

**Quarterly Report On Consolidated Results
For The Year Ended 31 July 2013**

Notes To The Interim Financial Statements

(The figures have not been audited)

1. Basis of Preparation

- 1.1) The interim financial report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard (“FRS”) 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.
- 1.2) The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 July 2012.
- 1.3) The accounting policies and methods of computation adopted by the Group are consistent with those adopted in the audited financial statements for the year ended 31 July 2012 except for the adoption of the following to Revised Financial Reporting Standards (FRSs) and Amendments to FRSs:

Revised FRSs and Amendments to FRSs

Effective for annual periods beginning on or after 1 January 2012:

FRS 124	Related Party Disclosures (Revised)
Amendments to FRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to FRS 7	Disclosures – Transfers of Financial Assets
Amendments to FRS 112	Deferred Tax: Recovery of Underlying Assets

Effective for annual periods beginning on or after 1 July 2012:

Amendments to FRS 101	Presentation of Items of Other Comprehensive Income
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The above Revised FRSs and Amendments to FRSs did not have any significant impact on the financial performance and position of the Group.

Malaysian Financial Reporting Standards (“MFRS Framework”)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework). This is in line with the need for convergence with International Financial Reporting Standards (IFRS) in 2012.

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called ‘Transitioning Entities’).

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for three years and adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2015.

The Company falls within the scope definition of Transitioning Entities and accordingly, the Group and the Company will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 July 2016. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

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2. Audit Report of Preceding Annual Financial Statements

The audit report of the Group's annual financial statements for the year ended 31 July 2012 was not subject to any qualification.

3. Seasonal or Cyclical Factors

The business operations of the Group are not affected by any significant seasonal or cyclical factors.

4. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current year under review, except for the Arbitral awards and other costs of RM110,700,000 as disclosed in page 1.

5. Changes in Estimates

There were no changes in estimates of amounts reported previously that have any material effect in the current quarter under review.

6. Changes in Debt and Equity Securities

There were no cancellations, repurchases, resale of equity securities for the current quarter, except for the issuance of 44,025,000 and 153,206,187 new ordinary shares of RM1 each, pursuant to the exercise of the Employees' Share Option Scheme and the conversion of warrants respectively.

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7. Segmental Analysis

	Engineering and Construction	Property Development and Club Operations	Water and Expressway Concessions	Inter-segment Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
12 months period ended 31 July 2013					
Revenue					
External	2,749,325	1,015,335	118,460	-	3,883,120
Inter segment	10,824	-	-	(10,824)	-
	<u>2,760,149</u>	<u>1,015,335</u>	<u>118,460</u>	<u>(10,824)</u>	<u>3,883,120</u>
Segment results					
Profit from operations	170,668	280,892	60,627	-	512,187
Finance costs	(7,964)	(24,924)	(27,880)	-	(60,768)
Share of profits of associated companies	-	2,515	238,691	-	241,206
Profit before taxation	<u>162,704</u>	<u>258,483</u>	<u>271,438</u>	<u>-</u>	<u>692,625</u>
Percentage of segment results	24%	37%	39%		
Taxation					(142,566)
Profit for the year					<u>550,059</u>
Profit attributable to:-					
Owners of the Company					541,399
Non-controlling interests					8,660
					<u>550,059</u>
12 months period ended 31 July 2012					
Revenue					
External	1,898,163	1,066,933	121,907	-	3,087,003
Inter segment	7,837	-	-	(7,837)	-
	<u>1,906,000</u>	<u>1,066,933</u>	<u>121,907</u>	<u>(7,837)</u>	<u>3,087,003</u>
Segment results					
Profit from operations	236,377	294,064	56,055	(2,027)	584,469
Finance costs	(14,384)	(20,583)	(29,450)	2,027	(62,390)
Share of profits of associated companies	-	12,683	193,448	-	206,131
Profit before taxation	<u>221,993</u>	<u>286,164</u>	<u>220,053</u>	<u>-</u>	<u>728,210</u>
Percentage of segment results	31%	39%	30%		
Taxation					(162,219)
Profit for the year					<u>565,991</u>
Profit attributable to:-					
Owners of the Company					547,305
Non-controlling interests					18,686
					<u>565,991</u>

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8. Valuation of Property, Plant and Equipment

The valuation of land and buildings has been brought forward without amendment from the previous audited financial statements.

9. Material Events Subsequent to Balance Sheet Date

There were no material events subsequent to the end of the quarter under review.

10. Changes in Composition of the Group

- a) On 2 April 2013, Gamuda (Bahrain) WLL, a wholly-owned subsidiary of the Company had been struck off from the Commercial Register of the Ministry of Industry and Commerce, Kingdom of Bahrain and was dissolved as it had ceased operations.
- b) On 8 July 2013, the Company has acquired the entire issued and paid-up share capital of Temasek Ekklusif Sdn. Bhd., for a cash consideration of RM2.00.

11. Dividends

- a) The Board of Directors does not recommend the payment of any final dividend in respect of the financial year ended 31 July 2013.
- b) The total dividend per share for the current financial year ended 31 July 2013 was single tier interim dividend of 12.00 sen per ordinary share.

The total dividend per share for the previous financial year ended 31 July 2012 was also single tier interim dividend of 12.00 sen per ordinary share.

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12. Dividend Paid

	12 months ended	
	31 July	
	2013	2012
	RM'000	RM'000
<u>First Interim Dividends</u>		
First interim dividend comprising single tier dividend of 6.00 sen per ordinary share for the year ended 31 July 2013 was paid on 23 January 2013.	125,337	-
(First interim dividend comprising single tier dividend of 6.00 sen per ordinary share for the year ended 31 July 2012 was paid on 18 January 2012)	-	124,102
<u>Second Interim Dividends</u>		
Second interim dividend comprising single tier dividend of 6.00 sen per ordinary share for the year ended 31 July 2013 was paid on 31 July 2013.	136,571	-
(Second interim dividend comprising single tier dividend of 6.00 sen per ordinary share for the year ended 31 July 2012 was paid on 30 July 2012)	-	124,720
	<u>261,908</u>	<u>248,822</u>

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13. Review of Performance

(i) Overall Performance

The Group's revenue and profit before taxation for the current quarter and current year to date can be analysed as follows:

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 31-Jul-13 RM'000	Comparative Quarter 31-Jul-12 RM'000	Current Year to Date 31-Jul-13 RM'000	Preceding Year Corresponding Period 31-Jul-12 RM'000
Revenue	<u>1,330,983</u>	<u>969,818</u>	<u>3,883,120</u>	<u>3,087,003</u>
Profit before taxation (excluding the Arbitral awards and other costs)	198,784	176,738	803,325	728,210
Add/(Less) : Reversal of provision/(Arbitral awards and other costs)	2,304	-	(110,700)	-
Profit before taxation as reported	<u>201,088</u>	<u>176,738</u>	<u>692,625</u>	<u>728,210</u>

For the current quarter, the Group recorded revenue and profit before taxation of RM1,331.0 million and RM 201.1 million respectively as compared to RM969.8 million and RM176.7 million respectively in the preceding corresponding quarter. The increase in revenue and profit before taxation resulted from higher contributions from Construction and Water and Expressway Concessions divisions.

For the current year to date, the Group recorded revenue and profit before taxation of RM3,883.1 million and RM692.6 million respectively as compared to RM3,087.0 million and RM728.2 million respectively in the preceding corresponding period. The decrease in profit before taxation for current year to date resulted from the Arbitral awards and other costs in respect of the awards rendered by the Arbitral Tribunals in favour of the Group's subcontractors.

(ii) The performances of the respective divisions of the Group are as follows:

(a) CONSTRUCTION DIVISION

The increase in revenue for the current quarter and year to date resulted from higher work progress from the Klang Valley Mass Rapid Transit Project.

The decrease in profit before taxation for the current year to date resulted from the Arbitral awards and other costs in respect of the awards rendered by the Arbitral Tribunals in favour of the Group's subcontractors.

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13. Review of Performance (cont'd)

(b) PROPERTY DIVISION

The decrease in profit before taxation for the current quarter and year to date resulted from lower profit contribution from the Celadon City project in Ho Chi Minh City, Vietnam.

(c) WATER AND EXPRESSWAY CONCESSIONS DIVISION

The increase in profit before taxation for the current quarter and year to date resulted from higher contributions from the Group's various expressways.

14. Comparison with immediate Preceding Quarter's Results

The Group's profit before taxation for the current quarter of RM201.1 million is higher than the immediate preceding quarter's profit before taxation of RM107.0 million due to the immediate preceding quarter's Arbitral awards and other costs in respect of the awards rendered by the Arbitral Tribunals in favour of the Group's subcontractors.

15. Next Year Prospects

Overall Prospects

The Group expects its performance next year to improve due to on-going construction projects, substantial unbilled sales of the property division and steady earnings from the water and expressway concessions division.

The status of projects and prospects for the respective divisions of the Group are as follows:

(a) CONSTRUCTION DIVISION

Klang Valley Mass Rapid Transit Project: Sungai Buloh – Kajang Line

Project Delivery Partner ("PDP"):

The PDP is responsible for delivering to the owner, Mass Rapid Transit Corporation Sdn Bhd, a fully functional and operating railway system within the agreed target cost and completion date. To-date, RM21 billion worth of works packages were tendered and awarded to various contractors.

Construction is progressing rapidly for the main civil works including the elevated viaducts, stations and underground tunnels. The designs for the systems works are also well underway. Progress as at August 2013 was 26% completion and the project is scheduled for full completion by July 2017.

Underground Works Package:

The underground works package comprises a 9.5 km – twin bored tunnel and seven underground stations under Kuala Lumpur city. To-date, all ten tunnel boring machines ("TBM") procured were delivered. Four TBMs have commenced operation – two from Semantan North Portal towards KL Sentral Station and two from Cochrane Station to Pasar Rakyat Station. The project company is preparing to launch another two TBMs by early November 2013.

Works at all seven underground stations are also progressing rapidly. Progress as at August 2013 was 38% completion.

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15. Next Year Prospects (cont'd)

(a) CONSTRUCTION DIVISION (cont'd)

Electrified Double Tracking Railway Project

The completed civil works and track works were handed over progressively to the systems contractor for installation of the remaining works. Progress is on schedule with 97% of the overall works completed. The scheduled completion date of the section from Padang Besar to Ipoh (Spine line) is June 2014, and the section from Bukit Mertajam to Butterworth (Spur line) is November 2014.

(b) PROPERTY DIVISION

For this financial year, the division achieved a new record sales of RM1.8 billion, a 20% increase from the RM1.5 billion sales of the previous financial year. This has been the fourth consecutive year of increase in the division's sales. Unbilled sales at the end of this quarter was RM1.5 billion.

Malaysia

The property market in Malaysia has stabilised following the tightening measures imposed by Bank Negara Malaysia to cool the market. Notwithstanding this, Horizon Hills, located within the Iskandar Johor region, continued to receive good response especially from Singaporean buyers. For this financial year, Horizon Hills' sales hit the RM 1 billion mark for the first time, more than double the RM430 million sales of the previous financial year.

The property division recently increased its landbank with the acquisition of 724 acres of leasehold land in Kampung Sungai Serai, Kuang, about 11 kilometres south of Rawang. The land is situated adjacent to the Rawang South Interchange of the North-South Expressway where the Guthrie Corridor Expressway and LATAR Highway is also connected to. The land will be developed into a comprehensive integrated township comprising residential and commercial properties with an estimated Gross Development Value of RM5 billion. The maiden launch of this development will be in early 2016.

Vietnam

Property sales of our Vietnam ventures, namely Gamuda City in Hanoi and Celadon City in Ho Chi Minh City, continue to slow as a result of the country's economic problems.

At Gamuda City, infrastructure and building construction works are ongoing. The first batch of residential landed properties will be completed by end 2013. A reputable international school is setting up its campus in Gamuda City signalling its strong confidence in the project and the long term potential of the country.

At Celadon City, the first block of apartments was completed and handed over to buyers in April 2013. The second block of apartments and the construction of the AEON Mall will be completed by end 2013.

(c) WATER AND EXPRESSWAY CONCESSIONS DIVISION

(i) Expressway

Traffic volumes of the division's various expressways have been stable and resilient.

(ii) Water

On 20 February 2013, the Company received an offer from Kumpulan Darul Ehsan Berhad ("KDEB"), an entity wholly-owned by the Selangor State Government, to purchase 100% equity in Syarikat Pengeluar Air Selangor Holdings Berhad ("Splash Holdings"). The Company has a 40% equity interest in Splash Holdings which is the holding company of Syarikat Pengeluar Air Sungai Selangor Sdn Bhd ("Splash"). Splash is the concession holder of Sungai Selangor Water Supply Scheme Phase 1 and 3. The offer was part of the Selangor State Government's effort to consolidate the various entities involved in the treatment, supply and distribution of water in the state of Selangor.

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15. Next Year Prospects (cont'd)

(c) WATER AND EXPRESSWAY CONCESSIONS DIVISION (cont'd)

(ii) Water (cont'd)

On 6 March 2013, the Company had written to KDEB to seek further discussions and negotiations and to obtain clarification on the indicative terms and conditions set out in KDEB's offer and for all parties involved to reach mutually agreeable terms and conditions. Subject to all matters being satisfactorily concluded and agreed upon, the Company has informed KDEB that it is willing to pursue an agreement with KDEB.

The Company is still awaiting KDEB's clarification on the said indicative terms and conditions.

16. Variance from Profit Forecast and Profit Guarantee

This is not applicable to the Group.

17. Taxation

The taxation is derived as below:

	3 months ended 31 July		12 months ended 31 July	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Malaysian & foreign income tax	31,885	36,043	142,566	162,219

The Group's effective tax rate (excluding the results of associates which is equity accounted net of tax) for the current period is higher than the statutory tax rate primarily due to certain expenses not being deductible for tax purposes.

18. Status of Corporate Proposals

On 20 February 2013, the Company received an offer from Kumpulan Darul Ehsan Berhad ("KDEB"), an entity wholly-owned by the Selangor State Government, to purchase 100% equity in Syarikat Pengeluar Air Selangor Holdings Berhad ("Splash Holdings") at an estimated value of RM1,834.6 million. The Company has a 40% equity interest in Splash Holdings which is the holding company of Syarikat Pengeluar Air Sungai Selangor Sdn Bhd ("Splash"). Splash is the concession holder of Sungai Selangor Water Supply Scheme Phase 1 and 3. The offer was part of the Selangor State Government's effort to consolidate the various entities involved in the treatment, supply and distribution of water in the state of Selangor.

On 6 March 2013, the Company had written to KDEB to seek further discussions and negotiations and to obtain clarification on the indicative terms and conditions set out in KDEB's offer and for all parties involved to reach mutually agreeable terms and conditions. Subject to all matters being satisfactorily concluded and agreed upon, the Company has informed KDEB that it is willing to pursue an agreement with KDEB.

The company is still awaiting KDEB's clarification on the said indicative terms and conditions.

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19 . Group Borrowings and Debt Securities

The details of the Group's borrowings as at end of current quarter are as follows:-

	Foreign Currency '000	As at 31 July 2013 RM Equivalent '000
<u>Short Term Borrowings</u>		
Revolving Credits		
-denominated in US Dollar (Gamuda)	115,000	372,049
-denominated in RM (KVMRT UGW)		242,750
Medium Term Notes (Horizon Hills) Term Loan		34,943
-denominated in US Dollar (Gamuda)	13,333	43,135
Term Loan (Smart Project)		4,038
Term Loan (Jade Homes)		44,520
		<u>741,435</u>
<u>Long Term Borrowings</u>		
Medium Term Notes (Gamuda)		720,000
Medium Term Notes (Horizon Hills) Term Loan		49,965
-denominated in US Dollar (Gamuda)	138,667	448,615
-denominated in Vietnam Dong (Tan Thang)	1,787,528,000	274,026
Term Loan (Smart Project)		154,233
Term Loan (Jade Homes)		70,426
		<u>1,717,265</u>
Total		<u>2,458,700</u>

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20. Derivative Financial Instruments and Fair Value Changes in Financial Liabilities

The Group has entered into the following Interest Rate Swap ("IRS") contracts to hedge the payment of interest on bank borrowings from a floating rate to a fixed rate.

Interest Rate Swap	Interest		Contract amount in foreign currency USD'000	Maturity		Fair value of Derivative Liabilities RM'000	Contract date	Maturity dates
	From floating rate	To fixed rate		1 to 3 years RM'000	More than 3 years RM'000			
USD	3 month LIBOR	1.845% to 2.495%	45,000	145,584	-	4,400	Nov 2009 to July 2010	Nov 2014 to July 2015

The basis of fair value measurement is the difference between the contracted IRS rates and the market IRS rates. The losses are due to the unfavourable fluctuation in market interest rates.

There is minimal credit risk as the IRS were entered into with reputable banks.

21. Changes in Contingent Liabilities or Contingent Assets

There is no significant contingent liabilities or contingent assets.

22. Provision of Financial Assistance

Pursuant to paragraph 8.23(1)(ii) of Bursa Malaysia Securities Berhad's Listing Requirements, the financial assistance provided by Gamuda Berhad ("Gamuda") is as follows:

MMC Corporation Berhad ("MMC") and Gamuda Berhad Joint Venture was awarded the RM8.28 billion underground works package of the Klang Valley Mass Rapid Transit Project. MMC and Gamuda established a special purpose vehicle ("SPV") known as MMC Gamuda KVMRT (T) Sdn Bhd to undertake the works package. The SPV is equally owned by MMC and Gamuda. As the works package is undertaken by a SPV, MMC and Gamuda issued Parent Company Guarantees to guarantee the due performance and obligations of the SPV.

Work on this package has commenced. The Parent Company Guarantees have not been called because the SPV has performed and met its obligations in compliance with the terms of the contract.

23. Capital Commitments

The amount for commitments for capital expenditure not provided for in the interim financial statements as at 31 July 2013 are as follows:

	RM'000
Approved and contracted for	
Land for property development	684,291
Property, plant & equipments	93,451
Investment property	53,900
Other	211
	<u>831,853</u>

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24. Realised and Unrealised Profit or Losses

The breakdown of retained profit of the Group into realised and unrealised profits or losses are as follows:

	<u>Notes</u>	<u>As at 31 Jul 13 RM'000</u>	<u>As at 30 Apr 13 RM'000</u>
Total retained profits of the Company and its subsidiaries			
- Realised		1,336,760	1,541,689
- Unrealised	1	<u>(38,521)</u>	<u>(100,127)</u>
		<u>1,298,239</u>	<u>1,441,562</u>
Total share of retained profits from jointly controlled entities			
- Realised		221,591	134,894
- Unrealised	1	<u>12,338</u>	<u>(13,207)</u>
		<u>233,929</u>	<u>121,687</u>
Total share of retained profits from associated companies			
- Realised		1,306,995	1,294,308
- Unrealised	1	<u>(377,129)</u>	<u>(379,657)</u>
		<u>929,866</u>	<u>914,651</u>
Less : Consolidated adjustments	2	(424,713)	(471,685)
Total Group retained profits		<u>2,037,321</u>	<u>2,006,215</u>

Note 1 Unrealised profits/losses are mainly deferred tax provision and translation gains or losses of monetary items denominated in a currency other than the functional currency.

Note 2 Consolidation adjustments are mainly elimination of pre-acquisition profits or losses, minorities share of retained profits or accumulated losses and other adjustments arising from the business combination.

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25. Material Litigations

- a) On 31 October 2008, Wayss & Freytag (Malaysia) Sdn Bhd (“W&F”) filed a Writ of Summons and a Statement of Claim (“the Court Action”) against the MMC-Gamuda Joint Venture (“JV”) for inter-alia, a court declaration that the JV is in breach of the sub-contract dated 16 April 2003 (“the Sub-Contract”) by failing to make payment for the sum of RM102,366,880.42 awarded by the Dispute Adjudication Board (“DAB”) to W&F in respect of various claims arising out of the Sub-Contract and for damages of the same amount.

On 15 May 2009, the High Court in Kuala Lumpur heard the JV’s application for stay of proceedings of the Court Action pending arbitration between the parties and on 1 June 2009, unconditionally stayed the Court Action initiated by W&F. On the same day, 1 June 2009, W&F filed an appeal against the Court’s decision to stay the proceedings.

On 30 October 2009, the Court dismissed W&F’s appeal against the Court’s earlier decision to stay the Court Action.

The arbitral award in respect of the arbitration between the parties was issued on 16 April 2013 (“the Award”). As a result, during the Case Management of the Court Action on 2 May 2013, W&F withdrew the Court Action. On 10 May 2013 parties further recorded (by consent), the terms on costs of the withdrawal of the Court Action by W&F.

In the Award, the Tribunal determined that the W&F’s claims against the JV succeeded in substantial part and dismissed the JV’s claims against W&F. The Tribunal thus awarded the following reliefs to W&F:

1. That the JV pays to W&F the sum of RM 96,297,229.03;
2. That the JV pays to W&F interest at a simple rate of 4% per annum on the sum of RM96,297,229.03 from date of termination (23 January 2006) to date of the Award (amounting to RM28,247,187.18);
3. That JV pays to W&F interest at the simple rate of 5% per annum on the sum of RM96,297,229.03 from the date of the Award until payment in full; and
4. That the JV pays to W&F costs of RM9,000,000.

On 26 April 2013, W&F wrote to the Tribunal requesting some clerical corrections be made to the Award. Subsequently, on 15 May 2013, the JV also wrote to the Tribunal requesting additional clerical corrections be made to the Award. Pursuant to the afore-said requests, the Tribunal issued a corrective award on 30 May 2013 (the “**Corrective Award**”). As a result of the Corrective Award, the following changes were made to the reliefs awarded to W&F:

1. The amount awarded to W&F has increased to RM97,574,035.39;
2. The amount of interest payable from the date of termination to date of Award now amounts to RM28,229,638.73;
3. The post award interest at the simple rate of 5% per annum from the date of the Award until payment in full is to be imposed on the sum of RM97,574,035.39; and
4. That the JV pays to W&F costs of RM9,000,000.

Arising from the award rendered by the Arbitral Tribunal in favour of W&F, costs incurred by the JV to complete the works that is not recovered amounting to RM50,319,000 has also been fully expensed off.

On 23 May 2013, the JV filed an application for a reference to the High Court in Kuala Lumpur on questions of law arising out of the Award and on determination of the said questions, for the Award to be set aside (**JV’s Section 42 Application**). The JV’s Section 42 application was registered as Kuala Lumpur High Court Originating Summons No. 24C(ARB)-2-05/2013.

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25. Material Litigations (cont'd)

On 14 June 2013, a copy of W&F's application for inter alia, recognition and enforcement of the Award under Section 38 of the Arbitration Act 2005 (**W&F's Enforcement Application**) was served on the JV. W&F's Enforcement Application was registered as Kuala Lumpur High Court Originating Summons No. 24NCC(ARB)-26-06/2013;

In addition to the application made on 23 May 2013, on 4 July 2013, the JV filed another application set aside the Award under Section 37 of the Arbitration Act 2005 whereby Mr Yusof Holmes was named as the 2nd Defendant (**JV's Section 37 Application**). The JV's Section 37 Application was registered as Kuala Lumpur High Court Originating Summons No. 24C(ARB)-3-07/2013. This application was made on the basis that there has been inter alia, a breach of Mr Holmes's statutory duty under Arbitration Act 2005 and that the Award is in conflict with the public policy in Malaysia. On 21 August 2013, Mr Holmes filed a notice of application to stay the JV's Section 37 Application (**Holmes's Stay Application**) pending the final disposal or conclusion of the following criminal proceeding against Mr Holmes:

- 1) Penang Sessions Court (1) Case No: 62(R)-141-6/2013; and
- 2) Kuala Lumpur Sessions Court Case No: 62R-005-07-2013

(The JV's Section 42 Application, W&F's Enforcement Application JV's and JV's Section 37 Application collectively referred to as (**3 Applications**)).

Holmes' Stay Application has been fixed for hearing on 30 September 2013. This date has also been fixed for case management of the 3 Applications. In the event the court has to hear the 3 Applications after the disposal of Holmes's Stay Application, the hearing is tentatively fixed on 14 October 2013.

- b) Bahrain Asphalt Establishment B.S.C (Closed) ("BAE") on 4 March 2010 served a Request For Arbitration dated 23 February 2010 against Gamuda Berhad ("Company") (as the 1st Respondent), WCT Berhad (as the 2nd Respondent) and Gamuda-WCT Joint Venture, Qatar ("the JV") (as the 3rd Respondent), to refer certain alleged disputes to ICC arbitration in Qatar. The Company's and WCT Berhad's interests in the JV are in the proportions of 51% and 49% respectively.

BAE was appointed as the sub-contractor for the works known as the granular sub-base and flexible pavement works ("Sub-contract Works") for the JV's project known as the "Dukhan Highway Project" from Shahaniya to Zekreet," which involved the construction of a 43 km new highway from Shahaniya to Zekreet in Qatar.

On 15 April 2013, a Final Award was issued by the Tribunal, in the sum of QAR 45,720,802 (RM38,129,000) for which the First and Second Respondents are liable, plus costs of QAR 17,104,710 (RM14,264,000) and US\$ 412,000 (RM1,250,000), for which the First and Second Respondents are liable.

On 30 April 2013, the Respondents made an application to the ICC pursuant to Article 29 or 35 of the ICC Rules 1998 or 2012 respectively, on the grounds of computational errors. On 28 May 2013, the Claimants provided comments agreeing with the Respondents that some aspects of the Final Award contained computational errors.

Following settlement discussions between the parties, pursuant to which a settlement payment of QAR 40,000,000.00 (RM35,565,000) has been made by the Respondents, the Respondents agreed to a withdrawal of the application to the ICC pursuant to Article 29 or 35 of the ICC Rules 1998 or 2012 respectively, on 1 September 2013.

Other than the above litigation, there is no other material litigation since the last annual statement of financial position date to a date not earlier than (7) days from the date of the issue of this report.

Gamuda Berhad (29579-T)

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Notes To The Interim Financial Statements

(The figures have not been audited)

26. Earnings Per Share

	Current Quarter 31 July 2013	Current Year To Date 31 July 2013
Basic		
Profit attributable to owners of the Company (RM'000)	<u>167,677</u>	<u>541,399</u>
Number of ordinary shares in issue as at 1 August 2012 ('000)	2,079,413	2,079,413
Effect of shares issued during the year ('000)	<u>171,849</u>	<u>54,382</u>
Weighted average number of ordinary shares in issue ('000)	<u>2,251,262</u>	<u>2,133,795</u>
Basic earnings per ordinary share (sen)	<u>7.45</u>	<u>25.37</u>
Diluted		
Profit attributable to owners of the Company (RM'000)	<u>167,677</u>	<u>541,399</u>
Weighted average number of ordinary shares in issue ('000)	2,251,262	2,133,795
Assumed shares issued from exercise of ESOS ('000)	18,923	12,953
Assumed shares issued from conversion of Warrant ('000)	<u>41,513</u>	<u>30,812</u>
Adjusted weighted average number of ordinary shares for calculating diluted earnings per ordinary share ('000)	<u>2,311,698</u>	<u>2,177,560</u>
Fully diluted earnings per ordinary share (sen)	<u>7.25</u>	<u>24.86</u>

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(The figures have not been audited)

27. Notes to the Consolidated Statement of Comprehensive Income

Total comprehensive income for the period is arrived at after charging/ (crediting) the following items:

	Current Quarter 31 July 2013	Current Year To Date 31 July 2013
	RM'000	RM'000
Interest income	(21,315)	(50,257)
Other income	(4,790)	(10,595)
Interest expense	8,654	60,768
Depreciation and amortisation	7,133	23,695
Provision for and write-off of receivables	-	-
Provision for and write-off of inventories	-	-
(Gain)/ loss on disposal of quoted or unquoted investment	-	-
Gain on disposal of property, plant and equipment	(1,326)	(3,627)
Impairment of assets	-	-
Loss on foreign exchange	7,388	8,151
Gain on derivatives	(593)	(2,448)
Unusual item - (Reversal of provision)/Arbitral awards and other costs	(2,304)	110,700

The above disclosure is prepared in accordance with paragraph 16 of Appendix 9B of the Main Listing Requirements ("MLR") issued by Bursa Malaysia Securities Berhad. Except for the above, the rest of the items required for disclosures pursuant to paragraph 16 of MLR are not applicable to the Group.