



QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011

NOTES (In compliance with FRS 134)

1. BASIS OF PREPARATION

The interim financial report is unaudited and has been prepared in accordance with FRS 134, Interim Financial Reporting and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”). The interim financial report should be read in conjunction with the Company’s annual audited financial statements for the year ended 31 December 2010.

The accounting policies and methods of computation adopted by the Group in this report are consistent with those adopted in the annual audited financial statements for the year ended 31 December 2010.

2. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The audit report on the financial statements for the year ended 31 December 2010 was not subject to any qualification.

3. SEASONALITY OR CYCLICALITY OF OPERATIONS

The businesses of the Group are generally subject to cyclical changes of the general Malaysian economy.

4. EXCEPTIONAL OR EXTRAORDINARY ITEMS

There were no exceptional or extraordinary items for the current period.

5. CHANGES IN ESTIMATES

There were no changes in estimates of amount reported in previous financial year that have a material effect in the current quarter.

6. DEBTS AND EQUITY SECURITIES

The Company has bought back a total of 1,000 ordinary shares of RM0.20 each in the current quarter. As at 30 June 2011, 3,099,000 ordinary shares of RM0.20 each were still retained as treasury shares in the Company.

7. DIVIDENDS PAID DURING THE PERIOD

There were no dividends paid during the current period.

8. SEGMENTAL INFORMATION

The segmental analysis for the Group is as follows:-

	6 MONTHS ENDED 30 JUN 11 RM'000	6 MONTHS ENDED 30 JUN 10 RM'000
REVENUE :		
Construction	541,206	409,942
Manufacturing	35,413	26,969
Trading and Plant hiring	44,908	30,619
Property development	21,934	9,813
	<hr/> 643,461	<hr/> 477,343
Elimination of inter segment sales	(64,271)	(29,358)
Total Revenue	<hr/> <u>579,190</u>	<hr/> <u>447,985</u>
RESULTS :		
Construction	127,406	144,220
Manufacturing	2,750	2,509
Trading and Plant hiring	1,203	1,310
Property development	1,116	95
	<hr/> 132,475	<hr/> 148,134
Other income	1,700	2,582
Share of result of associate	(3,101)	-
Profit before tax	<hr/> 131,074	<hr/> 150,716
Income tax expenses	(12,227)	(25,642)
Profit from continuing operations	<hr/> <u>118,847</u>	<hr/> <u>125,074</u>

9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The carrying amount of the property, plant and equipment is at cost less depreciation and impairment losses.

10. SUBSEQUENT EVENTS

The Proposed Bonus Issue was approved by Bursa Malaysia Securities Berhad on 31 May 2011 and subsequently was approved by the shareholders of the Company at the EGM on 22 June 2011. On 19 July 2011, 137,077,966 new ordinary shares of RM0.20 each were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad, marking the completion of the Bonus Issue.

11. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current period.

12. CONTINGENT LIABILITIES

There were no contingent liabilities as at the end of the current quarter.

NOTES (Pursuant to paragraph 9.22 of the Listing Requirements of BMSB)

13. REVIEW OF PERFORMANCE

The Group achieved revenue of RM579.2 million and profit before taxation of RM131.1 million for the six months period ended 30 June 2011, as compared to RM448.0 million and RM150.7 million respectively for the previous corresponding period. The growth in revenue of 29.3% was mainly attributable to the increased level of activities in the current quarter whilst the lower profit before taxation was affected by the stronger Ringgit Malaysia (RM) against US Dollar (USD).

The delay in the Chhattisgarh power plant project experienced in the first quarter of 2011 has been resolved and work progress at site has picked up.

14. COMPARISON WITH PRECEDING QUARTER'S REPORT

The Group achieved revenue of RM356.1 million and profit before taxation of RM78.2 million for the current quarter ended 30 June 2011, as compared to RM223.1million and RM52.8 million respectively for the preceding quarter. The increase in revenue and profit before taxation were mainly attributable to the increased level of activities during the current quarter.

15. CURRENT YEAR PROSPECTS

Barring any unforeseen circumstances, the financial performance of the Group for 2011 is expected to be satisfactory and the Company is optimistic in securing more projects in the power and infrastructure sectors.

16. VARIANCE ON PROFIT FORECAST

Not applicable.

17. TAXATION

	CURRENT QUARTER ENDED 30 JUNE 2011 RM'000	CUMULATIVE PERIOD TODATE ENDED 30 JUNE 2011 RM'000
Based on results for the period		
- Current taxation	<u>6,496</u>	<u>12,227</u>

The Group's effective tax rate of 9.3% is lower than the Malaysian statutory tax rate of 25% mainly due to income which is not subject to tax.

18. SALE OF UNQUOTED INVESTMENTS AND PROPERTIES

There were no sales of unquoted investments and properties during the current quarter.

19. PURCHASE AND DISPOSAL OF QUOTED SECURITIES

- (a) There were no purchase and disposal of quoted securities during the period.
- (b) There were no investments in quoted securities as at the end of the current quarter other than as disclosed under Note 6 above.

20. STATUS OF CORPORATE PROPOSALS

- (a) The Company has on 8 March 2011 proposed a bonus issue of up to 137,079,500 new ordinary shares of RM0.20 each ("Shares") in Mudajaya ("Bonus Shares") to be credited as fully paid-up on the basis of one (1) Bonus Share for every three (3) existing Shares held ("Proposed Bonus Issue").

The Proposed Bonus Issue was approved by Bursa Malaysia Securities Berhad on 31 May 2011 and subsequently was approved by the shareholders of the Company at the EGM on 22 June 2011. On 19 July 2011, 137,077,966 new ordinary shares of RM0.20 each were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad, marking the completion of the Bonus Issue.

- (b) The Company has on 8 March 2011 proposed for establishment of an employee's share option scheme of up to 10% of the issued and paid-up share capital of the Company for eligible directors and employees of Mudajaya and its subsidiaries ("Proposed ESOS").

The Proposed ESOS was approved by Bursa Malaysia Securities Berhad on 31 May 2011 and subsequently was approved by the shareholders of the Company at the EGM on 22 June 2011.

The Proposed ESOS is currently pending implementation by the Company.

21. GROUP BORROWING

There were no outstanding bank borrowings as at the end of the current quarter.

22. FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK

The Group does not have any financial instruments with off-balance sheet risk as at the date of this report.

23. CHANGES IN MATERIAL LITIGATION

The Group does not have any material litigation as at the date of this report.

24. DIVIDEND

The Board of Directors has on 18 February 2011 recommended a final single tier dividend of 15% (or 3.0 sen) per share of RM0.20 each in respect of financial year ended 31 December 2010. The dividend book closure and payment dates were on 23 June 2011 and 15 July 2011 respectively. The above recommendations were approved by the shareholders at the AGM on 22 June 2011.

The Board of Directors has on 27 May 2011 declared the first interim single tier dividend of 15% (or 3.0 sen) per share of RM0.20 each in respect of the financial year ending 31 December 2011. The dividend book closure and payment dates were on 30 June 2011 and 22 July 2011 respectively.

On 23 August 2011, the Board of Directors declared the second interim single tier dividend of 12.5% (or 2.5 sen) per share of RM0.20 each in respect of the financial year ending 31 December 2011 based on the 548,316,466 ordinary shares of RM0.20 each excluding treasury shares. The book closure date and the date for dividend payment will be announced later.

As at to date, total interim dividend declared for the current financial year ending 31 December 2011 is equivalent to 27.5% (or 5.5 sen) per share of RM0.20 each.

25. BASIC EARNINGS PER SHARE

The basic earnings per share for the current period and the comparative period are calculated by dividing the profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period, excluding treasury shares held by the Company.

26. REALISED AND UNREALISED PROFITS/LOSSES DISCLOSURE

The breakdown of the retained profits of the Group as at 30 June 2011 into realised and unrealised profits is presented as follow:-

	CUMULATIVE PERIOD TODATE ENDED 30 JUNE 2011 RM'000
Total retained profits of the Group:-	
- Realised	673,273
- Unrealised	11,428
Share of result of associate:-	
- Realised	(2,797)
Less: Consolidated adjustments	<u>(173,088)</u>
Retained profits as per consolidated financial statement	<u>508,816</u>

BY ORDER OF THE BOARD

CHAI MIN HON (MIA 11926)
Company Secretary

Petaling Jaya
23 August 2011