



QUARTERLY REPORT – Fourth Quarter Ended 31 December 2010

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the quarter ended 31 December 2010

	CURRENT QUARTER		CUMULATIVE QUARTER	
	3 months ended 31 December		12 months ended 31 December	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
<i>In thousand of RM</i>				
Continuing operations				
Revenue	150,266	113,315	488,276	375,021
Cost of sales	(117,206)	(85,489)	(379,449)	(287,576)
Gross profit	33,060	27,826	108,827	87,445
Other income	73	624	1,638	823
Administrative expenses	(5,086)	(4,957)	(14,175)	(14,187)
Results from operating activities	28,047	23,493	96,290	74,081
Finance income	1,294	326	2,515	1,488
Finance expense	(386)	-	(386)	-
Net finance income	908	326	2,129	1,488
Profit before tax	28,955	23,819	98,419	75,569
Income tax expense	(7,329)	(6,185)	(24,980)	(19,246)
Profit for the period/year	21,626	17,634	73,439	56,323
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income for the period/year	21,626	17,634	73,439	56,323
Profit attributable to:				
Owners of the Company	21,625	17,634	73,435	56,324
Minority interests	1	-	4	(1)
Profit for the period/year	21,626	17,634	73,439	56,323
Total comprehensive income attributable to:				
Owners of the Company	21,625	17,634	73,435	56,324
Minority interests	1	-	4	(1)
Total comprehensive income for the period/year	21,626	17,634	73,439	56,323
Earnings per share from continuing operations				
Basic earnings per ordinary share (sen)	3.97	3.21	13.40	10.25
Diluted earnings per ordinary share (sen)	3.97	3.21	13.40	10.25

The notes set out on pages 5 to 11 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 – Fourth Quarter Ended 31 December 2010

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2010

In thousand of RM

	31 December 2010 RM'000	31 December 2009 RM'000
ASSETS		(restated)
Property, plant and equipment	96,175	71,131
Land held for property development	87,344	66,721
Total non-current assets	183,519	137,852
Inventories	13,077	10,982
Property development costs	27,013	25,626
Trade and other receivables	268,709	226,935
Cash and bank balances	89,702	76,360
Total current assets	398,501	339,903
TOTAL ASSETS	582,020	477,755
EQUITY		
Share capital	116,535	116,535
Capital redemption reserves	2,165	2,165
Retained earnings	247,369	193,967
Treasury shares	(21,029)	(20,706)
Total equity attributable to owners of the Company	345,040	291,961
Minority interests	203	199
TOTAL EQUITY	345,243	292,160
LIABILITIES		
Deferred tax liabilities	14,067	10,368
Total non-current liabilities	14,067	10,368
Trade and other payables	217,297	170,609
Current tax liabilities	5,413	4,618
Total current liabilities	222,710	175,227
TOTAL LIABILITIES	236,777	185,595
TOTAL EQUITY AND LIABILITIES	582,020	477,755
Net Assets Per Share Attributable to Ordinary Equity Owners (RM)	0.62	0.53

The notes set out on pages 5 to 11 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 – Fourth Quarter Ended 31 December 2010

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2010

	Year ended 31 December	
	2010 RM'000	2009 RM'000
<i>In thousand of RM</i>		
Cash flows from operating activities		
Profit before taxation from continuing operations	98,419	75,569
Adjustments for:-		
Non-cash items	7,563	5,554
Non-operating items	(2,410)	(2,035)
Operating profit before changes in working capital	103,572	79,088
Changes in working capital	(29,394)	(12,186)
Cash generated from operation	74,178	66,902
Income taxes paid	(20,118)	(14,363)
Net cash from operating activities	54,060	52,539
Cash flows from investing activities		
Acquisition of property, plant & equipment	(22,991)	(29,118)
Proceeds from disposal of property, plant & equipment	1,712	2,315
Land held for property development	(1,715)	(1,005)
Interest received	1,529	1,491
Issue of shares by a subsidiary to minority interests	-	200
Net cash used in investing activities	(21,465)	(26,117)
Cash flows from financing activities		
Purchase of treasury shares	(8,571)	(410)
Dividend paid to owners of the Company	(10,682)	(6,594)
Net cash used in financing activities	(19,253)	(7,004)
Net (decrease)/increase in cash and cash equivalents	13,342	19,418
Cash and cash equivalents at 1 January 2010 / 1 January 2009	75,910	56,492
Cash and cash equivalents at 31 December 2010 / 31 December 2009	89,252	75,910

Cash and cash equivalents

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

	Year ended 31 December	
	2010 RM'000	2009 RM'000
<i>In thousand of RM</i>		
Cash and bank balances	4,637	18,664
Deposits with licensed banks	85,065	57,696
Less Deposit pledged	(450)	(450)
	89,252	75,910

The notes set out on pages 5 to 11 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 – Fourth Quarter Ended 31 December 2010

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2010

	-----Attributable to owners of the Company-----						MINORITY INTEREST	TOTAL EQUITY
	-----Non-distributable-----			Distributable				
	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	
Year ended 31 December 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 year	-	-	-	73,435	73,435	4	73,439	
Dividends to owners								
- 2009 final	-	-	-	(4,121)	(4,121)	-	(4,121)	
- 2009 special	-	-	-	(1,648)	(1,648)	-	(1,648)	
- 2010 interim	-	-	-	(4,913)	(4,913)	-	(4,913)	
Share Dividends	-	-	8,248	(8,248)	-	-	-	
Treasury shares, at cost	-	-	(8,571)	-	(8,571)	-	(8,571)	
At 31 December 2010	116,535	2,165	(21,029)	247,369	345,040	203	345,243	
Year ended 31 December 2009								
At 1 January 2009	116,535	2,165	(20,296)	144,237	242,641	-	242,641	
Total Comprehensive income for the year	-	-	-	56,324	56,324	(1)	56,323	
Dividends to owners								
- 2008 final	-	-	-	(2,473)	(2,473)	-	(2,473)	
- 2009 interim	-	-	-	(4,121)	(4,121)	-	(4,121)	
Treasury shares, at cost	-	-	(410)	-	(410)	-	(410)	
Issue of shares by a subsidiary to minority interest	-	-	-	-	-	200	200	
At 31 December 2009	116,535	2,165	(20,706)	193,967	291,961	199	292,160	

The notes set out on pages 5 to 11 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 – Fourth Quarter Ended 31 December 2010

NOTES TO THE INTERIM FINANCIAL REPORT

For the quarter ended 31 December 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 1 January 2010, 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.

Derivatives

Prior to the adoption of FRS139, derivative contracts were recognized in the financial statements on settlement date. With the adoption of FRS139, derivative contracts are now categorized as fair value through profit or loss and measured at their fair values with gain or loss recognized in profit or loss.

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.



QUARTERLY REPORT – Fourth Quarter Ended 31 December 2010

(ii) FRS117, Leases

The Group has reassessed and determined that certain leasehold land is in substance a finance lease and has reclassified the leasehold land to property, plant and equipment in accordance with the Amendments to FRS117. The above reclassification has been made retrospectively in accordance with the provisions of the amendments. Certain comparatives have been re-presented for that purpose.

	31 December 2009	
	As restated RM'000	As previously stated RM'000
<i>In thousand of RM</i>		
<i>Statement of financial position</i>		
Property, plant and equipment	71,132	70,112
Prepaid lease payments	-	1,020

(iii) 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 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.

(iv) 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. 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 did not buy back any shares.

A total of 10,881,042 treasury shares costing RM8,247,759 were distributed as share dividends on 29 December 2010 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.

As at 31 December 2010, the number of treasury shares held after deducting the share dividends distributed during the year were 27,742,658 shares at a total cost of RM21,028,753. None of the treasury share held was resold or cancelled during the quarter under review.



QUARTERLY REPORT – Fourth Quarter Ended 31 December 2010

7. Dividends Paid

The first interim ordinary dividend of 6% per share less tax at 25% (less 33,967,100 treasury shares as at dividend entitlement date) totalling of RM4,912,671 for the year ended 31 December 2010 was paid on 8 October 2010.

On 29 December 2010, the Company distributed 10,881,042 treasury shares as share dividends as mentioned in 6 above.

8. 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

For the year ended 31 December 2010

In thousand of RM

Segment profit

Revenue from external customer

Segment profit before tax, interest, depreciation and other material non-cash items

Depreciation

Interest income

Interest expense

Segment profit before tax

Income tax expense

Profit for the year

	Construction	Property Development	Other non-reportable segment	Inter-segment elimination	Total
	RM,000	RM,000	RM,000	RM,000	RM,000
<i>Revenue from external customer</i>	457,713	30,563	-	-	488,276
<i>Segment profit before tax, interest, depreciation and other material non-cash items</i>	94,341	9,589	(2)	10	103,938
Depreciation	(7,600)	(48)	-	-	(7,648)
Interest income	2,231	276	8	-	2,515
Interest expense	(345)	(41)	-	-	(386)
Segment profit before tax	88,627	9,776	6	10	98,419
Income tax expense					(24,980)
Profit for the year					73,439

Segment assets

	431,033	141,850	9,491	(354)	582,020
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For the year ended 31 December 2009

In thousand of RM

Segment profit

Revenue from external customer

Segment profit before tax, interest, depreciation and other material non-cash items

Depreciation

Interest income

Segment profit before tax

Income tax expense

Profit for the year

	Construction	Property Development	Other non-reportable segment	Inter-segment elimination	Total
	RM,000	RM,000	RM,000	RM,000	RM,000
<i>Revenue from external customer</i>	345,642	29,379	-	-	375,021
<i>Segment profit before tax, interest, depreciation and other material non-cash items</i>	72,697	6,774	(7)	47	79,511
Depreciation	(5,382)	(48)	-	-	(5,430)
Interest income	1,456	32	-	-	1,488
Segment profit before tax	68,771	6,758	(7)	47	75,569
Income tax expense					(19,246)
Profit for the year					56,323

Segment assets

	365,841	111,292	986	(364)	477,755
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The activities of the Group are carried out in Malaysia and as such, segmental reporting by geographical locations is not presented.

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.



QUARTERLY REPORT – Fourth Quarter Ended 31 December 2010

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 31 December 2010 till the date of this quarterly report.

13. Commitments

The amount of commitments not provided for in the interim financial report as at 31 December 2010 are as follows:-

	<u>12 months ended 31 December</u>	
	2010	2009
	RM'000	RM'000
Acquisition of property, plant and equipment		
Approved and contracted for	3,055	12,341
Approved but not contracted for	800	-
	<u>3,855</u>	<u>12,341</u>

14. Recurrent Related Party Transactions

The aggregate gross value of significant recurrent related party transactions for the twelve months ended 31 December 2010 were as follows:-

	<u>12 months ended 31 December</u>	
	2010	2009
	RM'000	RM'000
Aggregate gross value of significant recurrent related party transactions	<u>57,602</u>	<u>32,309</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.

15. Key Management Personnel Compensation

	<u>12 months ended 31 December</u>	
	2010	2009
	RM'000	RM'000
Directors' compensation	4,426	4,136
Other key management personnel compensation	<u>3,380</u>	<u>3,257</u>



QUARTERLY REPORT – Fourth Quarter Ended 31 December 2010

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA’S LISTING REQUIREMENTS

For the quarter ended 31 December 2010

16. Review of Performance

The Group’s revenue for the quarter under review is RM150.27 million against the preceding year corresponding quarter’s figure of RM113.32 million. Net profit before tax of the Group for the current quarter is RM28.96 million as compared to RM23.82 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 RM28.96 million compared to RM27.28 million for the immediate preceding quarter on the back of the Group’s revenue of RM150.27 million and RM134.35 million respectively.

18. Current Year Prospects

The Group has recorded a 30% growth in net profit before tax for the year ended 31 December 2010 as compared to the figure for 2009. With the coming on stream of the various projects to be implemented under the Government’s development agenda including the 10th Malaysia Plan and with approximately RM1.9 billion worth of projects in hand, the Group expects another strong year in 2011.

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 31 December		12 months ended 31 December	
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
Current Tax Expense - Malaysian				
Current quarter/year	5,773	3,993	20,426	15,438
(Over)/Under provision in prior year	-	-	486	(29)
Deferred Tax Expense - Malaysian				
Current quarter/year	1,556	2,192	4,573	3,837
(Over)/Under provision in prior year	-	-	(505)	-
Total Taxation	7,329	6,185	24,980	19,246

Reconciliation of effective tax expense

Profit for the quarter/year	21,626	17,634	73,439	56,323
Total income tax expense	7,329	6,185	24,980	19,246
Profit before taxation	28,955	23,819	98,419	75,569
Income tax using Malaysian tax rates	7,239	5,955	24,605	18,892
Non-deductible expenses	90	230	393	383
Over provision in prior year	-	-	(18)	(29)
Income tax expense	7,329	6,185	24,980	19,246

21. Unquoted Investments and/or Properties

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

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.



QUARTERLY REPORT – Fourth Quarter Ended 31 December 2010

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 31 December 2010 till the date of this quarterly report.

27. Dividend

The directors has proposed a final ordinary dividend of 6% per share less tax and a special dividend of 3% per share less tax for the financial year ended 31 December 2010 for shareholders' approval at the forthcoming Annual General Meeting. The entitlement and payment date shall be announced at a later date.

28. Earnings Per Share

	Individual Quarter		Cumulative Quarter	
	3 months ended 31 December		12 months ended 31 December	
	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)	21,625	17,634	73,435	56,324
Weighted average number of ordinary shares ('000)	544,052	549,496	547,876	549,607
Basic earnings per share (sen)	3.97	3.21	13.40	10.25

29. Derivative Financial Instruments

As at 31 December 2010

In thousand of RM

Type of Derivatives	Contract / Notional Value (RM'000)	Fair Value (RM'000)	Gain / (Loss) on fair value changes (RM'000)	Reasons for Gain / Loss
Foreign Currency Exchange Forward Contract in Euro – Maturing within 3 months	1,658	1,651	(7)	Strengthening of Malaysian Ringgit against Euro

Foreign currency exchange forward contract is used as a hedging tool to minimise the Group's exposure to changes in fair value of its firm commitment, conducted in the ordinary course of business as a result of fluctuation in exchange rate. The fair value of the forward contract is determined using forward rates at the end of reporting period and changes in fair value is recognised in income statement. The subsequent cumulative changes in the fair value of the firm commitment attributable to the hedged risks is recognised as an assets or liability with the corresponding gain or loss recognised in income statement.

The above financial instrument is subject to credit risk arising from the possibility of default of the counterparty in meeting its contractual obligations. This, however is minimised as the financial instrument is executed with creditworthy financial institution. The Group has set aside the cash required in meeting the above liabilities when it falls due or in tandem with the settlement of the underlying hedged item.

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

Other than as disclosed in note 29, there were no gains or losses arising from fair value changes of the financial liabilities for the current quarter and financial year ended 31 December 2010.



QUARTERLY REPORT – Fourth Quarter Ended 31 December 2010

31. Disclosure of realised and unrealised profits

The breakdown of the retained profits of the Group into realised and unrealised profits, pursuant to the directive of Bursa Securities Malaysia Berhad, is as follows:

<i>In thousand of RM</i>	As at 31 December 2010	As at 31 December 2009
	RM'000	RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	261,883	204,788
- Unrealised	(14,158)	(10,458)
	247,725	194,330
Less : Consolidation adjustments	(356)	(363)
Total retained profits as per consolidated financial statements	247,369	193,967

The determination of realised and unrealised profits is complied based on *Guidance of Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants.

32. 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.

33. 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 February 2011.

Issue Date: 28 February 2011