PLUS EXPRESSWAYS BERHAD

Company No. : 570244-T
Incorporated in Malaysia

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2006.

THE FIGURES HAVE BEEN AUDITED.

I. CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Twelve months to	Twelve months to
	31/12/2006	**31/12/2005**	**31/12/2006**	**31/12/2005**
	RM'000	RM'000	RM'000	RM'000
Revenue (Remark 1)	**563,281**	**440,626**	**2,090,636**	**1,671,323**
Direct cost of operations	(169,108)	(134,556)	(613,324)	(582,966)
Gross profit	**394,173**	**306,070**	**1,477,312**	**1,088,357**
Other income (Remark 3)	14,940	11,391	48,589	370,262
General and administration expenses	(14,153)	(1,650)	(43,796)	(29,567)
Finance income	18,838	12,966	65,518	50,453
Finance costs	(115,643)	(110,246)	(439,911)	(408,045)
Profit before taxation	**298,155**	**218,531**	**1,107,712**	**1,071,460**
Taxation (Note 14)	1,850	(2,555)	(2,839)	(7,709)
Profit for the year attributable to equity holders of the Company	**300,005**	**215,976**	**1,104,873**	**1,063,751**
Basic earnings per share (Note 26)				
- before Senai Compensation (Remark 3)	**6.00 sen**	**4.32 sen**	**22.10 sen**	**14.64 sen**
- after Senai Compensation (Remark 3)	**6.00 sen**	**4.32 sen**	**22.10 sen**	**21.28 sen**

The condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

Remarks :-

1. Revenue consists of expressway toll collections, toll compensation recoverable from the Government, net of the Government's share of toll revenue (if any), and operation service fees receivable from the provision of expressway operation services to other expressway companies. Revenue is analysed as follows:-

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current year quarter	Preceding year corresponding quarter	Twelve months to	Twelve months to
		31/12/2006	**31/12/2005**	**31/12/2006**	**31/12/2005**
		RM'000	RM'000	RM'000	RM'000
Toll collection		457,263	438,705	1,690,624	1,663,639
Gross toll compensation		176,951	45,114	654,517	171,170
Less: Notional tax on tax exempt dividend	(a)	(72,917)	(45,114)	(262,441)	(171,170)
Net toll compensation		104,034	-	392,076	-
Net toll revenue		561,297	438,705	2,082,700	1,663,639
Operation service fees		1,984	1,921	7,936	7,684
Total revenue		563,281	440,626	2,090,636	1,671,323

(a) For the year under review, net toll compensation has been computed after taking into account, inter alia, the effects of notional tax on dividends that Projek Lebuhraya Utara-Selatan Berhad ("PLUS") may declare from the tax exempt profits available for distribution, pursuant to the provisions of the Second Supplemental Concession Agreement with the Government. The deduction of notional tax on tax exempt dividend for the first quarter 2006 included the excess amount brought forward from year 2005 of RM3.83 million.

2. Included in cost of operations and general and administration expenses are the amounts of depreciation and amortisation, analysed as follows:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Twelve months to	Twelve months to
	31/12/2006	**31/12/2005**	**31/12/2006**	**31/12/2005**
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment	1,481	2,264	5,649	8,996
Amortisation of concession assets	59,600	47,360	226,071	177,730
Amortisation of intangible assets	256	301	1,028	949
Total depreciation and amortisation	61,337	49,925	232,748	187,675

3. Included in other income for the twelve months ended 31 December 2005 is the compensation amount of RM331.68 million due to PLUS by the Government as a result of the closure of the Senai toll plaza ("Senai Compensation") effective 1 March 2004.

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II. CONDENSED CONSOLIDATED BALANCE SHEET

	Note	Audited As at current financial year-end 31/12/2006	Audited As at current financial year-end 31/12/2005 (As restated)
		RM'000	RM'000
ASSETS			
Non-current assets			
Concession assets		8,747,231	8,718,554
Property, plant and equipment		71,132	43,500
Intangible assets		2,831	3,546
Deferred tax assets		71,508	70,322
Toll compensation recoverable from the Government		958,360	566,284
Long term investment	16(c)	20,912	-
Long term deposit		520	-
		9,872,494	9,402,206
Current assets			
Inventories		60	266
Amount recoverable from the Government for Additional Works		-	22,400
Sundry receivables, deposits and prepayments		23,528	21,855
Amount owing by related companies		57,517	5,645
Short term investments	16(b)	50,255	20,438
Short term deposits		2,565,397	2,526,073
Cash and bank balances		19,112	8,908
		2,715,869	2,605,585
Total assets		**12,588,363**	**12,007,791**

II. CONDENSED CONSOLIDATED BALANCE SHEET (CONT'D)

	Note	Audited As at current financial year-end 31/12/2006 RM'000	Audited As at preceding financial year-end 31/12/2005 (As restated) RM'000
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital		1,250,000	1,250,000
Reserves			
Capital reserve		461,138	461,138
Merger reserve		298,834	298,834
Other non-distributable reserves		1,677	-
Retained profits		2,506,343	2,151,470
		4,517,992	4,161,442
Minority Interests		495	-
Total equity		4,518,487	4,161,442
Non-current liabilities			
Long term financial liabilities	18	6,734,853	6,568,198
Long term borrowing	18	30,203	-
Amount owing to immediate holding company		6,885	6,885
Retirement benefits		11,403	10,171
Deferred liabilities		46,507	42,765
Deferred tax liabilities		-	1,543
		6,829,851	6,629,562
Current liabilities			
Trade payables		8,637	10,066
Sundry payables and accruals		80,096	60,145
Amount received from the Government for Additional Works	27	518,284	688,202
Amount owing to immediate holding company		49,802	17,998
Amount owing to related companies		33,004	39,768
Short term borrowings	18	550,000	400,000
Tax payable		202	608
		1,240,025	1,216,787
Total liabilities		8,069,876	7,846,349
Total equity and liabilities		**12,588,363**	**12,007,791**
Net assets per share attributable to ordinary equity holders of the Company		**RM0.90**	**RM0.83**

The condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

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III. CONDENSED CONSOLIDATED CASH FLOW STATEMENT

		Audited Twelve months to 31/12/2006	Audited Twelve months to 31/12/2005 (As restated)
		RM'000	RM'000
Cash flows from operating activities			
Cash receipts from toll operations		1,683,955	1,665,802
Cash receipts from other services		57,144	43,677
Cash compensation received from the Government in relation to closure of Senai toll plaza		-	281,410
Cash payments for expenses		(417,580)	(393,320)
Cash generated from operations		1,323,519	1,597,569
Income tax paid		(5,974)	(8,357)
Future maintenance expenditure received		800	3,280
Net cash generated from operating activities		**1,318,345**	**1,592,492**
Cash flows from investing activities			
Profit element and interest income received		64,235	49,566
Proceeds from sales of property, plant & equipment		195	811
Proceeds from maturity of short term investments		82,000	15,000
Amount received from the Government for Additional Works (Note 27)		-	680,590
Interest earned on amount received from the Government for Additional Works (Note 27)		24,066	7,612
Purchase of property, plant and equipment		(5,776)	(7,873)
Long term deposits		(520)	-
Purchase of investments		(132,322)	(24,880)
Payments for Additional Works		(177,003)	(13,171)
Payments for concession assets		(279,951)	(221,630)
Net cash (used in)/ from investing activities		**(425,076)**	**486,025**
Cash flows from financing activities			
Redemption of Bai Bithaman Ajil Islamic Debt Securities ("BAIDS")		(400,000)	(300,000)
Profit element on BAIDS paid		(273,075)	(289,550)
Proceeds from issuance of Zero Coupon Serial Bai Bithaman Ajil Islamic Securities ("Zero Serial BBA")		-	1,047,972
Proceeds from issuance of Sukuk Series 3		548,095	-
Proceeds from drawdown of PLUS BKSP rupee loan		30,680	-
Proceeds from issuance of shares to minority shareholder		514	-
Settlement of Government Support Loan and Additional Support Loan		-	(962,000)
Dividends paid		(750,000)	(400,000)
Net cash used in financing activities		**(843,786)**	**(903,578)**
Net change in cash and cash equivalents		**49,483**	**1,174,939**
Effects of foreign exchange rate changes		45	-
Cash and cash equivalents as at beginning of the financial year		2,534,981	1,360,042
Cash and cash equivalents as at end of the financial year	(a)	**2,584,509**	**2,534,981**

		Audited As at 31/12/2006 RM'000	Audited As at 31/12/2005 (As restated) RM'000
(a)	Cash and cash equivalents comprise the following:		
	Short term deposits	2,565,397	2,526,073
	Cash and bank balances	19,112	8,908
		2,584,509	**2,534,981**

The use of the balances in PLUS, which include the minimum amounts of RM979.9 million (2005: RM824.8 million) held under the Finance Service Reserve Account and Maintenance Reserve Account pursuant to the Bai Bithaman Ajil Islamic Debt Securities ("BAIDS") agreement, is subject to certain covenants and restrictions as set out in the security arrangements of the bonds. In addition, the amount received from the Government of RM518.3 million shall be used solely for the Additional Works pursuant to the provisions under the TSCA.

The condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

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IV CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company							
		Non Distributable			Distributable			
	Share Capital RM'000	Capital Reserve RM'000	Merger Reserve RM'000	Other Reserves RM'000	Retained Profits RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
Twelve months to 31 December 2006 (Audited)								
Balance as at 1 January 2006	1,250,000	461,138	298,834	-	2,151,470	4,161,442	-	4,161,442
Currency translation differences, representing net income recognised directly in equity	-	-	-	(139)	-	(139)	(15)	(154)
Profit for the year	-	-	-	-	1,104,873	1,104,873	-	1,104,873
Total recognised income and expense for the year	-	-	-	(139)	1,104,873	1,104,734	(15)	1,104,719
Issue of share capital	-	-	-	-	-	-	510	510
Share option granted under Employee Equity Scheme	-	-	-	1,816	-	1,816	-	1,816
Final tax exempt dividend FY2005 (Note 7)	-	-	-	-	(250,000)	(250,000)	-	(250,000)
Interim tax exempt dividends FY2006 (Note 7)	-	-	-	-	(500,000)	(500,000)	-	(500,000)
Balance as at 31 December 2006	1,250,000	461,138	298,834	1,677	2,506,343	4,517,992	495	4,518,487
Twelve months to 31 December 2005 (Audited)								
Balance as at 1 January 2005	1,250,000	461,138	298,834	-	1,487,719	3,497,691	-	3,497,691
Profit for the year	-	-	-	-	1,063,751	1,063,751	-	1,063,751
Total recognised income and expense for the year	-	-	-	-	1,063,751	1,063,751	-	1,063,751
Final tax exempt dividend FY2004	-	-	-	-	(200,000)	(200,000)	-	(200,000)
Interim tax exempt dividend FY2005	-	-	-	-	(200,000)	(200,000)	-	(200,000)
Balance as at 31 December 2005	1,250,000	461,138	298,834	-	2,151,470	4,161,442	-	4,161,442

The condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

V. NOTES TO THE CONDENSED FINANCIAL STATEMENTS

The notes to the condensed Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2005.

1. Accounting policies and methods of computation

The quarterly consolidated financial statements have been prepared by applying accounting policies and methods of computation consistent with those used in the preparation of the most recent audited financial statements of the Group and are in accordance with FRS 134_{2004}, Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), except for the adoption of an accounting policy on non-current investments and the following new/revised Financial Reporting Standards ("FRS") effective 1 January 2006 as disclosed below:

FRS 2	Share-based Payment
FRS 3	Business Combinations
FRS 5	Non-current Assets Held for Sale and Discontinued Operations
FRS 101	Presentation of Financial Statements
FRS 102	Inventories
FRS 108	Accounting Policies, Changes in Estimates and Errors
FRS 110	Events after the Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 121	The Effects of Changes in Foreign Exchange Rates
FRS 127	Consolidated and Separate Financial Statements
FRS 128	Investments in Associates
FRS 131	Interests in Joint Ventures
FRS 132	Financial Instruments: Disclosure and Presentation
FRS 133	Earnings Per Share
FRS 136	Impairment of Assets
FRS 138	Intangible Assets
FRS 140	Investment Property

Details of the accounting policy on non-current investments adopted during the year are as follows:

Non-Current Investments

Non-current investments other than investments in subsidiaries are stated at cost less accumulated impairment losses. The policy for the recognition and measurement of impairment losses are in accordance with that of the most recent financial statements of the Group. On disposal of an investment, the difference between net disposal proceeds and the carrying amount is charged or credited to the Income Statement.

The Group has not early adopted FRS 117 - Leases, FRS 124 - Related Party Disclosures and the deferred FRS 139 - FInancial Instruments: Recognition and Measurement and the following FRSs and amendment that are mandatory for financial periods on or after 1 January 2007:

<u>FRS 6: Exploration for and Evaluation of Mineral Resources</u>
FRS 6 is not relevant to the Group.

<u>Amendment to FRS 119: Employee Benefits - Actuarial Gains and Losses, Group Plans and Disclosures</u>
This amendment introduces the option of an alternative recognition approach for actuarial gains and losses arising from post-employment defined benefit plans. It may impose additional recognition requirements for multi-employer plans where insufficient information is available to apply defined benefit accounting. It also adds new disclosure requirements. As the Group does not intend to change the accounting policy adopted for recognition of actuarial gains and losses and does not participate in any multi-employer plans, adoption of this amendment will only impact the format and extent of disclosures presented in the financial statements. The Group will apply this amendment from financial periods beginning 1 January 2007.

The adoption of FRS 3, 5, 102, 108, 110, 116, 121, 127, 128, 131, 132, 133, 136 and 140 does not have significant financial impact on the Group. The principal effects of the changes in accounting policies resulting from the adoption of the other new/revised FRSs are discussed below:-

a) **FRS 2: Share-based Payment**

This FRS requires an entity to recognise share-based payment transactions in its financial statements, including transactions with employees or other parties to be settled in cash, other assets, or equity instruments of the entity or entity's parent or another entity in the same group as the entity.

<u>Employee Equity Scheme ("EES")</u>
UEM Group Berhad ("UEM") (formerly known as United Engineers (Malaysia) Berhad) operates an equity-settled, share-based compensation plan for the eligible employees of UEM, its subsidiaries and certain of its associates and Khazanah Nasional Berhad, namely the Employee Equity Scheme ("EES"), in relation to the shares of UEM World Berhad.

As a subsidiary of UEM, the employees of PLUS Expressways Berhad and its subsidiary companies participate in the EES. Prior to 1 January 2006, no compensation expense was recognised in profit or loss for share options granted. With the adoption of FRS 2, the compensation expense relating to share options is recognised in profit or loss over the vesting period of the grants with a corresponding increase in equity.

Under the transitional provisions of FRS 2, this FRS must be applied to share options that were granted after 31 December 2004 and had not yet vested on 1 January 2006. The share options granted under the above EES during financial year 2005 have been fully vested and as such, have no impact to the financial statements.

Should there be any share options granted after 1 January 2006, the imputed charges of the share options will be recognised in the Income Statement over the vesting period. For the current year under review, FRS 2 has resulted in a charge of approximately RM1.8 million to the profit of the Group arising from the share options under the EES granted to the employees of the Group.

b) **FRS 101: Presentation of Financial Statements**

The current year's presentation of the Group's financial statements is based on the revised requirements of FRS 101, with the comparatives restated to conform to the current year's presentation.

In the Consolidated Balance Sheet, toll compensation recoverable from the Government which is expected to be realised for at least twelve months after the balance sheet date is now reclassified as non-current assets as at the balance sheet date as shown in note 1(d) below.

c) **FRS 138: Intangible Assets**

With the adoption of FRS 138, the Group changed its accounting policy and classification of certain acquired computer software and licenses whereby computer software and licenses that are not forming an integral part of the related hardware are reclassified as intangible assets from property, plant and equipment as shown in note 1(d) below. The intangible assets are stated at cost less accumulated amortisation and impairment losses. Intangible assets are amortised on a straight line basis over their estimated useful lives of 5 years. The carrying value of intangible assets is reviewed for impairment whenever event or changes in circumstances indicate the carrying value may not be recoverable.

There is no impact to the annual amortisation of the intangible assets as a result of the reclassification.

d) **Comparatives**

The following amounts as at 31 December 2005 have been reclassified:

	Previously Stated RM'000	**Reclassification RM'000**	**Restated RMM'000**
Non-current assets:			
Property, plant and equipment (Note 1c)	47,046	(3,546)	43,500
Intangible assets (Note 1c)	-	3,546	3,546
Toll compensation recoverable from the Government (Note 1b)	-	566,284	566,284
Current assets			
Toll compensation recoverable from the Government (Note 1b)	566,284	(566,284)	-

2. Audit report in respect of the 2005 financial statements

The audit report on the Group's financial statements for the financial year ended 31 December 2005 was not qualified.

3. Seasonal or cyclical factors

The Group's operations are not subject to any significant seasonal or cyclical factors, except that toll collection is generally higher during holiday and festive periods.

4. Unusual items due to their nature, size or incidence

There were no items affecting assets, liabilities, equity, net income, or cash flow that were unusual because of their nature, size and incidence in the current year.

5. Material changes in estimates used

There were no changes in estimates of amounts reported in prior interim period of the current financial year or prior financial years that have a material effect in the current year except as disclosed below:

The revised FRS 116: Property, Plant and Equipment requires the review of the residual value and remaining useful lives of items of property, plant and equipment at least at each financial year end. The Group revised the residual values of motor vehicles and aircrafts with effect from 1 January 2006. The revisions were accounted for prospectively as a change in accounting estimates and as a result, the depreciation charges of the Group for the current financial year have been reduced by RM2,101,581 and RM1,451,308 for motor vehicles and aircrafts respectively.

6. Debt and equity securities

The Group did not undertake any other issuance and/or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial year ended 31 December 2006 except for the following:

(i) Redemption of Primary Bonds of BAIDS amounting to RM400.0 million by PLUS in May 2006;
(ii) On 23 September 2006, PLUS BKSP Toll Limited obtained a rupee loan facility of Rp1,350 million for the purpose of financing the BKSP Project (see details in Note 11); and
(iii) On 10 October 2006, PLUS issued the following globally Shariah-compliant Islamic Securities under the Islamic principle of Musyarakah:

  (a) RM2,260 million nominal value of zero coupon Sukuk Series 1 ("Sukuk Series 1") in exchange for the RM2,260 million nominal value Bai' Bithaman Ajil Serial Bonds ("BBA Serial Bonds");
  (b) RM2,410 million nominal value of zero coupon Sukuk Series 2 ("Sukuk Series 2") in exchange for the RM2,410 million nominal value Zero Coupon Serial Bai' Bithaman Ajil Islamic Securities ("Zero Serial BBA"); and
  (c) RM1,375 million nominal value (RM548 million present value on the issue date) of zero coupon Sukuk Series 3 ("Sukuk Series 3") pursuant to the RM4,500 million nominal value of Sukuk Series 3 medium term notes programme ("Sukuk MTN Programme") for the following purposes:
    - redeem the BAIDS in accordance with the BAIDS' trust deed; and
    - for general funding requirements of PLUS after full redemption of the BAIDS.

7. Dividend

A final tax exempt dividend of 5.0 sen per ordinary share of RM0.25 each amounting to RM250,000,000 for the financial year ended 31 December 2005 was paid on 31 May 2006.

An interim tax exempt dividend of 5.0 sen per ordinary share of RM0.25 each amounting to RM250,000,000 for the financial year ended 31 December 2006 was paid on 29 September 2006. (2005: interim tax exempt dividend of 4.0 sen per ordinary share of RM0.25 each).

A second interim tax exempt dividend of 5.0 sen per ordinary share of RM0.25 each amounting to RM250,000,000 for the financial year ended 31 December 2006 was paid on 22 December 2006.

For the current financial year ended 31 December 2006, the Board of Directors recommends a proposed final tax exempt dividend of 2.5 sen per share amounting to RM125,000,000 for shareholders' approval at the forthcoming Annual General Meeting of the Company. The dates of the Annual General Meeting and book closure for the final tax exempt dividend payment shall be announced in due course.

8. Segment information for the current financial year

No segment analysis is prepared as the Group is primarily engaged in the operation and maintenance of toll roads and expressways in Malaysia.

9. Valuation of property, plant and equipment

The valuations of property, plant and equipment used in the condensed financial statements have been brought forward without amendment from the previous financial statements.

10. Material events subsequent to the end of the current financial year

In the opinion of the Directors, there are no items, transactions or events of a material and unusual nature which have arisen from 31 December 2006 to the date of this announcement which would substantially affect the financial results of the Group for the twelve months ended 31 December 2006.

11. Changes in the composition of the Group

There were no changes in the composition of the Group for the current quarter and financial year including business combinations, acquisitions or disposals of subsidiaries and long-term investments, restructuring or discontinued operations except as stated below:

As announced in the previous quarters, PLUS Expressways Berhad ("PEB") has received a letter of acceptance on 16 May 2006 from the Maharashtra State Road Development Corporation Ltd ("MSRDC") of India in relation to the tender bid jointly submitted with Concept Management Consulting Private Limited ("CMCL") through an unincorporated consortium (herein referred to as "PEB-CMCL Consortium") on 15 December 2005 for the proposed four laning & improvement, operation and maintenance and toll collection of Bhiwandi – Kalyan – Shil Phata Highway on Build, Operate and Transfer basis ("BKSP Project"). In relation to this, the following foreign subsidiaries were incorporated subsequently:

(a) On 9 June 2006, PEB incorporated a foreign subsidiary in Port Louis, Mauritius vide a subscription of 2 ordinary shares of United States Dollar ("USD") 1.00 each representing 100% equity interest in PLUS Kalyan (Mauritius) Private Limited ("PLUS Kalyan") for a total cash consideration of USD2.00.

    PLUS Kalyan is a private company limited by shares with paid up capital of USD2.00 comprising 2 shares of USD1.00 each. The principal activity of PLUS Kalyan is investment holding.

(b) On 24 July 2006, PEB incorporated a foreign subsidiary, PLUS BKSP Toll Limited ("PLUS BKSP") in Kanpur, India to execute the BKSP project as mentioned above.

    PLUS BKSP is a public company limited by shares with paid-up capital of Indian Rupee ("INR") 500,000, comprising 50,000 shares of INR10.00 each.

On 25 August 2006, PLUS BKSP, PEB-CMCL Consortium and MSRDC have entered into a Concession Agreement for the BKSP Project.

On 30 August 2006, PEB, PLUS BKSP, PLUS Kalyan, CMCL, Siddhant Krishna Infrastructure Project Limited ("SKIL") and 5 individual subscribers have entered into a Shareholders' Agreement to govern the rights, responsibilities and obligations of the parties as shareholders of PLUS BKSP.

On 31 December 2006, the Group's total effective interest in the issued and paid-up share capital of PLUS BKSP was 96%.

12. Contingent liabilities

As at the date of this announcement, there does not exist any contingent liabilities which, upon becoming enforceable, may have a material impact on the profit or net assets value of the Group.

13. Capital commitments

	As at 31/12/2006
	RM'000
Amount authorised and contracted for	
- Additional Works	838,278
- Others	304,205
	1,142,483
Amount authorised but not contracted for	40,809

14. Taxation

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Twelve months to	Twelve months to
	31/12/2006	**31/12/2005**	**31/12/2006**	**31/12/2005**
	RM'000	RM'000	RM'000	RM'000
Malaysian taxation				
- Current taxation	517	589	4,757	5,327
- Under provision of taxation in prior years	(1)	2,169	811	2,169
- Deferred taxation – reversal of timing differences	(274)	(173)	(637)	243
- Over provision of deferred taxation in respect of prior years.	(2,092)	(30)	(2,092)	(30)
	(1,850)	2,555	2,839	7,709

The Minister of Finance has, on 25 June 2003, made an order which may be cited as Income Tax (Exemption) (No. 34) Order 2003, exempting PLUS from payment of income tax in respect of its adjusted income from all sources from 2002 until 2006.

The taxation for the current year quarter of RM0.5 million and current year of RM4.8 million mainly relates to income received by PLUS Expressways Berhad for provision of expressway operational services to other expressway companies.

15. Disposal of unquoted investments and/or properties

There were no disposals of unquoted investments and/or properties in the current year except for the maturity of unquoted investment of RM70 million in the commercial papers/medium term notes.

16(a) Acquisitions and disposals of quoted securities

There were no acquisitions and disposals of quoted securities in the current year ended 31 December 2006.

16(b) Short term investments

Total short term investments in securities as at 31 December 2006 are as follows:

	As at 31/12/2006
	RM'000
Quoted shares, at cost	1,164
Less: Accumulated impairment loss	(658)
Net carrying amount of quoted shares (Note i)	506
Unquoted investment-at cost (Note ii)	49,749
Total short term investments	50,255

Note i: The market value of the quoted shares was RM506,290 as at 31 December 2006.

Note ii: For the current year under review, PLUS purchased unquoted investment in the form of Islamic commercial papers.

16(c) Long term investment

	As at 31/12/2006
	RM'000
Total unquoted long term investments-at carrying value	20,912

For the current year under review, PLUS purchased unquoted long term investment in the form of Islamic bonds, with maturity of more than 12 months.

17. Status of corporate proposals announced but not completed as at the date of this announcement

There were no corporate proposals announced but not completed as at the date of this announcement except as follows:

Proposed acquisition of shares in PT Lintas Marga Sedaya

On 1 November 2006, PEB and PT Baskhara Utama Sedaya ("BUS") have entered into a Heads of Agreement in relation to the proposed acquisition by PEB of shares that represent up to 55% of the issued and paid-up capital in PT Lintas Marga Sedaya ("LMS").

LMS, a subsidiary of BUS, and the Minister of Public Works on behalf of the Government of the Republic of Indonesia have entered into a Concession Agreement dated 21 July 2006 in which LMS was appointed as the concessionaire to undertake the design, construction, ownership, management, financing, operation, maintenance as well as toll collection for the 116-kilometre Cikampek-Palimanan toll highway project on a build, operate and transfer basis (the "Project"). The concession period for the Project is 35 years.

On 14 December 2006, PEB, BUS and LMS have entered into a Shares Subscription Agreement and a Shareholders' Agreement. As at 31 December 2006, the subscription is yet to be completed pending relevant approvals.

18. Borrowing and Islamic debt securities

The details of Group borrowings and Islamic debt securities as at 31 December 2006 are as follows:

	Long term borrowings			Short term borrowings		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Islamic debt securities						
Domestic						
- BAIDS (Note 18a)	3,550,000	-	3,550,000	550,000	-	550,000
- Sukuk Series 1 (Note 6)	1,469,303	-	1,469,303	-	-	-
- Sukuk Series 2 (Note 6)	1,159,474	-	1,159,474	-	-	-
- Sukuk Series 3 (Note 6)	556,076	-	556,076	-	-	-
	6,734,853	-	6,734,853	550,000	-	550,000
Other borrowing						
Foreign						
- Term Loan - Rupee loan (Note 6)	30,203	-	30,203	-	-	-
TOTAL	**6,765,056**	**-**	**6,765,056**	**550,000**	**-**	**550,000**

(a) Included in Sundry payables and accruals in the Condensed Consolidated Balance Sheet as at 31 December 2006 is the profit amount for BAIDS of RM23.1 million due and payable in May 2007.

19. Off Balance Sheet financial instruments

There are no financial instruments with off-balance sheet risks as at the date of this announcement.

20. Material litigation

The Company and its subsidiaries have no outstanding material litigation as at the date of this announcement.

21. Comparison between the current quarter and the immediate preceding quarter

Toll collection (as disclosed in Remark 1 to the Condensed Consolidated Income Statement) for the current quarter grew by RM44.6 million to RM457.3 million as compared to the immediate preceding quarter, attributable to a 10.8% growth in traffic volume.

Total revenue of RM563.3 million for the current quarter was RM61.8 million or 12.3% higher than the immediate preceding quarter due to higher toll collection and net toll compensation.

Profit before taxation for the current quarter of RM298.2 million was RM45.2 million or 17.9% higher than the immediate preceding quarter of RM253.0 million, mainly due to higher revenue as explained above, mitigated by higher finance cost following the issuance of Sukuk Series 3 in October 2006.

22. Review of performance for the current quarter and year

Toll collection for the fourth quarter 2006 (as set out in Remark 1 to the Condensed Consolidated Income Statement) was higher by RM18.6 million or 4.2% as compared to fourth quarter 2005. For the year ended 31 December 2006, toll collection increased by RM27.0 million to RM1,690.6 million from RM1,663.6 million recorded last year, on a year-on-year traffic growth of 1.6%.

Total revenue for the current quarter of RM563.3 million was RM122.7 million or 27.8% higher than the preceding year corresponding quarter of RM440.6 million. As for the year 2006, the Group reported total revenue of RM2,090.6 million which was RM419.3 million or 25.1% higher than RM1,671.3 million for last year. The growth is primarily attributed to higher net toll compensation due to higher differential in the agreed toll rate per SCA (18.91 sen per km) and actual toll rate as imposed (13.60 sen per km) for computation of gross toll compensation, effective 1 January 2006.

Profit before taxation for the current quarter of RM298.2 million was RM79.7 million or 36.4% higher than the preceding year corresponding quarter of RM218.5 million, primarily attributable to higher revenue as explained above.

Profit before taxation for the year ended 31 December 2006 of RM1,107.7 million was 3.4% or RM36.2 million higher than year 2005 of RM1,071.5 million. For comparative purpose, excluding the one-off Senai Compensation recognised in the first quarter of 2005, profit before taxation for the year ended 31 December 2006 would be higher by RM367.9 million or 49.7%, mainly attributable to higher toll compensation and higher traffic volume, mitigated by higher operating expenditures and higher finance cost.

For the year ended 31 December 2006, the Group has generated **cash from operating activities** of RM1,318.3 million, 0.5% higher than 2005 (excluding the portion of Senai Compensation received from the Government of RM281.4 million). The Group's **cash flow** remains strong with cash balance of RM2,584.5 million as at 31 December 2006.

23. Economic profit ("EP") statement

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Twelve months to	Twelve months to
	31/12/2006	**31/12/2005**	**31/12/2006**	**31/12/2005**
	RM'000	RM'000	RM'000	RM'000
Net operating profit after tax ("NOPAT") computation:				
Earnings before interest and tax ("EBIT")	394,960	315,811	1,482,105	1,429,052
Adjusted tax	1,850	(2,555)	(2,839)	(7,709)
NOPAT	396,810	313,256	1,479,266	1,421,343
Economic charge computation:				
Average invested capital (Note 1)	9,426,961	9,192,920	9,426,961	9,192,920
Weighted average cost of capital ("WACC") (%) (Note 2)	7.87%	8.32%	7.87%	8.32%
Economic charge	185,476	191,213	741,902	764,851
Economic profit	**211,334**	**122,043**	**737,364**	**656,492**

The EP statement is as prescribed under the GLC Transformation program, and is disclosed on a voluntary basis. EP measures the value created by a business during a single period reflecting how much return a business makes over its cost of capital.

EP for the current quarter of RM211.3 million is RM89.3 million higher as compared to the fourth quarter 2005 and EP for the year ended 2006 of RM737.4 million is higher by RM80.9 million or 12.3% than the preceding year of RM656.5 million, primarily due to higher net toll compensation. Excluding the one-off Senai Compensation of RM331.7 million recognised in first quarter 2005, EP would have increased by RM412.6 million.

Note 1:
Average invested capital consists of average operating working capital, average net property, plant and equipment and average net other operating assets.

Note 2:
WACC is calculated as weighted average cost of debts and equity taking into account the market capitalisation as at end of the year.

24. Prospects for year 2007

The overall traffic volume growth in 2006 was 1.6% as compared to 2005, which is higher than the traffic growth of 0.8% achieved in 2005. In anticipation of the increasing economic and tourism activities and barring any unforeseen circumstances, the Board is confident that the traffic growth for 2007 will be higher than that achieved in 2006.

With the completion of the debt restructuring exercise in October 2006, the Group has thus far paid two interim dividends totaling 10.0 sen per share or RM500.0 million for the financial year ended 31 December 2006. The Board also recommends a final tax exempt dividend of 2.5 sen per share for shareholders' approval. This translates into a dividend growth of 39% as against 9.0 sen per share in FY2005. These efforts manifest the Group's commitment to continuously improve its capital structure and maximize shareholders' value, and have far exceeded the Key Performance Indicator set on minimum dividend growth of 12% for the year 2006.

Globally, the Group has successfully secured one highway concession in India and has registered its intention to participate in another highway concession in Indonesia. The 21.6-kilometer 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. The Group will continue to explore any toll road-related opportunities, both locally and internationally and is optimistic on the future outlook of its business growth.

25. Profit forecast

No profit forecast has been made in respect of financial year ended 31 December 2006.

26. Basic earnings per share

	Individual Quarter		**Cumulative Quarter**	
	Current year quarter	Preceding year corresponding quarter	Twelve months to	Twelve months to
	31/12/2006	**31/12/2005**	**31/12/2006**	**31/12/2005**
Profit for the year attributable to equity holders of the Company (RM'000)	**300,005**	**215,976**	**1,104,873**	**1,063,751**
No. of ordinary shares ('000)	5,000,000	5,000,000	5,000,000	5,000,000
Basic earnings per share (Sen)				
- before Senai Compensation	**6.00 sen**	**4.32 sen**	**22.10 sen**	**14.64 sen**
- after Senai Compensation	**6.00 sen**	**4.32 sen**	**22.10 sen**	**21.28 sen**

27. Amount received from the Government for Additional Works

PLUS has on 17 November 2006 executed the Proceeds Account Agreement with the Government to formalise the rights, utilisation and administration of the amount received from the Government for the Additional Works of RM680.59 million and the interest earned therefrom. The amount received from the Government together with the interest earned therefrom, have been deposited into the Proceeds Account. As at 31 December 2006, the amount in the Proceeds Account was RM518.3 million.

By Order of the Board

TAN HWEE THIAN (MIA 1904)
MAZYU SHERINA BINTI MOHAMED YUSOF (LS 0008780)

Joint Company Secretaries

Kuala Lumpur
27 February 2007