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

QUARTERLY REPORT ON CONSOLIDATION RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2010

THE FIGURES HAVE NOT BEEN AUDITED

I(A). CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Three months to	Three months to
	31/3/2010	**31/3/2009** Restated	**31/3/2010**	**31/3/2009** Restated
	RM'000	RM'000	RM'000	RM'000
Revenue (Remark 1)	813,202	737,762	813,202	737,762
Direct cost of operations	(224,879)	(217,498)	(224,879)	(217,498)
Gross profit	**588,323**	**520,264**	**588,323**	**520,264**
Other income	36,397	32,769	36,397	32,769
General and administration expenses	(19,328)	(17,642)	(19,328)	(17,642)
Finance costs	(187,904)	(164,518)	(187,904)	(164,518)
Profit before income tax	**417,488**	**370,873**	**417,488**	**370,873**
Income tax	(118,603)	(92,034)	(118,603)	(92,034)
Profit for the period	**298,885**	**278,839**	**298,885**	**278,839**
Attributable to:				
Owners of the Parent	299,130	278,611	299,130	278,611
Minority interests	(245)	228	(245)	228
Profit for the period	298,885	278,839	298,885	278,839
Earnings per share (Note 26)				
Basic (based on 2010: 5,000,000,000 [2009: 5,000,000,000] ordinary shares)	5.98 sen	5.57 sen	5.98 sen	5.57 sen

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

I(B). CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Three months to	Three months to
	31/3/2010	**31/3/2009** Restated	**31/3/2010**	**31/3/2009** Restated
	RM'000	RM'000	RM'000	RM'000
Profit for the period	298,885	278,839	298,885	278,839
Foreign currency translation differences for foreign operations	(1,891)	163	(1,891)	163
Other comprehensive income for the period, net of tax	(1,891)	163	(1,891)	163
Total comprehensive income for the period	296,994	279,002	296,994	279,002
Attributable to:				
Owners of the Parent	297,449	278,817	297,449	278,817
Minority interests	(455)	185	(455)	185
Total comprehensive income for the period	296,994	279,002	296,994	279,002

The condensed Consolidated Income Statement and Statement of Comprehensive Income in accordance with the adoption of FRS 139 should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

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

Remarks :-

1. Revenue consists of expressway toll collections, toll compensation received and recoverable from the Government, net of the Government's share of toll revenue (if any). Revenue is analysed as follows:-

	INDIVIDUAL QUARTER		**CUMULATIVE QUARTER**	
	Current year quarter	Preceding year corresponding quarter	Three months to	Three months to
	31/3/2010	**31/3/2009**	**31/3/2010**	**31/3/2009**
	RM'000	RM'000	RM'000	RM'000
Toll collection	607,169	550,499	607,169	550,499
Toll compensation	206,033	187,263	206,033	187,263
Total revenue	**813,202**	**737,762**	**813,202**	**737,762**

2. 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	Preceding year corresponding quarter	Three months to	Three months to
	31/3/2010	**31/3/2009**	**31/3/2010**	**31/3/2009**
		Restated		Restated
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment	1,525	1,154	1,525	1,154
Amortisation of concession assets	100,593	93,279	100,593	93,279
Amortisation of intangible assets	314	363	314	363
Total depreciation and amortisation	**102,432**	**94,796**	**102,432**	**94,796**

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

II. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	**Unaudited As at end of current quarter 31/3/2010** RM'000	**Audited As at preceding financial year end 31/12/2009** Restated RM'000
ASSETS			
Non-current assets			
Concession assets		12,384,843	12,417,516
Property, plant and equipment		49,233	49,146
Land held for development	1(c)	27,831	27,831
Intangible assets		3,638	3,729
Other investment held to maturity	15(c)	159,511	159,192
Deferred tax assets		9,128	8,316
Toll compensation recoverable from the Government		2,315,026	2,486,189
Long term deposits		492	501
		14,949,702	15,152,420
Current assets			
Toll compensation recoverable from the Government		173,000	117,879
Inventories		152	118
Sundry receivables, deposits and prepayments		63,512	77,688
Amount owing by related companies		3,302	1,937
Tax recoverable		5,702	4,812
Short term investments held to maturity	15(b)	109,964	129,936
Short term deposits with licensed banks		3,220,749	2,851,406
Cash and bank balances		68,707	32,124
		3,645,088	3,215,900
Total assets		**18,594,790**	**18,368,320**

II. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)

	Note	Unaudited As at end of current quarter 31/3/2010 RM'000	Audited As at preceding financial year end 31/12/2009 Restated RM'000
EQUITY AND LIABILITIES			
Equity attributable to owners of the Parent			
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		(5,688)	(7,664)
Retained earnings		4,061,495	4,075,169
		6,065,779	6,077,477
Minority interests		20,545	21,000
Total equity		6,086,324	6,098,477
Non-current liabilities			
Long term financial liabilities	18	8,846,917	8,763,035
Long term borrowings	18	1,668,996	1,654,284
Amount due to Government		38,096	38,096
Amount owing to immediate holding company		3,093	6,885
Other long term payables		96	97
Retirement benefits		16,180	15,698
Deferred liabilities		74,556	76,001
Deferred revenue		43,037	43,789
Deferred tax liabilities		921,922	806,779
		11,612,893	11,404,664
Current liabilities			
Trade payables		32,030	35,454
Sundry payables and accruals		173,232	127,063
Amount received from the Government for Additional Works		19,311	19,216
Deferred liabilities		6,938	6,920
Deferred revenue		3,158	3,194
Short term financial liabilities	18	557,955	557,917
Short term borrowings	18	24,402	23,947
Amount owing to immediate holding company		4,788	4,255
Amount owing to related companies		72,371	86,406
Tax payable		1,388	807
		895,573	865,179
Total liabilities		**12,508,466**	**12,269,843**
Total equity and liabilities		**18,594,790**	**18,368,320**
Net assets per share attributable to owners of the Parent		**RM1.21**	**RM1.22**

The condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

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

III. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	**Unaudited** Three months to **31/3/2010**	**Unaudited** Three months to **31/3/2009**
		RM'000	RM'000
Cash flows from operating activities			
Cash receipts from toll operations		604,035	552,467
Cash receipts from other services		18,226	13,327
Cash payments for expenses		(130,553)	(145,549)
Cash generated from operations		491,708	420,245
Income taxes paid		(1,589)	(1,920)
Future maintenance expenditure received		507	-
Net cash generated from operating activities		**490,626**	**418,325**
Cash flows from investing activities			
Profit element and interest income received		11,228	22,151
Proceeds from maturity of short term investments		70,000	29,000
Proceeds from disposal of property, plant and equipment		55	348
Interest earned on amount received from the Government for Additional Works		95	136
Purchase of property, plant and equipment and computer software		(1,864)	(3,101)
Purchase of investments		(49,841)	(50,763)
Payments for Additional Works		(103)	(36,223)
Payments for concession assets		(96,357)	(109,873)
Net cash used in investing activities		**(66,787)**	**(148,325)**
Cash flows from financing activities			
Proceeds from issuance of Islamic Sukuk		-	555,413
Redemption of Islamic bonds		-	(70,000)
Profit element and interest paid		(12,028)	(33,170)
Settlement of borrowings		(5,402)	(325,249)
Net cash (used in)/ generated from financing activities		**(17,430)**	**126,994**
Net change in cash and cash equivalents		**406,409**	**396,994**
Effects of foreign exchange rate changes		(483)	(282)
Cash and cash equivalents as at beginning of financial period		2,883,530	2,234,430
Cash and cash equivalents as at end of financial period	(a)	**3,289,456**	**2,631,142**

III. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

	Note	Unaudited As at 31/3/2010 RM'000	Unaudited As at 31/3/2009 RM'000
(a) Cash and cash equivalents comprise the following amounts:			
Short term deposits		3,220,749	2,606,187
Cash and bank balances		68,707	24,955
		3,289,456	**2,631,142**

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 (RM'mn)	Reserve Account
Projek Lebuhraya Utara-Selatan Berhad ("PLUS")	1,104.5	Finance Service Reserve Account ("FSRA") and Maintenance Reserve Account ("MRA")
Expressway Lingkaran Tengah Sdn Bhd ("Elite")	31.0	FSRA
Konsortium Lebuhraya Butterworth-Kulim (KLBK) Sdn Bhd ("KLBK")	13.1	FSRA and MRA
	1,148.6	

The deposits in Elite include an amount of RM2.0 million which has been pledged as security for a performance bond. Included in the cash and cash equivalents is the amount received by PLUS from the Government of RM19.3 million shall be used solely for the Additional Works pursuant to the provisions under the Third Supplemental Concession Agreement.

The condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

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

IV. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY

		Attributable to owners of the Parent							
			Non-distributable			Distributable			
	Note	Share Capital RM' 000	Capital Reserve RM' 000	Merger Reserve RM' 000	Other Reserves RM' 000	Retained Earnings RM' 000	Total RM' 000	Minority Interests RM' 000	Total Equity RM' 000
Three months to 31 March 2010 (unaudited)									
Balance as at 1 January 2010 (as previously stated)		1,250,000	461,138	298,834	(7,664)	4,074,326	6,076,634	21,000	6,097,634
Effects of adopting:									
Amendments to FRS117 as prior year adjustment	1(c)	-	-	-	-	843	843	-	843
FRS 139	1(a)(ii)	-	-	-	3,657	(312,804)	(309,147)	-	(309,147)
Balance as at 1 January 2010 (restated)		1,250,000	461,138	298,834	(4,007)	3,762,365	5,768,330	21,000	5,789,330
Total comprehensive income for the period					(1,681)	299,130	297,449	(455)	296,994
Balance as at 31 March 2010		1,250,000	461,138	298,834	(5,688)	4,061,495	6,065,779	20,545	6,086,324
Three months to 31 March 2009 (unaudited)									
Balance as at 1 January 2009 (as previously stated)		1,250,000	461,138	298,834	(20,312)	3,687,948	5,677,608	19,344	5,696,952
Effect of adopting Amendments to FRS117 as prior year adjustment	1(c)	-	-	-	-	562	562	-	562
Balance as at 1 January 2009 (restated)		1,250,000	461,138	298,834	(20,312)	3,687,948	5,677,608	19,344	5,696,952
Total comprehensive income for the period		-	-	-	206	278,611	278,817	185	279,002
Balance as at 31 March 2009		1,250,000	461,138	298,834	(20,106)	3,966,559	5,956,425	19,529	5,975,954

The condensed Consolidated Statement of Changes in Total Equity should be read in conjunction with the annual audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

V. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The condensed consolidated interim financial statements and notes to the condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Annual Group Audited Financial Statements for the year ended 31 December 2009.

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"), except for the adoption of the following new/ revised Financial Reporting Standards ("FRS") and Interpretations effective 1 January 2010 as disclosed below:

FRS 7: Financial Instruments: Disclosure
FRS 101 (Revised): Presentation of Financial Statements
FRS 123 (Revised): Borrowing Costs
FRS 139: Financial Instruments: Recognition and Measurement
Amendments to FRS 1: First-time Adoption of Financial Reporting Standards and FRS 127: Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendments to FRS 132: Financial Instruments: Presentation
Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures and IC Interpretation 9: Reassessment of Embedded Derivatives
Amendments to FRSs 'Improvements to FRSs (2009)'
IC Interpretation 9: Reassessment of Embedded Derivatives
IC Interpretation 10: Interim Financial Reporting and Impairment
IC Interpretation 11: FRS 2 – Group and Treasury Share Transactions
IC Interpretation 13: Customer Loyalty Programmes
IC Interpretation 14: FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction.

The adoption of the above pronouncements does not have significant impact to the Group, except as described below:

(a) FRS 139: Financial Instruments: Recognition and Measurement

(i) <u>Accounting policies</u>

The adoption of FRS 139 has resulted in changes to accounting policies relating to recognition and measurement of financial instruments and the new accounting policies are as follows:

(aa) Financial Assets

Financial assets are classified as either financial assets at fair value through profit or loss, financial assets held-to-maturity, loans and receivables or financial assets available-for-sale.

When financial assets are recognised initially, they are measured at fair value plus directly attributable transaction costs. The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end.

Financial assets at fair value through profit or loss
Financial assets classified as held for trading are categorised as financial assets at fair value through profit or loss. Financial assets are held for trading if they are acquired for the purpose of selling in the near term. Gains or losses on investments held for trading are recognised in income statement.

Derivatives are also classified as held for trading unless they are designated and effective hedging instruments. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. Any gains or losses arising from changes in fair value on derivatives that do not qualify for hedge accounting are taken directly to income statement for the year.

V. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D)

1. Accounting policies and methods of computation (cont'd)

(a) FRS 139: Financial Instruments: Recognition and Measurement (cont'd)

(i) <u>Accounting policies (cont'd)</u>

(aa) Financial Assets (cont'd)

Financial assets held-to-maturity
Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the expressed intention and ability to hold to maturity.

Investments that are intended to be held-to-maturity are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition, over the period to maturity. For investments carried at amortised cost, gains and losses are recognised in income statement when the investments are derecognised or impaired, as well as through the amortisation process.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Financial assets available-for-sale
Financial assets available-for-sale are non-derivative financial assets that are not classified as fair value through profit or loss, held-to-maturity or loans and receivables. After initial recognition, financial assets available-for-sale are measured at fair value with gains or losses being recognised in a reserve until the investment is sold, collected or otherwise disposed of or until the investment is determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in the income statement.

Derecognition of financial assets
A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:
- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(bb) Financial Liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities at amortised cost using the effective interest method.

Derecognition of Financial Liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in income statement.

V. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D)

(a) FRS 139: Financial Instruments: Recognition and Measurement (cont'd)

(ii) Financial impact

In accordance with the transitional provisions of FRS 139 for first-time adoption, adjustments arising from the change in accounting policies and remeasuring the financial instruments at the beginning of the financial period are recognised as adjustments of the opening balance of retained earnings as follows, whilst adjustment to comparatives are not required:-

	Note	Other non-distributable reserve RM'000	Retained earnings RM'000	Net asset attributable to owners of the Parent RM'000
At 1 January 2010, as previously stated		(7,664)	4,074,326	6,076,634
Prior year adjustment arising from adoption of amendments to FRS 117	1(c)	-	843	843
Adjustments arising from adoption of FRS 139:				
- Fair value adjustment of toll compensation recoverable from the Government	(aa)	-	(312,804)	(312,804)
- Remeasurement of interest free non-current amount owing to immediate holding company	(bb)	3,657	-	3,657
Net impact		3,657	(312,804)	(309,147)
At 1 January 2010, as restated		(4,007)	3,762,365	5,768,330

(aa) Toll compensation recoverable from the Government
Prior to the adoption of FRS 139, toll compensation recoverable from the Government was accrued based on estimation after taking into consideration the effects of the toll compensation arrangement pursuant to the Second Supplemental Concession Agreement. With the adoption of FRS 139, the fair value adjustment is recognised which is measured as the difference between the carrying amount and the present value of estimated future cash flows discounted at average interest rate over the applicable tenure.

(bb) Interest free non-current amount owing to immediate holding company
Prior to the adoption of FRS 139, non-current amount due to immediate holding company was stated at cost. With the adoption of FRS 139, this interest free amount is measured at amortised cost using the effective interest method based on appropriate interest rate at inception. The difference between the fair value and the carrying amount is recognised as other non-distributable reserve.

V. NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONT'D)

(b) FRS 101 (revised): Presentation of Financial Statement

The Group applies FRS 101 (revised) which became effective as of 1 January 2010. Pursuant to the revised standard, the Group presents all non-owner changes in equity separately in the consolidated statement of comprehensive income.

Comparative information has been restated in conformity with the revised standard.

(c) Amendments to FRSs 'Improvements to FRSs (2009)' - FRS 117: Leases

The Group has adopted the amendment to FRS 117. The Group has reassessed the leasehold land previously disclosed as prepaid land lease payments and determined that it is in substance finance lease in nature and is held for future development by the Group. Hence, the leasehold land has been reclassified from prepaid land lease payments to land held for development, within non-current assets. Land held for development is stated at cost less accumulated impairment losses. The change in accounting policy has been adopted retrospectively in accordance with the transitional provisions of the amendments to FRS 117.

Accordingly, a prior year adjustment relating to the amortisation of prepaid lease payments has been made. The prior year adjustment increases the retained earnings of the Group at 1 January 2010 by RM843,370 (1 January 2009: RM562,246).

The following comparative figures have been restated following the adoption of the amendments to FRS 117:

	31/12/2009	
	Land held for development	**Prepaid land lease payments**
	RM'000	RM'000
At 31 December 2009, as previously stated		
net book value	-	26,988
Reclassification	26,988	(26,988)
Prior year adjustment - reversal of amortisation (Note 1 (a) (ii))	843	-
At 31 December 2009, as restated	27,831	-

(d) IC Interpretation 13: Customer Loyalty Programmes

The Group applies IC Interpretation 13, which became effective on 1 January 2010. Pursuant to this IC Interpretation, award credits shall be accounted for as a separately identifiable component of the sales transactions in which they are granted (the "initial sale"). The fair value of the consideration received or receivable in respect of the initial sale shall be allocated between the award credits and the other components of the sale.

The adoption of this Interpretation does not have any material impact to the opening retained earnings, thus no retrospective adjustment is made.

(e) Amendments to FRSs 'Improvements to FRSs (2009)' - FRS 120 : Accounting for Government Grants and Disclosure of Government Assistance

Under this Amendment, the benefit of a government loan at a below-market rate of interest is treated as a government grant. The loan shall be recognised and measured in accordance with FRS 139 Financial Instruments: Recognition and Measurement. The benefit of the below-market rate of interest shall be measured as the difference between the initial carrying value of the loan determined in accordance with FRS 139 and the proceeds received. However, an entity shall apply those amendments prospectively to government loans received in periods beginning on or after 1 January 2010.

The adoption of this Amendment does not apply to Elite's interest free Government Loans ("GSL") and Amount due to Government as these were received prior to 1 January 2010.

2. **Audit report in respect of the 2009 financial statements**

The audit report on the Group's financial statements for the financial year ended 31 December 2009 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 period.

5. **Material changes in estimates used**

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

6. **Debt and equity securities**

The Group did not undertake any 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 31 March 2010.

7. **Dividend**

On 29 April 2010, the shareholders of the Company approved the payment of a final single tier dividend of 10.0 sen per ordinary share of RM0.25 each amounting to RM500 million for the financial year ended 31 December 2009 at the Eighth Annual General Meeting of the Company. The payment was made on 18 May 2010.

The Directors do not recommend the payment of an interim dividend for the current period ended 31 March 2010 (31 March 2009: Nil).

8. **Operating Segments**

In the prior year's audited consolidated financial statement, the basis of segmentation was on geographical segment. In the current quarter ended 31 March 2010 and for the current financial year ending 31 December 2010, the basis of segmentation has been changed to operating segments based on information reported internally to the Board of Directors of the Company. The group is organised into legal entities based on the concessions of the highways held by each entity. PLUS is the largest contributor to the group in terms of revenue, profit for the period and total assets and hence is reported as a separate operating segment whilst the rest are reported as 'Others'.

Operating Segment information for the current financial period to 31 March 2010 is as follows:

	PLUS RM'000	**Others** RM'000	**Total** RM'000
Revenue	718,647	94,555	813,202
Profit for the period	324,433	(25,548)	298,885
Total Assets	14,203,403	4,391,387	18,594,790

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 since 31 March 2010 to the date of this announcement which would substantially affect the financial results of the Group for the three months ended 31 March 2010 that have not been reflected in the condensed financial statements.

10. **Changes in the composition of the Group**

There were no changes in the composition of the Group for the current quarter including business combinations, acquisitions or disposals of subsidiaries and long-term investments, restructuring or discontinued operations except that on 24 February 2010, PLUS Expressways Berhad ("PEB") has incorporated a foreign subsidiary in Port Louis, Mauritius vide a subscription of 1 ordinary share of United States Dollar ("USD") 1.00 each representing 100% equity interest in PLUS Plaza (Mauritius) Private Limited ("PLUS Plaza") for a total cash consideration of USD1.00 only.

The intended principal activity of PLUS Plaza is investment holding.

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.

12. **Capital commitments**

	As at 31/3/2010 RM'000
Amount authorised and contracted for (Note i)	659,850
Amount authorised but not contracted for	57,516

Note i: Included in the amount is an amount committed by PT Lintas Marga Sedaya ("LMS") for land acqusition costs for the Cikampek-Palimanan Highway project totaling IDR524.8 billion (equivalent to RM190.5 million*).

** based on exchange rate of IDR1=RM0.000363*

13. **Income tax**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter **31/3/2010** RM'000	Preceding year corresponding quarter **31/3/2009** RM'000	Three months to **31/3/2010** RM'000	Three months to **31/3/2009** RM'000
Malaysian taxation				
Current taxation	4,170	5,335	4,170	5,335
Under provision in respect of prior years	109	-	109	-
Deferred taxation	114,324	86,696	114,324	86,696
	118,603	92,031	118,603	92,031
Foreign taxation				
Current taxation	-	3	-	3
	118,603	92,034	118,603	92,034

The income tax for the current quarter of RM4.2 million mainly relate to income received by PEB for provision of expressway operational services to other expressway companies and interest income for the Group.

Income tax for PLUS, ELITE and KLBK are on interest income only, due to availability of unabsorbed capital allowances and unused tax losses to be offset against business income.

Other subsidiaries are not subject to income tax since they are in tax loss position.

Effective tax rate of 28% for three months ended 31 March 2010 is higher than the statutory tax rate of 25% mainly due to non-deductable expenses.

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 commercial papers of RM70 million.

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

There were no acquisitions and disposals of quoted securities in the current period ended 31 March 2010.

15(b) **Short term investments held to maturity**

Total short term investments in securities held to maturity as at 31 March 2010 are as follows:

	As at 31/3/2010 RM'000
Islamic / conventional investment (Note i)	109,964

Note i: For the current period under review, the Group purchased unquoted investments in the form of Islamic and conventional commercial papers/ medium term notes with a rating of not lower than P1 or AA3.

15(c) **Other investment held to maturity**

	As at 31/3/2010 RM'000
Unquoted Islamic private debt securities, at cost	115,000
Add: Premium	1,548
Less: Discount	(7,037)
	109,511
Islamic structured products	50,000
Total other investment	159,511

The Group's other investment held to maturity are in the form of 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**

The following corporate proposals have been announced but not completed as at the date of this announcement.

a) Proposed acquisition in Indu Navayuga Infra Project Private Limited, India

On 22 January 2010, PEB entered into a Share Purchase cum Shareholders Agreement ("SPSA") with Navayuga Engineering Company Limited ("Navayuga"), Indu Projects Limited ("Indu"), M/s. Abhishek Developers ("Abhishek") and Indu Navayuga Infra Project Private Limited ("Company") (Navayuga, Indu and Abhishek are hereinafter referred to as the "Existing Shareholders") in relation to the proposed acquisition by PEB of up to 74% of the equity interest of the Existing Shareholders in the Company ("Proposed Acquisition").

The Company and the National Highways Authority of India ("NHAI") on behalf of the Government of India have entered into a Concession Agreement dated 30 May 2006 in which the Company was appointed as the concessionaire to undertake the design, engineering, construction, development, finance, operations and maintenance of the existing 2 lane portion from KM 285 (near Padalur) to KM 325 (near Trichy) on National Highway No. 45 (NH-45) in the State of Tamil Nadu, including widening the existing 2 lanes stretching to 38.55 kilometres into 4 lanes on Built Operate Transfer (BOT) basis ("Project"). The concession period for the Project is 25 years.

Total purchase consideration for the Proposed Acquisition is Rs.99,90,00,000 (Rupees Ninety Nine Crores Ninety Lakhs only, equivalent to RM74 million*), payable in two tranches. First Tranche Consideration of Rs.68,85,00,000 (Rupees Sixty Eight Crores Eighty Five Lakhs only, equivalent to RM51 million*) for 49% stake is payable upon fulfillment of the Conditions Precedent, inter alia, the necessary consents, approvals, licenses, sanctions and undertakings have been obtained by the Company and received from the Existing Shareholders as well as achievement of full Commercial Operation Date (COD). The Second Tranche Consideration of Rs.31,05,00,000 (Rupees Thirty One Crores Five Lakhs only, equivalent to RM23 million*) for the remaining 25% stake is payable upon third anniversary of the COD.

The highway was officially opened to the public and tolling has commenced on 6 May 2010. The conditions precedent have been complied with and completed on 18 May 2010.

** based on exchange rate of Rs1=RM0.074*

17. Status of corporate proposals announced but not completed as at the date of this announcement (cont'd)

b) Proposed acquisition in Touch 'n Go Sdn Bhd ("TnG")

On 28 April 2010, PEB entered into a Share Sale Agreement ("SSA") with UEM Land Holdings Berhad ("ULHB"), a subsidiary of the major shareholder, UEM Group Berhad in relation to the proposed acquisition by PEB of 3,334,000 ordinary shares of RM1.00 each, representing 20.0% equity interest in TnG from ULHB for a total cash consideration of RM33,406,680 ("Proposed Acquisition").

PEB intends to fund the purchase consideration via internally generated funds.

The Proposed Acquisition is subject to the following approvals or notification or confirmation of no objection being obtained:
(i) Corporate approval from ULHB and PEB;
(ii) Notification to Bank Negara Malaysia;
(iii) Approvals from counterparties to contracts or agreements entered into with TnG; and
(iv) Written approvals of, or notification to, any financiers or lender of TnG or ULHB (if required).

The completion of acquisition is targeted by end of May 2010.

18. Borrowings and debt securities

Details of Group borrowings and financial liabilities as at 31 March 2010 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
Islamic Financial Liabilities						
- Senior Sukuk	1,900,000	-	1,900,000	550,000	-	550,000
- Sukuk Series 1	1,791,325	-	1,791,325	-	-	-
- Sukuk Series 2	1,434,890	-	1,434,890	-	-	-
- Sukuk Series 3	1,301,919	-	1,301,919	-	-	-
- Seafield Sukuk	860,198	-	860,198	-	-	-
- KLBK BAIDS	168,964	-	168,964	7,955	-	7,955
- PLUS SPV Sukuk	1,389,621	-	1,389,621	-	-	-
	8,846,917	-	8,846,917	557,955	-	557,955
Other borrowings						
- Elite GSL	389,916	-	389,916	-	-	-
- Linkedua GSL	1,184,905	-	1,184,905	-	-	-
- Term Loan (denominated in Indian Rupees)	94,175	-	94,175	24,402	-	24,402
	1,668,996	-	1,668,996	24,402	-	24,402
TOTAL	10,515,913	-	10,515,913	582,357	-	582,357

All the above borrowings are without recourse to PEB.

Included in sundry payables and accruals in the Condensed Consolidated Statement of Financial Position as at 31 March 2010 is the profit accrued up to 31 March 2010 on Islamic financial liabilities amounting to approximately RM90.2 million.

19. Derivatives

There are no derivatives as at date of this announcement. Hence, disclosure requirements pursuant to implementation of FRS139 issued by Bursa Malaysia dated 25 March 2010 is not applicable to the Group.

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 for the current quarter of RM607.2 million was lower by 4.3% or RM27.0 million as compared to the immediate preceding quarter of RM634.2 million. This was mainly due to higher traffic volume growth during festive periods and long year-end school holidays in the fourth quarter 2009. Accordingly, total revenue for the current quarter was RM40.6 million or 4.8% lower than the immediate preceding quarter.

Profit before income tax for the current quarter of RM417.5 million was RM18.9 million or 4.3% lower than the immediate preceding quarter of RM436.4 million, mainly due to lower revenue (as explained above) mitigated by lower operating expenditure.

22. Review of performance for the current quarter

Toll collection for the first quarter 2010 (as set out in Remark 1 to the Condensed Consolidated Income Statement) was higher by RM56.7 million or 10.3% as compared to the first quarter 2009. The increase was mainly due to increase in PLUS's toll collection of RM42.9 million, attributable to a traffic growth of 9.1% in the current quarter.

Total revenue for the current quarter of RM813.2 million was RM75.4 million or 10.2% higher than the preceding year corresponding quarter of RM737.8 million. The growth is primarily attributable to higher toll collection (as explained above) and higher toll compensation of RM18.8 million following the improvement in traffic volume.

Profit before income tax for the current quarter of RM417.5 million was RM46.7 million or 12.6% higher than the preceding year corresponding quarter of RM370.8 million, primarily attributable to higher toll revenue (as explained above), mitigated by higher amortisation and depreciation, and higher finance costs.

For the period ended 31 March 2010, the Group generated cash from operating activities of RM490.6 million, 17.3% higher than first quarter 2009, with cash and cash equivalents balance of RM3,289.5 million as at 31 March 2010.

23. **Economic profit ("EP") statement**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter **31/3/2010**	Preceding year corresponding quarter **31/3/2009** Restated	Three months to **31/3/2010**	Three months to **31/3/2009** Restated
	RM'000	RM'000	RM'000	RM'000
Net operating profit after tax ("NOPAT") computation:				
Earnings before interest and tax ("EBIT")	587,231	516,507	587,231	516,507
Adjusted tax	(146,808)	(129,127)	(146,808)	(129,127)
NOPAT (Note 1)	440,423	387,380	440,423	387,380
Economic charge computation:				
Average invested capital (Note 2)	14,735,606	14,280,200	14,735,606	14,280,200
Weighted average cost of capital ("WACC") (%) (Note 3)	6.77%	6.60%	6.77%	6.60%
Economic charge	249,400	235,623	249,400	235,623
Economic profit	191,023	151,757	191,023	151,757

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 RM191.0 million is RM39.3 million or 25.9% higher as compared to first quarter 2009. The higher EP was primarily due to higher operating revenue mitigated by higher economic charge.

Note 1:
NOPAT is after a notional tax computed based on the statututory tax rate of the relevant years.

Note 2:
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 3:
WACC is calculated as weighted average cost of debts and equity taking into account the market capitalisation as at end of the period. The higher WACC for current quarter is mainly due to higher risk free rate which increased the cost of equity.

24. **Prospects for year 2010**

For the first quarter 2010, all expressways under the Group registered positive year on year traffic growth with PLUS at 9.1%, Elite at 14.7%, Linkedua at 22.4% and KLBK at 11.8%. The growths are in line with the economic recovery for first quarter 2010 as well as due to low traffic base effect in first quarter 2009. The growths are also attributed to the increase in domestic travelling and rapid development at certain stretches especially in the Klang valley.

Notwithstanding the recovery of the macroeconomic environment, PLUS is expected to record a moderate traffic growth in 2010 mainly due to high traffic base effect in subsequent quarters of 2009.

On its operations, the Group is continuously managing operating costs and improving process efficiencies, which include prioritising implementation of major works as well as embarking on various cost reduction initiatives. The Group remains focused on expansion in its toll business, locally and abroad, as well as toll-related business, as seen from its recent acquisition of 20% equity stake in Touch 'n Go Sdn Bhd. For 2010, the Board is confident that the Group will be able to sustain the performance as achieved last year.

25. **Profit forecast**

No commentary is made on any variance between actual profit from forecast profit, as it does not apply to the Group.

26. **Basic earnings per share ("EPS")**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter **31/3/2010**	Preceding year corresponding quarter **31/3/2009** Restated	Three months to **31/3/2010**	Three months to **31/3/2009** Restated
	RM'000	RM'000	RM'000	RM'000
Profit for the period attributable to owners of the Parent	299,130	278,611	299,130	278,611
Number of ordinary shares in issue ('000)	5,000,000	5,000,000	5,000,000	5,000,000
Basic earnings per share (Sen)	5.98 sen	5.57 sen	5.98 sen	5.57 sen

By Order of the Board

TAN HWEE THIAN (MIA 1904)
NOOR MEIZA AHMAD (LS 0009016)

Joint Company Secretaries

Selangor
21 May 2010