



QUARTERLY REPORT – First Quarter Ended 31 March 2007

CONDENSED CONSOLIDATED INCOME STATEMENT

For the quarter ended 31 March 2007

	CURRENT QUARTER		CUMULATIVE QUARTER	
	<i>3 months ended 31 March</i>		<i>3 months ended 31 March</i>	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
Revenue	59,641	63,727	59,641	63,727
Cost of sales	(46,633)	(51,235)	(46,633)	(51,235)
Gross profit	13,008	12,492	13,008	12,492
Other income	37	64	37	64
Interest Income	344	394	344	394
Administrative expenses	(2,357)	(2,663)	(2,357)	(2,663)
Interest expense	-	-	-	-
Profit before taxation	11,032	10,287	11,032	10,287
Tax expense	(2,954)	(2,957)	(2,954)	(2,957)
Profit for the period	8,078	7,330	8,078	7,330
Attributable to:				
Shareholders of the Company	8,078	7,330	8,078	7,330
Minority interest	-	-	-	-
Profit for the period	8,078	7,330	8,078	7,330
Earnings per share				
Basic Earnings per Ordinary Share (sen)	7.25	6.47	7.25	6.47
Diluted Earnings per Ordinary Share (sen)	-	-	-	-

The notes set out on pages 5 to 7 form an integral part of, and should be read in conjunction with this interim financial report and the Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2006



QUARTERLY REPORT – First Quarter Ended 31 March 2007

CONDENSED CONSOLIDATED BALANCE SHEET

At 31 March 2007

	31 March 2007 RM'000	31 December 2006 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	32,030	33,035
Prepaid lease payments	1,091	1,097
Land held for property development	61,358	62,924
	94,479	97,056
Current Assets		
Inventories	6,506	4,028
Property development costs	18,522	22,413
Trade and other receivables	120,260	121,756
Deposits, cash and bank balances	40,366	49,800
	185,654	197,997
TOTAL ASSETS	280,133	295,053
EQUITY		
Share capital	116,535	116,535
Capital Redemption Reserves	2,165	2,165
Retained profits	96,821	88,743
Treasury Shares	(15,188)	(14,276)
Total Equity attributable to Shareholders of the Company	200,333	193,167
Minority Interest	-	-
TOTAL EQUITY	200,333	193,167
LIABILITIES		
Non-current Liabilities		
Deferred taxation	6,193	6,427
Current Liabilities		
Trade and other payables	69,041	90,991
Taxation	4,566	4,468
	73,607	95,459
TOTAL LIABILITIES	79,800	101,886
TOTAL EQUITY AND LIABILITIES	280,133	295,053
Net Assets Per Share Attributable to Ordinary Equity Shareholders (RM)	1.80	1.73

The notes set out on pages 5 to 7 form an integral part of, and should be read in conjunction with this interim financial report and the Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2006

**QUARTERLY REPORT – First Quarter Ended 31 March 2007****CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

For the period ended 31 March 2007

	Period ended 31 March	
	2007 RM'000	2006 RM'000
Net Profit before taxation	11,032	10,287
Adjustments:-		
Depreciation	1,083	1,274
Amortisation	6	6
Loss/(Gain) on disposal of property, plant & equipment	6	(9)
Interest income	(344)	(394)
Operating profit before changes in working capital	11,783	11,164
Changes in working capital		
Net change in inventories	126	380
Net change in property development costs	3,012	1,294
Net change in trade & other receivables	(13,096)	26,672
Net change in trade & other payables	(7,299)	(7,142)
Cash (used in)/generated from operating activities	(5,474)	32,368
Income taxes paid	(3,090)	(2,901)
Net cash (used in)/generated from operating activities	(8,564)	29,467
Investing Activities		
Purchase of property, plant & equipment	(88)	(1,434)
Proceeds from disposal of property, plant & equipment	4	56
Land held for property development	(160)	(2)
Interest received	285	337
Net cash generated from/(used in) investing activities	41	(1,043)
Financing Activities		
Purchase of own shares	(912)	(802)
Net cash used in financing activities	(912)	(802)
Net Change in Cash & Cash Equivalents	(9,435)	27,622
Cash & Cash Equivalents at 1 January 2007 / 1 January 2006	49,351	33,235
Cash & Cash Equivalents at 31 March 2007 / 31 March 2006	39,916	60,857

The notes set out on pages 5 to 7 form an integral part of, and should be read in conjunction with this interim financial report and the Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2006

**QUARTERLY REPORT – First Quarter Ended 31 March 2007****CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the period ended 31 March 2007

	SHARE CAPITAL	CAPTIAL REDEMPTION RESERVE	RETAINED PROFITS	TREASURY SHARES	TOTAL EQUITY
	RM'000	RM'000	RM'000	RM'000	RM'000
Period ended 31 March 2007					
Balance at 1 January 2007	116,535	2,165	88,743	(14,276)	193,167
Net profit for the period	-	-	8,078	-	8,078
Treasury shares, at cost	-	-	-	(912)	(912)
Balance at 31 March 2007	116,535	2,165	96,821	(15,188)	200,333
Period ended 31 March 2006					
Balance at 1 January 2006	116,535	2,165	66,646	(9,054)	176,262
Net profit for the period	-	-	7,330	-	7,330
Treasury shares, at cost	-	-	-	(802)	(802)
Balance at 31 March 2006	116,535	2,165	73,976	(9,856)	182,820

The notes set out on pages 5 to 7 form an integral part of, and should be read in conjunction with this interim financial report and the Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2006



QUARTERLY REPORT – First Quarter Ended 31 March 2007

NOTES TO THE INTERIM FINANCIAL REPORT

For the quarter ended 31 March 2007

1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad, including compliance with Financial Reporting Standard (FRS) 134₂₀₀₄: Interim Financial Reporting, issued by the Malaysian Accounting Standards Board (MASB).

This interim financial report has been prepared in accordance with the same accounting policies adopted in the 2006 financial statements, except for the changes arising from the adoption of the following new/revised FRSs:-

- FRS 117, Leases
- FRS 124, Related Party Disclosures
- Amendment to FRS 119₂₀₀₄, Employee Benefits : Actuarial Gains and Losses, Group Plans and Disclosure

The adoption of these FRSs has no material impact to the Group. The principal effects on the financial statements following the adoption of these FRSs are set out in Note 2.

This interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2006. It contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2006. The condensed consolidated interim financial statements and notes thereon do not include all the information required for full set of financial statements prepared in accordance with FRSs.

The preparation of the interim financial report requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

2. Changes in Accounting Policies

FRS 117 Leases

The Group had previously classified a lease of land as finance lease and had recognised the amount of prepaid lease payments as property within its property, plant and equipment. It was stated at cost less accumulated depreciation and impairment losses. On the adoption of FRS117, Leases, the Group treats such a lease as an operating lease with the unamortised carrying amount classified as prepaid lease payments. Such prepaid lease payments are amortised evenly over the unexpired lease terms. The classification of leasehold land as prepaid lease payment has been accounted retrospectively and the comparative figures were restated:-

	As previously reported	Reclassification	As Restated
Balance sheet as at 31 December 2006	RM'000	RM'000	RM'000
Property, plant and equipment	34,132	(1,097)	33,035
Prepaid lease payments	0	1,097	1,097

3. Audit Report

The auditors have expressed an unqualified opinion on the Group's and Company's statutory financial statements for the year ended 31 December 2006 in their report dated 26 February 2007.



QUARTERLY REPORT – First Quarter Ended 31 March 2007

4. Seasonality and Cyclicity of Operations

The business operations of the Group are not materially affected by any seasonal or cyclical factors except that the level of construction activities in the first quarter of the year and during rainy season is generally lower.

5. Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter and financial year to date.

6. Changes in estimates

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

7. Debt and Equity Securities etc

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities except for the following:

Share Buy Back

During the current quarter under review, the Company purchased 303,800 of its own shares from the open market at the average cost of RM3.00 per share, totaling RM911,929. All the repurchase transactions were financed by internally generated funds. As at 31 March 2007, a total of 5,092,500 shares purchased back were held as treasury shares with total cost of RM15,187,988. None of the shares purchased back was resold or cancelled during the quarter under review.

On 17 May 2007, the shareholders of the Company renewed the authority for the Company to repurchase its own shares up to ten percent of the issued and paid up capital of the Company.

8. Dividend Paid

There was no dividend paid during the quarter ended 31 March 2007.

9. Segmental Reporting

Business segments	3 months ended 31 March					
	Construction		Property development		Consolidated	
	2007	2006	2007	2006	2007	2006
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	45,613	54,633	14,028	9,094	59,641	63,727
Segment result	7,256	7,365	3,432	2,528	10,688	9,893
Interest income					344	394
Profit before tax					11,032	10,287
Tax expense					(2,954)	(2,957)
Profit after tax					8,078	7,330

The activities of the Group are carried out in Malaysia and as such, segmental reporting by geographical locations is not presented.

10. Valuation of Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss. The Group did not revalue any of its property, plant and equipment.

11. Subsequent Material Events

There were no material events subsequent to the end of the period reported on till the date of this quarterly report.

12. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter under review.



QUARTERLY REPORT – First Quarter Ended 31 March 2007

13. Contingent Liabilities

There were no contingent liabilities in respect of the Group that have arisen since 31 December 2006 till the date of this quarterly report.

14. Commitment

The amount of commitment for the purchase of land held for property development not provided for in the interim financial report as at 31 March 2007 is as follows:-

	<u>3 months ended 31 March</u>	
	2007	2006
	RM'000	RM'000
Approved and contracted for		
Acquisition of land	<u>3,120</u>	<u>3,120</u>

15. Related Party Transactions

The aggregate gross value of significant recurrent related party transactions for the three months ended 31 March 2007 were as follows:-

	<u>3 months ended 31 March</u>	
	2007	2006
	RM'000	RM'000
Aggregate gross value of significant recurrent related party transactions	<u>4,504</u>	<u>4,961</u>

The significant related party transactions comprise transactions with companies controlled by or connected to certain substantial shareholders and/or Directors of the Company, namely:

- i) Yii Chi Hau, Yu Chee Lieng, Yu Chee Hoe and Yii Chee Sing (Yu/Yii Brothers); and
- ii) Lau Kiing Kang and Lau Kiing Yiing (brothers-in-law of the Yu/Yii Brothers).

The above transactions have been entered into in the ordinary course of business and are on terms not more favourable to the Related Party than those generally available to the public.

The Shareholders' mandate for the Group to enter into related party transaction was renewed at the Annual General Meeting held on 17 May 2007.

16. Key Management Personnel Compensation

	<u>3 months ended 31 March</u>	
	2007	2006
	RM'000	RM'000
Directors' compensation	633	619
Other key management personnel compensation	<u>544</u>	<u>594</u>

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QUARTERLY REPORT – First Quarter Ended 31 March 2007

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

For the quarter ended 31 March 2007

17. Review of Performance

The Group's revenue for the quarter under review is RM59.64 million against the preceding year corresponding quarter's figure of RM63.73 million. Net profit before tax of the Group for the current quarter is RM11.03 million as compared to RM10.29 million for the preceding year's corresponding quarter.

18. Variation of Results against Immediate Preceding Quarter

The net profit before tax of the Group for the current quarter is RM11.03 million as compared to RM13.38 million for the immediate preceding quarter at the back of Group's revenue of RM59.64 million and RM65.02 million respectively.

19. Current Year Prospects

We have recently completed several major projects and are currently starting several new jobs secured under the Ninth Malaysia Plan. With our constant efforts to streamline our operations and increase productivity, we are ideally poised to enjoy further procurement success as the year goes on. Our ongoing success in technically demanding projects has enhanced our reputation as a leading infrastructure specialist and enabled the Group to be highly competitive. Opportunities are expected in the fields of waste water management, flood mitigation works and other major reclamation and marine engineering related works.

20. Actual profit vs forecast profit / Profit guarantee

This note is not applicable, as no profit forecast was published and the Group is not required to give any profit guarantee.

21. Tax Expense

	Individual Quarter		Cumulative Quarter	
	3 months ended 31 March		3 months ended 31 March	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
Current Tax Expense - Malaysian				
Current Period	3,188	3,135	3,188	3,135
Deferred Tax Expense - Malaysian				
Current Period	(178)	(178)	(178)	(178)
Effect of changes in tax rate	(56)	-	(56)	-
Total Taxation	2,954	2,957	2,954	2,957

Reconciliation of effective tax expense

Profit before taxation	11,032	10,287	11,032	10,287
Income tax using Malaysian tax rates	2,979	2,880	2,979	2,880
Effect of lower tax rate for a subsidiary	(9)	(10)	(9)	(10)
Non-deductible expenses	40	87	40	87
Effect of changes in tax rate	(56)	-	(56)	-
Tax expense	2,954	2,957	2,954	2,957



QUARTERLY REPORT – First Quarter Ended 31 March 2007

22. Unquoted Investments and/or Properties

There was no sale of unquoted investments and/or properties during the current quarter under review.

23. Quoted Investments

(a) There were no purchases or disposals of quoted securities during the current quarter under review and therefore no profit or loss arising therefrom; and

(b) The Group has no other investments in quoted securities as at the end of the reporting period.

24. Status of Corporate Proposals

There was no corporate proposal announced but not completed at the date of this quarterly report.

25. Group Borrowings and Debt Securities

The Group has a project carried out under the deferred payment scheme financed by Bank Pembangunan Malaysia Berhad. Under the scheme, the progress claims approved by the Government are paid by the lender bank. As at 31 March 2007, the amount of receipt from the bank less repayment by the Government for the project is RM122,382,635.00. The repayment of this balance will be made by the Government of Malaysia directly to the lender bank as all contracts proceeds have been assigned to the bank to secure the deferred payment loan.

Save as disclosed above, there were no borrowings and debt securities outstanding as at the end of the reporting period.

26. Off Balance Sheet Financial Instruments

The Group did not enter into any financial instruments with off balance sheet risk during the current quarter under review.

27. Material Litigation

There was no material litigation pending since 31 December 2006 till the date of this quarterly report.

28. Dividend

The proposed final dividend of 7 sen per share less tax at 27% for the year ended 31 December 2006 has been approved by shareholders at the Annual General Meeting held on 17 May 2007 and shall be paid on 8 June 2007.

29. Earnings Per Share

	Individual Quarter		Cumulative Quarter	
	3 months ended 31 March		3 months ended 31 March	
	2007	2006	2007	2006
	RM'000	RM'000	RM'000	RM'000
Net profit attributable to ordinary shareholders of the Company (RM'000)	8,078	7,330	8,078	7,330
Weighted average number of ordinary shares ('000)	111,502	113,301	111,502	113,301
Basic earnings per share (sen)	7.25	6.47	7.25	6.47

30. 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 17 May 2007.

Issue Date: 17 May 2007