



Company No. : 570244-T
Incorporated in Malaysia

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2008.

THE FIGURES HAVE NOT BEEN AUDITED.

I. CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Six months to	Six months to
	30/6/2008	30/6/2007	30/6/2008	30/6/2007
	RM'000	RM'000	RM'000	RM'000
Revenue (Remark 2)	738,210	569,653	1,457,628	1,093,645
Direct cost of operations	(219,656)	(161,245)	(418,238)	(324,510)
Gross profit	518,554	408,408	1,039,390	769,135
Other income	13,917	13,320	30,124	23,953
General and administration expenses	(20,095)	(11,677)	(40,688)	(22,801)
Finance income	26,994	21,370	51,460	42,179
Finance costs	(158,848)	(114,543)	(315,687)	(229,718)
Profit before taxation	380,522	316,878	764,599	582,748
Taxation (Note 13)	(114,374)	(6,526)	(222,988)	(13,896)
Profit for the period	266,148	310,352	541,611	568,852
Attributable to :				
Equity holders of the Company	266,047	310,401	541,593	568,918
Minority interests	101	(49)	18	(66)
	266,148	310,352	541,611	568,852
Basic earnings per share (Note 25)	5.32 sen	6.21 sen	10.83 sen	11.38 sen

The condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.



Company No. : 570244-T
Incorporated in Malaysia

Remarks :-

- The condensed consolidated income statement for half year ended 30 June 2008 has included the results of newly-acquired subsidiaries, namely Expressway Lingkaran Tengah Sdn Bhd ("Elite") and Linkedua (Malaysia) Berhad ("Linkedua") effective 1 January 2008 and Konsortium Lebuhraya Butterworth-Kulim (KLBK) Sdn Bhd ("KLBK") effective 1 March 2008.
- Revenue consists of expressway toll collections, toll compensation recoverable from the Government, net of the Government's share of toll revenue (if any). Included in the revenue of the previous year corresponding quarter and period was the operation service fees from the provision of expressway operation services to Elite and Linkedua prior to the acquisition by the Group on 18 December 2007. Revenue is analysed as follows:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 30/6/2008 RM'000	Preceding year corresponding quarter 30/6/2007 RM'000	Six months to 30/6/2008 RM'000	Six months to 30/6/2007 RM'000
Toll collection	558,012	436,250	1,097,903	866,193
Gross toll compensation	180,198	168,876	359,725	335,385
Less: Notional tax on tax exempt dividend	-	(36,986)	-	(110,959)
Net toll compensation	180,198	131,890	359,725	224,426
Net toll revenue	738,210	568,140	1,457,628	1,090,619
Operation service fees	-	1,513	-	3,026
Total revenue	738,210	569,653	1,457,628	1,093,645

- Included in direct 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 30/6/2008 RM'000	Preceding year corresponding quarter 30/6/2007 RM'000	Six months to 30/6/2008 RM'000	Six months to 30/6/2007 RM'000
Depreciation of property, plant and equipment	2,064	1,820	3,951	3,509
Amortisation of concession assets	93,752	60,046	178,763	117,938
Amortisation of intangible assets	348	273	696	541
Total depreciation and amortisation	96,164	62,139	183,410	121,988



Company No. : 570244-T
Incorporated in Malaysia

II. CONDENSED CONSOLIDATED BALANCE SHEET

	<u>Note</u>	Unaudited As at end of current quarter 30/6/2008	Audited As at preceding financial year-end 31/12/2007
ASSETS		RM'000	RM'000
Non-current assets			
Concession assets		12,230,158	11,723,486
Property, plant and equipment		46,901	45,487
Prepaid land lease payment		27,410	27,550
Intangible assets		2,886	2,824
Other investment	15(c)	165,110	115,244
Deferred tax assets		5,739	37,667
Toll compensation recoverable from the Government		1,651,479	1,392,650
Non-current deposits		517	547
		14,130,200	13,345,455
Current assets			
Inventories		27	49
Sundry receivables, deposits and prepayments		57,528	58,363
Amount owing by related companies		7,275	8,194
Tax recoverable		344	-
Short term investments	15(b)	61,371	63,322
Deposits with licensed banks		2,544,928	2,378,135
Cash and bank balances		28,439	39,487
		2,699,912	2,547,550
Total assets		16,830,112	15,893,005



Company No. : 570244-T
Incorporated in Malaysia

II. **CONDENSED CONSOLIDATED BALANCE SHEET (CONT'D)**

	<u>Note</u>	Unaudited As at end of current quarter 30/6/2008	Audited As at preceding financial year-end 31/12/2007
EQUITY AND LIABILITIES		RM'000	RM'000
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		(2,523)	1,040
Retained earnings		3,470,779	3,329,186
		5,478,228	5,340,198
Minority interests		9,742	9,510
Total equity		5,487,970	5,349,708
Non-current liabilities			
Long term financial liabilities	17	7,829,113	7,096,256
Long term borrowings	17	1,516,200	1,486,683
Amount due to Government		38,096	38,096
Amount owing to immediate holding company		6,885	6,885
Other long term payables		-	65
Retirement benefits		13,523	12,822
Deferred liabilities		104,372	51,441
Deferred tax liabilities		184,861	11,494
		9,693,050	8,703,742
Current liabilities			
Trade payables		30,800	17,707
Sundry payables and accruals		102,578	135,847
Amount received from the Government for Additional Works		36,649	44,638
Short term financial liabilities	17	620,000	592,838
Short term borrowings	17	333,022	904,347
Amount owing to immediate holding company		46,501	39,880
Amount owing to related companies		79,284	103,883
Tax payable		258	415
Dividend payable		400,000	-
		1,649,092	1,839,555
Total liabilities		11,342,142	10,543,297
Total equity and liabilities		16,830,112	15,893,005
Net assets per share attributable to ordinary equity holders of the Company		RM1.10	RM1.07

The condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.



Company No. : 570244-T
Incorporated in Malaysia

III. **CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	Unaudited Six months to 30/6/2008 RM'000	Unaudited Six months to 30/6/2007 RM'000
Cash flows from operating activities		
Cash receipts from toll operations	1,188,676	872,585
Cash receipts from other services	23,321	22,618
Cash payments for expenses	(325,295)	(244,350)
Income tax paid	(3,904)	(2,216)
Future maintenance expenditure received	5,373	800
Net cash generated from operating activities	888,171	649,437
Cash flows from investing activities		
Acquisition of subsidiary, net of cash and cash equivalents acquired (Note 10)	(72,680)	-
Profit element and interest income received	63,535	37,763
Proceeds from maturity of short term investments	169,571	101,000
Proceeds from sales of property, plant and equipment	547	-
Interest earned on amount received from the Government for Additional Works	870	7,762
Purchase of property, plant and equipment and computer software	(5,238)	(3,101)
Purchase of investments	(216,090)	(199,916)
Payments for Additional Works	(176,455)	(100,149)
Payments for concession assets	(250,530)	(161,671)
Net cash used in investing activities	(486,470)	(318,312)
Cash flows from financing activities		
Proceeds from issuance of Islamic Sukuk	1,069,751	-
Drawdown of borrowing	190,709	49,943
Redemption of Islamic Sukuk/ bonds	(595,000)	(550,000)
Profit element and interest paid	(168,350)	(131,638)
Settlement of Bridging Loan	(760,051)	-
Advance received for share capital from minority shareholders	17,685	-
Proceeds from minority shareholders in respect of additional capital injection during the period	-	1,130
Dividends paid	-	(125,000)
Net cash used in financing activities	(245,256)	(755,565)
Net change in cash and cash equivalents	156,445	(424,440)
Effects of foreign exchange rate changes	(700)	(1,794)
Cash and cash equivalents as at beginning of the financial period	2,417,622	2,584,509
Cash and cash equivalents as at end of the financial period	2,573,367	2,158,275

(a)



Company No. : 570244-T
 Incorporated in Malaysia

	Unaudited	Unaudited
	As at	As at
	30/6/2008	30/6/2007
	RM'000	RM'000
(a) Cash and cash equivalents comprise the following:		
Short term deposits	2,544,928	2,139,502
Cash and bank balances	<u>28,439</u>	<u>18,773</u>
	<u>2,573,367</u>	<u>2,158,275</u>

The use of the balances, which include the minimum amounts in the reserve accounts for the following companies, is subject to certain covenants and restrictions as set out in the respective security arrangements of the Sukuk/ bonds.

	Minimum Amounts	Reserve Account
	(RM'mn)	
Projek Lebuhraya Utara-Selatan Berhad ("PLUS")	1,017.1	Finance Service Reserve Account ("FSRA") and Maintenance Reserve Account ("MRA")
Elite	25.2	FSRA
KLBK	<u>5.2</u>	FSRA and MRA
	<u>1,047.5</u>	

The deposits in Elite include an amount of RM1.9 million which has been pledged as security for a performance bond. In addition, the balance of the amount received by PLUS from the Government of RM36.6 million shall be used solely for the Additional Works pursuant to the provisions under the Third Supplemental Concession Agreement.

The condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.



Company No. : 570244-T
Incorporated in Malaysia

IV CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY

	← Attributable to equity holders of the Company →					Total RM'000	Minority Interests RM'000	Total Equity RM'000
	← Non-distributable →		→ Distributable					
	Share Capital RM'000	Capital Reserve RM'000	Merger Reserve RM'000	Other Reserves RM'000	Retained Earnings RM'000			
Six months to 30 June 2008 (Unaudited)								
Balance as at 1 January 2008	1,250,000	461,138	298,834	1,040	3,329,186	5,340,198	9,510	5,349,708
Currency translation differences	-	-	-	(4,507)	-	(4,507)	214	(4,293)
Profit for the period	-	-	-	-	541,593	541,593	18	541,611
Total recognised income and expense for the period	-	-	-	(4,507)	541,593	537,086	232	537,318
Share option granted under Employee Equity Scheme (EES)	-	-	-	944	-	944	-	944
Final tax exempt dividend FY2007	-	-	-	-	(400,000)	(400,000)	-	(400,000)
Balance as at 30 June 2008	<u>1,250,000</u>	<u>461,138</u>	<u>298,834</u>	<u>(2,523)</u>	<u>3,470,779</u>	<u>5,478,228</u>	<u>9,742</u>	<u>5,487,970</u>
Six months to 30 June 2007 (Unaudited)								
Balance as at 1 January 2007	1,250,000	461,138	298,834	1,677	2,506,343	4,517,992	495	4,518,487
Currency translation differences	-	-	-	1,917	-	1,917	1,093	3,010
Profit/ (loss) for the period	-	-	-	-	568,918	568,918	(66)	568,852
Total recognised income and expense for the period	-	-	-	1,917	568,918	570,835	1,027	571,862
Final tax exempt dividend FY2006	-	-	-	-	(125,000)	(125,000)	-	(125,000)
Balance as at 30 June 2007	<u>1,250,000</u>	<u>461,138</u>	<u>298,834</u>	<u>3,594</u>	<u>2,950,261</u>	<u>4,963,827</u>	<u>1,522</u>	<u>4,965,349</u>

The condensed Consolidated Statement of Changes in Total Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.



Company No. : 570244-T
Incorporated in Malaysia

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 2007.

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, Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

2. **Audit report in respect of the 2007 financial statements**

The audit report on the Group's financial statements for the financial year ended 31 December 2007 was unqualified.

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 period.

5. **Material changes in estimates used**

There were no changes in estimates of amounts reported in prior interim period of the current financial period or prior financial years that have a material effect in the current period.

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 period ended 30 June 2008 except for the following:

- (i) Redemption of Elite BAIDS amounting to RM45 million by Elite in February 2008.
- (ii) Redemption of Primary Bonds of Senior Sukuk amounting to RM550 million by PLUS in May 2008.
- (iii) Issuance of RM700 million nominal value of Sukuk Series 3

On 29 May 2008, PLUS issued RM700 million nominal value (RM308 million present value on the issue date) of zero coupon Sukuk Series 3 pursuant to the RM4,500 million nominal value of Sukuk Series 3 medium term notes programme to partially redeem the Senior Sukuk in accordance with the Senior Sukuk trust deed.

- (iv) Issuance of RM4,000 million nominal value PLUS SPV Sukuk Medium Term Notes programme ("PLUS SPV Sukuk") by PLUS SPV Berhad

On 27 June 2008, PLUS Expressways Berhad ("PEB") through an independent special purpose company, PLUS SPV Berhad ("PLUS SPV"), issued Islamic Securities in accordance with the principle of Musyarakah amounting to RM1,055 million nominal value (RM762 million present value on the issue date) under the RM4,000 million nominal value PLUS SPV Sukuk to partially refinance the bridging loan facility of RM1,006 million pursuant to a facility agreement dated 13 December 2007.



Company No. : 570244-T
Incorporated in Malaysia

7. Dividend

On 18 June 2008, the shareholders of the Company approved the payment of final tax exempt dividend of 8.0 sen per share amounting to RM400 million for financial year ended 31 December 2007 at the Sixth Annual General Meeting of the Company. The payment was made on 16 July 2008.

The Directors have, on even date, announced the declaration of a single tier interim dividend of 6.5 sen per share of RM0.25 each amounting to RM325 million for the financial year ending 31 December 2008 (2007: interim tax exempt dividend of 6.0 sen per share of RM0.25 each). The entitlement date for the interim dividend shall be on 5 September 2008 and the payment date shall be on 23 September 2008.

8. Segment information for the current financial period

No business segment analysis is prepared as the Group is primarily engaged in the operation and maintenance of toll roads and expressways in Malaysia. Geographical segment analysis is also not presented by the Group as the subsidiaries located overseas are insignificant to the Group for separate reporting based on the subsidiaries' financial statements for the current period ended 30 June 2008.

9. Material events subsequent to the end of the current financial period

In the opinion of the Directors, there are no items, transactions or events of a material and unusual nature which have arisen from 30 June 2008 to the date of this announcement which would substantially affect the financial results of the Group for the six months ended 30 June 2008.

10. Changes in the composition of the Group

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

PLUS SPV

On 26 February 2008, PEB became the holding company of PLUS SPV. PLUS SPV is a public company limited by shares and is registered under the Companies Act 1965 Malaysia with paid up capital of RM2.00 comprising 2 ordinary shares of RM1.00 each. On 15 April 2008, the 2 ordinary shares of RM1.00 each in PLUS SPV were transferred to CIMB Trustee Berhad. The principal activity of PLUS SPV is to facilitate the issuance of PLUS SPV Sukuk as explained in Note 6(iv).

Acquisition of KLBK

On 13 March 2008, PEB has completed the acquisition of the entire issued and paid-up share capital of KLBK for a total cash consideration of RM134 million from MMC Corporation Berhad. KLBK is the concessionaire for the Butterworth-Kulim Expressway ("BKE") which is a 17-kilometre dual two lane carriageway extending from Kulim in Kedah to Seberang Perai in Penang. The concession period is 32 years ending in 2026.



Company No. : 570244-T
Incorporated in Malaysia

The fair value and carrying amount of assets acquired and liabilities assumed from the acquisition of KLBK are as follows:

	Fair value recognised on acquisition	Acquiree's carrying amount
	RM'000	RM'000
Concession assets	297,682	255,621
Property, plant and equipment	14,343	14,343
Sundry receivables, deposits and prepayments	767	767
Deferred tax assets	3,571	3,571
Short term deposits with licensed banks	39,340	39,340
Cash and bank balances	8,580	8,580
Total assets	364,283	322,222
Long term borrowings	(172,825)	(172,825)
Advance from previous holding company	(85,378)	(85,378)
Deferred liabilities	(48,525)	(48,525)
Sundry and trade payables	(8,857)	(8,857)
Tax payable	(76)	(76)
Total liabilities	(315,661)	(315,661)
Total net assets	48,622	6,561
Total cost of acquisition	48,622	
Purchase consideration satisfied by cash (refer note below)	134,000	
Total cash outflow of the Company	134,000	
Cash and cash equivalents of subsidiary acquired	(47,920)	
Net cash outflow on acquisition of subsidiary	86,080	
Less: Deposit paid in previous year	(13,400)	
Net cash outflow on acquisition of subsidiary during the period	72,680	

Note:

The purchase consideration of RM134 million includes the full settlement of the shareholder's advance owing by KLBK to MMC, its previous holding company, amounting to RM85.378 million.

The effect of the acquisition on the financial results of the Group from the date of acquisition to the current period ended 30 June 2008 is as follows:

	Current year quarter 30/6/2008	Six months to 30/6/2008
	RM'000	RM'000
Revenue	8,800	11,787
Profit for the period	1,768	2,358

The acquisition of KLBK was completed on 13 March 2008. However, if the acquisition of KLBK had occurred on 1 January 2008, the revenue and profit for the Group would have been RM1,463 million and RM543 million respectively.

11. 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.



Company No. : 570244-T
Incorporated in Malaysia

12. Capital commitments

	As at 30/6/2008
	RM'000
Amount authorised and contracted for	
- Additional Works	311,710
- Others	<u>547,789</u>
	<u>859,499</u>
Amount authorised but not contracted for	<u>96,113</u>

13. Taxation

	Individual Quarter		Cumulative Quarter	
	Current year quarter 30/6/2008 RM'000	Preceding year corresponding quarter 30/6/2007 RM'000	Six months to 30/6/2008 RM'000	Six months to 30/6/2007 RM'000
Income tax:				
- Malaysian income tax	5,887	4,429	13,902	12,270
- Under provision in prior years	<u>-</u>	<u>-</u>	<u>217</u>	<u>243</u>
	5,887	4,429	14,119	12,513
Deferred tax:				
- Relating to reversal and origination of temporary differences	106,340	2,097	203,929	1,383
- Relating to change in tax rate	(82)	-	1,257	-
- Under provision in prior years	<u>2,229</u>	<u>-</u>	<u>3,683</u>	<u>-</u>
	<u>114,374</u>	<u>6,526</u>	<u>222,988</u>	<u>13,896</u>

The income tax for the current quarter and year-to-date of RM5.9 million and RM14.1 million respectively mainly relates to income received by PEB for provision of expressway operational services and interest income for the Group.

No provision of income tax for PLUS after expiry of PLUS's tax exempt period on 31 December 2006, and also for ELITE and KLBK, due to availability of unabsorbed capital allowances and unused tax losses, except for tax on interest income.

Effective tax rate of 29% for six months ended 30 June 2008 is higher than the statutory tax rate of 26% mainly due to non-deductible expenses added back as permanent differences.

14. Disposal of unquoted investments and/or properties

There were no disposals of unquoted investments and/or properties in the current period except for the maturity of unquoted investment in bonds, certificates and commercial papers of RM170 million.

15(a) Acquisitions and disposals of quoted securities

There were no acquisitions and disposals of quoted securities in the current period ended 30 June 2008.



Company No. : 570244-T
 Incorporated in Malaysia

15(b) Short term investments

Total short term investments in securities as at 30 June 2008 are as follows:

	As at 30/6/2008
	RM'000
Quoted shares, at cost	46
Less: Accumulated impairment loss	<u>(12)</u>
Net carrying amount of quoted shares (Note i)	<u>34</u>
Islamic commercial papers / structured products (Note ii)	<u>61,337</u>
Total short term investments	<u><u>61,371</u></u>

Note i: The market value of the quoted shares was RM33,404 as at 30 June 2008.

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

15(c) Other investment

	As at 30/6/2008
	RM'000
Unquoted Islamic private debt securities, at cost	55,046
Add: Premium	<u>64</u>
	55,110
Islamic structured products	<u>110,000</u>
Total other investment	<u><u>165,110</u></u>

This comprises PLUS's investment in the form of Islamic medium term notes, bonds and structured products with maturity of more than 12 months.

16. 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.



Company No. : 570244-T
Incorporated in Malaysia

17. Borrowing and financial liabilities

The details of the Group's borrowing and financial liabilities as at 30 June 2008 are as follows:

	Long term borrowings/ financial liabilities			Short term borrowings/ financial liabilities		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Islamic financial liabilities</u>						
- Senior Sukuk (Note a)	2,450,000	-	2,450,000	550,000	-	550,000
- Sukuk Series 1	1,609,841	-	1,609,841	-	-	-
- Sukuk Series 2	1,279,139	-	1,279,139	-	-	-
- Sukuk Series 3	921,063	-	921,063	-	-	-
- Elite BAIDS	632,949	-	632,949	70,000	-	70,000
- KLBK BAIDS	174,214	-	174,214	-	-	-
- PLUS SPV Sukuk	761,907	-	761,907	-	-	-
	7,829,113	-	7,829,113	620,000	-	620,000
<u>Other borrowings</u>						
- Bridging Loan	-	-	-	-	325,420	325,420
- Elite GSL	389,916	-	389,916	-	-	-
- Linkedua GSL	1,032,673	-	1,032,673	-	-	-
- Term Loan (denominated in Indian Rupees)	93,611	-	93,611	7,602	-	7,602
TOTAL	9,345,313	-	9,345,313	627,602	325,420	953,022

(a) Included in sundry payables and accruals in the Condensed Consolidated Balance Sheet as at 30 June 2008 is the profit accrued up to 30 June 2008 on Islamic financial liabilities amounting to approximately RM37.1 million.

18. Off Balance Sheet financial instruments

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

19. Material litigation

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

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

Toll collection (as disclosed in Remark 2 to the Condensed Consolidated Income Statement) for the current quarter grew by RM18.1 million to RM558.0 million as compared to the immediate preceding quarter of RM539.9 million, attributable to a 1.7% growth in traffic volume for PLUS as well as higher contribution from KLBK in current quarter which was consolidated with effect from 1 March 2008. Accordingly, **total revenue** for the current quarter was RM18.8 million or 2.6% higher than the immediate preceding quarter.

Profit before taxation for the current quarter of RM380.5 million was RM3.6 million or 0.9% lower than the immediate preceding quarter of RM384.1 million, mainly due to higher operating expenses and depreciation and amortisation, mitigated by higher revenue as explained above.



Company No. : 570244-T
Incorporated in Malaysia

21. Review of performance for the current quarter and year-to-date

Toll collection for second quarter 2008 (as set out in Remark 2 to the Condensed Consolidated Income Statement) was higher by RM121.8 million or 27.9% as compared to second quarter 2007. The increase was mainly due to contribution from new subsidiaries Elite, Linkedua and KLBK and growth of PLUS's toll collection in the current quarter of 8.6%. For half year ended 30 June 2008, toll collection increased by RM231.7 million to RM1,097.9 million from RM866.2 million for the same period last year, mainly attributed to a year-on-year traffic growth of 8.2% for PLUS, giving a higher toll collection of RM73.2 million, as well as contribution from Elite, Linkedua and KLBK of RM158.5 million.

Total revenue for the current quarter of RM738.2 million was RM168.5 million or 29.6% higher than the preceding year corresponding quarter of RM569.7 million. For the first six months of 2008, the Group reported total revenue of RM1,457.6 million which was RM364.0 million or 33.3% higher than RM1,093.6 million for the same period last year. The growth is primarily attributable to higher toll collection (as explained above) and higher toll compensation of RM135.3 million in the absence of notional tax provision on tax exempt dividend in the current period following the introduction of single tier tax system.

Following the inclusion of results of new subsidiaries acquired, the **profit before taxation** ("PBT") for the current quarter and period has improved. PBT for current quarter of RM380.5 million was RM63.6 million or 20.1% higher than the preceding year corresponding quarter of RM316.9 million, whereas PBT for the six months ended 30 June 2008 of RM764.6 million was RM181.9 million or 31.2% higher than the preceding year corresponding period of RM582.7 million. The profit contribution from the new subsidiaries acquired totalled RM16.4 million and RM31.6 million for current quarter and period respectively. In addition, higher traffic volume from PLUS has also contributed to the improvement in PBT.

For first half 2008, the Group has generated cash from operating activities of RM888.2 million, 36.8% higher than the first half of 2007, with cash balance of RM2,573.4 million as at 30 June 2008.

22. Economic profit ("EP") statement

	Individual Quarter		Cumulative Quarter	
	Current year quarter 30/6/2008 RM'000	Preceding year corresponding quarter 30/6/2007 RM'000	Six months to 30/6/2008 RM'000	Six months to 30/6/2007 RM'000
<u>Net operating profit after tax ("NOPAT") computation:</u>				
Earnings before interest and tax ("EBIT")	512,377	410,051	1,028,827	770,287
Tax	(114,374)	(6,526)	(222,988)	(13,896)
NOPAT	398,003	403,525	805,839	756,391
<u>Economic charge computation:</u>				
Average invested capital (Note 1)	13,330,246	9,789,831	13,330,246	9,789,831
Weighted average cost of capital ("WACC") (%) (Note 2)	7.21%	7.06%	7.21%	7.06%
Economic charge	240,278	172,791	480,555	345,581
Economic profit	157,725	230,734	325,284	410,810

The EP statement is as prescribed under the Government-Linked Corporations (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 RM157.7 million is RM73.0 million or 31.6% lower as compared to second quarter 2007. EP for the first half of 2008 of RM325.3 million is lower by RM85.5 million or 20.8% than the preceding year corresponding period of RM410.8 million. The EP was lower primarily attributable to higher taxation and higher economic charge for higher average invested capital due to consolidation of new subsidiaries mitigated by higher revenues.



Company No. : 570244-T
Incorporated in Malaysia

Note 1:

Average invested capital consists of average operating working capital, average net concession assets and 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 period.

23. Prospects for the current financial year

PLUS, which contributes about 86% of the Group toll collection, registered a traffic volume growth of 8.2% for the half year ended 30 June 2008 with a year-on-year growth of 2.9% for the month of June 2008. The lower growth in month of June 2008 was an anticipated impact of the petrol and diesel price increase of 41% and 63% respectively from 5 June 2008. Such impact is expected to continue for the following few months as seen historically. However, the Group envisages a positive traffic growth for full year 2008, as it is anticipated to improve in particular during the long school holidays and festive breaks in the last quarter of the year. New subsidiaries, Elite, Linkedua and KLBK registered traffic growth of 7.9%, 21.4% and 1.2% respectively for the first half 2008.

On the Headline Key Performance Indicators ("KPI"), the Group has achieved 25.7% growth in terms of lane-kilometres against the 20% target by end of 2008. This was contributed by the acquisitions of the new expressways and the full completion of third-lane widening works for certain stretches along the North-South Expressway in May 2008. For KPI on revenue growth, the Group is on track to achieve the revenue growth target of 25% for year 2008.

24. Profit forecast

No profit forecast has been made in respect of financial period ended 30 June 2008.

25. Basic earnings per share

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Six months to	Six months to
	30/6/2008	30/6/2007	30/6/2008	30/6/2007
Profit for the period attributable to equity holders of the Company (RM'000)	266,047	310,401	541,593	568,918
No. of ordinary shares ('000)	5,000,000	5,000,000	5,000,000	5,000,000
Basic earnings per share (Sen)	5.32 sen	6.21 sen	10.83 sen	11.38 sen

By Order of the Board

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

Kuala Lumpur
21 August 2008

Joint Company Secretaries