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 2013.

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 2013 except for the adoption of the following Revised Financial Reporting Standards (FRSs) and Amendments to FRSs and IC Interpretations:

Effective for annual periods beginning on or after 1 January 2013:

FRS 10	Consolidated Financial Statements
FRS 11	Joint Arrangements
FRS 12	Disclosure of interests in Other Entities
FRS 13	Fair Value Measurement
FRS 119	Employee Benefits
FRS 127	Separate Financial Statements
FRS 128	Investment in Associates and Joint Ventures
Amendments to FRS 1	Government Loans
Amendments to FRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities
IC interpretation 20	Stripping costs in the Production Phase of a Surface Mine
Amendments to FRSs	'Improvements to FRSs (2012)'
Amendments to FRS 10, FRS 11 and FRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosures of Interests in Other Entities: Transition Guidance
Amendments to FRS 101	Presentation of Financial Statement (Improvements to FRSs (2012))
Amendments to FRS 116	Property, Plant and Equipment (Improvements to FRSs (2012))
Amendments to FRS 132	Financial Instruments: Presentation (Improvements to FRSs (2012))
Amendments to FRS 134	Interim Financial Reporting (Improvements to FRSs (2012))
Amendments to IC Interpretation 2	Member's shares in Co-operative Entities and Similar Instruments (Improvements to FRSs (2012))

The above Revised FRSs and Amendments to FRSs and IC Interpretations do not have any significant impact on the financial performance and position of the Group, except for:

FRS 11 Joint Arrangements

FRS 11 replaces FRS 131 Interests in Joint Ventures and IC interpretation 113 Jointly-Controlled Entities-Non Monetary Contributions by Venturers for annual periods beginning on or after 1 January 2013. Therefore, the Group and the Company will be required to comply with the requirements of FRS 11 with effect from the financial statements for the year ending 31 July 2014.

1. Basis of Preparation (cont'd)

1.3) (cont'd)

FRS 11 Joint Arrangements (cont'd)

Pursuant to the previous accounting standard (FRS 131), the Group recognised its interests in joint ventures using proportionate consolidation instead of equity method (the allowed alternative method), as proportionate consolidation better reflects the Group's interests in the joint ventures. Under the proportionate consolidation, the Group combines its share of each of the assets, liabilities, income and expenses of the joint ventures in its consolidated financial statements.

Pursuant to the new accounting standard (FRS 11), a joint arrangement can be either a joint operation or a joint venture. A joint operator recognises and measures its assets, liabilities, revenue and expenses in accordance with the terms of the arrangement. A joint venturer recognises its interest in a joint venture using the equity method, whereby an investment is initially recognised at cost and the carrying amount is increased or decreased by the joint venturer's share of the profit and loss in the joint venture.

Some of the Group's joint arrangements met the characteristics of a joint operation and therefore, the Group continues to recognise its share of each of the assets, liabilities, income and expenses in its consolidated financial statements. However, some of the Group's joint arrangements met the characteristics of a joint venture and therefore, the Group recognises its interests in the joint venture using equity method. A change from proportionate consolidation to equity method would affect the Group's assets, liabilities, income and expenses but not the net profit or equity. This change would be applied retrospectively.

The following are the effects arising from the above change in accounting policy:

For the quarter ended 31 October 2013	Before FRS 11 RM'000	Effect of adopting FRS 11 RM'000	After FRS 11 RM'000
Consolidated Income Statement			
Revenue	1,206,077	(719,957)	486,120
Operating expenses	(1,050,077)	653,907	(396,170)
Other income	14,508	(1,768)	12,740
Profit from operations	170,508	(67,818)	102,690
Finance costs	(16,744)	2,733	(14,011)
Share of profits of joint ventures	-	45,337	45,337
Share of profits of associated companies	57,439	-	57,439
Profit before taxation	211,203	(19,748)	191,455
Taxation	(44,813)	19,748	(25,065)
Profit for the period	166,390	-	166,390
Profit attributable to :-			
Owners of the Company	165,480	-	165,480
Non-controlling interests	910	-	910
	166,390	-	166,390

1. Basis of Preparation (cont'd)

1.3) (cont'd)

FRS 11 Joint Arrangements (cont'd)

The following are the effects arising from the above change in accounting policy: (cont'd)

For the quarter ended 31 October 2013 **Consolidated Statement of Financial Position**	Before FRS 11 RM'000	Effect of adopting FRS 11 RM'000	After FRS 11 RM'000
ASSETS			
Property, plant and equipment	396,213	(97,604)	298,609
Land held for property development	1,130,037	(79,748)	1,050,289
Investment properties	76,139	(7,500)	68,639
Motorway development expenditure	315,833	(315,833)	-
Interests in joint ventures	-	539,135	539,135
Deferred tax assets	47,098	(4,389)	42,709
Non current receivables	285,661	(76,396)	209,265
Property development costs	1,932,853	(118,919)	1,813,934
Inventories	97,885	(2,001)	95,884
Current receivables	1,393,446	(408,253)	985,193
Amount due from customers for construction contracts	796,128	(573,845)	222,283
Tax recoverable	39,019	(1,679)	37,340
Cash and bank balances	1,484,676	(421,796)	1,062,880
LIABILITIES			
Non current payables	317,486	(133,740)	183,746
Deferred tax liabilities	84,530	(2,212)	82,318
Long term borrowings	2,054,731	(200,974)	1,853,757
Short term borrowings	588,493	(290,225)	298,268
Current payables	1,608,903	(667,245)	941,658
Amount due to customers for construction contracts	299,735	(248,658)	51,077
Provision for liabilities	43,112	(17,516)	25,596
Tax payable	36,632	(8,257)	28,375

1. Basis of Preparation (cont'd)

1.3) (cont'd)

FRS 11 Joint Arrangements (cont'd)

The following comparatives have been restated:

For the quarter ended 31 October 2012	As previously stated RM'000	Effect of adopting FRS 11 RM'000	As Restated RM'000
Consolidated Income Statement			
Revenue	771,339	(318,076)	453,263
Operating expenses	(640,962)	286,524	(354,438)
Other income	13,744	(3,956)	9,788
Profit from operations	144,121	(35,508)	108,613
Finance costs	(16,672)	2,790	(13,882)
Share of profits of joint ventures	-	23,808	23,808
Share of profits of associated companies	54,703	-	54,703
Profit before taxation	182,152	(8,910)	173,242
Taxation	(34,453)	8,910	(25,543)
Profit for the period	147,699	-	147,699
Profit attributable to :-			
Owners of the Company	145,438	-	145,438
Non-controlling interests	2,261	-	2,261
	147,699	-	147,699

1. Basis of Preparation (cont'd)

1.3) (cont'd)

FRS 11 Joint Arrangements (cont'd)

The following comparative have been restated: (cont'd)

As at 31 July 2013	As previously stated RM'000	Effect of adopting FRS 11 RM'000	As Restated RM'000
Consolidated Statement of Financial Position			
ASSETS			
Property, plant and equipment	395,050	(95,511)	299,539
Land held for property development	1,101,703	(52,968)	1,048,735
Investment properties	66,822	(7,500)	59,322
Motorway development expenditure	316,440	(316,440)	-
Interests in joint ventures	-	500,798	500,798
Deferred tax assets	49,854	(4,388)	45,466
Non current receivables	260,044	(55,044)	205,000
Property development costs	1,912,009	(122,543)	1,789,466
Inventories	96,266	(14)	96,252
Current receivables	1,183,338	(331,259)	852,079
Amount due from customers for construction contracts	732,648	(486,465)	246,183
Tax recoverable	47,155	(4,060)	43,095
Investment securities	514,922	(3,479)	511,443
Cash and bank balances	1,230,210	(435,569)	794,641
LIABILITIES			
Non current payables	414,282	(253,434)	160,848
Deferred tax liabilities	83,228	(2,213)	81,015
Long term borrowings	1,717,265	(204,196)	1,513,069
Short term borrowings	741,435	(281,731)	459,704
Current payables	1,367,889	(468,780)	899,109
Amount due to customers for construction contracts	289,449	(183,517)	105,932
Provision for liabilities	44,078	(13,722)	30,356
Tax payable	35,263	(6,849)	28,414

1. Basis of Preparation (cont'd)

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 the 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.

2. Audit Report of Preceding Annual Financial Statements

The audit report of the Group's annual financial statements for the year ended 31 July 2013 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

The were no unusual item affecting assets, liabilities, equity, net income or cash flows for the current quarter under review.

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 6,573,000 and 3,268,664 new ordinary shares of RM1 each, pursuant to the exercise of the Employees' Share Option Scheme and the conversion of warrants respectively.

7. Segmental Analysis

	Engineering and Construction	Property Development and Club Operations	Water and Expressway Concessions	Total
	RM'000	RM'000	RM'000	RM'000
3 months period ended 31 October 2013				
REVENUE				
Total revenue	895,253	277,969	35,088	1,208,310
Less: Inter segment revenue	(2,233)	-	-	(2,233)
	893,020	277,969	35,088	1,206,077
Less: Share of revenue of joint ventures	(616,385)	(99,007)	(4,565)	(719,957)
External revenue as reported	276,635	178,962	30,523	486,120
RESULTS				
Profit from operations	49,985	39,073	13,632	102,690
Finance costs	(4,415)	(4,588)	(5,008)	(14,011)
Share of profits of joint ventures	13,578	31,755	4	45,337
Share of profits of associated companies	-	1,756	55,683	57,439
Profit before taxation	59,148	67,996	64,311	191,455
Percentage of segment results	**31%**	**35%**	**34%**	
Taxation				(25,065)
Profit for the period				166,390
Profit attributable to:-				
Owners of the Company				165,480
Non-controlling interests				910
				166,390
3 months period ended 31 October 2012				
REVENUE				
Total revenue	480,439	259,619	32,896	772,954
Less: Inter segment revenue	(1,615)	-	-	(1,615)
	478,824	259,619	32,896	771,339
Less: Share of revenue of joint ventures	(246,271)	(67,360)	(4,445)	(318,076)
External revenue as reported	232,553	192,259	28,451	453,263
RESULTS				
Profit from operations	51,025	43,368	14,220	108,613
Finance costs	(3,642)	(6,208)	(4,032)	(13,882)
Share of profits of joint ventures	5,358	18,450	-	23,808
Share of profits of associated companies	-	1,388	53,315	54,703
Profit before taxation	52,741	56,998	63,503	173,242
Percentage of segment results	**30%**	**33%**	**37%**	
Taxation				(25,543)
Profit for the period				147,699
Profit attributable to:-				
Owners of the Company				145,438
Non-controlling interests				2,261
				147,699

*Revenue used in the calculation of margin includes share of joint ventures' and associates' revenue.

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

There were no material changes in the composition of the Group for the current quarter ended 31 October 2013.

11. Dividends

The Board of Directors declares an interim dividend in respect of financial year ending 31 July 2014 as follows :

i) A single tier interim dividend of 6.00 sen per ordinary share;

ii) A single tier interim dividend of 6.00 sen per ordinary share was declared in previous corresponding period;

iii) The payment date of the interim dividend is 28 January 2014;

iv) In respect of deposited securities, entitlement to dividends to be determined on the basis of the record of depositors as at 13 January 2014.

The total dividend for the current financial period is single tier dividend of 6.00 sen per ordinary share. For the preceding year's corresponding period, the total dividend per share was single tier dividend of 6.00 sen was declared.

12. Dividend Paid

No dividend was paid during the current quarter and previous corresponding quarter.

13. Review of Performance

Overall Performance

For the current quarter, the Group recorded revenue and profit before taxation of RM486.1 million and RM191.5 million respectively as compared to RM453.3 million and RM173.2 million respectively in the preceding year comparative quarter.

The increase in profit before taxation resulted from higher contributions from all divisions.

The performances of the respective divisions of the Group are as follows:

(a) CONSTRUCTION DIVISION

The increase in profit before taxation for the current quarter resulted from higher work progress from the Klang Valley Mass Rapid Transit Project.

(b) PROPERTY DIVISION

The increase in profit before taxation for the current quarter resulted from higher profit contribution from the Horizon Hills project.

(c) WATER AND EXPRESSWAY CONCESSIONS DIVISION

The increase in profit before taxation for the current quarter resulted from higher contribution from the Group's various expressways.

14. Comparison with immediate Preceding Quarter's Results

The Group recorded profit before taxation of RM191.5 million for the current quarter which was slightly higher than the immediate preceding quarter's profit before taxation of RM191.1 million due to higher contribution from the property division.

15. Current Year Prospects

Overall Prospects

The Group anticipates an improved performance this year from 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") :
Through MMC Gamuda KVMRT (PDP) Sdn Bhd, our role as PDP is to deliver 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 have been tendered out and awarded to various contractors. The construction of the main civil works i.e. elevated viaducts, stations and underground tunnels are progressing well. Pier construction, ground piling works and launching of segmental box girders are currently taking place to pave the way for the construction of the elevated guideway of the twin rail tracks. The designs for the systems works are also well underway. Stringent site inspections and other comprehensive efforts on work site safety have enabled safe and smooth work progress.

Cumulative progress at the end of November 2013 was 33% 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 beneath Kuala Lumpur city. All ten tunnel boring machines ("TBM") procured for the construction of the tunnel have been delivered.

Seven TBMs have been launched in stages with the balance to be deployed from June 2014. Tunnelling works are progressing rapidly with one TBM reaching Pasar Rakyat Station from Cochrane Station and an imminent breakthrough at KL Sentral Station from the Semantan TBM. Works at all seven underground stations are advancing swiftly with major works centered on the construction of diaphragm walls and bored piles, excavation and station floor slabs.

Cumulative progress at the end of November 2013 was 47% completion.

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 98% 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.

15. Current Year Prospects (cont'd)

(b) PROPERTY DIVISION

In this financial year's first quarter, the division achieved sales of RM575 million, a 72% increase from the RM334 million sales of the previous year's corresponding first quarter. Unbilled sales at the end of this quarter was RM1.7 billion.

Malaysia
As a result of the recent measures by Bank Negara Malaysia to cool the property market, we anticipate future property sales in Malaysia will be more challenging. Notwithstanding this, Horizon Hills, located within the Iskandar Johor region, continued to receive good response especially from Singaporean buyers, achieving a 58% sales increase this quarter compared with last year's first quarter.

The Robertson, a condominium development in Kuala Lumpur city centre, registered a high sales take-up rate of 80% for its first phase since its launch in mid October 2013. Other major on-going developments include Bandar Botanic in Klang, Jade Hills in Kajang and Madge Mansions in Kuala Lumpur.

Projects still in the planning stage include the two parcels of recently acquired land in the Klang Valley – 724 acres at Serai and 89 acres at Kundang. This new landbank will be developed into a comprehensive integrated township comprising residential and commercial properties with a Gross Development Value of RM5.2 billion.

Vietnam
Property sales of our Vietnam ventures, namely Gamuda City in Hanoi and Celadon City in Ho Chi Minh City, remained slow due to the country's economic issues.

At Gamuda City, infrastructure and building construction works are ongoing. The first batch of residential landed properties will be completed in Dec 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 construction of the second block of apartments and the AEON Mall will be completed by Dec 2013.

(c) WATER AND EXPRESSWAY CONCESSIONS DIVISION

(i) Expressway
Traffic volumes of the division's various expressways have been stable and resilient.

On 4 November 2013, the Company made offers to the remaining shareholders of Kesas Holdings Berhad ("Kesas Holdings"), namely, Perbadanan Kemajuan Negeri Selangor, Permodalan Nasional Berhad and Amcorp Properties Berhad, to acquire their entire equity interest, collectively representing 70% equity interest, in Kesas Holdings for RM875 million. Kesas Holdings is the holding company of Kesas Sdn Bhd - the concession holder of Shah Alam Expressway.

The offer is open for acceptance until 18 December 2013. At the time of this report, the offer has yet to be accepted by the remaining shareholders of Kesas Holdings.

15. Current Year Prospects (cont'd)

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

(ii) Water

On 21 November 2013, the Company received an offer from Kumpulan Darul Ehsan Berhad ("KDEB"), an entity wholly-owned by the Selangor State Government, to purchase the entire 100% equity in Syarikat Pengeluar Air Selangor Holdings Berhad ("Splash Holdings"). The Company has a 40% equity interest in Splash Holdings, 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 4 December 2013, the Company informed KDEB that it is unable to consider the offer due to the following :-

(aa) a key component in the previous offer letter dated 20 February 2013 ("the previous offer") was removed, namely the payment of Splash's surplus book value of assets over liabilities (including receivables) which has resulted in the substantial amount of surplus assets of Splash not being added to the offer. This has resulted in an approximately 90% reduction in the offer consideration for Splash Holdings as compared to the previous offer.

(bb) the valuation methodology of using a return on Splash Holdings' Equity of 12% per annum is not fair as it does not take into account the remaining tenure of Splash's concession. We are of the view that the methodology used should fairly compensate for the loss of future earnings of Splash over the remaining period of the concession; and

(cc) KDEB has not indicated in its offer if it will retain the existing operations and maintenance operators of Splash at existing terms after the completion of the proposed purchase of Splash Holdings by KDEB.

However, the Company will continue to seek further clarifications on the matters raised for all parties involved to reach mutually agreeable terms and conditions. While the Company is unable to consider the offer at this juncture, the Company is willing to pursue an agreement with KDEB.

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 October	
		(Restated)
	2013	2012
	RM'000	RM'000
Malaysian & foreign income tax	25,065	25,543

The Group's effective tax rate (excluding the results of joint ventures and 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

1) On 4 November 2013, the Company made offers to the remaining shareholders of Kesas Holdings Berhad ("Kesas Holdings"), namely, Perbadanan Kemajuan Negeri Selangor, Permodalan Nasional Berhad and Amcorp Properties Berhad, to acquire their entire equity interest, collectively representing 70% equity interest, in Kesas Holdings for RM875 million. Kesas Holdings is the holding company of Kesas Sdn Bhd - the concession holder of Shah Alam Expressway.

   The offer is open for acceptance until 18 December 2013. At the time of this report, the offer has yet to be accepted by the remaining shareholders of Kesas Holdings.

2) On 21 November 2013, the Company received an offer from Kumpulan Darul Ehsan Berhad ("KDEB"), an entity wholly-owned by the Selangor State Government, to purchase the entire 100% equity in Syarikat Pengeluar Air Selangor Holdings Berhad ("Splash Holdings"). The Company has a 40% equity interest in Splash Holdings, 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 4 December 2013, the Company informed KDEB that it is unable to consider the offer due to the following :-

   (a) a key component in the previous offer letter dated 20 February 2013 ("the previous offer") was removed, namely the payment of Splash's surplus book value of assets over liabilities (including receivables) which has resulted in the substantial amount of surplus assets of Splash not being added to the offer. This has resulted in an approximately 90% reduction in the offer consideration for Splash Holdings as compared to the previous offer.

   (b) the valuation methodology of using a return on Splash Holdings' Equity of 12% per annum is not fair as it does not take into account the remaining tenure of Splash's concession. We are of the view that the methodology used should fairly compensate for the loss of future earnings of Splash over the remaining period of the concession; and

   (c) KDEB has not indicated in its offer if it will retain the existing operations and maintenance operators of Splash at existing terms after the completion of the proposed purchase of Splash Holdings by KDEB.

   However, the Company will continue to seek further clarifications on the matters raised for all parties involved to reach mutually agreeable terms and conditions. While the Company is unable to consider the offer at this juncture, the Company is willing to pursue an agreement with KDEB.

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 October 2013 RM Equivalent '000
Short Term Borrowings		
Revolving Credits		
-denominated in US Dollar (Gamuda)	50,000	157,649
Commerical Paper (Gamuda)		20,000
Term Loan (Jade Homes)		44,520
Term Loan		
-denominated in US Dollar (Gamuda)	20,000	63,067
-denominated in Vietnamese Dong (Tan Thang)	92,846,000	13,032
		298,268
Long Term Borrowings		
Medium Term Notes (Gamuda)		1,120,000
Term Loan		
-denominated in US Dollar (Gamuda)	132,000	416,209
-denominated in Vietnamese Dong (Tan Thang)	1,694,683,000	261,150
Term Loan (Jade Homes)		56,398
		1,853,757
Total		2,152,025

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 dates	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	141,900	-	3,816	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 October 2013 are as follows:

Approved and contracted for	**RM'000**
Land for property development	558,000
Property, plant & equipments	51,449
Investment property	45,200
	654,649

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:

	Notes	As at 31 Oct 13	As at 31 Jul 13
		RM'000	RM'000
Total retained profits of the Company and its subsidiaries			
- Realised		1,392,862	1,336,760
- Unrealised	1	(3,099)	(38,521)
		1,389,763	1,298,239
Total share of retained profits from joint arrangements			
- Realised		291,172	221,591
- Unrealised	1	3,279	12,338
		294,451	233,929
Total share of retained profits from associated companies			
- Realised		1,382,841	1,306,995
- Unrealised	1	(359,986)	(377,129)
		1,022,855	929,866
Less : Consolidated adjustments	2	(504,268)	(424,713)
Total Group retained profits		2,202,801	2,037,321

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.

25. Material Litigations

a) The arbitral award ("the Award") in respect of the arbitration between Wayss & Freytag (Malaysia) Sdn Bhd ("W&F") and MMC Gamuda Joint Venture ("JV") was issued by the arbitral tribunal ("Tribunal") on 16 April 2013.

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 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.

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.

25. Material Litigations (cont'd)

In addition to the application made on 23 May 2013, on 4 July 2013, the JV filed another application to 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 statutory duty under the 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' 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 and JV's Section 37 Application collectively referred to as "the 3 Applications").

On 6 September 2013, W&F filed an application under Order 15 rule 5(1) of the Rules of Court 2012 to have the JV's Section 37 Application heard separately against W&F and against Mr. Holmes (W&F's Order 15 Application).

On 30 September 2013, the learned High Court Judge directed that the JV's Section 42 Application be heard first and in the event this application is dismissed, the court will hear the JV's Section 37 Application next. When dealing with the JV's Section 37 Application, the Court would first deal with the interlocutory applications therein i.e. Holmes' Stay Application and W&F's Order 15 Application. The hearing of the JV's Section 42 Application was on 7 November 2013.

At the hearing on 7 November 2013, the JV's Section 42 Application was heard before The Honourable Dato' Mary Lim Thiam Suan. The learned Judge has fixed the JV's Section 42 Application for further hearing on 7 March 2014. The learned Judge also directed that in the event the JV's Section 42 Application is dismissed, the Court will proceed to deal with the JV's Section 37 Application beginning with the hearing of Holmes' Stay Application and W&F's Order 15 Application.

b) The arbitration between Bahrain Asphalt Establishment B.S.C (Closed) ("BAE") and 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) has been fully and finally settled.

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.

26. Earnings Per Share

	Current Quarter 31 October 2013
Basic	
Profit attributable to owners of the Company (RM'000)	165,480
Number of ordinary shares in issue as at 1 August 2013 ('000)	2,276,644
Effect of shares issued during the year ('000)	5,134
Weighted average number of ordinary shares in issue ('000)	2,281,778
Basic earnings per ordinary share (sen)	7.25
Diluted	
Profit attributable to owners of the Company (RM'000)	165,480
Weighted average number of ordinary shares in issue ('000)	2,281,778
Assumed shares issued from exercise of ESOS ('000)	16,074
Assumed shares issued from conversion of Warrant ('000)	39,090
Adjusted weighted average number of ordinary shares for calculating diluted earnings per ordinary share ('000)	2,336,942
Fully diluted earnings per ordinary share (sen)	7.08

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 Oct 2013 RM'000
Interest income	(7,028)
Other income	(4,739)
Interest expense	14,011
Depreciation and amortisation	5,244
Provision for and write-off of receivables	-
Provision for and write-off of inventories	-
Gain on disposal of quoted or unquoted investment	-
Gain on disposal of property, plant and equipment	(973)
Impairment of assets	-
Loss on foreign exchange	1,913
Gain on derivatives	(584)

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.