

AWARDS & Achievements

2005

Lingkaran Trans Kota Sdn Bhd (LITRAK) & Sistem Penyuraian Trafik KL Barat Sdn Bhd (SPRINT)

Malaysia Environmental and Social Reporting Award (MESRA) by the Association of Chartered Malaysian Accountant

2004

Harum Intisari Sdn Bhd

National Landscape Award 2004 in Best Landscape Township Category for Bandar Botanic Central Lake by Malaysia Landscape Association

Hicom-Gamuda Development Sdn Bhd

Corporate, Social and Environmental Responsibility Award by the Bahrain Malaysia International Trade & Investment Bureau 2004

2003

Harum Intisari Sdn Bhd

FIABCI Property Award of Distinction, Best Master Plan 2003 for Bandar Botanic by the International Real Estate Federation (FIABCI)

New Asia Construction & Development Corp-Gamuda Berhad Joint Venture

Air Quality Protection Model Award by The Environmental Bureau of Kaohsiung County Government

New Asia Construction & Development Corp-Gamuda Berhad Joint Venture

Planning and Implementation Award for Environmental Protection Policies by the Government of Taiwan by The Environmental Protection Administration, Executive Yuan, ROC.





As one of the leading infrastructure builders in the country, we will continue to focus on developing innovative solutions for enhanced efficiency.

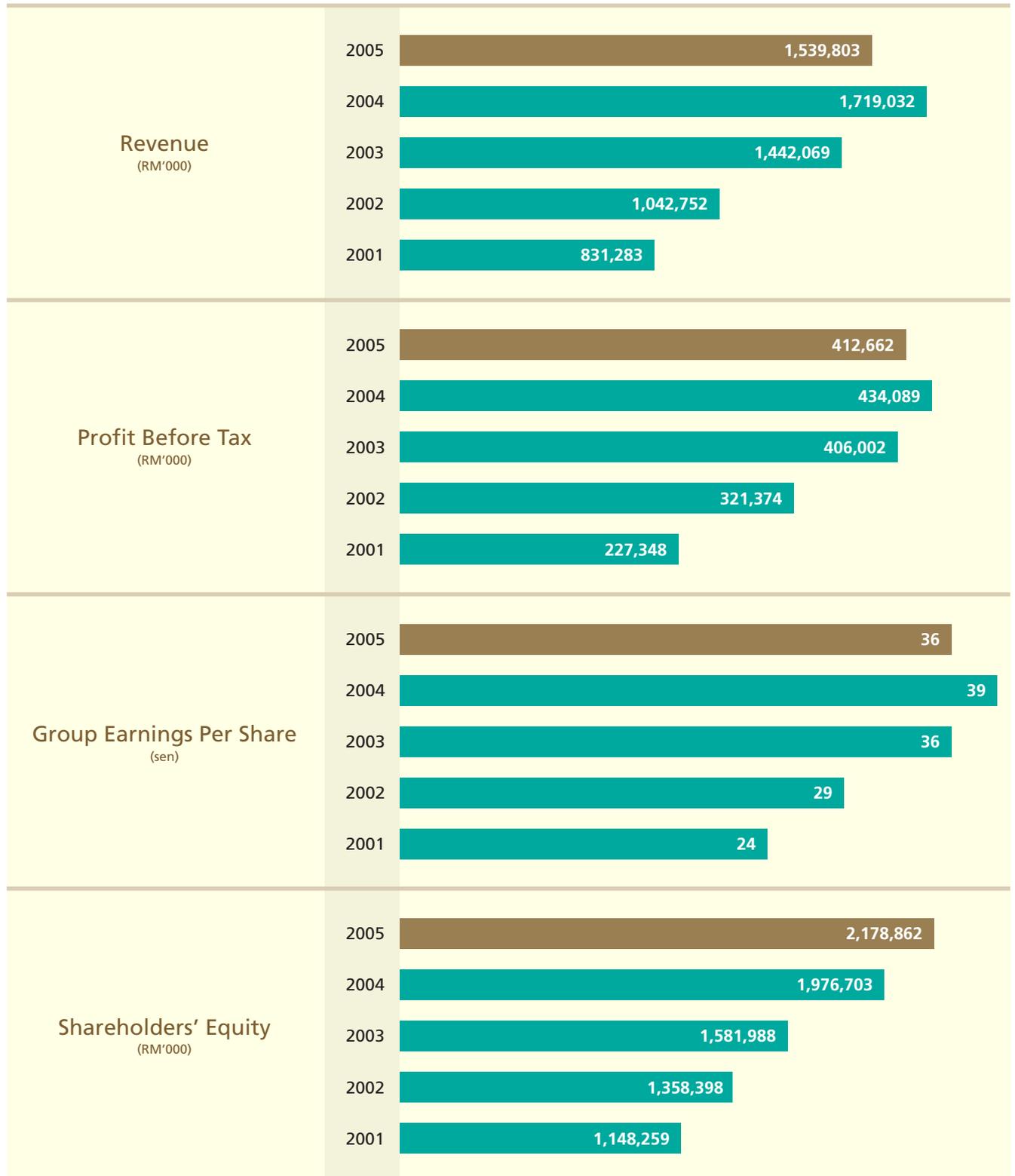
Performance REVIEW

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5 Years' Financial Highlights

	2001	2002	2003	2004	2005
(RM'000)					
Revenue	831,283	1,042,752	1,442,069	1,719,032	1,539,803
Profit Before Taxation	227,348	321,374	406,002	434,089	412,662
Net Profit	156,823	193,899	241,773	281,869	265,778
Total Assets	2,383,898	2,640,482	2,750,991	3,106,355	3,279,615
Net Tangible Assets	1,055,626	1,268,933	1,495,691	1,893,574	2,098,901
Shareholders' Equity	1,148,259	1,358,398	1,581,988	1,976,703	2,178,862
Total Number of Shares ('000)	665,355	672,839	683,447	736,788	749,572
(Sen per share)					
Group Earnings Per Share (sen)	24	29	36	39	36
Net Tangible Assets Per Share (sen)	159	189	219	257	280

5 YEARS' FINANCIAL HIGHLIGHTS



Chairman's

PERSPECTIVE

Despite a significantly tougher operating environment, the group managed a commendable set of results to record a net profit of RM265.8 million on the back of RM1.54 billion turnover.

To our shareholders, customers, employees, partners, suppliers and friends

On behalf of the Board of Directors, I am pleased to present the 15th Annual Report and Audited Financial Statements of Gamuda Berhad for the financial year ended 31st July 2005.

Despite a significantly tougher operating environment, the group managed a commendable set of results to record a net profit of RM265.8 million on the back of RM1.54 billion turnover. These represent a 6% and 10% drop in net profit and turnover respectively over the previous year, primarily due to lower contribution by our property division. Group's earnings per share marginally reduced to 36 sen from 39 sen last year.

As in previous years, engineering and construction continued to be the major driver of the group's business, contributing 52% of operating earnings. The concessions division and property division contributed 23% and 20% respectively, while quarrying and others accounted for the remainder.

During the year the construction division completed the final stage of SSP3's Bukit Badong Water Treatment plant, as well as the Panagarh-Palsit and Durgapur highway projects in India.

The SMART Project in Kuala Lumpur, which is the world's first dual-use tunnel, is progressing rapidly. It has entered the final half of the fast-track program and should be completed by end 2006.

The group's on-going projects overseas include the MRT project in Kaohsiung, Taiwan, which is 60% completed, and the new highway and airport projects in Qatar. With the newly secured jobs, the group's construction order book is now increased further to RM3 billion. Nevertheless, efforts are continuing to secure additional projects to further expand the order book.

In Indochina where we are undertaking the Laos hydropower project, the power purchase agreement with Thailand's EGAT is being finalized to enable the project to reach financial closure.

The infrastructure concessions continued to see robust growth from good traffic volumes on the group's expressways as well as increased production and new capacity additions from Splash, the group's water concession associate.

As the largest urban expressway operator in the country, traffic on the group's highways continue to improve due to the excellent location of our highways in the heart of one of the fastest growing and vibrant development corridors in the nation.

With the completion and delivery of the final 400 mld Stage 2 Bukit Badong water treatment plant, Splash's total production capacity has achieved the target of 2,000 mld. This makes Splash the largest water supplier in the country today.

The overall property market has been stable, and shows continued promise due to our favourable population demographics and solid economic fundamentals. Overall, sale of properties



during the year has been satisfactory. The initial high sales level at Bandar Botanic experienced in the initial two years has stabilised at a more sustainable level. This is consistent with the experience at the group's other two projects at Kota Kemuning, Shah Alam and Valencia in Sungei Buloh.

The property division registered sales of RM600 million, driven by the strong Gamuda Land brand name and innovative products at Kota Kemuning, Bandar Botanic and Valencia. The unbilled order book has stayed at a healthy level of RM650 million.

To ensure that we have adequate land to support future property earnings, we entered into a joint-venture agreement with UEM Land to develop 1,200 acres of land in Bandar Nusajaya, Johor. The project, valued at RM2.5 billion will comprise residential and commercial units, a golf course and clubhouse, and is set to become a premier residential development in the region.

Although the past year had been challenging for the group, we anticipate further opportunities to open up not only on the domestic front but in our international markets as well.

Surging energy prices, though affecting growth in some parts of the region are, at the same time, enabling other regions which benefit from the increased revenues, to embark on massive capacity and infrastructure expansion, presenting the group with new and interesting opportunities. Leveraging off our home-grown capabilities, and building on strategic alliances with foreign partners, we intend to make further inroads with our international strategy.

In Malaysia, the soon to be announced Ninth Malaysia Plan would outline the roadmap for development activities for the next half decade. We are optimistic

that there will be an appropriate mix of projects to support the country's further economic growth and social development as well as improvement of our quality of life.

In view of our commendable performance during the year, the Board has recommended a full year gross dividend of 16 sen per share.

On behalf of the Board, I wish to express my appreciation to the management and staff for their perseverance and commitment to achieve our goals. We also thank our clients and suppliers for their continued confidence in us and the authorities for their guidance and support. My sincere thanks too, to fellow Board members for your valuable advice and time.

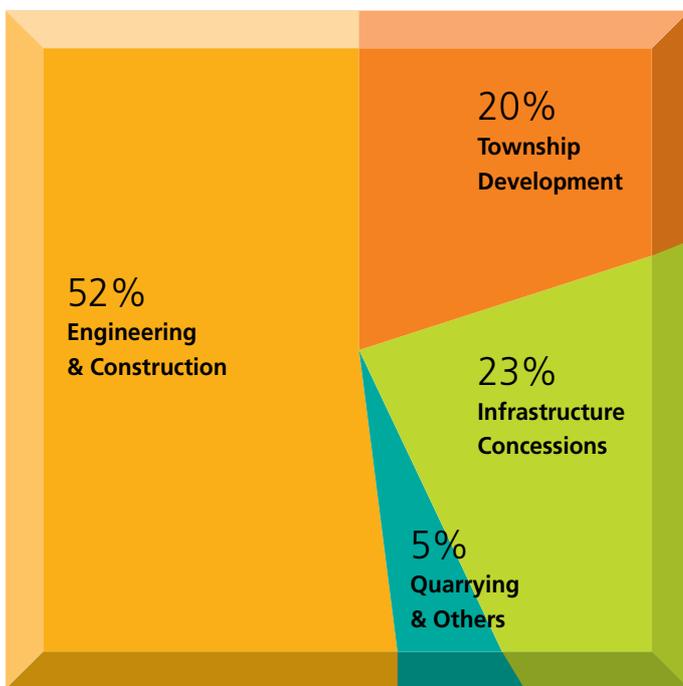
Tan Sri Dato' Ir Talha bin Haji Mohd Hashim

Chairman

REVIEW OF

CONTRIBUTION BY BUSINESS SEGMENT

Engineering & construction, operation of infrastructure concessions, and township development are the group's major business activities.



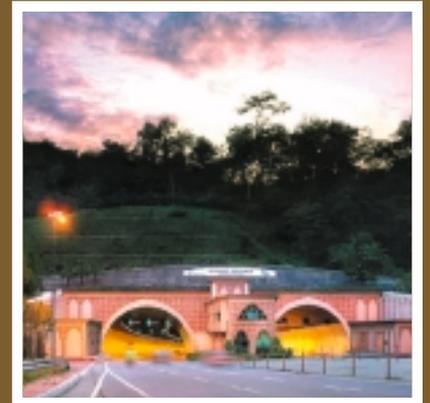
We will continue to focus on growth markets that present the best opportunities to leverage off our solid track-record, either by ourselves or with strategic partners if necessary.

Operations

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Infrastructure Concessions 14



Engineering & CONSTRUCTION

Contributing 52% of the group's operating earnings, the main projects undertaken locally were the final stage of Bukit Badong Water Treatment Plant under SSP3 and the Stormwater Management and Road Tunnel (SMART) Project.

SMART, the world's first dual-purpose road and flood mitigation tunnel is targeted for completion by end 2006.



REVIEW OF OPERATIONS

Engineering & Construction



Contributing 52% of the group's operating earnings, the main projects undertaken locally were the final stage of Bukit Badong Water Treatment Plant under SSP3 and the Stormwater Management and Road Tunnel (SMART) Project.

Stage 2 of SSP3's Bukit Badong Water Treatment Plant (WTP) was completed and commissioned in mid 2005, adding another 400 million liters per day (mld) of supply to the system.

Work on SMART is progressing in full swing and has crossed the 60% completion stage. Final completion is targeted for end 2006.

In India, the two highway projects in Panagarh-Palsit and Durgapur in West Bengal State were successfully completed and handed over to the National Highways Authority of India in early 2005.

CLOCKWISE, FROM LEFT:

The completed section of the stormwater tunnel. On the left is the motorway section. The ventilation shaft is on the right.

The completion of the Bukit Badong WTP in mid 2005 makes Gamuda one of the largest privatised water suppliers in the region with a total capacity of 2 billion liters per day.

As at end October 2005, construction of the Kaohsiung MRT underground stations is more than 60% complete.

In India, Gamuda maintains 130km of highways in West Bengal.



ABOVE:
Engineers in a discussion on the newly secured projects in Qatar.

The Mass Rapid Transit Project in Kaohsiung, Taiwan, which involves the construction of an underground railway and two underground stations is also progressing to schedule and should complete by end 2006.

Work has started on the newly secured Dukhan Highway and The New Doha International Airport projects in Qatar. Winning these projects has increased Gamuda's profile in the Gulf States, a region that is currently seeing a tremendous surge in construction activity due to surging energy prices.