



PLUS EXPRESSWAYS BERHAD
(570244-T)
Incorporated in Malaysia

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KUALA LUMPUR
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PRESS RELEASE

**FINANCIAL RESULTS FOR THE FOURTH QUARTER AND YEAR
ENDED 31 DECEMBER 2006**

**PLUS RECORDS HIGHER PROFIT OF RM1.1 BILLION, EXCEEDS KPI
TARGET ON DIVIDEND**

PBT of RM1,108 million and toll collection of RM1,691 million

PEB Group's financial results continue to improve with a profit before taxation ("PBT") of RM1,108 million for the year ended 31 December 2006, on the back of high toll collection of RM1,691 million. The Group's PBT was RM36 million higher than the year 2005.

Positive growth in traffic volume

PLUS reported a growth in traffic volume of 1.6% for year 2006 as against a 0.8% growth in year 2005. Traffic volume for fourth quarter 2006 surged by 4.2%, contributed largely by higher travelling during the festive breaks and long year-end school holidays.

Strong Cashflow

Operationally, the Group generated cash flow from operating activities of RM1,318 million with a strong cash balance of RM2.6 billion as at 31 December 2006.

Expects higher traffic growth for 2007

Commenting on the Group's performance for 2006, PEB's Chairman, Tan Sri Dato' Mohd Sheriff Mohd Kassim said, "We are pleased with 2006 financial results which have shown improvement. The Group faced a great challenge in the year when the price of petrol and diesel increased by 19% and 23% respectively in February making travelling more expensive for the public. However, we managed to control our operating costs and emerged favourably with positive results and growth".

In anticipation of the increasing economic and tourism activities, the Board is confident that the traffic growth for 2007 will be higher than that achieved in 2006.

Total dividend of RM625 million, growth of 39% and exceeds KPI target

Tan Sri Mohd Sheriff added, “We have completed our debt restructuring exercise in October 2006 and has thus far paid out two interim dividends totalling 10.0 sen per share or RM500 million for the financial year 2006. These efforts manifest the Group’s commitment to continuously improve our capital structure and maximize shareholders’ value.”

“Based on the satisfactory performance for 2006, the Board of Directors is pleased to recommend a final tax exempt dividend of **2.5 sen** per share amounting to RM125 million, for shareholders’ approval at the forthcoming Fifth Annual General Meeting”, added the Chairman.

The total dividend for FY2006 will be **12.5 sen per share or RM625 million**, representing a strong dividend growth of **39%** as against a 9.0 sen for FY2005 and would far exceed the target Key Performance Indicator (KPI) of minimum dividend growth of 12% for FY2006. This payout would also represent 56% of the Group’s net profit, well aligned with the Group’s dividend payout policy of between 40% and 60%.

Upbeat performance and continuous effort to build the future

Adding further, “The Group will continuously provide quality service and excellent facilities, increase profitability and maximize shareholders’ value. The third lane widening works along the North-South Expressway which is targeted to complete by the end of 2007 will improve traffic flow and contribute positively to the long term traffic growth”.

Expansion and growth

Expanding its business overseas, the Group has ventured into India and Indonesia, involving two highway projects in the two countries. The 21.6-kilometre Bhiwandi-Kalyan-Shil Phata Highway in India and the 116-kilometer Cikampek-Palimanan Highway in Indonesia mark the beginning of the Group’s expansion plans.

***KPI targets for
FY2007-2009***

Gearing up for the future, PEB is pleased to announce its KPI targets for FY2007-2009, as follows:

1. 30% growth in terms of lane-kilometre length of expressways by end of 2009 with 20% to be achieved by end of 2008 (existing: 3,640 lane-km);
2. Minimum 15% of total revenue to be derived from new businesses by end of 2008; and
3. Minimum dividend growth of 12% for FY2007 and FY2008.

With the current business strategies and its continuous and aggressive efforts in executing them, some of the KPIs as announced in May last year have been maintained whilst new targets are set on other KPI for FY2007 to 2009. These headline KPIs have been developed taking into consideration the current business environment and future expansion plans.

“Moving forward, the Group is fully committed and focused to successfully deliver its projects on hand whilst continuing to explore other strategic value-creating investments, both locally and internationally”, concluded the Chairman.

• ABOUT PLUS EXPRESSWAYS BERHAD

PLUS Expressways Berhad (“PLUS Expressways”) wholly owns Projek Lebuhraya Utara-Selatan Berhad (“PLUS”), a toll concessionaire in Malaysia involved in the operation and maintenance of the following expressways and certain ancillary facilities along the expressways:

- the North-South Expressway, a 772-km expressway from the border of Thailand in the north to the border of Singapore in the south;
- the New Klang Valley Expressway, a 35-km expressway running between Kuala Lumpur and the North Klang industrial and urban area;
- a 16-km section of Federal Highway Route 2 connecting the industrial and urban areas of Subang and Klang; and
- the Seremban-Port Dickson Highway, an expressway of approximately 23-km connecting Seremban and Port Dickson.

PLUS Expressways incorporated a foreign subsidiary, PLUS BKSP Toll Limited (“PLUS BKSP”), on 24 July 2006 in Kanpur, India to execute the project on four-laning and improvement, operation and maintenance and toll collection of Bhiwandi-Kalyan-Shil Phata Highway in the state of Maharashtra, India.

PLUS Expressways also provides expressway operation services to the following expressways:

- North-South Expressway Central Link (ELITE), a 63-km expressway linking South and North of Kuala Lumpur to the KL International Airport; and
- LINKEDUA, the second bridge crossing between Tuas in Singapore and Tanjung Kupang in Johor, Malaysia and the toll road linking the second crossing to the North-South Expressway with total length of 44 km.

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