

Board of Directors & Secretary

CHAIRMAN



Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob

GROUP EXECUTIVE DIRECTORS



Group Managing Director
Tan Boon Seng @ Krishnan



Deputy Group Managing Director
Goh Chye Koon



Group Executive Director
Soo Heng Chin



Group Executive Director
Velayuthan a/l Tan Kim Song



INDEPENDENT NON-EXECUTIVE DIRECTORS



Datuk Yahya bin Ya'acob



Tan Sri Dato' (Dr) Haji Murad
bin Mohamad Noor



Datuk Oh Chong Peng

NON-EXECUTIVE DIRECTORS



Lai Meng



Dato' Goh Chye Keat



Haji Osman bin Haji Ismail

SECRETARY



Jeremie Ting Keng Fui

Profile of Directors, Secretary and Senior Management

DIRECTORS



>*Y.Bhg. Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman Bin Wan Yaacob

Independent Non-Executive Chairman

PSM, SPMT, DPMT, JSM, AMN, D.Eng.(h.c.) B'ham, FASc, FIEM, FICE, FIHT, FCIQB, P.Eng., C.Eng.

Tan Sri Wan Abdul Rahman, born in June 1941, joined the Board on 1 July 1996.

He obtained a Diploma in Civil Engineering from the Technical College, Kuala Lumpur in 1963, Diploma in Civil & Structural from Brighton College of Technology, United Kingdom in 1965, and attended an Advanced Management Programme from Harvard Business School Boston, Massachusetts, USA in 1993. He was conferred the Honorary Doctor of Engineering by University of Birmingham, United Kingdom in 1994. He was with the Ministry of Works for 32 years, having served the last six years as the Director General of the Public Works Department before his retirement in 1996.

He is presently the Chairman of the Malaysian Standard & Accreditation Council, and The Road Engineering Association of Malaysia (REAM). He is a Council member of The Road Engineering Association of Asia & Australia (REAAA) and an Ex-Officio member of the Institution of Highways and Transportation (Malaysia Branch).

His directorships in other public companies include Lingkaran Trans Kota Holdings Berhad (Chairman), Lysaght Galvanized Steel Berhad (Chairman), Malaysian Industrial Development Finance Berhad, Malaysia Mining Corporation Berhad, NCB Holdings Berhad, Powertek Berhad, Saujana Consolidated Berhad and SIME-UEP Properties Berhad.

#^Mr Tan Boon Seng @ Krishnan

Group Managing Director

SMS, B. Econ(Hons), CPA(M), CA, MBA

Mr Tan, born in December 1952, joined IJM as Financial Controller in 1983 and joined the Board as an Alternate Director on 12 June 1984. He rose in ranks to assume the post of Group Managing Director on 1 January 1997.

He qualified as a Certified Public Accountant in 1978 after graduating with a Bachelor of Economics (Honours) degree from University of Malaya in 1975, and holds a Master's degree in Business Administration from Golden Gate University, San Francisco, USA. Prior to joining IJM, he was with Kumpulan Perangsang Selangor Berhad for seven years and became its Group Financial Controller from 1980 to 1982.

His directorships in other public companies include IJM Plantations Berhad, Industrial Concrete Products Berhad, ABN AMRO Bank Berhad, MASSCORP Berhad, Torsco Berhad and Grupo Concesionario del Oeste S.A. He is also a member of the Executive Committee of the Federation of Public Listed Companies Berhad (FPLC) since 2000.



#^Mr Goh Chye Koon

Deputy Group Managing Director

KMN, B.Eng.(Civil)(Hons), MIEM, P.Eng.

Mr Goh, born in June 1949, has been the Deputy Group Managing Director of IJM since 1 January 1997.

He graduated with a Bachelor of Engineering (Honours) degree from University of Malaya in 1973, and served as an engineer in the Ministry of Works for 11 years and was its Superintending Engineer prior to joining IJM as Senior Engineer in 1984. He was promoted as General Manager (Central Region) in 1986 and was made Alternate Director on 25 July 1995 before assuming his present position. He is also a Director of IJM Plantations Berhad, and Deputy President of the Master Builders Association (session 2002/2004).



#[^]Mr Soo Heng Chin

Group Executive Director
B.Eng.(Civil)(Hons), MIEM, MBA

Mr Soo, born in January 1955, was appointed an Alternate Director on 12 June 1998 and subsequently a Group Executive Director on 17 May 2001. He heads the Construction Services at Head Office overseeing the Contracts, Purchasing & Store, Plant & Workshop, Technical, Project Control, and Quality System & Safety Departments.

He graduated with a Bachelor of Engineering (Honours) degree from University of Malaya in 1978, and holds a Master's degree in Business Administration from Golden Gate University, San Francisco, USA. Prior to joining IJM in 1979 as an engineer in Mudajaya Construction Sdn Bhd, he was an engineer with the Drainage and Irrigation Department, Pahang.

#Mr Velayuthan a/I Tan Kim Song

Group Executive Director
M.MIN, D.DIV (India & USA)

Mr Velayuthan, born in May 1954, was made an Alternate Director on 12 June 1998 and subsequently as Group Executive Director on 17 May 2001.

He obtained a Diploma in Management from the Malaysian Institute of Management in 1985. Before joining IJM in 1985, he was the Assistant Manager of Multi-Purpose Holdings Berhad. He started out as a Project Officer of Desa Talisai Sdn Bhd and rose to become the Managing Director of IJM Plantations Berhad in 2003.

He is a Council member of the Malaysian Palm Oil Association.



>*Y.Bhg. Tan Sri Dato' (Dr) Haji Murad Bin Mohamad Noor

Senior Independent Non-Executive Director
PSM, DSDK, JMN, PMK, SMK, KMN, BA (Hons)(Mal), Dip.Ed.(Mal), Dip.Ed.Admin (Reading UK), Hon.D.Litt (Reading UK), Hon.D.Ed (USM Penang)

Tan Sri Murad, born in April 1930, was appointed to the Board on 25 July 1985. He graduated with a Bachelor of Arts (Honours) degree and Diploma in Education from University of Malaya in 1955 and 1956 respectively, and Diploma in Education & Administration from University of Reading, United Kingdom in 1961. He was conferred the Honorary Doctor of Letters in 1990 by University of Reading, and Honorary Doctor of Education by University Sains Malaysia in 1992.

His past positions include Director General of Education (1976-1985), Chairman of the Urban Development Authority (1985-1988), Chairman of the Forest Research Institute of Malaysia (1985-1990), Chairman of Majlis University Sains Malaysia (1985-1992), and Vice President of International Islamic University (1992-1995).

*Y.Bhg. Datuk Oh Chong Peng

Independent Non-Executive Director
PJN, JSM, FCA

Datuk Oh, born in July 1944, was appointed Director on 12 April 2002.

He undertook his accountancy training in London and qualified as a Chartered Accountant in 1969 and is currently a Fellow of the Institute of Chartered Accountants in England and Wales.

He was a senior partner of Coopers and Lybrand (now known as PricewaterhouseCoopers), Malaysia from 1974 until his retirement in 1997. He joined Coopers & Lybrand in London in 1969 and in Malaysia in 1971. He was also a Government appointed Committee Member of the Kuala Lumpur Stock Exchange from 1990 to 1996, and a past President (1994 to 1996) and Council Member (1981 to 2002) of the Malaysian Institute of Certified Public Accountants.

His directorships in other public companies include British American Tobacco (Malaysia) Berhad, IJM Plantations Berhad, Land & General Berhad (Chairman), Nanyang Press Holdings Berhad (Chairman), Powertek Berhad, Renong Berhad and Star Publications (Malaysia) Berhad. He is also a Trustee of Huaren Education Foundation and UTAR Education Foundation; and a Government appointed Member of the Labuan Offshore Financial Services Authority.



Profile of Directors, Secretary and Senior Management

DIRECTORS



>*Y.Bhg. Datuk Yahya Bin Ya'acob

Independent Non-Executive Director
PJN, DIMP, JSM, KMN, SMP, PBS, B.A. (Hons), D.P.A. (Malaya), M.B.M. (Philippines)

Datuk Yahya, born in January 1944, was appointed to the Board on 31 March 1999.

He graduated with a Bachelor of Arts (Honours) degree and Diploma in Public Administration from University of Malaya in 1967 and 1970 respectively, and holds a Master's degree of Business Management from the Asian Institute of Management in 1976.

Datuk Yahya was in the Malaysia Administrative and Diplomatic service for more than 32 years, having served the last five years as the Secretary General of the Ministry of Works before his retirement in 1999. His other postings include Secretary General of the Ministry of Information (1991-1994), Secretary of the Federal Treasury (Contracts Division) (1988-1991), Deputy Director of the Implementation & Coordination Unit, Prime Minister's Department (1986-1988), and Deputy Secretary of the Federal Treasury (Finance Division) (1976-1986).

His directorships in other public companies include Rumpun Hijau Capital Berhad, Trenergy (Malaysia) Berhad, UDA Holdings Berhad, Pelaburan Johor Berhad and Torsco Berhad.

>Y.Bhg. Dato' Goh Chye Keat

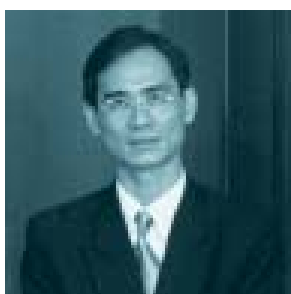
Non-Executive Director
DSPN, JSM, DJN, Dip.Eng., P.Eng.

Dato' Goh, born in December 1941, one of the pioneers of the Group, has been a non-executive Director since he retired as Group Managing Director of IJM on 31 December 1996. He was appointed to the Board on 16 April 1984, and was made Group Managing Director in 1988.

He qualified as a Graduate member of the Institution of Civil Engineers, United Kingdom in 1967 after obtaining a Diploma in Engineering from the Technical College, Kuala Lumpur in 1964, and was conferred the Honorary Fellow by University of Sydney, Australia in 1996.

Dato' Goh started out with the Public Works Department and was there for three years before joining Soon Tat & Co as Project Manager. He left Soon Tat & Co after three years to join Jurutama Sdn Bhd in 1970.

His directorships in other public companies include Industrial Concrete Products Berhad and MASSCORP Berhad.



Mr Lai Meng

Non-Executive Director
B.Econs(Hons)

Mr Lai, born in December 1955, was appointed Director on 23 June 1994 and is a representative of IGB Corporation Berhad.

He graduated with a Bachelor of Economics (First Class Honours) degree from University of Malaya in 1978. He was with Bank Negara Malaysia for seven years and was its Senior Administration Officer prior to joining Hongkong Tin Corporation (M) Berhad in 1985 as Corporate Planner, and Kinta Kellas Investments PLC in 1986 as Corporate Manager. In 1988, he joined Tan & Tan Developments Berhad as Manager (Corporate Affairs) before being appointed

Group Financial Controller in 1989 and General Manager (Finance & Administration) in 1990. He was promoted as Director (Corporate Affairs) of IGB Corporation Berhad in 1992.

His directorships in other public companies include IGB Corporation Berhad and Ipemuda Berhad.


Tuan Haji Osman Bin Haji Ismail

Non-Executive Director

Adv Dip Acc

Haji Osman, born in April 1958, was appointed Director on 5 January 2001 and is a representative of Permodalan Nasional Berhad (PNB).

He obtained a Diploma in Accountancy from Mara Institute of Technology in 1980, an Advanced Diploma in Accountancy from Luton University, England in 1983 and a Certificate in Internal Quality Auditor (Neville Clark) in 1996. He is also a member of the Institute of Internal Auditors Malaysia.

Haji Osman who joined PNB in 1985, is currently the Vice President, Financial & Management Audit Department of PNB.

His directorships in other public companies include Gold IS Berhad, Heitech Padu Berhad, IGB Corporation Berhad and Tan & Tan Developments Berhad.

There are no family relationship between the Directors and/or major shareholders of the Company save for the following:-

No.	Name	Relationship
1.	Tan Boon Seng @ Krishnan and Velayuthan a/l Tan Kim Song	Brothers
2.	Dato' Goh Chye Keat and Goh Chye Koon	Brothers

All Directors are Malaysians.

Save for Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman Bin Wan Yaacob and Dato' Goh Chye Keat, none of the Directors has any conflict of interest with the Company.

All Directors maintain a clean record with regard to convictions for offences.

- # Executive Committee
- > Nomination & Remuneration Committee
- * Audit Committee
- ^ Share Committee

SECRETARY


Mr Jeremie Ting Keng Fui

Company Secretary

MBA, FCIS, FCSM

Mr Ting, born in September 1957, joined IJM in 1982 and was appointed Company Secretary on 1 July 1994. He heads the Corporate Services, Human Resource & Administration and Information Systems Departments.

He is also the Company Secretary of Industrial Concrete Products Berhad and IJM Plantations Berhad.

He completed the examinations of The Institute of Chartered Secretaries and Administrators (ICSA) in 1981, after obtaining a Diploma in Foundations of Administration from Chelmer Institute of Higher Education, Chelmsford, Essex,

England in 1979, and holds a Master's degree in Business Administration from Golden Gate University, San Francisco, USA.

He is the Deputy President of the Malaysian Association of The Institute of Chartered Secretaries and Administrators (MAICSA) for 2002 and 2003, and is the Chairman of its Law Review & Company Secretarial Practice Committee. He has been an alternate member on the Executive Committee of the Federation of Public Listed Companies Berhad since 2001, besides being a member of its Technical & Regulatory Committee since 1999. He is the recipient of the ROC-MAICSA Company Secretary Award 2000 (Listed Company Category).

Profile of Directors, Secretary and Senior Management

SENIOR MANAGEMENT



Mr Ling Ah Hong

Group General Manager (Plantations Division)
B.Agr. Sc (Hons)

Mr Ling, born in October 1951, has been the Group General Manager of IJM Plantations Division since 1 September 1999.

He graduated with a Bachelor of Agriculture Science (Honours) degree from University of Malaya in 1975. His past positions include Agronomist (1979-1985) and Manager, Agricultural Services (1986-1989) of Dunlop Estates Berhad, General Manager, Plantation Division (1992-1996) of Malaysian Mosaics Berhad and Chief Operating Officer-Plantation (1996-1998) of Hap Seng Consolidated Berhad.

He is an alternate member in the Council of the Malaysian Palm Oil Association.

Mr Loy Boon Chen

Finance Director
MBA, CPA(M)

Mr Loy, born in October 1951, was appointed Finance Director on 1 July 1998. He is also a non-executive Director of Guangdong Provincial Expressway Development Co. Limited.

He heads the Finance & Accounts Department, and is a member of the Accounting Standards Sub-Committee of the Federation of Public Listed Companies Berhad since 1998.

He qualified as a Certified Public Accountant in 1978 and holds a Master's degree in Business Administration from Golden Gate University, San Francisco, USA. He served Ernst & Young for seven years prior to joining Chong Kok Lin & Sons Berhad in 1980 as Accountant cum Secretary for a year. In 1981, he joined Mudajaya Construction Sdn Bhd as Chief Accountant before being appointed Group Financial Controller of IJM in 1994.



Mr Mah Teck Oon

Director (Industries Division)
B.Eng. (Hons), P.Eng., MIEM

Mr Mah, born in November 1952, has been the Head of IJM Industries Division since 1 July 1998.

He graduated with a Bachelor of Engineering (Honours) degree from University of Malaya in 1976. He was with the Hong Leong Group Malaysia for 15 years. In the first 10 years he was the General Manager of two of its' ceramic tile companies. Subsequently, he became the Senior General Manager of the Concrete Products Division of Hume Industries (M) Berhad prior to joining IJM in 1995 as Group General Manager (Industries Division).

Mr Tan Gim Foo

Project Director (Construction Division)
B. Eng. (Civil) (Hons), P.Eng, MIEM

Mr Tan, born in June 1958, was appointed head of the Strategic Business Unit 1 of IJM Construction Division on 8 March 2003, overseeing the construction projects in the Central Region.

He graduated with a Bachelor of Engineering (Honours) degree from University of Malaya in 1983. He started out as a Site Engineer of Mudajaya Construction Sdn Bhd (1983-1986) prior to joining IJM as Planning & Design Engineer (1986-1988), Project Manager (1988-1994), Senior Manager (1994-1997) and Project Director since 1998.




Mr Teh Kean Ming

Group General Manager (Properties)
B.E (Civil), P.Eng, MIEM

Mr Teh, born in April 1955, was appointed Group General Manager of IJM Properties Division on 1 April 2001. He is also a non-executive Director of Sin Kean Boon Group Berhad.

He graduated with a Bachelor of Engineering degree from University of New South Wales, Australia in 1981. He was a Resident Civil & Structural Engineer of Dayabumi Phase 3 Project (1981-1983) and Malayan Banking Berhad (1983-1987) and Engineer/Site Manager of Antah Biwater J.V. Sdn Bhd (1987-1989) prior to joining IJM Construction Sdn Bhd as Project Manager (1989-1993), Senior Manager (Project) (1994-1997) and Project Director (1998-2001).

Mr Velaigam a/I Doraisamy

Senior Manager (Legal)
LLB (Hons), PgDip(Constn Law), RICS(Finals), MCI Arb.

Mr Velaigam, born in January 1951, rejoined the Company as Senior Manager (Legal) on 2 January 1996 and heads the Legal Department.

He was an assistant quantity surveyor with IJM when he left for the United Kingdom in 1984 to read law. Whilst there he completed the Royal Institute of Chartered Surveyors' Finals in the QS category and Post-graduate studies in Construction Law at Kings College, University of London. He later sat for the Chartered Institute of Arbitrators examination and was admitted as a member in 1994. He was a Consultant with Solicitors Sri Kanth & Co., United Kingdom (1992-1995) before assuming his present position in IJM.


Group Support Services




INTRODUCTION

On behalf of the Board of Directors of IJM Corporation Berhad, I am pleased to present, for the first time as the Chairman of the Group, the Annual Report and the Financial Statements of the Group and the Company for the year ended 31 December 2002.

OPERATING ENVIRONMENT

The Malaysian economy rebounded to register a healthy 4.2% real gross domestic product growth compared with only 0.4% in 2001. The Government's pump priming activities, recovery of private investments, improved prices of commodities, higher tourist arrivals and consumer spending provided the boost. A low interest rate regime and a pegged exchange rate also provided a supportive monetary environment for growth.

“I appreciate the trust and opportunity given to me to assume the position of Chairman of a distinguished Group like IJM. I shall endeavour to give my utmost in discharging the responsibilities entrusted upon me.”

Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob
Chairman



Riana Green Phase 3, Petaling Jaya



*The award-winning
Gardenville Condominium,
Singapore*

This growth is indeed commendable when judged against the background of a global economic environment, which had become uncertain towards the second half of 2002 precipitated by revelations of corporate scandals involving gross mismanagement and fraudulent accounting practices in the USA, rising Middle East tension and the anaemic Japanese economy. The regional economies were also affected to some extent by fear of terrorist activities, and the Bali bombing on 12 October 2002 was a tragic realisation of this fear.

In our core business sectors of construction and property development, growth was subdued. Activities in the construction sector were mainly supported by the pump priming activities of the Government. Activity levels were, however, affected by the shortage of labour in the second half of 2002 following the repatriation of foreign workers. There were also fewer big-ticket projects available for bidding during the year and this is reflected in the limited order book improvement seen in most companies. The sector grew 2.3% in 2002, the same as in 2001.

Demand in the property sector was principally concentrated in the residential market. Despite a low interest rate environment and ample supply, take-up rates were low reflecting confidence issues.

OPERATING RESULTS

For the financial year 2002, the Group achieved a record revenue of RM1,295.20 million and a pre-tax profit of RM191.77 million. The revenue achieved represents a hefty increase of 51.06% over that of 2001. Excluding the exceptional items, the Group achieved a 50% increase in pre-tax profit and

Chairman's Statement

a 40% increase in net profit over 2001. The increase in revenue and pre-tax profit was mainly contributed by the Construction, Properties and Plantations divisions.

As at the end of 2002, the Group's gearing ratio (debt-equity) was at an all-time low of 13.82% (2001: 14.14%), despite increased levels of activity as evidenced by the increased revenue. This was attributable to vigilant credit control and efficient debt collection, and better utilisation of capacity.

BUSINESS OUTLOOK FOR 2003 AND OPERATIONAL STRATEGIES

Despite the uncertainties in the global environment, most economists remain positive about the 2003 growth prospect for Malaysia. With sustainable domestic demand from private consumption and investment activities, many still expect the economy to expand by at least 4% in 2003, with more significant growth coming in the later part of the year. Bank Negara Malaysia has recently predicted a 4.5% growth rate, down from the 6 - 6.5% growth projected during the 2003 Budget presentation. Nevertheless, the outbreak of war in Iraq has created new uncertainties for global economic growth and this can have downside risks to growth for the Malaysian economy. Bank Negara is also forecasting 1.9% growth for the construction sector due to slower growth in the civil engineering and residential subsectors.

The outlook for the Group's businesses is extensively discussed in the Group Managing Director's Review of Operations. Suffice to say here that business conditions are expected to be very challenging and competitive. We are cautiously optimistic that the existing construction order book, the committed property sales and anticipated reasonably good crude palm oil prices (above last year's average) will underpin the Group's positive earnings outlook for 2003.

DIVIDENDS

For the financial year 2002, a first interim dividend of 5% or 5 sen per share less tax at 28% was declared and paid on 15 November 2002. A second interim dividend of 7% or 7 sen per share less tax at 28% has been declared. Entitled members on the register on 30 April 2003 would be paid on 22 May 2003. No final dividend is proposed for financial year 2002.

CORPORATE PROPOSAL

On 29 April 2002, the Company announced the signing of a Transfer of Listing Agreement between the Special Administrators of Rahman Hydraulic Tin Berhad (RHTB), IJM Corporation Berhad (IJM) and IJM Plantations Sdn Bhd (IJMP), a wholly owned subsidiary of IJM, for the

proposed acquisition of the listing status of RHTB to enable a listing of IJMP. Details of the Scheme were announced on 28 June 2002.

Since then, the Ministry of International Trade and Industry, Foreign Investment Committee and Securities Commission have approved the proposed corporate exercise. The circular to the shareholders of the Company was circulated on 9 December 2002 and the scheme was approved by shareholders at the Extraordinary General Meeting held on 31 December 2002.

The Company has, on 18 March 2003, also obtained the sanction of the High Court for the reduction of its share premium account pursuant to the Proposed Capital Distribution that will facilitate the distribution of free IJMP shares in the ratio of 2 ordinary IJMP shares of RM0.50 each for every 5 ordinary IJM shares held. The listing of IJMP on the Main Board of the KLSE is expected by mid May 2003. Thereafter, IJMP shall become a 49% associate of the Group.

CORPORATE GOVERNANCE

Our statement on corporate governance can be found on pages 46 to 52.

There were no sanctions and/or penalties imposed on the Company and its subsidiaries, directors or management by the relevant regulatory bodies in 2002.

RELATED PARTY TRANSACTIONS

Significant related party transactions of the Group for 2002 are disclosed in Note 45 to the financial statements. This Note also sets out the recurrent transactions conducted during the period in accordance with the general mandate obtained from shareholders at the previous Annual General Meeting.

Except for those disclosed in Note 45 to the financial statement, there were no material contracts of the Group involving directors' and major shareholders' interest during the period.



Tan Sri Ahmad receiving the Malaysian Business Corporate Governance Award 2002 from Tan Sri Muhyiddin Yasin, Minister of Domestic Trade and Consumer Affairs

ACKNOWLEDGEMENT

On behalf of the Board of Directors, I would like to thank the directors, the management and all employees of the Group for their commitment and contribution during 2002. The year 2003 will be a very challenging one but I have no doubt about the Group's ability to overcome whatever difficulties that may present themselves. I would also like to take the opportunity to thank shareholders, associates, clients, bankers, sub-contractors and suppliers for their continuing support to the Group.

The Board and I also wish to record our sincere appreciation to Tan Sri Dato' (Dr) Haji Ahmad Azizuddin Bin Haji Zainal Abidin, who resigned from the Board on 28 February 2003 after 19 years of exemplary service to the Group. Tan Sri Ahmad, as non-executive Chairman, presided over the initial formative days through to days of rapid growth of the Group over these two decades. In addition, Mr Velayuthan Tan, with 18 years of service with the

Group, has expressed his intention not to seek for re-election as Director at the forthcoming Annual General Meeting. Mr Velayuthan is currently the Managing Director of IJM Plantations Berhad.

I appreciate the trust and opportunity given to me to assume the position of Chairman of a distinguished Group like IJM. I shall endeavour to give my utmost in discharging the responsibilities entrusted upon me. With the support of my co-directors, the management and staff, and the other stakeholders, I am hopeful that my job would be made much easier.

Tan Sri Dato' (Dr) Haji Ahmad Azizuddin Bin Haji Zainal Abidin
Chairman

