

WCT ENGINEERING BERHAD
(Company Number : 66538-K)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30TH SEPTEMBER 2004

(The figures have not been audited)

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2004

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER (3 months period)	PRECEDING YEAR CORRESPONDING (3 months period)	CURRENT YEAR TODATE (9 months period to 30.09.2004)	PRECEDING YEAR CORRESPONDING (9 months period to 30.09.2003)
	RM'000	RM'000	RM'000	RM'000
Revenue	178,164	248,822	583,282	716,918
Operating expenses	(136,461)	(216,832)	(495,971)	(651,287)
Other operating income	(2,340)	4,284	15,241	13,213
Profit from operations	39,363	36,274	102,552	78,844
Finance cost	(3,593)	(3,261)	(9,643)	(7,524)
Share of results in associates	3,286	(162)	8,612	12,436
Share of results in jointly controlled entity	(325)	-	(252)	-
Share of results in a joint venture	(15,772)	-	(15,772)	-
Provision for listing goodwill	(27,000)	-	(27,000)	-
Profit/(loss) before taxation	(4,041)	32,851	58,497	83,756
Taxation	(9,040)	(11,027)	(29,735)	(22,213)
Profit/(loss) after taxation	(13,081)	21,824	28,762	61,543
Minority interest	(3)	(632)	(161)	(1,744)
Net profit /(loss) for the period	(13,084)	21,192	28,601	59,799
Earnings / (loss) per share (sen)	(11.11)	19.40	24.28	58.90
Fully diluted earnings /(loss) per share (sen)	(9.40)	15.52	20.54	45.90

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2003).

WCT ENGINEERING BERHAD
(Company Number : 66538-K)

CONDENSED CONSOLIDATED BALANCE SHEET

	UNAUDITED AS AT END OF CURRENT QUARTER 30.09.2004 RM'000	AUDITED AS AT PRECEDING FINANCIAL PERIOD ENDED 31.12.2003 RM'000
Land held for development	220,187	204,543
Property, plant and equipment	39,148	34,769
Investment properties	52,463	52,513
Investment in associated companies	66,434	109,621
Investment in a jointly controlled entity	236	333
Investment in unquoted shares	13,862	13,708
Sinking funds	78,664	51,999
Deferred tax assets	6,236	6,516
Negative goodwill	(7,836)	-
	469,394	474,002
<u>Current assets</u>		
Development properties	68,384	98,219
Inventories	87	74
Properties	15,633	11,946
Trade receivables	293,478	257,725
Other receivables	55,395	49,689
Amount due from associated companies	69,421	33,933
Amount due from a jointly controlled entity	29,942	12,938
Deposits, cash and bank balances	200,632	174,969
	732,972	639,493
<u>Current liabilities</u>		
Trade payables	308,177	324,180
Other payables	92,821	49,028
Amount due to an associate company	23,691	20,353
Provision for taxation	8,009	17,425
Short term borrowings	85,724	95,293
Share application money	16,864	-
	535,286	506,279
Net current assets	197,686	133,214
	667,080	607,216
Financed by :		
Share capital	121,207	112,232
Reserves	317,473	276,690
Shareholders' equity	438,680	388,922
Minority interest	1,327	224
Other payables	23,067	46,134
5% redeemable unsecured bonds	120,000	120,000
Borrowings	75,470	49,321
Deferred taxation	8,536	2,615
	667,080	607,216
	-	-

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2003).

WCT ENGINEERING BERHAD
(Company Number : 66538-K)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE 9 MONTHS PERIOD ENDED 30 SEPTEMBER 2004

	UNAUDITED CUMULATIVE QUARTER CURRENT YEAR TODATE RM'000	CUMULATIVE QUARTER PRECEDING YEAR CORRESPONDING RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	58,497	83,756
Adjustments for:-		
Non-cash items	(10,600)	13,334
Non-operating items - financing	2,138	3,579
Non-operating items - investing	4,727	(14,739)
Operating profit before working capital changes	<u>54,762</u>	<u>85,930</u>
Net changes in current assets	(3,235)	(50,817)
Net changes in current liabilities	(9,623)	47,895
Cash flows generated from operations	<u>41,904</u>	<u>83,008</u>
Interest paid	(15,525)	(13,605)
Interest received	7,505	3,945
Taxation paid	(37,289)	(13,808)
Net cash (used in)/generated from operating activities	<u>(3,405)</u>	<u>59,540</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments in		
- associated companies	-	(31,360)
- jointly controlled entity	(150)	-
- unquoted shares	(154)	(8,238)
Acquisition of subsidiary net of cash acquired	31,552	-
Other investments	3,589	260
Net cash generated from/ (used in) investing activities	<u>34,837</u>	<u>(39,338)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of shares	20,857	55,028
Sinking funds	(26,664)	(23,245)
Bank borrowings	(2,424)	7,243
Payment of incidental costs to issue of bonds and shares	-	(531)
Dividends paid	(6,346)	(5,323)
Coupon payment on bonds	-	(2,992)
Net cash (used in)/generated from financing activities	<u>(14,577)</u>	<u>30,180</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD	16,855	50,382
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	144,918	65,386
Foreign exchange differences	927	260
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u>162,700</u>	<u>116,028</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2003).

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 9 MONTHS PERIOD ENDED 30 SEPTEMBER 2004

	Share capital	Non-Distributable			Distributable		Total
		Share premium	Revaluation reserve	Exchange reserve	Capital reserve	Capital reserve	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Current year to date							
At 1 January 2004	112,232	40,702	3,765	70	1,400	314	230,439
Incidental cost incurred in relation to bonds, warrants and share issue	-	(10)	-	-	-	-	(10)
Currency translation differences	-	-	-	(13)	-	-	(13)
Net gains and losses not recognised in the income statement	-	(10)	-	(13)	-	-	(23)
Arising from fair value adjustment on additional investment in subsidiary	-	-	6,659	-	-	-	6,659
Arising from warrants options exercised	8,691	10,864	-	-	-	-	19,555
Arising from share options exercised	284	1,028	-	-	-	-	1,312
Transfer within reserve	-	-	-	-	-	-	-
Profit after taxation	-	-	-	-	-	-	28,601
Dividends	-	-	-	-	-	-	(6,346)
At 30 September 2004	121,207	52,584	10,424	57	1,400	314	252,694
Preceding year corresponding period							
At 1 January 2003	96,008	1,005	2,769	13	1,400	-	167,599
Incidental cost incurred in relation to bonds, warrants and share issue	-	(531)	-	-	-	-	(531)
Currency translation differences	-	-	-	160	-	-	160
Net gains and losses not recognised in the income statement	-	(531)	-	160	-	-	(371)
Private placement shares exercised	9,600	31,584	-	-	-	-	41,184
Warrants options exercised	5,980	7,476	-	-	-	-	13,456
Share option exercised	84	304	-	-	-	-	388
Profit after taxation	-	-	-	-	-	-	59,799
Dividends	-	-	-	-	-	-	(11,362)
At 30 September 2003	111,672	39,838	2,769	173	1,400	-	216,036

(The Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2003).