



IJM CORPORATION BERHAD (104131-A)

Part A1 : Quarterly Report

Quarterly report for the financial period ended:	31/12/2017
Quarter:	3rd Quarter
Financial Year End:	31/03/2018
The figures:	Have not been audited
Full Quarterly Report:	Refer attached

Part A2 : Summary of Key Financial Information for the financial period ended 31/12/2017

	Individual Quarter		Cumulative Period	
	Current year quarter 31/12/2017 RM'000	Preceding year quarter 31/12/2016 RM'000	Current year to date 31/12/2017 RM'000	Preceding year to date 31/12/2016 RM'000
1 Revenue	1,566,198	1,596,543	4,628,318	4,396,017
2 Profit before taxation	172,426	200,916	551,903	634,798
3 Net profit for the period	110,090	149,079	378,283	469,562
4 Net profit attributable to owners of the Company	101,364	138,358	338,621	417,769
5 Basic earnings per share (sen)	2.79	3.84	9.34	11.61
6 Proposed/Declared dividend per share (sen)	-	-	3.00	3.00
	As at end of current quarter 31/12/2017		As at preceding financial year end	
7 Net assets per share attributable to ordinary equity holders of the Company (RM)		2.62		2.63

CONDENSED STATEMENT OF COMPREHENSIVE INCOME*(The figures have not been audited)*

	Individual Quarter			Cumulative Period		
	Current year quarter	Preceding year quarter	Change (+/-)	Current year to date	Preceding year to date	Change (+/-)
	31/12/2017	31/12/2016		31/12/2017	31/12/2016	
	RM'000	RM'000	%	RM'000	RM'000	%
Operating revenue	1,566,198	1,596,543	-1.9%	4,628,318	4,396,017	5.3%
Cost of sales	(1,266,036)	(1,250,524)	1.2%	(3,683,395)	(3,412,700)	7.9%
Gross profit	300,162	346,019	-13.3%	944,923	983,317	-3.9%
Other operating income	49,032	48,944	0.2%	151,509	134,392	12.7%
Foreign exchange differences	(4,540)	3,893	-216.6%	(8,555)	14,695	-158.2%
Tendering, selling and distribution expenses	(44,119)	(50,230)	-12.2%	(126,024)	(140,094)	-10.0%
Administrative expenses	(84,047)	(91,184)	-7.8%	(261,017)	(266,929)	-2.2%
Other operating expenses	(13,176)	(15,648)	-15.8%	(44,595)	(45,503)	-2.0%
Operating profit before finance cost	203,312	241,794	-15.9%	656,241	679,878	-3.5%
Finance cost	(48,368)	(33,984)	42.3%	(143,776)	(95,232)	51.0%
Operating profit after finance cost	154,944	207,810	-25.4%	512,465	584,646	-12.3%
Share of profits/(losses) of associates	19,763	(6,390)	409.3%	34,051	44,458	-23.4%
Share of (losses)/profits of joint ventures	(2,281)	(504)	352.6%	5,387	5,694	-5.4%
Profit before taxation	172,426	200,916	-14.2%	551,903	634,798	-13.1%
Income tax expense	(62,336)	(51,837)	20.3%	(173,620)	(165,236)	5.1%
Net profit for the period	110,090	149,079	-26.2%	378,283	469,562	-19.4%
<u>Other comprehensive income / (loss) (net of tax):</u>						
<i>Items that will not be reclassified to profit or loss:</i>						
Share of other comprehensive losses of associates	(1,039)	(1,339)	-22.4%	(3,459)	(1,339)	158.3%
<i>Items that may be reclassified subsequently to profit or loss:</i>						
Currency translation differences of foreign operations	(36,727)	41,861	-187.7%	(125,503)	94,089	-233.4%
Realisation of other comprehensive income/(loss) arising from disposal of foreign subsidiaries and associates	-	-	0.0%	-	(4,890)	-100.0%
Share of other comprehensive (losses)/profits of associates	(1,726)	2,932	-158.9%	(17,702)	(8,353)	111.9%
	(39,492)	43,454	-190.9%	(146,664)	79,507	-284.5%
Total comprehensive income for the period	70,598	192,533	-63.3%	231,619	549,069	-57.8%
<u>Net profit attributable to:-</u>						
Owners of the Company	101,364	138,358	-26.7%	338,621	417,769	-18.9%
Non-controlling interests	8,726	10,721	-18.6%	39,662	51,793	-23.4%
	110,090	149,079	-26.2%	378,283	469,562	-19.4%
<u>Total comprehensive income/(loss) attributable to:-</u>						
Owners of the Company	76,098	164,849	-53.8%	229,510	452,661	-49.3%
Non-controlling interests	(5,500)	27,684	-119.9%	2,109	96,408	-97.8%
	70,598	192,533	-63.3%	231,619	549,069	-57.8%
<u>Earnings per share (sen):-</u>						
Basic	2.79	3.84		9.34	11.61	
Fully diluted	2.76	3.79		9.23	11.46	

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

	31/12/2017	31/03/2017
	RM'000	RM'000
	(Unaudited)	(Audited)
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY		
Share capital	6,073,944	6,022,651
Treasury shares	(615)	(10)
Shares held under trust	(2,198)	(4,016)
Other reserves	69,262	175,746
Retained profits	3,364,616	3,302,903
	9,505,009	9,497,274
Non-controlling interests	1,292,091	1,319,406
Total equity	10,797,100	10,816,680
NON-CURRENT LIABILITIES		
Bonds	1,910,000	1,950,000
Term loans	1,717,925	2,121,809
Government support loans	124,405	154,474
Hire purchase and lease payables	804	802
Deferred tax liabilities	692,064	669,456
Trade and other payables	696,817	701,402
Provisions	109,705	109,705
Retirement benefits	18,619	10,511
	5,270,339	5,718,159
DEFERRED INCOME	70,355	73,063
	16,137,794	16,607,902

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

	31/12/2017	31/03/2017
	RM'000	RM'000
	(Unaudited)	(Audited)
NON-CURRENT ASSETS		
Property, plant and equipment	2,000,784	1,989,646
Land use rights	154,660	165,831
Concession assets	3,211,753	3,097,066
Plantation development expenditure	1,148,900	1,201,570
Investment properties	297,412	68,867
Associates	886,277	901,392
Joint ventures	711,473	754,783
Available-for-sale financial assets	2,155	2,155
Long term receivables	183,108	176,699
Deferred tax assets	294,334	297,762
Land held for property development	600,991	514,788
Intangible assets	101,317	102,618
	9,593,164	9,273,177
CURRENT ASSETS		
Property development costs	5,719,428	5,587,380
Inventories	1,319,057	1,421,961
Trade and other receivables	2,313,070	2,031,003
Financial assets at fair value through profit or loss	254,730	299,164
Derivative financial instruments	2,494	2,909
Tax recoverable	182,280	129,329
Deposits, cash and bank balances	1,616,948	2,147,777
	11,408,007	11,619,523
CURRENT LIABILITIES		
Trade and other payables	2,819,371	2,518,205
Provisions	9,546	10,718
Borrowings:		
- Bank overdrafts	42,258	44,514
- Others	1,970,524	1,698,382
Current tax liabilities	21,678	12,979
	4,863,377	4,284,798
NET CURRENT ASSETS	6,544,630	7,334,725
	16,137,794	16,607,902
NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM)	2.62	2.63

LJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2017
(The figures have not been audited)

	←-----Attributable to owners of the Company----->						Non-controlling interests	Total equity	
	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			Total RM'000
At 1 April 2017	6,022,651	(10)	(4,016)	-	175,746	3,302,903	9,497,274	1,319,406	10,816,680
Total comprehensive income for the period	-	-	-	-	(105,652)	335,162	229,510	2,109	231,619
Accretion of interest in an associate	-	-	-	-	1,652	(1,406)	246	-	246
Issuance of employee share options and share grants	-	-	-	-	28,160	-	28,160	-	28,160
Single tier second interim dividend: Year ended 31 March 2017	-	-	-	-	-	(163,195)	(163,195)	-	(163,195)
Single tier first interim dividend: Year ending 31 March 2018	-	-	-	-	-	(108,848)	(108,848)	-	(108,848)
Dividends paid by subsidiaries to non-controlling shareholders	-	-	-	-	-	-	-	(29,844)	(29,844)
Issuance of shares by a subsidiary to non-controlling shareholders	-	-	-	-	-	-	-	420	420
Issuance of shares:									
- exercise of employee share options	19,578	-	9,187	-	(6,298)	-	22,467	-	22,467
- vesting of shares under ESGP	24,346	-	-	-	(24,346)	-	-	-	-
- shares held under trust	7,369	-	(7,369)	-	-	-	-	-	-
Shares buy back	-	(605)	-	-	-	-	(605)	-	(605)
At 31 December 2017	6,073,944 *	(615)	(2,198)	-	69,262	3,364,616	9,505,009	1,292,091	10,797,100
* With the Companies Act 2016 ("New Act") coming into effect on 31 January 2017, the credit standing in the share premium account of RM2,395,511,000 was transferred into the share capital account. Pursuant to the section 618(3) and 618(4) of the New Act, the Group may exercise its right to use the credit amounts being transferred from the share premium account within 24 months after the commencement of the New Act.									
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 period	-	-	-	-	36,231	416,430	452,661	96,408	549,069
Share of reserves in associates	-	-	-	-	(821)	722	(99)	-	(99)
Accretion of interest in an associate	-	-	-	-	-	(1,229)	(1,229)	-	(1,229)
Issuance of employee share options and share grants	-	-	-	-	31,644	-	31,644	-	31,644
Acquisition of additional interests in subsidiaries	-	-	-	-	402	(31,992)	(31,590)	(12,851)	(44,441)
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)
Single tier first interim dividend: Year ending 31 March 2017	-	-	-	-	-	(108,087)	(108,087)	-	(108,087)
Dividends paid by subsidiaries to non-controlling shareholders	-	-	-	-	-	-	-	(35,375)	(35,375)
Issuance of shares by a subsidiary to non-controlling shareholders	-	-	-	-	-	-	-	5,900	5,900
Issuance of shares:									
- exercise of employee share options	5,279	-	11,386	14,508	(7,029)	-	24,144	-	24,144
- vesting of shares under ESGP	8,289	-	-	16,198	(24,487)	-	-	-	-
- shares held under trust	4,853	-	(11,958)	7,105	-	-	-	-	-
Shares buy back	-	(7)	-	-	-	-	(7)	-	(7)
At 31 December 2016	3,603,226	(10)	(4,384)	2,386,890	92,148	3,066,856	9,144,726	1,261,255	10,405,981

IJM CORPORATION BERHAD (104131-A)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2017
(The figures have not been audited)

	9 months ended 31/12/2017 RM'000	9 months ended 31/12/2016 RM'000
OPERATING ACTIVITIES		
Receipts from customers	4,501,160	4,556,312
Payments to contractors, suppliers and employees	(3,725,854)	(3,476,829)
Income tax paid	(188,994)	(182,113)
Net cash flow from operating activities	586,312	897,370
INVESTING ACTIVITIES		
Investments in associates	-	(3,402)
Subscription of Redeemable Unsecured Murabahah Stocks in an associate	(21,500)	-
Acquisition of financial assets at fair value through profit or loss	(623,651)	(274,145)
Purchases of property, plant and equipment, development land and land use rights, properties, concession assets, plantation development expenditure and deferred expenditure	(643,516)	(395,767)
Disposal of investments, property, plant and equipment, land use rights, investment properties and assets held for sale	677,120	350,750
Redemption of preference shares of an associate	-	1,627
Proceeds from liquidation of an associate	-	62
Interest received	69,500	50,209
Income from unit trusts	295	395
Dividends received from associates, joint venture and other investments	88,983	22,877
Net advances to associates and joint ventures	(119,705)	(14,110)
Net cash flow used in investing activities	(572,474)	(261,504)
FINANCING ACTIVITIES		
Issuance of shares by the Company		
- exercise of share options	22,467	24,144
Issuance of shares by subsidiaries to non-controlling shareholders	420	5,900
Re-purchase of treasury shares	(605)	(7)
Net (repayment of)/proceeds from bank and government borrowings	(11,553)	218,650
Repayments to hire purchase and lease creditors	(535)	(110)
Interest paid	(185,340)	(182,882)
Dividends paid by subsidiaries to non-controlling shareholders	(29,844)	(35,375)
Dividends paid by the Company	(272,043)	(360,029)
Net repayments of bonds	(30,000)	(40,000)
(Placements)/uplifting of restricted deposits	(1,304)	46,271
Acquisition of additional interests in subsidiaries	-	(44,441)
Net cash flow used in financing activities	(508,337)	(367,879)
Net (decrease)/increase in cash and cash equivalents during the financial period	(494,499)	267,987
Cash and cash equivalents at beginning of the financial period	2,077,331	1,423,749
Foreign exchange differences on opening balances	(33,883)	28,954
Cash and cash equivalents at end of the financial period	1,548,949	1,720,690
Cash and cash equivalents comprise the following :		
Deposits, cash and bank balances	1,616,948	1,784,110
Bank overdrafts	(42,258)	(39,012)
	1,574,690	1,745,098
Less: restricted deposits with licensed banks	(25,741)	(24,408)
	1,548,949	1,720,690

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 2017 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 2017.

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 2017 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 2017 and applicable to the Group as follows:

- Annual improvements to FRSs 2014 - 2016 Cycle, which include Amendments to FRS 12 “Disclosure of Interests in Other Entities”.
- Amendments to FRS 107 “Statement of Cash Flows” – “Disclosure Initiative”.
- Amendments to FRS 112 “Income Taxes” – “Recognition of Deferred Tax Assets for Unrealised Losses”.

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 2017 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 experiences 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 ended 31 December 2017, the number of issued and paid-up ordinary shares of the Company was increased from 3,613,386,720 to 3,628,600,120 by way of the issuance of:-
- i. 7,166,300 new ordinary shares arising from the vesting of shares under the Employee Share Grant Plan ("ESGP");
 - ii. 5,247,100 new ordinary shares arising from the exercise of options under the Employee Share Option Scheme ("ESOS"); and
 - iii. 2,800,000 new ordinary shares arising from the subscription of new shares under the Shares held under trust.
- (b) On 12 December 2017, 219,700 ordinary shares were repurchased in the open market at an average price of RM2.74 per share and retained as treasury shares of the Company. There were no cancellations and repayments of debt and equity securities for the financial period-to-date.

A8. Dividend Paid

On 28 December 2017, a single tier first interim dividend of 3 sen per share in respect of the financial year ending 31 March 2018 was paid totalling RM108,847,918.

On 21 July 2017, a single tier second interim dividend of 4.5 sen per share in respect of the financial year ended 31 March 2017 was paid totalling RM163,195,187.

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A9. Segmental Information

	GROUP			GROUP		
	3 months ended 31/12/2017	3 months ended 31/12/2016	Change (+/-)	9 months ended 31/12/2017	9 months ended 31/12/2016	Change (+/-)
	RM'000	RM'000	%	RM'000	RM'000	%
<u>External revenue:</u>						
Construction	572,504	619,467	-7.6%	1,769,747	1,670,743	5.9%
Property development	355,021	311,094	14.1%	929,549	873,568	6.4%
Manufacturing and quarrying	261,421	293,299	-10.9%	835,742	858,012	-2.6%
Plantation	224,868	220,321	2.1%	605,900	561,081	8.0%
Infrastructure	151,834	152,296	-0.3%	486,131	432,249	12.5%
Investment and others	550	66	733.3%	1,249	364	243.1%
	1,566,198	1,596,543	-1.9%	4,628,318	4,396,017	5.3%
<u>Inter-segment revenue:</u>						
Construction	174,063	129,421	34.5%	461,829	361,340	27.8%
Property development	-	-	-	-	-	-
Manufacturing and quarrying	4,331	7,004	-38.2%	15,759	19,551	-19.4%
Plantation	-	-	-	-	-	-
Infrastructure	-	-	-	-	-	-
Investment and others	92,803	57,519	61.3%	473,949	257,391	84.1%
	271,197	193,944	39.8%	951,537	638,282	49.1%
<u>Profit/(loss) before taxation:</u>						
Construction	50,278	48,797	3.0%	170,754	157,432	8.5%
Property development	28,584	41,916	-31.8%	87,368	94,284	-7.3%
Manufacturing and quarrying	19,289	39,679	-51.4%	69,153	105,729	-34.6%
Plantation	32,389	28,859	12.2%	75,420	131,573	-42.7%
Infrastructure	41,974	(9,729)	531.4%	142,348	26,791	431.3%
Investment and others	(88)	51,394	-100.2%	6,860	118,989	-94.2%
	172,426	200,916	-14.2%	551,903	634,798	-13.1%
<u>Earnings before interest, tax, depreciation and amortisation:</u>						
Construction	66,647	61,787	7.9%	218,943	197,471	10.9%
Property development	39,569	48,703	-18.8%	118,747	108,818	9.1%
Manufacturing and quarrying	32,999	52,854	-37.6%	109,875	143,146	-23.2%
Plantation	62,883	54,232	16.0%	167,835	194,549	-13.7%
Infrastructure	95,128	34,370	176.8%	302,928	162,581	86.3%
Investment and others	(88)	51,394	-100.2%	6,860	118,989	-94.2%
	297,138	303,340	-2.0%	925,188	925,554	0.0%
Finance Costs	(48,368)	(33,984)	-	(143,776)	(95,232)	-
Depreciation and amortisation	(76,344)	(68,440)	-	(229,509)	(195,524)	-
Profit before taxation	172,426	200,916	-14.2%	551,903	634,798	-13.1%
				As at 31/12/2017 RM'000	As at 31/03/2017 RM'000	
<u>Total Assets:</u>						
Construction				1,891,485	2,212,505	
Property development				9,847,227	9,315,317	
Manufacturing and quarrying				1,457,283	1,450,689	
Plantation				2,699,007	2,950,654	
Infrastructure				4,472,397	4,449,784	
Investment and others				157,158	86,660	
Total segment assets				20,524,557	20,465,609	
Unallocated corporate assets				476,614	427,091	
Consolidated total assets				21,001,171	20,892,700	

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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 amendments from the audited financial statements of FY2017.

A11. Changes in the Composition of the Group

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

- i. On 11 July 2017, IJM Land Berhad, a wholly-owned subsidiary of the Company, entered into a conditional Share Sale Agreement with Aseania Development Sdn Bhd to acquire 250,000 ordinary shares, representing a 100% equity interest in Giant Hectares Sdn Bhd for a total cash consideration of RM250,000. This acquisition has no material impact on the Group for the financial period-to-date.
- ii. On 10 October 2017, the Company announced the liquidation of a dormant subsidiary, Karachi Expressway J.A. Limited, which is a wholly-owned subsidiary of IJM Investment J.A. Limited, which in turn is a wholly-owned subsidiary of the Company via IJM Construction Sdn Bhd. This liquidation has no material impact on the Group for the financial period-to-date.
- iii. On 21 November 2017, IJM RE Commercial Sdn Bhd (“IJMREC”), a wholly-owned subsidiary of IJM RE Sdn Bhd, which in turn is a wholly-owned subsidiary of the Company, entered into a share sale and purchase agreement with KLIFD Sdn Bhd to acquire 1,000,000 ordinary shares in Fairview Valley Sdn Bhd (“FVSB”), representing 100% equity interest in FVSB, for a total purchase consideration of RM1,000,000. FVSB is the land owner cum developer of a purpose-built 27-storey office building on a piece of freehold land identified as Plot B10.17-CT within the Tun Razak Exchange and held under H.S.(D) 119946, PT No. 179, Seksyen 67, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan Kuala Lumpur, measuring approximately 1.175 acres. This acquisition has no material impact on the Group for the financial period-to-date.
- iv. On 12 December 2017, the Company has incorporated a wholly-owned subsidiary in India, namely Vijayapura Tollway Private Limited (“VTPL”) with an initial share capital of 1,000,000 equity shares of INR10 each. This incorporation has no material impact on the Group for the financial period-to-date.

A12. Contingent Liabilities

The changes in contingent liabilities are summarised as follows:-

	RM'000
Balance as at 31 March 2017	6,541
- Exchange differences	(460)
Balance as at 31 December 2017	<u>6,081</u>

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A13. Capital Commitments

Capital commitments not provided for in the financial statements as at 31 December 2017 are as follows:

	RM'000
Approved and contracted for	1,304,797
Approved but not contracted for	151,032
	<u>1,455,829</u>
<u>Analysed as follows:</u>	
- Purchases of property, plant and equipment, land use rights and plantation development expenditure	355,522
- Purchases of development land	5,207
- Concession assets	904,919
- Investment properties	190,181
	<u>1,455,829</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.

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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 achieved an operating revenue of RM1,566.20 million, a marginal decrease of 1.9% over the corresponding quarter of the preceding year, following lesser revenue contributed by the Group's Construction and Manufacturing & Quarrying divisions. The Group also recorded a pre-tax profit for the current quarter of RM172.43 million, a decrease of 14.2% over the corresponding quarter of the preceding year, mainly due to lower contributions from the Group's Property and Manufacturing & Quarrying divisions. This was further compounded by a net unrealised foreign exchange loss of RM4.5 million in the current quarter as opposed to a net unrealised foreign exchange gain of RM3.9 million in the corresponding quarter of the preceding year.

For the current period to-date, the Group posted an operating revenue of RM4,628.32 million, an increase of 5.3% over the preceding year, mainly due to higher revenue contributed by the Group's Construction, Property, Plantations and Infrastructure divisions. The Group's pre-tax profit for the current period to-date stood at RM551.90 million, a decrease of 13.1% compared to the corresponding period of the preceding year, mainly due to lower contributions from the Group's Property, Manufacturing & Quarrying and Plantation divisions as well as the non-recurrence of a one-off gain of RM27.9 million that was contributed by an associate in the preceding year. This was further compounded by a net unrealised foreign exchange loss of RM8.6 million in the current year as opposed to a net unrealised foreign exchange gain of RM14.7 million in the corresponding period of the preceding year.

Further analysis of the divisional performances is given below.

Operating Segment	Commentary
Construction	Current quarter and period to-date revenue decreased by 7.6% and increased by 5.9% respectively over the previous year's corresponding periods as the construction works at certain major infrastructural projects were progressing as scheduled whilst supplemented by the progress achieved by projects that were secured in the previous year. Likewise, current quarter and period to-date pre-tax profit increased by 3.0% and 8.5% respectively over the previous year's corresponding periods.
Property development	The Division's revenue increased by 14.1% for the current quarter and 6.4% for the period to-date compared to the previous year's corresponding periods on the back of better sales performance achieved as well as the completion of some projects during the current quarter and period to-date. Despite higher revenue recorded, the Group's pre-tax profit for both the current quarter and period to-date decreased by 31.8% and 7.3% respectively as compared to the preceding corresponding quarter and period to-date as a result of the recognition of unrealised foreign exchange losses of RM13.8 million in the current quarter and RM9.6 million in the current period to-date as opposed to gains of RM10.4 million in the preceding corresponding quarter and RM0.2 million in the preceding corresponding period to-date.
Manufacturing and quarrying	Current quarter revenue and pre-tax profit decreased by 10.9% and 51.4% respectively compared to the previous year's corresponding quarter mainly due to lower sales volumes and margins in the piles and quarrying sectors. The period to-date revenue and pre-tax profit decreased by 2.6% and 34.6% respectively over the previous year's corresponding periods as margins were compressed by increased raw material prices as well as lower sales volumes in the quarrying and domestic ready-mixed concrete sectors.

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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 2.1% and 8.0% respectively over the previous year's corresponding periods on the back of increased CPO sales volume as a result of a larger area attaining maturity in the Indonesian operations. Pre-tax profit for the current quarter and period to-date amounted to RM32.4 million and RM75.4 million respectively compared to RM28.9 million and RM131.6 million respectively in the previous year's corresponding periods. Fluctuations in pre-tax profit was mainly due to the net unrealised foreign exchange losses of RM3.6 million and RM12.9 million on the US Dollar denominated borrowings for the current quarter and period to-date respectively as compared to the net unrealised foreign exchange loss of RM16.9 million and gain of RM2.1 million in the preceding year's corresponding periods respectively. This was further compounded by the lower commodity prices, the higher costs from increased replanting activities, minimum wage and harvesting rates revision in the Malaysian operations and the increased young mature area in the Indonesian operations incurring full plantation maintenance and overheads against a start-up yield, and additional depreciation and overheads associated with the commencement of the second palm oil mill.
Infrastructure	Revenue for the current quarter was relatively unchanged whereas the period to-date revenue increased by 12.5% compared to the previous year's corresponding periods. This was mainly attributable to the increase in cargo throughput handled by the Group's port concession over the period to-date which expanded by 23% compared to the previous year's corresponding period. The Division's pre-tax profit for the current quarter and period to-date also increased to RM42.0 million and RM142.3 million respectively compared to a loss of RM9.7 million and profit of RM26.8 million respectively in the previous year's corresponding periods. This was also mainly due to the increase in cargo throughput handled by the Group's port concession, higher contribution from the associates as well as the net foreign exchange gains of RM5.5 million and RM1.2 million for the current quarter and period to-date respectively compared to losses of RM47.9 million and RM76.6 million respectively in the previous year's corresponding periods.

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

The Group's pre-tax profit decreased slightly by RM9.5 million (or 5.2%) compared to that of the immediate preceding quarter mainly due to lower contributions from the Group's Construction, Property and Manufacturing & Quarrying divisions that were further compounded by an increase in unrealised foreign exchange losses from RM0.4 million in the immediate preceding quarter to RM4.5 million in the current quarter.

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B3. Prospects for the Current Financial Year

The Group's Construction division expects continuous growth based on an outstanding order book of RM9.3 billion, underpinned by the implementation of on-going domestic infrastructural projects as well as a healthy pipeline of new large public infrastructure projects spurred by government initiatives.

The local property market is expected to remain challenging as, although consumer sentiments have improved, the key issues of price unaffordability, the overhang of high-rise homes, rising cost of living and tight financing will continue to have a dampening effect. Nonetheless, the Property Development division will remain steadfast to grow its business in view of the strategic locations of its properties and the brand premium that it has established. With unbilled sales of about RM1.9 billion, the division is expected to maintain a satisfactory performance in the current financial year.

Despite a challenging operating environment both domestically as well as overseas, the Group's Industry division expects continued growth by leveraging on the increased construction activities in Malaysia whilst supported by its healthy and strong order book position.

The Group's Plantation division expects a lower performance for the current financial year as compared to the previous financial year due to the volatility of the commodity prices, foreign exchange rates particularly the US Dollar against the Indonesian Rupiah and higher borrowing costs. Notwithstanding the recovery of crop production in the Malaysian operations and the higher crop production from the increased young mature areas in the Indonesian operations, the Group continues to be affected by the start-up yields whilst incurring full plantation maintenance and overheads.

The Group's toll and port operations will continue to provide recurrent revenue streams as existing concessions mature thereby further enhancing the earnings of the Group's Infrastructure division.

Despite the constantly changing business environment, based on the above stated factors, the Group expects a reasonable 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 31 DECEMBER		CUMULATIVE PERIOD 9 MONTHS ENDED 31 DECEMBER	
	2017 RM'000	2016 RM'000	2017 RM'000	2016 RM'000
Malaysian income tax	46,605	43,654	144,013	144,573
Overseas taxation	-	(9,658)	(161)	(9,658)
Transfer to deferred taxation	15,731	17,841	29,768	30,321
	<u>62,336</u>	<u>51,837</u>	<u>173,620</u>	<u>165,236</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.

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B6. Status of Corporate Proposals

As at 31 December 2017, there were no outstanding corporate proposals.

B7. Group Borrowings

Particulars of the Group's borrowings as at 31 December 2017 are as follows:

	As at 31/12/2017 RM'000
(a) (i) Short Term Borrowings	
Secured:-	
- Islamic bonds	40,000
- Term loans	81,333
- Hire purchase and lease payables (included in trade and other payables)	269
- Revolving credits	113,261
- 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	753,062
- Revolving credits	934,672
- Bankers' acceptances	37,674
- Letter of Credit	10,522
- Bank overdrafts	42,258
	2,046,155
(ii) Long Term Borrowings	
Secured:-	
- Islamic bonds	610,000
- Hire purchase and lease payables	804
- Term loans	564,226
- Government support loans	73,023
Unsecured:-	
- Islamic bonds	1,300,000
- Government support loans	51,382
- Term loans	1,153,699
	3,753,134

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

	Foreign Currency '000	RM Equivalent '000
US Dollar	411,500	1,670,987
Indian Rupee	4,349,852	275,781
Chinese Renminbi	72,231	44,747
Pound Sterling	12,070	65,912
		2,057,427

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B8. Changes in Material Litigation

There was no material litigation since 31 March 2017.

B9. Dividends

In respect of the financial year ending 31 March 2018, a single tier first interim dividend of 3 sen per share was paid on 28 December 2017.

In respect of the financial year ended 31 March 2017, a single tier first interim dividend of 3 sen per share was paid on 28 December 2016 and a single tier second interim dividend of 4.5 sen per share was paid on 21 July 2017.

B10. Earnings per Share

	Individual Quarter		Cumulative Period	
	Current year quarter	Preceding year quarter	Current year to date	Preceding year to date
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	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	101,364	138,358	338,621	417,769
(b) Weighted average number of ordinary shares ('000)	3,628,374	3,602,224	3,624,765	3,597,879
Basic Earnings per share (sen)	2.79	3.84	9.34	11.61
<u>Diluted Earnings per share:-</u>				
(a) Net profit for the period attributable to owners of the Company	101,364	138,358	338,621	417,769
(b) Weighted average number of ordinary shares ('000)	3,628,374	3,602,224	3,624,765	3,597,879
Effect of dilution ('000)				
- Employee share options and share grants	38,556	44,698	43,041	46,016
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	3,666,930	3,646,922	3,667,806	3,643,895
Diluted Earnings per share (sen)	2.76	3.79	9.23	11.46

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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
	31/12/2017 RM'000	31/12/2016 RM'000	31/12/2017 RM'000	31/12/2016 RM'000
Interest income	34,112	27,960	90,152	72,968
Other income (including investment income)	(329)	2,906	4,784	10,027
Interest expense	(48,368)	(33,984)	(143,776) *	(95,232) *
Depreciation and amortisation	(77,658)	(64,510)	(233,439)	(191,403)
Net reversal/(allowance) of impairment of receivables	749	(588)	1,032	(3,036)
Net (losses)/gains on disposal of investments or properties	(555)	168	1,628	6,576
Net (allowance)/reversal of impairment of assets	(223)	(135)	(1,760)	1,108
Net foreign exchange (losses)/gains	(4,540)	3,893	(8,555)	14,695
Net gains/(losses) on derivatives	3,054	(1,789)	771	1,817

* Includes RM12.8 mil (2016: RM5.5 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. Derivative financial instruments

The Group entered into Crude Palm Oil ("CPO") pricing swap contracts offered by reputable banks in Malaysia to mitigate the exposure of fluctuations in the price of CPO.

As at 31 December 2017, the outstanding notional volume and value of the CPO pricing swap contracts and their fair values are as follows:

CPO pricing swap contracts	Notional volume outstanding as at 31/12/2017 (metric tonnes)	Notional value outstanding as at 31/12/2017 (RM'000)	Fair value of derivative financial asset as at 31/12/2017 (RM'000)
- Less than 1 year	12,750	34,200	2,494
- 1 year to 3 years	-	-	-
- More than 3 years	-	-	-

There are no other type of derivatives entered into subsequent to the end of previous financial year.

There is no change in the financial risk management and related accounting policy on the CPO pricing swap contracts since the end of the previous financial year.

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B13. Fair value changes of derivative financial instruments

The Group recognised a total net fair value gain on derivative financial instruments of RM0.77 million during the current period to-date. The details are as follows:

Type of derivative	Current quarter fair value gains/(losses) RM'000	Current period to-date fair value gains/(losses) RM'000	Basis of fair value measurement	Reasons for the gains/(losses)
Crude palm oil ("CPO") pricing swap contracts	3,054	771	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.

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B14. 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 31 December 2017 RM'000	As at 31 March 2017 RM'000
Total retained profits/(accumulated losses) of the Company and its subsidiaries:		
- Realised	6,951,201	6,698,505
- Unrealised ^{N1}	(289,190)	(234,447)
	6,662,011	6,464,058
 Total share of retained profits from associates:		
- Realised	115,975	103,417
- Unrealised ^{N1}	24,334	38,212
 Total share of retained profits / (accumulated losses) from joint ventures:		
- Realised	(234,831)	(163,260)
- Unrealised ^{N1}	2,362	2,362
	6,569,851	6,444,789
 Less: consolidation adjustments ^{N2}	(3,205,235)	(3,141,886)
 Total group retained profits as per group accounts	3,364,616	3,302,903

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.