WCT ENGINEERING BERHAD (Company Number: 66538-K)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31ST DECEMBER 2004 (The figures have not been audited)

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE 4TH QUARTER ENDED 31 DECEMBER 2004

	INDIVIDUAL QUARTER CURRENT YEAR PRECEDING YEAR QUARTER CORRESPONDING (3 month period) (3 month period)		CUMULATIV CURRENT YEAR TODATE (12 month period to 31.12.2004)	PRECEDING YEAR CORRESPONDING (12 month period to 31.12.2003)	
	RM'000	RM'000	RM'000	RM'000	
Revenue	213,027	193,192	796,309	910,110	
Operating expenses	(194,552)	(195,082)	(690,523)	(846,369)	
Other operating income	4,692	9,219	19,933	22,432	
Profit from operations	23,167	7,329	125,719	86,173	
Finance cost Goodwill written off	(379) -	(2,926)	(10,022) (27,000)	(10,450)	
Gain from Offer for Sales Loss from Share Swap	3,731 (7,804)	-	3,731 (7,804)	- -	
Share of results in associates	1,455	15,970	10,067	28,406	
Share of results in a jointly controlled entity Share of results in an unincorporated joint venture	91 (11,786)	460 -	(161) (27,558)	460 -	
Profit before taxation	8,475	20,833	66,972	104,589	
Taxation	(10,232)	(7,272)	(39,967)	(29,485)	
Profit after taxation	(1,757)	13,561	27,005	75,104	
Minority interest	(1,717)	2,184	(1,878)	440	
Net profit for the period	(3,474)	15,745	25,127	75,544	
Earnings per share (sen)	(2.86)	14.27	21.18	72.52	
Fully diluted earnings per share (sen)	(2.48)	11.74	18.11	58.07	

(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 31.12.2004 RM'000	AUDITED AS AT PRECEDING FINANCIAL PERIOD ENDED 31.12.2003 RM'000
Land held for development	152,685	204,543
Property, plant and equipment	41,409	34,769
Investment properties	52,463	52,513
Investment in associated companies	67,888	109,621
Investment in a jointly controlled entity	327	333
Investment in unquoted shares	13,862	13,708
Sinking funds	81,398	51,999
Deferred tax assets	6,418	6,516
Negative goodwill	(7,076)	-
	409,374	474,002
Current assets		
Development properties	144,434	98,219
Inventories	17,823	12,020
Trade receivables	291,328	257,725
Other receivables	92,740	49,689
Amount due from associated companies	72,350	33,933
Amount due from a jointly controlled entity	29,767	12,938
Deposits, cash and bank balances	300,122	174,969
	948,564	639,493
Command liabilities		
<u>Current liabilities</u> Trade payables	312,869	324,180
Other payables	78,864	49,028
Amount due to an associate company	28,549	20,353
Provision for taxation	13,227	17,425
Short term borrowings	105,691	95,293
Share application money	16,864	-
	556,064	506,279
Net current assets	392,500	133,214
	004.074	007.040
	801,874	607,216
Financed by :		
Share capital	121,331	112,232
Reserves	307,709	276,690
Shareholders' equity	429,040	388,922
	04 700	
Minority interest	81,782	224
Other payables	23,067	46,134
5% redeemable unsecured bonds CRDS	120,000 63,696	120,000
Borrowings	75,955	49,321
Deferred taxation	8,334	2,615
	801,874	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 12 MONTHS PERIOD ENDED 31 DECEMBER 2004

Profit before taxation		UNAUDITED CUMULATIVE QUARTER CURRENT YEAR TODATE	CUMULATIVE QUARTER PRECEDING YEAR CORRESPONDING
Adjustments for:- Non-cash items Non-operating items - financing Non-operating items - investing Non-operating profit before working capital changes Populating profit before working capital changes Net changes in current assets Not changes in current labilities Not changes in current liabilities Not changes in current liabilities Not changes in current liabilities None Heave the second of the seco	CASH FLOWS FROM OPERATING ACTIVITIES	RM'000	RM'000
Non-cash items	Profit before taxation	66,972	83,756
Non-operating items - financing 1,668 3,579 Non-operating items - investing 20,959 (14,739) Non-operating items - investing 20,959 (14,739) (14,739) (14,739) (14,739) (14,739) (14,739) (14,739) (14,739) (14,739) (18,888) (18,888) (18,888) (18,888) (18,888) (18,888) (18,885) (18,888) (18,885) (18,888) (18,885) (18,888) (18,885) (18,888) (18,885) (18,888) (18,885) (18,888) (18,885) (18,888) (18,885) (18,888) (18,885) (18,888) (18,885) (18,888) (18,885) (18,888) (18,88) (18,88	·	0.454	42.224
Non-operating items - investing 20,959 (14,739)		•	· · · · · · · · · · · · · · · · · · ·
Net changes in current assets (30,340) (50,817) Net changes in current liabilities (18,888) 47,895 Cash flows generated from operations 49,822 83,008 Interest paid (12,892) (13,605) Interest received 8,353 3,945 Taxation paid (47,793) (13,808) Net cash (used in)/generated from operating activities (2,510) 59,540 CASH FLOWS FROM INVESTING ACTIVITIES		· ·	
Net changes in current liabilities (18,888) 47,895 Cash flows generated from operations 49,822 83,008 Interest paid (12,892) (13,605) Interest received 8,353 3,945 Taxation paid (47,793) (13,808) Net cash (used in)/generated from operating activities (2,510) 59,540 CASH FLOWS FROM INVESTING ACTIVITIES Investments in . (31,360) .	Operating profit before working capital changes	99,050	85,930
Cash flows generated from operations 49,822 83,008 Interest paid (12,892) (13,605) Interest received 8,353 3,945 Taxation paid (47,793) (13,808) Net cash (used in)/generated from operating activities (2,510) 59,540 CASH FLOWS FROM INVESTING ACTIVITIES	Net changes in current assets	(30,340)	(50,817)
Interest paid (12,892) (13,605) Interest received (8,353 3,945) Taxation paid (47,793) (13,808) Net cash (used in)/generated from operating activities (2,510) 59,540 CASH FLOWS FROM INVESTING ACTIVITIES Investments in - associated companies - (31,360) - (150)	Net changes in current liabilities	(18,888)	47,895
Therest received Taxation paid (47,793) (13,808)	Cash flows generated from operations	49,822	83,008
Taxation paid (47,793) (13,808) Net cash (used in)/generated from operating activities (2,510) 59,540 CASH FLOWS FROM INVESTING ACTIVITIES	Interest paid	(12,892)	(13,605)
Net cash (used in)/generated from operating activities (2,510) 59,540 CASH FLOWS FROM INVESTING ACTIVITIES (31,360) (31,360) (31,360) (31,360) (31,360) (31,360) (31,360) (31,360) (31,360) (31,360) (31,360) (31,360) (31,360) (31,360) (31,360) (31,360) (32,380) (32,380) (32,380) (32,380) (33,380) (33,381) (39,338) (20,276) 260 (20,000)		·	· · · · · · · · · · · · · · · · · · ·
Investments in	Taxation paid	(47,793)	(13,808)
Investments in	Net cash (used in)/generated from operating activities	(2,510)	59,540
- associated companies - jointly controlled entity - unquoted shares - (154) - unquoted shares - (154) - (8,238) - Acquisition of subsidiary net of cash acquired - (154) - (154) - (154) - (8,238) - (154) - (100,276 - (260 - (29,338) - (20,338) - (23,338) - (23,338) - (23,338) - (23,338) - (23,338) - (23,338) - (23,338) - (23,245) - (CASH FLOWS FROM INVESTING ACTIVITIES		
- jointly controlled entity - unquoted shares Acquisition of subsidiary net of cash acquired 31,552 - Other investments 100,276 260 Net cash generated from/ (used in) investing activities 131,524 CASH FLOWS FROM FINANCING ACTIVITIES Issue of shares 21,134 55,028 Sinking funds (29,398) (23,245) Bank borrowings 2,567 7,243 Payment of incidental costs to issue of bonds and shares Dividends paid (20,099) Coupon payment on bonds (6,106) (2,992) Net cash (used in)/generated from financing activities CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD 104,320 Foreign exchange differences 143 260	Investments in		
- unquoted shares (154) (8,238) Acquisition of subsidiary net of cash acquired 31,552 - Other investments 100,276 260 Net cash generated from/ (used in) investing activities 131,524 (39,338) CASH FLOWS FROM FINANCING ACTIVITIES Issue of shares 21,134 55,028 Sinking funds (29,398) (23,245) Bank borrowings 2,567 7,243 Payment of incidental costs to issue of bonds and shares - (531) Dividends paid (12,891) (5,323) Coupon payment on bonds (6,106) (2,992) Net cash (used in)/generated from financing activities (24,694) 30,180 NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD 104,320 50,382 CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD 144,918 65,386 Foreign exchange differences 143 260	•	-	(31,360)
Acquisition of subsidiary net of cash acquired Other investments 100,276 260 Net cash generated from/ (used in) investing activities 131,524 (39,338) CASH FLOWS FROM FINANCING ACTIVITIES Issue of shares Sinking funds (29,398) (23,245) Bank borrowings 2,567 7,243 Payment of incidental costs to issue of bonds and shares Dividends paid (12,891) (5,323) Coupon payment on bonds (6,106) (2,992) Net cash (used in)/generated from financing activities (24,694) NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD 104,320 50,382 CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD 114,918 65,386 Foreign exchange differences 143 260		, ,	- (0.220)
Other investments 100,276 260 Net cash generated from/ (used in) investing activities 131,524 (39,338) CASH FLOWS FROM FINANCING ACTIVITIES 21,134 55,028 Sinking funds (29,398) (23,245) Bank borrowings 2,567 7,243 Payment of incidental costs to issue of bonds and shares - (531) Dividends paid (12,891) (5,323) Coupon payment on bonds (6,106) (2,992) Net cash (used in)/generated from financing activities (24,694) 30,180 NET INCREASE IN CASH AND CASH EQUIVALENTS 104,320 50,382 CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD 144,918 65,386 Foreign exchange differences 143 260	•	' '	(8,238)
CASH FLOWS FROM FINANCING ACTIVITIES Issue of shares 21,134 55,028 Sinking funds (29,398) (23,245) Bank borrowings 2,567 7,243 Payment of incidental costs to issue of bonds and shares - (531) Dividends paid (12,891) (5,323) Coupon payment on bonds (6,106) (2,992) Net cash (used in)/generated from financing activities (24,694) 30,180 NET INCREASE IN CASH AND CASH EQUIVALENTS 104,320 50,382 CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD 144,918 65,386 Foreign exchange differences 143 260	· · · · · · · · · · · · · · · · · · ·	·	260
Issue of shares 21,134 55,028 Sinking funds (29,398) (23,245) Bank borrowings 2,567 7,243 Payment of incidental costs to issue of bonds and shares - (531) Dividends paid (12,891) (5,323) Coupon payment on bonds (6,106) (2,992) Net cash (used in)/generated from financing activities (24,694) 30,180 NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD 104,320 50,382 CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD 144,918 65,386 Foreign exchange differences 143 260	Net cash generated from/ (used in) investing activities	131,524	(39,338)
Sinking funds Bank borrowings 2,567 7,243 Payment of incidental costs to issue of bonds and shares - (531) Dividends paid Coupon payment on bonds (6,106) (2,992) Net cash (used in)/generated from financing activities (24,694) NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD 104,320 50,382 CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD 1144,918 65,386 Foreign exchange differences 143 260	CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings 2,567 7,243 Payment of incidental costs to issue of bonds and shares - (531) Dividends paid (12,891) (5,323) Coupon payment on bonds (6,106) (2,992) Net cash (used in)/generated from financing activities (24,694) 30,180 NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD 104,320 50,382 CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD 144,918 65,386 Foreign exchange differences 143 260	Issue of shares	21,134	55,028
Payment of incidental costs to issue of bonds and shares Dividends paid Coupon payment on bonds Net cash (used in)/generated from financing activities NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD DURING THE FINANCIAL PERIOD 104,320 CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD Foreign exchange differences 143 260	Sinking funds	(29,398)	(23,245)
Dividends paid Coupon payment on bonds (12,891) (5,323) (6,106) (2,992) Net cash (used in)/generated from financing activities (24,694) NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD 104,320 50,382 CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD 144,918 65,386 Foreign exchange differences 143 260	<u> </u>	·	· · · · · · · · · · · · · · · · · · ·
Coupon payment on bonds (6,106) (2,992) Net cash (used in)/generated from financing activities (24,694) 30,180 NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD 104,320 50,382 CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD 144,918 65,386 Foreign exchange differences 143 260	•		
Net cash (used in)/generated from financing activities (24,694) 30,180 NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD 104,320 50,382 CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD 144,918 65,386 Foreign exchange differences 143 260	·	• • •	
NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD 104,320 50,382 CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD 144,918 65,386 Foreign exchange differences 143 260	esupon payment on bonds		
DURING THE FINANCIAL PERIOD 104,320 50,382 CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD 144,918 65,386 Foreign exchange differences 143 260	Net cash (used in)/generated from financing activities	(24,694)	30,180
FINANCIAL PERIOD 144,918 65,386 Foreign exchange differences 143 260	•	104,320	50,382
	•	144,918	65,386
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD 249,381 116,028	Foreign exchange differences	143	260
	CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	249,381	116,028

(The Condensed Consolidated Cash Flow 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 STATEMENT OF CHANGES IN EQUITY FOR THE 12 MONTHS PERIOD ENDED 31 DECEMBER 2004

	←		Non-Distributable —			Distributable			
	Share capital	Share premium	Revaluation reserve	Exchange reserve	Capital reserve	General reserve	Retained profit	Total	
Current year to date	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2004	112,232	40,702	3,765	70	1,400	314	230,439	388,922	
Incidental cost incurred in relation to									
bonds, warrants and share issue	-	(10)	-	-	-	-	-	(10)	
Currency translation differences	-	-	-	89	-	-	-	89	
Net gains and losses not recognised in the									
income statement	-	(10)	-	89	-	-	-	79	
Transfer to within reserve	-	-	(2,050)	-	-	-	2,050	-	
Arising from fair value adjustment on additional									
investment in subsidiary	-	-	6,659	-	-	-	-	6,659	
Arising from warrants options exercised	8,815	11,017	-	-	-	-	-	19,832	
Arising from share options exercised	284	1,028	-	-	-	-	-	1,312	
Transfer within reserve									
Profit after taxation	-	-	-		-	-	25,127	25,127	
Dividends	-	-	-		-	-	(12,891)	(12,891)	
At 31 December 2004	121,331	52,737	8,374	159	1,400	314	244,725	429,040	
Preceeding year corresponding period	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2003	96,008	1,005	2,769	12	1,400	314	167,285	268,793	
Incidental cost incurred in relation to									
bonds, warrants and share issue	-	(557)	-	-	-	-	-	(557)	
Currency translation differences	-	-	-	58	-	-	-	58	
Net gains and losses not recognised in the									
income statement		(557)	_	58		_		(499)	
Revaluation surplus		(557)	1,194	30				(177)	
Transfer to deferred tax			(198)	_		_			
Private placement shares exercised	9.600	31,584	(170)			_		41,184	
Warrants options exercised	6,460	8,076				_		14,536	
Share option exercised	164	594	-	-	-	-	-	758	
Profit after taxation	-	-	-	-	-	-	- 74,516	74,516	
Dividends			-	-		-	(11,362)	(11,362)	
At 31 December 2003	112,232	40,702	3,765	70	1,400	314	230,439	388,922	
AT OT DECEMBER 2003	112,232	70,702	3,700	,,	1,400	317	230,437	300,722	

(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).