
**WCT BERHAD (“WCT” OR “THE COMPANY”) (66538-K)
QUARTERLY UNAUDITED RESULTS OF THE GROUP FOR THE SECOND QUARTER
ENDED 30 JUNE 2009**

**A EXPLANATORY NOTES IN COMPLIANCE WITH FINANCIAL REPORTING
STANDARDS (“FRS”) 134, INTERIM FINANCIAL REPORTING**

A1 Basis of Preparation

The interim financial statements have been prepared under the historical cost convention except for revaluation of freehold land and buildings included in property, plant and equipment and investment properties which are stated at fair values.

The interim financial statements are unaudited and have been prepared in compliance with FRS 134: Interim Financial Reporting and Chapter 9 part K of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the most recent audited financial statements of the Group for the year ended 31 December 2008. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2008.

A2 Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2008 and there were no new Financial Reporting Standard (“FRS”), amendments to FRS and interpretations adopted during this quarter.

A3 Audit Qualification

There was no audit qualification in the auditors’ report of the Company’s previous financial statements for the financial year ended 31 December 2008.

A4 Seasonal Or Cyclical Factors

For the period under review, the business operations of the Group were not significantly affected by any seasonal or cyclical factor.

A5 Items Of Unusual Nature

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group that are unusual due to their nature, size or incidence during the quarter under review.

A6 Changes In Estimate

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the quarter under review.

A7 Changes In Debt and Equity Securities

Save as disclosed below, there were no issuance and repayment of debts and equity securities, share buy backs, share cancellations, shares held as treasury shares and resale of treasury shares during the period under review.

- (a) Issuance of 917,064 new ordinary shares of RM0.50 each pursuant to the exercise of the ESOS at the exercise price of RM0.73 to RM1.73 per ordinary share.
- (b) Issuance of 1,049,261 new ordinary shares of RM0.50 each pursuant to the conversion of ICPS of RM0.10 which was satisfied by surrendering 5 ICPS for each new ordinary share.
- (c) Issuance of 4,000 new ordinary shares of RM0.50 each pursuant to the conversion of warrants at an exercise price of RM3.00 per ordinary share for cash.

A8 Dividends

Please refer to Explanatory Note B12.

A9 Segmental Information

	CURRENT YEAR QUARTER (3 months period to 30.06.2009) RM'000	CURRENT YEAR TO DATE (6 months period to 30.06.2009) RM'000
Segment Revenue		
Civil engineering & construction	1,173,834	2,159,618
Trading	15,821	34,358
Property development	43,125	75,061
Property & investment holding	1,321	2,306
	1,234,101	2,271,343
Consol elimination	(56,144)	(124,433)
Total revenue	1,177,957	2,146,910
Segment profit from operation		
Civil engineering & construction	67,887	150,149
Trading	507	4,655
Property development	12,025	22,032
Property & investment holding	3,220	2,403
	83,639	179,239
Consol elimination	(4,387)	(20,312)
Total profit from operation	79,252	158,927

A10 Carrying Amount Of Revalued Assets

During the period under review, a property was revalued which results in an increase of approximately RM5 million.

Save as disclosed above, the valuations of property, plant and equipment have been brought forward without amendment from the audited financial statements for the financial year ended 31 December 2008.

A11 Subsequent Material Events

There were no material events subsequent to the reporting period up to 11 August 2009 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) which have not been reflected in the financial statements for the quarter under review.

A12 Effect Of Changes In The Composition Of The Group

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

A13 Contingent Liabilities

Contingent liabilities of the Group as at 11 August 2009 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) comprised bank guarantees and letters of credit totaling RM735 million and RM36 million respectively provided by the Group to various parties in the ordinary course of business and tax matters under appeal amounting to RM10 million of the Group. The changes in contingent liabilities since 19 February 2009 are as follows: -

(a)	Bank Guarantees RM'000	Letters of Credit RM'000
Balance as at 19 February 2009	794,482	36,773
Extended/utilised during the period	88,242	46,838
Discharged/paid during the period	<u>(147,749)</u>	<u>(47,881)</u>
Balance as at 11 August 2009	<u>734,975</u>	<u>35,730</u>

(b) The tax matters under appeal of the Group totaling RM10 million are in respect of corporation tax and service tax of a foreign subsidiary and an associated company.

A14 Capital Commitments

There are no material commitments except for as follows:-

	RM'000
Capital expenditure approved and contracted for property, plant and equipment	53,167
Share of capital commitments of jointly controlled entities	<u>12,312</u>
	<u>65,479</u>

A15 Significant Related Party Transactions

	RM'000
Rental of property paid to a Director of the Company	<u>206</u>

B EXPLANATORY NOTES IN COMPLIANCE WITH LISTING REQUIREMENTS OF THE BURSA MALAYSIA

B1 Review Of The Performance Of The Group

For the quarter under review, the Group achieved revenue of RM1,178 million which is 25% higher compared with the corresponding quarter. Higher revenue were mainly attributable to the construction activities undertaken by the Group. Profit after taxation for current quarter is RM73 million as compared to RM75 million in the corresponding quarter.

B2 Comparison With Immediate Preceding Quarter's Results

For the quarter under review, the Group recorded revenue and profit after taxation of RM1,178 million and RM73 million as compared to revenue and profit after taxation of RM969 million and RM68 million reported in the immediate preceding quarter.

B3 Prospect For The Remaining Period

Year 2009 will remain challenging for the Group due to the continued global economic crisis. Nevertheless, the Group is confident to achieve satisfactory results for the remaining period of the financial year ending 31 December 2009.

B4 Variance Of Actual Profit From Forecast Profit

Not applicable to the Group.

B5 Taxation

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER (3 months period To 30.06.2009)	PRECEDING YEAR CORRESPONDING (3 months period To 30.06.2008)	CURRENT YEAR TO DATE (6 months period To 30.06.2009)	PRECEDING YEAR CORRESPONDING (6 months period To 30.06.2008)
	RM'000	RM'000	RM'000	RM'000
Taxation comprises:-				
Malaysia Tax				
- Current year	2,510	10,495	4,564	20,246
- Prior years	-	-	-	-
- Deferred taxation	(4,695)	(1,612)	(5,905)	(1,070)
	<u>(2,185)</u>	<u>8,883</u>	<u>(1,341)</u>	<u>19,176</u>
Foreign tax	-	-	-	-
	<u>(2,185)</u>	<u>8,883</u>	<u>(1,341)</u>	<u>19,176</u>

The effective tax rate for the current quarter and cumulative period ended 30 June 2009 is lower than the statutory tax rate mainly due to income of several joint venture entities which is not subjected to income tax.

The effective tax rate for the corresponding quarter and cumulative period ended 30 June 2008 is lower than the statutory tax rate mainly due to income of several joint venture entities which is not subjected to income tax.

B6 Profit On Sales Of Unquoted Investments And/Or Properties

There were no profits on sale of investment and/or properties recorded for the quarter under review.

B7 Quoted Securities

- (a) The Group did not transact any quoted securities for the quarter under review.
- (b) As at 30 June 2009, the Group did not hold any quoted securities.

B8 Status Of Corporate Proposals Announced

The Group has not announced any corporate proposal, which has not been completed as at 11 August 2009 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

B9 Group Borrowings And Debt Securities

Details of group borrowings are as follows:-

	As at 30.06.2009 RM'000	As at 31.12.2008 RM'000
<u>Unsecured:-</u>		
Long Term Loan	50,000	50,000
BAIDS	100,000	100,000
ICP/IMTN	200,000	200,000
SUKUK	277,423	273,485
	<u>627,423</u>	<u>623,485</u>
<u>Secured:-</u>		
Long Term Loan	202,896	201,685
Long Term Hire Purchase Creditors	5,367	6,060
	<u>208,263</u>	<u>207,745</u>
	<u>835,686</u>	<u>831,230</u>
Short Term Bank Borrowings		
<u>Secured :-</u>		
Bank Overdraft	-	5,913
Hire Purchase Creditors	8,494	10,085
Revolving Credit	70,000	-
Term Loans	28,664	48,225
	<u>107,158</u>	<u>64,223</u>
<u>Unsecured :-</u>		
Bank Overdraft	16,255	14,077
Banker Acceptance	17,830	38,464
Revolving Credit	152,523	184,956
	<u>186,608</u>	<u>237,497</u>
	<u>293,766</u>	<u>301,720</u>
	<u>1,129,452</u>	<u>1,132,950</u>

Key : BAIDS - Bai Bithaman Ajil Islamic Debt Securities
 ICP/IMTN - Islamic Commercial Papers / Islamic Medium Term Notes
 SUKUK - Islamic Serial Redeemable Bonds

B10 Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk as at 11 August 2009 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

B11 Material Litigation

Save as disclosed below, the Group was not engaged in any material litigation from 31 December 2008 (the last annual balance sheet date) to 11 August 2009 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) either as plaintiff or defendant, and the Board of WCT has no knowledge of any proceedings pending or threatened against the Group or of any facts likely to give rise to any proceedings which might materially and adversely affect the position or business of the Group during the said period.

Status update on the litigation and arbitration proceedings in relation to the Cancellation of the Nad Al Sheba Racecourse, Dubai, U.A.E. ("the Cancellation"):

The Arbitration Tribunal to resolve the dispute between the Company (jointly with Arabtec Construction LLC, as Claimants) and Meydan Group LLC (formerly known as Meydan LLC, as Respondent) (collectively referred to as "the Parties") in relation to the Cancellation has been duly constituted with the appointment of the Tribunal Chairman and the respective Co-Arbitrators by the Dubai International Arbitration Centre ("DIAC"). A preliminary procedural meeting has been held and the Tribunal and the Parties are currently following through with the relevant procedural steps.

B12 Dividends

	PAID in Year Ending 31 Dec 2009	PAID in Year Ended 31 Dec 2008
	RM'000	RM'000
<u>Dividend paid</u> For the period from 7 August 2007 to 8 August 2008 13.5% per ICPS of RM0.10 each	-	<u>1,161</u>
<u>Interim dividend paid</u> For the financial year ended 31 December 2008 5 sen per ordinary share of RM0.50 each less 26% tax	-	<u>28,530</u>
<u>Final dividend paid</u> For the financial year ended 31 December 2007 4.5sen per ordinary share of RM0.50 each less 26% tax	-	<u>25,466</u>

On 18 August 2009, the Directors declared an interim dividend of 5 sen per share less 25% tax on ordinary shares of RM0.50 each.

The entitlement date for the interim dividend shall be fixed on 8 September 2009 and a Depositor shall qualify for entitlement only in respect of:-

- i) Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 8 September 2009 in respect of ordinary transfer; and
- ii) Shares bought on the Bursa Securities on a cum entitlement basis in accordance with the Rules of Bursa Securities.

The payment date for the interim dividend will be on 28 September 2009.

B13 Earnings Per Share

	Reporting Quarter 30.06.09	Current Year To Date 30.06.09
(a) Basic Earnings Per Share		
Profit attributable to the equity holders of the parent (RM'000)	41,953	81,176
Weighted average number of ordinary shares in issue ('000)	783,296	783,090
Basic earnings per share (sen)	5.36	10.37
(b) Fully Diluted Earnings Per Share		
Profit attributable to the equity holders of the parent (RM'000)	41,953	81,176
Weighted average number of ordinary shares in issue ('000)	783,296	783,090
Effects of dilution:		
Shares options ('000)	1,247	2,496
Warrants ('000)	-	-
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	784,543	785,586
Fully diluted earnings per share (sen)	5.35	10.33

B14 Comparative Figures

Comparative figures, where applicable, have been modified to conform to the current quarter presentation.

Date: 18th AUGUST 2009