



QUARTERLY REPORT – Third Quarter Ended 30 September 2010

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the quarter ended 30 September 2010

	CURRENT QUARTER		CUMULATIVE QUARTER	
	3 months ended 30 September		9 months ended 30 September	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
<i>In thousand of RM</i>				
Continuing operations				
Revenue	134,348	101,725	338,010	261,706
Cost of sales	(105,045)	(78,379)	(262,243)	(202,087)
Gross profit	29,303	23,346	75,767	59,619
Other income	922	74	1,565	198
Administrative expenses	(3,372)	(3,119)	(9,089)	(9,229)
Results from operating activities	26,853	20,301	68,243	50,588
Finance income	428	369	1,221	1,162
Finance expense	-	-	-	-
Net finance income	428	369	1,221	1,162
Profit before tax	27,281	20,670	69,464	51,750
Income tax expense	(6,994)	(5,204)	(17,651)	(13,061)
Profit for the period	20,287	15,466	51,813	38,689
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the period	20,287	15,466	51,813	38,689
Profit attributable to:				
Owners of the Company	20,286	15,467	51,810	38,690
Minority interests	1	(1)	3	(1)
Profit for the period	20,287	15,466	51,813	38,689
Total comprehensive income attributable to:				
Owners of the Company	20,286	15,467	51,810	38,690
Minority interests	1	(1)	3	(1)
Total comprehensive income for the period	20,287	15,466	51,813	38,689
Earnings per share from continuing operations				
Basic earnings per ordinary share (sen)	3.70	2.81	9.46	7.04
Diluted earnings per ordinary share (sen)	3.70	2.81	9.46	7.04

The notes set out on pages 5 to 9 form an integral part of, and should be read in conjunction with this interim financial report and the Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009



QUARTERLY REPORT – Third Quarter Ended 30 September 2010

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2010

In thousand of RM

	30 September 2010 RM'000	31 December 2009 RM'000
ASSETS		
Property, plant and equipment	94,262	70,111
Prepaid lease payments	1,001	1,020
Land held for property development	86,641	66,721
Total non-current assets	181,904	137,852
Inventories	14,803	10,982
Property development costs	25,936	25,626
Trade and other receivables	248,785	226,935
Cash and bank balances	80,601	76,360
Total current assets	370,125	339,903
TOTAL ASSETS	552,029	477,755
EQUITY		
Share capital	116,535	116,535
Capital redemption reserves	2,165	2,165
Retained earnings	238,904	193,967
Treasury shares	(29,276)	(20,706)
Total equity attributable to owners of the Company	328,328	291,961
Minority interests	202	199
TOTAL EQUITY	328,530	292,160
LIABILITIES		
Deferred tax liabilities	12,511	10,368
Total non-current liabilities	12,511	10,368
Trade and other payables	204,588	170,609
Current tax liabilities	6,400	4,618
Total current liabilities	210,988	175,227
TOTAL LIABILITIES	223,499	185,595
TOTAL EQUITY AND LIABILITIES	552,029	477,755
Net Assets Per Share Attributable to Ordinary Equity Owners (RM)	0.60	0.53

The notes set out on pages 5 to 9 form an integral part of, and should be read in conjunction with this interim financial report and the Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009



QUARTERLY REPORT – Third Quarter Ended 30 September 2010

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 30 September 2010

	Period ended 30 September	
	2010 RM'000	2009 RM'000
<i>In thousand of RM</i>		
Cash flows from operating activities		
Profit before taxation from continuing operations	69,463	51,750
<i>Adjustments for:-</i>		
Non-cash items	5,521	3,825
Non-operating items	(1,932)	(1,083)
Operating profit before changes in working capital	73,052	54,492
Changes in working capital	(22,858)	(6,637)
Cash generated from operation	50,194	47,855
Overdraft interest capitalized	-	-
Income taxes paid	(13,357)	(10,463)
Net cash from operating activities	36,837	37,392
Cash flows from investing activities		
Acquisition of property, plant & equipment	(20,018)	(16,370)
Proceeds from disposal of property, plant & equipment	1,672	5
Land held for property development	(1,012)	(314)
Interest received	1,102	1,177
Issue of shares by a subsidiary to minority interests	-	200
Net cash used in investing activities	(18,256)	(15,302)
Cash flows from financing activities		
Purchase of treasury shares	(8,570)	(410)
Dividend paid to owners of the Company	(5,770)	(2,473)
Net cash used in financing activities	(14,340)	(2,883)
Net (decrease)/increase in cash and cash equivalents	4,241	19,207
Cash and cash equivalents at 1 January 2010 / 1 January 2009	75,910	56,492
Cash and cash equivalents at 30 September 2010 / 30 September 2009	80,151	75,699

Cash and cash equivalents

Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise:

	Period ended 30 September	
	2010 RM'000	2009 RM'000
<i>In thousand of RM</i>		
Cash and bank balances	12,835	13,399
Deposits with licensed banks	67,766	62,750
Less Deposit pledged	(450)	(450)
	80,151	75,699

The notes set out on pages 5 to 9 form an integral part of, and should be read in conjunction with this interim financial report and the Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009



QUARTERLY REPORT – Third Quarter Ended 30 September 2010

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 September 2010

	-----Attributable to owners of the Company-----							
	-----Non-distributable-----			Distributable		TOTAL	MINORITY INTEREST	TOTAL EQUITY
	SHARE CAPITAL	CAPITAL REDEMPTION RESERVE	TREASURY SHARES	RETAINED EARNINGS	TOTAL			
<i>In thousand of RM</i>	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Period ended 30 September 2010								
At 1 January 2010, as previously stated	116,535	2,165	(20,706)	193,967	291,961	199	292,160	
- effect of adopting FRS 139	-	-	-	(1,103)	(1,103)	-	(1,103)	
At 1 January 2010, as restated	116,535	2,165	(20,706)	192,864	290,858	199	291,057	
Total Comprehensive income for the period	-	-	-	51,810	51,810	3	51,813	
Dividends to owners								
- 2009 final	-	-	-	(4,121)	(4,121)	-	(4,121)	
- 2009 special	-	-	-	(1,649)	(1,649)	-	(1,649)	
Treasury shares, at cost	-	-	(8,570)	-	(8,570)	-	(8,570)	
At 30 September 2010	116,535	2,165	(29,276)	238,904	328,328	202	328,530	
Period ended 30 September 2009								
At 1 January 2009	116,535	2,165	(20,296)	144,237	242,641	-	242,641	
Total Comprehensive income for the period	-	-	-	38,691	38,691	(1)	38,690	
Dividends to owners – 2008 final	-	-	-	(2,473)	(2,473)	-	(2,473)	
Treasury shares, at cost	-	-	(410)	-	(410)	-	(410)	
Issue of shares by a subsidiary to minority interest	-	-	-	-	-	200	200	
At 30 September 2009	116,535	2,165	(20,706)	180,455	278,449	199	278,648	

The notes set out on pages 5 to 9 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 2009



QUARTERLY REPORT – Third Quarter Ended 30 September 2010

NOTES TO THE INTERIM FINANCIAL REPORT

For the quarter ended 30 September 2010

1. Basis of preparation

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and Financial Reporting Standard (FRS) 134, Interim Financial Reporting. They do not include all the information required for full annual financial statements, and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2009.

2. Significant accounting policies

These condensed consolidated interim financial statements have been prepared in accordance with the same accounting policies applied in the 2009 financial statements except as described below:

(i) FRS 139, Financial Instruments: Recognition and Measurement

FRS139 sets out principals for the recognition and measurement of financial instruments. A financial instrument is recognized in the statement of financial position when, and, only when, the Group becomes a party to the contractual provisions of the instrument. A financial instrument is recognized initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument. Subsequently measurement of these instruments at balance sheet date reflects the designation of the financial instruments. The adoption of FRS 139 has resulted in following changes to accounting policies:-

Receivables

Prior to the adoption of FRS 139, receivables were initially recorded at their costs and subsequently stated at cost less allowance for doubtful debts. With the adoption of FRS 139, receivables that are financial assets are categorized as loans and receivables and are now recognized initially at their fair values and subsequently measured at amortised cost using the effective interest method.

Impairment of receivables

Prior to the adoption of FRS 139, an allowance for doubtful debts was made when a receivable is considered irrecoverable. With the adoption of FRS 139, an impairment loss for a receivable that is a financial asset is recognized when there is objective evidence that an impairment loss has been incurred and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate.

Payables

Prior to the adoption of FRS 139, payables were recorded at their costs. With the adoption of FRS 139, payables that are financial liabilities are now recognized initially at their fair values and subsequently measured at amortised cost using the effective interest method.

In accordance with the transitional provisions of FRS139 for the first-time adoption, adjustments arising from remeasuring the financial instruments at the beginning of the financial period were recognized as adjustments of the opening balance of retained earnings as follows:-

Group	Retained earnings
	2010
<i>In thousand of RM</i>	RM'000
As at 1 January, as previously stated	193,967
Effects on adopting FRS 139:	(1,103)
As at 1 January, as restated	192,864

Comparatives are not adjusted. Consequently, the adoption of FRS139 does not affect the basic and diluted earnings per ordinary share for prior periods. The adoption of FRS139 does not have any significant impact on the earnings for the current financial year to date.

(ii) FRS 8, Operating Segments

As of 1 January 2010, the Group determines and presents operating segments based on the information that is provided to the Group's Managing Director, who is the Group's chief operating decision maker. This change in accounting policy is due to the adoption of FRS 8. Previously, operating segments were determined and presented in accordance with FRS 114²⁰⁰⁴, Segment Reporting. Comparative segment



QUARTERLY REPORT – Third Quarter Ended 30 September 2010

information has been re-presented. Since the change in accounting policy only impacts presentation and disclosure aspects, there is no impact on earnings per share.

(iii) FRS 101(revised), Presentation of Financial Statements

The Group applies revised FRS 101 (revised) which became effective as of 1 January 2010. As a result, income statements have been re-presented as statement of comprehensive income. All non-owner changes in equity that were presented in the statement of changes in equity are now in the statement of comprehensive income. Consequently, components of comprehensive income are not presented in the statement of changes in equity. Comparative information has been re-presented so that it is in conformity with the revised standard. Since the change only affects presentation aspects, there is no impact on earnings per ordinary share.

3. 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.

4. 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.

5. Changes in estimates

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

6. Operating Segment

The Group has two reportable segments, as described below, which are the Group's strategic units.

Construction

Marine and civil engineering works and construction

Property development

Development of residential and commercial properties

In thousand of RM

Segment profit

Revenue from external customer

Inter-segment revenue

Segment profit before tax, interest, depreciation

Depreciation

Interest income

Interest expense

Segment profit before tax

Income tax expense

Profit after tax for reportable segments

Other non-reportable segments, net of tax

Realization of inter-segment profit previously eliminated, net of tax

Profit for the period

Segment assets

Other non-reportable segment

Inter-segment elimination

Total assets

----- 9 months ended 30 September-----					
Construction		Property Development		Total	
2010	2009	2010	2009	2010	2009
313,265	240,292	24,745	21,414	338,010	261,706
-	-	-	-	-	-
66,290	49,704	7,625	4,648	73,915	54,352
(5,645)	(3,770)	(36)	(36)	(5,681)	(3,806)
1,101	1,136	116	26	1,217	1,162
-	-	-	-	-	-
61,746	47,070	7,705	4,638	69,451	51,708
				(17,650)	(13,061)
				51,801	38,647
				3	-
				9	42
				51,813	38,689

399,871	352,046	143,023	112,687	542,894	464,733
				9,489	949
				(354)	(368)
				552,029	465,314

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



QUARTERLY REPORT – Third Quarter Ended 30 September 2010

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 repurchased 4,761,000 of its own shares from the open market at an average price of RM1.58 per share. The shares repurchased are retained as treasury shares and carried at cost. As at 30 September 2010, a total of 38,623,700 shares purchased back were held as treasury shares with total cost of RM29,276,512 and all the repurchase transactions were financed by internally generated funds. None of the shares purchased back was resold or cancelled during the quarter under review.

On 25 November 2010, the Board of Directors approved the distribution of one (1) treasury share for every fifty (50) existing ordinary shares of RM0.20 each held by shareholders whose names appear on the Record of Depositors on 15 December 2010. Fractions of treasury shares are to be disregarded. The number of treasury shares to be distributed is approximately 10,881,046.

8. Dividends Paid

There was no dividend paid during the quarter ended 30 September 2010.

9. 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.

10. Subsequent Material Events

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

11. Changes in the Composition of the Group

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

12. Contingent Liabilities

There were no contingent liabilities in respect of the Group that have arisen since 30 September 2010 till the date of this quarterly report.

13. Commitments

The amount of commitments not provided for in the interim financial report as at 30 September 2010 are as follows:-

	<u>9 months ended 30 September</u>	
	2010	2009
	RM'000	RM'000
Acquisition of property, plant and equipment		
Approved and contracted for	864	18,647
Approved but not contracted for	800	-
	1,664	18,647

14. Related Party Transactions

The aggregate gross value of significant recurrent related party transactions for the nine months ended 30 September 2010 were as follows:-

	<u>9 months ended 30 September</u>	
	2010	2009
	RM'000	RM'000
Aggregate gross value of significant recurrent related party transactions	36,396	23,895

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.



QUARTERLY REPORT – Third Quarter Ended 30 September 2010

15. Key Management Personnel Compensation

	9 months ended 30 September	
	2010	2009
	RM'000	RM'000
Directors' compensation	2,275	2,125
Other key management personnel compensation	2,234	2,146

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

For the quarter ended 30 September 2010

16. Review of Performance

The Group's revenue for the quarter under review is RM134.35 million against the preceding year corresponding quarter's figure of RM101.73 million. Net profit before tax of the Group for the current quarter is RM27.28 million as compared to RM20.67 million for the preceding year's corresponding quarter.

17. Variation of Results against Immediate Preceding Quarter

The net profit before tax of the Group for the current quarter is RM27.28 million compared to RM23.98 million for the immediate preceding quarter on the back of the Group's revenue of RM134.35 million and RM111.26 million respectively.

18. Current Year Prospects

The Group has recorded a 32% growth in net profit before tax for the three-quarters ended 30 September 2010 compared to the corresponding period's figure for 2009. The value of projects in hand of about RM1.9 billion, with RM1.3 billion outstanding, further enhances the prospects of the Group and places it on track to finish the year with commendable results.

19. 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.

20. Income Tax Expense

<i>In thousand of RM</i>	Individual Quarter		Cumulative Quarter	
	3 months ended 30 September		9 months ended 30 September	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
Current Tax Expense - Malaysian				
Current quarter/period	5,698	3,580	14,653	11,445
(Over)/Under provision in prior year	-	2	486	(29)
Deferred Tax Expense - Malaysian				
Current quarter/period	1,296	1,622	3,017	1,645
(Over)/Under provision in prior year	-	-	(505)	-
Total Taxation	6,994	5,204	17,651	13,061

Reconciliation of effective tax expense

Profit for the quarter/period	20,287	15,466	51,813	38,689
Total income tax expense	6,994	5,204	17,651	13,061
Profit before taxation	27,281	20,670	69,464	51,750
Income tax using Malaysian tax rates	6,820	5,167	17,366	12,937
Non-deductible expenses	174	35	304	153
Over provision in prior year	-	2	(19)	(29)
Income tax expense	6,994	5,204	17,651	13,061

21. Unquoted Investments and/or Properties

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



QUARTERLY REPORT – Third Quarter Ended 30 September 2010

22. 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.

23. Status of Corporate Proposals

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

24. Group Borrowings and Debt Securities

There were no borrowings and debt securities outstanding as at the end of the reporting period.

25. Off Balance Sheet Financial Instruments

There were no borrowings, debt securities and off balance sheet financial instruments outstanding as at the end of the reporting period.

26. Material Litigation

There was no material litigation pending since 30 September 2010 till the date of this quarterly report.

27. Dividend

The first interim ordinary dividend of 6% per share less tax at 25% totaling RM4,912,671 for the year ending 31 December 2010 has been paid to shareholders on 8 October 2010.

As mentioned in Note 7 above, the Board of Directors has approved the distribution of share dividend on the basis of one (1) treasury share for every fifty (50) existing ordinary shares of RM0.20 each held by shareholders whose names appear on the Record of Depositors on 15 December 2010. Fractions of treasury shares are to be disregarded

28. Earnings Per Share

	Individual Quarter		Cumulative Quarter	
	3 months ended 30 September		9 months ended 30 September	
	2010	2009	2010	2009
<i>In thousand of RM</i>	RM'000	RM'000	RM'000	RM'000
Net profit attributable to ordinary owners of the Company (RM'000)	20,286	15,467	51,810	38,690
Weighted average number of ordinary shares ('000)	547,534	549,545	547,876	549,607
Basic earnings per share (sen)	3.70	2.81	9.46	7.04

29. Gains/Losses arising from fair value changes of financial liabilities

There were no gains or losses arising from fair value changes of the financial liabilities for the current quarter and financial period ended 30 September 2010.

30. 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 2009 in their report dated 25 February 2010.

31. 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 25 November 2010.

Issue Date: 25 November 2010