <sup>N1</sup>	(4,706)	(8,312)
 Total share of retained profits / (accumulated losses) from jointly controlled entities		
- Realised	(89,690)	(82,953)
- Unrealised <sup>N1</sup>	(363)	51
	3,724,399	3,512,631
Add/Less: consolidation adjustments <sup>N2</sup>	(1,839,186)	(1,716,011)
	1,885,213	1,796,620

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.