

WCT BERHAD (FORMERLY KNOWN AS WCT ENGINEERING BERHAD)

(Company Number : 66538-K)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2008

(The figures have not been audited)

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE SECOND QUARTER ENDED 30 JUNE 2008

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER (3 months to 30.06.2008) RM'000	PRECEDING YEAR CORRESPONDING (3 months to 30.06.2007) RM'000	CURRENT YEAR TO DATE (6 months to 30.06.2008) RM'000	PRECEDING YEAR CORRESPONDING (6 months to 30.06.2007) RM'000
Revenue	942,193	768,316	1,862,494	1,319,039
Cost of sales	(844,758)	(674,051)	(1,686,175)	(1,167,981)
Gross profit	97,435	94,265	176,319	151,058
Other income	20,218	12,648	40,970	23,296
Other expenses	(5,956)	(3,164)	(10,859)	(7,953)
Administrative expenses	(18,628)	(15,734)	(35,498)	(27,776)
Finance costs	(12,240)	(6,404)	(20,018)	(12,340)
Share of profit after tax of associates	3,067	2,960	9,593	4,565
	83,896	84,571	160,507	130,850
Income tax expense	(8,883)	(23,167)	(19,176)	(32,244)
Profit for the period	75,013	61,404	141,331	98,606
Attributable to:				
Equity holders of the parent	44,838	33,791	100,423	60,974
Minority interest	30,175	27,613	40,908	37,632
	75,013	61,404	141,331	98,606
Attributable to equity holders of the parent :				
Basic earnings per share (sen)	5.73	5.63 *	13.07	10.32 *
Fully diluted earnings per share (sen)	5.48	5.51 *	12.48	10.03 *

(The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.)

* Computed based on the number of share capital which were adjusted for :-

- (i) the proportionate change in the number as if the bonus shares were issued on 1 January 2007; and
- (ii) the subdivision of the number as if the share split was completed on 1 January 2007

WCT BERHAD (FORMERLY KNOWN AS WCT ENGINEERING BERHAD)

(Company Number : 66538-K)

CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2008

	UNAUDITED AS AT END OF CURRENT QUARTER 30.06.2008 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2007 RM'000
ASSETS		
<u>Non-current assets</u>		
Property, plant and equipment	351,330	321,733
Land held for property development	173,720	156,241
Investment properties	410,110	403,554
Investment in associates	148,260	140,999
Other investments	14,898	15,498
Deferred tax assets	102	7,542
	<hr/> 1,098,420	<hr/> 1,045,567
<u>Current assets</u>		
Property development costs	291,563	258,655
Inventories	40,799	93,602
Trade receivables	1,256,261	1,177,888
Other receivables	320,498	156,210
Due from related parties	37,283	41,701
Deposits, cash and bank balances	730,018	710,617
	<hr/> 2,676,422	<hr/> 2,438,673
TOTAL ASSETS	<hr/> 3,774,842	<hr/> 3,484,240

WCT BERHAD (FORMERLY KNOWN AS WCT ENGINEERING BERHAD)

(Company Number : 66538-K)

CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2008 (Cont'd)

	UNAUDITED AS AT END OF CURRENT QUARTER 30.06.2008 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2007 RM'000
EQUITY AND LIABILITIES		
<u>Equity attributable to equity holders of the parent</u>		
Share capital	382,448	338,966
Irredeemable Convertible Preference Shares ("ICPS")	8,621	16,567
Share premium	176,828	140,942
Reserves	594,891	392,327
	<u>1,162,788</u>	<u>888,802</u>
Minority interests	<u>156,293</u>	<u>279,030</u>
Total equity	<u>1,319,081</u>	<u>1,167,832</u>
<u>Long-term liabilities</u>		
Borrowings	656,667	357,330
Deferred tax liabilities	3,353	5,442
	<u>660,020</u>	<u>362,772</u>
<u>Current liabilities</u>		
Trade payables	775,011	914,764
Other payables	462,292	410,819
Due to related parties	62,448	30,294
Borrowings	475,077	585,467
Tax payable	20,913	12,292
	<u>1,795,741</u>	<u>1,953,636</u>
Total Liabilities	<u>2,455,761</u>	<u>2,316,408</u>
TOTAL EQUITY AND LIABILITIES	<u>3,774,842</u>	<u>3,484,240</u>
Net asset per share (RM)	1.52	2.62

(The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.)

WCT BERHAD (FORMERLY KNOWN AS WCT ENGINEERING BERHAD)

(Company Number : 66538-K)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2008

Note	Share capital RM'000	Preference Shares RM'000	Share premium RM'000	Warrant reserve RM'000	Other reserve RM'000	Attributable to Equity Holders of the Parent						Total RM'000	Minority interest RM'000	Total equity RM'000
						Non-Distributable			Distributable					
						Exchange reserve RM'000	Capital reserve RM'000	Equity compensation reserve RM'000	Revaluation reserve RM'000	General reserve RM'000	Retained profit RM'000			
Preceding year corresponding period														
At 1 January 2007	214,250	-	32,848	-	1,454	(15,394)	1,400	1,295	861	1,493	354,864	593,071	163,102	756,173
Currency translation differences	-	-	-	-	-	(14,015)	-	-	-	(75)	-	(14,090)	(1,284)	(15,374)
Net income/(expense) recognised directly in equity	-	-	-	-	-	(14,015)	-	-	-	(75)	-	(14,090)	(1,284)	(15,374)
Profit for the period	-	-	-	-	-	-	-	-	-	-	60,974	60,974	37,632	98,606
Total recognised income and expense for the period	-	-	-	-	-	(14,015)	-	-	-	(75)	60,974	46,884	36,348	83,232
Arising from share options exercised	12,846	-	25,920	-	-	-	-	-	-	-	-	38,766	-	38,766
Arising from bonus issue	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of Irredeemable Convertible Preference Shares ("ICPS")	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Arising from conversion of ICPS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to within reserve	-	-	-	-	(571)	-	-	-	-	-	571	-	-	-
Share options granted under ESOS	-	-	-	-	-	-	-	1,383	-	-	-	1,383	-	1,383
Share options granted under ESOS of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	219	219
Transfer within reserve for ESOS exercised	-	-	966	-	-	-	-	(966)	-	-	-	-	-	-
Amount transferred to capital reserve on bonus issue of a subsidiary	-	-	-	-	-	-	1,446	-	-	-	-	1,446	-	1,446
Arising from dilution of subsidiaries	-	-	-	-	-	-	-	-	-	-	(365)	(365)	9,069	8,704
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At 30 June 2007	227,096	-	59,734	-	883	(29,409)	2,846	1,712	861	1,418	416,044	681,185	208,737	889,922
Current year to date														
At 1 January 2008	338,966	16,567	140,942	-	750	(27,156)	2,846	1,365	861	2,616	411,045	888,802	279,030	1,167,832
Currency translation differences	-	-	-	-	-	339	-	-	-	-	-	339	2,268	2,607
Net income/(expense) recognised directly in equity	-	-	-	-	-	339	-	-	-	-	-	339	2,268	2,607
Profit for the period	-	-	-	-	-	-	-	-	-	-	100,423	100,423	40,908	141,331
Total recognised income and expense for the period	-	-	-	-	-	339	-	-	-	-	100,423	100,762	43,176	143,938
Arising from share options exercised	4,113	-	5,819	-	-	-	-	-	-	-	-	9,932	-	9,932
Arising from conversion of ICPS	7,946	(7,946)	-	-	-	-	-	-	-	-	-	-	-	-
Arising from conversion of warrants	10	-	55	(5)	-	-	-	-	-	-	-	60	-	60
Arising from issuance of the warrants	-	-	-	34,817	-	-	-	-	-	-	-	34,817	-	34,817
Arising from voluntary take-over offer	31,413	-	28,535	-	-	-	-	-	-	-	93,036	152,984	-	152,984
Acquisition of minority interest	-	-	-	-	-	-	-	-	-	-	-	-	(165,913)	(165,913)
Transfer to within reserve	-	-	-	-	(403)	-	-	-	-	-	403	-	-	-
Share options granted under ESOS	-	-	-	-	-	-	-	897	-	-	-	897	-	897
Share options granted under ESOS of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer within reserve for ESOS exercised	-	-	1,477	-	-	-	-	(1,477)	-	-	-	-	-	-
Arising from dilution of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	(25,466)	(25,466)	-	(25,466)
At 30 June 2008	382,448	8,621	176,828	34,812	347	(26,817)	2,846	785	861	2,616	579,441	1,162,788	156,293	1,319,081

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.)

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2008**

	UNAUDITED CUMULATIVE PERIOD CURRENT YEAR TO DATE 30.06.2008 RM'000	CUMULATIVE PERIOD PRECEDING YEAR CORRESPONDING 30.06.2007 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	160,507	130,850
Adjustments for:-		
Non-cash items	34,140	31,652
Non-operating items - financing	11,013	4,203
Non-operating items - investing	(10,560)	(5,772)
Operating profit before working capital changes	<u>195,100</u>	<u>160,933</u>
Net changes in current assets	(235,181)	(326,511)
Net changes in current liabilities	(56,932)	69,614
Cash flows used in operations	<u>(97,013)</u>	<u>(95,964)</u>
Interest paid *	(28,402)	(20,869)
Interest received	9,006	8,136
Taxation paid	(12,201)	(11,337)
Net cash used in operating activities	<u>(128,610)</u>	<u>(120,034)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Exercised of call options on CRDS A	(58,284)	-
Property, plant and equipment	(56,972)	(24,231)
Withdrawal from escrow, redemption and FSRA accounts	108,614	-
Net cash used in investing activities	<u>(6,642)</u>	<u>(24,231)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceed from issuance of shares	9,992	39,699
Proceed from issuance of warrants	34,972	-
Proceed from issuance of Sukuk	267,153	-
Dividend paid	(25,466)	-
Incidental cost of issuance of warrants and Sukuk	(726)	-
Bank borrowings	(8,854)	65,325
Net cash generated from financing activities	<u>277,071</u>	<u>105,024</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD	141,819	(39,241)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	552,929	395,969
Foreign exchange differences	5,880	(9,041)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD **	<u>700,628</u>	<u>347,687</u>

* Included in interest paid is interest capitalised amounting to RM11,061,863.

** Cash & cash equivalents excludes fixed deposits and cash and bank held under Residual Sales and Redemption Account amounting to RM467,865 and fixed deposits held under Finance Service Reserve Account amounting to RM3,322,500.

(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.)