



IJM CORPORATION BERHAD (104131-A)

Part A1 : Quarterly Report

Quarterly report for the financial period ended:	30/09/2016
Quarter:	2nd Quarter
Financial Year End:	31/03/2017
The figures:	Have not been audited
Full Quarterly Report:	Refer attached

Part A2 : Summary of Key Financial Information for the financial period ended 30/09/2016

	Individual Quarter		Cumulative Period	
	Current year quarter 30/09/2016 RM'000	Preceding year quarter 30/09/2015 RM'000	Current year to date 30/09/2016 RM'000	Preceding year to date 30/09/2015 RM'000
1 Revenue	1,486,245	1,338,960	2,799,474	2,521,203
2 Profit before taxation	259,313	221,810	433,882	648,447
3 Net profit for the period	190,583	174,802	320,483	545,351
4 Net profit attributable to owners of the Company	163,895	156,381	279,411	493,248
5 Basic earnings per share (sen)	4.55	4.38	7.77	13.83
6 Proposed/Declared dividend per share (sen)	3.00	3.00	3.00	3.00
	As at end of current quarter 30/09/2016		As at preceding financial year end	
7 Net assets per share attributable to ordinary equity holders of the Company (RM)		2.52		2.52

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
	30/09/2016 RM'000	30/09/2015 RM'000	30/09/2016 RM'000	30/09/2015 RM'000
Operating revenue	1,486,245	1,338,960	2,799,474	2,521,203
Cost of sales	(1,132,211)	(938,162)	(2,162,176)	(1,749,446)
Gross profit	354,034	400,798	637,298	771,757
Other operating income	34,648	39,972	85,448	271,261
Foreign exchange differences	16,720	(7,212)	10,802	19,805
Tendering, selling and distribution expenses	(47,220)	(46,232)	(89,864)	(85,679)
Administrative expenses	(88,880)	(83,102)	(175,745)	(168,136)
Other operating expenses	(14,851)	(20,809)	(29,855)	(46,195)
Operating profit before finance cost	254,451	283,415	438,084	762,813
Finance cost	(30,145)	(61,066)	(61,248)	(114,447)
Operating profit after finance cost	224,306	222,349	376,836	648,366
Share of (losses)/profits of associates	28,991	(4,713)	50,848	(4,296)
Share of profits of joint ventures	6,016	4,174	6,198	4,377
Profit before taxation	259,313	221,810	433,882	648,447
Income tax expense	(68,730)	(47,008)	(113,399)	(103,096)
Net profit for the period	190,583	174,802	320,483	545,351
<u>Other comprehensive income / (loss) (net of tax):</u>				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Currency translation differences of foreign operations	38,639	127,590	52,228	126,975
Realisation of other comprehensive income arising from disposal of foreign subsidiaries and associate	-	-	(4,890)	41,025
Share of other comprehensive income/(loss) of associates	3,909	3,970	(11,285)	5,237
	42,548	131,560	36,053	173,237
Total comprehensive income for the period	233,131	306,362	356,536	718,588
<u>Net profit attributable to:-</u>				
Owners of the Company	163,895	156,381	279,411	493,248
Non-controlling interests	26,688	18,421	41,072	52,103
	190,583	174,802	320,483	545,351
<u>Total comprehensive income attributable to:-</u>				
Owners of the Company	193,173	268,515	287,812	647,020
Non-controlling interests	39,958	37,847	68,724	71,568
	233,131	306,362	356,536	718,588
<u>Earnings per share (sen):-</u>				
Basic	4.55	4.38	7.77	13.83
Fully diluted	4.49	4.32	7.67	13.63

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

	30/09/2016	31/03/2016
	RM'000	RM'000
	(Unaudited)	(Audited)
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share capital	3,601,466	3,584,805
Treasury shares	(7)	(3)
Shares held under trust	(3,835)	(3,812)
Share premium	2,383,404	2,349,079
Other reserves	54,774	56,208
Retained profits	3,050,294	3,042,082
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	9,086,096	9,028,359
Non-controlling interests	1,265,270	1,208,045
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Total equity	10,351,366	10,236,404
NON-CURRENT LIABILITIES		
Bonds	1,850,000	1,880,000
Term loans	2,390,120	2,269,363
Government support loans	153,578	184,481
Hire purchase and lease payables	161	169
Deferred tax liabilities	651,202	631,326
Trade and other payables	746,977	764,463
Provisions	82,195	85,829
Retirement benefits	9,346	4,675
	<hr/>	<hr/>
	5,883,579	5,820,306
GOVERNMENT GRANTS	5,983	8,164
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	16,240,928	16,064,874
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IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED BALANCE SHEET

	30/09/2016	31/03/2016
	RM'000	RM'000
	(Unaudited)	(Audited)
NON-CURRENT ASSETS		
Property, plant and equipment	1,889,896	1,812,557
Land use rights	156,012	134,839
Concession assets	2,967,875	2,912,176
Plantation development expenditure	1,152,135	1,088,487
Investment properties	61,105	60,083
Associates	838,899	869,633
Joint ventures	674,465	680,521
Available-for-sale financial assets	2,155	2,212
Long term receivables	128,790	128,787
Deferred tax assets	230,924	230,046
Land held for property development	611,749	604,143
Intangible assets	89,986	91,603
	8,803,991	8,615,087
CURRENT ASSETS		
Property development costs	5,759,287	5,632,922
Inventories	1,043,796	1,092,482
Trade and other receivables	2,230,767	2,256,370
Financial assets at fair value through profit or loss	332,832	407,200
Tax recoverable	177,251	152,023
Deposits, cash and bank balances	1,747,616	1,679,461
	11,291,549	11,220,458
CURRENT LIABILITIES		
Trade and other payables	2,333,683	2,258,316
Provisions	5,182	1,945
Derivative financial instruments	969	10,380
Borrowings:		
- Bank overdrafts	122,201	187,352
- Others	1,365,734	1,290,048
Current tax liabilities	26,843	22,630
	3,854,612	3,770,671
NET CURRENT ASSETS	7,436,937	7,449,787
	16,240,928	16,064,874
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)	2.52	2.52

IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2016
(The figures have not been audited)

	<-----Attributable to equity holders of the Company----->						Total RM'000	Non-controlling interests RM'000	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Shares held under trust RM'000	Share premium RM'000	Other reserves RM'000	Retained profits RM'000			
At 1 April 2016	3,584,805	(3)	(3,812)	2,349,079	56,208	3,042,082	9,028,359	1,208,045	10,236,404
Total comprehensive income for the year	-	-	-	-	8,401	279,411	287,812	68,724	356,536
Share of reserves in associates	-	-	-	-	(821)	722	(99)	-	(99)
Accretion of interest in an associate	-	-	-	-	-	(1,355)	(1,355)	-	(1,355)
Issuance of employee share options and share grants	-	-	-	-	22,518	-	22,518	-	22,518
Acquisition of additional interests in subsidiaries	-	-	-	-	(904)	(19,496)	(20,400)	3,202	(17,198)
Accretion of interests in a subsidiary	-	-	-	-	-	872	872	(872)	-
Single tier second interim dividend: Year ended 31 March 2016	-	-	-	-	-	(143,967)	(143,967)	-	(143,967)
Single tier special dividend: Year ended 31 March 2016	-	-	-	-	-	(107,975)	(107,975)	-	(107,975)
Dividends paid by a subsidiary to non-controlling shareholders	-	-	-	-	-	-	-	(19,729)	(19,729)
Issuance of shares by subsidiaries to non-controlling shareholders	-	-	-	-	-	-	-	5,900	5,900
Issuance of shares:									
- exercise of employee share options	4,872	-	8,532	13,072	(6,141)	-	20,335	-	20,335
- vesting of shares under ESGP	8,289	-	-	16,198	(24,487)	-	-	-	-
- shares held under trust	3,500	-	(8,555)	5,055	-	-	-	-	-
Shares buy back	-	(4)	-	-	-	-	(4)	-	(4)
At 30 September 2016	3,601,466	(7)	(3,835)	2,383,404	54,774	3,050,294	9,086,096	1,265,270	10,351,366
At 1 April 2015	1,500,001	(270)	(3,771)	2,346,070	2,045,770	2,541,840	8,429,640	1,145,897	9,575,537
Total comprehensive income for the year	-	-	-	-	153,772	493,248	647,020	71,568	718,588
Accretion/dilution of interests in subsidiaries	-	-	-	-	-	11,413	11,413	(7,403)	4,010
Share of reserves in associates	-	-	-	-	(8)	(7,923)	(7,931)	-	(7,931)
Single tier second interim dividend: Year ended 31 March 2015	-	-	-	-	-	(196,481)	(196,481)	-	(196,481)
Dividends paid by subsidiaries to non-controlling shareholders	-	-	-	-	-	-	-	(24,125)	(24,125)
Shares buy back	-	(7)	-	-	-	-	(7)	-	(7)
Disposal of Treasury shares	-	277	-	36	-	-	313	-	313
Issuance of shares:									
- shares allotted upon privatisation of IJM Land Berhad	279,386	-	-	1,732,194	(2,011,580)	-	-	-	-
- bonus issue	1,786,460	-	-	(1,786,460)	-	-	-	-	-
- exercise of employee share options	3,301	-	3,760	16,920	(4,239)	-	19,742	-	19,742
- vesting of shares under ESGP	2,829	-	-	12,587	(15,416)	-	-	-	-
- shares held under trust	1,000	-	(4,755)	3,755	-	-	-	-	-
Issuance of employee share options and share grants	-	-	-	-	26,085	-	26,085	-	26,085
At 30 September 2015	3,572,977	-	(4,766)	2,325,102	194,384	2,842,097	8,929,794	1,185,937	10,115,731

IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2016
(The figures have not been audited)

	6 months ended 30/09/2016 RM'000	6 months ended 30/09/2015 RM'000
OPERATING ACTIVITIES		
Receipts from customers	2,913,961	2,903,545
Payments to contractors, suppliers and employees	(2,313,835)	(2,241,395)
Income tax paid	(113,428)	(155,277)
Net cash flow from operating activities	486,698	506,873
INVESTING ACTIVITIES		
Investments in associates	(3,421)	(1,138)
Acquisition of financial assets at fair value through profit or loss	(173,544)	(186,800)
Purchases of property, plant and equipment, development and leasehold land, investment properties, concession assets, plantation development expenditure and deferred expenditure	(236,887)	(234,616)
Disposal of investments, property, plant and equipment, leasehold land, investment properties and assets held for sale	337,284	303,770
Redemption of preference shares of an associate	1,627	-
Cash consideration paid upon privatisation of a subsidiary	-	(122,931)
Interest received	29,679	44,264
Income from unit trusts	338	108
Dividends received from associates and other investments	15,028	7,836
Net advances to associates and joint ventures	(4,293)	(16,407)
Net cash flow used in investing activities	(34,189)	(205,914)
FINANCING ACTIVITIES		
Issuance of shares by the Company	20,335	19,742
- exercise of share options	5,900	-
Issuance of shares by subsidiaries to non-controlling shareholders	(4)	(7)
Re-purchase of treasury shares	-	313
Disposal of treasury shares	117,065	(91,924)
Net proceeds from/(repayment of) bank and government borrowings	-	(380,000)
Net repayments of Commercial Papers and Medium Term Notes	(72)	(48)
Repayments to hire purchase and lease creditors	(120,174)	(139,420)
Interest paid	(19,729)	(24,125)
Dividends paid by subsidiaries to non-controlling shareholders	(251,942)	(196,481)
Dividends paid by the Company	(65,000)	400,000
Net (repayments)/drawdown of bonds	(29,136)	149,043
(Placements)/uplifting of restricted deposits	(17,198)	-
Acquisition of additional interests in a subsidiary	-	16,722
Partial disposal of equity interests in a subsidiary	(359,955)	(246,185)
Net cash flow used in financing activities	(359,955)	(246,185)
Net increase in cash and cash equivalents during the financial period	92,553.58	54,774
Cash and cash equivalents at beginning of the financial period	1,423,749	1,637,354
Foreign exchange differences on opening balances	10,833	67,549
Cash and cash equivalents at end of the financial period	1,527,136	1,759,677
Cash and cash equivalents comprise the following :		
Deposits, cash and bank balances	1,747,616	2,003,106
Bank overdrafts	(122,201)	(112,640)
	1,625,415	1,890,466
Less: restricted deposits with licensed banks	(98,279)	(130,789)
	1,527,136	1,759,677

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 2016 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 for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2016.

A2. Changes in Accounting Policies

On 19 November 2011, the Malaysian Accounting Standards Board (“MASB”) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (“MFRS Framework”). The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 “Agriculture” and/or IC Interpretation 15 “Agreements for Construction of Real Estate”, including their parent, significant investor and venturer (herein called “Transitioning Entities”).

Based on the Malaysian Accounting Standards Board (“MASB”) announcement on 2 September 2014, the adoption of the amendments to MFRS 116 and MFRS 141 “Agriculture: Bearer Plants” was to be mandatory for annual periods beginning on or after 1 January 2016, whereas the adoption of MFRS 15 “Revenue from Contracts with Customers” was to be mandatory for annual periods beginning on or after 1 January 2017. However on 8 September 2015, MASB confirmed that the effective date of MFRS 15 “Revenue from Contracts with Customers” will be deferred to annual periods beginning on or after 1 January 2018. As a result, IJM Plantations Berhad and IJM Land Berhad, which are within the scope of MFRS 141 “Agriculture” and IC Interpretation 15 “Agreements for Construction of Real Estate” respectively, and the Company as their holding company hereinafter defined as Transitioning Entities are permitted to defer the adoption of the new MFRS Framework to annual periods beginning after 1 January 2018.

The significant accounting policies applied are consistent with those adopted for the audited financial statements for the year ended 31 March 2016 except for the adoption of the following amendments to published standards issued by MASB that are effective for the Group’s financial year beginning on or after 1 April 2016 and applicable to the Group as follows:

- Annual improvements to FRSs 2012 - 2014 Cycle, which include Amendments to FRS 5 “Non-current Assets Held for Sale and Discontinued Operations”, FRS 7 “Financial Instruments: Disclosures”, FRS 119 “Employee Benefits”, FRS 134 “Interim Financial Reporting”.
- Amendments to FRS 10, FRS 12 and FRS 128 “Investment Entities: Applying the Consolidation Exception”.
- Amendments to FRS 11 “Accounting for Acquisitions of Interests in Joint Operations”.
- Amendments to MFRS 101 “Disclosure Initiative”.
- Amendments to FRS 116 and FRS 138 “Clarification of Acceptable Methods of Depreciation and Amortisation”
- Amendments to FRS 127 “Equity Method in Separate Financial Statements”

The amendments to published standards do not result in any significant change to the accounting policies and do not have a material impact on the interim financial information of the Group.

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A3. Audit Report

The audit report for the financial year ended 31 March 2016 was not subject to any modification or qualification.

A4. Seasonality or Cyclicity of Operations

The Group's operations are not materially affected by seasonal or cyclical factors except for the Plantation division which normally sees its cropping pattern of oil palms declining to a trough in the first half of a calendar year before rising to a peak in the second half.

A5. Unusual Significant Items

There were no items affecting assets, liabilities, equity, net income, or cash flows that 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 a material effect in the financial period-to-date.

A7. Debt and Equity Securities

- (a) For the financial period-to-date, the issued and paid-up ordinary share capital of the Company was increased by RM16,661,100 by way of allotment and issuance of:-
- i. 8,288,900 new ordinary shares of RM1.00 each arising from the vesting of shares under the Employee Share Grant Plan ("ESGP");
 - ii. 4,872,200 new ordinary shares of RM1.00 each arising from the exercise of options under the Employee Share Option Scheme ("ESOS"); and
 - iii. 3,500,000 new ordinary shares of RM1.00 each arising from the subscription of new shares under the Shares held under trust.
- (b) On 2 June 2016, 1,000 ordinary shares of RM1.00 each were repurchased in the open market at an average price of RM3.50 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 15 July 2016, a single tier second interim dividend of 4 sen per share and a single tier special dividend of 3 sen per share in respect of the financial year ended 31 March 2016 was paid totalling RM251,942,412.

IJM CORPORATION BERHAD (104131-A)

A9. Segmental Information

	GROUP		GROUP	
	6 months ended 30/09/2016	6 months ended 30/09/2015	3 months ended 30/09/2016	3 months ended 30/09/2015
	RM'000	RM'000	RM'000	RM'000
<u>External revenue:</u>				
Construction	1,051,276	573,480	557,173	360,073
Property development	562,474	578,163	269,517	284,516
Manufacturing and quarrying	564,713	533,165	314,704	247,659
Plantation	340,760	286,879	201,382	145,137
Infrastructure	279,953	549,234	143,229	301,338
Investment and others	298	282	240	237
	2,799,474	2,521,203	1,486,245	1,338,960
<u>Inter-segment revenue:</u>				
Construction	231,919	334,025	105,830	166,269
Property development	-	-	-	-
Manufacturing and quarrying	12,547	14,728	5,846	7,047
Plantation	-	-	-	-
Infrastructure	-	-	-	-
Investment and others	199,872	210,634	39,191	116,407
	444,338	559,387	150,867	289,723
<u>Profit/(loss) before taxation:</u>				
Construction	108,635	82,303	58,527	41,761
Property development	52,368	134,305	32,452	84,244
Manufacturing and quarrying	66,050	78,100	39,314	38,086
Plantation	102,714	(6,413)	64,074	(32,282)
Infrastructure	36,520	205,810	15,755	(37,895)
Investment and others	67,595	154,342	49,191	127,896
	433,882	648,447	259,313	221,810
	As at 30/09/2016 RM'000	As at 31/03/2016 RM'000		
<u>Total Assets:</u>				
Construction	1,903,028	1,907,204		
Property development	9,114,377	9,157,279		
Manufacturing and quarrying	1,408,044	1,306,096		
Plantation	2,853,131	2,550,813		
Infrastructure	4,320,769	4,446,445		
Investment and others	88,016	85,639		
Total segment assets	19,687,365	19,453,476		
Unallocated corporate assets	408,175	382,069		
Consolidated total assets	20,095,540	19,835,545		

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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 audited financial statements of FY2016.

A11. Changes in the Composition of the Group

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

- i. On 13 May 2016, IJM Vijayawada (Mauritius) Limited (“IJM Vijayawada”), a wholly-owned subsidiary of IJM Investments (M) Limited, which in turn is a wholly-owned subsidiary of the Company, completed the acquisition of 2,970,000 ordinary shares of INR10 each, representing a 10.1% equity interest in Vijayawada Tollway Private Limited (“VTPL”) from IDFC Limited (formerly known as Infrastructure Development Finance Company Limited) for a total cash consideration of INR29,700,000. With this acquisition, the Company’s effective equity interest in VTPL has been increased from 89.8% to 99.9%. The accretion of IJM Vijayawada’s interest in VTPL was accounted for as a transaction with non-controlling interest and this acquisition has no material impact on the Group for the financial period-to-date.
- ii. On 22 June 2016, IJM Rajasthan (Mauritius) Limited, a wholly-owned subsidiary of IJM Investments (M) Limited, which in turn is a wholly-owned subsidiary of the Company, completed the disposal of its remaining balance of 50,736,903 equity shares of INR10 each, representing a 26% equity interest in Jaipur-Mahua Tollway Private Limited to Cube Highways and Infrastructure Pte Ltd (formerly known as ISQ Asia Infrastructure I-A Pte Ltd) for a total cash consideration of INR996,261,275. The disposal of this remaining stake resulted in a capital gain of approximately RM4.6 million to the Group for the current financial period-to-date.
- iii. On 18 August 2016, IJM Properties Sdn Bhd, a wholly-owned subsidiary of IJM Land Berhad, which in turn is a wholly-owned subsidiary of the Company, incorporated a 55%-owned subsidiary known as Era Moden Hartanah Sdn Bhd (“EMH”). The share capital of EMH is RM20 divided into 20 shares of RM1 each. The principal activity of EMH is property development. This incorporation has no material impact on the Group for the financial period-to-date.

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A12. Contingent Liabilities

The changes in contingent liabilities since 31 March 2016 are summarised as follows:-

	RM'000
Balance as at 31 March 2016	5,687
- Exchange differences	<u>249</u>
Balance as at 30 September 2016	<u><u>5,936</u></u>

A13. Capital Commitments

Capital commitments not provided for in the financial statements as at 30 September 2016 are as follows:

	RM'000
Approved and contracted for	1,306,290
Approved but not contracted for	<u>121,055</u>
	<u><u>1,427,345</u></u>
<u>Analysed as follows:</u>	
- Purchase of property, plant and equipment, land use rights and plantation development expenditure	281,068
- Purchase of development land	7,252
- Concession assets	1,032,285
- Investment properties	<u>106,740</u>
	<u><u>1,427,345</u></u>

A14. Significant events subsequent to the balance sheet date

There was no significant event subsequent to the balance sheet date of the current reporting period.

IJM CORPORATION BERHAD (104131-A)

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

B1. Detailed Analysis of Performance of all Operating Segments

In the current quarter, the Group posted an operating revenue of RM1,486.25 million, an increase of 11.0% over the corresponding quarter of the preceding year, mainly due to higher revenue contributed by the Group's Construction, Manufacturing & Quarrying and Plantation divisions. The Group also recorded a pre-tax profit for the current quarter of RM259.31 million, an increase of 16.9% over the corresponding quarter of the preceding year, mainly due to higher contributions from the Group's Construction, Manufacturing & Quarrying, Plantation and Infrastructure divisions that managed to compensate for the lower segmental contribution from the Group's Property and Investment & Others.

For the current period to-date, the Group posted an operating revenue of RM2,799.47 million, an increase of 11.0% over the preceding year, mainly due to higher revenue contributed by the Group's Construction, Manufacturing & Quarrying and Plantation divisions. The Group's pre-tax profit for the current period to-date stood at RM433.88 million, a decrease of 33.1% compared to the corresponding period of the preceding year, mainly due to the non-recurrence of the one-off gain from the disposal of a 74% equity interest in Jaipur-Mahua Tollway Private Limited totalling RM168.7 million that was recorded in the corresponding quarter of the preceding year. Excluding the effect of this one-off gain, the Group's pre-tax profit has declined 9.6% compared to the corresponding period of the preceding year, mainly due to lower contributions from the Group's Property Development, Manufacturing & Quarrying and Infrastructure divisions.

Further analysis of the divisional performances is given below.

Operating Segment	Commentary
Construction	Current quarter and period to-date revenue climbed 54.7% and 83.3% respectively over the previous year's corresponding periods following increased contribution from certain projects that were secured in the previous year. Likewise, current quarter and period to-date pre-tax profit increased by 40.1% and 32.0% respectively over the previous year's corresponding periods.
Property development	Revenue for the current quarter and period to-date decreased slightly by 5.3% and 2.7% respectively compared to the previous year's corresponding periods. However pre-tax profit for the current quarter and period to-date fell sharply by 61.5% and 61.0% respectively compared to the previous year's corresponding periods. The decrease in pre-tax profit was mainly attributable to the decrease in both revenue and gross profit margin as a result of shift in product mix with higher focus on affordable properties and increased incentives being offered to buyers. In addition, the Division also recorded unrealised foreign exchange loss of RM0.6 million and RM10.2 million in the current quarter and period to-date respectively, as opposed to a gain of RM31.4 million and RM48.9 million respectively in the preceding year's corresponding periods arising mainly from the fluctuation of the Pound Sterling against the Malaysian Ringgit.
Manufacturing and quarrying	Current quarter revenue and pre-tax profit increased by 27.1% and 3.2% respectively compared to the previous year's corresponding quarter mainly due to increases in the delivered tonnage of piles (by 25.0%) and quarry products (by 60.1%). Over the period to-date, revenue grew by 5.9% whereas pre-tax profit fell by 15.4% compared to the previous year. The lower profit margins were largely attributable to the absence of the net foreign exchange gain that amounted to RM7.9 million and RM9.3 million in the previous year's corresponding quarter and period to-date respectively.

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B1. Detailed Analysis of Performance of all Operating Segments (continued)

Operating Segment	Commentary
Plantation	Revenue for the current quarter and period to-date increased by 38.8% and 18.8% respectively over the previous year's corresponding periods mainly due to higher crude palm oil (CPO) prices that have risen by 26.7% for the quarter and 22.9% for the period to-date over the respective previous year's corresponding periods in the Malaysian operations. The Indonesian operations also recorded increases in average CPO prices by 31.5% and 25.4% for the current quarter and period to-date respectively. The overall financial performance of the Division improved significantly as a result of improved commodity prices and the net foreign exchange gains arising from the weakening of the US Dollar against the Indonesian Rupiah. The currency movement resulted in net foreign exchange gains of RM9.4 million for the quarter and RM14.8 million for the period to-date as opposed to the net foreign exchange losses of RM45.9 million and RM51.7 million in the respective previous year's corresponding periods.
Infrastructure	Revenue for the current quarter and period to-date fell by 52.5% and 49.0% respectively compared to the previous year's corresponding periods mainly attributable to a 68% drop in cargo throughput handled by the Group's port concession in both the current quarter as well as period to-date. The Division's results for the current quarter improved over the previous year as the net foreign exchange loss recorded on USD-denominated borrowings amounted to RM12.2 million for the current quarter compared to a net foreign exchange loss of RM149.6 million in the corresponding quarter of the previous year. Over the current period to-date, the Division's net foreign exchange loss was also significantly lower at RM28.7 million compared to RM166.2 million in the previous year's corresponding period. However the Division's pre-tax profit for the current period to-date was 82.3% lower than the previous year's corresponding period mainly due to the non-recurrence of the one-off gains derived from the disposal of a 74% equity interest in Jaipur-Mahua Tollway Private Limited totalling RM168.7 million recorded in the first quarter of the previous year. Pre-tax profits contributed by the Group's port concession were also affected by the drop in cargo throughput.

B2. Material Changes in the Quarterly Profit Before Taxation Compared to the Immediate Preceding Quarter

The Group's pre-tax profit increased by RM84.7 million (or 48.5%) compared to that of the immediate preceding quarter mainly due to higher profits contributed by the Group's Construction, Property, Manufacturing & Quarrying and Plantation divisions. This was also accompanied by a favourable movement in foreign exchange with a net unrealised foreign exchange gain of RM16.7 million recorded in the current quarter as opposed to the net unrealised foreign exchange loss of RM5.9 million in the immediate preceding quarter.

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B3. Prospects for the Current Financial Year

The Group's Construction division expects to perform satisfactorily on its strong order book position, underpinned by substantial ongoing development activities from the Group's in house property projects and also from the Malaysian Government's continuous efforts in implementing the remaining projects under the 11th Malaysia Plan.

The property market is expected to remain challenging as weak consumer sentiment persists due to uncertainties in the global and local economic prospects, volatility in the Malaysian Ringgit, continued stringent mortgage approvals and incoming supply of completed properties. Nonetheless, with unbilled sales of about RM1.7 billion, the Group's Property division is expected to sustain its performance for the current financial year.

Notwithstanding that the operating environment in the domestic and external markets remains challenging, the Group's Industry division expects the performance for the current financial year to be positive as the order book remains healthy.

The Group's Plantation division anticipates a favourable financial performance for the year if the commodity prices remain at current levels and the crop production is not impacted by adverse weather disruptions. Additionally, for the Indonesian operations, the financial performance could be impacted by the volatility of the foreign exchange rates.

The Group's toll and port operations are expected to remain profitable as its existing concessions mature, which further enhance the profitability of the Group's Infrastructure division.

Despite the constantly changing external environment, based on the above stated factors, the Group anticipates a satisfactory performance for the current financial year.

B4. Profit Forecast

Not applicable.

B5. Taxation

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

	INDIVIDUAL QUARTER 3 MONTHS ENDED 30 SEPTEMBER		CUMULATIVE PERIOD 6 MONTHS ENDED 30 SEPTEMBER	
	2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Malaysian income tax	61,870	70,752	100,919	131,156
Overseas taxation	-	2,925	-	5,628
Transfer to/(from) deferred taxation	6,860	(26,669)	12,480	(33,688)
	<u>68,730</u>	<u>47,008</u>	<u>113,399</u>	<u>103,096</u>

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

B6. Status of Corporate Proposals

As at 30 September 2016, there were no outstanding corporate proposals.

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B7. Group Borrowings

Particulars of the Group's borrowings as at 30 September 2016 are as follows:

	As at 30/09/2016 RM'000
(a) (i) Short Term Borrowings	
Secured:-	
- Islamic bonds	110,481
- Term loans	84,010
- Hire purchase and lease payables (included in trade and other payables)	93
- Revolving credits	43,449
- Government support loans (included in trade and other payables)	6,951
Unsecured:-	
- Government support loans (included in trade and other payables)	26,153
- Term loans	251,377
- Revolving credits	804,401
- Bankers acceptances	64,544
- Letter of Credit	7,472
- Bank overdrafts	122,201
	1,521,132
(ii) Long Term Borrowings	
Secured:-	
- Islamic bonds	650,000
- Hire purchase and lease payables	161
- Term loans	828,984
- Government support loans	78,783
Unsecured:-	
- Islamic bonds	1,200,000
- Government support loans	74,795
- Term loans	1,561,136
	4,393,859

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

	Foreign Currency '000	RM Equivalent '000
US Dollar	392,250	1,624,925
Indian Rupee	4,206,155	260,361
Chinese Renminbi	181,285	111,318
		1,996,604

B8. Changes in Material Litigation

There was no material litigation since 31 March 2016.

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B9. Dividend Payable

The Company has declared a single tier first interim dividend in respect of the financial year ending 31 March 2017 of 3 sen per share to be paid on 28 December 2016 to every member who is entitled to receive the dividend at the close of business on 16 December 2016.

In respect of the financial year ended 31 March 2016, a single tier first interim dividend of 3 sen per share was paid on 23 December 2015 and a single tier second interim dividend and special dividend of 4 sen and 3 sen respectively per share was paid on 15 July 2016.

B10. Earnings per Share

	Individual Quarter		Cumulative Period	
	Current year quarter	Preceding year quarter	Current year to date	Preceding year to date
	30/09/2016	30/09/2015	30/09/2016	30/09/2015
	RM'000	RM'000	RM'000	RM'000
<u>Basic Earnings per share:-</u>				
(a) Net profit for the period attributable to owners of the Company	163,895	156,381	279,411	493,248
(b) Weighted average number of ordinary shares ('000)	3,600,848	3,572,786	3,595,693	3,566,646
Basic Earnings per share (sen)	4.55	4.38	7.77	13.83
<u>Diluted Earnings per share:-</u>				
(a) Net profit for the period attributable to owners of the Company	163,895	156,381	279,411	493,248
(b) Weighted average number of ordinary shares ('000)	3,600,848	3,572,786	3,595,693	3,566,646
Effect of dilution ('000)				
- Employee share options and share grants	47,607	49,539	48,890	51,893
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	3,648,455	3,622,325	3,644,583	3,618,539
Diluted Earnings per share (sen)	4.49	4.32	7.67	13.63

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B11. Notes to the Statement of Comprehensive Income

	Individual Quarter		Cumulative Period	
	Current year quarter	Preceding year quarter	Current year to date	Preceding year to date
	30/09/2016 RM'000	30/09/2015 RM'000	30/09/2016 RM'000	30/09/2015 RM'000
Interest income	22,486	30,747	45,008	64,767
Other income (including investment income)	2,703	2,316	7,121	4,712
Interest expense	(30,145)	(61,066)	(61,248) *	(114,447) *
Depreciation and amortisation	(65,707)	(72,086)	(126,893)	(132,368)
Net (allowance)/reversal of impairment of receivables	(680)	(3,516)	(2,448)	2,574
Net gains/(losses) on disposal of investments or properties	445	(254)	6,408	168,766
Net (allowance)/reversal of impairment of assets	(276)	50	1,243	618
Net foreign exchange gains/(losses)	16,720	(7,212)	10,802	19,805
Net (losses)/gains on derivatives	(3,047)	(6,186)	3,606	(9,556)

* Includes RM Nil (2015: RM27.1 mil) of unrealised foreign exchange losses incurred by the Plantation division classified under 'Finance Cost'.

The above disclosure is prepared in accordance with paragraph 16 of Appendix 9B of the Main Listing Requirements ("MLR") issued by Bursa Malaysia Securities Berhad. Except for the above, the rest of the items required for disclosures pursuant to paragraph 16 of the MLR are not applicable to the Group.

B12. Fair value changes of financial liabilities

The Group recognised a total net fair value gain on derivative financial instruments of RM3.61 million during the current period to date arising 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 gains
Crude palm oil ("CPO") pricing swap contracts	(3,047)	3,384	Price differentials between the average future CPO prices quoted on the Bursa Malaysia Derivative Exchange and the fixed contracted CPO prices.	The average future CPO price quoted on the Bursa Malaysia Derivative Exchange had dropped below the contracted prices.
Forward foreign exchange contract	-	222	Exchange rate differentials between the market spot rate and the contracted rate between US Dollar ("USD") and Ringgit Malaysia ("RM")	The market spot rate for USD against RM had risen above the contracted rate

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B13. 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 September 2016 RM'000	As at 31 March 2016 RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries:		
- Realised	6,510,122	6,204,458
- Unrealised ^{N1}	(495,342)	(472,970)
	6,014,780	5,731,488
 Total share of retained profits/(accumulated losses) from associates		
- Realised	123,410	138,152
- Unrealised ^{N1}	28,093	(26,118)
 Total share of retained profits/(accumulated losses) from joint ventures		
- Realised	(184,287)	(67,554)
- Unrealised ^{N1}	2,362	2,362
	5,984,358	5,778,330
 Add/Less: consolidation adjustments ^{N2}	(2,934,064)	(2,736,248)
 Total group retained profits as per group accounts	3,050,294	3,042,082

N1 The unrealised retained profits are mainly deferred tax provisions, net gains arising from remeasurement of assets and liabilities at fair value through profit or loss 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 combinations and non-controlling interests' share of retained profits or accumulated losses.