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

QUARTERLY REPORT ON CONSOLIDATION RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010

THE FIGURES HAVE BEEN AUDITED

I(A). CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter **31/12/2010** RM'000	Preceding year corresponding quarter **31/12/2009** RM'000	Twelve months to **31/12/2010** RM'000	Twelve months to **31/12/2009** RM'000
Continuing operations				
Revenue (Remark 1)	805,891	853,835	3,351,481	3,179,022
Direct cost of operations	(262,634)	(256,223)	(990,905)	(914,935)
Gross profit	**543,257**	**597,612**	**2,360,576**	**2,264,087**
Other income	135,095	40,358	244,058	134,733
General and administration expenses	(15,913)	(17,975)	(78,831)	(75,060)
Finance costs	(183,483)	(183,593)	(751,297)	(700,188)
Share of result from associate	1,057	-	2,459	-
Profit before income tax	**480,013**	**436,402**	**1,776,965**	**1,623,572**
Income tax	(145,518)	(123,171)	(476,181)	(438,460)
Profit for the period/ year	**334,495**	**313,231**	**1,300,784**	**1,185,112**
Attributable to:				
Owners of the Parent	337,805	315,002	1,306,170	1,186,378
Minority interests	(3,310)	(1,771)	(5,386)	(1,266)
Profit for the period/ year	334,495	313,231	1,300,784	1,185,112
Earnings per share (Note 26)				
Basic (based on 2010: 5,000,000,000 [2009: 5,000,000,000] ordinary shares)	6.76 sen	6.30 sen	26.12 sen	23.73 sen

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I(B). CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter **31/12/2010** RM'000	Preceding year corresponding quarter **31/12/2009** RM'000	Twelve months to **31/12/2010** RM'000	Twelve months to **31/12/2009** RM'000
Profit for the period/ year	334,495	313,231	1,300,784	1,185,112
Foreign currency translation differences for foreign operations	(970)	2,856	(18,305)	15,570
Other comprehensive income for the period/ year, net of tax	(970)	2,856	(18,305)	15,570
Total comprehensive income for the period/ year	333,525	316,087	1,282,479	1,200,682
Attributable to:				
Owners of the Parent	333,937	317,474	1,291,003	1,199,026
Minority interests	(412)	(1,387)	(8,524)	1,656
Total comprehensive income for the period/ year	333,525	316,087	1,282,479	1,200,682

The condensed Consolidated Income Statement and Statement of Comprehensive Income 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.

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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) and others. Revenue is analysed as follows:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter **31/12/2010**	Preceding year corresponding quarter **31/12/2009**	Twelve months to **31/12/2010**	Twelve months to **31/12/2009**
	RM'000	RM'000	RM'000	RM'000
Toll collection	676,270	634,222	2,573,345	2,365,960
Toll compensation revenue	244,497	219,613	885,332	813,062
Less: Fair value adjustment on toll compensation revenue for the year	(113,209)	-	(113,209)	-
	131,288	219,613	772,123	813,062
Less: Accrual for Government's share of toll revenue	(13,256)	-	(13,256)	-
Net toll revenue	794,302	853,835	3,332,212	3,179,022
Other revenues (Note a)	11,589	-	19,269	-
Total revenue	**805,891**	**853,835**	**3,351,481**	**3,179,022**

(a) Other revenues are contributed by PLUS Helicopter Services Sdn Bhd ("PHSB") which commenced operation in June 2010 and Teras Teknologi Sdn Bhd ("TERAS") which was acquired by PLUS Expressways Berhad ("PEB") on 15 June 2010.

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 **31/12/2010**	Preceding year corresponding quarter **31/12/2009**	Twelve months to **31/12/2010**	Twelve months to **31/12/2009**
	RM'000	RM'000	RM'000	RM'000
Depreciation of property, plant and equipment	2,045	1,661	7,023	5,742
Amortisation of concession assets	111,372	109,549	423,597	402,948
Amortisation of intangible assets	(20)	405	1,369	1,649
Total depreciation and amortisation	**113,397**	**111,615**	**431,989**	**410,339**

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II. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Audited As at current financial year end 31/12/2010 RM'000	Audited As at preceding financial year end 31/12/2009 RM'000 Restated
ASSETS			
Non-current assets			
Concession assets		12,612,505	12,417,516
Property, plant and equipment		81,631	76,134
Intangible assets		4,212	3,729
Investment in associates		35,884	-
Investment securities	15(c)	145,489	159,192
Deferred tax assets		3,023	8,316
Toll compensation recoverable from the Government		2,460,346	2,486,189
Long term deposits	10 (ii)	20,946	501
		15,364,036	15,151,577
Current assets			
Toll compensation recoverable from the Government		181,872	117,879
Inventories		332	118
Trade receivables		27,953	-
Sundry receivables, deposits and prepayments		56,377	77,688
Amount owing by immediate holding company/ related companies		46,469	1,937
Tax recoverable		11,023	4,812
Short term investments	15(b)	49,933	129,936
Short term deposits with licensed banks		3,440,123	2,851,406
Cash and bank balances		38,412	32,124
		3,852,494	3,215,900
Assets of disposal group classified as held for sale	16	31,625	-
Total assets		**19,248,155**	**18,367,477**

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

	Note	Audited As at current financial year end 31/12/2010 RM'000	Audited As at preceding financial year end 31/12/2009 RM'000 Restated
EQUITY AND LIABILITIES			
Equity attributable to owners of the Parent			
Share capital		1,250,000	1,250,000
Other reserves		741,275	752,308
Retained earnings		4,199,527	4,074,326
Reserve of disposal group classified as held for sale	16	(477)	-
		6,190,325	6,076,634
Minority interests		56,208	21,000
Total equity		6,246,533	6,097,634
Non-current liabilities			
Long term financial liabilities	17	8,629,565	8,763,035
Long term borrowings	17	1,824,805	1,654,284
Amount due to Government		38,096	38,096
Amount owing to immediate holding company		3,422	6,885
Retirement benefits		17,545	15,698
Deferred liabilities		75,288	76,001
Deferred revenue		40,740	43,789
Deferred tax liabilities		957,621	806,779
		11,587,082	11,404,567
Current liabilities			
Trade payables		61,783	35,454
Sundry payables and accruals		145,291	127,160
Amount received from the Government for Additional Works		19,407	19,216
Deferred liabilities		7,788	6,920
Deferred revenue		5,482	3,194
Short term financial liabilities	17	938,959	557,917
Short term borrowings	17	140,945	23,947
Amount owing to immediate holding company		4,492	4,255
Amount owing to related companies		88,700	86,406
Tax payable		1,626	807
		1,414,473	865,276
Liabilities directly associated with disposal group classified as held for sale	16	67	-
Total liabilities		**13,001,622**	**12,269,843**
Total equity and liabilities		**19,248,155**	**18,367,477**
Net assets per share attributable to Owners of the Parent		**RM1.24**	**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.

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III. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Audited Twelve months to 31/12/2010 RM'000	Audited Twelve months to 31/12/2009 RM'000
Cash flows from operating activities			
Cash receipts from toll operations		2,735,035	2,577,608
Cash receipts from other services		89,728	59,050
Cash payments for expenses		(585,493)	(566,015)
Cash generated from operations		2,239,270	2,070,643
Income taxes refunded/ (paid)		5,193	(7,275)
Future maintenance expenditure received		1,936	11,887
Net cash generated from operating activities		**2,246,399**	**2,075,255**
Cash flows from investing activities			
Profit element and interest income received		91,446	73,341
Proceeds from maturity of short term investments		291,000	171,000
Proceeds from disposal of property, plant and equipment		115	576
Interest earned on amount received from the Government for Additional Works		463	435
Acquisition of subsidiaries, net of cash and cash equivalents acquired	10 (iv)	(82,373)	-
Investment in associates		(33,425)	-
Long term deposit		(22,047)	-
Purchase of property, plant and equipment and computer software		(14,304)	(8,753)
Purchase of investments		(215,954)	(228,021)
Payments for Additional Works		(4,639)	(70,490)
Payments for concession assets		(421,860)	(385,873)
Net cash used in investing activities		**(411,578)**	**(447,785)**
Cash flows from financing activities			
Proceeds from issuance of Islamic Sukuk		443,060	1,739,565
Drawdown of borrowings		135,585	26,934
Redemption of Islamic bonds		(558,000)	(1,265,000)
Profit element and interest paid		(269,077)	(359,201)
Settlement of borrowings		(117,817)	(326,268)
Proceeds from minority shareholders in respect of additional capital injection during the year		428	-
Advance received for share capital from minority shareholders		5,680	-
Dividends paid		(875,000)	(800,000)
Net cash used in financing activities		**(1,235,141)**	**(983,970)**
Net change in cash and cash equivalents		**599,680**	**643,500**
Effects of foreign exchange rate changes		(174)	5,600
Cash and cash equivalents as at beginning of financial year		2,883,530	2,234,430
Cash and cash equivalents as at end of financial year	(a)	**3,483,036**	**2,883,530**

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

	Note	Audited As at 31/12/2010 RM'000	Audited As at 31/12/2009 RM'000
(a) Cash and cash equivalents comprise the following amounts:			
Short term deposits		3,440,123	2,851,406
Cash and bank balances		38,412	32,124
Cash and cash equivalents included in assets of disposal group classified as held for sale		4,501	-
		3,483,036	**2,883,530**

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")	954.1	Finance Service Reserve Account ("FSRA") and Maintenance Reserve Account ("MRA")
Expressway Lingkaran Tengah Sdn Bhd ("Elite")	31.1	FSRA
Konsortium Lebuhraya Butterworth-Kulim (KLBK) Sdn Bhd ("KLBK")	5.0	FSRA and MRA
	990.2	

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 RM19.4 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.

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IV. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		Attributable to Owners of the Parent						
			Non-distributable		Distributable			
	Note	Share Capital RM'000	Other Reserves RM'000	Reserve of disposal group classified as held for sale RM'000	Retained Earnings RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
Twelve months to 31 December 2010 (Audited)								
Balance as at 1 January 2010 (as previously stated)		1,250,000	752,308	-	4,074,326	6,076,634	21,000	6,097,634
Effects of adopting FRS139	1(a)(ii)	-	3,657	-	(305,969)	(302,312)	-	(302,312)
Balance as at 1 January 2010 (restated)		1,250,000	755,965	-	3,768,357	5,774,322	21,000	5,795,322
Total comprehensive income for the year		-	(15,167)	-	1,306,170	1,291,003	(8,524)	1,282,479
Acquisition of a subsidiary		-	-	-	-	-	43,047	43,047
Issuance of additional share capital to minority interests		-	-	-	-	-	685	685
Reserve of disposal group classified as held for sale	16	-	477	(477)	-	-	-	-
Dividends		-	-	-	(875,000)	(875,000)	-	(875,000)
Balance as at 31 December 2010		1,250,000	741,275	(477)	4,199,527	6,190,325	56,208	6,246,533
Twelve months to 31 December 2009 (Audited)								
Balance as at 1 January 2009		1,250,000	739,660	-	3,687,948	5,677,608	19,344	5,696,952
Total comprehensive income for the year		-	12,648	-	1,186,378	1,199,026	1,656	1,200,682
Dividends		-	-	-	(800,000)	(800,000)	-	(800,000)
Balance as at 31 December 2009		1,250,000	752,308	-	4,074,326	6,076,634	21,000	6,097,634

The condensed Consolidated Statement of Changes in 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 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, in the case of financial assets not at fair value through profit or loss, 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.

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.

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

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

(ii) <u>Financial impact</u>

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 reserves RM'000	Retained earnings RM'000	Net asset attributable to Owners of the Parent RM'000
At 1 January 2010, as previously stated		752,308	4,074,326	6,076,634
Adjustments arising from adoption of FRS 139:				
- Fair value adjustment of toll compensation recoverable from the Government	(aa)	-	(305,969)	(305,969)
- Remeasurement of interest free non-current amount owing to immediate holding company	(bb)	3,657	-	3,657
Net impact on FRS 139		3,657	(305,969)	(302,312)
At 1 January 2010, as restated		755,965	3,768,357	5,774,322

(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, interest-free 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.

1. Accounting policies and methods of computation (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 amendments 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. Hence, the leasehold land has been reclassified from prepaid land lease payments to property, plant and equipment within non-current assets. The change in accounting policy has been adopted retrospectively in accordance with the transitional provisions of the amendments to FRS 117. The change in accounting policy has been adopted retrospectively in accordance with the transitional provisions of the amendments to FRS 117.

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

	31/12/2009	
	Property, plant and equipment	**Prepaid land lease payments**
	RM'000	RM'000
At 31 December 2009, as previously stated		
Net book value	49,146	26,988
Reclassification	26,988	(26,988)
At 31 December 2009, as restated	76,134	-

(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 consideration allocated to the award credits is recognised as a liability (deferred revenue) in the statement of financial position and recognised as revenue when the points are redeemed, have expired or are no longer expected to be redeemed.

The adoption of this Intepretation does not have any material impact to the opening balance of retained earnings, thus no retrospective adjustment is made. However, toll collection for the current year is reduced by RM2.4 million with the adoption of this Intepretation.

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

The amendments to FRS 120 removed the exemption to impute interests on government loans at below market interest rate. The difference between the amount received and the present value of estimated cash flows discounted at market interest rate is accounted for as government grants. The amendments shall be applied prospectively to government loans received on or after 1 January 2010. The Group obtained government loans at below market interest rate amounting to RM389 million prior to 1 January 2010 and hence the amendments to FRS 120 did not have any impact on the Group's financial statements.

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 year, except as disclosed in note 10 below.

5. **Material changes in estimates used**

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

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 year ended 31 December 2010 except for the following:

(i) <u>Issuance of RM1 billion nominal value of Sukuk Series 3</u>
On 31 May 2010, PLUS issued RM1 billion nominal value (RM443 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.

(ii) Redemption of Primary Bonds of Senior Sukuk amounting to RM550 million by PLUS in May 2010.

(iii) Redemption of KLBK BAIDS of RM8 million by KLBK in July 2010.

(iv) <u>Issuance of Rs192 crores Commercial Paper Facility</u>
On 25 October 2010, PLUS BKSP Toll Limited, India ("BKSP") issued Rs192 crores (Rs175 crores present value on the issue date) of commercial papers ("CP") to refinance the existing debts and for working capital requirements.

7. **Dividend**

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 was paid on 18 May 2010.

An interim single tier dividend of 7.5 sen per ordinary share of RM0.25 each amounting to RM375 million for the financial year ended 31 December 2010 (2009: interim single tier dividend of 6.5 sen per share of RM0.25 each) was paid on 24 September 2010.

No further dividend will be proposed for financial year ended 31 December 2010 (2009: final single tier dividend of 10.0 sen per share of RM0.25 each amounting to RM500 million).

8. **Operating segments**

In the prior year's audited consolidated financial statement, the basis of segmentation was on geographical segment. In the current financial year ended 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 and separate business as 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 year ended 31 December 2010 is as follows:

	PLUS RM'000	**Others** RM'000	**Total** RM'000
Revenue	2,910,948	440,533	3,351,481
Profit for the year	1,367,457	(66,673)	1,300,784
Total Assets	14,350,671	4,897,484	19,248,155

9. **Material events subsequent to the end of the current financial year**

In the opinion of the Directors, there are no items, transactions or events of a material and unusual nature which have arisen since 31 December 2010 to the date of this announcement which would substantially affect the financial results of the Group for the twelve months ended 31 December 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 and financial year including business combinations, acquisitions or disposals of subsidiaries and long-term investments, restructuring or discontinued operations except as stated below:-

(i) Incorporation of foreign subsidiaries
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 USD1.00 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.

On 26 October 2010, the Company has incorporated a foreign subsidiary in Port Louis, Mauritius vide a subscription of 1 ordinary share of USD1.00 representing 100% equity interest in PLUS Jetpur (Mauritius) Pvt. Ltd. ("PLUS Jetpur") for a total cash consideration of USD1.00 only. The intended principal activity of PLUS Jetpur is investment holding.

(ii) Acquisition of Indu Navayuga Infra Project Private Limited ("INIPPL"), India
On 2 June 2010, PLUS Plaza completed the subscription of the First Tranche Shares of 54,880,000 ordinary shares of Rs10.00 each representing 49% equity interest of INIPPL for a cash consideration of Rs688,500,000 (equivalent to approximately RM52.6 million). Following this, INIPPL has become a foreign subsidiary of PEB, through its wholly owned subsidiary, PLUS Plaza, where PEB now has the management control over the business operation of the company as well as majority board composition pursuant to the Share Purchase Cum Shareholders' Agreement ("SPSA") between PLUS Plaza and other shareholders of INIPPL. Pursuant to the SPSA, one of the Conditions Precedent subsequent to the acquisition of the 49% equity stake is that PEB, shall deposit an aggregate of Rs31.05 crores (equivalent to RM22.0 million) into the Escrow Account, being consideration for the Second Tranche Shares of 25% of INIPPL's share capital. Such amount has been included in the long term deposits of the Statement of Financial Position. Upon third anniversary of the Commercial Operation Date, the Second Tranche Shares of 25% shall be transferred to PLUS Plaza.

10. Changes in the composition of the Group (cont'd)

INIPPL is the concessionaire appointed to undertake the design, construction, management, financing, operation, maintenance as well as toll collection for the 38.55-kilometre highway from Padalur to Trichy on National Highway no. 45 (NH-45) in the State of Tamil Nadu, India.

** based on exchange rate of Rs1=RM0.0764*

(iii) Acquisition of Touch 'n Go Sdn Bhd ("TnG")

On 11 June 2010, PEB completed the acquisition of 3,334,000 ordinary shares of RM1.00 each, representing 20% equity interest in TnG from UEM Land Holdings Berhad, a subsidiary of UEM Group Berhad ("UEM") which is the immediate holding company of PEB, for a total cash consideration of RM33,406,680.

TnG is primarily involved in providing contactless means of fare payment services via a prepaid e-payment card known as Touch 'n Go.

(iv) Acquisition of Teras Teknologi Sdn Bhd (“TERAS”)

On 15 June 2010, PEB had entered into a share sale agreement with UEM and completed the acquisition of 1,000,000 ordinary shares of RM1.00 each in TERAS, representing 100% equity interest in TERAS, from UEM for a total cash consideration of RM44,000,000.

TERAS is principally involved in the provision of information technology, outsourcing, e-commerce services and internet related services.

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

	Fair value recognised on acquisition RM’000	**Acquiree’s carrying amount** RM’000
Concession assets	275,973	265,578
Property, plant and equipment	2,221	2,221
Intangible assets	24	24
Trade receivables	19,900	19,900
Sundry receivables, deposits and prepayments	26,400	26,400
Deferred tax assets	1,358	1,358
Short term deposits with licensed banks	12,410	12,410
Cash and bank balances	1,848	1,848
Other current assets	15,335	15,335
Total assets	355,469	345,074
Borrowing	(187,628)	(187,628)
Trade and sundry payables	(34,909)	(34,909)
Amount owing to related company	(414)	(414)
Total liabilities	(222,951)	(222,951)
Total net assets	132,518	122,123
Less: Minority interests	(43,047)	
Group's share of net assets	89,471	
Less: Negative goodwill on acquisition of TERAS	(510)	
Foreign exchange difference	7,670	
Total cash outflow of the Company	96,631	
Cash and cash equivalents of subsidiaries acquired	(14,258)	
Net cash outflow on acquisitions of subsidiaries	82,373	

The above are provisional amounts for which FRS 3 allows for adjustments during the measurement period, which shall not exceed 12 months from the date of acquisition. Adjustments are allowed to be made retrospectively on the provisional amounts to reflect new information obtained about facts and circumstances that existed as of the acquisition date, if known, would have affected the measurement of the amounts recognised as of that date.

10. Changes in the composition of the Group (cont'd)

The effect of the acquisitions on the financial results of the Group from the date of acquisitions to the current financial year ended 31 December 2010 is as follows:

	Current year quarter **31/12/2010** RM'000	Twelve months to **31/12/2010** RM'000
Revenue	15,491	25,780
Profit/ (Loss) for the period/ year	(2,537)	(5,776)

The acquisitions of TERAS and INIPPL were completed on 15 June 2010 and 2 June 2010 respectively. However, if the acquisitions of TERAS and INIPPL had occurred on 1 January 2010, the revenue and profit for the Group would have been RM3,357.2 million and RM1,301.1 million respectively for the financial year ended 31 December 2010.

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 31/12/2010 RM'000
Amount authorised and contracted for (Note i)	868,091
Amount authorised but not contracted for	5,802

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 Indonesian Rupiah ("Rp") 524.8 billion (equivalent to RM186.3 million*) and amount committed by the Company for the proposed investment in PLUS Jetpur of RM57.0 million.

** based on exchange rate of Rp1=RM0.000355*

13. **Income tax**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter **31/12/2010** RM'000	Preceding year corresponding quarter **31/12/2009** RM'000	Twelve months to **31/12/2010** RM'000	Twelve months to **31/12/2009** RM'000
Income tax:				
Malaysian income tax	92,597	6,058	334,968	21,051
Foreign income tax	8	-	8	-
(Over) provision in respect of prior years	(854)	(18)	(16,255)	(18)
Subtotal	91,751	6,040	318,721	21,033
Deferred tax:				
Relating to origination and reversal of temporary differences	52,889	117,702	156,565	430,906
Under/ (Over) provision in respect of prior years	878	(571)	895	(13,479)
Subtotal	53,767	117,131	157,460	417,427
	145,518	123,171	476,181	438,460

The income tax for the current quarter of RM92.6 million and current year of RM335.0 million mainly relate to the Group's business income and interest income.

Inclusive in the amount of current taxation for the year is PLUS's income tax of RM328.7 million, which was arrived at, after fully utilising its capital allowances and prior years tax losses. Such amount is fully set-off against its non-cash toll compensation in accordance with the Second Supplemental Concession Agreement.

Income tax for 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.

The significant reduction in deferred taxation is attributable to the full utilisation of PLUS's capital allowances and prior years tax losses.

The taxation for the current year of RM476.2 million was higher by RM37.7 million compared to RM438.5 million in the year 2009 mainly due to higher profit for the year.

14. **Disposal of unquoted investments and/or properties**

There were no disposals of unquoted investments and/or properties in the current year except for the maturity of unquoted investment in commercial papers and structured products of RM291 million.

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

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

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

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

	As at 31/12/2010 RM'000
Islamic / conventional investment (Note i)	49,933

Note i: For the current year 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) **Investment securities**

	As at 31/12/2010 RM'000
Unquoted Islamic private debt securities, at cost	100,000
Add: Premium	1,277
Less: Discount	(5,788)
	95,489
Islamic structured products	50,000
Total other investment	145,489

The Group's investment in securities are held to maturity in the form of private debt securities 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.

(i) Proposed disposal of entire equity interest of 60% by PEB in PT Cimanggis Cibitung Tollways ("CCTW") ("Proposed Disposal")

On 28 July 2010, PEB had entered into a conditional sale and purchase agreement with PT Bakrie & Brothers TBK ("BAKRIE") for the disposal by PEB of its entire equity interest of 60% in CCTW, to BAKRIE for a total cash consideration of Indonesian Rupiah (Rp) 57,823,830,725 (equivalent to approximately RM20.1 million).

CCTW is a joint venture company between BAKRIE, PEB and PT Capitalinc Investment Tbk, another listed company in Indonesia. CCTW was incorporated on 22 February 2008 to undertake and implement the Cimanggis-Cibitung toll road project located in Java Island, Indonesia.

The Proposed Disposal is expected to be completed in first half 2011.

The major classes of assets and liabilities of CCTW classified as held for sale as at 31 December 2010 are as follows:

	Group RM'000
Assets:	
Concession assets	660
Deferred tax assets	7
Sundry receivables, deposits and prepayments	6,739
Short term investment	19,718
Short term deposits with licensed banks	341
Cash and bank balances	4,160
Assets of disposal group classified as held for sale	31,625
Liabilities:	
Sundry payables and accruals	(67)
Liabilities directly associated with disposal group classified as held for sale	(67)
Net assets of disposal group classified as held for sale	31,558
Reserve:	
Other non-distributable reserve	(477)

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

(ii) Proposed investment in Jetpur-Somnath Highway Limited ("JSHL"), India

An unincorporated consortium consisting of PEB and its joint bidding partner, IDFC Projects Limited ("IP") ("Consortium") has on 14 September 2010, received a letter dated 13 September 2010 from the National Highways Authority of India ("NHAI") informing that the Consortium has won the tender bid for the proposed Four Laning of Jetpur-Somnath Section of NH-8D from km 0.000 to km 127.600 in the State of Gujarat, India, to be executed on Design, Built, Finance, Operate and Transfer ("DBFOT") basis ("Proposed Project"). The Consortium has accordingly reverted to NHAI on 20 September 2010 accepting the offer to undertake the Proposed Project.

On 16 November 2010, PEB subscribed to the 26% equity interest in Jetpur-Somnath Highway Limited ("JSHL"), via PLUS Jetpur, to undertake the Proposed Project. However, on 23 December 2010, in compliance with the Request for Proposal (RFP) documentation for this Proposed Project, NHAI has requested that a new special purpose vehicle to be incorporated, whereby equity investment by PEB shall be direct. As at 31 December 2010, JSHL remains as PEB's associate company.

On 11 January 2011, Jetpur Somnath Tollways Limited ("JSTL or the Company"), a special purpose vehicle was incorporated under the law of Republic of India to undertake the Proposed Project. The paid up capital of JSTL is Rs10 lakhs comprising 100,000 shares of Rs10 each of which PEB holds 26% and the remaining 74% shares are held by IP and six (6) other nominal subscribers. On 7 February 2011, JSTL and NHAI have entered into the concession agreement for the Proposed Project.

The Proposed Project is a section of National Highway 8D which starts at Jetpur and ends at Somnath, with total length of 127.6 kilometres. The concession shall be for a period of 30 years from the date of the proposed execution of the relevant Concession Agreement, including construction period of approximately 30 months.

The estimated total cost of the project at present is approximately Rs950 crores (equivalent to approximately RM660 million) and the funding details are being finalised.

(iii) Offer to acquire all of the business and undertaking including all assets and liabilities of PEB

On 15 October 2010, the Board of Directors of PEB ("Board") received a letter from UEM Group Berhad ("UEM") and Employees Provident Fund Board ("EPF"), ("Joint Offerors") which sets out an offer to acquire the business and undertaking, including all assets and liabilities of PEB at an aggregate purchase consideration of RM23 billion ("Purchase Consideration") ("Offer"). Based on the issued and paid-up share capital of PEB as of 14 October 2010, the Purchase Consideration represents a consideration of RM4.60 per ordinary share of RM0.25 each in PEB.

Further to the discussions held between PEB and the Joint Offerors, the Board had on 9 November 2010 received a revised letter of offer which shall supersede the earlier letter of offer dated 15 October 2010 ("Offer Letter").

The Joint Offerors shall incorporate a private limited company to undertake this Offer ("SPV"), with UEM and EPF each holding 51% and 49% equity interest respectively in the SPV.

After the disposal of the PEB Business pursuant to the Offer, the Joint Offerors proposed that PEB, subject to obtaining all requisite approvals, return all proceeds from the disposal that are attributable to the entitled shareholders, being the remaining shareholders of PEB (other than EPF, UEM and Khazanah Nasional Berhad ("Khazanah")) including PEB's shares held by Khazanah which form part of the exchange property, via a special dividend and selective capital repayment exercise (collectively referred to as the "Proposed Distribution").

On 20 December 2010, the Board of Directors of PEB received a letter from Jelas Ulung Sdn Bhd ("Jelas Ulung") which sets out an offer to acquire PEB Business at an aggregate purchase consideration of RM26 billion, representing RM5.20 per ordinary share of RM0.25 each in PEB.

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

The scheduled Extraordinary General Meeting ("EGM") was held on 23 December 2010 and the shareholders had approved the adjournment of the EGM to be held on a later date. The Board, save for the Interested Directors, also announced that it will not consider any offer for PEB Business received after 5.00 p.m on 10 January 2011 ("Final Deadline"). All offers submitted by the Final Deadline are also subject to the conditions as announced to Bursa Malaysia on 21 December 2010 which include: (i) remit a cash deposit of RM50 million into an account to be designated by PEB; and (ii) submit unconditional written confirmation(s) addressed to PEB, from institution(s) and in the form, which are acceptable to PEB, that the offeror has the financial ability to undertake and complete its proposed acquisition of the PEB Business in accordance with the terms of its offer (“Financiers’ Letter”).

On 10 January 2011, being the Final Deadline, there were no new offers received by PEB and only UEM and EPF had remitted the cash deposit of RM50 million and submitted the Financiers’ Letter.

In view of the above, the adjourned EGM was held on 23 February 2011 whereby the shareholders approved the Proposed Disposal and Proposed Distribution.

17. **Borrowings and debt securities**

Details of Group borrowings and financial liabilities as at 31 December 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	1,350,000	-	1,350,000	550,000	-	550,000
- Sukuk Series 1	1,491,547	-	1,491,547	384,016	-	384,016
- Sukuk Series 2	1,507,544	-	1,507,544	-	-	-
- Sukuk Series 3	1,821,749	-	1,821,749	-	-	-
- Seafield Sukuk	862,137	-	862,137	-	-	-
- KLBK BAIDS	167,534	-	167,534	4,943	-	4,943
- PLUS SPV Sukuk	1,429,054	-	1,429,054	-	-	-
	8,629,565	-	8,629,565	938,959	-	938,959
Other borrowings						
- Elite GSL	389,916	-	389,916	-	-	-
- Linkedua GSL	1,256,803	-	1,256,803	-	-	-
- BKSP Term Loan (denominated in Indian Rupees)	-	-	-	2,254	-	2,254
- BKSP CP (denominated in Indian Rupees)	-	-	-	131,844	-	131,844
- INIPPL Term Loan (denominated in Indian Rupees)	178,086	-	178,086	6,847	-	6,847
	1,824,805	-	1,824,805	140,945	-	140,945
TOTAL	10,454,370	-	10,454,370	1,079,904	-	1,079,904

All the above borrowings are without recourse to PEB, except for the BKSP CP.

Included in sundry payables and accruals in the Condensed Consolidated Statement of Financial Position as at 31 December 2010 is the profit accrued up to 31 December 2010 on Islamic financial liabilities amounting to approximately RM21.8 million.

18. **Derivatives**

There are no derivatives as at the 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.

19. **Breakdown of realised and unrealised profits or losses**

	As at current financial year end **31/12/2010** RM'000	As at immediate preceeding quarter end **30/09/2010** RM'000
Total retained earnings of the Company and its subsidiaries:		
- Realised	4,917,278	4,513,140
- Unrealised	(975,337)	(921,399)
	3,941,941	3,591,741
Total share of retained earnings from associate:		
- Realised	2,459	1,402
- Unrealised	-	-
	3,944,400	3,593,143
Add: Consolidation adjustments	255,127	262,587
Total group retained earnings as per consolidated financial statements	4,199,527	3,855,730

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 RM676.3 million was higher by RM32.1 million as compared to the immediate preceding quarter of RM644.2 million. This was mainly due to higher traffic volume growth during festive periods and year-end school holidays in the current quarter.

Total revenue for the current quarter of RM805.9 million includes a fair value adjustment on toll compensation revenue for the year arising from the adoption of FRS 139 of RM113.2 milion. Excluding such amount total revenue for the current period is RM919.1 million, 5.3% or RM46.5 million higher than immediate preceding quarter of RM872.6 million, mainly due to higher toll collection (as explained above), higher toll compensation in line with the traffic growth and inclusion of revenue from TERAS and INIPPL following the acquisitions in June 2010.

Profit before income tax for the current quarter of RM480.0 million was RM44.1 million or 10.1% higher than the immediate preceding quarter of RM435.9 million, mainly due to higher revenue (as explained above) mitigated by higher finance costs.

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

The Group's **toll collection** for the fourth quarter 2010 (as set out in Remark 1 to the Condensed Consolidated Income Statement) was higher by RM42.0 million or 6.6% as compared to the fourth quarter 2009. The increase was mainly due to increase in PLUS's toll collection by RM33.1 million. For the twelve months ended 31 December 2010, the Group's toll collection of RM2,573.3 million was 8.8% higher than the preceding year corresponding period of RM2,366.0 million. The increase was mainly attributed by higher toll collection by PLUS of RM153.6 million driven by traffic growth of 7.7%.

Total revenue for the current quarter of RM805.9 million includes a fair value adjustment on toll compensation revenue for the year (as explained in Note 21 above). Excluding the fair value adjustment amount of RM113.2 million, total revenue for the current quarter shall be RM919.1 million, which was RM65.3 million or 7.6% higher than the preceding year corresponding quarter of RM853.8 million. The growth was primarily attributable to higher toll collection (as explained above) and higher toll compensation of RM24.9 million in line with higher traffic volume. For the twelve months ended 31 December 2010, total revenue (excluding the fair value adjustment) of RM3,464.7 million was RM285.7 million or 9.0% higher than year 2009 of RM3,179.0 million. The increase was mainly due to higher toll collection (as explained above), higher toll compensation of RM72.2 million and contribution of revenue from new subsidiaries acquired during the year.

Profit before income tax for the current quarter of RM480.0 million was RM43.6 million or 10.0% higher than the preceding year corresponding quarter of RM436.4 million, primarily attributable to higher revenue (as explained above) mitigated by higher finance costs. For the twelve months ended 31 December 2010, profit before income tax was higher by RM153.4 million or 9.4% as compared to year 2009 of RM1,623.6 million. This was mainly due to higher revenue mitigated by higher finance costs of RM164.3 million, higher amortisation of concession assets by RM20.7 million as well as impact arising from adoption of new/ revised FRS.

For the twelve months ended 31 December 2010, the Group generated cash from operating activities of RM2,246.4 million, with cash and cash equivalents balance of RM3,483.0 million.

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

	INDIVIDUAL QUARTER		**CUMULATIVE QUARTER**	
	Current year quarter **31/12/2010** RM'000	Preceding year corresponding quarter **31/12/2009** RM'000	Twelve months to **31/12/2010** RM'000	Twelve months to **31/12/2009** RM'000
Net operating profit after tax ("NOPAT") computation:				
Earnings before interest and tax ("EBIT")	656,033	600,047	2,457,435	2,249,538
Adjusted tax	(164,008)	(150,012)	(614,359)	(562,385)
NOPAT (Note 1)	492,025	450,035	1,843,076	1,687,154
Economic charge computation:				
Average invested capital (Note 2)	14,880,063	14,504,955	14,880,063	14,504,955
Weighted average cost of capital ("WACC") (%) (Note 3)	6.95%	6.85%	6.95%	6.85%
Economic charge	258,541	248,397	1,034,164	993,589
Economic profit	233,484	201,638	808,912	693,564

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 RM233.5 million is RM31.8 million or 15.8% higher as compared to fourth quarter 2009. EP for the financial year ended 31 December 2010 is higher by RM115.3 million or 16.6% than the financial year ended 31 December 2009. The higher EP was primarily due to higher revenue as a result of higher traffic growth for the year for the local concession companies.

Note 1:
NOPAT is after a notional tax computed based on the statutory 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 (net of tax) and equity taking into account the market capitalisation as at end of the year.

24. **Prospects for year 2011**

In line with the country's growing economic activities which led to the increase in domestic travelling, as well as rapid development along the expressway corridor, especially in the Klang Valley and Iskandar Malaysia region, all our domestic expressways registered healthy year-on-year traffic growth with PLUS at 7.7%, Elite 11.4%, Linkedua 21.5% and KLBK 9.2%. Moving forward, traffic volume for these local expressways companies is expected to continue to grow albeit on a slower trend, especially for those high traffic stretches due to capacity limitation and also, to a large extent, dependent on factors beyond our control, which include increase in fuel prices, development of alternative or competing roads and alternative transportation modes.

The Group continues to intensify efforts in improving operational efficiencies and enhancing service level, whilst simultaneously optimising its operating costs, for both local and overseas businesses. Apart from that, the Board remains positive on the Group's expansion plan and continues to explore any value-accretive investment opportunities.

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**

	INDIVIDUAL QUARTER		**CUMULATIVE QUARTER**	
	Current year quarter **31/12/2010** RM'000	Preceding year corresponding quarter **31/12/2009** RM'000	Twelve months to **31/12/2010** RM'000	Twelve months to **31/12/2009** RM'000
Profit for the period/ year attributable to owners of the Parent	337,805	315,002	1,306,170	1,186,378
Number of ordinary shares in issue ('000)	5,000,000	5,000,000	5,000,000	5,000,000
Basic earnings per share	6.76 sen	6.30 sen	26.12 sen	23.73 sen

By Order of the Board

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

Joint Company Secretaries

Selangor
25 February 2011