

**MUHIBBAH ENGINEERING (M) BHD**  
**(Company No : 12737-K)**  
**(Incorporated in Malaysia)**

**ANNOUNCEMENT OF THE UNAUDITED RESULTS OF THE GROUP**  
**FOR THE PERIOD ENDED 31 MARCH 2008 (1ST QUARTER)**

**CONDENSED CONSOLIDATED BALANCE SHEETS**

	<b>UNAUDITED AS AT 31.3.2008 RM'000</b>	<b>AUDITED AS AT 31.12.2007 RM'000</b>
<b>Assets</b>		
Property, plant and equipment	<b>381,122</b>	330,391
Prepaid lease payments	<b>31,871</b>	32,105
Investments in associates	<b>114,098</b>	107,631
Development costs	<b>2,722</b>	3,127
Goodwill and other intangible assets	<b>34,173</b>	852
Long term advance due from an associate	<b>-</b>	10,000
Land held for development	<b>15,471</b>	6,028
Other long term assets	<b>607</b>	848
<b>Total non-current assets</b>	<b>580,064</b>	490,982
Investments in joint ventures	<b>-</b>	1,257
Receivables, deposits and prepayments	<b>593,429</b>	380,624
Contract work-in-progress	<b>491,195</b>	540,731
Inventories	<b>190,130</b>	159,895
Cash and cash equivalents	<b>115,081</b>	180,075
Other current assets	<b>5,406</b>	3,556
<b>Total current assets</b>	<b>1,395,241</b>	1,266,138
<b>Total assets</b>	<b>1,975,305</b>	1,757,120

**MUHIBBAH ENGINEERING (M) BHD**  
**(Company No : 12737-K)**  
**(Incorporated in Malaysia)**

**ANNOUNCEMENT OF THE UNAUDITED RESULTS OF THE GROUP**  
**FOR THE PERIOD ENDED 31 MARCH 2008 (1ST QUARTER)**

**CONDENSED CONSOLIDATED BALANCE SHEETS (continued)**

	<b>UNAUDITED AS AT 31.3.2008 RM'000</b>	<b>AUDITED AS AT 31.12.2007 RM'000</b>
<b>Equity</b>		
Share capital	191,810	191,783
Reserves	16,724	15,650
Retained earnings	203,972	183,699
Less: Treasury shares	(5,561)	(4,669)
<b>Total equity attributable to shareholders of the Company</b>	<b>406,945</b>	386,463
<b>Minority interest</b>	<b>78,025</b>	74,692
<b>Total Equity</b>	<b>484,970</b>	461,155
<b>Liabilities</b>		
Advances from minority shareholders	16,137	16,795
Loans and borrowings	86,609	92,508
Deferred tax liabilities	21,630	15,753
<b>Total non-current liabilities</b>	<b>124,376</b>	125,056
Payables and accruals	420,951	434,567
Amount due to contract customers	264,057	157,464
Bills payable	552,676	431,914
Loans and borrowings	112,883	127,232
Tax liabilities	6,924	10,811
Provisions	8,468	8,921
<b>Total current liabilities</b>	<b>1,365,959</b>	1,170,909
<b>Total liabilities</b>	<b>1,490,335</b>	1,295,965
<b>Total equity and liabilities</b>	<b>1,975,305</b>	1,757,120
<b>Net assets per share attributable to shareholders of the Company (RM)</b>	<b>1.07</b>	1.01

**The Condensed Consolidated Balance Sheets should be read in conjunction with the  
Annual Financial Report for the year ended 31 December 2007**

**MUHIBBAH ENGINEERING (M) BHD**  
**(Company No : 12737-K)**  
**(Incorporated in Malaysia)**

**ANNOUNCEMENT OF THE UNAUDITED RESULTS OF THE GROUP**  
**FOR THE PERIOD ENDED 31 MARCH 2008 (1ST QUARTER)**

**CONDENSED CONSOLIDATED INCOME STATEMENTS**

	Note	Current/Preceding Qtr Ended		Cumulative Qtr YTD	
		31.3.2008 RM'000	31.3.2007 RM'000	31.3.2008 RM'000	31.3.2007 RM'000
Revenue		385,977	252,817	385,977	252,817
Cost of sales and operating expenses		(371,999)	(243,998)	(371,999)	(243,998)
Other income		5,453	4,725	5,453	4,725
<b>Results from operating activities</b>		<b>19,431</b>	<b>13,544</b>	<b>19,431</b>	<b>13,544</b>
Interest income		587	599	587	599
Finance costs		(2,679)	(3,547)	(2,679)	(3,547)
<b>Operating profit</b>		<b>17,339</b>	<b>10,596</b>	<b>17,339</b>	<b>10,596</b>
Share of profit after tax and minority interest of equity accounted associates		9,155	8,679	9,155	8,679
Share of profit/(loss) after tax of joint ventures		-	-	-	-
<b>Profit before tax and exceptional items</b>		<b>26,494</b>	<b>19,275</b>	<b>26,494</b>	<b>19,275</b>
Exceptional items	4	-	-	-	-
<b>Profit before tax</b>		<b>26,494</b>	<b>19,275</b>	<b>26,494</b>	<b>19,275</b>
Tax expense	16	(3,513)	(2,605)	(3,513)	(2,605)
<b>Profit for the period</b>		<b>22,981</b>	<b>16,670</b>	<b>22,981</b>	<b>16,670</b>
<b>Attributable to:</b>					
Shareholders of the Company		20,273	14,632	20,273	14,632
Minority interest		2,708	2,038	2,708	2,038
<b>Profit for the year</b>		<b>22,981</b>	<b>16,670</b>	<b>22,981</b>	<b>16,670</b>
<b>Earnings per ordinary share</b>					
Basic (Sen)	* 24	5.31	3.91	5.38	3.91
Diluted (Sen)	* 24	5.03	3.67	5.10	3.67

\* The comparative figures for earnings per share and diluted earnings per share have been restated to account for the effect of bonus issue and subdivision of shares which were completed on 2 November 2007

**The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2007**

**MUHIBBAH ENGINEERING (M) BHD**  
(Company No : 12737-K)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 MARCH 2008 (1ST QUARTER)**

	← Attributable to shareholders of the Company →					Total equity attributable to shareholders of the Company RM'000	Minority interest RM'000	Total equity RM'000
	← Non-distributable →		Distributable					
	Share capital RM'000	Treasury shares RM'000	Reserves attributable to capital RM'000	Reserve attributable to revenue RM'000	Retained earnings RM'000			
<b>At 1 January 2007</b>	149,618	-	34,097	10,842	126,880	<b>321,437</b>	57,575	<b>379,012</b>
Share-based payments	-	-	792	-	-	<b>792</b>	-	<b>792</b>
Exchange differences on translation of the financial statements of foreign entities	-	-	-	(1,281)	-	<b>(1,281)</b>	34	<b>(1,247)</b>
Profit for the year	-	-	-	-	14,632	<b>14,632</b>	2,038	<b>16,670</b>
<b>At 31 March 2007</b>	<u>149,618</u>	<u>-</u>	<u>34,889</u>	<u>9,561</u>	<u>141,512</u>	<u><b>335,580</b></u>	<u>59,647</u>	<u><b>395,227</b></u>
<b>At 1 January 2008</b>	191,783	(4,669)	7,674	7,976	183,699	<b>386,463</b>	74,692	<b>461,155</b>
Share options exercised	27	-	1	-	-	<b>28</b>	11	<b>39</b>
Share-based payments	-	-	553	-	-	<b>553</b>	58	<b>611</b>
Shares repurchased	-	(892)	-	-	-	<b>(892)</b>	-	<b>(892)</b>
Dilution of interest in subsidiary arising from issuance of shares pursuant to ESOS of the subsidiary	-	-	-	-	-	-	3	<b>3</b>
Exchange differences on translation of the financial statements of foreign entities	-	-	-	520	-	<b>520</b>	553	<b>1,073</b>
Profit for the year	-	-	-	-	20,273	<b>20,273</b>	2,708	<b>22,981</b>
<b>At 31 March 2008</b>	<u>191,810</u>	<u>(5,561)</u>	<u>8,228</u>	<u>8,496</u>	<u>203,972</u>	<u><b>406,945</b></u>	<u>78,025</u>	<u><b>484,970</b></u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2007

**MUHIBBAH ENGINEERING (M) BHD**  
**(Company No : 12737-K)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**  
**FOR THE PERIOD ENDED 31 MARCH 2008 (1ST QUARTER)**

	<b>Unaudited YTD 31.3.2008 RM'000</b>	<b>Audited YTD 31.3.2007 RM'000</b>
Net cash generated from/(used in) operating activities	(129,254)	6,086
Net cash generated from/(used in) investing activities	(33,387)	(15,098)
Net cash generated from/(used in) financing activities	98,877	67,691
Net increase/(decrease) in cash and cash equivalents	(63,764)	58,679
Cash and cash equivalents at 1 January	149,239	53,245
Currency translation differences	3,858	(488)
<b>Cash and cash equivalents at 31 March</b>	<b>89,333</b>	<b>111,436</b>

Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts:

	<b>31.3.2008 RM'000</b>	<b>31.3.2007 RM'000</b>
Cash and bank balances	70,318	86,396
Deposits placed with licensed banks	44,763	52,393
Cash and cash equivalents per balance sheet	115,081	138,789
Bank overdrafts	(25,748)	(27,353)
	<b>89,333</b>	<b>111,436</b>

**The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual  
Financial Report for the year ended 31 December 2007**

**MUHIBBAH ENGINEERING (M) BHD**  
**(Company No : 12737-K)**  
**(Incorporated in Malaysia)**

**ANNOUNCEMENT OF THE UNAUDITED RESULTS OF THE GROUP**  
**FOR THE YEAR ENDED 31 MARCH 2008 (1ST QUARTER)**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. ACCOUNTING POLICIES**

The interim financial statements are unaudited and have been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad, including compliance with Financial Reporting Standards ("FRS") 134 Interim Financial Reporting, issued by the Malaysian Accounting Standards Board ("MASB").

The interim financial statements have been prepared in accordance with the same accounting policies adopted in the audited financial statements for the year ended 31 December 2007, except for the adoption of the new/revised FRSs that came into effect during the financial period under review as per the requirement of the MASB.

The adoption of the new/revised FRSs that came into effect during the financial period under review does not have material effect on the Group's financial results for the financial period to date nor the Group's shareholders fund as at 31 March 2008.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2007.

**2. QUALIFICATION OF PRECEDING YEAR'S AUDITED FINANCIAL STATEMENTS**

The audited financial statements of the Company for the preceding year ended 31 December 2007 were not subject to any qualification.

**3. EXPLANATORY COMMENT ON SEASONALITY OR CYCLICALITY**

The Airport Concession Division experiences a seasonality international passengers arrival at the international airports in Cambodia. The peak seasons are usually during the fourth quarter of the year to the first quarter of the following year. The passengers are largely international tourists visiting the various prominent attractions, particularly the UNESCO World Heritage Site of Angkor Wat in Cambodia.

Other than as mentioned above, the Group does not experience material seasonality or cyclicity activity fluctuation on quarterly basis.

**4. EXCEPTIONAL/UNUSUAL ITEMS**

There are no exceptional/unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter.

**MUHIBBAH ENGINEERING (M) BHD**  
**(Company No : 12737-K)**  
**(Incorporated in Malaysia)**

**5. CHANGE IN ESTIMATES**

There are no material changes in estimates of amounts that have material effect in the current quarter.

**6. DEBT AND EQUITY SECURITIES**

a) Employees' Share Option Scheme

During the current quarter ended 31 March 2008, a total of 53,000 new ordinary shares of RM0.50 each was issued at RM0.51 pursuant to the exercise of Employees' Share Option Scheme of Muhibbah Engineering (M) Bhd.

b) Treasury Shares

During the current quarter ended 31 March 2008, the Company purchased 412,000 of its issued ordinary shares of RM0.50 each from the open market for a total consideration including transaction costs totalling RM892,869 at an average price of RM2.17 per ordinary share of RM0.50 each.

As at 31 March 2008, a total of 1,783,000 ordinary shares of RM0.50 each are held as treasury shares by the Company. These treasury shares are held at a total carrying amount of RM5,561,528.

The buy back transactions were financed by internally generated funds. The shares purchased are held as treasury shares in accordance with Section 67A of the Companies Act 1965. None of the treasury shares held are resold or cancelled during the period ended 31 March 2008.

Other than as mentioned above, there are no issuance, cancellation, repurchase, resale or repayment of debts and equity securities for the current quarter.

**MUHIBBAH ENGINEERING (M) BHD**  
**(Company No : 12737-K)**  
**(Incorporated in Malaysia)**

**7. SEGMENTAL INFORMATION**

	<b>Infrastructure Construction RM'000</b>	<b>Cranes RM'000</b>	<b>Marine- Ship Repair and Ship Building RM'000</b>	<b>Concess- ion RM'000</b>	<b>Conso- lidated RM'000</b>
<b>BUSINESS SEGMENTS</b>					
<b>Revenue from external customers</b>	<b>180,394</b>	<b>124,284</b>	<b>81,299</b>	<b>-</b>	<b>385,977</b>
Operating profit/(loss)	7,745	5,899	5,904	(117)	19,431
Interest income	326	261	-	-	587
Finance costs	(558)	(1,449)	(550)	(122)	(2,679)
Share of profit/(loss) after tax and minority interest of equity accounted associates	797	(1)	-	8,359	9,155
Share of profit/(loss) after tax of joint ventures	-	-	-	-	-
Profit before tax	8,310	4,710	5,354	8,120	26,494
Tax expense	(2,761)	(313)	(439)	-	(3,513)
<b>Net profit after tax</b>	<b>5,549</b>	<b>4,397</b>	<b>4,915</b>	<b>8,120</b>	<b>22,981</b>
Segment assets	990,309	557,614	312,285	999	1,861,207
Investments in associates	15,690	60	-	98,348	114,098
Investments in joint ventures	-	-	-	-	-
Total assets	1,005,999	557,674	312,285	99,347	1,975,305
Total liabilities	(844,268)	(417,848)	(222,895)	(5,324)	(1,490,335)
<b>Total equity</b>	<b>161,731</b>	<b>139,826</b>	<b>89,390</b>	<b>94,023</b>	<b>484,970</b>
<b>Annualised return on equity</b>	<b>13.7%</b>	<b>12.6%</b>	<b>22.0%</b>	<b>34.5%</b>	<b>19.0%</b>



**MUHIBBAH ENGINEERING (M) BHD**  
**(Company No : 12737-K)**  
**(Incorporated in Malaysia)**

**7. SEGMENTAL INFORMATION (CONTINUED)**

	<b>Inside Malaysia RM'000</b>	<b>Outside Malaysia RM'000</b>	<b>Conso- lidated RM'000</b>
<b>GEOGRAPHICAL SEGMENTS</b>			
<b>Revenue from external customers</b>	<b>175,661</b>	<b>210,316</b>	<b>385,977</b>
Operating profit	11,857	7,574	19,431
Interest income	435	152	587
Finance costs	(2,550)	(129)	(2,679)
Share of profit/(loss) after tax and minority interest of equity accounted associates	2,398	6,757	9,155
Share of profit/(loss) after tax of joint ventures	-	-	-
Profit before tax	12,140	14,354	26,494
Tax expense	(2,771)	(742)	(3,513)
<b>Net profit after tax</b>	<b>9,369</b>	<b>13,612</b>	<b>22,981</b>
Segment assets			1,861,207
Investments in associates			114,098
Investments in joint ventures			-
Total assets			1,975,305
Total liabilities			(1,490,335)
<b>Total equity</b>			<b>484,970</b>
<b>Annualised return on equity</b>			<b>19.0%</b>

**MUHIBBAH ENGINEERING (M) BHD**  
**(Company No : 12737-K)**  
**(Incorporated in Malaysia)**

**8. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

All property, plant and equipment of the Group and the Company are stated at cost less accumulated depreciation and accumulated impairment losses, if any. None of the property, plant and equipment are stated at valuation.

**9. MATERIAL SUBSEQUENT EVENT**

There is no material subsequent event from the end of the period to 21 May 2008.

**10. MATERIAL CHANGES IN THE GROUP'S COMPOSITION**

On 3 January 2008, The Company acquired 207 ordinary shares of USD250.00 each in Muhibbah Engineering (Cambodia) Co. Ltd ("MEC") for a total cash consideration of USD1.00, resulting in a goodwill arising from consolidation of RM33.4 million to the Group. The principal activities of MEC are infrastructure construction, property development and quarry operations in Cambodia. Upon completion of the acquisition, the direct shareholding of the Company in MEC was increased from 49% to 60%. As such, MEC has become a subsidiary of the Company.

Other than as mentioned above, there are no material changes in the Group's composition during the period.

**11. CONTINGENT LIABILITIES/ASSETS AS AT 31 MARCH 2008**

	<b>RM'000</b>
Corporate guarantee for credit facilities granted to subsidiary companies	<u>161,233</u>

There are no contingent assets as at 31 March 2008.

**12. COMPARISON WITH PRECEDING QUARTER RESULTS  
(3 MONTHS Q1 2008 vs 3 MONTHS Q4 2007)**

The Group generated a consolidated revenue of RM386.0 million for the quarter under review as compared to RM418.6 million consolidated revenue in the fourth quarter of year 2007, representing a decrease of 8% in the consolidated revenue during the current quarter.

The Group recorded a consolidated profit before tax of RM26.5 million for the quarter under review as compared to RM32.3 million in the fourth quarter of year 2007, representing a decrease of 18% in the consolidated profit before tax during the current quarter.

The decrease in both consolidated turnover and consolidated profit before tax for the current quarter under review is mainly due to recognition of the remaining attributable profit of "Integrated Transport Information System" project in Quarter 4 of 2007 upon completion of its warranty period.

**MUHIBBAH ENGINEERING (M) BHD**  
**(Company No : 12737-K)**  
**(Incorporated in Malaysia)**

**13. REVIEW OF GROUP PERFORMANCE (YTD Q1 2008 vs YTD Q1 2007)**

The Group generated a consolidated revenue of RM386.0 million for the period ended 31 March 2008, representing an increase of 53% as compared to RM252.8 million consolidated revenue for the period ended 31 March 2007.

The consolidated profit before tax increased by 37% to RM26.5 million for the period ended 31 March 2008 as compared to RM19.3 million for the period ended 31 March 2007.

The profit attributable to the shareholders of the Company improved by 39% from RM14.6 million for the period ended 31 March 2007 to RM20.3 million for the period ended 31 March 2008.

The Group generated return on equity of 4.7% for the period ended 31 March 2008 which represents an annualised return in equity of 19.0%.

The increase in the consolidated revenue , consolidated profit before tax and consolidated net profit attributable to the shareholders of the Company for the quarter under review was contributed by the improvement in all the Infrastructure Construction, Cranes and Shipyard divisions.

The Concession Division continues to generate steady and recurring income to the Group.

**14. GROUP'S CURRENT YEAR PROSPECT**

**a) Secured Order Book**

As at 21 May 2008, the total outstanding secured order book in hand of the Group is RM4.55 billion, comprises of RM3.3 billion from Infrastructure Construction Division, RM678 million from Cranes Division and RM575 million from Shipyard Division.

The construction works for all secured projects are in progress.

**b) Current Year Prospect**

The Board of Directors of Muhibbah Engineering (M) Bhd remains positive on the future outlook of global market of the oil and gas industry. The Group expects more orders of offshore oil and gas cranes and offshore support vessels from the offshore oil and gas industry.

The existing major contracts ie. New Doha International Airport, Qatar and South Klang Valley Expressway, Malaysia are at their detail design and value engineering stage. These projects are expected to make more contribution to the Group in the later quarters.

**15. PROFIT FORECAST**

The Group has not issued any profit forecast to the relevant authorities and is not subject to any profit guarantee.

**MUHIBBAH ENGINEERING (M) BHD**  
**(Company No : 12737-K)**  
**(Incorporated in Malaysia)**

**16. TAX EXPENSE**

	<b>Current Quarter 31.3.2008 RM'000</b>	<b>Cumulative Qtr Todate 31.3.2008 RM'000</b>
Corporate tax expense		
Malaysia - current	(2,118)	(2,118)
Overseas - current	(742)	(742)
	(2,860)	(2,860)
Deferred tax expense		
Malaysia - current	(653)	(653)
Overseas - current	-	-
	(653)	(653)
<b>Total tax expense</b>	<b>(3,513)</b>	<b>(3,513)</b>

The effective tax rate of the Group for the current quarter ended 31 March 2008 is lower than the local statutory tax rate mainly due to tax exempt income from pioneer status and tax incentives and allowances granted by both local and overseas authorities to the major subsidiaries and branches of the Group.

**17. PROFIT ON SALE OF UNQUOTED INVESTMENT AND/OR PROPERTIES**

There is no profit on sale of unquoted investment and/or properties during the period under review.

**18. SALE/PURCHASE OF QUOTED SECURITIES**

	<b>Unaudited 31.3.2008 RM'000</b>
Quoted share - at cost	509
Less: Allowance for diminution in value	(395)
Quoted share - at carrying value	114
Market value of quoted shares	114

**MUHIBBAH ENGINEERING (M) BHD**  
**(Company No : 12737-K)**  
**(Incorporated in Malaysia)**

**19. CORPORATE PROPOSALS**

**(being a date not earlier than seven (7) days from the date of issue of the quarterly report)**

On 22 April 2008, the Company announced a proposed issue of up to RM130 million nominal value of Islamic Bonds together with up to 38,000,000 detachable provisional rights to allotment of warrants (collectively referred to as "the proposals").

As at todate, the Company has received approval for the proposals from Bank Negara Malaysia, Securities Commission and Foreign Investment Committee.

The above proposals are conditional upon further approval to be obtained from any other relevant authority and shareholders' approval at the forthcoming Extraordinary General Meeting.

Other than as mentioned above, there is no corporate proposal announced which is not completed as at the date of this report.

**MUHIBBAH ENGINEERING (M) BHD**  
**(Company No : 12737-K)**  
**(Incorporated in Malaysia)**

**20. GROUP BORROWINGS AND DEBT SECURITIES**

		<b>Foreign currency</b>		<b>RM'000</b>
		<b>Currency</b>	<b>Amount</b>	
a) Short term borrowings				
	Secured	RM	17,004	17,004
		DKK	3,763	2,546
		Sub-total		19,550
	Unsecured	RM	86,430	86,430
		SGD	1,960	4,538
		USD	470	1,502
		AUD	73	213
		Sub-total		92,683
b) Hire purchase and finance lease		RM	573	573
		SGD	6	13
		AUD	22	64
		Sub-total		650
<b>Total short term borrowings</b>				<b>112,883</b>
a) Long term borrowings				
	Secured	RM	81,832	81,832
		USD	1,175	3,757
		Sub-total		85,589
	Unsecured	RM	-	-
		Sub-total		-
b) Hire purchase and finance lease		RM	929	929
		SGD	32	74
		AUD	6	17
		Sub-total		1,020
<b>Total long term borrowings</b>				<b>86,609</b>
<b>Total borrowings</b>				<b>199,492</b>

**MUHIBBAH ENGINEERING (M) BHD**  
**(Company No : 12737-K)**  
**(Incorporated in Malaysia)**

**21. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

The outstanding foreign exchange forward contracts of the Group with maturity date within 1 year, as at 21 May 2008 are as follows:

← Principal Foreign Currency →	Amount '000	Forward Contracted Exchange Rate	Equivalent Currency '000
<b>Sell:</b>			
US Dollar	USD 191,423	3.1412 - 3.4804	RM 625,674
EURO Dollar	EURO 33,902	4.7760 - 5.0281	RM 167,362
US Dollar	USD 10,000	1.1744 - 1.1830	AUD 11,796
<b>Buy:</b>			
US Dollar	USD 48,305	3.1537 - 3.3075	RM 156,388
Norwegian Krone	NOK 76,860	0.5995	RM 46,078

The difference between the above forward foreign exchange contracts and the prevailing exchange rate would be recognised in the income statement upon realisation of the related receipts or payments, or upon maturity, whichever is earlier. There is minimal credit and market risk because the contracts are hedged with reputable banks.

**22. LITIGATIONS**

There are no material outstanding litigations that have material effect to the Group as at 21 May 2008.

**23. DIVIDENDS**

The directors do not declare any interim dividend for the financial quarter under review.

There is no dividend paid for the financial quarter under review.

**MUHIBBAH ENGINEERING (M) BHD**  
**(Company No : 12737-K)**  
**(Incorporated in Malaysia)**

**24. EARNING PER SHARE ("EPS")**

a) **Basic EPS**

Basic EPS is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the year.

	<b>Current/Preceding Qtr Ended</b>		<b>Cumulative Qtr YTD</b>	
	<b>31.3.2008</b>	<b>31.3.2007</b>	<b>31.3.2008</b>	<b>31.3.2007</b>
Net profit attributable to the shareholders of the Company (RM'000)	20,273	14,632	20,273	14,632
Weighted average number of ordinary shares in issue ('000)	382,064	374,045	376,757	374,045
Basic EPS (Sen)	5.31	3.91	5.38	3.91

b) **Diluted EPS**

For the purpose of calculating diluted EPS, the weighted average number of ordinary shares in issue during the period have been adjusted for the dilutive effects of all potential ordinary shares, ie share options granted to employees.

	<b>Current/Preceding Qtr Ended</b>		<b>Cumulative Qtr YTD</b>	
	<b>31.3.2008</b>	<b>31.3.2007</b>	<b>31.3.2008</b>	<b>31.3.2007</b>
Net profit attributable to the shareholders of the Company (RM'000)	20,273	14,632	20,273	14,632
Weighted average number of ordinary shares in issue ('000)	382,064	374,045	376,757	374,045
Effect of dilution ('000)	21,106	25,028	21,106	25,028
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	403,170	399,073	397,863	399,073
Diluted EPS (Sen)	5.03	3.67	5.10	3.67

The comparative figures for earnings per share and diluted earnings per share have been restated to account for the effect of bonus issue and subdivision of shares which were completed on 2 November 2007.



**MUHIBBAH ENGINEERING (M) BHD**  
**(Company No : 12737-K)**  
**(Incorporated in Malaysia)**

**25. AUTHORISATION FOR ISSUE**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 28 May 2008.

**Date : 28 May 2008**