

Financial Statements

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Directors' Report

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The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 July 2006.

PRINCIPAL ACTIVITIES

The principal activities of the Company are that of investment holding and civil engineering construction.

The principal activities of the subsidiaries are described in Note 12 to the financial statements.

There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit after taxation	181,426	116,112
Minority interests	(12,868)	–
Net profit attributable to shareholders	168,558	116,112

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the statements of changes in equity.

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

The amount of dividends declared and paid by the Company since 31 July 2005 were as follows:

RM'000

In respect of the financial year ended 31 July 2005

Final dividend of 9% less 28% taxation paid on 25 January 2006	48,809
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In respect of the financial year ended 31 July 2006

Interim dividend of 7% less 28% taxation paid on 28 April 2006	37,963
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At the forthcoming Annual General Meeting, a final dividend in respect of the current financial year ended 31 July 2006, of 9% less 28% taxation on 753,232,144 ordinary shares amounting to a dividend payable of RM48,809,443 (6.48 sen per share) will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in the shareholders' equity as an appropriation of retained profits in the financial year ending 31 July 2007.

Directors' Report

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DIRECTORS

The names of the directors of the Company in office since the date of the last report and at the date of this report are:

Y Bhg Tan Sri Dato' Ir. Talha bin Haji Mohd Hashim
Y Bhg Dato' Lin Yun Ling
Y Bhg Tan Sri Dato' Mohd Ramli bin Kushairi
Y Bhg Tan Sri Dato' Seri Dr Haji Zainul Ariff bin Haji Hussain
YAM Raja Dato' Seri Eleena Azlan Shah
Y M Raja Dato' Seri Abdul Aziz bin Raja Salim
Y Bhg Dato' Kamarul Zaman bin Mohd Ali
Y Bhg Dato' Haji Azmi bin Mat Nor
Ng Kee Leen
Goon Heng Wah
Ha Tiing Tai
Wong Chin Yen
Saw Wah Theng
Chow Chee Wah (alternate to Y Bhg Dato' Lin Yun Ling)

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate, other than those arising from the share options granted pursuant to the Employees' Share Option Scheme ("ESOS").

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors as shown in Note 6 to the financial statements or the fixed salary of a full-time employee of the Company) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, except as disclosed in Note 38 to the financial statements.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares, options and warrants in the Company and its related corporations during the financial year were as follows:

	<----- Number of Ordinary Shares of RM1 Each ----->			
	1 August 2005	Exercise of ESOS/ Bought	Sold	31 July 2006
Gamuda Berhad				
Direct Holding				
Y Bhg Tan Sri Dato' Ir. Talha bin Haji Mohd Hashim	325,828	—	—	325,828
Y Bhg Dato' Lin Yun Ling	46,848,818	—	—	46,848,818
Y Bhg Dato' Kamarul Zaman bin Mohd Ali	697,000	—	(30,000)	667,000
Ng Kee Leen	12,516,114	—	—	12,516,114
Goon Heng Wah	10,000,000	—	—	10,000,000
Ha Tiing Tai	11,907,938	—	—	11,907,938

DIRECTORS' INTERESTS (CONT'D)

	<----- Number of Ordinary Shares of RM1 Each ----->			
	1 August 2005	Exercise of ESOS/ Bought	Sold	31 July 2006
Gamuda Berhad				
Indirect Holding				
YAM Raja Dato' Seri Eleena Azlan Shah*	77,400,000	-	(690,000)	76,710,000

* Deemed interest through Generasi Setia (M) Sdn. Bhd.

Employees' Share Option Scheme

	<----- Number of Options ----->			
	1 August 2005	Allotted Note 30(c)	Expired on 25 December 2005	31 July 2006
Y Bhg Tan Sri Dato' Ir. Talha bin Haji Mohd Hashim	-	100,000	-	100,000
Y Bhg Dato' Lin Yun Ling	1,130,000	1,500,000	(1,130,000)	1,500,000
Y Bhg Tan Sri Dato' Mohd Ramli bin Kushairi	-	100,000	-	100,000
Y Bhg Tan Sri Dato' Seri Dr Haji				
Zainul Ariff bin Haji Hussain	-	100,000	-	100,000
YAM Raja Dato' Seri Eleena Azlan Shah	-	100,000	-	100,000
Y M Raja Dato' Seri Abdul Aziz bin Raja Salim	-	100,000	-	100,000
Y Bhg Dato' Kamarul				
Zaman bin Mohd Ali	810,000	630,000	(810,000)	630,000
Y Bhg Dato' Haji Azmi bin Mat Nor	510,000	715,000	(510,000)	715,000
Ng Kee Leen	910,000	900,000	(910,000)	900,000
Goon Heng Wah	110,000	900,000	(110,000)	900,000
Ha Tiing Tai	710,000	900,000	(710,000)	900,000
Wong Chin Yen	-	100,000	-	100,000
Saw Wah Theng	110,000	825,000	(110,000)	825,000
Chow Chee Wah	90,000	715,000	(90,000)	715,000

Warrants 1996/2006

	<----- Number of Warrants ----->			
	1 August 2005	Bought	Sold	31 July 2006
Direct Holding				
Y Bhg Tan Sri Dato' Ir. Talha bin Haji Mohd Hashim	110	-	-	110
Y Bhg Dato' Lin Yun Ling	8,053,442	-	-	8,053,442
Y Bhg Dato' Kamarul Zaman bin Mohd Ali	172,000	-	(60,000)	112,000
Ng Kee Leen	2,288,000	-	-	2,288,000
Goon Heng Wah	1,788,158	-	-	1,788,158
Ha Tiing Tai	1,704,000	-	-	1,704,000

Indirect Holding

YAM Raja Dato' Seri Eleena Azlan Shah*	5,707,000	-	(1,507,000)	4,200,000
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* Deemed interest through Generasi Setia (M) Sdn. Bhd.

Each Warrant 1996/2006 entitles the registered holder to subscribe for one new share in the Company at a conversion price of RM4.21 each at any time within ten years following the date of issue on 30 December 1996.

Directors' Report

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DIRECTORS' INTERESTS (CONT'D)

Warrants 2001/2007

	<----- Number of Warrants ----->		
	1 August 2005	Bought	Sold
Direct Holding			
Y Bhg Dato' Lin Yun Ling	12,240,551	–	–
Y Bhg Dato' Kamarul Zaman bin Mohd Ali	271,500	–	–
Ng Kee Leen	4,308,335	–	–
Goon Heng Wah	2,996,000	–	–
Ha Tiing Tai	3,477,000	–	–
Indirect Holding			
YAM Raja Dato' Seri Eleena Azlan Shah*	9,545,000	–	–

* Deemed interest through Generasi Setia (M) Sdn. Bhd.

Each Warrant 2001/2007 entitles the registered holder to subscribe for one new share in the Company at a conversion price of RM3.75 each at any time within six and a half years following the date of issue on 22 February 2001.

None of the other directors in office at the end of the financial year had any interest in shares, options and warrants in the Company or its related corporations during the financial year.

ISSUE OF SHARES

During the financial year, the Company increased its issued and paid up capital from RM749,572,144 to RM753,232,144 via the issuance of:

- 3,580,000 new ordinary shares of RM1.00 each pursuant to the Company's ESOS at exercise prices of between RM3.25 and RM4.32 per ordinary share;
- 80,000 new ordinary shares of RM1.00 each pursuant to the conversion of Warrants 2001/2007 at an exercise price of RM3.75 each.

WARRANTS

- The Warrants 1996/2006, previously the Warrants 1996/2001, which were constituted by a Deed Poll dated 23 December 1996, may be converted at any time on and after 30 December 1996 up to 29 December 2006. Each Warrant 1996/2006 carries the entitlement to subscribe for one new ordinary share of RM1.00 each in the Company at a conversion price of RM4.21 each, which is subject to adjustment in accordance with the provisions in the Deed Poll. Any Warrants 1996/2006 which have not been converted at the date of maturity will lapse and cease to be valid for any purpose.

The shares arising from the conversion of Warrants 1996/2006 shall rank pari passu in all respects with the ordinary shares of the Company except that they shall not be entitled to any rights, dividends or other distributions unless the conversion of Warrants 1996/2006 was effected before the book closure of the share registers for the determination of the entitlement to such rights or distributions.

As at the balance sheet date, the total number of Warrants 1996/2006 which remain unconverted amounted to 71,138,640 units.

WARRANTS (CONT'D)

- (ii) The Warrants 2001/2007 which were constituted by a Deed Poll dated 27 November 2000, may be converted at any time on and after 22 February 2001 up to 21 August 2007. Each Warrant 2001/2007 carries the entitlement to subscribe for one new ordinary share of RM1.00 each in the Company at a conversion price of RM3.75 each, which is subject to adjustment in accordance with the provisions in the Deed Poll. Any Warrants 2001/2007 which have not been converted at the date of maturity will lapse and cease to be valid for any purpose.

The shares arising from the conversion of Warrants 2001/2007 shall rank *pari passu* in all respects with the ordinary shares of the Company except that they shall not be entitled to any rights, dividends or other distributions unless the conversion of Warrants 2001/2007 was effected before the book closure of the share registers for the determination of the entitlement to such rights or distributions.

As at the balance sheet date, the total number of Warrants 2001/2007 which remain unconverted amounted to 127,670,198 units.

EMPLOYEES' SHARE OPTION SCHEME

The Gamuda Berhad Second Employees' Share Option Scheme ("ESOS-2000") was approved by shareholders at the Extraordinary General Meeting held on 31 October 2000 and became effective for 5 years from 26 December 2000 until its expiry on 25 December 2005. Pursuant to ESOS-2000, options to subscribe for 82,475,000 new ordinary shares of RM1 each had been granted to eligible employees and directors. Options to subscribe for 30,075,000 new ordinary shares of RM1 each which remained unexercised lapsed on 25 December 2005.

At an Extraordinary General Meeting held on 5 July 2006, the shareholders of the Company approved the implementation of a new Employees' Share Option Scheme ("ESOS-2006") which became effective on 6 July 2006 upon final approval by Bursa Malaysia Securities Berhad. Pursuant to ESOS-2006, options to subscribe for 52,590,000 new ordinary shares of RM1 each had been granted to eligible employees and directors, and these remained unexercised as at 31 July 2006. The principal features of the ESOS, details of share options exercised during the financial year and outstanding at the end of the financial year are disclosed in Note 30(c) to the financial statements.

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no bad debts and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
- (i) it necessary to write off any bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; and
 - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

Directors' Report

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OTHER STATUTORY INFORMATION (CONT'D)

- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
 - (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
 - (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

SIGNIFICANT EVENTS

The significant events during the financial year are as disclosed in Note 39 to the financial statements.

AUDITORS

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the directors

Y Bhg Tan Sri Dato' Ir. Talha Bin Haji Mohd Hashim
Chairman

Saw Wah Theng
Finance Director

Petaling Jaya, Selangor Darul Ehsan
18 October 2006

Statement by Directors

pursuant to section 169(15) of the Companies Act, 1965 pg 91

We, Y Bhg Tan Sri Dato' Ir. Talha Bin Haji Mohd Hashim and Saw Wah Theng, being two of the directors of Gamuda Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 93 to 166 are drawn up in accordance with applicable MASB Approved Accounting Standards in Malaysia and the provisions of the Companies Act, 1965 so as to give a true and fair view of the financial position of the Group and of the Company as at 31 July 2006 and of the results and the cash flows of the Group and of the Company for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors.

Y Bhg Tan Sri Dato' Ir. Talha Bin Haji Mohd Hashim
Chairman

Saw Wah Theng
Finance Director

Petaling Jaya, Selangor Darul Ehsan
18 October 2006

Statutory Declaration

pursuant to section 169(16) of the Companies Act, 1965

I, Saw Wah Theng, being the director primarily responsible for the financial management of Gamuda Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 93 to 166 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by)
the abovenamed Saw Wah Theng) **Saw Wah Theng**
at Kuala Lumpur on 18 October 2006)

Before me,

Teong Kian Meng (No. W147)
Commissioner of Oaths

Report of the Auditors

pg 92 to the members of the Gamuda Berhad

We have audited the financial statements set out on pages 93 to 166. These financial statements are the responsibility of the Company's directors.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report.

We conducted our audit in accordance with applicable Approved Standards on Auditing in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion,

- (a) the financial statements have been properly drawn up in accordance with the provisions of the Companies Act, 1965 and applicable MASB Approved Accounting Standards in Malaysia so as to give a true and fair view of:
 - (i) the financial position of the Group and of the Company as at 31 July 2006 and of the results and the cash flows of the Group and of the Company for the year then ended;
 - (ii) the matters required by section 169 of the Companies Act, 1965 to be dealt with in the financial statements; and
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and by its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

We have considered the financial statements and auditors' reports thereon of the subsidiaries of which we have not acted as auditors, as indicated in Note 12 to the financial statements, being financial statements that have been included in the consolidated financial statements.

We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.

The auditors' reports on the financial statements of the subsidiaries were not subject to any qualification material to the consolidated financial statements and did not include any comment required to be made under Section 174(3) of the Act.

Ernst & Young
AF: 0039
Chartered Accountants

George Koshy
No. 1846/07/07(J)
Partner

Kuala Lumpur, Malaysia
18 October 2006

Consolidated Income Statement

for the year ended 31 July 2006 pg 93

	Note	2006 RM'000	2005 RM'000
Revenue	3	1,226,897	1,661,453
Other income		16,248	11,186
Construction contract costs recognised as contract expenses		(613,554)	(895,175)
Land and development costs		(244,824)	(232,469)
Changes in inventory of finished goods and work in progress		(21,092)	(16,693)
Purchases – raw materials		(27,491)	(21,196)
– trading materials		(80,752)	(79,313)
Production overheads		(14,336)	(11,896)
Staff costs	5	(43,481)	(45,569)
Depreciation		(7,262)	(8,820)
Other operating expenses		(57,501)	(57,712)
Profit from operations	4	132,852	303,796
Finance costs	7	(14,917)	(13,963)
Interest income		12,619	17,465
Share of profits of associated companies		147,975	105,364
Profit before taxation		278,529	412,662
Taxation	8	(97,103)	(113,633)
Company and subsidiaries		(51,708)	(78,985)
Associated companies		(45,395)	(34,648)
Profit after taxation		181,426	299,029
Minority interests		(12,868)	(33,251)
Net profit for the year		168,558	265,778
Earnings per share (sen)			
Basic	9	22.39	35.72
Diluted	9	22.28	33.62
Net dividends per ordinary share in respect of the year (sen):			
– Paid		5	5
– Proposed		6	6
		11	11

The accompanying notes form an integral part of the financial statements.

Consolidated Balance Sheet

pg 94 as at 31 July 2006

	Note	2006 RM'000	2005 RM'000
NON-CURRENT ASSETS			
Property, plant and equipment	11	199,459	118,361
Land held for property development	18	451,349	422,575
Motorway development expenditure	19	295,950	192,109
Associated companies	13	1,368,534	1,202,913
Other investments	15	733	3,234
Goodwill arising on consolidation	16	18,458	19,293
Concession rights	17	58,335	60,668
Deferred tax assets	34	12,905	11,315
Receivables	21	28,584	29,293
		2,434,307	2,059,761
CURRENT ASSETS			
Property development costs	18	38,446	93,630
Inventories	20	110,503	32,954
Receivables	21	816,619	727,714
Tax recoverable		45,407	34,605
Cash and bank balances	24	456,855	505,377
		1,467,830	1,394,280
CURRENT LIABILITIES			
Short term borrowings	25	156,202	259,061
Payables	26	573,657	490,983
Provision for liabilities	27	150	3,384
Retirement benefit obligations	29	206	165
Tax payable		29,496	27,533
		759,711	781,126
NET CURRENT ASSETS			
		708,119	613,154
		3,142,426	2,672,915
FINANCED BY:			
Share capital	30	753,232	749,572
Reserves		1,489,537	1,429,290
Shareholders' equity		2,242,769	2,178,862
Minority interests	33	48,583	68,345
		2,291,352	2,247,207
Retirement benefit obligations	29	6,354	5,983
Deferred tax liabilities	34	19,720	19,725
Other long term liabilities	35	825,000	400,000
Non-current liabilities		851,074	425,708
		3,142,426	2,672,915

The accompanying notes form an integral part of the financial statements.

Consolidated Statement of Changes in Equity

for the year ended 31 July 2006 pg 95

Group	Note	Share capital RM'000	Share premium RM'000	Non-distributable Other reserves (Note 31) RM'000	Distributable Retained profits RM'000	Total RM'000
At 1 August 2004		736,788	235,236	76,018	928,661	1,976,703
Exercise of ESOS-2000	30	12,751	36,994	–	–	49,745
Conversion of warrants	30	33	89	–	–	122
Currency translation differences	31	–	–	(827)	–	(827)
Share of capital reserve in an associated company	31	–	–	– *	–	–
Net profit for the year		–	–	–	265,778	265,778
Dividends	10	–	–	–	(112,659)	(112,659)
At 31 July 2005		749,572	272,319	75,191	1,081,780	2,178,862
At 1 August 2005		749,572	272,319	75,191	1,081,780	2,178,862
Exercise of ESOS-2000	30	3,580	9,700	–	–	13,280
Expenses incurred for issuance of ESOS-2006		–	(148)	–	–	(148)
Conversion of warrants	30	80	220	–	–	300
Currency translation differences	31	–	–	(5,623)	–	(5,623)
Share of capital reserve in an associated company	31	–	–	(25,688)	–	(25,688)
Net profit for the year		–	–	–	168,558	168,558
Dividends	10	–	–	–	(86,772)	(86,772)
At 31 July 2006		753,232	282,091	43,880	1,163,566	2,242,769

* The effects of share of capital reserve in an associated company is below RM1,000.

The accompanying notes form an integral part of the financial statements.

Consolidated Cash Flow Statement

pg 96 for the year ended 31 July 2006

	2006 RM'000	2005 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	278,529	412,662
Adjustment for:		
Amortisation of concession rights	2,333	2,333
Amortisation of goodwill on consolidation		
– Subsidiaries	835	835
Depreciation	7,262	8,820
Impairment loss on other investments	3	–
Impairment loss on investment in an associated company	–	1,804
Impairment loss on property, plant & equipment	9,529	–
Property, plant and equipment written off	4	124
Provision for foreseeable losses on low cost apartments	–	4,407
Provision for contracts	10,698	17,757
Provision for doubtful debts	56	291
Reversal of provision for rebates	(2,407)	(870)
Provision for retirement benefits	981	951
(Reversal of provision)/provision for short term accumulating compensated absences	(31)	108
Gain on disposal of property, plant and equipment	(3,277)	(4,031)
Gain on disposal of quoted investments	(2,234)	–
Share of associated companies' profits	(147,975)	(105,364)
Unrealised gain on foreign exchange	(35)	(65)
Write back of provision for doubtful debts	(106)	(249)
Interest income	(12,619)	(17,465)
Interest expense	14,917	13,963
Operating profit before working capital changes	156,463	336,011
Increase in development properties	(49,937)	(1,430)
Increase in inventories	(650)	(847)
Decrease/(increase) in receivables	19,888	(170,599)
Increase/(decrease) in payables	53,443	(44,898)
Cash generated from operations	179,207	118,237
Dividend received from associated companies	77,871	60,187
Income taxes paid	(62,142)	(87,553)
Interest paid	(14,917)	(13,963)
Retirement benefits paid	(569)	(228)
Net cash generated from operating activities	179,450	76,680

Consolidated Cash Flow Statement

for the year ended 31 July 2006 pg 97

	2006 RM'000	2005 RM'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment of motorway development expenditure	(103,841)	(96,212)
Capital repayment from an associated company	48,692	–
Proceeds from disposal of property, plant and equipment	24,000	4,697
Proceeds from disposal of other investments	4,733	–
Advances and deposits for acquisition of land	(96,000)	–
Proceeds from a minority shareholder for issuance of shares in a subsidiary	–	21,638
Acquisition of other investments	(1)	(17)
Interest received	12,619	17,465
Investment in associated companies	(203,891)	(18,121)
Purchase of property, plant and equipment	(133,376)	(21,340)
Net cash used in investing activities	(447,065)	(91,890)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of short term borrowings	55,272	207,033
Drawdown of medium term notes	300,000	–
Drawdown of term loan	125,000	–
Proceeds from conversion of warrants	300	122
Net proceeds from exercise of ESOS	13,132	49,745
Distribution of profit to minority interests of an unincorporated subsidiary	(30,000)	(6,000)
Dividend paid to shareholders	(86,772)	(112,659)
Repayment of short term borrowings	(158,131)	(83,465)
Repayment of lease liabilities	–	(4,164)
Net cash generated from financing activities	218,801	50,612
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(48,814)	35,402
EFFECTS OF EXCHANGE RATE CHANGES	292	(762)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	505,377	470,737
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 24)	456,855	505,377

The accompanying notes form an integral part of the financial statements.

Income Statement

pg 98 for the year ended 31 July 2006

	Note	2006 RM'000	2005 RM'000
Revenue	3	409,799	411,015
Other income		31,366	97,559
Construction contract costs recognised as contract expenses		(257,155)	(263,584)
Staff costs	5	(10,560)	(11,171)
Depreciation		(1,551)	(2,220)
Other operating expenses		(11,599)	(15,916)
Profit from operations	4	160,300	215,683
Finance costs	7	(12,903)	(12,724)
Interest income		11,948	20,061
Profit before taxation		159,345	223,020
Taxation	8	(43,233)	(54,334)
Net profit for the year		116,112	168,686
Net dividends per ordinary share in respect of the year (sen):			
– Paid		5	5
– Proposed		6	6
		11	11

The accompanying notes form an integral part of the financial statements.

Balance Sheet

as at 31 July 2006 pg 99

	Note	2006 RM'000	2005 RM'000
NON-CURRENT ASSETS			
Property, plant and equipment	11	40,492	51,702
Subsidiaries	12	335,835	335,835
Associated companies	13	800,881	633,535
Jointly controlled entities	14	141,000	64,000
Other investments	15	733	735
Deferred tax assets	34	1,279	255
		1,320,220	1,086,062
CURRENT ASSETS			
Receivables	21	233,019	189,404
Due from subsidiaries	23	589,121	707,023
Tax recoverable		35,335	28,010
Cash and bank balances	24	68,833	72,661
		926,308	997,098
CURRENT LIABILITIES			
Short term borrowings	25	83,503	41,667
Payables	26	70,111	85,685
Due to subsidiaries	28	207,313	105,622
Retirement benefit obligations	29	–	43
Tax payable		–	7,861
		360,927	240,878
NET CURRENT ASSETS		565,381	756,220
		1,885,601	1,842,282
FINANCED BY:			
Share capital	30	753,232	749,572
Reserves		730,135	691,023
Shareholders' equity		1,483,367	1,440,595
Retirement benefit obligations	29	2,234	1,687
Other long term liabilities	35	400,000	400,000
Non-current liabilities		402,234	401,687
		1,885,601	1,842,282

The accompanying notes form an integral part of the financial statements.

Statement of Changes in Equity

pg 100 for the year ended 31 July 2006

	Note	Share capital RM'000	Non-distributable Share premium RM'000	Distributable Retained profits RM'000	Total RM'000
At 1 August 2004		736,788	235,236	362,677	1,334,701
Exercise of ESOS-2000	30	12,751	36,994	–	49,745
Conversion of warrants	30	33	89	–	122
Net profit for the year		–	–	168,686	168,686
Dividends	10	–	–	(112,659)	(112,659)
At 31 July 2005		749,572	272,319	418,704	1,440,595
At 1 August 2005		749,572	272,319	418,704	1,440,595
Exercise of ESOS-2000	30	3,580	9,700	–	13,280
Expenses incurred for issuance of ESOS-2006		–	(148)	–	(148)
Conversion of warrants	30	80	220	–	300
Net profit for the year		–	–	116,112	116,112
Dividends	10	–	–	(86,772)	(86,772)
At 31 July 2006		753,232	282,091	448,044	1,483,367

The accompanying notes form an integral part of the financial statements.

Cash Flow Statement

for the year ended 31 July 2006 pg 101

	2006 RM'000	2005 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	159,345	223,020
Adjustment for:		
Depreciation	1,551	2,220
Impairment loss on investment in an associated company	–	1,804
Impairment loss on other investments	3	–
Property, plant and equipment written off	–	77
Impairment loss on property, plant and equipment	9,529	–
Provision for retirement benefits	547	189
Provision for short term accumulating compensated absences	34	179
Gain on disposal of property, plant and equipment	(341)	(1,820)
Interest income	(11,948)	(20,061)
Dividend income	(133,022)	(94,125)
Interest expense	12,903	12,724
Operating profit before working capital changes	38,601	124,207
Decrease/(increase) in due from subsidiaries	39,045	(132,599)
Increase in due to subsidiaries	101,691	35,795
Decrease/(increase) in receivables	93,557	(5,999)
(Decrease)/increase in payables	(50,608)	31,030
Cash generated from operations	222,286	52,434
Dividend received	97,560	73,806
Income taxes paid	(59,443)	(65,548)
Interest paid	(12,903)	(12,724)
Retirement benefits paid	(43)	(19)
Net cash generated from operating activities	247,457	47,949
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	700	2,279
Investment in associated companies	(203,891)	–
Investment in jointly controlled entities	(77,000)	(64,000)
Investment in subsidiary company	–	(204)
Capital repayment from an associated company	48,692	–
Purchase of property, plant and equipment	(229)	(391)
Purchase of other investment	(1)	(17)
Interest received	11,948	20,061
Net cash used in investing activities	(219,781)	(42,272)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown/(repayment) of revolving credit	41,836	(10,555)
Proceeds from conversion of warrants	300	122
Net proceeds from exercise of ESOS	13,132	49,745
Dividend paid to shareholders	(86,772)	(112,659)
Net cash used in financing activities	(31,504)	(73,347)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(3,828)	(67,670)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	72,661	140,331
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 24)	68,833	72,661

The accompanying notes form an integral part of the financial statements.

Notes to the financial Statements

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1. CORPORATE INFORMATION

The principal activities of the Company are that of investment holding and civil engineering construction. The principal activities of the subsidiaries are described in Note 12. There have been no significant changes in the nature of these activities during the financial year.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Board of the Bursa Malaysia Securities Berhad. The registered office and principal place of business of the Company is located at 78, Jalan SS22/21, Damansara Jaya, 47400 Petaling Jaya, Selangor Darul Ehsan.

The number of employees in the Group and in the Company at the end of the financial year were 1,232 (2005: 1,234) and 105 (2005: 103) respectively.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 18 October 2006.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements of the Group and of the Company have been prepared under the historical cost convention unless otherwise indicated in the accounting policies below. The financial statements comply with the provisions of the Companies Act, 1965 and applicable MASB Approved Accounting Standards in Malaysia.

During the financial year ended 31 July 2006, the Group has taken the option of early adoption of FRS 131 Interests in Joint Venture which is effective for financial period beginning 1 January 2006. The effect of adopting FRS 131 is as disclosed in Note 40.

(b) Basis of Consolidation

(i) Subsidiaries

The consolidated financial statements include the financial statements of the Company and all its subsidiaries. Subsidiaries are those companies in which the Group has a long term equity interest and where it has power to exercise control over the financial and operating policies so as to obtain benefits therefrom. A joint venture is deemed to be a subsidiary when the Group has power to exercise control over the financial and operating policies so as to obtain benefits therefrom.

Subsidiaries are consolidated using the acquisition method of accounting. Under the acquisition method of accounting, the results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. The assets and liabilities of the subsidiaries are measured at their fair values at the date of acquisition. The difference between the cost of an acquisition and the fair value of the Group's share of the net assets of the acquired subsidiary at the date of acquisition is included in the consolidated balance sheet as goodwill or reserve arising on consolidation.

Intragroup transactions, balances and resulting unrealised gains are eliminated on consolidation and the consolidated financial statements reflect external transactions only. Unrealised losses are eliminated on consolidation unless costs cannot be recovered.

The gain or loss on disposal of a subsidiary is the difference between net disposal proceeds and the Group's share of its net assets together with any unamortised balance of goodwill and exchange differences.

Minority interests in the consolidated balance sheet consist of the minorities' share of the fair value of the identifiable assets and liabilities of the acquiree as at acquisition date plus the minorities' share of post acquisition reserve in the acquiree's equity since then.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Basis of Consolidation (cont'd)

(ii) Associated Companies

Associated companies are those companies in which the Group has a long term equity interest and where it has significant influence but not control, through participation in the financial and operating policy decisions of the entities.

Investments in associated companies are accounted for in the consolidated financial statements by the equity method of accounting based on the audited or management financial statements of the associated companies. Under the equity method of accounting, the Group's share of profits less losses of associated companies during the financial year is included in the consolidated income statement. The Group's interest in associated companies is carried in the consolidated balance sheet at cost plus the Group's share of post-acquisition reserves.

Unrealised gains on transactions between the Group and the associated companies are eliminated to the extent of the Group's interest in the associated companies. Unrealised losses are eliminated unless cost cannot be recovered.

(iii) Joint Ventures

A jointly controlled entity is a joint venture that involves the establishment of a corporation, partnership or other entity in which the Group has joint control over its economic activity established under a contractual arrangement.

A jointly controlled operation is a joint venture that involves the use of the assets and other resources of the venturers rather than the establishment of a corporation, partnership or other entity, or a financial structure that is separate from the venturers themselves.

The Group recognises its interest in the joint ventures using proportionate consolidation. The Group combines its share of each of the assets, liabilities, income and expenses of the joint ventures with the similar items, line by line, in its consolidated financial statements. The financial statements of the joint ventures are prepared for the same reporting year as the parent company using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The joint ventures are proportionately consolidated until the date on which the Group ceases to have joint control over the joint ventures.

(c) Goodwill

Goodwill represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary, associated company or jointly controlled entity at the date of acquisition.

Goodwill is stated at cost less accumulated amortisation and impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2(r). Goodwill arising on the acquisition of subsidiaries is presented separately in the balance sheet while goodwill arising on the acquisition of associated companies and jointly controlled entities is included within the respective carrying amounts of these investments.

Goodwill is amortised on a systematic basis over its estimated useful life. The amortisation period reflects the best estimate of the period during which future economic benefits are expected to flow to the Group. The estimated useful life of goodwill on the acquisition of subsidiaries and associated companies is 30 years.

Notes to the Financial Statements

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2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Investments in Subsidiaries, Associated Companies and Joint Ventures

The Company's investments in subsidiaries, associated companies and joint ventures are stated at cost less impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2(r).

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is recognised in the income statement.

(e) Property, Plant and Equipment and Depreciation

Property, plant and equipment are stated at cost or valuation less accumulated depreciation and impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2(r).

Freehold land and construction-in-progress are not depreciated. Leasehold land is depreciated over the period of the respective leases. Depreciation of other property, plant and equipment is provided for on a straight line basis to write off the cost or valuation of each asset to its residual value over the estimated useful life, at the following annual rates:

Long term leasehold land and buildings	Over a period of 50 years
Short term leasehold land and buildings	Over a period of 30 years
Buildings on freehold land	2%
Plant, machinery and golf, gym and club house equipment	12% – 33%
Office equipment, furniture and fittings	10% – 33%
Motor vehicles	12% – 25%

Long term and short term leasehold land and buildings and certain freehold land of the Group and of the Company have not been revalued since they were first revalued in 1991. The directors have not adopted a policy of regular revaluation of such assets. As permitted under the transitional provision of IAS 16 (Revised): Property, Plant and Equipment, these assets continue to be stated at their 1991 valuation less accumulated depreciation and impairment losses.

Upon the disposal of an item of property, plant or equipment, the difference between the net disposal proceeds and the net carrying amount is charged or credited to the income statement.

(f) Motorway Development Expenditure

Motorway development expenditure ("MDE") is stated at cost less accumulated amortisation and impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2(r). MDE comprises construction and development expenditure (including interest and fee charges relating to financing of the construction and development of the Motorway) incurred by the Group in connection with the Concession. Upon completion of the construction works of the Motorway and commencement of tolling operations, at each balance sheet date, the cumulative actual expenditure incurred is amortised to the income statement based on the following formula:

$$\left[\begin{array}{l} \text{Cumulative Actual} \\ \text{Toll Revenue to date} \\ \text{Projected Total Toll} \\ \text{Revenue of the Concession} \end{array} \right] \times \left[\begin{array}{l} \text{Cumulative} \\ \text{Actual MDE} \end{array} \right] \text{ Less } \left[\begin{array}{l} \text{Accumulated amortisation} \\ \text{at beginning of the} \\ \text{financial year} \end{array} \right]$$

The projected total toll revenue of the Concession is based on the "base case" traffic volumes projected by an independent professional firm of traffic consultants in a projection study commissioned by the Group, taking account the toll rates as provided in the Concession Agreement.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) Land Held for Property Development and Property Development Costs

(i) Land held for property development

Land held for property development consists of land where no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2(r).

Land held for property development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

(ii) Property development costs

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised in the income statement by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Where the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable will be recoverable, and property development costs on properties sold are recognised as an expense in the period in which they are incurred.

Any expected loss on a development project, including costs to be incurred over the defects liability period, is recognised as an expense immediately.

Property development costs not recognised as an expense are recognised as an asset, which is measured at the lower of cost and net realisable value.

The excess of revenue recognised in the income statement over billings to purchasers is classified as accrued billings within trade receivables and the excess of billings to purchasers over revenue recognised in the income statement is classified as progress billings within trade payables.

(h) Construction Contracts

Where the outcome of a construction contract can be reliably estimated, contract revenue and contract costs are recognised as revenue and expenses respectively by using the stage of completion method. The stage of completion is measured by reference to the proportion of contract costs incurred for work performed to date to the estimated total contract costs.

Where the outcome of a construction contract cannot be reliably estimated, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Notes to the Financial Statements

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2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Construction Contracts (cont'd)

When the total costs incurred on construction contracts plus recognised profits (less recognised losses) exceeds progress billings, the balance is shown as amount due from customers on contracts. When progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as amount due to customers on contracts.

(i) Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is determined using the weighted average cost method. The cost of raw materials includes the cost of purchase and other direct charges. The cost of finished goods and work-in-progress comprise raw materials, direct labour, other direct costs and appropriate proportions of production overheads.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(j) Cash and Cash Equivalents

For the purposes of the cash flow statements, cash and cash equivalents include cash in hand and at bank, deposits at call and short term highly liquid investments which have an insignificant risk of changes in value, net of outstanding bank overdrafts.

(k) Finance leases

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incident to ownership.

Assets acquired by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum lease payments at the inception of the leases, less accumulated depreciation and impairment losses. The corresponding liability is included in the balance sheet as borrowings. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practicable to determine; otherwise, the Company's incremental borrowing rate is used.

Lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised as an expense in the income statement over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

The depreciation policy for leased assets is consistent with that for depreciable property, plant and equipment as described in Note 2(e).

(l) Provisions for Liabilities

Provisions for liabilities are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) Income Tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred tax is provided for, using the liability method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised in the income statement, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or negative goodwill.

(n) Employee Benefits

(i) Short Term Benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined Contribution Plans

As required by law, companies in Malaysia make contributions to the Employees Provident Fund ("EPF"). Some of the Group's foreign subsidiaries make contributions to their respective countries' statutory pension schemes. Such contributions are recognised as an expense in the income statement as incurred.

(iii) Defined Benefit Plans

The Group operates an unfunded Retirement Benefit Scheme ("the Scheme") for its employees.

The Group's obligation under the Scheme are determined based on triennial actuarial valuation where the amount of benefits that employees have earned in return for their services in the current and prior years is estimated.

The Group used the Projected Unit Credit Method in order to determine the present value of its defined benefits obligations and related current service cost and, where applicable, past service cost.

The rate used to discount post-employment benefit obligations is determined by reference to market yields at the balance sheet date.

Notes to the Financial Statements

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2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Employee Benefits (cont'd)

(iv) Equity Compensation Benefits

The Gamuda Berhad Employees' Share Option Scheme ("ESOS") allows the Group's employees to acquire ordinary shares of the Company. No compensation cost or obligation is recognised. When the options are exercised, equity is increased by the amount of the proceeds received.

(o) Concession Rights

Concession rights are attributable to costs incurred which are related to arrangement whereby concession rights is amortised on a straight-line basis over its estimated useful economic life of 30 years. Concession rights is stated at cost less accumulated amortisation and impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2(r).

(p) Revenue Recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the enterprise and the amount of the revenue can be measured reliably.

(i) Construction Contracts

Revenue from construction contracts is accounted for by the stage of completion method as described in Note 2(h).

(ii) Development Properties

Revenue from sale of development properties is accounted for by the stage of completion method in respect of all building units that have been sold. The stage of completion is determined by reference to the costs incurred to date to the total estimated costs where the outcome of the projects can be reliably estimated. All anticipated losses are fully provided for.

(iii) Sale of Goods and Services

Revenue relating to the sale of goods is recognised net of sales taxes and discounts upon the transfer of risks and rewards. Revenue from services rendered is recognised net of service taxes and discount as and when the services are performed.

(iv) Supply of water and related services

Revenue from management, operation and maintenance of dams and water treatment facilities are recognised net of discounts as and when the services are performed.

(v) Interest Income

Interest is recognised on a time proportion basis that reflects the effective yield on the asset.

(vi) Dividend Income

Dividend income is recognised when the right to receive payment is established.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(q) Foreign Currencies

(i) Foreign Currency Transactions

Transactions in foreign currencies are initially recorded in Ringgit Malaysia at rates of exchange ruling at the date of the transaction. At each balance sheet date, foreign currency monetary items are translated into Ringgit Malaysia at exchange rates ruling at the date. Non-monetary items initially denominated in foreign currencies, which are carried at historical cost are translated using the historical rate as of the date of acquisition and non-monetary items which are carried at fair value are translated using the exchange rate that existed when the fair values were determined.

All exchange rate differences are taken to the income statement with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These exchange differences are taken directly to equity until the disposal of the net investment, at which time they are recognised in the income statement.

(ii) Foreign Operations

Where the operations of a foreign company are integral to the operations of the Company, the translation principles described above are applied as if the transactions of the foreign operation has been those of the Company.

(iii) Foreign Entities

Financial statements of foreign consolidated subsidiaries are translated at year-end exchange rates with respect to the assets and liabilities, and at exchange rates at the dates of transactions with respect to the income statement. All resulting translation differences are recognised in equity.

The principal exchange rates used for every unit of foreign currency ruling at the balance sheet date are as follows:

	2006 RM	2005 RM
United States Dollar	3.67	3.78
Singapore Dollar	2.32	2.25
Indian Rupee	0.08	0.09
New Taiwan Dollar	0.11	0.12
Qatari Riyal	1.03	1.03

(r) Impairment of Assets

At each balance sheet date, the Group reviews the carrying amounts of its assets to determine whether there is any indication of impairment. If any such indication exists, impairment is measured by comparing the carrying values of the assets with their recoverable amounts. Recoverable amount is the higher of net selling price and value in use, which is measured by reference to discounted future cash flows.

An impairment loss is recognised as an expense in the income statement immediately, unless the asset is carried at a revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of any unutilised previously recognised revaluation surplus for the same asset. Reversal of impairment losses recognised in prior years is recorded when the impairment losses recognised for the asset no longer exist or have decreased.

Notes to the Financial Statements

pg 110 – 31 July 2006

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(s) Financial Instruments

Financial instruments are recognised in the balance sheet when the Group has become a party to the contractual provisions of the instrument.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual agreement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously. The financial risk management objectives and policies are disclosed in Note 41.

(i) Other Non-Current Investments

Non-current investments other than investments in subsidiaries, associated companies and joint ventures are stated at cost less impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2(r).

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is recognised in the income statement.

(ii) Receivables

Receivables are carried at anticipated realisable values. Bad debts are written off when identified. An estimate is made for doubtful debts based on a review of all outstanding amounts at the balance sheet date.

(iii) Payables

Payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

(iv) Interest-Bearing Borrowings

Interest-bearing bank loans, Redeemable Unsecured Bonds and Al-Muharabah Commercial Paper and Medium Term Notes ("CP/MTN") are recorded at the face value of the loan amount.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

The amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate which is the average of the borrowing costs applicable to the Group's borrowings that are outstanding during the financial year.

All other borrowing costs are recognised as an expense in the income statement in the period in which they are incurred.

(v) Equity Instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

The transaction costs of an equity transaction are accounted for as deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

3. REVENUE

Revenue of the Group and of the Company consists of the following:

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Engineering and construction contracts	676,475	1,132,921	276,777	316,890
Sales of development properties	335,639	322,852	–	–
Quarry sales	18,588	29,620	–	–
Trading of construction materials	85,276	89,052	–	–
Sales of manufactured products	43,381	31,838	–	–
Supply of water and related services	58,973	46,560	–	–
Dividend income	–	–	133,022	94,125
Others	8,565	8,610	–	–
	1,226,897	1,661,453	409,799	411,015

4. PROFIT FROM OPERATIONS

Profit from operations is stated after charging/(crediting):

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Amortisation of concession rights	2,333	2,333	–	–
Amortisation of goodwill on consolidation of subsidiaries	835	835	–	–
Auditors' remuneration				
– Statutory audits	315	266	67	65
– Other services	218	216	83	86
Hire of plant and equipment	1,272	1,626	–	–
Non-executive directors' fees (Note 6)	244	244	244	244
Property, plant and equipment written off	4	124	–	77
Impairment loss on investment in an associated company	–	1,804	–	1,804
Impairment loss on other investments	3	–	3	–
Provision for contracts	10,698	17,757	–	–
Provision for foreseeable losses on low cost apartments	–	4,407	–	–
Provision for doubtful debts	56	291	–	–
Rental expense of land	601	374	51	51
Rental expense of premises	1,734	1,774	591	714
Staff costs (Note 5)	43,481	45,569	10,560	11,171
Impairment loss on property plant and equipment	9,529	–	9,529	–
Appropriation of profits from unincorporated subsidiaries	–	–	(27,454)	(92,099)
Reversal of provision for rebates (Note 27)	(2,407)	(870)	–	–
Gain on disposal of property, plant and equipment	(3,277)	(4,031)	(341)	(1,820)
Gain on disposal of quoted investments	(2,234)	–	–	–
Rental income				
– Subsidiaries	–	–	(640)	(674)
– Others	(589)	(499)	(274)	(205)
Unrealised gain on foreign exchange	(35)	(65)	–	–
Write back of provision for doubtful debts	(106)	(249)	–	–

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5. STAFF COSTS

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Wages and salaries	28,310	29,882	4,331	5,304
Directors' salaries and emoluments (Note 6)	4,607	3,470	4,332	3,201
Short term accumulating compensated absences	(31)	108	34	179
Pension costs-defined contribution plans	3,569	3,711	851	868
Pension costs-defined benefit plan	848	851	414	89
Social security costs	257	226	36	30
Other staff related expenses	5,921	7,321	562	1,500
	43,481	45,569	10,560	11,171

6. DIRECTORS' REMUNERATION

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Directors of the Company				
Executive:				
Salaries and other emoluments	3,718	2,625	3,479	2,392
Bonus	413	413	377	377
Pension costs-defined contribution plans	343	332	343	332
Pension costs-defined benefit plan	133	100	133	100
Benefits-in-kind	159	164	134	149
	4,766	3,634	4,466	3,350
Non-executive:				
Fees	244	244	244	244
Benefits-in-kind	85	11	85	11
	329	255	329	255
Total	5,095	3,889	4,795	3,605

6. DIRECTORS' REMUNERATION (CONT'D)

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Analysis excluding benefits-in-kind:				
Total executive directors' remuneration excluding benefits-in-kind (Note 5)	4,607	3,470	4,332	3,201
Total non-executive directors' remuneration excluding benefits-in-kind (Note 4)	244	244	244	244
Total directors' remuneration excluding benefits-in-kind	4,851	3,714	4,576	3,445

The number of directors of the Company whose total remuneration (including benefits-in-kind) during the year fall within the following bands are:

	Number of Directors	
	2006	2005
Executive directors:		
RM250,001 – RM300,000	1	1
RM350,001 – RM400,000	1	1
RM400,001 – RM450,000	1	1
RM450,001 – RM500,000	2	4
RM550,001 – RM600,000	1	–
RM600,001 – RM650,000	1	1
RM1,350,001 – RM1,400,000	1	–
	8	8
Non-executive directors:		
RM1 – RM50,000	5	5
RM100,001 – RM150,000	1	1
	6	6
Total	14	14

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7. FINANCE COSTS

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Interest expense on				
Redeemable Unsecured Bonds	12,056	12,000	12,056	12,000
Murabahah Commercial Paper				
and Medium Term Notes	15,660	4,180	–	–
Others	4,907	5,317	847	724
	32,623	21,497	12,903	12,724
Less: Amount capitalised in qualifying assets:				
Motorway expenditure (Note 19)	(5,782)	(3,354)	–	–
Property development costs (Note 18)	(10,889)	(4,180)	–	–
Costs of construction contracts (Note 22)	(1,035)	–	–	–
	14,917	13,963	12,903	12,724

8. TAXATION

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Income tax:				
Malaysian income tax	50,659	96,988	46,407	66,051
Under/(over) provided in prior years	2,644	(10,376)	(2,150)	(11,213)
	53,303	86,612	44,257	54,838
Deferred tax (Note 34):				
Relating to origination and reversal				
of temporary differences	(446)	(7,372)	220	(504)
Over provided in prior years	(1,149)	(255)	(1,244)	–
	(1,595)	(7,627)	(1,024)	(504)
Share of taxation for associated companies	45,395	34,648	–	–
	97,103	113,633	43,233	54,334

Domestic income tax is calculated at the Malaysian statutory tax rate of 28% (2005: 28%) of the estimated assessable profit for the year. The corporate tax for Year of Assessment 2006/2005 for companies with paid-up capital of RM2.5 million and below at the beginning of the basis period for the said Year of Assessment are as follows:

Chargeable income	Rate
First RM500,000 (2005: RM500,000)	20%
Amount exceeding RM500,000 (2005: RM500,000)	28%

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

8. TAXATION (CONT'D)

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	2006 RM'000	2005 RM'000
Group		
Profit before taxation	278,529	412,662
Taxation at Malaysian statutory tax rate of 28% (2005: 28%)	77,988	115,545
Tax incentive obtained from differential tax rate of 20%	(285)	(261)
Effect of different tax rates in other countries	(1,482)	(6)
Effect of group unrealised expenses	1,550	(3,084)
Income not subject to tax	(2,320)	(1,883)
Expenses not deductible for tax purposes:		
– Amortisation of goodwill and concession rights	887	887
– Impairment loss	2,668	–
– Others	6,282	7,477
Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	(653)	(235)
Deferred tax assets not recognised in respect of current year's tax losses, unabsorbed capital allowances and other deductible temporary differences	10,973	5,824
Overprovision of deferred tax in prior years	(1,149)	(255)
Under/(over)provision of income tax in prior years	2,644	(10,376)
Tax expense for the year	97,103	113,633
Company		
Profit before taxation	159,345	223,020
Taxation at Malaysian statutory tax rate of 28% (2005: 28%)	44,617	62,446
Income not subject to tax	(1,848)	(1,849)
Expenses not deductible for tax purposes	3,858	4,950
Overprovision of deferred tax in prior year	(1,244)	–
Overprovision of income tax in prior years	(2,150)	(11,213)
Tax expense for the year	43,233	54,334

Tax savings during the financial year arising from:

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Utilisation of current year tax losses	74	–	–	–
Utilisation of previously unrecognised tax losses	557	235	–	–

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9. EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the net profit for the year by the weighted average number of ordinary shares in issue during the financial year.

	2006	2005
Net profit for the year (RM'000)	168,558	265,778
Weighted average number of ordinary shares in issue ('000)	752,846	743,977
Basic earnings per share (sen)	22.39	35.72

(b) Diluted

For the purpose of calculating diluted earnings per share, the net profit for the year and the weighted average number of ordinary shares in issue during the financial year have been adjusted for the effects of dilutive potential ordinary shares from exercise of ESOS and conversion of Warrants. The adjusted weighted average number of ordinary shares is the weighted average number of ordinary shares in issue during the financial year plus the weighted average number of ordinary shares which would be issued on the full conversion of the outstanding ESOS and Warrants into ordinary shares. The ESOS and Warrants are deemed to have been converted into ordinary shares at the date of the issue of the ESOS and Warrants.

	2006	2005
Net profit for the year (RM'000)	168,558	265,778
Weighted average number of ordinary shares in issue ('000)	752,846	743,977
Adjusted for:		
Assumed shares issued from the exercise of ESOS ('000)	3,830	4,433
Assumed shares issued from the conversion of Warrants 1996/2006 ('000)	–	10,844
Assumed shares issued from the conversion of Warrants 2001/2007 ('000)	–	31,304
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	756,676	790,558
Fully diluted earnings per share (sen)	22.28	33.62

The effect on the fully diluted earnings per share arising from the assumed conversion of the outstanding Warrants 1996/2006 and Warrants 2001/2007 at the end of the financial year was anti-dilutive as the exercise price was higher than the fair value of the ordinary shares at the end of the financial year and accordingly, these outstanding warrants have been excluded from the computation of fully diluted earnings per share.

10. DIVIDENDS

	Group and Company			
	Group		Net Dividends per Ordinary Share	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Final dividend paid for financial year 2005, of 9% (2004: 9%) less 28% taxation	48,809	48,155	6	6
Special dividend paid for financial year 2004, of 5% less 28% taxation	–	26,753	–	4
Interim dividend paid for financial year 2006, of 7% (2005: 7%) less 28% taxation	37,963	37,751	5	5
	86,772	112,659		

At the forthcoming Annual General Meeting, a final dividend in respect of the current financial year ended 31 July 2006, of 9% less 28% taxation on 753,232,144 ordinary shares amounting to a dividend payable of RM48,809,443 (6.48 sen per share) will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in the shareholders' equity as an appropriation of retained profits in the financial year ending 31 July 2007.

11. PROPERTY, PLANT AND EQUIPMENT

Group	Land and buildings*	Construction -in-progress	Other property, plant and equipment**	Total
Valuation/Cost	RM'000	RM'000	RM'000	RM'000
At 1 August 2005	51,059	26,103	195,611	272,773
Additions	1,469	1,325	130,582	133,376
Disposals	–	(3,671)	(54,517)	(58,188)
Write-offs	–	–	(1,194)	(1,194)
Impairment loss for the year	–	(9,529)	–	(9,529)
Exchange differences	–	–	(2,291)	(2,291)
At 31 July 2006	52,528	14,228	268,191	334,947
Representing:				
At cost	33,645	14,228	268,191	316,064
At valuation	18,883	–	–	18,883
	52,528	14,228	268,191	334,947

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11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group	Land and buildings* RM'000	Construction -in-progress RM'000	Other property, plant and equipment** RM'000	Total RM'000
Accumulated Depreciation				
At 1 August 2005	9,844	–	144,568	154,412
Charge for the year:				
Recognised in income statement	826	–	6,436	7,262
Capitalised in property development costs (Note 18)	–	–	554	554
Capitalised in construction costs (Note 22)	–	–	12,032	12,032
Disposals	–	–	(37,465)	(37,465)
Write-offs	–	–	(1,190)	(1,190)
Exchange differences	–	–	(117)	(117)
At 31 July 2006	10,670	–	124,818	135,488
Net Book Value				
At 31 July 2006				
At cost	31,036	14,228	143,373	188,637
At valuation	10,822	–	–	10,822
	41,858	14,228	143,373	199,459
At 31 July 2005				
At cost	29,875	26,103	51,043	107,021
At valuation	11,340	–	–	11,340
	41,215	26,103	51,043	118,361
Details at 1 August 2004				
At cost	32,087	26,049	182,882	241,018
At valuation	18,863	–	–	18,863
Accumulated depreciation	9,023	–	135,490	144,513
Depreciation charge for 2005				
Recognised in income statement	821	–	7,999	8,820
Capitalised in development expenditure (Note 18)	–	–	580	580
Capitalised in construction costs (Note 22)	–	–	8,157	8,157

11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

* Land and buildings

Group	Freehold land	Buildings on freehold land	Long term leasehold land	Long term leasehold buildings	Short term leasehold land	Short term leasehold buildings	Total
Valuation/Cost	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 August 2005	19,297	15,239	290	230	15,372	631	51,059
Additions	–	1,449	–	–	–	20	1,469
At 31 July 2006	19,297	16,688	290	230	15,372	651	52,528
Representing:							
At cost	18,105	15,540	–	–	–	–	33,645
At valuation	1,192	1,148	290	230	15,372	651	18,883
Accumulated Depreciation							
At 1 August 2005	–	2,642	75	62	6,868	197	9,844
Charge for the year	–	312	5	4	490	15	826
At 31 July 2006	–	2,954	80	66	7,358	212	10,670
Net Book Value							
At 31 July 2006							
At cost	18,105	12,931	–	–	–	–	31,036
At valuation	1,192	803	210	164	8,014	439	10,822
At 31 July 2005							
At cost	18,105	11,770	–	–	–	–	29,875
At valuation	1,192	827	215	168	8,504	434	11,340
Details at 1 August 2004							
At cost	18,105	13,982	–	–	–	–	32,087
At valuation	1,192	1,148	1,349	674	14,313	187	18,863
Accumulated depreciation	–	2,335	303	158	6,145	82	9,023
Depreciation charge for 2005	–	307	5	4	490	15	821

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11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

** Other property, plant and equipment

Group	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Plant, machinery and golf, gym and club house equipment RM'000	Total RM'000
Cost				
At 1 August 2005	23,440	25,676	146,495	195,611
Additions	6,290	2,818	121,474	130,582
Disposals	(4,768)	(1,329)	(48,420)	(54,517)
Write-offs	–	(833)	(361)	(1,194)
Exchange differences	(97)	(27)	(2,167)	(2,291)
At 31 July 2006	24,865	26,305	217,021	268,191
Accumulated Depreciation				
At 1 August 2005	18,955	20,406	105,207	144,568
Charge for the year:				
Recognised in income statement	1,136	1,691	3,609	6,436
Capitalised in property development costs (Note 18)	107	179	268	554
Capitalised in construction costs (Note 22)	669	713	10,650	12,032
Disposals	(3,869)	(662)	(32,934)	(37,465)
Write-offs	–	(830)	(360)	(1,190)
Exchange differences	(8)	(5)	(104)	(117)
At 31 July 2006	16,990	21,492	86,336	124,818
Net Book Value				
At 31 July 2006	7,875	4,813	130,685	143,373
At 31 July 2005	4,485	5,270	41,288	51,043
Details at 1 August 2004				
At cost	29,718	23,827	129,337	182,882
Accumulated depreciation	22,928	17,758	94,804	135,490

11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

** Other property, plant and equipment

Group	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Plant, machinery and golf, gym and club house equipment RM'000	Total RM'000
Depreciation charge for 2005				
Recognised in income statement	1,893	1,923	4,183	7,999
Capitalised in development expenditure (Note 18)	80	149	351	580
Capitalised in construction costs (Note 22)	240	495	7,422	8,157
<hr/>				
Company	Land and buildings* RM'000	Construction -in-progress RM'000	Other property, plant and equipment** RM'000	Total RM'000
Valuation/Cost				
At 1 August 2005	27,583	22,432	24,818	74,833
Additions	–	–	229 229	
Disposals	–	–	(2,709)	(2,709)
Write-offs	–	–	(868)	(868)
Impairment loss for the year	–	(9,529)	–	(9,529)
At 31 July 2006	27,583	12,903	21,470	61,956
<hr/>				
Representing:				
At cost	24,180	12,903	21,470	58,553
At valuation	3,403	–	–	3,403
	27,583	12,903	21,470	61,956
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Notes to the Financial Statements

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11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	Land and buildings*	Construction -in-progress	Other property, plant and equipment**	Total
Valuation/Cost	RM'000	RM'000	RM'000	RM'000
Accumulated Depreciation				
At 1 August 2005	1,948	–	21,183	23,131
Charge for the year	239	–	1,312	1,551
Disposals	–	–	(2,350)	(2,350)
Write-offs	–	–	(868)	(868)
At 31 July 2006	2,187	–	19,277	21,464
Net Book Value				
At 31 July 2006				
At cost	22,707	12,903	2,193	37,803
At valuation	2,689	–	–	2,689
	25,396	12,903	2,193	40,492
At 31 July 2005				
At cost	22,898	22,432	3,635	48,965
At valuation	2,737	–	–	2,737
	25,635	22,432	3,635	51,702
Details at 1 August 2004				
At cost	24,071	22,378	31,080	77,529
At valuation	3,403	–	–	3,403
Accumulated depreciation	1,709	–	25,156	26,865
Depreciation charge for 2005	239	–	1,981	2,220

11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

* Land and buildings

Group	Freehold land	Buildings on freehold land	Long term leasehold land	Long term leasehold buildings	Short term leasehold land	Short term leasehold buildings	Total
Valuation/Cost	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 August 2005/ 31 July 2006	15,352	10,468	145	115	1,059	444	27,583
Representing:							
At cost	14,572	9,608	–	–	–	–	24,180
At valuation	780	860	145	115	1,059	444	3,403
Accumulated Depreciation							
At 1 August 2005	–	1,522	34	32	251	109	1,948
Charge for the year	–	208	2	2	18	9	239
At 31 July 2006	–	1,730	36	34	269	118	2,187
Net Book Value							
At 31 July 2006							
At cost	14,572	8,135	–	–	–	–	22,707
At valuation	780	603	109	81	790	326	2,689
At 31 July 2005							
At cost	14,572	8,326	–	–	–	–	22,898
At valuation	780	620	111	83	808	335	2,737
Details at 1 August 2004							
At cost	14,572	9,499	–	–	–	–	24,071
At valuation	780	860	1,204	559	–	–	3,403
Accumulated depreciation	–	1,314	265	130	–	–	1,709
Depreciation charge for 2005	–	208	2	2	18	9	239

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11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

** Other property, plant and equipment

Company	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Plant, machinery and equipment RM'000	Total RM'000
Cost				
At 1 August 2005	9,022	12,315	3,481	24,818
Additions	101	128	–	229
Disposals	(2,258)	(128)	(323)	(2,709)
Write-offs	–	(514)	(354)	(868)
At 31 July 2006	6,865	11,801	2,804	21,470
Accumulated Depreciation				
At 1 August 2005	6,946	10,779	3,458	21,183
Charge for the year	591	702	19	1,312
Disposals	(1,914)	(116)	(320)	(2,350)
Write-offs	–	(513)	(355)	(868)
At 31 July 2006	5,623	10,852	2,802	19,277
Net Book Value				
At 31 July 2006	1,242	949	2	2,193
At 31 July 2005	2,076	1,536	23	3,635
Details at 1 August 2004				
At cost	14,991	12,499	3,590	31,080
Accumulated depreciation	11,434	10,257	3,465	25,156
Depreciation charge for 2005	959	922	100	1,981

11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (a) Details of independent professional valuation of land and buildings owned by the Group at 31 July 2006 which were revalued in 1991 using the open market value basis are as follows:

Long term and short term leasehold land and buildings:

Description of property	Leases expiring in	Amount RM'000
Long term leasehold land and building at Jalan Gopeng, Ipoh, Perak Darul Ridzuan	2078	260
Long term leasehold land and building at Jalan Gopeng, Ipoh, Perak Darul Ridzuan	2078	260
Short term leasehold land and building at Jelapang, Ipoh, Perak Darul Ridzuan	2043	592
Short term leasehold land and building at Jelapang, Ipoh, Perak Darul Ridzuan	2050	911
Short term leasehold quarryland and building at Kuala Dipang, Perak Darul Ridzuan	2022	14,500
		16,523

Freehold land and buildings:

Description of property	Amount RM'000
Freehold land and building at Petaling Jaya, Selangor Darul Ehsan	1,240
Freehold land and building at Petaling Jaya, Selangor Darul Ehsan	400
Freehold land at Petaling Jaya, Selangor Darul Ehsan	412
Building at Petaling Jaya, Selangor Darul Ehsan	288
	2,340

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11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (b) Included in property, plant and equipment of the Group and the Company are fully depreciated property, plant and equipment which are still in use costing RM76,327,000 (2005: RM74,548,000) and RM12,166,000 (2005: RM12,487,000) respectively.
- (c) Had the revalued land and buildings been carried at historical cost less accumulated depreciation, the net book value of the land and buildings that would have been included in the financial statements of the Group and of the Company are as follows:

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Freehold land and buildings	1,377	1,420	1,009	1,039
Long term leasehold land and buildings	833	861	656	679
Short term leasehold land and building	114	121	–	–

12. SUBSIDIARIES

	2006 RM'000	2005 RM'000
Unquoted shares, at cost	352,125	352,125
Less: Accumulated impairment losses	(16,290)	(16,290)
	335,835	335,835

Name of Company	Paid-up Capital RM	Effective Interests		Principal Activities
		2006 %	2005 %	
Subsidiaries incorporated in Malaysia				
Gammau Construction Sdn. Bhd.	6,000,000	100	100	Dormant
Gamuda Engineering Sdn. Bhd.	770,000	100	100	Civil engineering and construction
Megah Landscape Sdn. Bhd.	500,000	100	100	Supply of landscaping materials and provision of landscaping services
Gamuda Land Sdn. Bhd.	2	100	100	Dormant
Gamuda Paper Industries Sdn. Bhd.	18,000,000	95	95	Rental of properties
GPI Trading Sdn. Bhd.	2	95	95	Ceased operations
Gamuda Trading Sdn. Bhd.	109,000	100	100	Trading of construction materials
Gamuda Water Sdn. Bhd.	2,000,000	80	80	Operation and maintenance of water treatment plants

12. SUBSIDIARIES (CONT'D)

Name of Company	Paid-up Capital RM	Effective 2006 %	Interests 2005 %	Principal Activities
Subsidiaries incorporated in Malaysia				
G.B. Kuari Sdn. Bhd.	750,000	100	100	Operation of quarry, laying of road and manufacture of premix
Ganaz Bina Sdn. Bhd.	3,000,000	100	100	Civil engineering and construction
GIT Services Sdn. Bhd.	100,000	100	100	Information technology services and trading
Hala Bayu (M) Sdn. Bhd. ^	2	100	–	Property investment and development
Harum Intisari Sdn. Bhd.	6,450,000	100	100	Property investment and development
Bandar Botanic Resort Berhad	1,000,000	100	100	Dormant
Botanic Property Services Sdn. Bhd.	2	100	100	Property maintenance services
Masterpave Sdn. Bhd.	2,500,000	100	100	Manufacture, supply and laying of road surfacing materials
Megah Capital Sdn. Bhd.	2	100	100	Investment holding and trading
Megah Management Services Sdn. Bhd.	50,000	100	100	Insurance agency
Megah Sewa Sdn. Bhd.	100,002	100	100	Hire and rental of plant and machinery
Valencia Development Sdn. Bhd.	5,370,000	99	99	Property development
Valencia Township Sdn. Bhd.	2	99	99	Management of township and golf club and related maintenance services
Rebung Property Services Sdn. Bhd.* ^	2	99	–	Property maintenance services
Reka Strategi Sdn. Bhd.*	2	100	100	Dormant
Idaman Lantas Sdn. Bhd.*	2	100	100	Dormant
Setara Hati Sdn. Bhd.*	2	100	100	Dormant

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12. SUBSIDIARIES (CONT'D)

Name of Company	Paid-up Capital	Effective 2006 %	Interests 2005 %	Principal Activities
Subsidiary incorporated in British Virgin Islands				
Gamuda Overseas Investment Ltd.	US\$100,000	100	100	Investment holding
Subsidiary incorporated in Mauritius				
Gamuda (Offshore) Private Limited *	US\$1,000	100	100	Investment holding
Subsidiary incorporated in India				
Gamuda (India) Private Limited *	Rps100,000	100	100	Dormant
Held by Gamuda (Offshore) Private Limited:				
Gamuda – WCT (India) Private Limited *	Rps100,000	70	70	Civil engineering and construction
Subsidiary incorporated in the Kingdom of Bahrain				
Gamuda (Bahrain) W.L.L *	BD20,000	99.5	99.5	Civil engineering and construction
Unincorporated subsidiaries				
Gamuda Berhad – Kumpulajn Darul Ehsan Berhad – The Sweet Water Alliance Sdn. Bhd. Joint Venture ("GKTJV")	–	70	70	Civil engineering and construction
Gamuda Berhad – Mujur Minat Sdn. Bhd. Joint Venture ("GMMJV")	–	70	70	Civil engineering and construction

* Audited by firms of auditors other than Ernst & Young, Malaysia

^ Newly acquired subsidiary during the year

The details of the unincorporated subsidiaries are as follows:

Entity	Joint venture partners	Economic activity
GKTJV	Gamuda Berhad, Kumpulan Darul Ehsan Berhad and The Sweet Water Alliance Sdn. Bhd.	To undertake civil engineering construction of the dam and water treatment facilities of Sungai Selangor Water Supply Scheme Phase 3
GMMJV	Gamuda Berhad and Mujur Minat Sdn. Bhd.	To undertake civil engineering construction of the Western Kuala Lumpur Traffic Dispersal Scheme

Both GKTJV and GMMJV are unincorporated joint ventures formed under a contractual agreement. Pursuant to FRS 131: Financial Reporting of Interests in Joint Ventures, both GKTJV and GMMJV are deemed to be the subsidiaries of Gamuda Berhad by virtue of its power to exercise control over the financial and operating policies of the economic activities of these entities.

12. SUBSIDIARIES (CONT'D)

Acquisition of Shares in Subsidiary Companies

On 14 April 2006, Gamuda Berhad, subscribed for the entire issued and paid-up share capital of Hala Bayu (M) Sdn. Bhd. comprising 2 ordinary shares of RM1.00 each for a cash consideration of RM2.00.

On 14 April 2006, Valencia Development Sdn. Bhd., a 98.8% owned subsidiary of Gamuda Berhad, subscribed for the entire issued and paid-up share capital of Rebung Property Services Sdn. Bhd. comprising 2 ordinary shares of RM1.00 each for a cash consideration of RM2.00.

There have been no effect of the acquisitions of ordinary shares in Hala Bayu (M) Sdn. Bhd. and Rebung Property Services Sdn. Bhd. on the financial results of the Group from the date of acquisitions to 31 July 2006 because the results of external transactions are immaterial.

13. ASSOCIATED COMPANIES

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Unquoted shares, in Malaysia:				
At cost:				
– Ordinary shares	142,185	125,185	142,185	125,185
– Redeemable preference shares	547,625	399,215	547,625	399,215
	689,810	524,400	689,810	524,400
Group's share of post-acquisition reserves	157,663	173,338	–	–
Less: Accumulated impairment loss	(28,235)	(28,235)	(69,885)	(69,885)
	819,238	669,503	619,925	454,515
Unquoted shares, outside Malaysia:				
At cost:				
– Ordinary shares	11	11	–	–
– Redeemable preference shares	183,134	183,880	–	–
	183,145	183,891	–	–
Group's share of post-acquisition reserves	19,183	1,483	–	–
	202,328	185,374	–	–
	1,021,566	854,877	619,925	454,515
Quoted shares, in Malaysia:				
At cost:				
– Ordinary shares	229,648	179,020	229,648	179,020
Group's share of post-acquisition capital reserves	50,129	75,817	–	–
Group's share of post-acquisition profits, net of dividends receivable	115,883	93,199	–	–
Capital repayment	(48,692)	–	(48,692)	–
	346,968	348,036	180,956	179,020
	1,368,534	1,202,913	800,881	633,535
Market value:				
Quoted shares, in Malaysia	478,728	445,464	478,728	445,464

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13. ASSOCIATED COMPANIES (CONT'D)

The Group's interests in the associated companies are analysed as follows:

	2006 RM'000	2005 RM'000
Unquoted shares, in Malaysia and outside Malaysia		
– Share of net assets	977,355	854,877
– Goodwill on acquisition	44,211	–
Quoted shares, in Malaysia		
– Share of net assets	346,968	348,036
	1,368,534	1,202,913

Details of the associated companies are as follows:

Name of Company	Paid-up Capital RM	Effective 2006 %	Interest 2005 %	Principal Activities
Associated companies incorporated in Malaysia				
Dyna Plastics Sdn. Bhd.	48,001,720	41	41	Ceased operations
Syarikat Pengeluar Air Selangor Holdings Berhad	172,300,000	40	30	Investment holding and provision of management services
Syarikat Pengeluar Air Sungai Selangor Sdn. Bhd	50,000,001	40	30	Concession holder of Sungai Selangor Water Supply Scheme Phases 1 and 3
Hicom-Gamuda Development Sdn. Bhd.	6,053,004	50	50	Property development
Danau Permai Resort Berhad	5,500,000	50	50	Owner and operator of a golf club
Kota Kemuning Nursery & Landscaping Sdn. Bhd.	800,000	50	50	Supply of landscaping materials and provision of landscaping services
HGD Property Services Sdn. Bhd.	2	50	50	Property maintenance services
HGD Properties Sdn. Bhd.	2	50	50	Dormant
Kesas Holdings Berhad	470,914,840	30	30	Investment holding
Kesas Sdn. Bhd.	5,000,000	30	30	Concession holder of an expressway

13. ASSOCIATED COMPANIES (CONT'D)

Name of Company	Paid-up Capital RM	Effective 2006 %	Interest 2005 %	Principal Activities
Associated companies incorporated in Malaysia				
Lingkar Trans Kota Holdings Berhad (Quoted shares in Malaysia)	487,004,618	42	38	Investment holding and provision of management services
Lingkar Trans Kota Sdn. Bhd	50,000,000	42	38	Concession holder of an expressway
Penyenggaraan Litrak Sdn. Bhd.	2	42	38	Highway maintenance
Sukma Sinaran Sdn. Bhd.	2	42	38	Investment holding
Litrak Sdn. Bhd.	2	42	38	Dormant
Semarak Zaman Sdn. Bhd.	2	42	38	Dormant
Midawasa Sdn. Bhd.	1,000	42	38	Dormant
Madang Permai Sdn. Bhd.	5,000,000	36	36	Concession holder of an expressway
Sistem Penyuraian Trafik KL Barat Holdings Sdn. Bhd.	11,540,000	51	49	Investment holding
Sistem Penyuraian Trafik KL Barat Sdn. Bhd.	50,000,000	51	49	Concession holder of an expressway
Held by Kesas Holdings Berhad, Lingkar Trans Kota Holdings Berhad and Sistem Penyuraian Trafik KL Barat Holdings Sdn. Bhd.				
ETC Links Sdn. Bhd.	600,003	41	39	Rental of software and related equipment
Associated companies incorporated in Mauritius				
Held by Gamuda (Offshore) Private Limited:				
Suria Holding (O) Pvt. Ltd.	US\$13,909,096	50	50	Investment holding
Gamuda - WCT (Offshore) Private Limited	US\$13,484,429	50	50	Investment holding

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13. ASSOCIATED COMPANIES (CONT'D)

Name of Company	Paid-up Capital	Effective Interest 2006 %	2005 %	Principal Activities
Associated companies incorporated in India				
Held by Suria Holding (O) Pvt. Ltd.:				
Emas Expressway Private Limited	Rps1,008,840,570	50	50	Concession holder of an expressway
Held by Gamuda – WCT (Offshore) Private Limited:				
Mapex Infrastructure Private Limited	Rps1,695,999,270	50	50	Concession holder of an expressway

During the financial year, the Group acquired an additional 10% equity interest in Syarikat Pengeluar Air Selangor Holdings Berhad for a total cash consideration of RM135,000,000 and 4% equity interest in Lingkaran Trans Kota Holdings Berhad for a total cash consideration of RM50,628,000.

14. JOINTLY CONTROLLED ENTITIES

	2006 RM'000	2005 RM'000
Unquoted shares, at cost	141,000	64,000

Details of the jointly controlled entities are as follows:

Name of Jointly Controlled Entities	Effective Interest 2006 %	2005 %	Economic activity
Unincorporated in Malaysia			
Malaysia Mining Corporation Berhad – Gamuda Berhad Joint Venture ("MMC - Gamuda JV")	50	50	To undertake engineering, procurement and construction of an integrated Bypass Tunnel cum Motorway in Kuala Lumpur
Incorporated in Malaysia			
Projek Smart Holdings Sdn. Bhd.	50	50	Investment holding
Syarikat Mengurus Air Banjir & Terowong Sdn. Bhd.	50	50	Undertake, carry out and implement integrated Bypass Tunnel cum Motorway in Kuala Lumpur

14. JOINTLY CONTROLLED ENTITIES (CONT'D)

Name of Jointly Controlled Entities	Effective Interest		Economic activity
	2006 %	2005 %	
Unincorporated in Taiwan			
New Asia Construction & Development Corporation – Gamuda Berhad Joint Venture ("New Asia – Gamuda JV")	50	50	To undertake civil engineering construction of the Orange Line Package CO4 of the Kaohsiung Metropolitan Mass Rapid Transit System in Kaohsiung, Taiwan, Republic of China.
Unincorporated in Qatar			
Sinohydro Corporation – Gamuda Berhad - WCT Engineering Berhad Joint Venture ("Sinohydro – Gamuda - WCT JV")	51	51	To design and construct the airfield facilities, tunnel and detention ponds of the New Doha International Airport in the State of Qatar.
Gamuda Berhad - WCT Engineering Berhad Joint Venture ("Gamuda – WCT JV")	51	51	To undertake civil engineering construction of a new highway from the town of Shahaniya to the existing Zekreet interchange near the Dukhan industrial area in the State of Qatar.
Incorporated in Malaysia			
Arapesona Development Sdn. Bhd.	50	50	To undertake and carry out a mixed development mainly for residential purposes and a golf club in Johor Darul Takzim.

The Group's aggregate share of the income, expenses, assets and liabilities of the jointly controlled entities at 31 July and for the years then ended, which are included in the consolidated financial statements are as follows:

	2006 RM'000	2005 RM'000
Revenue	202,722	121,650
Expenses, net	219,409	109,987
Non-current assets	449,469	138,106
Current assets	123,118	59,415
Current liabilities	(302,759)	(174,426)
Non-current liabilities	(125,000)	–
Net assets	144,828	23,095

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15. OTHER INVESTMENTS

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
At cost				
Quoted shares, in Malaysia	3	3,433	3	3
Unquoted shares, in Malaysia	50	97	50	50
Investment in transferable club memberships	683	682	683	682
	736	4,212	736	735
Accumulated impairment loss of investment in quoted shares, in Malaysia	(3)	(978)	(3)	–
	733	3,234	733	735
Market value				
Quoted shares, in Malaysia	–	4,813	–	9

16. GOODWILL ARISING ON CONSOLIDATION

	Group	
	2006 RM'000	2005 RM'000
Goodwill arising on consolidation	25,048	25,048
Less: Accumulated amortisation	(6,590)	(5,755)
	18,458	19,293

The goodwill on consolidation is attributable to the acquisition of G.B. Kuari Sdn. Bhd. and Gamuda Water Sdn. Bhd. The goodwill is amortised over a period of 30 years in line with the lease period of the quarry which is the principal asset of G.B. Kuari Sdn. Bhd. and the concession period of Gamuda Water Sdn. Bhd.'s water treatment rights respectively.

17. CONCESSION RIGHTS

	Group	
	2006 RM'000	2005 RM'000
Concession rights	70,000	70,000
Less: Accumulated amortisation	(11,665)	(9,332)
	58,335	60,668

The concession rights is attributable to the acquisition of a subsidiary, Gamuda Water Sdn. Bhd., which has been granted the rights to operate and maintain the water treatment plants of Sungai Selangor Water Supply Scheme Phase 3 for a period of 30 years.

18. LAND HELD FOR PROPERTY DEVELOPMENT AND PROPERTY DEVELOPMENT COSTS

(a) Land held for property development

Group	Freehold land RM'000	Leasehold land RM'000	Development expenditure RM'000	Total RM'000
Cost				
At 1 August 2004	215,388	40,863	214,816	471,067
Transfer to property development costs	(12,930)	(10,914)	(24,648)	(48,492)
At 31 July 2005	202,458	29,949	190,168	422,575
Cost				
At 1 August 2005	202,458	29,949	190,168	422,575
Additions	–	–	70,033	70,033
Transfer to property development costs	(37,324)	(3,935)	–	(41,259)
At 31 July 2006	165,134	26,014	260,201	451,349

(b) Property development costs

	Group	
	2006 RM'000	2005 RM'000
At the beginning of year		
Freehold land	251,906	238,976
Leasehold land	29,591	18,677
Development costs	930,606	671,479
	1,212,103	929,132
Costs incurred during the year		
Development costs	215,799	234,479
	215,799	234,479
Accumulated costs reversed during the year in respect of completed projects		
Freehold land	(91,781)	–
Leasehold land	(2,978)	–
Development costs	(377,041)	–
	(471,800)	–
Costs recognised in income statement		
At the beginning of year	(1,092,240)	(859,771)
Recognised during the year	(244,824)	(232,469)
Accumulated costs reversed during the year in respect of completed projects	471,800	–
At the end of year	(865,264)	(1,092,240)
Transfers		
From land held for property development	41,259	48,492
To inventories	(93,651)	(26,233)
	(52,392)	22,259
Property development costs at the end of year	38,446	93,630

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18. LAND HELD FOR PROPERTY DEVELOPMENT AND PROPERTY DEVELOPMENT COSTS (CONT'D)

Included in development costs incurred during the year are:

	Group	
	2006 RM'000	2005 RM'000
Interest expense (Note 7)	10,889	4,180
Depreciation (Note 11)	554	580
Staff costs	6,479	3,987

19. MOTORWAY DEVELOPMENT EXPENDITURE

	Group	
	2006 RM'000	2005 RM'000
At the beginning of year	192,109	95,897
Additions	103,841	96,212
At the end of year	295,950	192,109

Borrowing costs capitalised during the financial year under motorway development expenditure of the Group amounted to RM5,782,035 (2005: RM3,353,966).

20. INVENTORIES

	Group	
	2006 RM'000	2005 RM'000
At cost:		
Raw materials	603	151
Finished goods	3,195	2,837
Crusher run and aggregates	2,261	2,247
Consumable stores and spares	1,231	1,486
Property held for sale	103,213	26,233
	110,503	32,954

21. RECEIVABLES

Receivables of the Group and Company are analysed as follows:

		Group		Company	
		2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Current	(a)	816,619	727,714	233,019	189,404
Non-current	(b)	28,584	29,293	–	–
		845,203	757,007	233,019	189,404

21. RECEIVABLES (CONT'D)

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
(a) Trade receivables				
Trade receivables	326,331	301,624	1,075	127
Joint ventures	48,201	1,672	130,847	103,744
Associated companies	48,676	68,682	14	–
Retention sums	32,709	35,271	–	–
Accrued billing	5,633	1,292	–	–
Due from customers on contracts (Note 22)	69,065	116,385	–	–
	530,615	524,926	131,936	103,871
Less: Provision for doubtful debts	(493)	(543)	–	–
	530,122	524,383	131,936	103,871
Other receivables				
Joint ventures	566	9,688	67,888	29,396
Associated companies	86,507	80,617	485	30,157
Deposits and prepayments	107,864	7,011	609	32
Sundry receivables	91,560	106,015	32,101	25,948
	286,497	203,331	101,083	85,533
	816,619	727,714	233,019	189,404

Included in the trade receivables, is an amount due from the Government of Malaysia ("GOM") on construction contract of the Stormwater Channel and Motorway Works as follows:

	Group	
	2006 RM'000	2005 RM'000
Amount due from the Government on:		
– Progress billings on construction contract	504,082	350,893
– Land acquisition costs	38,478	38,478
	542,560	389,371
Interest receivable	41,568	14,030
Total amount due from the Government	584,128	403,401
(Off set with): – SMARTSB MTN	(500,483)	(347,613)
– Interest payable on SMARTSB MTN	(41,568)	(14,030)
	42,077	41,758

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21. RECEIVABLES (CONT'D)

(a) Trade receivables (cont'd)

To acknowledge its debts due, the GOM shall, from time to time, issue a Facility Payment Certificate ("FPC"), in which a jointly controlled entity, Syarikat Mengurus Air Banjir & Terowong Sdn. Bhd. ("SMARTSB") can sell, assign or transfer to another person (provided that the GOM has consented to such sale, assignment or transfer and received notice of the same). As part of the terms of the FPC, the GOM unconditionally and irrevocably agree and undertake to pay SMARTSB or, if the FPC has been sold, transferred or assigned to another person, to such person, the Net Amount Due as stated in the FPC. The Net Amount Due shall upon assignment, transfer or sale be conclusive evidence of a debt due and payable by the GOM to the assignee and payment of monies under the FPC shall be made without deduction, set-off or adjustments on any account.

On 4 August 2004, SMARTSB entered into an agreement with the Primary Subscriber to issue Medium Term Notes ("SMARTSB MTN") to finance the construction and land acquisition costs relating to the Stormwater Channel. The SMARTSB MTN is to be issued from time to time upon terms and conditions as agreed with the Primary Subscriber, and upon the assignment of all SMARTSB's rights, interests, title and benefits in and to each of the FPC mentioned above to the Primary Subscriber. The SMARTSB MTN is a zero coupon note and is to be issued at a discount by SMARTSB.

The security arrangement in connection with the SMARTSB MTN are as follows:

- (a) Fixed and floating charge over all the assets and property of SMARTSB in relation to the Stormwater Channel Project.
- (b) An assignment of SMARTSB's rights, interests, title and benefits in and to each FPC and acknowledgement of the GOM to such assignment of FPC linked to the issuance of SMARTSB MTN.

As at the balance sheet date, SMARTSB has issued SMARTSB MTN with a nominal amount of RM649,694,000 (2005: RM448,211,000). The net proceeds received from the issuance of SMARTSB MTN have been used to off set against the amount due from the GOM.

The breakdown of SMARTSB MTN issued are as follows:

	Group	
	2006 RM'000	2005 RM'000
Principal amount:		
– Construction costs	462,005	309,135
– Land acquisition costs	38,478	38,478
Total off set against trade receivable	500,483	347,613
Yield to maturity	149,211	100,598
Nominal value	649,694	448,211

21. RECEIVABLES (CONT'D)

(a) Trade receivables (cont'd)

The Group's and the Company's normal trade credit term ranges from 14 to 90 days (2005: 14 to 90 days). Other credit terms are assessed and approved on a case-by-case basis.

Included in deposits and prepayments of other receivables is an amount of RM96 million relating to the deposits and advances paid in respect of the purchase of freehold land during the year as described in Note 39(i)(b).

The non-trade amount due from joint ventures is in respect of advances for construction contracts and the amount is unsecured, interest free and repayable through contra with future progress billings.

The non-trade amounts due from associated companies are unsecured, interest free and have no fixed terms of repayment.

The Group and the Company have no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors.

- (b) The non-current portion represents amount due from an associated company to a subsidiary of the Group, in respect of the supply of bulk quantity of treated water supplied to the associated company. The amount is repayable in ten annual instalments commencing December 2006.

22. AMOUNT DUE FROM/(TO) CUSTOMERS ON CONTRACTS

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Construction contract costs incurred to date	5,255,030	3,035,900	1,902,811	565,566
Recognised profits less recognised losses	797,584	334,232	185,115	93,009
Progress billings received and receivable	(6,056,518)	(3,406,004)	(2,101,529)	(658,575)
	(3,904)	(35,872)	(13,603)	–
Represented by:				
Due from customers on contracts (Note 21)	69,065	116,385	–	–
Due to customers on contracts (Note 26)	(72,969)	(152,257)	(13,603)	–
	(3,904)	(35,872)	(13,603)	–
Included in the amount due from/ (to) customers on contracts are:				
Construction contract costs incurred during the year	753,499	869,885	257,155	263,584

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22. AMOUNT DUE FROM/(TO) CUSTOMERS ON CONTRACTS (CONT'D)

The costs incurred to date on construction contracts include the following charges made during the financial year:

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Interest expense (Note 7)	1,035	–	–	–
Depreciation (Note 11)	12,032	8,157	–	–
Staff costs	34,297	22,467	–	–
Hire of plant and equipment	41,502	20,005	–	–
Rental of premises	44	155	–	–

23. DUE FROM SUBSIDIARIES

	Company	
	2006 RM'000	2005 RM'000
Due from subsidiaries		
– trade	72,202	122,272
– non-trade	516,919	584,751
	589,121	707,023

Included in amount due from subsidiaries is an amount due from an unincorporated subsidiary of RM27,454,000 (2005: RM109,533,000).

The trade amounts due from subsidiaries have a normal credit term which ranges from 30 to 90 days (2005: 30 to 90 days).

The non-trade amounts due from subsidiaries are unsecured, interest free and have no fixed terms of repayment except for an advance of RM82,405,000 (2005: RM287,857,000) given to subsidiaries which bore interest of 6.0% to 7.0% (2005: 6.0% to 7.0%) per annum.

24. CASH AND BANK BALANCES

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Cash in hand and at banks	214,382	176,016	13,164	20,357
Deposits with licensed banks	216,302	154,812	34,610	16,189
Deposits with discount houses	26,171	174,549	21,059	36,115
	456,855	505,377	68,833	72,661

Included in cash at banks of the Group is an amount of RM165,084,000 (2005: RM134,711,000) which are Housing Development Accounts held pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966 and therefore restricted from use in other operations.

24. CASH AND BANK BALANCES (CONT'D)

The range of interest rates (per annum) as at balance sheet date were as follows:

	Group		Company	
	2006 %	2005 %	2006 %	2005 %
Licensed banks	1.5 – 3.7	1.8 – 3.1	1.5 – 3.7	1.5 – 3.1
Discount houses	2.6 – 3.4	2.6 – 2.8	2.6 – 3.4	2.6 – 2.8

The range of maturities of deposits as at balance sheet date were as follows:

	Group		Company	
	2006 Days	2005 Days	2006 Days	2005 Days
Licensed banks	1 – 365	1 – 365	1 – 90	1 – 90
Discount houses	1 – 35	1 – 33	1 – 35	1 – 33

25. SHORT TERM BORROWINGS

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Secured:				
Short term loan (a)	–	53,851	–	–
Revolving credits (b)	82,259	–	41,281	–
Unsecured:				
Revolving credits	73,943	205,210	42,222	41,667
	156,202	259,061	83,503	41,667

(a) Short term loan

Short term loan amounting to RM53,851,000 drawdown by the wholly-owned subsidiary, Harum Intisari Sdn. Bhd. ("HISB"), is guaranteed by the Company and an undertaking from HISB that the proceeds from the proposed issue of up to RM300 million Al Murabahah Commercial Papers and Medium Term Notes ("CP/MTN") to refinance its existing debts, shareholder's advances and / or any securities issued by the Company. This short term loan has been fully repaid during the current financial year.

(b) Revolving credits – Secured

- (i) Revolving credits of RM40,979,000 was drawdown during the financial year by a jointly controlled entity, MMC - Gamuda JV and is secured against an assignment of contract proceeds between another jointly controlled entity, Syarikat Mengurus Air Banjir & Terowong Sdn Bhd ("SMARTSB") and MMC - Gamuda JV via irrevocable letter of instruction to SMARTSB to remit all proceeds to MMC - Gamuda JV's escrow account and is also secured by all insurance policies on the project. The revolving credit is repayable in full on 31 December 2006.

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25. SHORT TERM BORROWINGS (CONT'D)

- (ii) A syndicated revolving credit facility ("SRC") of RM41,281,000 (USD11,220,000) was drawdown during the financial year by Gamuda Berhad under the syndicated facilities agreement dated 5 December 2005.

The SRC is secured by assignment of contract proceeds and monies in relevant account of Gamuda Berhad to the construction contract dated 25 July 2006 entered between the Public Works Authority, in the State of Qatar with Gamuda-WCT JV in relation to the Qatar Primary Routes Dukhan Highway Project.

The interest rates for borrowings (per annum) as at balance sheet date were as follows:

	Group and Company	
	2006	2005
	%	%
Short term loan	–	3.05
Revolving credits, denominated in		
– New Taiwan dollar	1.72 – 2.11	1.38 – 1.75
– US dollar	LIBOR plus 0.75	–
– Ringgit Malaysia	4.00 – 5.10	5.00

26. PAYABLES

	Group		Company	
	2006	2005	2006	2005
	RM'000	RM'000	RM'000	RM'000
Trade payables				
Trade payables	302,580	199,431	31,179	61,688
Due to associated companies	4,361	1,405	14	–
Retention sums	49,507	33,431	–	–
Progress billing	2,175	4,706	–	–
Due to customers on contracts (Note 22)	72,969	152,257	13,603	–
	431,592	391,230	44,796	61,688
Other payables				
Sundry payables	67,478	60,332	14,078	13,600
Accruals	70,515	38,191	11,237	10,397
Due to associated companies	4,072	1,230	–	–
	142,065	99,753	25,315	23,997
	573,657	490,983	70,111	85,685

The normal trade credit term granted to the Group and the Company ranges from 30 to 90 days (2005: 30 to 90 days).

The amount due to associated companies are in respect of advances received for construction contracts and the amounts are unsecured, interest free and repayable through contra with future progress billings.

27. PROVISION FOR LIABILITIES

Provision for rebates

	Group	
	2006 RM'000	2005 RM'000
At the beginning of year	3,384	4,254
Reversal of provision for the year (Note 4)	(2,407)	(870)
Utilisation of provision during the year	(827)	–
At the end of year	150	3,384
Analysed as:		
Current	150	3,384

The Group gives a 12% rebate on the gross value of bungalow land sold to purchasers if bungalows are built on that land within two years of the handover of the land to the purchasers.

28. DUE TO SUBSIDIARIES

	Company	
	2006 RM'000	2005 RM'000
Due to subsidiaries		
– trade	105,077	63,979
– non-trade	102,236	41,643
	207,313	105,622

Included in amount due to subsidiaries is an amount due to an unincorporated subsidiary of RM30,254,000 (2005: RM4,202,000).

The trade amounts due to subsidiaries have a normal credit term which ranges from 30 to 90 days (2005: 30 to 90 days).

The non-trade amounts due to subsidiaries are unsecured, interest free and have no fixed terms of repayment.

29. RETIREMENT BENEFIT OBLIGATIONS

The Group operates an unfunded Retirement Benefit Scheme ("the Scheme") for its employees. Under the Scheme, eligible employees are entitled to retirement benefits of 2.5% on the last drawn monthly basic salary for each completed months of services on attainment of the retirement age of 55.

The amounts recognised in the balance sheet are determined as follows:

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Present value of unfunded defined benefit obligations	6,158	5,814	1,730	1,579
Unrecognised actuarial gains, net	402	334	504	151
Net liability	6,560	6,148	2,234	1,730

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29. RETIREMENT BENEFIT OBLIGATIONS (CONT'D)

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Analysed as:				
Current	206	165	–	43
Non-current:				
Later than 1 year but not later than 2 years	139	81	17	–
Later than 2 years but not later than 5 years	1,049	760	835	149
Later than 5 years	5,166	5,142	1,382	1,538
	6,354	5,983	2,234	1,687
	6,560	6,148	2,234	1,730

The amounts recognised in the income statements are as follows:

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Current service cost	556	601	118	92
Interest cost	402	351	110	98
Transitional asset	23	(1)	319	(1)
Total, included in staff costs (Notes 5 and 6)	981	951	547	189

Movements in the net liabilities in the current year were as follows:

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
At the beginning of year	6,148	5,425	1,730	1,560
Recognised in income statement	981	951	547	189
Contributions paid	(569)	(228)	(43)	(19)
At the end of year	6,560	6,148	2,234	1,730

Principal actuarial assumptions used:

	2006 %	2005 %
Discount rate	6.3	7.0
Expected rate of salary increases	6.0	6.0
Price inflation	3.5	3.0

30. SHARE CAPITAL

	Number of Ordinary Share of RM1 Each		Amount	
	2006 '000	2005 '000	2006 RM'000	2005 RM'000
Authorised:				
At beginning/end of year	2,000,000	2,000,000	2,000,000	2,000,000
Issued and fully paid:				
At the beginning of year	749,572	736,788	749,572	736,788
Exercise of ESOS	3,580	12,751	3,580	12,751
Conversion of warrants	80	33	80	33
At the end of year	753,232	749,572	753,232	749,572

(a) During the financial year, the Company increased its issued and paid-up share capital from RM749,572,144 (2005: RM736,788,644) to RM753,232,144 (2005: RM749,572,144) via the issuance of 3,580,000 (2005: 12,751,000) and 80,000 (2005: 32,500) new ordinary shares of RM1.00 each pursuant to the exercise of ESOS and conversion of warrants respectively. The new shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

(b) As at balance sheet date, the total number of warrants which remained unexercised are as follows:

	Units
Warrants 1996/2006	71,138,640
Warrants 2001/2007	127,670,198

Details of the warrants are disclosed in the Directors' Report.

(c) The principal features of the ESOS-2006 are as follows:

- (i) Eligible employees are full-time monthly paid employees and Executive Directors of the Group (including contract and non-Malaysian employees with a minimum three years of contract of service) whose employment has been confirmed. The selection of eligible employee for participation in the ESOS shall be at the discretion of the Options Committee.
- (ii) The ESOS shall be in force for a period of 5 years from 6 July 2006 subject however to any extension or renewal for a further period of not exceeding 5 years commencing from the day after the date of expiration of the original 5 years period as may be approved by all relevant parties.
- (iii) The total number of shares to be offered shall not exceed 10% of the issued and paidup share capital of the Company at any point of time during the duration of the ESOS.
- (iv) The subscription price under the ESOS shall be the weighted average market price of the shares as shown in the Daily Official List issued by the Bursa Malaysia Securities Berhad for the 5 market days immediately preceding the date of offer of the options subject to a discount of not more than 10%, or at par value of the share, whichever is higher.

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30. SHARE CAPITAL (CONT'D)

(c) The principal features of the ESOS-2006 are as follows (cont'd):

- (v) The aggregate number of shares to be offered to an eligible employee in accordance with the ESOS shall be determined at the discretion of the Options Committee after taking into consideration, amongst other factors, the position, performance, seniority and the length of service that the eligible employee has rendered and subject to the maximum allowable allotment of shares for each eligible employee.
- (vi) The number of shares under the ESOS which remained unexercised or the option price or both may be adjusted following any alteration in the capital structure of the Company during the option period, whether such alteration is by way of capitalisation of profits or reserves, right issues, consolidation of shares, sub-division of shares or reduction of capital or otherwise howsoever taking place, made by the Company.
- (vii) The options shall not carry any right to vote at any general meeting of the Company and a grantee shall not be entitled to any dividends, right or other entitlements on his unexercised options.
- (viii) The options granted under ESOS are not assignable.
- (ix) There is no restriction on the employee in exercising and selling their Gamuda Shares which were allotted and issued pursuant to the exercise of their options.

If the net proceeds from the disposal is less than the Exercise Value (being the Exercise Price multiplied by the number of Gamuda Shares sold), the entire net proceeds will be released to the employee.

However, if the net proceeds is more than the Exercise Value, an amount equivalent to the Exercise Value will be released to the employee. The balance proceeds not released to the employee will be placed in an interest bearing account for the benefit of the employee. The balance proceeds (being the net proceeds less Exercise Value) together with the attributable interest, if any, will be released to the employee over the period of the scheme at a rate of 20% per annum on each anniversary of the effective date of the scheme.

- (x) The new shares allotted upon any exercise of the option shall rank pari passu in all respects with the then existing issued and paid-up ordinary shares of the Company except that the new shares so issued will not rank for any dividends, rights, allotments and/or other distributions, the entitlement date (namely the date as at the close of business on which shareholders must be registered in order to be entitled to any dividends, rights, allotments or other distributions) of which is prior to the date of allotment of the new shares.
- (xi) The employees to whom the options have been granted have no right to participate by virtue of the options in any share issue of any other company.
- (xii) Details of share options exercised during the financial year and the fair value, at exercise date, of ordinary shares issued are as follows:

	2006 RM'000	2005 RM'000
Ordinary shares	3,580	12,751
Share premium	9,700	36,994
Aggregate proceeds received on shares issued	13,280	49,745
Aggregate fair value of ordinary shares at date of issue	16,612	61,873

30. SHARE CAPITAL (CONT'D)

(c) The principal features of the ESOS-2006 are as follows: (cont'd)

(xiii) The terms of ESOS 1 and 2 outstanding as at end of the financial year are as follows:

2006

Exercise Price RM	Grant Date	Number of Share Options				At 31 July 2006 '000
		At 1 August 2005 '000	Granted '000	Exercised '000	Lapsed '000	
<u>ESOS-2000</u>						
3.25	6 January 2001	3,676	—	(851)	(2,825)	—
3.45	5 July 2001	410	—	(306)	(104)	—
4.07	3 January 2002	3,295	—	(188)	(3,107)	—
4.26	14 January 2002	3,631	—	(42)	(3,589)	—
5.33	1 July 2002	2,920	—	—	(2,920)	—
4.55	17 October 2002	1,169	—	—	(1,169)	—
4.92	10 January 2003	3,339	—	—	(3,339)	—
5.17	10 June 2003	1,586	—	—	(1,586)	—
5.51	1 July 2003	200	—	—	(200)	—
5.52	16 February 2004	3,259	—	—	(3,259)	—
4.32	26 August 2004	1,207	—	(13)	(1,194)	—
4.67	17 December 2004	2,024	—	—	(2,024)	—
4.73	4 January 2005	13	—	—	(13)	—
3.88	12 July 2005	6,926	—	(2,180)	(4,746)	—
		33,655	—	(3,580)	(30,075)	—
<u>ESOS-2006</u>						
3.46	6 July 2006	—	52,590	—	—	52,590
		33,655	52,590	(3,580)	(30,075)	52,590

2005

<u>ESOS-2000</u>						
3.25	6 January 2001	6,393	528	(3,245)	—	3,676
3.45	5 July 2001	2,272	—	(1,573)	(289)	410
4.07	3 January 2002	5,668	337	(2,710)	—	3,295
4.26	14 January 2002	7,122	—	(3,314)	(177)	3,631
5.33	1 July 2002	3,609	—	—	(689)	2,920
4.55	17 October 2002	1,327	464	(619)	(3)	1,169
4.92	10 January 2003	3,878	—	(326)	(213)	3,339
5.17	10 June 2003	1,874	—	(10)	(278)	1,586
5.51	1 July 2003	288	—	—	(88)	200
5.52	16 February 2004	3,628	—	(2)	(367)	3,259
4.32	26 August 2004	—	2,122	(869)	(46)	1,207
4.67	17 December 2004	—	2,216	(83)	(109)	2,024
4.73	4 January 2005	—	13	—	—	13
3.88	12 July 2005	—	6,968	—	(42)	6,926
		36,059	12,648	(12,751)	(2,301)	33,655

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31. OTHER RESERVES (NON-DISTRIBUTABLE)

	Group	
	2006 RM'000	2005 RM'000
Capital Reserve		
Balance at the beginning of year	75,817	75,817
Movement in capital reserve in an associated company	(25,688)	–
Balance at the end of year	50,129	75,817
Foreign Exchange Reserve		
Balance at the beginning of year	(626)	201
Currency translation differences	(5,623)	(827)
Balance at the end of year	(6,249)	(626)
Total Other Reserves	43,880	75,191

32. RETAINED PROFITS

As at 31 July 2006, the Company has tax exempt profit available for distribution under tax exempt income account pursuant to Section 12 of the Income Tax (Amendment) Act, 1999 of approximately RM65,677,000 (2005: RM65,677,000) and tax exempt dividend income received of approximately RM24,538,000 (2005: RM22,754,000).

The Company has sufficient tax credit under Section 108 of the Income Tax Act, 1967 and the balance in the tax exempt income account to frank the payment of dividends out of its entire retained profits as at 31 July 2006.

33. MINORITY INTEREST

	Group	
	2006 RM'000	2005 RM'000
At the beginning of year	68,345	19,456
Transfer from income statement	12,868	33,251
Issue of additional share capital in a subsidiary	–	21,638
Distribution of profit in an unincorporated subsidiary	(30,000)	(6,000)
Exchange translation differences	(2,630)	–
At the end of year	48,583	68,345

34. DEFERRED TAX

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Balance at the beginning of year	8,410	16,037	(255)	249
Recognised in income statement (Note 8)	(1,595)	(7,627)	(1,024)	(504)
Balance at the end of year	6,815	8,410	(1,279)	(255)
Presented after appropriate offsetting as follows:				
Deferred tax assets	(12,905)	(11,315)	(1,279)	(255)
Deferred tax liabilities	19,720	19,725	–	–
	6,815	8,410	(1,279)	(255)

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Deferred Tax Liabilities of the Group:

	Accelerated Capital Allowances RM'000	Receivables RM'000	Others RM'000	Total RM'000
At 1 August 2005	21,497	149	2	21,648
Recognised in income statement	725	(13)	–	712
At 31 July 2006	22,222	136	2	22,360
At 1 August 2004	22,147	88	9	22,244
Recognised in income statement	(650)	61	(7)	(596)
At 31 July 2005	21,497	149	2	21,648

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34. DEFERRED TAX (CONT'D)

Deferred Tax Assets of the Group:

	Retirement Benefit Obligations RM'000	Provisions and Accruals RM'000	Property Development Costs RM'000	Unused Tax Losses and Unabsorbed Capital Allowances RM'000	Others RM'000	Total RM'000
At 1 August 2005	(1,812)	(8,390)	(2,557)	(152)	(327)	(13,238)
Recognised in income statement	(718)	(1,770)	(145)	–	326	(2,307)
At 31 July 2006	(2,530)	(10,160)	(2,702)	(152)	(1)	(15,545)
At 1 August 2004	(1,519)	(2,137)	(1,880)	(206)	(465)	(6,207)
Recognised in income statement	(293)	(6,253)	(677)	54	138	(7,031)
At 31 July 2005	(1,812)	(8,390)	(2,557)	(152)	(327)	(13,238)

Deferred Tax Liabilities of the Company:

	Accelerated Capital Allowances RM'000	Receivables RM'000	Others RM'000	Total RM'000
At 1 August 2005	782	142	(23)	901
Recognised in income statement	700	–	–	700
At 31 July 2006	1,482	142	(23)	1,601
At 1 August 2004	1,229	56	7	1,292
Recognised in income statement	(447)	86	(30)	(391)
At 31 July 2005	782	142	(23)	901

34. DEFERRED TAX (CONT'D)

Deferred Tax Assets of the Company:

	Retirement Benefit Obligations RM'000	Provisions and Accruals RM'000	Total RM'000
At 1 August 2005	(484)	(672)	(1,156)
Recognised in income statement	(625)	(1,099)	(1,724)
At 31 July 2006	(1,109)	(1,771)	(2,880)
At 1 August 2004	(437)	(606)	(1,043)
Recognised in income statement	(47)	(66)	(113)
At 31 July 2005	(484)	(672)	(1,156)

Deferred tax assets have not been recognised in respect of the following items:

	Group	
	2006 RM'000	2005 RM'000
Unused tax losses	29,537	29,249
Unabsorbed capital allowances	8,382	8,137
	37,919	37,386

The availability of the unused tax losses and unabsorbed capital allowances for offsetting against future taxable profits of the Group are subject to no substantial changes in shareholdings of the Group under Section 44(5A) & (5B) of the Income Tax Act 1967.

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35. OTHER LONG TERM LIABILITIES

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Bonds (a)	400,000	400,000	400,000	400,000
Murabahah Commercial Paper and Medium Term Notes ("CP/MTN") (b)	300,000	–	–	–
Term loan (c)	125,000	–	–	–
	825,000	400,000	400,000	400,000

(a) Bonds

The RM400,000,000 nominal amount of 3% Redeemable Unsecured Bonds 2000/2007 were issued with 166,297,668 detachable warrants to a primary subscriber and subsequently resold to the shareholders of the Company on the basis of one warrant for every four existing ordinary shares held at an offer price of 61.0 sen per warrant. Each warrant entitles the registered holder to subscribe for one new share in the Company at any time on or before the expiry date at the end of six and half years following the date of issue on 22 February 2001 at an exercise price of RM3.75 per share. The exercise price is subject to adjustments from time to time in accordance with the conditions set out in the Deed Poll created on 22 February 2001.

The bonds carry a fixed coupon rate of 3% per annum payable semi annually in arrears. At the end of its tenure, the bonds will be redeemed at 100% nominal value together with interest accrued to the date of maturity on 28 September 2007.

(b) Murabahah Commercial Paper and Medium Term Notes ("CP/MTN")

The CP/MTN drawdown during the financial year by a wholly-owned subsidiary, Harum Intisari Sdn. Bhd., is secured by a corporate guarantee from the Company. The first and second issuance of RM200 million and RM100 million CP/MTN respectively with tenure of 5 years was completed on 28 September 2005 and 17 March 2006.

The maturity date and yield as at issuance dates of the CP/MTN are as follows:

	Maturity date	Yield at issuance date %
Issue No. 1	28.9.2010	4.5
Issue No. 2	17.3.2011	5.0

(c) Term Loan – Secured

The term loan is drawdown during the financial year by a jointly controlled entity, Syarikat Mengurus Air Banjir & Terowong Sdn Bhd ("SMARTSB") in relation to the motorway development of the Stormwater Channel and Motorway Works ("Project").

The first and second drawdown was on 31 March 2006 and 7 July 2006 respectively. The term loan shall be repaid over 28 semi-annual instalments commencing from 2011 over 14 years with yields ranging from 5.7% to 5.8% at issuance dates.

35. OTHER LONG TERM LIABILITIES (CONT'D)

(c) Term Loan – Secured (cont'd)

The loan is secured by the following:

- (i) debentures to create a fixed and floating charge over all present and future assets of SMARTSB and Projek Smart Holdings Sdn Bhd ("PSHSB");
- (ii) assignment of Principal Contracts whereby SMARTSB has awarded Gamuda Berhad to undertake a specified scope of work in respect of the Project;
- (iii) assignment of Toll Revenue and Designated Accounts by SMARTSB including all its rights, interests, titles and benefits;
- (iv) Deed of Subordination whereby PSHSB has subordinated or agreed to subordinate all loan stocks held; and
- (v) assignment of Indirect Shareholders' Undertaking by PSHSB to inject additional equity or make advances and to subscribe to ordinary shares and/or loan stocks to be issued by SMARTSB.

The early adoption of the revised FRS 131 as disclosed in Note 2(a) has resulted in the consolidation of the above term loan to the Group. This loan was obtained on non-recourse basis to the Group.

36. COMMITMENTS

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Approved and contracted for:				
Property, plant and equipment	39,168	364	–	21

37. CONTINGENT LIABILITIES (UNSECURED)

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Indemnities and guarantees given to trade suppliers for credit facilities granted to a subsidiary	–	–	2,774	5,415
Performance, retention sum and other guarantees				
– for subsidiary	–	–	300,000	300,000
– to third parties	342,097	487,184	337,134	118,116
	342,097	487,184	639,908	423,531

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38. SIGNIFICANT RELATED PARTY TRANSACTIONS

	Group		Company	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Contract services rendered by Pioneer Continental Sdn. Bhd., a company in which a director, Y Bhg Tan Sri Dato' Ir. Talha bin Haji Mohd Hashim has interest	–	8	–	–
Contract services rendered by SSP (E&M) Sdn. Bhd., a company in which a director, Y Bhg Tan Sri Dato' Ir. Talha has interest	122	413	–	–
Contract services rendered by Sepakat Setia Perunding Sdn. Bhd., a company in which a director, Y Bhg Tan Sri Dato' Ir. Talha bin Haji Mohd Hashim has interest	14,484	10,285	–	–
Contract services rendered by GLC Architect, a company in which a person connected with a director, Goon Heng Wah, has interest	409	491	–	–
Contract services rendered by a jointly controlled entity, MMC – Gamuda JV	–	–	235,750	241,259
Contract services rendered to a jointly controlled entity, Syarikat Mengurus Air Banjir & Terowong Sdn. Bhd.	–	–	(276,777)	(316,890)
Contract services rendered to Syarikat Pengeluar Air Sungai Selangor Sdn. Bhd., an associated company	(38,367)	(178,930)	–	–
Contract services rendered to Lingkaran Trans Kota Sdn. Bhd., an associated company	(844)	(26,893)	–	–
Contract services rendered to Sistem Penyuraian Trafik KL Barat Sdn. Bhd., an associated company	–	(15,690)	–	–
Gross dividends receivable from subsidiaries	–	–	(24,868)	(20,792)
Rental received from subsidiaries	–	–	(640)	(674)
Interest receivable from subsidiaries	–	–	(9,460)	(17,461)

The directors are of the opinion that the transactions above have been entered into in the normal course of business.

39. SIGNIFICANT EVENTS

(i) During the financial year

- (a) On 31 July 2006, the Company was awarded a project known as "The Sitra Causeway Bridges Project" by the Ministry of Works and Housing of the Kingdom of Bahrain.

The Project involves the construction of two concrete marine bridges and associated embankment works together with flyovers at both ends of the causeway and on Nabih Saleh Island. The length of the new causeway will be approximately 3km. The embankment and bridges will carry a dual carriageway road with four lanes in each direction together with extensive services.

The contract price of the Project is BD64,752,888 which is approximately RM640 million. The construction period is 139 weeks.

- (b) On 7 July 2006, Hala Bayu (M) Sdn. Bhd., a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement ("SPA") with JM Land Sdn. Bhd. to purchase 366 acres of freehold land in the Mukim of Kajang, Daerah of Hulu Langat for RM226 million. The SPA is conditional upon the conditions precedent having been fulfilled within six months from the date of the SPA.

(ii) Subsequent event

- (a) On 24 August 2006, the Electricity Generating Authority of Thailand ("EGAT") has accepted the proposal from the Company and the Electricity Generating Public Company Limited ("EGCO") for supplying electrical energy to EGAT arising from the operation of Nam Theun 1 Hydroelectric Power Project ("NT1 project") in central Lao PDR.

The Company and EGCO are currently finalising all the relevant agreements pertaining to NTI project, including the Concession Agreement with the Government of Lao PDR and a Power Purchase Agreement with EGAT.

40. CHANGE IN ACCOUNTING POLICY

(a) Change in Accounting Policy

The accounting policies and methods of computation adopted by the Group are consistent with those adopted in the preparation of the financial statements for the year ended 31 July 2005, except for the group's adoption of the revised FRS 131- Interests in Joint Ventures which permits a venturer to recognise its interest in a jointly controlled entity using either the proportionate consolidation or the equity method. The previous FRS 131 allows only the use of the equity method. The Group's adoption in the current period of the proportionate consolidation to recognise its interests in jointly controlled entities has no effect on net profit for the year ended 31 July 2005.

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40. CHANGE IN ACCOUNTING POLICY (CONT'D)

(b) Comparatives

The above change in accounting policy have been applied retrospectively and comparatives amounts as at 31 July 2005 have been restated as follows:

Group	Previously Stated RM'000	Adjustments RM'000	Restated RM'000
Income Statements			
Revenue	1,539,803	121,650	1,661,453
Other income	10,500	686	11,186
Operating expenses	(1,258,954)	(109,889)	(1,368,843)
Finance costs	(12,724)	(1,239)	(13,963)
Interest income	17,010	455	17,465
Share of profits of jointly controlled entities	11,663	(11,663)	–
Balance Sheets			
Property, plant and equipment	108,364	9,997	118,361
Motorway development expenditure	–	192,109	192,109
Associated companies	1,266,913	(64,000)	1,202,913
Investment in jointly controlled entities	23,095	(23,095)	–
Receivables	675,783	51,931	727,714
Cash and bank balances	497,893	7,484	505,377
Short term borrowings	152,518	106,543	259,061
Payables	428,446	62,537	490,983
Tax payable	22,187	5,346	27,533

41. FINANCIAL INSTRUMENTS

(a) Financial Risk Management Objectives and Policies

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate, foreign exchange, liquidity and credit risks. The Group operates within clearly defined guidelines that are approved by the Board.

(b) Interest Rate Risk

The Group's primary interest rate risk relates to deposits and interest-bearing debts. The investments in financial assets are mainly short term in nature and mostly have been placed in repo and fixed deposits.

The Group manages its interest exposure on interest-bearing financial liabilities by maintaining a prudent mix of fixed and floating rate borrowings. The Group also regularly reviews its debt portfolio and such strategy enable it to source low interest funding from the market and achieve a certain level of protection against interest rate hike.

The information on the terms and maturity dates of borrowings and deposits are disclosed in their respective notes.

41. FINANCIAL INSTRUMENTS (CONT'D)

(c) Foreign Exchange Risk

The Group operates in India, Taiwan and Qatar and is exposed to Indian Rupee, New Taiwan Dollar and Qatari Riyal currencies. Foreign currency denominated assets and liabilities together with expected cash flows from anticipated transactions denominated in foreign currencies give rise to foreign exchange exposure.

The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which the business is located.

Included in the following balance sheet captions of the Group as at balance sheet date are balances denominated in the following major foreign currencies:

Group	Qatari Riyal RM'000	Indian Rupee RM'000	New Taiwan Dollar RM'000	United States Dollar RM'000	Total RM'000
At 31 July 2006:					
Cash, deposits and bank balances	13,956	3,376	524	4,684	22,540
Receivables	130,814	88,114	72,193	88,229	379,350
Payables	182,849	4,243	31,249	4,306	222,647
Short term borrowings	41,281	–	42,222	31,720	115,223
At 31 July 2005:					
Cash, deposits and bank balances	–	9,908	251	1,423	11,582
Receivables	–	76,655	31,365	39	108,059
Payables	–	29,491	1,071	19	30,581
Short term borrowings	–	–	41,667	57,000	98,667

(d) Liquidity Risk

The Group actively manages its debts maturity profile, operating cash flows and the availability of funding through an adequate amount of committed credit facilities, so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group maintains sufficient levels of cash to fund the Group's operations.

(e) Credit Risk

Credit risks are controlled by the application of credit approvals, limits and monitoring procedures. Trade receivables are monitored on an ongoing basis via the Group's

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41. FINANCIAL INSTRUMENTS (CONT'D)

(f) Fair Values

(i) Recognised Financial Instruments

The aggregate net fair values of financial assets and financial liabilities which are not carried at fair value on the balance sheets of the Group and of the Company as at the end of the financial year are represented as follows:

At 31 July 2006	Note	Group		Company	
		Carrying Amount RM'000	Fair Value RM'000	Carrying Amount RM'000	Fair Value RM'000
Non-current Assets					
Unquoted investment in subsidiaries	12	–	–	335,835	*
Unquoted investment in associated companies	13	1,021,566	*	619,925	*
Quoted investment in an associated company	13	346,968	478,728	180,956	478,728
Unquoted investment in jointly controlled entities	14	–	–	141,000	*
Other investments:					
– Unquoted	15	50	*	50	*
– Investment in transferable club memberships	15	683	750	683	750
		<u>733</u>		<u>733</u>	
Long term trade receivable	21	28,584	19,182	–	–
Current Assets					
Amount due from associated companies (non-trade)	21	86,507	**	485	**
Amount due from joint ventures (non-trade)	21	566	**	67,888	**
Amount due from subsidiaries (non-trade)	23	–	–	516,919	**
		<u>87,073</u>		<u>585,292</u>	

41. FINANCIAL INSTRUMENTS (CONT'D)

(f) Fair Values (cont'd)

(i) Recognised Financial Instruments (cont'd)

At 31 July 2005	Note	Group		Company	
		Carrying Amount RM'000	Fair Value RM'000	Carrying Amount RM'000	Fair Value RM'000
Non-current Assets					
Unquoted investment in subsidiaries	12	–	–	335,835	*
Unquoted investment in associated companies	13	854,877	*	454,515	*
Quoted investment in an associated company	13	348,036	445,464	179,020	445,464
Unquoted investment in jointly controlled entities	14	–	–	64,000	*
Other investments:					
– Quoted (net of impairment)	15	2,455	4,813	3	9
– Unquoted	15	97	*	50	*
– Investment in transferable club memberships	15	682	750	682	750
		<u>3,234</u>		<u>735</u>	
Long term trade receivable	21	29,293	20,770	–	–
Current Assets					
Amount due from associated companies (non-trade)	21	80,617	**	30,157	**
Amount due from joint ventures (non-trade)	21	9,688	**	29,396	**
Amount due from subsidiaries (non-trade)	23	–	–	584,751	**
		<u>90,305</u>		<u>644,304</u>	

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41. FINANCIAL INSTRUMENTS (CONT'D)

(f) Fair Values (cont'd)

(i) Recognised Financial Instruments (cont'd)

At 31 July 2006	Note	Group		Company	
		Carrying Amount RM'000	Fair Value RM'000	Carrying Amount RM'000	Fair Value RM'000
Non-current liabilities					
Other long term liabilities					
– Bonds	35	400,000	393,249	400,000	393,249
– Medium Term Notes	35	300,000	298,800	–	–
– Term loan	35	125,000	124,441	–	–
Current liabilities					
Amount due to associated companies (non-trade)	26	4,072	**	–	–
Amount due to subsidiaries (non-trade)	28	–	–	102,236	**
At 31 July 2005					
Non-current liabilities					
Other long term liabilities					
– Bonds	35	400,000	395,270	400,000	395,270
Current liabilities					
Amount due to associated companies (non-trade)	26	1,230	**	–	–
Amount due to subsidiaries (non-trade)	28	–	–	41,643	**

* It is not practical to estimate the fair value of the Group's non-current unquoted shares because of the lack of quoted market price and without incurring excessive costs.

** It is not practical to estimate the fair value of non-trade amounts due to/from subsidiaries, associated companies and joint ventures due principally to a lack of fixed repayment terms entered into by the parties involved and without incurring excessive costs.

41. FINANCIAL INSTRUMENTS (CONT'D)

(f) Fair Values (cont'd)

(i) Recognised Financial Instruments (cont'd)

The nominal/notional amount and net fair value of financial instruments not recognised in the balance sheets of the Group and of the Company as at the end of the financial year are:

		Group		Company	
	Note	Nominal/ Notional Amount RM'000	Fair Value RM'000	Nominal/ Notional Amount RM'000	Fair Value RM'000
At 31 July 2006					
Contingent liabilities	37	342,097	***	639,908	***
At 31 July 2005					
Contingent liabilities	37	487,184	***	423,531	***

*** It is not practical to estimate the fair value of contingent liabilities reliably due to the uncertainties of timing, quantum and eventual outcome.

(ii) Methods and assumptions

The following methods and assumptions are used to estimate the fair values of the following classes of financial instruments:

Cash and Cash Equivalents, Receivables/Payables, Amount Due from/to Customers on Contracts, Short Term Borrowings, Amount Due from Joint Ventures (trade in nature), Amount Due from/to Associated Companies (trade in nature) and Amount Due from/to Subsidiaries (trade in nature)

The carrying amounts approximate fair values due to the relatively short term nature of these financial instruments.

Amount Due from Joint Ventures (non-trade in nature), Amount Due from/to Associated Companies (non-trade in nature) and Amount Due from/to Subsidiaries (non-trade in nature)

It is not practical to estimate the fair values due principally to a lack of fixed repayment term entered into by the parties involved and without incurring excessive costs.

Long Term Borrowings

The fair value of long term borrowings is estimated by discounting the expected future cash flows using the current interest rates for liabilities with similar risk profiles.

Finance Lease

The fair value of finance lease is estimated using discounted cash flow analysis, based on current incremental lending rates for similar types of lending and borrowing arrangements.

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42. SEGMENT INFORMATION

(a) Business Segments:

The Group is organised on a worldwide basis into five major business segments:

- (i) Engineering and construction – the construction of highways, water treatment plants, dams and residential and commercial properties;
- (ii) Property development – the development of residential and commercial properties;
- (iii) Water concession – the management of water supply;
- (iv) Expressway concessions – the management and tolling of highway operations; and
- (v) Trading, manufacturing, quarrying and others*.

* Others are mainly provision of management and IT services and maintenance of properties and golf club, none of which are of a sufficient size to be reported separately.

The directors are of the opinion that the inter-segment transactions have been entered into in the normal course of business.

(b) Geographical Segments:

Although the Group's five major business segments are managed on a worldwide basis, the Group operates principally in four geographical areas of the world. In Malaysia, its home country, the Group's areas of operation are principally engineering and construction, property development, water concession and expressway concessions. Additionally, all of the Group's manufacturing and quarrying activities are also conducted in Malaysia.

The Group also operates in other countries in the Asia Pacific region:

- (i) India – construction of expressways, expressway concessions and investment holding;
- (ii) Taiwan, Republic of China – construction of the Mass Rapid Transit System;
- (iii) Mauritius – investment holding; and
- (iv) Qatar – construction and design works of highways and New Doha International Airport.

42. SEGMENT INFORMATION (CONT'D)

(a) Business Segments:

2006	Engineering and Construction RM'000	Property Development RM'000	Water Concession RM'000	Expressway Concessions RM'000	Trading, Manufacturing, Quarrying and Others RM'000	Eliminations RM'000	Consolidated RM'000
REVENUE AND RESULT							
Revenue							
External sales	676,475	335,639	58,973	—	155,810	—	1,226,897
Inter-segment sales	1,672	—	—	—	112,938	(114,610)	—
Total revenue	678,147	335,639	58,973	—	268,748	(114,610)	1,226,897
Result							
Segment results before amortisations	46,413	44,407	30,333	—	14,867	—	136,020
Amortisation of goodwill and concession rights	—	—	(2,987)	—	(181)	—	(3,168)
Profit from operations	46,413	44,407	27,346	—	14,686	—	132,852
Finance costs	(8,204)	(2,238)	(4,475)	—	—	—	(14,917)
Interest income	6,564	4,387	88	—	1,580	—	12,619
Share of results of associated companies	—	25,388	54,040	68,547	—	—	147,975
Profit before taxation	44,773	71,944	76,999	68,547	16,266		278,529
Taxation							(97,103)
Profit after taxation							181,426
Minority interests							(12,868)
Net profit for the year							168,558

Notes to the Financial Statements

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42. SEGMENT INFORMATION (CONT'D)

(a) Business Segments (cont'd):

2006	Engineering and Construction RM'000	Property Development RM'000	Water Concession RM'000	Expressway Concessions RM'000	Trading, Manufacturing, Quarrying and Others RM'000	Eliminations RM'000	Consolidated RM'000
ASSETS AND LIABILITIES							
Segment assets	1,289,064	947,018	209,727	–	87,794	–	2,533,603
Investments in:							
– Associated company	184,627	163,792	426,650	593,465	–	–	1,368,534
							3,902,137
Segment liabilities	947,820	477,380	142,874	–	42,711	–	1,610,785
OTHER INFORMATION							
Capital expenditure	120,761	2,267	184	–	10,164	–	133,376
Depreciation	1,829	403	162	–	4,868	–	7,262
Non-cash expenses other than depreciation, amortisation and impairment losses	11,320	149	3	–	–	–	11,472

42. SEGMENT INFORMATION (CONT'D)

(a) Business Segments (cont'd):

2005	Engineering and Construction RM'000	Property Development RM'000	Water Concession RM'000	Expressway Concessions RM'000	Trading, Manufacturing, Quarrying and Others RM'000	Eliminations RM'000	Consolidated RM'000
REVENUE AND RESULT							
Revenue							
External sales	1,132,921	322,852	46,560	—	159,120	—	1,661,453
Inter-segment sales	8,057	—	—	—	83,909	(91,966)	—
Total revenue	1,140,978	322,852	46,560	—	243,029	(91,966)	1,661,453
Result							
Segment results before amortisations	214,416	46,103	25,199	—	21,246	—	306,964
Amortisation of goodwill and concession rights	—	—	(2,987)	—	(181)	—	(3,168)
Profit from operations	214,416	46,103	22,212	—	21,065	303,796	
Finance costs	(13,963)	—	—	—	—	—	(13,963)
Interest income	11,964	3,143	24	—	2,334	—	17,465
Share of results of associated companies	1,045	31,890	42,972	29,457	—	—	105,364
Profit before taxation	213,462	81,136	65,208	29,457	23,399		412,662
Taxation							(113,633)
Profit after taxation							299,029
Minority interests							(33,251)
Net profit for the year							265,778

Notes to the Financial Statements

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42. SEGMENT INFORMATION (CONT'D)

(a) Business Segments (cont'd):

2005	Engineering and Construction RM'000	Property Development RM'000	Water Concession RM'000	Expressway Concessions RM'000	Trading, Manufacturing, Quarrying and Others RM'000	Eliminations RM'000	Consolidated RM'000
ASSETS AND LIABILITIES							
Segment assets	1,156,186	794,655	103,530	–	196,757	–	2,251,128
Investments in:							
– Associated company	185,374	186,862	270,098	560,579	–	–	1,202,913
							3,454,041
Segment liabilities	1,016,387	133,907	4,809	–	51,731	–	1,206,834

OTHER INFORMATION

Capital expenditure	16,107	437	187	–	4,609	–	21,340
Depreciation	2,375	581	146	–	5,718	–	8,820
Non-cash expenses other than depreciation, amortisation and impairment losses	16,645	4,500	17	–	2,368	–	23,530

(b) Geographical Segments:

	Total Revenue from External Customers		Segment Assets		Capital Expenditure	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Malaysia	1,023,493	1,329,280	3,214,351	2,890,124	13,319	7,329
Outside Malaysia						
India	683	332,173	92,068	101,425	–	5,574
Taiwan, Republic of China	72,049	121,290	44,910	159,659	19	8,437
Mauritius	–	–	293,308	302,833	–	–
Qatar	130,673	–	257,500	–	120,038	–
	203,405	332,173	687,786	563,917	120,057	14,011
Consolidated	1,226,897	1,661,453	3,902,137	3,454,041	133,376	21,340

Shareholders' & Warrantholders' Information

as at 27 November 2006 pg 167

ORDINARY SHARES

Authorised capital	:	RM2,000,000,000.00
Issued and fully paid	:	RM763,898,344.00
Type of shares	:	Ordinary shares of RM1.00 each
Voting rights	:	1 vote per shareholder on a show of hands 1 vote per ordinary share on a poll
No. of shareholders	:	9,894

DISTRIBUTION OF SHAREHOLDINGS

Size of shareholdings	No. of shareholders	%	No. of shares held	%
Less than 100	279	2.82	3,823	0.00
100 – 1,000	3,463	35.00	3,183,989	0.42
1,001 – 10,000	4,865	49.17	19,268,986	2.52
10,001 – 100,000	935	9.45	28,962,490	3.79
100,001 – 38,194,916	349	3.53	540,220,488	70.72
38,194,917* and above	3	0.03	172,258,568	22.55
Total	9,894	100.00	763,898,344	100.00

Note:

* Denotes 5% of the issued capital

SUBSTANTIAL SHAREHOLDERS

As shown in the Register of Substantial Shareholders

Name of substantial shareholder	No. of shares held		%
	Direct interest	Deemed interest	
Employees Provident Fund Board	75,557,050 ^(a)	–	9.89
Generasi Setia (M) Sdn Bhd	76,000,000 ^(b)	–	9.95
Raja Dato' Seri Eleena binti Raja Azlan Shah	–	76,000,000 ^(c)	9.95
Dato' Lin Yun Ling	–	46,848,818 ^(d)	6.13

Notes:

- (a) Include shares held by portfolio managers
- (b) Include shares held through a nominee company
- (c) Deemed interest through Generasi Setia (M) Sdn Bhd
- (d) Deemed interest through HSBC (Malaysia) Trustee Berhad

Shareholders' & Warrantholders' Information

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TOP 30 SHAREHOLDERS

As per the Record of Depositors (without aggregating the securities from different securities accounts belonging to the same person)

	Name of shareholder	No. of shares held	%
1	Generasi Setia (M) Sdn Bhd	66,500,000	8.71
2	Employees Provident Fund Board	58,909,750	7.71
3	HSBC (Malaysia) Trustee Berhad – Exempt An for HSBC (Malaysia) Trustee Berhad	46,848,818	6.13
4	Amanah Raya Nominees (Tempatan) Sdn Bhd – Skim Amanah Saham Bumiputera	36,449,100	4.77
5	Citigroup Nominees (Asing) Sdn Bhd – Exempt An for Mellon Bank (Mellon)	27,236,400	3.57
6	Cartaban Nominees (Asing) Sdn Bhd – State Street Australia Fund ATB1 for Platinum Asia Fund	26,959,100	3.53
7	Permodalan Nasional Berhad	18,489,500	2.42
8	Lembaga Tabung Haji	13,439,798	1.76
9	Malaysia Nominees (Tempatan) Sendirian Berhad – Great Eastern Life Assurance (Malaysia) Berhad	12,400,000	1.62
10	Amanah Raya Nominees (Tempatan) Sdn Bhd – Amanah Saham Wawasan 2020	11,952,800	1.56
11	Ha Tiing Tai	11,907,938	1.56
12	Cartaban Nominees (Asing) Sdn Bhd – Government of Singapore Investment Corporation Pte Ltd for Government of Singapore (C)	10,812,300	1.42
13	Goon Heng Wah	10,000,000	1.31
14	Cartaban Nominees (Tempatan) Sdn Bhd – Amanah SSCM Nominees (Tempatan) Sdn Bhd for Employees Provident Fund Board	9,631,900	1.26
15	ABB Nominee (Tempatan) Sdn Bhd – Pledged Securities Account for Generasi Setia (M) Sdn Bhd	9,500,000	1.24
16	Kumpulan Wang Amanah Pencen	9,170,500	1.20
17	HSBC Nominees (Asing) Sdn Bhd – Natexis for Comgest Nouvelle Asie	8,000,000	1.05
18	Citigroup Nominees (Asing) Sdn Bhd – Exempt An for Mellon Bank (ABNAMRO Mellon)	7,823,400	1.02
19	Amanah Raya Nominees (Tempatan) Sdn Bhd – Amanah Saham Malaysia	7,640,600	1.00
20	Citigroup Nominees (Asing) Sdn Bhd – CBNY for DFA Emerging Markets Fund	7,542,700	0.99

TOP 30 SHAREHOLDERS (CONT'D)

	Name of shareholder	No. of shares held	%
21	HSBC Nominees (Asing) Sdn Bhd – BNY Brussels for JF Asean Fund	7,500,000	0.98
22	Valuecap Sdn Bhd	7,014,400	0.92
23	Amanah Raya Nominees (Tempatan) Sdn Bhd – Sekim Amanah Saham Nasional	6,091,200	0.80
24	HSBC Nominees (Asing) Sdn Bhd – BNY Brussels for Dreyfus Premier Emerging Markets Fund	6,044,400	0.79
25	Lee Kuan Chen	5,902,924	0.77
26	Cartaban Nominees (Asing) Sdn Bhd – Government of Singapore Investment Corporation Pte Ltd for Monetary Authority of Singapore (H)	5,426,100	0.71
27	Amanah Raya Nominees (Tempatan) Sdn Bhd – Amanah Saham Didik	4,519,700	0.59
28	HSBC Nominees (Asing) Sdn Bhd – BBH (Lux) SCA for Fidelity Funds Asean	4,397,000	0.58
29	EB Nominees (Tempatan) Sendirian Berhad – Pledged Securities Account for Shang Yong @ Chung Koon Yee	4,300,000	0.56
30	Cartaban Nominees (Asing) Sdn Bhd – RBC Dexia Investor Services Bank for MMA Asie	4,200,000	0.55
Total		466,610,328	61.08

Shareholders' & Warrantholders' Information

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WARRANTS 1996/2006

Type of securities	:	Warrants
No. of warrants unexercised	:	61,081,440
Exercise period	:	30/12/1996 – 29/12/2006
Exercise price	:	RM4.21 each warrant
Exercise rights	:	Each warrant entitles the holder to subscribe for one (1) new ordinary share of RM1.00 in the Company at any time during the exercise period
Voting rights	:	1 vote per warrant on a show of hands } in the meeting of 1 vote per warrant on a poll } warrant holders
No. of warrant holders	:	1,510

DISTRIBUTION OF WARRANTS 1996/2006

Size of warrant holdings	No. of warrant holders	%	No. of warrants held	%
Less than 100	44	2.91	2,155	0.00
100 – 1,000	302	20.00	278,435	0.46
1,001 – 10,000	790	52.32	3,750,792	6.14
10,001 – 100,000	303	20.07	11,388,804	18.65
100,001 – 3,054,071	69	4.57	34,054,736	55.75
3,054,072* and above	2	0.13	11,606,518	19.00
Total	1,510	100.00	61,081,440	100.00

Note:

* Denotes 5% of the total unexercised warrants

TOP 30 WARRANTS 1996/2006 HOLDERS

As per the Record of Depositors (without aggregating the securities from different securities accounts belonging to the same person)

	Name of Warrants 1996/2006 holder	No. of Warrants 1996/2006 held	%
1	HSBC Nominees (Tempatan) Sdn Bhd – Exempt An for HSBC (Malaysia) Trustee Berhad	8,053,442	13.18
2	Heng Teng Kuang	3,553,076	5.82
3	CIMSEC Nominees (Tempatan) Sdn Bhd – CIMB Bank Berhad	2,552,400	4.18
4	Ng Kee Leen	2,168,000	3.55
5	Chong Mei Ngor	2,000,000	3.27
6	Citigroup Nominees (Tempatan) Sdn Bhd – CMS Dresdner Asset Management Sdn Bhd for Employees Provident Fund	2,000,000	3.27
7	Kay Yew Kiang	2,000,000	3.27
8	Tiong Nam Logistics Holdings Berhad	2,000,000	3.27
9	Lee Kuan Chen	1,617,312	2.65
10	OSK Nominees (Tempatan) Sdn Berhad – Pledged Securities Account for Wong Tow Fock	1,154,300	1.89
11	Universal Trustee (Malaysia) Berhad – CMS Islamic Fund	1,100,000	1.80
12	A.A. Anthony Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Daniel Lim Hwa Yew	1,020,000	1.67
13	Goon Heng Wah	1,000,058	1.64
14	HDM Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Ong Yoong Nyock	1,000,000	1.64
15	Mayban Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Nyiam Seng Kwee	742,000	1.21
16	CIMSEC Nominees (Asing) Sdn Bhd – Exempt An for CIMB-GK Securities Pte Ltd	504,000	0.83
17	Chong Mon Yan	500,000	0.82
18	Lim Chin Ann	500,000	0.82
19	TA Securities Holdings Berhad – IVT	500,000	0.82
20	Tan Sim Wah	500,000	0.82

Shareholders' & Warrantholders' Information

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TOP 30 WARRANTS 1996/2006 HOLDERS (CONT'D)

	Name of Warrants 1996/2006 holder	No. of Warrants 1996/2006 held	%
21	Mayban Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Lee Tiong Guan	482,100	0.79
22	Citigroup Nominees (Asing) Sdn Bhd – CBHK PBGSGP for Su Zhou Investments Ltd	432,466	0.71
23	Omega Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Tan Kai Ann @ Tan Teck Chuan	420,000	0.69
24	CIMSEC Nominees (Tempatan) Sdn Bhd – CIMB Bank for Yong Ah Ku @ Yeoh Kok Wah	402,600	0.66
25	Southern Nominees (Tempatan) Sdn Bhd – Southern Bank Berhad	387,000	0.63
26	TA Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Kidstone Sdn Bhd	380,000	0.62
27	Al-Ashraf Bin Mushid	375,000	0.61
28	AMSEC Nominees (Tempatan) Sdn Bhd – AmMerchant Bank Bhd for Tan Kok Pin @ Kok Khong	350,000	0.57
29	Ong Kee Sem	330,000	0.54
30	Chow Soong Ming	311,300	0.51
	Total	38,335,054	62.75

WARRANTS 2001/2007

Type of securities	:	Warrants	
No. of warrants unexercised	:	127,669,198	
Exercise period	:	22/2/2001 – 21/8/2007	
Exercise price	:	RM3.75 each warrant	
Exercise rights	:	Each warrant entitles the holder to subscribe for one (1) new ordinary share of RM1.00 in the Company at any time during the exercise period	
Voting rights	:	1 vote per warrant on a show of hands 1 vote per warrant on a poll	} in the meeting of warrant holders
No. of warrant holders	:	4,023	

DISTRIBUTION OF WARRANTS 2001/2007

Size of warrant holdings	No. of warrant holders	%	No. of warrants held	%
Less than 100	67	1.66	3,196	0.00
100 – 1,000	1,361	33.83	1,229,511	0.96
1,001 – 10,000	1,879	46.71	8,057,618	6.31
10,001 – 100,000	586	14.57	18,960,647	14.85
100,001 – 6,383,458	127	3.16	70,599,375	55.30
6,383,459* and above	3	0.07	28,818,851	22.58
Total	4,023	100.00	127,669,198	100.00

Note:

* Denotes 5% of the total unexercised warrants

Shareholders' & Warrantholders' Information

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TOP 30 WARRANTS 2001/2007 HOLDERS

As per the Record of Depositors (without aggregating the securities from different securities accounts belonging to the same person)

	Name of Warrants 2001/2007 holder	No. of Warrants 2001/2007 held	%
1	HSBC (Malaysia) Trustee Berhad – Exempt An for HSBC (Malaysia) Trustee Berhad	12,240,551	9.59
2	Generasi Setia (M) Sdn Bhd	8,800,000	6.89
3	Lembaga Tabung Haji	7,778,300	6.09
4	Ng Kee Leen	4,308,335	3.37
5	Cartaban Nominees (Asing) Sdn Bhd – Government of Singapore Investment Corporation Pte Ltd for Government of Singapore (C)	3,499,200	2.74
6	Ha Tiing Tai	3,477,000	2.72
7	Shang Yong @ Chung Koon Yee	3,099,000	2.43
8	AMMB Nominees (Tempatan) Sdn Bhd – CMS Dresdner Asset Management Sdn Bhd for Tenaga Nasional Berhad Retirement Benefit Trust Fund	3,000,000	2.35
9	Goon Heng Wah	2,996,000	2.35
10	Citigroup Nominees (Asing) Sdn Bhd – CBHK PBGSGP for Keyport Limited	2,952,812	2.31
11	Sukma Sinaran Sdn Bhd	2,702,300	2.12
12	Chan Yong Foo @ Chan Kuan Nam	2,564,000	2.01
13	Citigroup Nominees (Tempatan) Sdn Bhd – CMS Dresdner Asset Management Sdn Bhd for Employees Provident Fund	2,550,300	2.00
14	EB Nominees (Tempatan) Sendirian Berhad – Pledged Securities Account for Heng Teng Kuang	2,535,000	1.99
15	Heng Teng Kuang	2,123,000	1.66
16	Public Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Chia Siya Heng	1,732,300	1.36
17	A.A. Anthony Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Daniel Lim Hwa Yew	1,690,000	1.32
18	Cartaban Nominees (Asing) Sdn Bhd – Government of Singapore Investment Corporation Pte Ltd for Monetary Authority of Singapore (H)	1,430,121	1.12
19	Citigroup Nominees (Tempatan) Sdn Bhd – CMS Dresdner Asset Management Sdn Bhd for Pertubuhan Keselamatan Sosial	1,375,700	1.08
20	EB Nominees (Tempatan) Sendirian Berhad – Pledged Securities Account for Chan Kok Wah	1,250,000	0.98

TOP 30 WARRANTS 2001/2007 HOLDERS (CONT'D)

	Name of Warrants 2001/2007 holder	No. of Warrants 2001/2007 held	%
21	Kenanga Nominees (Tempatan) Sdn Bhd – Pledged Securities Account for Ong Yoong Nyock	1,000,000	0.78
22	Ong Kee Sem	934,300	0.73
23	Eng Yok Tin @ Seet Kim Lian	800,000	0.63
24	Su Ming Keat	605,000	0.47
25	Tan Kim Yong	597,066	0.47
26	W T K Holdings Berhad	564,000	0.44
27	HDM Nominees (Asing) Sdn Bhd – OCBC Securities Pte Ltd for Woo Ching Tung	545,000	0.43
28	Lee Kuan Chen	518,300	0.41
29	Chan Yong Foo @ Chan Kuan Nam	500,000	0.39
30	HSBC Nominees (Tempatan) Sdn Bhd – Coutts Bk Von Ernst HK for Ong Yoong Nyock	500,000	0.39
Total		78,667,585	61.62

List of Major Properties

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Location	Tenure	Area	Description	Year of expiry	NBV (RM)	Approximate age of building (Years)	Date of valuation/ acquisition
No. 36/38, Jalan SS21/62 47400 Petaling Jaya Selangor	Freehold	1,078 sq m	2 blocks, 4 storey shoplot/office	–	1,045,000	14	1991
No. 30, Jalan SS2/44 47300 Petaling Jaya Selangor	Freehold	501 sq m	Bungalow/ staff quarters	–	337,000	22	1991
No. 39, Jalan SS22/23 47400 Petaling Jaya Selangor	Freehold	499 sq m	4 storey shoplot/office	–	613,600	14	1991
No. 55-61, Jalan SS22/23 47400 Petaling Jaya Selangor	Freehold	1,996 sq m	4 blocks, 4 storey shoplot/office	–	5,576,782	17	1992
Lot 6, Jalan U1/17 Seksyen U1 40000 Shah Alam Selangor	Freehold	3.527 acres	Industrial estate/ factory/office	–	6,753,180	12	1991
No. 152, Jalan Gopeng 31350 Ipoh, Perak	Leasehold	164 sq m	3 storey shoplot/office	2078	189,525	22	1991
No. 158, Jalan Gopeng 31350 Ipoh, Perak	Leasehold	163 sq m	3 storey shoplot/office	2078	183,000	22	1991
PT 51683, Jalan Jelapang 30020 Ipoh, Perak	Leasehold	4,353 sq m	Industrial estate/ workshop	2043	434,217	18	1991
PT 183485 Meru Industrial Estate Jelapang, 30020 Ipoh Perak	Leasehold	12,144 sq m	Industrial estate/store	2050	682,496	12	1991
Lot 195821, 195822, 195823, 195824, 195825, 195826, 195827, 46482 57417 all in the Mukim Kampar District of Kinta 31350 Ipoh, Perak	Leasehold	45 hectares	Granite hill, limestone hill and industrial land/quarry	2022	7,463,465	–	1991
HS (D) 54871, PT No. 56274 Mukim & Mukim & District of Kelang Selangor	Freehold	16,898 sq ft workshop	Industrial estate/ workshop	–	8,027,619	–	1995
HS (D) 52561, PT No. 53932 Mukim & District of Kelang Selangor	Freehold	14,690 sq m	Commercial land	–	9,104,000	–	1996
No. 53, Jalan SS22/23 47400 Petaling Jaya Selangor	Freehold	153 sq m	4 storey shoplot/office	–	1,448,270	–	2006

Notice of Annual General Meeting

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NOTICE IS HEREBY GIVEN that the 30th Annual General Meeting of the Company will be held at the Ballroom of Kota Permai Golf & Country Club, No. 1, Jalan 31/100A, Kota Kemuning, Section 31, 40460 Shah Alam, Selangor Darul Ehsan on Tuesday, 16 January 2007 at 10.00 a.m. for the purpose of transacting the following businesses:

AGENDA

1. To receive and adopt the Audited Financial Statements for the year ended 31 July 2006 and the Reports of the Directors and Auditors thereon. **(Resolution 1)**
2. To approve a final dividend of 9% per share less 28% income tax for the year ended 31 July 2006. **(Resolution 2)**
3. To approve the payment of Directors' fees of RM244,000 for the year ended 31 July 2006. **(Resolution 3)**
4. To re-elect the following Directors who retire pursuant to Article 97 of the Company's Articles of Association:
 - a. Y Bhg Tan Sri Dato' Seri Dr Haji Zainul Ariff bin Haji Hussain **(Resolution 4)**
 - b. Y M Raja Dato' Seri Abdul Aziz bin Raja Salim **(Resolution 5)**
 - c. Y Bhg Dato' Ir Haji Azmi bin Mat Nor **(Resolution 6)**
5. To consider and, if thought fit, pass the following resolutions in accordance with Section 129 of the Companies Act, 1965:
 - a. "THAT Y Bhg Tan Sri Dato' Ir Talha bin Haji Mohd Hashim, retiring pursuant to Section 129 of the Companies Act, 1965, be re-appointed as a Director of the Company and to hold office until the conclusion of the next Annual General Meeting." **(Resolution 7)**
 - b. "THAT Y Bhg Tan Sri Dato' Mohd Ramli bin Kushairi retiring pursuant to Section 129 of the Companies Act, 1965, be re-appointed as a Director of the Company and to hold office until the conclusion of the next Annual General Meeting." **(Resolution 8)**
 - c. "THAT Y Bhg Dato' Ir Kamarul Zaman bin Mohd Ali retiring pursuant to Section 129 of the Companies Act, 1965, be re-appointed as a Director of the Company and to hold office until the conclusion of the next Annual General Meeting." **(Resolution 9)**
6. To re-appoint Messrs Ernst & Young, the retiring Auditors and to authorise the Directors to fix their remuneration. **(Resolution 10)**
7. As Special Business:

To consider and if thought fit, pass the following resolutions with or without modifications as Ordinary Resolutions:

 - a) Authority to Allot and Issue Shares

"THAT pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby empowered to allot and issue shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the issued share capital of the Company for the time being and that the Directors be and are also empowered to obtain the approval of Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and that such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company." **(Resolution 11)**

Notice of Annual General Meeting

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b) Proposed Renewal of Share Buy-back Authority

"THAT subject to the provisions of the Companies Act, 1965, the Articles of Association of the Company, the requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of all relevant government and/or regulatory authorities, the Company be and is hereby authorised to purchase such number of ordinary shares of RM1.00 each of the Company ("Proposed Share Buy-back") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that the aggregate number of shares to be purchased pursuant to this resolution does not exceed ten percent (10%) of the total issued and paid-up share capital for the time being of the Company and an amount not exceeding the retained profits and/or share premium of the Company be allocated by the Company for the Proposed Share Buy-back;

AND THAT at the discretion of the Directors, upon such purchase by the Company of its own shares, the purchased shares will be cancelled and/or retained as treasury shares and subsequently be cancelled, distributed as dividends or resold on Bursa Securities;

AND THAT the Directors be and are hereby empowered to do all acts and things and to enter into and execute all commitments, transactions, deeds, agreements, arrangements, undertakings, indemnities, transfers, assignments and/or guarantees as the Directors may deem fit and expedient in order to implement, finalise and give full effect to the Proposed Share Buy-back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments as may be required or imposed by any relevant authorities and/or any amendments, variations and/or modifications in the interest of the Company as may be approved by any relevant authorities if such approvals are required;

AND THAT the authority hereby given shall commence immediately upon the passing of this resolution and shall continue in force until:

- i) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time it shall lapse, unless by ordinary resolution passed at the AGM, the authority is renewed either unconditionally or subject to conditions; or
- ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
- iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first, but not so as to prejudice the completion of the purchase of its own shares by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Listing Requirements of Bursa Securities or any other relevant authorities."

(Resolution 12)

8. To transact any other business of which due notice shall have been given.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS ALSO HEREBY GIVEN that a final dividend of 9% per RM1.00 ordinary share less 28% income tax for the year ended 31 July 2006, if approved by the shareholders at the 30th Annual General Meeting, will be paid on 31 January 2007 to Depositors whose names appear in the Record of Depositors at the close of business on 18 January 2007.

A Depositor shall qualify for entitlement to the dividend only in respect of:

- a. shares transferred into the Depositor's Securities Account before 4.00 p.m. on 18 January 2007 in respect of transfers; and
- b. shares bought on Bursa Malaysia Securities Berhad ("Bursa Securities") on a cum entitlement basis according to the Rules of Bursa Securities.

By Order of the Board

Lim Soo Lye
Tee Yew Chin
 Company Secretaries

Petaling Jaya
 18 December 2006

Notes:

1. Appointment of Proxy(ies)
 - a. A member of the Company who is entitled to attend and vote at this meeting is entitled to appoint a proxy or not more than two (2) proxies to attend and vote in his stead. A proxy need not be a member of the Company.
 - b. Where a member appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
 - c. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
 - d. If no name is inserted in the space provided for the name of your proxy, the Chairman of the meeting will act as your proxy.
 - e. In the case of a corporate member, the Form of Proxy shall be under its Common Seal or under the hand of its attorney.
 - f. The Form of Proxy must be deposited at the Company's Registered Office situated at No. 78, Jalan SS22/21, Damansara Jaya, 47400 Petaling Jaya, Selangor Darul Ehsan, Malaysia, not less than forty-eight (48) hours before the time set for holding the meeting or at any adjournment thereof.
2. Explanatory Notes on Special Business
 - a. Resolution 11
 The proposed Resolution 11 if passed, will empower the Directors to issue shares of the Company up to a maximum of 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the interest of the Company. This authority, unless revoked or varied at a general meeting will expire at the conclusion of the next Annual General Meeting of the Company. The rationale for this resolution is to save cost and time for convening a general meeting.
 - b. Resolution 12
 Please refer to the Statement to Shareholders dated 18 December 2006 for further information.

Statement Accompanying Notice of Annual General Meeting

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1. Date, Time and Venue of the 30th AGM

The 30th AGM of the Company will be held as follows:

On : Tuesday, 16 January 2007

At : 10.00 a.m.

At : Ballroom of Kota Permai Golf & Country Club
No. 1, Jalan 31/100A
Kota Kemuning, Section 31
40460 Shah Alam
Selangor Darul Ehsan
Malaysia

2. Directors who are standing for re-election/re-appointment at the 30th AGM

The Directors retiring by rotation and standing for re-election pursuant to Article 97 of the Company's Articles of Association are:

- a. Y Bhg Tan Sri Dato' Seri Dr Haji Zainul Ariff bin Haji Hussain
- b. Y M Raja Dato' Seri Abdul Aziz bin Raja Salim
- c. Y Bhg Dato' Ir Haji Azmi bin Mat Nor

The Directors who are over the age of 70 and standing for re-appointment pursuant to Section 129 of the Companies Act, 1965 are:

- a. Y Bhg Tan Sri Dato' Ir Talha bin Haji Mohd Hashim
- b. Y Bhg Tan Sri Dato' Mohd Ramli bin Kushairi
- c. Y Bhg Dato' Ir Kamarul Zaman bin Mohd Ali

The profiles of the above 6 Directors and the record of their attendances at Board Meetings held in the financial year ended 31 July 2006 are presented in the "Directors' Profile" section on page 30. Their securities holdings in the Group are presented in the "Statement of Directors' Interests" section on page 81.

3. Board Meetings held in the financial year ended 31 July 2006

6 Board meetings were held during the financial year ended 31 July 2006. A record of the Directors' attendances at the Board Meetings is presented in the "Corporate Governance Statement" section on page 70.

A I/We _____
(FULL NAME IN CAPITALS)
of _____
(ADDRESS)
being a member/members of GAMUDA BERHAD, hereby appoint _____
(FULL NAME)
of _____
(ADDRESS)
or failing him/her, _____
(FULL NAME)
of _____
(ADDRESS)
or failing him/her, the Chairman of the Meeting as my/our *first proxy to attend and vote for me/us on my/our behalf at the 30th Annual General Meeting of the Company to be held at the Ballroom of Kota Permai Golf & Country Club, No.1, Jalan 31/100A, Kota Kemuning, Section 31, 40460 Shah Alam, Selangor Darul Ehsan, Malaysia on Tuesday, 16 January 2007 at 10.00 a.m., and at any adjournment thereof.

Where it is desired to appoint a second proxy, this section must also be completed. Otherwise it should be deleted.

B I/We _____
(FULL NAME IN CAPITALS)
of _____
(ADDRESS)
being a member/members of GAMUDA BERHAD, hereby appoint _____
(FULL NAME)
of _____
(ADDRESS)
or failing him/her, _____
(FULL NAME)
of _____
(ADDRESS)
or failing him/her, the Chairman of the Meeting as my/our *second proxy to attend and vote for me/us on my/our behalf at the 30th Annual General Meeting of the Company to be held at the Ballroom of Kota Permai Golf & Country Club, No.1, Jalan 31/100A, Kota Kemuning, Section 31, 40460 Shah Alam, Selangor Darul Ehsan, Malaysia on Tuesday, 16 January 2007 at 10.00 a.m., and at any adjournment thereof.

The proportions of my/our holding to be represented by my/our proxies are as follows:-

First Proxy **A** _____ %
Second Proxy **B** _____ %
100 %

In case of a vote by a show of hands, *First Proxy **A** /*Second Proxy **B** shall vote on my/our behalf.

My/our proxy shall vote as follows:-

(Please indicate with an "X" or "✓" in the space provided below how you wish your votes to be cast on the resolutions specified in the Notice of Annual General Meeting. If you do not do so, the proxy/proxies will vote, or abstain from voting on the resolutions as he/they may think fit.)

No.	Resolution	First Proxy A		Second Proxy B	
		For	Against	For	Against
1	Adoption of Audited Financial Statements and Reports for the year ended 31 July 2006				
2	Approval of a final dividend				
3	Approval of Directors' fees				
4	Re-election of Y Bhg Tan Sri Dato' Seri Dr Haji Zainul Ariff bin Haji Hussain as Director				
5	Re-election of YM Raja Dato' Seri Abdul Aziz bin Raja Salim as Director				
6	Re-election of Y Bhg Dato' Ir Haji Azmi bin Mat Nor as Director				
7	Re-appointment of Y Bhg Tan Sri Dato' Ir Talha bin Haji Mohd Hashim as Director				
8	Re-appointment of Y Bhg Tan Sri Dato' Mohd Ramli bin Kushairi as Director				
9	Re-appointment of Y Bhg Dato' Ir Kamarul Zaman bin Mohd Ali as Director				
10	Re-appointment of Auditors				
11	Authority to Directors to allot and issue shares				
12	Proposed renewal of share buy-back authority				

Signed this _____ day of _____, 2006/2007

Signature of Member and/or Common Seal

Number of shares held	CDS account no.

* Delete if inapplicable

Notes:-

1. A member of the Company who is entitled to attend and vote at this meeting is entitled to appoint a proxy or not more than two (2) proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. Where a member appoints two (2) proxies, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
3. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4. If no name is inserted in the space provided for the name of your proxy, the Chairman of the meeting will act as your proxy.
5. In the case of a corporate member, the Form of Proxy shall be under its Common Seal or under the hand of its attorney.
6. This Form of Proxy must be deposited at the Company's Registered Office situated at No. 78, Jalan SS22/21, Damansara Jaya, 47400 Petaling Jaya, Selangor Darul Ehsan, Malaysia, not less than forty-eight (48) hours before the time set for holding the meeting or at any adjournment thereof.

FOLD HERE

STAMP

Registered Office
Gamuda Berhad
No. 78, Jalan SS22/21
Damansara Jaya
47400 Petaling Jaya
Selangor Darul Ehsan
Malaysia

FOLD HERE

Group Directory

Gamuda Berhad (29579-T)
78 Jalan SS 22/21, Damansara Jaya
47400 Petaling Jaya, Selangor
Malaysia
Tel: 603-7726 9210
Fax: 603-7728 6571, 7728 9811
Website: www.gamuda.com.my
Email: gbgpa@gamuda.com.my

Gamuda Engineering Sdn Bhd (506869-K)
55-61 Jalan SS 22/23, Damansara Jaya
47400 Petaling Jaya, Selangor
Malaysia
Tel: 603-7729 8094
Fax: 603-7727 1112

Syarikat Mengurus Air Banjir & Terowong Sdn Bhd (599374-W)
No. 67 Jalan 3/93
Taman Miharja off Jalan Cheras
55200 Kuala Lumpur
Malaysia
Tel: 603-9206 3000
Fax: 603-9282 4421
Website: www.smarttunnel.com.my
Email: info@smartjv.com.my

Lingkar Trans Kota Sdn Bhd (353053-W)
Kompleks Operasi LITRAK
KM19, Lebuhraya Damansara-Puchong
Jalan PJS 9, Bandar Sunway
47500 Petaling Jaya, Selangor
Malaysia
Tel: 603-7494 7000
Fax: 603-7494 7016
Website: www.litrak.com.my
Email: info@litrak.com.my

Sistem Penyuraian Trafik KL Barat Sdn Bhd (429797-P)
Pejabat Operasi, KM3, Hubungan Damansara
Lebuhraya SPRINT, Seksyen 17
46400 Petaling Jaya, Selangor
Malaysia
Tel: 603-7494 7000
Fax: 603-7494 7320
Website: www.sprint.com.my
Email: info@sprint.com.my

Kesas Sdn Bhd (275554-U)
1 Wisma Kesas, Lebuhraya Shah Alam
47500 Subang Jaya, Selangor
Malaysia
Tel: 603-5632 7088
Fax: 603-5632 6088
Website: www.kesas.com.my
Email: mm@kesas.com.my

Syarikat Pengeluar Air Sungai Selangor Sdn Bhd (482346-K)
34 – 36, Jalan SS 22/21, Damansara Jaya
47400 Petaling Jaya, Selangor
Malaysia
Tel: 603-7729 2928
Fax: 603-7726 1557
Website: www.splash.com.my
Email: info@splash.com.my

Gamuda Water Sdn Bhd (297031-H)
36, Jalan SS 22/21, Damansara Jaya
47400 Petaling Jaya, Selangor
Malaysia
Tel: 603-7727 4879
Fax: 603-7727 4921

Gamuda Land Sdn Bhd (573380-D)
1 Jalan Anggerik Vanilla X 31/X
Kota Kemuning, Seksyen 31
40460 Shah Alam, Selangor
Malaysia
Tel: 603-5121 9299
Fax: 603-5121 6299
Website: www.gamudaland.com.my

Hicom-Gamuda Development Sdn Bhd (285780-D)
1 Jalan Anggerik Vanilla X 31/X
Kota Kemuning, Seksyen 31
40460 Shah Alam, Selangor
Malaysia
Tel: 603-5122 6100 / 7100/1055
Fax: 603-5122 3040
Website: www.kotakemuning.net
Email: khchew@hgd.com.my

Harum Intisari Sdn Bhd (491736-H)
1 Jalan Anggerik Vanilla X 31/X
Kota Kemuning, Seksyen 31
40460 Shah Alam, Selangor
Malaysia
Tel: 603-5121 9299, 5121 7299
Fax: 603-5121 6299
Website: www.bandarbotanic.com.my

Valencia Development Sdn Bhd (474040-U)
4403 Main Road, 12th Mile
47000 Sungai Buloh, Selangor
Malaysia
Tel: 603-6156 0021
Fax: 603-6156 9871
Website: www.valencia.com.my

Kota Permai Golf & Country Club
1 Jalan 31/100A, Kota Kemuning,
Seksyen 31, 40460 Shah Alam, Selangor
Malaysia
Tel: 603-5122 3700
Fax: 603-5122 3701
Website: www.kotapermai.com.my
Email: kpgcc@kotapermai.com.my

Megah Sewa Sdn Bhd (425417-W)
16 Jalan Anggerik Mokara 31/48
Kota Kemuning, Seksyen 31
40460 Shah Alam, Selangor
Malaysia
Tel: 603-5122 2213
Fax: 603-5122 2331
Email: megahsewa@po.jaring.my

GIT Services Sdn Bhd (461935-U)
78 Jalan SS 22/21, Damansara Jaya
47400 Petaling Jaya, Selangor
Malaysia
Tel: 603-7726 9210
Fax: 603-7729 4323
Website: www.git.com.my

Gamuda-WCT Joint Venture
c/o Al Tawfeeq Petroleum Services W.L.L.
P. O. Box 187, Doha, Qatar
Tel: 974-4620576

Gamuda (India) Private Limited
607/59, Shakuntla Apartments
59, Nehru Place, New Delhi 110 019
India

Gamuda - WCT (India) Private Limited
Arihant Building
Unit No. 2B & 2C, 2nd Floor
53A Mirza Ghalib Street
Kolkata 700016
India

Mapex Infrastructure Private Limited
Arihant Building
2nd Floor, 53A Mirza Ghalib Street
Kolkata 700016
India

Emas Expressway Private Limited
Arihant Building
2nd Floor, 53A Mirza Ghalib Street
Kolkata 700016
India

Gamuda Berhad
(Taiwan Branch Office)
22nd Floor, No. 380 Minchiuan 2nd Road
Chianjen District, Kaohsiung
Taiwan 806
R.O.C.
Tel: 886-7-3329 828
Fax: 886-7-3329 829
Email: gamuda.taiwan@msa.hinet.net

Gamuda Berhad
(Laos representative office)
P. O. Box 11330
70/201 Luang Prabang Road
Ban Khounta Thong
Sikkout District
Vientiane, Lao PDR.
Tel : 856-21-219491
Fax : 856-21-219492
Mobile Phone : 856-20-5599108

Gamuda Berhad
(Bahrain representative office)
c/o Bokhowa Group
P.O. Box 5422, Manama
Bahrain
Tel: 973-17-259981
Fax: 973-17-259985



GAMUDA BERHAD (29579-T)

78, Jalan SS22/21, Damansara Jaya

47400 Petaling Jaya, Selangor

Tel: (603) 7726 9210

Fax: (603) 7728 9811

Website: www.gamuda.com.my