



**WCT BERHAD**  
(Company Number : 66538-K)  
(Incorporated in Malaysia)

**Date : 17 November 2011**

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011**

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**WCT BERHAD**

(Company Number : 66538-K)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED INCOME STATEMENT FOR THE THIRD QUARTER ENDED  
30 SEPTEMBER 2011**

(The figures have not been audited)

**CONSOLIDATED INCOME STATEMENT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER (3 months to 30.09.2011) RM'000	PRECEDING YEAR CORRESPONDING (3 months to 30.09.2010) RM'000	CURRENT YEAR TO DATE (9 months to 30.09.2011) RM'000	PRECEDING YEAR CORRESPONDING (9 months to 30.09.2010) RM'000
Revenue	361,976	357,142	1,053,524	1,270,827
Cost of sales	(276,371)	(280,194)	(813,346)	(1,049,214)
<b>Gross profit</b>	<b>85,605</b>	<b>76,948</b>	<b>240,178</b>	<b>221,613</b>
Other income	7,323	15,615	24,750	35,169
Other expenses	(11,588)	(5,154)	(21,008)	(11,645)
Administrative expenses	(17,948)	(16,414)	(51,271)	(46,953)
Finance costs	(16,037)	(12,741)	(51,355)	(36,293)
Share of profit after tax of associates	5,649	1,528	12,057	3,680
	<b>53,004</b>	<b>59,782</b>	<b>153,351</b>	<b>165,571</b>
Income tax expense	(12,028)	(5,827)	(34,774)	(36,480)
<b>Profit for the period</b>	<b>40,976</b>	<b>53,955</b>	<b>118,577</b>	<b>129,091</b>
Attributable to:				
Equity holders of the parent	39,298	30,562	114,479	99,264
Minority interest	1,678	23,393	4,098	29,827
<b>Profit for the period</b>	<b>40,976</b>	<b>53,955</b>	<b>118,577</b>	<b>129,091</b>
Attributable to equity holders of the parent :				
Basic earnings per share (sen)	<b>4.87</b>	<b>3.88</b>	<b>14.29</b>	<b>12.61</b>
Fully diluted earnings per share (sen)	<b>4.63</b>	<b>3.84</b>	<b>13.54</b>	<b>12.50</b>

(The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)

**WCT BERHAD**  
(Company Number : 66538-K)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011**

( The figures have not been audited )

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011**

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER (3 months to 30.09.2011) RM'000	PRECEDING YEAR CORRESPONDING (3 months to 30.09.2010) RM'000	CURRENT YEAR TO DATE (9 months to 30.09.2011) RM'000	PRECEDING YEAR CORRESPONDING (9 months to 30.09.2010) RM'000
Profit for the period	40,976	53,955	118,577	129,091
Other comprehensive income/(loss):				
Currency translation differences arising from consolidation	35,014	(40,117)	35,053	(84,073)
Transfer from general reserve in respect of a foreign entity	(1,178)	-	(1,178)	-
Other comprehensive income/(loss) for the period, net of tax	33,836	(40,117)	33,875	(84,073)
Total comprehensive income/(loss) for the period	74,812	13,838	152,452	45,018
Total comprehensive income/(loss) for the period attributable to :				
Equity holders of the parent	60,658	2,179	139,433	38,558
Minority interest	14,154	11,659	13,019	6,460
	74,812	13,838	152,452	45,018

(The consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)

**WCT BERHAD**

(Company Number : 66538-K)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2011**

	AS AT CURRENT QUARTER 30.09.2011	AS AT FINANCIAL YEAR ENDED 31.12.2010
	UNAUDITED RM'000	AUDITED RM'000
<b>ASSETS</b>		
<b><u>Non-current assets</u></b>		
Property, plant and equipment	258,910	292,163
Land held for property development	247,842	220,761
Investment properties	675,398	614,266
Intangible assets	1,084	-
Investment in associates	175,678	175,966
Other investments	9,804	9,804
Trade receivables	1 427,043	389,324
Other receivables	1 254,100	233,966
Deferred tax assets	15,122	7,219
	<u>2,064,981</u>	<u>1,943,469</u>
<b><u>Current assets</u></b>		
Property development costs	208,168	228,783
Inventories	59,938	74,393
Trade receivables	610,318	854,594
Other receivables	357,176	284,615
Due from related parties	985	4,223
Cash and cash equivalents	1,074,622	1,162,407
	<u>2,311,207</u>	<u>2,609,015</u>
<b>TOTAL ASSETS</b>	<u>4,376,188</u>	<u>4,552,484</u>
<b>EQUITY AND LIABILITIES</b>		
<b><u>Equity attributable to equity</u></b>		
<b><u>holders of the parent</u></b>		
Share capital	402,349	393,471
Irredeemable Convertible Preference Shares ("ICPS")	1,313	2,069
Share premium	413,913	379,869
Reserves	610,117	479,969
	<u>1,427,692</u>	<u>1,255,378</u>
<b>Minority interests</b>	<u>288,169</u>	<u>275,150</u>
<b>Total equity</b>	<u>1,715,861</u>	<u>1,530,528</u>

**WCT BERHAD**

(Company Number : 66538-K)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2011 (Cont'd)**

		AS AT CURRENT QUARTER 30.09.2011	AS AT FINANCIAL YEAR ENDED 31.12.2010
		UNAUDITED RM'000	AUDITED RM'000
<b>EQUITY AND LIABILITIES (Cont'd)</b>			
<b><u>Long-term liabilities</u></b>			
Trade payables	2	98,552	105,176
Other payables	2	244,532	226,541
Borrowings		915,506	1,127,422
Deferred tax liabilities		37,051	25,384
		1,295,641	1,484,523
<b><u>Current liabilities</u></b>			
Trade payables		416,570	802,505
Other payables		473,003	228,353
Due to related parties		-	-
Borrowings		470,959	505,439
Tax payable		4,154	1,136
		1,364,686	1,537,433
<b>Total Liabilities</b>		<b>2,660,327</b>	<b>3,021,956</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,376,188</b>	<b>4,552,484</b>
Net asset per share (RM)		1.77	1.60

(1) Included receivables of RM266 million in respect of the Nominated Sub-contractors of the Nad Al Sheba Racecourse project.

(2) Included payables of RM266 million in respect of the Nominated Sub-contractors of the Nad Al Sheba Racecourse project.

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2011

	Note	Attributable to Equity Holders of the Parent										Minority interest	Total equity		
		Non-Distributable					Distributable								
		Share capital	Preference Shares	Share premium	Warrant reserve	Other reserve	Exchange reserve	Capital reserve	Equity compensation reserve	Revaluation reserve	General reserve	Retained profit	Total		
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<i>Preceding year corresponding period</i>															
<b>At 1 January 2010</b>															
		388,856	3,718	369,256	34,689	535	(25,238)	2,846	8,117	6,440	2,616	462,129	1,253,964	233,012	1,486,976
	- as previously stated	-	-	-	-	-	-	-	-	-	-	(32,373)	(32,373)	-	(32,373)
	- effect of adopting FRS 139	388,856	3,718	369,256	34,689	535	(25,238)	2,846	8,117	6,440	2,616	429,756	1,221,591	233,012	1,454,603
	At 1 January 2010, as restated	-	-	-	-	-	(60,706)	-	-	-	-	99,264	99,264	29,827	129,091
	Profit for the period	-	-	-	-	-	-	-	-	-	-	-	(60,706)	(23,367)	(84,073)
	Other comprehensive income/(loss)	-	-	-	-	-	(85,944)	2,846	8,117	6,440	2,616	529,020	1,260,149	239,472	1,499,621
	Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	(59,071)	(59,071)	-	(59,071)
	Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Share options granted under ESOS	-	-	-	-	-	-	-	8,219	-	-	-	8,219	-	8,219
	Arising from share options exercised	1,782	-	4,019	-	-	-	-	-	-	-	-	5,801	-	5,801
	Arising from conversion of ICPS	1,532	(1,532)	-	-	-	-	-	-	-	-	-	-	-	-
	Arising from incorporation of new subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Transfer within reserve for ESOS exercised	-	-	1,546	-	-	-	-	(1,546)	-	-	-	-	-	-
	Transfer to within reserve	-	-	-	-	(22)	-	-	-	-	-	22	-	-	-
	At 30 September 2010	392,170	2,186	374,821	34,689	513	(85,944)	2,846	14,790	6,440	2,616	469,971	1,215,098	239,472	1,454,570
<i>Current year to date</i>															
<b>At 1 January 2011</b>															
	Profit for the period	393,471	2,069	379,869	34,688	476	(85,730)	2,846	16,224	7,935	2,616	500,914	1,255,378	275,150	1,530,528
	Other comprehensive income/(loss)	-	-	-	-	-	26,132	-	-	(1,178)	-	-	24,954	8,921	33,875
	Total comprehensive income/(loss) for the period	393,471	2,069	379,869	34,688	476	(59,598)	2,846	16,224	7,935	1,438	615,393	1,394,811	288,169	1,682,980
	Dividends	-	-	-	-	-	-	-	-	-	-	(60,354)	(60,354)	-	(60,354)
	Share options vested under ESOS	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Arising from share options exercised	7,749	-	22,530	-	-	-	-	7,567	-	-	-	7,567	-	7,567
	Arising from conversion of ICPS	756	(756)	-	-	-	-	-	-	-	-	-	-	-	-
	Arising from conversion of warrants	373	-	1,673	-	-	-	-	-	-	-	-	-	-	-
	Arising from issuance of warrants 2011/2016	-	-	-	53,343	-	-	-	-	-	-	-	2,046	-	2,046
	Transfer within reserve for ESOS exercised	-	-	9,592	-	-	-	-	(9,592)	-	-	-	53,343	-	53,343
	Transfer within reserve for warrants exercised	-	-	249	(249)	-	-	-	-	-	-	-	-	-	-
	At 30 September 2011	402,349	1,313	413,913	87,782	476	(59,598)	2,846	14,199	7,935	1,438	555,039	1,427,692	288,169	1,715,861

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)

**WCT BERHAD**

(Company Number : 66538-K)

**CONSOLIDATED CASH FLOW STATEMENT FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2011**

	UNAUDITED CUMULATIVE PERIOD CURRENT YEAR TO DATE 30.09.2011 RM'000	CUMULATIVE PERIOD PRECEDING YEAR CORRESPONDING 30.09.2010 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	153,351	165,571
Adjustments for:-		
Non-cash items	9,845	85,949
Non-operating items - financing	33,352	28,015
Non-operating items - investing	(19,430)	(1,433)
Operating profit before working capital changes	<u>177,118</u>	<u>278,102</u>
Net changes in current assets	94,744	276,738
Net changes in current liabilities	(133,012)	(583,737)
Cash flows generated from/(used in) operations	<u>138,850</u>	<u>(28,897)</u>
Interest paid *	(47,240)	(34,024)
Interest received	17,897	8,278
Taxation paid	(13,520)	(5,852)
Net cash generated from/(used in) operating activities	<u>95,987</u>	<u>(60,495)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Property, plant and equipment	9,258	(11,307)
Intangible assets	(1,084)	-
Refund of share application monies from associates	6,072	-
Withdrawal from redemption and FSRA accounts	137	(316)
Net cash generated from/(used in) investing activities	<u>14,383</u>	<u>(11,623)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceed from share options exercised	30,279	5,801
Proceed from conversion of warrants	2,046	-
Proceed from issuance of warrants	53,698	-
Incidental costs of issuance of warrants	(171)	-
Dividend paid	(60,354)	(59,071)
Bank borrowings	(283,456)	40,070
Net cash used in financing activities	<u>(257,958)</u>	<u>(13,200)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD	(147,588)	(85,318)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	1,149,694	697,748
Foreign exchange differences	38,518	(8,880)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD **	<u>1,040,624</u>	<u>603,550</u>

\* Included in interest paid is interest capitalised amounting to RM5,563,704.

\*\* Cash & cash equivalents excludes fixed deposits with licensed bank amounting to RM770,000 and fixed deposits held under Finance Service Reserve Account amounting to RM3,917,048.

(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)

**WCT BERHAD (“WCT” OR “THE COMPANY”) (66538-K)  
QUARTERLY UNAUDITED RESULTS OF THE GROUP FOR THE THIRD QUARTER  
ENDED 30 SEPTEMBER 2011**

**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 issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2010. 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 financial year ended 31 December 2010.

**A2 Changes in Accounting Policies**

The significant accounting policies adopted by the Group are consistent with those of the audited financial statements for the year ended 31 December 2010, except for the adoption of the following new Financial Reporting Standards (“FRSs”), Amendments to FRSs and Interpretations with effect from 1 January 2011.

On 1 January 2011, the Group adopted the following FRSs:-

**FRSs, Amendments to FRSs and Interpretations**

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (revised)
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 127	Consolidated and Separate Financial Statements
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 12	Service Concession Agreements
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters



**A2 Changes in Accounting Policies (Cont'd)**

**FRSs, Amendments to FRSs and Interpretations (Cont'd)**

Amendments to FRS 1	Additional Exemption for First-Time adoption
Amendments to FRS 7	Improving Disclosures about Financial Instruments
IC Interpretation 4	Determining whether an Agreement contains a Lease
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
FRS 124	Related Party Disclosures
Amendments to FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 140	Investment Property
IC Interpretation 10	Interim Financial Reporting and Impairment

The initial application of the above FRSs, Amendments to FRSs and IC Interpretations is not expected to have any significant impact or result in any significant changes in the accounting policies and presentation of the financial results of the Group.

**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 2010.

**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 during the quarter ended 30 September 2011.

**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 ended 30 September 2011.

**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 15,498,628 new ordinary shares of RM0.50 each pursuant to the exercise of the ESOS at the exercise price of RM0.61 to RM2.73 per ordinary share.
- (b) Issuance of 1,512,505 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 22,374 new ordinary shares of RM0.50 each pursuant to the conversion of Warrants 2008/2013 at an exercise price of RM2.50 per ordinary share for cash.
- (d) Issuance of 723,432 new ordinary shares of RM0.50 each pursuant to the conversion of Warrants 2011/2016 at an exercise price of RM2.75 per ordinary share for cash.

**A8 Dividends**

Please refer to Explanatory Note B13.

**A9 Segmental Information**

	CURRENT YEAR TO DATE (9 months period to 30.9.2011) RM'000	PRECEDING YEAR TO DATE (9 months period to 30.9.2010) RM'000
<b>Segment Revenue</b>		
Civil engineering & construction	867,929	1,127,641
Property development	187,105	184,486
Property investment & management	37,601	22,062
Total revenue including intra-group revenue	1,092,635	1,334,189
Elimination of intra-group revenue	(39,111)	(63,362)
Total revenue	<u>1,053,524</u>	<u>1,270,827</u>
<b>Segment profit from operation</b>		
Civil engineering & construction	116,526	128,828
Property development	50,724	58,036
Property investment & management	29,027	19,590
	196,277	206,454
Elimination of intra-group profit	(3,628)	(8,270)
Total profit from operation	<u>192,649</u>	<u>198,184</u>

**A10 Carrying Amount Of Revalued Assets**

The valuations of investment property and property, plant and equipment have been brought forward without amendment from the audited financial statements for the financial year ended 31 December 2010.

**A11 Subsequent Material Events**

There were no material events subsequent to the reporting period up to 12 November 2011 (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**

Save as disclosed below, there were no changes in the composition of the Group during the period under review.

- (i) On 25 January 2011, the Company acquired 2 ordinary shares of RM1.00 each at par representing the entire issued and paid-up share capital of the following companies:
- (a) WCT Green Sdn. Bhd.
  - (b) WCT Group Sdn. Bhd.
  - (c) WCT Holdings Sdn. Bhd.

And on even date, the Company's wholly-owned subsidiary, WCT Land Sdn. Bhd. ("WCTL"), acquired 2 ordinary shares of RM1.00 each at par representing the entire issued and paid-up share capital of WCT Assets Sdn. Bhd..

The subsidiary companies are incorporated in Malaysia, has an authorised share capital of RM100,000 and an issued and paid-up share capital of RM2.00 divided into 2 ordinary share of RM1.00 respectively.

- (ii) On 24 February 2011, WCTL has acquired 2 ordinary shares of RM1.00 each at par representing the entire issued and paid-up share capital of WCT Realty Sdn. Bhd. ("WCTRSB") for a total cash consideration of RM2.00. WCTRSB, a company incorporated in Malaysia, has an authorised share capital of RM100,000 and an issued and paid-up share capital of RM2.00 divided into 2 ordinary share of RM1.00 each.
- (iii) On 14 July 2011, WCTL has acquired 2 ordinary shares of RM1.00 each at par representing the entire issued and paid-up share capital of Pioneer Acres Sdn. Bhd. ("PASB") for a total cash consideration of RM2.00. PASB, a company incorporated in Malaysia, has an authorised share capital of RM100,000 and an issued and paid-up share capital of RM2.00 divided into 2 ordinary share of RM1.00 each.

- (iv) On 25 August 2011, WCTL has acquired 2 ordinary shares of RM1.00 each at par representing the entire issued and paid-up share capital of WCT Acres Sdn. Bhd. ("WCTASB") for a total cash consideration of RM2.00. WCTASB, a company incorporated in Malaysia, has an authorised share capital of RM100,000 and an issued and paid-up share capital of RM2.00 divided into 2 ordinary share of RM1.00 each.
- (v) On 5 September 2011, WCT Management (Beijing) Limited ("WCT Beijing"), a wholly foreign owned enterprise in Beijing, China has been incorporated, following the issuance of the Business License by the Beijing Administration of Industry & Commerce on 26 August 2011 which was received on 5 September 2011. The Registered Capital of WCT Beijing is RMB4,000,000 (approximately RM1.9 million) and is a wholly owned subsidiary of WCTL.
- (vi) Segi Astana Sdn. Bhd. ("SASB") is a wholly-owned subsidiary of WCTL and was incorporated on 1 October 2010 in Malaysia, has an authorised share capital of RM100,000 and an issued and paid-up share capital of RM2.00. As at 30 September 2011, SASB is jointly owned by WCTL and Malaysia Airports Holdings Berhad, with respective shareholdings of 70% and 30%. The issued and paid up capital of SASB is RM1,000 divided into 1,000 ordinary shares of RM1.00 each.
- (vii) On 10 October 2011, WCTL has acquired 2 ordinary shares of RM1.00 each at par representing the entire issued and paid-up share capital of Jubilant Courtyard Sdn. Bhd. ("JCSB") for a total cash consideration of RM2.00. JCSB, a company incorporated in Malaysia, has an authorised share capital of RM100,000 and an issued and paid-up share capital of RM2.00 divided into 2 ordinary share of RM1.00 each.
- (viii) On 14 November 2011, WCTL has acquired 2 ordinary shares of RM1.00 each at par representing the entire issued and paid-up share capital of WCT Hartanah Jaya Sdn. Bhd. ("WCTH") for a total cash consideration of RM2.00. WCTH, a company incorporated in Malaysia, has an authorised share capital of RM100,000 and an issued and paid-up share capital of RM2.00 divided into 2 ordinary share of RM1.00 each.

**A13 Contingent Liabilities**

Contingent liabilities of the Group as at 12 November 2011 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) comprised bank guarantees totaling RM952 million provided by the Group to various parties in the ordinary course of business and tax matters under appeal amounting to RM6 million of the Group. The changes in contingent liabilities since 18 February 2011 are as follows:-

(a)	Bank Guarantees RM'000	Letters of Credit RM'000
Balance as at 18 February 2011	1,030,928	1,020
Extended/utilised during the period	105,595	-
Discharged/paid during the period	(184,655)	(1,020)
	951,868	-
Balance as at 12 November 2011	951,868	-

(b) The tax matters under appeal of the Group totaling RM6 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 investment	117,848
Capital expenditure approved and contracted for property, plant & equipment and development	139,535
Share of capital commitments of jointly controlled entities	37,871
	295,254

**A15 Significant Related Party Transactions**

	RM'000
<u>The Group</u>	
Rental of property paid to a Director of the Company	309

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

**B1 Review Of The Performance Of The Group**

For the quarter ended 30 September 2011, WCT Group registered revenue of RM362 million as compared to RM357 million in the corresponding quarter of preceding year. Profit after taxation and minority interest improved by RM8 million or 29% to RM39 million. The improved earnings was mainly due to higher contribution by the Civil Engineering & Construction Division.

**B2 Comparison With Immediate Preceding Quarter's Results**

For the quarter under review, the Group recorded revenue and net profit after taxation and minority interest of RM362 million and RM39 million as compared to RM376 million and RM38 million reported in the immediate preceding quarter.

**B3 Prospect For Financial Year 2011**

The Group is confident to achieve satisfactory results for the remaining period of the financial year ending 31 December 2011.

**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 30.09.2011)	PRECEDING YEAR CORRESPONDING (3 months period To 30.09.2010)	CURRENT YEAR TO DATE (9 months period To 30.09.2011)	PRECEDING YEAR CORRESPONDING (9 months period To 30.09.2010)
	RM'000	RM'000	RM'000	RM'000
Taxation comprises:-				
Malaysia Tax				
- Current year	8,282	4,777	29,418	21,765
- Prior years	17	120	(712)	256
- Deferred taxation	3,729	930	6,068	14,459
	12,028	5,827	34,774	36,480

**B5 Taxation (Cont'd)**

The effective tax rate for the current quarter and cumulative quarter ended 30 September 2011 is lower than the statutory tax rate mainly due to income of overseas operation which is not subjected to income tax.

The effective tax rate for the corresponding quarter and cumulative period ended 30 September 2010 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 September 2011, the Group did not hold any quoted securities.

**B8 Status Of Corporate Proposals Announced**

The Group did not announce any corporate proposal which has not been completed as at 12 November 2011 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

**B9 Realised and Unrealised Profits**

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits, pursuant to the directive issued by Bursa Malaysia Securities on 25 March 2010 is as follows:

	As at 30.9.2011 RM'000	As at 30.6.2011 RM'000
Total retained profits of the Company and it's subsidiaries:-		
- Realised	1,104,925	1,089,911
- Unrealised	4,997	(4,661)
	<u>1,109,922</u>	<u>1,085,250</u>
Total share of retained profits from associated companies:-		
- Realised	63,176	58,105
- Unrealised	(395)	(972)
	<u>62,781</u>	<u>57,133</u>
Total share of retained profits from jointly controlled entities:-		
- Realised	(41,351)	(28,777)
- Unrealised	(1,708)	(882)
	<u>(43,059)</u>	<u>(29,659)</u>
Less : Consolidation adjustment	<u>(574,605)</u>	<u>(566,573)</u>
Total Group retained profits as per consolidated accounts	<u>555,039</u>	<u>546,151</u>



**B10 Group Borrowings And Debt Securities**

Details of group borrowings are as follows:-

	As at 30.9.2011 RM'000	As at 31.12.2010 RM'000
<b>Long Term Bank Borrowings</b>		
<u>Secured:-</u>		
Long Term Loan	161,585	240,244
Hire Purchase Creditors	3,064	11,565
	<u>164,649</u>	<u>251,809</u>
<u>Unsecured:-</u>		
BAIDS	-	40,000
ICP/IMTN	100,000	100,000
SUKUK	95,448	189,622
BONDS	555,409	545,991
	<u>750,857</u>	<u>875,613</u>
	<u>915,506</u>	<u>1,127,422</u>
<b>Short Term Bank Borrowings</b>		
<u>Secured :-</u>		
Hire Purchase Creditors	12,851	13,523
Revolving Credit	70,000	70,000
Term Loans	182,616	66,453
	<u>265,467</u>	<u>149,976</u>
<u>Unsecured :-</u>		
Bank Overdraft	29,310	7,886
Banker Acceptance	37,629	18,236
BAIDS	40,000	30,000
ICP/IMTN	-	200,000
SUKUK	98,553	99,341
	<u>205,492</u>	<u>355,463</u>
	<u>470,959</u>	<u>505,439</u>
	<u>1,386,465</u>	<u>1,632,861</u>

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

**B11 Off Balance Sheet Financial Instruments**

There were no financial instruments with off balance sheet risk as at 12 November 2011 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

**B12 Material Litigation**

Except as disclosed below, the Group was not engaged in any material litigation from 31 December 2010 (the last annual balance sheet date) to 12 November 2011 (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 the Company has no knowledge of any proceedings pending or threatened against the Company 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.

- (i) Status update on the arbitration proceedings in relation to the Cancellation of the Nad Al Sheba Racecourse, Dubai, U.A.E. contract (“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) 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”) and procedural meetings have been held and pre-trial procedural steps taken pursuant thereto. The arbitration proceedings are presently still on-going.

- (ii) Status update on the arbitration in relation to Bahrain Asphalt Establishment B.S.C. (Closed) (“BAE”) disputed claim for additional payments (“the Dispute”) in relation to their Sub-Contract Works for part of the project Works known as “Dukhan Highway” which involved the construction of a 43km highway in Qatar.

The Arbitration Tribunal to resolve the Dispute between BAE (as Claimants) and the Company (jointly with Gamuda Berhad, as Respondents) has been duly constituted with the appointment of the Tribunal Chairman and the respective Co-Arbitrators by the International Chamber of Commerce (“ICC”) and procedural meetings have been held and pre-trial procedural steps taken pursuant thereto. The arbitration proceedings are presently still on-going.

**B13 Dividends**

	<b>PAID in Year Ending 31 Dec 2011</b>	<b>PAID in Year Ended 31 Dec 2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<u>Final dividend paid</u> For the financial year ended 31 December 2009 5.0 sen per ordinary share of RM0.50 each less 25% tax	-	29,364
<u>Dividend paid</u> For the period from 7 August 2009 to 6 August 2010 13.5% per ICPS of RM0.10 each	-	307
<u>Interim dividend paid</u> For the financial year ended 31 December 2010 5.0 sen per ordinary share of RM0.50 each less 25% tax	-	29,400
<u>Final dividend paid</u> For the financial year ended 31 December 2010 5.0 sen per ordinary share of RM0.50 each less 25% tax	29,945	-
<u>Dividend paid</u> For the period from 7 August 2010 to 6 August 2011 13.5% per ICPS of RM0.10 each	246	-
<u>Interim dividend paid</u> For the financial year ending 31 December 2011 5.0 sen per ordinary share of RM0.50 each less 25% tax	30,163	-
<b>Total net dividend paid</b>	<b>60,354</b>	<b>59,071</b>

**B14 Earnings Per Share**

	<b>Reporting Quarter 30.9.2011</b>	<b>Current Year To Date 30.9.2011</b>
<b>(a) Basic Earnings Per Share</b>		
Profit attributable to the equity holders of the parent (RM'000)	39,298	114,479
Weighted average number of ordinary shares in issue ('000)	806,860	801,078
Basic earnings per share (sen)	4.87	14.29
<b>(b) Fully Diluted Earnings Per Share</b>		
Profit attributable to the equity holders of the parent (RM'000)	39,298	114,479
Weighted average number of ordinary shares in issue ('000)	806,860	801,078
Effects of dilution:		
Shares options ('000)	7,744	9,703
Warrants ('000)	34,531	34,545
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	849,135	845,326
Fully diluted earnings per share (sen)	4.63	13.54

**B15 Comparative Figures**

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

**Date: 17<sup>th</sup> November 2011**