



PLUS EXPRESSWAYS BERHAD  
Company No. : 570244-T  
Incorporated in Malaysia

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2008.

THE FIGURES HAVE NOT BEEN AUDITED.

I. CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter <b>30/9/2008</b> RM'000	Preceding year corresponding quarter <b>30/9/2007</b> RM'000	Nine months to <b>30/9/2008</b> RM'000	Nine months to <b>30/9/2007</b> RM'000
<b>Revenue</b> (Remark 2)	<b>717,153</b>	<b>553,892</b>	<b>2,174,781</b>	<b>1,647,537</b>
Direct cost of operations	(228,852)	(165,994)	(647,090)	(490,504)
<b>Gross profit</b>	<b>488,301</b>	<b>387,898</b>	<b>1,527,691</b>	<b>1,157,033</b>
Other income	13,536	10,816	43,660	34,769
General and administration expenses	(20,057)	(13,876)	(60,745)	(36,677)
Finance income	23,205	18,305	74,665	60,484
Finance costs	(163,910)	(111,261)	(479,597)	(340,979)
<b>Profit before taxation</b>	<b>341,075</b>	<b>291,882</b>	<b>1,105,674</b>	<b>874,630</b>
Taxation (Note 13)	(99,283)	(5,710)	(322,271)	(19,606)
<b>Profit for the period</b>	<b>241,792</b>	<b>286,172</b>	<b>783,403</b>	<b>855,024</b>
<b>Attributable to :</b>				
<b>Equity holders of the Company</b>	<b>241,756</b>	<b>286,231</b>	<b>783,349</b>	<b>855,149</b>
<b>Minority interests</b>	<b>36</b>	<b>(59)</b>	<b>54</b>	<b>(125)</b>
	<b>241,792</b>	<b>286,172</b>	<b>783,403</b>	<b>855,024</b>
<b>Basic earnings per share (Note 25)</b>	<b>4.84 sen</b>	<b>5.72 sen</b>	<b>15.67 sen</b>	<b>17.10 sen</b>

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.



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Remarks :-

- The condensed consolidated income statement for the nine months ended 30 September 2008 has included the results of newly-acquired subsidiaries, namely Expressway Lingkar 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 <b>30/9/2008</b> RM'000	Preceding year corresponding quarter <b>30/9/2007</b> RM'000	Nine months to <b>30/9/2008</b> RM'000	Nine months to <b>30/9/2007</b> RM'000
Toll collection	542,958	451,558	1,640,861	1,317,751
Gross toll compensation	174,195	174,794	533,920	510,179
Less: Notional tax on tax exempt dividend	-	(73,973)	-	(184,932)
Net toll compensation	174,195	100,821	533,920	325,247
Net toll revenue	717,153	552,379	2,174,781	1,642,998
Operation service fees	-	1,513	-	4,539
Total revenue	717,153	553,892	2,174,781	1,647,537

- 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 <b>30/9/2008</b> RM'000	Preceding year corresponding quarter <b>30/9/2007</b> RM'000	Nine months to <b>30/9/2008</b> RM'000	Nine months to <b>30/9/2007</b> RM'000
Depreciation of property, plant and equipment	1,857	1,669	5,808	5,178
Amortisation of concession assets	93,933	63,596	272,696	181,534
Amortisation of intangible assets	334	278	1,030	819
Total depreciation and amortisation	96,124	65,543	279,534	187,531



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II. **CONDENSED CONSOLIDATED BALANCE SHEET**

	<b>Unaudited</b>	<b>Audited</b>
	<b>As at end of</b>	<b>As at preceding</b>
	<b>current quarter</b>	<b>financial year-end</b>
	<b>30/9/2008</b>	<b>31/12/2007</b>
<b>ASSETS</b>	<b>RM'000</b>	<b>RM'000</b>
	<u>Note</u>	
<b>Non-current assets</b>		
Concession assets	12,354,193	11,723,486
Property, plant and equipment	48,091	45,487
Prepaid land lease payment	27,339	27,550
Intangible assets	2,941	2,824
Other investment	165,021	115,244
Deferred tax assets	4,129	37,667
Toll compensation recoverable from the Government	1,772,762	1,392,650
Non-current deposits	506	547
	<b>14,374,982</b>	<b>13,345,455</b>
<b>Current assets</b>		
Inventories	43	49
Sundry receivables, deposits and prepayments	70,477	58,363
Amount owing by related companies	8,230	8,194
Toll compensation receivable from the Government	48,029	-
Tax recoverable	757	-
Short term investments	88,959	63,322
Deposits with licensed banks	1,914,450	2,378,135
Cash and bank balances	16,998	39,487
	<b>2,147,943</b>	<b>2,547,550</b>
Total assets	<b>16,522,925</b>	<b>15,893,005</b>



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

		<b>Unaudited As at end of current quarter 30/9/2008</b>	<b>Audited As at preceding financial year-end 31/12/2007</b>
	<u>Note</u>	RM'000	RM'000
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the Company</b>			
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		(3,169)	1,040
Retained earnings		3,387,535	3,329,186
		5,394,338	5,340,198
Minority interests		10,024	9,510
Total equity		5,404,362	5,349,708
<b>Non-current liabilities</b>			
Long term financial liabilities	17	7,898,323	7,096,256
Long term borrowings	17	1,534,993	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		13,739	12,822
Deferred liabilities		104,035	51,441
Deferred tax liabilities		276,348	11,494
		9,872,419	8,703,742
<b>Current liabilities</b>			
Trade payables		30,277	17,707
Sundry payables and accruals		147,642	135,847
Amount received from the Government for Additional Works		12,271	44,638
Short term financial liabilities	17	620,000	592,838
Short term borrowings	17	333,966	904,347
Amount owing to immediate holding company		1,622	39,880
Amount owing to related companies		100,276	103,883
Tax payable		90	415
		1,246,144	1,839,555
Total liabilities		11,118,563	10,543,297
Total equity and liabilities		<b>16,522,925</b>	<b>15,893,005</b>
<b>Net assets per share attributable to ordinary equity holders of the Company</b>		<b>RM1.08</b>	<b>RM1.07</b>

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.



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III. **CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>Unaudited Nine months to 30/9/2008 RM'000</b>	<b>Unaudited Nine months to 30/9/2007 RM'000</b>
<b>Cash flows from operating activities</b>		
Cash receipts from toll operations	1,728,290	1,321,439
Cash receipts from other services	35,706	33,399
Cash payments for expenses	(470,545)	(340,114)
Income tax paid	(6,002)	(4,008)
Future maintenance expenditure received	6,338	1,756
<b>Net cash generated from operating activities</b>	<b>1,293,787</b>	<b>1,012,472</b>
<b>Cash flows from investing activities</b>		
Acquisition of subsidiary, net of cash and cash equivalents acquired (Note 10)	(72,680)	(3,420)
Profit element and interest income received	87,572	53,917
Proceeds from maturity of short term investments	241,662	187,000
Proceeds from sales of property, plant and equipment	1,287	-
Interest earned on amount received from the Government for Additional Works	1,191	11,863
Purchase of property, plant and equipment and computer software	(8,451)	(11,606)
Purchase of investments	(314,737)	(281,744)
Payments for Additional Works	(290,001)	(276,400)
Payments for concession assets	(424,091)	(252,275)
<b>Net cash used in investing activities</b>	<b>(778,248)</b>	<b>(572,665)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of Islamic Sukuk	1,069,751	-
Drawdown of borrowing	190,659	53,667
Redemption of Islamic Sukuk/ bonds	(595,000)	(550,000)
Profit element and interest paid	(200,851)	(131,640)
Settlement of Bridging Loan	(760,051)	-
Advance received for share capital from minority shareholders	17,939	-
Proceeds from minority shareholders in respect of additional capital injection during the period	-	1,304
Dividends paid	(725,000)	(425,000)
<b>Net cash used in financing activities</b>	<b>(1,002,553)</b>	<b>(1,051,669)</b>
<b>Net change in cash and cash equivalents</b>	<b>(487,014)</b>	<b>(611,862)</b>
Effects of foreign exchange rate changes	840	(1,760)
Cash and cash equivalents as at beginning of the financial period	2,417,622	2,584,509
<b>Cash and cash equivalents as at end of the financial period</b>	<b>1,931,448</b>	<b>1,970,887</b>

(a)



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	<b>Unaudited</b>	<b>Unaudited</b>
	<b>As at</b>	<b>As at</b>
	<b>30/9/2008</b>	<b>30/9/2007</b>
	RM'000	RM'000
(a) Cash and cash equivalents comprise the following:		
Short term deposits	1,914,450	1,954,906
Cash and bank balances	<u>16,998</u>	<u>15,981</u>
	<b><u>1,931,448</u></b>	<b><u>1,970,887</u></b>

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.

	<b>Minimum Amounts</b>	<b>Reserve Account</b>
	<b>(RM'mn)</b>	
Projek Lebuhraya Utara-Selatan Berhad ("PLUS")	1,013.6	Finance Service Reserve Account ("FSRA") and Maintenance Reserve Account ("MRA")
Elite	25.2	FSRA
KLBK	<u>5.2</u>	FSRA and MRA
	<b><u>1,044.0</u></b>	

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 RM12.3 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.



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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			
<b>Nine months to 30 September 2008 (Unaudited)</b>								
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	-	-	-	(5,153)	-	(5,153)	460	(4,693)
Profit for the period	-	-	-	-	783,349	783,349	54	783,403
Total recognised income and expense for the period	-	-	-	(5,153)	783,349	778,196	514	778,710
Share option granted under Employee Equity Scheme ("EES")	-	-	-	944	-	944	-	944
Dividends (Note 7)	-	-	-	-	(725,000)	(725,000)	-	(725,000)
Balance as at 30 September 2008	<u>1,250,000</u>	<u>461,138</u>	<u>298,834</u>	<u>(3,169)</u>	<u>3,387,535</u>	<u>5,394,338</u>	<u>10,024</u>	<u>5,404,362</u>
<b>Nine months to 30 September 2007 (Unaudited)</b>								
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	-	-	-	700	-	700	(401)	299
Profit/ (loss) for the period	-	-	-	-	855,149	855,149	(125)	855,024
Total recognised income and expense for the period	-	-	-	700	855,149	855,849	(526)	855,323
Share option granted under EES	-	-	-	723	-	723	-	723
Issue of share capital	-	-	-	-	-	-	1,130	1,130
Acquisition of subsidiary	-	-	-	-	-	-	9,073	9,073
Dividends (Note 7)	-	-	-	-	(425,000)	(425,000)	-	(425,000)
Balance as at 30 September 2007	<u>1,250,000</u>	<u>461,138</u>	<u>298,834</u>	<u>3,100</u>	<u>2,936,492</u>	<u>4,949,564</u>	<u>10,172</u>	<u>4,959,736</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.



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## 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 September 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.





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**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. (2007: final tax exempt dividend of 2.5 sen per share amounting to RM125 million for financial year ended 31 December 2006). The payment was made on 16 July 2008.

A single tier interim dividend of 6.5 sen per ordinary share of RM0.25 each amounting to RM325 million for financial year ending 31 December 2008 (2007: interim tax exempt dividend of 6.0 sen per share of RM0.25 each amounting to RM300 million) was paid 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 September 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 September 2008 to the date of this announcement which would substantially affect the financial results of the Group for the nine months ended 30 September 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.



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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	<u>364,283</u>	<u>322,222</u>
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	<u>(315,661)</u>	<u>(315,661)</u>
Total net assets	<u>48,622</u>	<u>6,561</u>
Total cost of acquisition	<u>48,622</u>	
Purchase consideration satisfied by cash (refer note below)	<u>134,000</u>	
Total cash outflow of the Company	<u>134,000</u>	
Cash and cash equivalents of subsidiary acquired	<u>(47,920)</u>	
Net cash outflow on acquisition of subsidiary	<u>86,080</u>	
Less: Deposit paid in previous year	<u>(13,400)</u>	
Net cash outflow on acquisition of subsidiary during the period	<u>72,680</u>	

**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 September 2008 is as follows:

	Current year quarter 30/9/2008	Nine months to 30/9/2008
	RM'000	RM'000
Revenue	8,759	20,546
(Loss)/ Profit for the period	<u>(1,906)</u>	<u>452</u>

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 RM2,180 million and RM784 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.



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**12. Capital commitments**

	<b>As at 30/9/2008</b>
	RM'000
Amount authorised and contracted for	
- Additional Works	212,638
- Others	<u>453,567</u>
	<u>666,205</u>
Amount authorised but not contracted for	<u>86,794</u>

**13. Taxation**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	Current year quarter <b>30/9/2008</b> RM'000	Preceding year corresponding quarter <b>30/9/2007</b> RM'000	Nine months to <b>30/9/2008</b> RM'000	Nine months to <b>30/9/2007</b> RM'000
Income tax:				
- Malaysian income tax	5,868	5,718	19,770	17,988
- Under provision in prior years	<u>317</u>	<u>1,265</u>	<u>534</u>	<u>1,508</u>
	6,185	6,983	20,304	19,496
Deferred tax:				
- Relating to reversal and origination of temporary differences	92,690	(1,273)	296,619	110
- Relating to change in tax rate	171	-	1,428	-
- Under provision in prior years	<u>237</u>	<u>-</u>	<u>3,920</u>	<u>-</u>
	<u>99,283</u>	<u>5,710</u>	<u>322,271</u>	<u>19,606</u>

The income tax for the current quarter and year-to-date of RM6.2 million and RM20.3 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 nine months ended 30 September 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 RM242 million.

**15(a) Acquisitions and disposals of quoted securities**

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



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**15(b) Short term investments**

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

	<b>As at 30/9/2008</b>
	RM'000
Quoted shares, at cost	45
Less: Accumulated impairment loss	<u>(12)</u>
Net carrying amount of quoted shares (Note i)	<u>33</u>
Islamic commercial papers / structured products (Note ii)	<u>88,926</u>
Total short term investments	<u><u>88,959</u></u>

Note i: The market value of the quoted shares was RM33,417 as at 30 September 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**

	<b>As at 30/9/2008</b>
	RM'000
Unquoted Islamic private debt securities, at cost	55,046
Less: Discount	<u>(25)</u>
	55,021
Islamic structured products	<u>110,000</u>
Total other investment	<u><u>165,021</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.



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#### 17. Borrowing and financial liabilities

The details of the Group's borrowing and financial liabilities as at 30 September 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
<b><u>Islamic financial liabilities</u></b>						
- Senior Sukuk (Note a)	2,450,000	-	2,450,000	550,000	-	550,000
- Sukuk Series 1	1,634,726	-	1,634,726	-	-	-
- Sukuk Series 2	1,300,411	-	1,300,411	-	-	-
- Sukuk Series 3	935,458	-	935,458	-	-	-
- Elite BAIDS	633,485	-	633,485	70,000	-	70,000
- KLBK BAIDS	175,261	-	175,261	-	-	-
- PLUS SPV Sukuk	768,982	-	768,982	-	-	-
	7,898,323	-	7,898,323	620,000	-	620,000
<b><u>Other borrowings</u></b>						
- Bridging Loan	-	-	-	-	326,529	326,529
- Elite GSL	389,916	-	389,916	-	-	-
- Linkedua GSL	1,053,501	-	1,053,501	-	-	-
- Term Loan (denominated in Indian Rupees)	91,576	-	91,576	7,437	-	7,437
<b>TOTAL</b>	<b>9,433,316</b>	<b>-</b>	<b>9,433,316</b>	<b>627,437</b>	<b>326,529</b>	<b>953,966</b>

(a) Included in sundry payables and accruals in the Condensed Consolidated Balance Sheet as at 30 September 2008 is the profit accrued up to 30 September 2008 on Islamic financial liabilities amounting to approximately RM78.4 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 was lower by RM15.0 million to RM543.0 million as compared to the immediate preceding quarter of RM558.0 million. This was mainly due to lower traffic volume growth as a result of the increase in petrol and diesel prices on 5 June 2008. Accordingly, **total revenue** for the current quarter was RM21.0 million or 2.9% lower than the immediate preceding quarter.

**Profit before taxation** for the current quarter of RM341.1 million was RM39.4 million or 10.4% lower than the immediate preceding quarter of RM380.5 million mainly due to lower revenue (as explained above), higher operating and financial costs.



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

**Toll collection** for third quarter 2008 (as set out in Remark 2 to the Condensed Consolidated Income Statement) was higher by RM91.4 million or 20.2% as compared to third quarter 2007. The increase was mainly due to contribution from new subsidiaries, namely Elite, Linkedua and KLBK as well as growth in PLUS's toll collection in the current quarter of 2.0%. For nine months ended 30 September 2008, toll collection increased by RM323.1 million to RM1,640.9 million from RM1,317.8 million for the same period last year, mainly attributed to a year-on-year traffic growth of 6.2% for PLUS, giving a higher toll collection of RM82.3 million, as well as contribution from Elite, Linkedua and KLBK of RM240.8 million.

**Total revenue** for the current quarter of RM717.2 million was RM163.3 million or 29.5% higher than the preceding year corresponding quarter of RM553.9 million. For the nine months of 2008, the Group reported total revenue of RM2,174.8 million which was RM527.3 million or 32.0% higher than RM1,647.5 million for the same period last year. The growth is primarily attributable to higher toll collection (as explained above) and higher net toll compensation of RM208.7 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 RM341.1 million was RM49.2 million or 16.9% higher than the preceding year corresponding quarter of RM291.9 million, whereas PBT for the nine months ended 30 September 2008 of RM1,105.7 million was RM231.1 million or 26.4% higher than the preceding year corresponding period of RM874.6 million. The profit contribution from the new subsidiaries acquired totalled RM15.7 million and RM47.3 million for current quarter and period respectively. In addition, higher traffic volume from PLUS has also contributed to the improvement in PBT.

For the nine months ended 30 September 2008, the Group has generated cash from operating activities of RM1,293.8 million, 27.8% higher than the same period in 2007, with cash balance of RM1,931.4 million as at 30 September 2008 after dividend payments of RM725 million.

## 22. Economic profit ("EP") statement

	Individual Quarter		Cumulative Quarter	
	Current year quarter <b>30/9/2008</b> RM'000	Preceding year corresponding quarter <b>30/9/2007</b> RM'000	Nine months to <b>30/9/2008</b> RM'000	Nine months to <b>30/9/2007</b> RM'000
<u>Net operating profit after tax ("NOPAT") computation:</u>				
Earnings before interest and tax ("EBIT")	481,779	384,838	1,510,606	1,155,125
Tax	(99,283)	(5,710)	(322,271)	(19,606)
<b>NOPAT</b>	<b>382,496</b>	<b>379,128</b>	<b>1,188,335</b>	<b>1,135,519</b>
<u>Economic charge computation:</u>				
Average invested capital (Note 1)	13,450,345	9,814,168	13,450,345	9,814,168
Weighted average cost of capital ("WACC") (%) (Note 2)	7.04%	7.17%	7.04%	7.17%
Economic charge	236,726	175,919	710,178	527,757
<b>Economic profit</b>	<b>145,770</b>	<b>203,209</b>	<b>478,157</b>	<b>607,762</b>

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 RM145.8 million is RM57.4 million or 28.3% lower as compared to third quarter 2007. EP for the nine months ended 30 September 2008 of RM478.2 million is lower by RM129.6 million or 21.3% than the preceding year corresponding period of RM607.8 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.



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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**

Traffic volume shows signs of recovery in the month of August and September 2008, partly due to the downward revision in fuel prices on 23 August and 25 September 2008. PLUS, which contributes about 85% of the Group toll collection, registered a traffic volume growth of 6.0% for the nine months ended 30 September 2008 with a year-on-year growth of 1.8% for the current quarter. New subsidiaries, Elite, Linkedua and KLBK registered traffic growth of 5.2%, 22.1% and -0.3% respectively for the nine months ended 30 September 2008.

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.

In light of the challenging economic environment, the Group will continue to exercise all efforts to manage costs and enhance process efficiencies, which include prioritising implementation of major works as well as embarking on various cost reduction initiatives. Consequently, the Board expects the financial performance for the year to be satisfactory.

**24. Profit forecast**

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

**25. Basic earnings per share**

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Nine months to	Nine months to
	30/9/2008	30/9/2007	30/9/2008	30/9/2007
Profit for the period attributable to equity holders of the Company (RM'000)	241,756	286,231	783,349	855,149
No. of ordinary shares ('000)	5,000,000	5,000,000	5,000,000	5,000,000
Basic earnings per share (Sen)	<b>4.84 sen</b>	<b>5.72 sen</b>	<b>15.67 sen</b>	<b>17.10 sen</b>

By Order of the Board

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

Kuala Lumpur  
17 November 2008

Joint Company Secretaries