

FINANCIAL STATEMENTS

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DIRECTORS' REPORT AND STATEMENT

For the period ended 31 March 2005

The Directors have pleasure in submitting their 21st annual report together with the audited financial statements of the Group and of the Company for the financial period ended 31 March 2005.

PRINCIPAL ACTIVITIES

2. The Company is principally engaged in construction and investment holding. The Group's principal activities are in construction, property development, manufacturing and quarrying, tollway operations and investment holding.

The Group also has significant investment in the plantation business vide its 49% plantation associate, IJM Plantations Berhad.

There have been no significant changes in these principal activities during the financial period except for the commencement of tollway operations during the period.

CHANGE IN REPORTING PERIOD

3. The financial year end of the Company has been changed from 31 December to 31 March.

FINANCIAL RESULTS

	THE GROUP RM'000	THE COMPANY RM'000
4. Profit from ordinary activities after taxation	204,475	188,585
Minority interest	(18,989)	-
Net profit for the period	185,486	188,585

DIVIDENDS

5. Dividends paid or declared since the end of the previous financial year are as follows:-

	RM'000
(a) In respect of the financial year ended 31 December 2003 as shown in the Directors' Report and Statement for that financial year:-	
Second interim dividend of 10% less 28% tax paid on 21 May 2004	30,775
(b) In respect of the financial period ended 31 March 2005:-	
First interim dividend of 5% less 28% tax paid on 12 November 2004	16,313
Second interim dividend of 10% less 28% tax paid on 12 May 2005	33,166

The Directors do not recommend the payment of any final dividend for the financial period ended 31 March 2005.

RESERVES AND PROVISIONS

6. There were no material transfers to or from reserves or provisions during the financial period other than those disclosed in the notes to the financial statements.

DIRECTORS' REPORT AND STATEMENT

For the period ended 31 March 2005

(Continued)

SHARE CAPITAL

7. During the financial period, the issued and paid up ordinary share capital of the Company was increased from RM382,276,059 to RM458,654,780 by way of the issuance of:-
- (a) 59,290,021 new ordinary shares of RM1 each arising from the conversion of Warrants 2000/2004 at the exercise price of RM2.76 (adjusted price) in accordance with the Deed Poll dated 24 January 2000; and
 - (b) 15,897,200 new ordinary shares of RM1 each at an issue price of RM3.99 and 1,191,500 new ordinary shares of RM1 each at an issue price of RM4.39 arising from the exercise of options under Employee Share Option Scheme.

The new ordinary shares issued rank pari passu in all respects with the existing issued shares of the Company.

EMPLOYEE SHARE OPTION SCHEME ("ESOS")

8. At an Extraordinary General Meeting held on 17 October 2003, the Directors were authorised to proceed with the establishment and administration of an ESOS known as the IJM Corporation Berhad Employee Share Option Scheme.

The main features of the ESOS are as follows:-

- (a) The ESOS was implemented on 11 November 2003, and shall be in force for a period of five (5) years and expires on 10 November 2008.
- (b) Eligible employees are at the absolute discretion of the ESOS Committee subject to the employee and Executive Director (holding office in a full time executive capacity) having been confirmed in the employment or appointment of IJM Corporation Berhad and its subsidiaries (save for any subsidiaries which are dormant) on or up to the Offer Date and has attained the age of eighteen (18) years. An Executive Director shall only be eligible if he is on the payroll and involved in the day-to-day management of IJM and his participation in the Scheme is specifically approved by the shareholders of the Company in a general meeting.
- (c) At an Extraordinary General Meeting on 19 May 2004, the Bye-Laws of the ESOS were amended to approve the grant of options to Non-Executive Directors. On that date, the Directors were authorised to offer and grant options to the following Non-Executive Directors:-
 - (i) Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob
 - (ii) Tan Sri Dato' (Dr) Haji Murad bin Mohamad Noor
 - (iii) Datuk Oh Chong Peng
 - (iv) Datuk Yahya bin Ya'acob
 - (v) Dato' Goh Chye Keat
 - (vi) Dato' Ismail bin Shahudin
- (d) The total number of new Company's shares which may be made available under the ESOS shall not exceed ten per centum (10%) (or any maximum percentage permitted by the relevant authorities) of the total issued and paid-up share capital comprising ordinary shares of the Company at any one time.
- (e) The Option Price shall be the weighted average market price of the Company's shares as shown in the Daily Official List of the Bursa Malaysia Securities Berhad for the five (5) market days immediately preceding the Offer Date with an allowance for a discount of not more than ten per centum (10%) therefrom at the ESOS Committee's discretion or the par value of the Company's shares, whichever is higher.

- (f) The exercise price of the ESOS had been adjusted on 30 April 2005, pursuant to Bye-Law 14 of the ESOS Bye-Laws, which states that the option prices may be adjusted in the event of a capital distribution which may involve the declaration or provision of a dividend unless the aggregate gross dividends declared in respect of the financial period is less than ten percent (10%) of the nominal value of the shares of the Company. The adjusted option prices on 30 April 2005 are as follows:-

Offer Date	Before Adjustment	After Adjustment
8 January 2004	RM3.99	RM3.96
7 April 2004	RM4.47	RM4.44
30 April 2004	RM4.39	RM4.36
20 May 2004	RM4.21	RM4.18

- (g) The Company has been granted an exemption by the Companies Commission of Malaysia from having to disclose the names of the option holders who have been granted options in aggregate of less than 510,000 options. The list of employees of the Company and its subsidiaries who were granted options of 510,000 options and above during the period are as follows:-

<u>IJM Corporation Berhad</u>	<u>Number of Options Over Ordinary Shares of RM1 each</u>			
	Balance at 1.1.2004	Granted	Exercised	Balance at 31.3.2005
Name of Employee				
Debojit Chowdhury A/L N.G.Chowdhury	-	510,000	50,000	460,000
How See Hock	-	510,000	210,000	300,000
Loy Boon Chen	-	510,000	-	510,000
Mah Teck Oon	-	510,000	75,000	435,000
Ng Chin Meng	-	510,000	210,000	300,000
Tan Gim Foo	-	510,000	168,000	342,000
Teh Kean Ming	-	510,000	-	510,000
Ting Keng Fui	-	510,000	10,000	500,000
Velaigam A/L Doraisamy	-	510,000	100,000	410,000
Yeo Poh Meng	-	510,000	80,000	430,000

The details of the options granted but not exercised are set out in Note 10(c) to the financial statements.

WARRANTS

9. The Warrants 2000/2004 are constituted by a Deed Poll dated 24 January 2000.

During the financial year ended 31 December 2000, the Company issued RM150,000,000 nominal amount of 5% Redeemable Unsecured Bonds 2000/2005 with 80,178,930 detachable warrants to a primary subscriber on a bought deal basis.

Each warrant entitles the registered holder to subscribe for one (1) new ordinary share in the Company at any time on or after 28 February 2000 to 28 August 2004 or such date extended in accordance with the provisions of the Deed Poll, at an exercise price of RM2.99 per share or such adjusted price in accordance with the provisions in the Deed Poll. Any Warrants 2000/2004 not exercised at the date of maturity will lapse and cease to be valid for any purpose.

The exercise price of the Warrants 2000/2004 had been adjusted to RM2.76 per share on 10 June 2003 following the distribution of 148,442,024 ordinary shares of RM0.50 each in IJM Plantations Berhad ("IJMP") to the shareholders of the Company on the basis of two (2) IJMP shares for every five (5) shares held in the Company. The exercise price was adjusted in accordance with condition 3(1)(c) of the second schedule of the Deed Poll.

The shares arising from the exercise of Warrants 2000/2004 shall rank pari passu in all respects with the existing issued ordinary shares of the Company except that they shall not be entitled to any dividends, distributions or rights unless the exercise of Warrants 2000/2004 was effected before the book closure of the share register for the determination of the entitlement to such rights or distributions.

The warrants expired on 28 August 2004. Except for 757,504 warrants which were unexercised and lapsed, all outstanding warrants have been converted.

DIRECTORS' REPORT AND STATEMENT

For the period ended 31 March 2005

(Continued)

DIRECTORS

10. The Directors in office since the date of the last report and statement are:-

Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob, *Independent Non-Executive Chairman*
 Dato' Tan Boon Seng @ Krishnan, *Chief Executive Officer & Managing Director*
 Dato' Goh Chye Koon, *Deputy Chief Executive Officer & Deputy Managing Director*
 Soo Heng Chin, *Senior General Manager & Executive Director*
 Tan Sri Dato' (Dr) Haji Murad bin Mohamad Noor, *Senior Independent Non-Executive Director*
 Datuk Oh Chong Peng, *Independent Non-Executive Director*
 Datuk Yahya bin Ya'acob, *Independent Non-Executive Director*
 Dato' Ismail bin Shahudin, *Non-Executive Director*
 Dato' Goh Chye Keat, *Non-Executive Director*
 Abd Hamid bin Othman, *Non-Executive Director (appointed on 25 March 2004)*
 Dato' Abdullah bin Mohd Yusof, *Non-Executive Director (appointed on 18 August 2004)*

11. According to the Register of Directors' Shareholdings, particulars of Directors' interests in shares and options over ordinary shares of the Company and its related corporations during the financial period are as follows:-

IJM Corporation Berhad	Number of Ordinary Shares of RM1 each			
	Balance at 1.1.2004	Acquired	Disposed	Balance at 31.3.2005
Name of Directors				
Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob Direct interest	-	33,400	-	33,400
Dato' Tan Boon Seng @ Krishnan Direct interest	920,698	1,447,000	-	2,367,698
Indirect interest	344,698	234,000	-	578,698
Dato' Goh Chye Koon Direct interest	377,412	715,300	100,000	992,712
Soo Heng Chin Direct interest	50,000	582,000	220,000	412,000
Tan Sri Dato' (Dr) Haji Murad bin Mohamad Noor Direct interest	10,333	-	-	10,333
Dato' Goh Chye Keat Direct interest	426,362	11,000	158,900	278,462
Indirect interest	180,132	111,000	121,000	170,132

IJM Corporation Berhad

Name of Directors	Number of Options Over Ordinary Shares of RM1 each			Balance at 31.3.2005
	Balance at 1.1.2004	Granted	Exercised	
Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob	-	100,000	-	100,000
Dato' Tan Boon Seng @ Krishnan	-	1,360,000	-	1,360,000
Dato' Goh Chye Koon	-	1,360,000	-	1,360,000
Soo Heng Chin	-	1,020,000	-	1,020,000
Tan Sri Dato' (Dr) Haji Murad bin Mohamad Noor	-	100,000	-	100,000
Datuk Oh Chong Peng	-	100,000	-	100,000
Datuk Yahya bin Ya'acob	-	100,000	-	100,000
Dato' Ismail bin Shahudin	-	100,000	-	100,000
Dato' Goh Chye Keat	-	100,000	-	100,000

**Industrial Concrete Products Berhad
(a subsidiary)**

Name of Directors	Number of Ordinary Shares of RM1 each			Balance at 31.3.2005
	Balance at date of acquisition	Acquired	Disposed	
Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob Direct interest	10,000	-	10,000	-
Dato' Tan Boon Seng @ Krishnan Direct interest	105,000	-	-	105,000
Indirect interest	170,500	13,000	-	183,500
Dato' Goh Chye Koon Direct interest	107,500	-	107,500	-
Dato' Goh Chye Keat Direct interest	129,500	-	-	129,500
Indirect interest	12,005,020	2,240,000	10,080,000	4,165,020

DIRECTORS' REPORT AND STATEMENT

For the period ended 31 March 2005

(Continued)

DIRECTORS (continued)

12. Particulars of Directors' warrant holdings during the financial period are as follows:-

IJM Corporation Berhad		Number of Warrants			
Name of Directors	Balance at 1.1.2004	Acquired	Disposed / Exercised	Lapsed	Balance at 28.8.2004*
Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob Direct interest	33,400	-	33,400	-	-
Dato' Tan Boon Seng @ Krishnan Direct interest	1,447,000	-	1,447,000	-	-
Indirect interest	234,000	-	234,000	-	-
Dato' Goh Chye Koon Direct interest	765,300	-	765,300	-	-
Soo Heng Chin Direct interest	527,000	55,000	582,000	-	-
Dato' Goh Chye Keat Direct interest	90,000	-	90,000	-	-
Indirect interest	4,000	111,000	115,000	-	-

* The warrants expired on 28 August 2004.

13. According to the Register of Directors' Shareholdings, none of the other Directors in office at the end of the financial period has any direct or indirect interests in the shares, warrants and options over ordinary shares of the Company and its related corporations during the financial period.
14. Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than the fees and other emoluments shown in the financial statements) by reason of a contract made by the Company or by a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest other than Dato' Goh Chye Keat who has substantial financial interest in Industrial Concrete Products Berhad, a subsidiary of the Group, which trades with the Company and the Group in the ordinary course of business and Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob who has substantial financial interest in Minconsult Sdn Bhd, which trades with the Company and the Group in the ordinary course of business as disclosed in Note 44 to the financial statements.
15. Except as disclosed above, neither during nor at the end of the financial period was the Company or any of its subsidiaries a party to any arrangement whose object was to enable the Directors to acquire benefits through the acquisition of shares in, or debentures of, the Company or any other body corporate other than the Company's ESOS (See Note 4 to the financial statements).

OTHER STATUTORY INFORMATION

16. Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:-
- to ascertain the action taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - to ensure that any current assets, other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.

17. At the date of this report and statement, the Directors are not aware of any circumstances:-

- (a) which would render the amounts written off for bad debts or the amount of the allowance for doubtful debts of the Group and of the Company inadequate to any material extent or the values attributed to current assets of the Group and of the Company misleading; or
- (b) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (c) not otherwise dealt with in this report and statement or in the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

18. In the interval between the end of the financial period and the date of this report and statement:-

- (a) no item, transaction or other events of a material and unusual nature has arisen which, in the opinion of the Directors, would substantially affect the results of the operations of the Group and of the Company for the current financial period; or
- (b) no charge has arisen on the assets of any company in the Group which secures the liability of any other person nor has any contingent liability arisen in any company in the Group.

19. No contingent or other liability of any company in the Group has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial period which, in the opinion of the Directors, will or may affect the ability of the Company and its subsidiaries to meet their obligations when they fall due.

20. In the opinion of the Directors:-

- (a) other than as disclosed in the financial statements, the results of the operations of the Group and of the Company during the financial period have not been substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) the financial statements of the Group and of the Company set out on pages 92 to 174 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2005 and of the results and cash flows of the Group and of the Company for the financial period ended on that date in accordance with the MASB approved accounting standards in Malaysia and the provisions of the Companies Act, 1965.

AUDITORS

21. The Auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office. The Directors endorsed the recommendation of the Audit Committee for PricewaterhouseCoopers to be reappointed as Auditors.

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



**TAN SRI DATO' IR. (DR) WAN ABDUL RAHMAN
BIN WAN YAACOB**



DATO' TAN BOON SENG @ KRISHNAN

Petaling Jaya
18 May 2005

INCOME STATEMENTS

For the period ended 31 March 2005

		THE GROUP		THE COMPANY	
		15 months ended 31.3.2005 RM'000	Year ended 31.12.2003 RM'000	15 months ended 31.3.2005 RM'000	Year ended 31.12.2003 RM'000
Note					
OPERATING REVENUE	3	1,802,291	1,363,895	183,897	238,203
COST OF SALES		(1,421,690)	(1,117,441)	(85,212)	(148,157)
GROSS PROFIT		380,601	246,454	98,685	90,046
OTHER OPERATING INCOME		49,025	54,658	163,370	46,370
TENDERING, SELLING AND DISTRIBUTION EXPENSES		(45,840)	(10,069)	-	-
ADMINISTRATIVE EXPENSES		(58,766)	(50,978)	(10,841)	(11,398)
OTHER OPERATING EXPENSES		(48,453)	(45,890)	(15,161)	(6,834)
OPERATING PROFIT BEFORE FINANCE COST	4	276,567	194,175	236,053	118,184
FINANCE COST	5	(41,245)	(23,161)	(19,177)	(13,606)
OPERATING PROFIT AFTER FINANCE COST		235,322	171,014	216,876	104,578
SHARE OF RESULTS OF ASSOCIATES		46,167	35,225	-	-
SHARE OF RESULTS OF JOINTLY CONTROLLED ENTITIES		2,320	561	-	-
PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXATION		283,809	206,800	216,876	104,578
TAXATION					
Company and subsidiaries		(68,347)	(50,130)	(28,291)	(24,657)
Associates		(10,520)	(5,452)	-	-
Jointly controlled entities		(467)	(557)	-	-
	6	(79,334)	(56,139)	(28,291)	(24,657)
PROFIT FROM ORDINARY ACTIVITIES AFTER TAXATION		204,475	150,661	188,585	79,921
MINORITY INTEREST		(18,989)	(4,937)	-	-
NET PROFIT FOR THE PERIOD/YEAR		185,486	145,724	188,585	79,921
EARNINGS PER SHARE:-					
Basic	7(a)	43.0 Sen	39.2 Sen		
Fully diluted	7(b)	42.5 Sen	36.7 Sen		
DIVIDENDS PER SHARE	8			15.0 Sen	15.0 Sen

BALANCE SHEETS

As at 31 March 2005

		THE GROUP		THE COMPANY	
		31.3.2005	31.12.2003	31.3.2005	31.12.2003
		RM'000	RM'000	RM'000	RM'000
	Note		Restated		
CAPITAL AND RESERVES					
Share capital	10	458,654	382,276	458,654	382,276
Share premium		349,796	193,873	349,796	193,873
Revaluation reserve		26,357	26,357	-	-
Exchange translation reserve		22,301	18,885	20,702	17,602
Capital reserves	11	49,592	56,415	-	-
Retained profits	12	931,879	826,647	418,565	310,234
SHAREHOLDERS' EQUITY		1,838,579	1,504,453	1,247,717	903,985
MINORITY INTEREST		135,033	18,482	-	-
		1,973,612	1,522,935	1,247,717	903,985
NON-CURRENT LIABILITIES					
Bonds	13	97,781	247,164	-	150,000
Medium term notes	14	150,000	-	150,000	-
Term loans	15	173,671	68,909	-	-
Hire purchase and lease creditors	16	742	1,244	-	-
Deferred tax liabilities	17	24,299	4,956	-	-
Trade payable	18	6,000	6,000	-	-
Retirement benefits	19	2,588	2,886	891	924
		455,081	331,159	150,891	150,924
DEFERRED INCOME	20	68,399	27,423	-	-
		2,497,092	1,881,517	1,398,608	1,054,909
NON-CURRENT ASSETS					
Property, plant and equipment	21	348,744	250,450	8,720	18,437
Concession assets	22	159,190	-	-	-
Subsidiaries	23	-	-	652,163	260,779
Associates	24	730,636	676,935	135,901	293,252
Jointly controlled entities	25	22,384	12,045	-	-
Long term investments	26	140,029	96,221	58,382	50,961
Long term receivables	27	94,372	43,466	-	-
Intangible assets	28	57,586	5,811	-	-
Deferred tax assets	17	12,442	14,068	2,499	2,867
Land held for property development	29	154,467	72,331	281	281
		1,719,850	1,171,327	857,946	626,577
CURRENT ASSETS					
Property development costs	29	332,692	332,492	-	-
Inventories	30	100,272	29,730	4,814	6,766
Trade and other receivables	31	1,131,840	752,617	804,427	611,047
Short term investments	32	84,927	91,323	10,525	16,453
Deposits with licensed banks	33	38,673	137,356	4,009	108,901
Cash and bank balances	34	41,201	47,639	2,019	1,648
		1,729,605	1,391,157	825,794	744,815
LESS:					
CURRENT LIABILITIES					
Trade and other payables	35	748,778	614,819	240,907	275,964
Interest bearing bank borrowings	36	167,349	45,581	35,988	35,075
Bank overdrafts	37	25,350	9,203	174	-
Current tax liabilities		10,886	11,364	8,063	5,444
		952,363	680,967	285,132	316,483
NET CURRENT ASSETS		777,242	710,190	540,662	428,332
		2,497,092	1,881,517	1,398,608	1,054,909

STATEMENTS OF CHANGES IN EQUITY

For the period ended 31 March 2005

THE GROUP	Note	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Exchange translation reserve RM'000	Capital reserves RM'000	Retained profits RM'000	Total RM'000
At 1 January 2004		382,276	193,873	26,357	18,885	56,415	826,647	1,504,453
Reserves arising from translation of net investment in foreign subsidiaries, associates and branch		-	-	-	3,416	-	-	3,416
Dilution arising from deemed disposal of a subsidiary	11	-	-	-	-	(6,823)	-	(6,823)
Net gain / (loss) not recognised in income statement		-	-	-	3,416	(6,823)	-	(3,407)
Net profit for the period		-	-	-	-	-	185,486	185,486
Dividends:-								
- Year ended 31 December 2003	8	-	-	-	-	-	(30,775)	(30,775)
- Period ended 31 March 2005	8	-	-	-	-	-	(49,479)	(49,479)
Issue of shares under ESOS	10	17,088	51,573	-	-	-	-	68,661
Issue of shares on conversion of warrants	10	59,290	104,350	-	-	-	-	163,640
At 31 March 2005		458,654	349,796	26,357	22,301	49,592	931,879	1,838,579

THE GROUP	Note	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Exchange translation reserve RM'000	Capital reserves RM'000 Restated	Retained profits RM'000	Total RM'000
At 1 January 2003		363,937	241,880	53,335	5,402	34,118	769,452	1,468,124
Inflationary adjustment on opening balances on equity of a foreign associate		-	-	-	-	-	(5,448)	(5,448)
Reserves arising from translation of net investment in foreign subsidiaries, associates and branch		-	-	-	14,759	-	-	14,759
Realisation of foreign exchange reserve of a foreign branch		-	-	-	(1,276)	-	-	(1,276)
Net gain not recognised in income statement		-	-	-	13,483	-	-	13,483
Capital distribution in conjunction with listing of a subsidiary	40(A)	-	(81,933)	(26,978)	-	22,297	(50,876)	(137,490)
Net profit for the year		-	-	-	-	-	145,724	145,724
Dividends for the year ended:-								
31 December 2002		-	-	-	-	-	(18,512)	(18,512)
31 December 2003	8	-	-	-	-	-	(13,693)	(13,693)
Issue of shares on conversion of warrants	10	18,339	33,926	-	-	-	-	52,265
At 31 December 2003		382,276	193,873	26,357	18,885	56,415	826,647	1,504,453

STATEMENTS OF CHANGES IN EQUITY

For the period ended 31 March 2005

(Continued)

THE COMPANY	Note	Non-distributable			Distributable	Total RM'000
		Share capital RM'000	Share premium RM'000	Exchange translation reserve RM'000	Retained profits RM'000	
At 1 January 2004		382,276	193,873	17,602	310,234	903,985
Foreign exchange reserve arising from a foreign branch		-	-	493	-	493
Reserves arising from translation of net investment in a foreign subsidiary		-	-	2,607	-	2,607
Net gain not recognised in income statement		-	-	3,100	-	3,100
Net profit for the period		-	-	-	188,585	188,585
Dividends:-						
- Year ended 31 December 2003	8	-	-	-	(30,775)	(30,775)
- Period ended 31 March 2005	8	-	-	-	(49,479)	(49,479)
Issue of shares under ESOS	10	17,088	51,573	-	-	68,661
Issue of shares on conversion of warrants	10	59,290	104,350	-	-	163,640
As at 31 March 2005		458,654	349,796	20,702	418,565	1,247,717
At 1 January 2003		363,937	241,880	1,276	262,518	869,611
Realisation of foreign exchange reserve of a foreign branch		-	-	(1,276)	-	(1,276)
Reserves arising from translation of net investment in a foreign subsidiary		-	-	17,602	-	17,602
Net gain not recognised in income statement		-	-	16,326	-	16,326
Capital distribution in conjunction with listing of a subsidiary	40(A)	-	(81,933)	-	-	(81,933)
Net profit for the year		-	-	-	79,921	79,921
Dividends for the year ended:-						
31 December 2002		-	-	-	(18,512)	(18,512)
31 December 2003	8	-	-	-	(13,693)	(13,693)
Issue of shares on conversion of warrants	10	18,339	33,926	-	-	52,265
At 31 December 2003		382,276	193,873	17,602	310,234	903,985

CONSOLIDATED CASH FLOW STATEMENT

For the period ended 31 March 2005

		THE GROUP	
		15 months ended 31.3.2005 RM'000	Year ended 31.12.2003 RM'000 Restated
Note			
OPERATING ACTIVITIES			
	Receipts from customers	1,554,922	1,322,408
	Payments to contractors, suppliers and employees	(1,622,549)	(1,132,816)
	Interest received	24,598	20,363
	Interest paid	(22,444)	(7,661)
	Income tax refunded	-	1,042
	Income tax paid	(59,697)	(61,446)
	Net cash flow (used in)/from operating activities	(125,170)	141,890
INVESTING ACTIVITIES			
	Acquisition of subsidiaries	39 (97,412)	(675)
	Acquisition of shares from minority shareholders in subsidiaries	(69,132)	(125)
	Disposal of a subsidiary	40(B) -	1,198
	Disposal of shares in a subsidiary	20,937	-
	Capital distribution in conjunction with listing of a subsidiary	40(A) -	(11,102)
	Investments in associates	(62,658)	(31,796)
	Acquisition of investments	(40,062)	(17,639)
	Purchase of development land held for property development	(35,427)	(16,029)
	Acquisition of concession assets	(87,963)	-
	Government grants received	42,539	27,423
	Redemption of preference shares in an associate	6,600	3,400
	Purchase of property, plant and equipment	(65,729)	(136,730)
	Disposal of property, plant and equipment	19,698	6,210
	Disposal of investments	7,596	1,365
	Dividends received from associates	6,028	2,796
	Dividends received from other investments	5,188	4,370
	Advances to associates	(47,615)	(26,237)
	Repayment of advances from associates	39,034	75,924
	Advances to jointly controlled entities	(13,169)	(23,615)
	Repayment of advances from jointly controlled entities	16,758	5,479
	Net cash flow used in investing activities	(354,789)	(135,783)
FINANCING ACTIVITIES			
	Issue of shares by the Company:-		
	- Employee Share Option Scheme	68,661	-
	- Conversion of warrants	163,640	52,265
	Issue of shares by subsidiaries to minority interest in subsidiaries	4,586	1,510
	Proceeds from issuance of Medium Term Notes	150,000	-
	Repayment of bonds	(150,000)	-
	Proceeds from bank borrowings	302,151	191,926
	Repayments of bank borrowings	(106,472)	(146,670)
	Repayments to hire purchase and lease creditors	(139)	(12,577)
	Payment of bond interest	(18,801)	(15,500)
	Dividends paid by subsidiaries to minority shareholders	(7,974)	(5,667)
	Dividends paid by the Company	(47,122)	(32,272)
	Redemption/(placement) of bank deposits assigned to trustees	42 4,916	(10,323)
	Net cash flow from financing activities	363,446	22,692
	Net (decrease)/increase in cash and cash equivalents during the financial period/year	(116,513)	28,799
	Cash and cash equivalents at beginning of the financial period/year	152,857	123,785
	Foreign exchange differences on opening balances	161	273
	Cash and cash equivalents at end of the financial period/year	36,505	152,857

COMPANY CASH FLOW STATEMENT

For the period ended 31 March 2005

		THE COMPANY	
	Note	15 months ended 31.3.2005 RM'000	Year ended 31.12.2003 RM'000
OPERATING ACTIVITIES			
Receipts from customers		82,753	238,167
Payments to contractors, suppliers and employees		(142,401)	(157,106)
Interest received		8,812	6,305
Interest paid		(4,856)	(8,271)
Income tax refunded		-	93
Income tax paid		(11,530)	(21,784)
Net cash flow (used in)/from operating activities		(67,222)	57,404
INVESTING ACTIVITIES			
Cash consideration for listing of a subsidiary	40(A)(d)	-	(25,000)
Acquisition of subsidiaries/additional shares in subsidiaries		(163,797)	-
Investment in associates		(1,203)	(4,830)
Acquisition of investments		(7,420)	(778)
Redemption of preference shares in an associate		6,600	3,400
Purchase of property, plant and equipment		(1,286)	(600)
Disposal of property, plant and equipment		10,484	154
Disposal of shares in subsidiaries		20,937	-
Disposal of investments		983	-
Dividends received from subsidiaries		13,453	8,676
Dividends received from associates		7,296	2,213
Dividends received from other investments		2,745	1,321
Advances to subsidiaries		(126,903)	(12,562)
Advances to associates		(5,054)	(8,602)
Repayment of advances from associates		27,704	40,254
Advances to jointly controlled entities		-	(995)
Repayment of advances from jointly controlled entities		697	3,100
Net cash flow (used in)/from investing activities		(214,764)	5,751
FINANCING ACTIVITIES			
Issue of shares by the Company:-			
- Employee Share Option Scheme		68,661	-
- Conversion of warrants		163,640	52,265
Proceeds from issuance of Medium Term Notes		150,000	-
Repayment of bonds		(150,000)	-
Proceeds from bank borrowings		20,000	94,031
Repayment of bank borrowings		(19,087)	(125,402)
Payment of bond interest		(8,801)	(7,500)
Dividends paid by the Company		(47,122)	(32,272)
Net cash flow from/(used in) financing activities		177,291	(18,878)
Net (decrease)/increase in cash and cash equivalents during the financial period/year		(104,695)	44,277
Cash and cash equivalents at beginning of the financial period/year		110,549	66,272
Cash and cash equivalents at end of the financial period/year	42	5,854	110,549

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

For the period ended 31 March 2005

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

A. Basis of Preparation

The financial statements are prepared under the historical cost convention (as modified for the revaluation of certain property, plant and equipment and development properties) unless otherwise indicated in this summary of significant accounting policies.

The financial statements of the Group and of the Company have been prepared in accordance with the MASB approved accounting standards in Malaysia and the provisions of the Companies Act, 1965.

The preparation of financial statements in conformity with the MASB approved accounting standards in Malaysia and the provisions of the Companies Act, 1965 requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Although these estimates are based on the Directors' best knowledge of current events and actions, actual results may differ from those estimates.

B. Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries made up to the end of the financial period.

Subsidiaries are consolidated from the date on which control is transferred to the Group and are no longer consolidated from the date that control ceases. 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 period are included from the date of acquisition or up to the date of disposal. The cost of an acquisition is the amount of cash paid and the fair value at the date of acquisition of other purchase consideration given by the acquirer, together with directly attributable expenses of the acquisition (other than costs of issuing shares and other capital instruments – see accounting policy W). At the date of acquisition, the fair values of the subsidiaries' net assets are determined and these values are reflected in the consolidated financial statements. The difference between the costs of acquisition over the Group's share of fair value of the identifiable net assets of the subsidiary acquired at the date of acquisition is reflected as goodwill or negative goodwill – see accounting policy F.

In a piecemeal acquisition, the fair value adjustment attributable to previously held equity interests is accounted for as post-acquisition revaluation.

All inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated; unrealised losses are also eliminated unless cost cannot be recovered. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

Minority interest is measured at the minorities' share of the post acquisition fair values of the identifiable assets and liabilities of the acquiree. Separate disclosure is made for minority interest.

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 or negative goodwill and exchange differences which were not previously recognised in the consolidated income statement.

When the Group's and the minorities' interest in a subsidiary change substantially as a result of a group reorganisation or restructuring where the consideration is not on a cash basis, the accretion or dilution of the Group's interest is treated as an equity transaction between the subsidiary and its shareholders. Any difference between the Group's share of net assets immediately before and immediately after the change in shareholding and any consideration received or paid is adjusted to or against the Group's reserve.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

For the period ended 31 March 2005

(Continued)

C. Subsidiaries

Subsidiaries are those enterprises in which the Group has power to exercise control over the financial and operating policies so as to obtain benefits from their activities.

Investments in subsidiaries are stated at cost except where there is an indication of impairment, in which case the carrying value of the investment is assessed and written down immediately to its recoverable amount. See accounting policy Note Z on impairment of assets.

D. Associates

The Group treats as associates those enterprises where it is able to exercise significant influence by representation on the board of directors and/or participation in the financial and operating decision making processes of the investee but not control over those policies.

Investments in associates are stated at cost except where there is an indication of impairment, in which case the carrying value of the investment is assessed and written down immediately to its recoverable amount. See accounting policy Note Z on impairment of assets.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting.

Equity accounting involves recognising in the income statement the Group's share of the results of associates for the period. The Group's investments in associates are carried in the balance sheet at an amount that reflects its share of the net assets of the associates and includes goodwill on acquisition. Equity accounting is discontinued when the carrying value of the investment in an associate reaches zero, unless the Group has incurred obligations in respect of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates; unrealised losses are also eliminated unless the transaction provides evidence on impairment of the assets transferred. Where necessary, in applying the equity method, adjustments are made to the financial statements of associates to ensure consistency of accounting policies with the Group.

E. Jointly Controlled Entities

The Group's interest in jointly controlled entities, which are entities in which the Group has short duration contractual arrangements with third parties to undertake construction and other projects, are accounted for in the consolidated financial statements using the equity method of accounting where the Group's share of results of the jointly controlled entities is included in the consolidated financial statements.

Unrealised gains on transactions between the Group and its jointly controlled entities are eliminated to the extent of the Group's interest in the jointly controlled entities; unrealised losses are also eliminated unless the transaction provides evidence on impairment of the assets transferred. Where necessary, in applying the equity method, adjustments have been made to the financial statements of jointly controlled entities to ensure consistency of accounting policies with the Group.

F. Goodwill

Goodwill represents the excess of the cost of acquisition of subsidiaries, jointly controlled entities and associates over the fair value of the Group's share of their identifiable net assets at the date of acquisition. Goodwill with a determinable useful economic life is amortised using the straight-line method over its estimated useful economic life or 20 years, whichever is the shorter. All other goodwill is stated at cost except when an indication of impairment exists, the carrying value of the goodwill is assessed and written down immediately to its recoverable amount.

Negative goodwill represents the excess of the fair value of the Group's share of identifiable net assets acquired over the cost of acquisition and is presented in the same balance sheet classification as goodwill. To the extent that negative goodwill relates to expectations of future losses and expenses that are identified in the Group's plan for the acquisition and can be measured reliably, but which do not represent identifiable liabilities, that portion of negative goodwill is recognised in the income statement when the future losses and expenses are recognised. All other negative goodwill is amortised using the straight-line method over a period of 20 years.

G. Investments

Long term investments are stated at cost, unless in the opinion of the Directors, there is a decline other than temporary in the value of such investments. Where there has been a decline other than temporary in the value of investment, such a decline is recognised as an expense in the period in which the decline is identified.

Short term investments in marketable securities are carried at the lower of cost and market value, determined on an aggregate portfolio basis. Cost is derived at on the weighted average basis. Market value is calculated by reference to stock exchange quoted selling prices at the close of business on the balance sheet date. Increases/decreases in the carrying value of marketable securities are credited/charged to the income statement.

On disposal of an investment, the difference between net disposal proceeds and its carrying value is charged or credited to the income statement.

H. Currency Translations

Foreign currency transactions are converted into Ringgit Malaysia at the rates of exchange ruling on the transaction dates. Exchange differences arising on settlement of monetary items or on translating monetary assets and liabilities at rates of exchange ruling at period end are taken to the income statement.

Exchange differences arising on foreign currency borrowings that have been used to finance equity investments in foreign currencies are dealt with through exchange translation reserve to the extent that they are covered by exchange differences arising on the net assets represented by the equity investments. These differences are recognised as income or expenses upon disposal of those investments.

Assets and liabilities of foreign subsidiaries and associates, both monetary and non-monetary, are translated into Ringgit Malaysia at the rates of exchange ruling at the financial period end; and income and expense items are translated at exchange rates at the date of the transactions. All resulting exchange differences are dealt with through the exchange translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as local currency assets and liabilities of the foreign entity and are translated accordingly at the closing rate.

The principal closing rates used in translation of foreign currency amounts at the balance sheet date are as follows:-

Foreign currency	31.3.2005 RM	31.12.2003 RM
1 United States Dollar	3.800	3.800
1 Australian Dollar	2.932	2.845
1 Singapore Dollar	2.306	2.232
1 Hongkong Dollar	0.487	0.489
1 Chinese Renminbi	0.459	0.459
1 Indian Rupee	0.087	0.083
1 New Zealand Dollar	2.694	2.492
1 Euro	4.917	4.769
1 Argentine Peso	1.303	1.297
1 Pound Sterling	7.145	6.756

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

For the period ended 31 March 2005

(Continued)

I. Property, Plant and Equipment and Depreciation

All property, plant and equipment are stated at cost or at valuation less accumulated depreciation and accumulated impairment losses except for freehold land and capital work-in-progress which are not depreciated. Freehold land is not depreciated as it has an infinite life.

The Group amortises all leasehold land in equal instalments based on the tenures of the leases. On other assets, depreciation is calculated to write off the cost or revalued amount of property, plant and equipment on a straight line basis at rates that will write off the assets, less their estimated residual values, over their expected useful lives. The annual rates of depreciation are:-

Leasehold land	0.1	–	2.5%
Buildings	2	–	20%
Plant, machinery and equipment	10	–	20%
Office equipment, furniture and fittings	5	–	33.3%
Office renovations	10	–	20%
Motor vehicles	20	–	25%

Surpluses arising on revaluation are credited to revaluation reserve. Any deficit arising from revaluation is charged against the revaluation reserve to the extent of a previous surplus held in the revaluation reserve for the same asset. In all other cases, a decrease in carrying value is charged to the income statement.

The Directors have applied the transitional provisions of International Accounting Standards (“IAS”) 16 on Property, Plant and Equipment, which has been adopted by the MASB, which allows the assets to be stated at their last revalued amounts less depreciation. Accordingly, these valuations have not been updated.

Depreciation on assets under construction commences when the assets are ready for their intended use.

Where an indication of impairment exists, the carrying value of the asset is assessed and written down immediately to its recoverable amount. See accounting policy Note Z on impairment of assets.

J. Concession Assets

Concession assets are measured at cost less accumulated amortisation and accumulated impairment losses. Cost represents the cost of construction (inclusive of the cost of reconstruction, widening and rehabilitation) of the concession assets.

Upon completion of construction works and commencement of tolling operations, the concession assets are amortised over the concession period based on the following formula:-

$$\frac{\text{Cumulative traffic volume to date}}{\text{Projected total traffic volume for the entire concession period}} \times \text{Cost of concession assets}$$

The projected total traffic volume for the entire concession period is determined by a traffic survey carried out annually by a firm of independent traffic consultants.

All interests and fees incurred during the period of construction are capitalised to the cost of the concession assets which in turn are amortised to the income statement in accordance with the formula above. Interests and fees incurred after completion of construction are charged to the income statement.

K. Revenue and Profit Recognition

(i) Construction Contracts

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions or their ultimate purpose or use.

When the outcome of the construction contract can be estimated reliably, contract revenue and costs associated with the construction contract are recognised as revenue and expenses respectively by reference to the stage of completion of the contract. The stage of completion of a construction contract is determined based on the proportion that the contract costs incurred for work performed to date bear to the estimated total contract costs.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable and contract costs are recognised as an expense in the period.

Where it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense in the period in which the loss is identified.

(ii) Property Development Activities

When the outcome of the development activity can be estimated reliably and the sale of the development unit is effected, property development revenue and costs are recognised as revenue and expenses respectively by reference to the stage of completion of development activity at the balance sheet date. The stage of completion is determined based on the proportion that the property development costs incurred to date bear to the estimated total costs for the property development.

When the outcome of a development activity cannot be estimated reliably, property development revenue is recognised only to the extent of property development costs incurred that it is probable will be recoverable and the property development costs on the development units sold are recognised when incurred.

Where it is probable that total property development costs will exceed total property development revenue, the expected loss is recognised as an expense in the period in which the loss is identified.

(iii) Sale of Goods

Sales are recognised upon delivery of products and customer acceptance, and performance of after-sales services, if any, net of sales taxes and discounts and after eliminating sales within the Group.

(iv) Toll Concession Revenue

Toll concession revenue from operations of toll roads is recognised as and when the services are performed.

(v) Other Revenue

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

Interest income is recognised as it accrues unless collectibility is in doubt, in which case it is recognised on a cash receipt basis.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

For the period ended 31 March 2005

(Continued)

L. Capitalisation of Finance Cost

Interest incurred on borrowings directly associated with property development activities and construction contracts up to completion is capitalised and included as part of property development costs and construction contract costs.

Interest cost on borrowings to finance the construction of concession assets and property, plant and equipment during the period that is required to complete and prepare the asset for its intended use are capitalised as part of the cost of the asset.

All other borrowing costs are charged to the income statement.

M. Land Held For Property Development and Property Development Costs

Land held for property development consists of land held for future development where no significant development has been undertaken or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as non-current asset and is stated at cost or at valuation less accumulated impairment losses. Land held for property development is transferred to property development costs (under current assets) when development activities have commenced and the development is expected to be completed within the normal operating cycle.

Costs associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies. Where the Group had previously recorded the land at revalued amount, it continues to retain this amount as its surrogate cost as allowed by MASB 32 on Property Development Activities. Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy Note Z on impairment of assets.

Property development costs comprise costs associated with the acquisition of land and all costs directly attributable to development activities or that can be allocated on a reasonable basis to these activities.

Property development costs not recognised as an expense is recognised as an asset and is stated at the lower of cost and net realisable value. Cost includes cost of land, all direct building costs, and other related development expenditure, including interest expenses incurred during the period of active development.

Where revenue recognised in the income statement exceeds billings to purchasers, the balance is shown as accrued billings under trade and other receivables (within current assets). Where billings exceed revenue recognised in the income statement, the balance is shown as progress billings under trade and other payables (within current liabilities).

Where applicable, the fair value of land at the date of acquisition of subsidiaries is carried forward in place of cost.

N. Inventories

(i) Completed Buildings

Units of development properties completed and held for sale are stated at the lower of cost and net realisable value. Cost comprises proportionate cost of land and related development and construction expenditure.

(ii) Finished Goods, Quarry Products, Raw Materials, Construction Materials, Stores and Spares

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a weighted average basis. The costs of raw materials, stores and spares comprise the original cost of purchase plus the cost of bringing the inventories to their present location and for finished goods and quarry products, it consists of direct materials, direct labour, direct charges and production overheads.

Net realisable value is the estimate of the selling price in the ordinary course of business, less the cost of completion and selling expenses.

O. Amounts Due From/(To) Customers on Construction Contracts

Where the amounts of construction contract costs incurred plus recognised profits (less recognised losses) exceed progress billings, the net balance is shown as amounts due from customers on construction contracts under trade and other receivables. Where the progress billings exceed the sum of construction contract costs incurred and recognised profits (less recognised losses), the net balance is shown as amounts due to customers on construction contracts under trade and other payables.

P. Trade Receivables

Trade receivables include retention monies withheld by principals. Known bad debts are written off and an allowance is made for any considered to be doubtful of collection.

Q. Leases

(i) Accounting as Lessee

Finance leases

Leases of property, plant and equipment where the Group assumes substantially all the benefits and risks of ownership are classified as finance leases.

Finance leases are capitalised at the lower of the fair value of the leased assets or the estimated present value of the underlying lease payments at the date of inception. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the lease principal outstanding. The corresponding rental obligations, net of finance charges, are included in borrowings. The interest element of the finance charge is charged to the income statement over the lease period.

Property, plant and equipment acquired under finance lease contracts is depreciated over the useful life of the asset. If there is no reasonable certainty that the ownership will be transferred to the Group, the asset is depreciated over the shorter of the lease term and its useful life.

Operating leases

Leases of assets where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement over the lease period.

(ii) Accounting as Lessor

Finance leases

Leases of assets where the lessee assumes substantially all the benefits and risks of ownership are classified as finance leases.

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method so as to reflect a constant periodic rate of interest on the balance outstanding.

Operating leases

Assets leased out under operating leases are included in property, plant and equipment in the balance sheet. They are depreciated over their useful lives on bases consistent with similar owned property, plant and equipment. Rental income is recognised as it accrues unless collectibility is in doubt, in which case it is recognised on a cash receipt basis.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

For the period ended 31 March 2005

(Continued)

R. Quarry Development

Expenses incurred on the development of quarry face are capitalised and written off based on actual production volume over the estimated reserves available from the quarry face developed.

Where an indication of impairment exists, the carrying value of the asset is assessed and written down immediately to its recoverable amount. See accounting policy Note Z on impairment of assets.

S. Borrowings

Borrowings are initially recognised based on the proceeds received, net of transaction costs incurred. In subsequent periods, borrowings are stated at amortised cost using the effective yield method; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings.

T. Income Taxes

Current tax expense is determined according to the tax laws of each jurisdiction in which the Group operates and includes all taxes based upon the taxable profits, including withholding taxes payable by a foreign subsidiary, associate or jointly controlled entity on distributions of retained earnings to companies in the Group, and real property gains taxes payable on disposal of properties.

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. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences or unused tax losses 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 recognised on temporary differences arising on investments in subsidiaries, associates and jointly controlled entities except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to apply to 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 to 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.

Deferred tax assets and liabilities are offset when the enterprise 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.

U. Employee Benefits

(i) Short Term Employee Benefits

Wages, salaries, bonuses and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Group.

(ii) Post-Employment Benefits

The Group has various post-employment benefit schemes in accordance with local conditions and practices in the countries in which it operates. These benefit plans are either defined contribution or defined benefit plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation.

(a) Defined Contribution Plans

The Group's contributions to defined contribution plans are charged to the income statement in the period to which they relate. Once the contributions have been paid, the Group has no further payment obligations. (As required by law, companies in Malaysia make contributions to the national pension scheme, the Employees Provident Fund ("EPF"), a defined contribution plan).

(b) Defined Benefit Plans

The Company and certain subsidiaries participated in the IJM Retirement Scheme which is an approved defined benefits scheme under Section 150 of the Income Tax Act, 1967. The benefits payable on retirement are based on length of service and average basic salary over the last five years of service.

The liability in respect of a defined benefit plan is the present value of the defined benefit obligation at the balance sheet date minus the fair value of plan assets, together with adjustments for actuarial gains/losses and past service cost. The Group determines the present value of the defined benefit obligation and the fair value of the plan assets with sufficient regularity such that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the balance sheet date. The Group's obligation in respect of the said defined benefits scheme, calculated using the projected unit credit method, is determined by an actuarial valuation carried out with sufficient regularity by a qualified actuary.

Actuarial gains and losses arise from experience adjustments and changes in actuarial assumptions. The amount of net actuarial gains and losses is charged or credited to income statement over the average remaining service lives of the related participating employees when the net cumulative unrecognised actuarial gains and losses for the Scheme exceed 10% of the higher of the present value of the defined benefit obligation and the fair value of the plan assets.

Upon initial adoption of MASB 29 on Employee Benefits, the increase in defined benefit liability is recognised as an expense on a straight line basis over 5 years in accordance with the transitional provision of the Standard.

(iii) Equity Compensation Benefits

The Group does not make a charge to the income statement in connection with share options granted. When the share options are exercised, the proceeds received, net of any transaction costs, are credited to share capital and share premium.

V. Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank balances, bank overdrafts, demand deposits and short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

For the period ended 31 March 2005

(Continued)

W. Share Capital

(i) Classification

Ordinary shares are classified as equity.

(ii) Share Issue Costs

External costs directly attributable to the issue of new shares are shown as a deduction from the share premium account, if any. In other cases, they are charged to the income statement when incurred.

(iii) Dividends

Dividends on ordinary shares are recognised as liabilities when declared. Proposed final dividends are accrued as liabilities only after approval by shareholders.

X. Financial Instruments

(i) Financial Instruments Recognised on the Balance Sheet

The particular recognition method adopted for financial instruments recognised on the balance sheets is disclosed in the individual policy statement associated with each item.

(ii) Financial Instruments Not Recognised on the Balance Sheet

The Group is a party to financial instruments which comprises mainly foreign currency forward contracts. These instruments are not recognised in the financial statements on inception, but are disclosed in the relevant notes to the financial statements.

Foreign Currency Forward Contracts

The Group enters into foreign currency forward contracts to protect the Group from movements in exchange rates by establishing the rate at which a foreign currency asset or liability will be settled.

Exchange gains and losses arising on contracts entered into as hedges of anticipated future transactions are deferred until the date of such transactions, at which time they are included in the measurement of such transactions.

All other exchange gains and losses relating to hedge instruments are recognised in the income statement in the same period as the exchange differences on the underlying hedged items. Gains and losses on contracts which are no longer designated as hedges are included in the income statement.

(iii) Fair Value Estimation For Disclosure Purposes

The fair value of publicly traded derivatives and securities is based on quoted market prices at the balance sheet date.

The fair value of forward foreign exchange contracts is determined using forward exchange market rates at the balance sheet date.

In assessing the fair value of non-traded derivatives and financial instruments, the Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for the specific or similar instruments are used for long term debt. Other techniques and bases, such as discounted value of future cash flows and the underlying net asset base of the instrument, are used to determine fair value for the remaining financial instruments. In particular, the fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

The carrying values of financial assets and financial liabilities with a maturity of less than one year are assumed to approximate their fair values.

Y. Government Grants

Grants from the government are recognised at their fair values where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to the acquisition of assets are included in non-current liabilities as deferred income and are credited to the income statement over the expected lives of the related assets, on bases consistent with the depreciation of the related assets.

Z. Impairment of Assets

Property, plant and equipment and other non-current assets, including intangible assets, are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Impairment loss is recognised for the amount by which the carrying value of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows.

The impairment loss is charged to the income statement unless it reverses a previous revaluation in which case it is charged to the revaluation surplus. Any subsequent increase in recoverable amount is recognised in the income statement unless it reverses an impairment loss on a revalued asset in which case it is taken to revaluation surplus.

AA. Segmental Information

Segment reporting is presented for enhanced assessment of the Group's risks and returns as each business or geographical segment is subject to risks and returns that are different from the other business or geographical segments.

Segment revenue, expense, assets and liabilities are those amounts resulting from the operating activities of a segment that are directly attributable to the segment and the relevant portion that can be allocated on a reasonable basis to the segment.

Segment revenue, expense, assets and liabilities are determined before intragroup balances and intragroup transactions are eliminated as part of the consolidation process.

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

1. GENERAL INFORMATION

The Company is principally engaged in construction and investment holding. The Group's principal activities consist of construction, property development, manufacturing and quarrying, tollway operations and investment holding. The principal activities of the subsidiaries and associates are described in Note 48 to the financial statements.

The Group also has significant investment in the plantation business vide its 49% plantation associate, IJM Plantations Berhad.

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Board of Bursa Malaysia Securities Berhad.

The address of the registered office of the Company is 2nd Floor, Wisma IJM, Jalan Yong Shook Lin, 46050 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

The financial year end of the Company was changed from 31 December to 31 March. Accordingly, comparative amounts for the income statement, changes in equity, cash flows and related notes are not comparable.

The number of employees in the Group and Company as at 31 March 2005 amounted to 2,059 (31.12.2003: 1,212) and 98 (31.12.2003: 89) respectively.

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 18 May 2005.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks, including foreign currency exchange risk, interest rate risk, market risk, credit risk, liquidity and cash flow risk. The Group's overall financial risk management objective is to ensure that the Group creates value for its shareholders. The Group focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Financial risk management is carried out through risk reviews, internal control systems, insurance programmes and adherence to Group financial risk management policies. The management regularly reviews these risks and approves the treasury policies, which covers the management of these risks.

The Group uses derivative financial instruments such as foreign currency forward contracts to hedge certain exposure, but it does not trade in financial instruments.

Foreign currency exchange risk

The Group operates internationally and is exposed to various currencies, mainly United States Dollar, Australian Dollar, Singapore Dollar, Hongkong Dollar, Chinese Renminbi, Indian Rupee, Argentine Peso and Pound Sterling. Foreign currency denominated assets and liabilities together with expected cash flows from anticipated transactions denominated in foreign currencies give rise to foreign exchange exposures.

The Group maintains a natural hedge, whenever possible, by borrowing in the currency of the country in which the property or investment is located or by borrowing in currencies that match the future revenue stream to be generated from its investments. Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

Material transaction foreign exchange exposures are hedged, mainly with derivative financial instruments such as foreign currency forward contracts.

Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposure arises mainly from the Group's borrowings and deposits. The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings.

Market risk

The Group faces exposure to the risk from changes in debt and equity prices. However, the management regularly reviews these risks and takes proactive measures to mitigate the potential impact of such risks.

Credit risk

Credit risk arises when derivative instruments are used or sales are made on credit terms. The Group controls these risks by the application of credit approvals, limits and monitoring procedures. Credit risks are minimised and monitored by strictly limiting the Group's associations to business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis via Group management reporting procedures. The Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial instruments.

Concentrations of credit risk with respect to trade receivables are limited due to the Group's large number of customers, who are dispersed over a broad spectrum of industries and businesses. The Group's historical experience in collection of trade receivables falls within the recorded allowances. Due to these factors, management believes that no additional credit risk beyond amounts allowed for collection losses is inherent in the Group's trade receivables.

Liquidity and cash flow risk

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding 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 or cash convertible investments to meet its working capital requirements. In addition, the Group strives to maintain available banking facilities of a reasonable level to its overall debt position. As far as possible, the Group raises committed funding from both capital markets and financial institutions and prudently balances its portfolio with some short term funding so as to achieve overall cost effectiveness.

3. OPERATING REVENUE

	THE GROUP		THE COMPANY	
	15 months ended 31.3.2005 RM'000	Year ended 31.12.2003 RM'000	15 months ended 31.3.2005 RM'000	Year ended 31.12.2003 RM'000
Construction contract revenue	898,259	961,563	149,960	219,147
Property development revenue	436,688	167,122	-	-
Sale of quarry and manufactured products	451,820	150,517	-	-
Sale of crude palm oil and by-products	-	75,450	-	-
Management services	3,181	2,972	129	-
Toll concession revenue	4,792	-	-	-
Dividend income	5,725	4,519	32,442	16,054
Rental of properties	1,826	1,752	1,366	3,002
	1,802,291	1,363,895	183,897	238,203

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

3. OPERATING REVENUE (continued)

Supplementary information on operating revenue of the Group inclusive of the Group's share of revenue of associates and jointly controlled entities are as follows:-

	15 months ended 31.3.2005 RM'000	Year ended 31.12.2003 RM'000
Operating revenue of the Group	1,802,291	1,363,895
Share of operating revenue of:-		
Associates	465,861	319,360
Jointly controlled entities	157,887	94,314
	2,426,039	1,777,569

4. OPERATING PROFIT BEFORE FINANCE COST

	THE GROUP		THE COMPANY	
	15 months ended 31.3.2005 RM'000	Year ended 31.12.2003 RM'000	15 months ended 31.3.2005 RM'000	Year ended 31.12.2003 RM'000
Operating profit before finance cost is stated after charging:-				
Hire of plant and equipment	1,869	840	-	-
Property, plant and equipment:-				
- depreciation	43,797	25,839	907	919
- written off	78	107	-	-
- loss on disposal	-	15	-	-
Rental of land and buildings	2,789	908	871	-
Auditors' remuneration:-				
- fees for statutory audits	931	830	230	210
- fees for other services				
- PricewaterhouseCoopers, Malaysia	527	594	360	325
- Firms of PricewaterhouseCoopers International Limited other than PricewaterhouseCoopers, Malaysia	40	43	-	-
- other auditors of subsidiaries	77	73	-	-
Foreign exchange loss:-				
- unrealised	-	178	-	-
- realised	-	29	-	-
Allowance for diminution in value of investments:-				
- quoted investments	6,787	261	4,945	-
- unquoted investments	-	278	-	-
Impairment losses on investment in:-				
- subsidiaries	-	-	5,898	-
- associates	499	254	-	-
Amortisation of concession assets	3,841	-	-	-
Amortisation of quarry development expenditure	2,625	2,478	-	-
Amortisation of premium paid on quarry rights	88	70	-	-
Amortisation of goodwill	311	561	-	-
Amortisation of discount on bond issue	617	493	-	-
Amortisation of premium on acquisition of marketable securities	416	303	-	-
Allowance for doubtful debts	3,234	10,039	2,572	-
Building stocks written down	1,755	-	1,315	-
Construction contract costs	745,527	823,154	85,211	148,157
Property development costs	305,845	110,616	-	-
Cost of quarry and manufactured products sold	342,355	122,512	-	-
Staff cost*	102,353	68,963	14,687	10,258

	THE GROUP		THE COMPANY	
	15 months ended	Year ended	15 months ended	Year ended
	31.3.2005	31.12.2003	31.3.2005	31.12.2003
	RM'000	RM'000	RM'000	RM'000
and crediting:-				
Gross dividends received from:-				
- subsidiaries (unquoted)	-	-	21,653	11,854
- associates				
(quoted)	-	-	7,048	2,565
(unquoted)	-	-	996	97
- other investments				
(quoted)	6,046	2,524	2,745	1,538
(unquoted)	-	2,063	-	-
Interest income	24,598	26,492	40,348	25,488
Foreign exchange gain:-				
- unrealised	1,504	9,679	1,404	9,256
- realised	363	4,224	-	3,967
Gain on disposal of property, plant and equipment	2,021	1,041	18,113	92
Rental income from properties	3,623	2,522	1,366	3,002
Write back of allowance for doubtful debts	2,910	912	-	-
Write back of allowance for diminution in value of investments	292	5,982	-	5,621
Amortisation of negative goodwill	150	80	-	-
Amortisation of deferred income	1,563	-	-	-
Gain on disposal of shares in subsidiaries	2,762	-	105,912	-
Gain on disposal of an associate	84	-	-	-
Gain on disposal/liquidation of investments	2,852	17	2,177	-

* Included in staff cost above for the financial period is Directors' remuneration as follows:-

	THE GROUP		THE COMPANY	
	15 months ended	Year ended	15 months ended	Year ended
	31.3.2005	31.12.2003	31.3.2005	31.12.2003
	RM'000	RM'000	RM'000	RM'000
Directors of the Company:-				
Fees				
- Current period/year	312	316	312	316
- Under/(over) provision in respect of prior year	40	(10)	40	(10)
Defined contribution retirement plan	724	449	596	332
Defined benefit retirement plan	80	79	58	63
Other emoluments	4,427	2,477	3,755	1,789
Directors of subsidiaries:-				
Fees	75	60	-	-
Defined contribution retirement plan	411	297	-	-
Defined benefit retirement plan	130	199	-	-
Other emoluments	3,944	2,652	-	-

The estimated monetary value of benefits-in-kind provided to the Directors of the Group and of the Company by way of usage of the Group's and of the Company's assets and the provision of other benefits amounted to RM191,000 (Year ended 31.12.2003: RM191,000) and RM77,000 (Year ended 31.12.2003: RM82,000) respectively.

Details of the defined contribution and defined benefit plans of the Group and of the Company are set out in Note 19 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

4. OPERATING PROFIT BEFORE FINANCE COST (continued)

Executive Directors and certain Non-Executive Directors of the Company have been granted options under the Employee Share Option Scheme ("ESOS") on the same terms and conditions as those offered to other employees of the Group (see Note 10(c)) as follows:-

Grant Date	Expiry Date	Exercise Price RM/share	Number of options over ordinary shares				At end of period '000
			At start of the period '000	Granted '000	Exercised '000	Terminated '000	
8 January 2004	10 November 2008	3.99/3.96*	-	1,540	-	-	1,540
7 April 2004	10 November 2008	4.47/4.44*	-	660	-	-	660
30 April 2004	10 November 2008	4.39/4.36*	-	1,540	-	-	1,540
20 May 2004	10 November 2008	4.21/4.18*	-	600	-	-	600
			-	4,340	-	-	4,340

* The exercise price of the ESOS had been adjusted on 30 April 2005 pursuant to Bye-Law 14 of the ESOS Bye-Laws (See Note 10(c)).

5. FINANCE COST

	THE GROUP		THE COMPANY	
	15 months ended 31.3.2005 RM'000	Year ended 31.12.2003 RM'000	15 months ended 31.3.2005 RM'000	Year ended 31.12.2003 RM'000
Interest expense arising from:-				
- Interest bearing bank borrowings	16,336	7,040	1,515	1,574
- Advances from subsidiaries	-	-	5,521	3,334
- Hire purchase and leasing	227	1,032	-	-
- Bonds	18,801	15,500	8,800	7,500
- Medium Term Notes ("MTN")	810	-	810	-
- Others	5,374	2,796	2,531	1,198
	41,548	26,368	19,177	13,606
Less interest capitalised into:				
- Property, plant and equipment	-	(2,995)	-	-
- Property development costs (Note 29)	(303)	-	-	-
- Construction contract work-in-progress (Note 38)	-	(212)	-	-
	41,245	23,161	19,177	13,606

6. TAXATION

	THE GROUP		THE COMPANY	
	15 months ended 31.3.2005 RM'000	Year ended 31.12.2003 RM'000	15 months ended 31.3.2005 RM'000	Year ended 31.12.2003 RM'000
Current tax:-				
- Malaysian income tax	(65,993)	(64,995)	(27,923)	(27,166)
- Overseas taxation	(3,408)	(2,563)	-	-
Deferred taxation (Note 17)	(69,401) (9,933)	(67,558) 11,419	(27,923) (368)	(27,166) 2,509
	(79,334)	(56,139)	(28,291)	(24,657)
Current tax:-				
- Current period/year	(70,141)	(69,564)	(28,056)	(26,889)
- Benefits from previously unrecognised temporary differences	1,420	2,484	-	-
- (Under) / Over accrual in prior years (net)	(680)	(478)	133	(277)
	(69,401)	(67,558)	(27,923)	(27,166)
Deferred taxation:-				
- Origination and reversal of temporary differences	(9,356)	11,419	(368)	2,509
- (Under) / Over accrual in prior years (net)	(577)	-	-	-
	(9,933)	11,419	(368)	2,509
	(79,334)	(56,139)	(28,291)	(24,657)

The explanation of the relationship between taxation and profit from ordinary activities before taxation is as follows:-

	THE GROUP		THE COMPANY	
	15 months ended 31.3.2005 RM'000	Year ended 31.12.2003 RM'000	15 months ended 31.3.2005 RM'000	Year ended 31.12.2003 RM'000
Profit from ordinary activities before taxation	283,809	206,800	216,876	104,578
Tax calculated at the Malaysian tax rate of 28% (2003: 28%)	79,467	57,904	60,725	29,282
Tax effects of:-				
- Different tax rates in other countries	(1,283)	(1,439)	-	-
- Lower tax rates for small and medium companies	(487)	(217)	-	-
- Expenses not deductible for tax purposes	5,923	12,515	3,239	1,017
- Income not subject to tax	(4,489)	(9,332)	(35,540)	(5,919)
- Utilisation of tax incentives	(5,465)	(1,753)	-	-
- Current year's deferred tax assets not recognised	8,565	467	-	-
- Utilisation of previously unrecognised tax losses	(1,420)	(2,484)	-	-
- Others	(1,477)	478	(133)	277
Taxation	79,334	56,139	28,291	24,657

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

6. TAXATION (continued)

Included in taxation of the Group are tax savings from utilisation of tax losses as follows:-

	THE GROUP	
	15 months ended 31.3.2005 RM'000	Year ended 31.12.2003 RM'000
Tax losses:-		
Tax savings as a result of the utilisation of current year tax losses for which credit is recognised during the period/year	-	3,047
Tax savings as a result of the utilisation of tax losses brought forward for which the related credit is recognised during the period/year	1,420	2,484

7. EARNINGS PER SHARE

(a) Basic

The basic earnings per share for the financial period has been calculated based on the Group's net profit for the financial period of RM185,486,000 (Year ended 31.12.2003: RM145,724,000) and on the weighted average number of ordinary shares in issue during the financial period of 431,708,000 (Year ended 31.12.2003: 371,846,000) ordinary shares. The weighted average number of ordinary shares in issue was derived at after taking into account the issuance of shares pursuant to the Employee Share Option Scheme ("ESOS") and from the conversion of Warrants 2000/2004.

(b) Fully diluted

The fully diluted earnings per share of the Group is calculated by dividing the Group's net profit for the period of RM185,486,000 (Year ended 31.12.2003: RM145,724,000) by the weighted average number of ordinary shares in issue adjusted to assume the conversion of all dilutive potential ordinary shares, i.e. the ESOS and Warrants 2000/2004. A calculation is done to determine the number of shares that could have been acquired at market price (determined as the weighted average annual share price of the Company's shares) based on the monetary value of the subscription rights attached to the outstanding ESOS or Warrants. This calculation serves to determine the "bonus" element to the ordinary shares outstanding for the purpose of computing the dilution. No adjustment is made to the net profit for the calculation.

	THE GROUP	
	15 months ended 31.3.2005 RM'000	Year ended 31.12.2003 RM'000
Net profit for the period/year	185,486	145,724
	'000	'000
Weighted average number of ordinary shares in issue	431,708	371,846
Adjustments for Warrants	-	25,303
Adjustments for ESOS	4,827	-
Weighted average number of ordinary shares for diluted earnings per share	436,535	397,149
Diluted earnings per share	42.5 Sen	36.7 Sen

8. DIVIDENDS

	THE COMPANY			
	15 months ended 31.3.2005		Year ended 31.12.2003	
	Gross dividend per share Sen	Amount of dividend, net of 28% tax RM'000	Gross dividend per share Sen	Amount of dividend, net of 28% tax RM'000
First interim dividend	5	16,313	5	13,693
Second interim dividend	10	33,166	10	30,775
	15	49,479	15	44,468

The Directors do not recommend the payment of any final dividend for the financial period ended 31 March 2005 (Year ended 31.12.2003: NIL).

9. SEGMENTAL REPORTING

The Group has the following principal business segments:-

- | | |
|---------------------------------|---|
| (a) Construction | - Construction activities |
| (b) Property development | - Development of land into vacant lots, residential, commercial and/or industrial buildings |
| (c) Manufacturing and quarrying | - Production and sale of concrete products, and quarrying activities |
| (d) Infrastructure | - Tollway operations |

Other operations of the Group comprise mainly investment holding.

The Group also has significant investment in the plantation business vide its 49% plantation associate, IJM Plantations Berhad.

Intersegment revenue comprises rendering of construction services to the property development and infrastructure segments and the sale of manufacturing and quarrying products to the construction segment. These transactions are transacted on agreed terms between the segments.

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

9. SEGMENTAL REPORTING (continued)

(a) Primary reporting – Business segments

	Construction RM'000	Property Development RM'000
15 months ended 31.3.2005		
<u>REVENUE:</u>		
Total sales	1,030,586	440,617
Less: Inter-segment sales	(132,327)	-
Total segment revenue	898,259	440,617
<u>RESULT:</u>		
Segment result	101,211	85,905
Share of results of associates and jointly controlled entities		
- a plantation associate		
- other associates and jointly controlled entities	9,573	2,096
Taxation		
Profit from ordinary activities after taxation		
Minority interest		
Net profit for the period		
<u>OTHER INFORMATION:</u>		
Segment assets	983,002	834,165
Investment in associates		
- a plantation associate		
- other associates	32,755	23,440
Investment in jointly controlled entities	11,945	10,439
Unallocated corporate assets		
Consolidated total assets		
Segment liabilities	695,863	181,475
Unallocated corporate liabilities		
Consolidated total liabilities		
<u>Incurred for the period:-</u>		
Capital expenditure	37,981	7,436
Depreciation charged to income statement	21,524	643
Amortisation of concession rights	-	-
Amortisation of goodwill	91	28
Amortisation of quarry development expenditure	-	-
Amortisation of premium paid on quarry rights	-	-

Manufacturing & Quarrying RM'000	Infrastructure RM'000	Investment & Others RM'000	Group RM'000
481,050	4,921	29,492	1,986,666
(29,230)	-	(22,818)	(184,375)
451,820	4,921	6,674	1,802,291
53,609	(9,185)	3,782	235,322
3,882	6,517	(5,653)	32,072
			16,415
			283,809
			(79,334)
			204,475
			(18,989)
			185,486
582,890	201,167	82,769	2,683,993
15,589	261,276	80,989	316,587
-	-	-	414,049
			22,384
			3,437,013
			12,442
			3,449,455
126,666	324,581	112,073	1,440,658
			35,185
			1,475,843
251,517	88,312	-	385,246
21,568	62	-	43,797
-	3,841	-	3,841
101	-	91	311
2,625	-	-	2,625
88	-	-	88

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

9. SEGMENTAL REPORTING (continued)

(a) Primary reporting – Business segments (continued)

	Construction RM'000	Property Development RM'000
Year ended 31.12.2003		
<u>REVENUE:-</u>		
Total sales	1,098,271	170,094
Less: Inter-segment sales	(136,708)	-
Total segment revenue	961,563	170,094
<u>RESULT:-</u>		
Segment result	94,075	34,014
Share of results of associates and jointly controlled entities	7,521	1,760
Taxation		
Profit from ordinary activities after taxation		
Minority interest		
Net profit for the year		
<u>OTHER INFORMATION:-</u>		
Segment assets	934,374	618,825
Investment in associates	80,134	22,356
Investment in jointly controlled entities	9,963	2,082
Unallocated corporate assets		
Consolidated total assets		
Total segment liabilities	801,324	93,335
Unallocated corporate liabilities		
<u>Incurred for the year:-</u>		
Capital expenditure	99,166	9,937
Depreciation charged to income statement	11,518	629
Amortisation of goodwill	73	34
Amortisation of quarry development expenditure	-	-
Amortisation of premium paid on quarry rights	-	-
Other significant non-cash expenses:-		
- Allowance for doubtful debts	9,000	220
Supplementary information on segmental reporting on revenue of the Group inclusive of the Group's share of revenue of associates and jointly controlled entities are as follows:-		
Period ended 31.3.2005		
Revenue of the Group	898,259	440,617
Share of operating revenue of associates and jointly controlled entities	273,898	38,225
	1,172,157	478,842
Year ended 31.12.2003		
Revenue of the Group	961,563	170,094
Share of operating revenue of associates and jointly controlled entities	170,711	34,284
	1,132,274	204,378

Manufacturing & Quarrying RM'000	Plantation RM'000	Infrastructure RM'000	Investment & Others RM'000	Group RM'000
181,963 (31,446)	75,450 -	- -	19,375 (13,104)	1,545,153 (181,258)
150,517	75,450	-	6,271	1,363,895
16,988 3,901	14,080 20,773	(4) 4,530	11,861 (2,699)	171,014 35,786
				206,800 (56,139)
				150,661 (4,937)
				145,724
143,454 57,103 -	2,744 298,113 -	17,525 137,593 -	142,514 81,636 -	1,859,436 676,935 12,045
				2,548,416 14,068
				2,562,484
45,037	80,000	1,184	2,349	1,023,229 16,320
				1,039,549
7,019 5,992 272 2,478 70	20,608 7,700 52 - -	- - - - -	- - 130 - -	136,730 25,839 561 2,478 70
819	-	-	-	10,039
451,820	-	4,921	6,674	1,802,291
61,775	157,030	55,572	37,248	623,748
513,595	157,030	60,493	43,922	2,426,039
150,517	75,450	-	6,271	1,363,895
72,330	76,933	34,675	24,741	413,674
222,847	152,383	34,675	31,012	1,777,569

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

9. SEGMENTAL REPORTING (continued)

(b) Secondary reporting – Geographical segments

Geographical markets	Revenue from external customers RM'000	Total segment assets RM'000	Capital expenditure incurred during the period/year RM'000
15 months ended 31.3.2005:-			
Malaysia	1,533,480	2,198,051	276,937
India	240,781	361,353	108,309
Australia	27,901	48,238	-
Other countries	129	88,793	-
	1,802,291	2,696,435	385,246
Associates and jointly controlled entities			
- Malaysia	-	345,637	-
- Singapore	-	32,266	-
- Vietnam	-	37,001	-
- China	-	9,937	-
- India	-	154,200	-
- Australia	-	93,444	-
- Argentina	-	68,797	-
- Other countries	-	11,738	-
	1,802,291	3,449,455	385,246
Year ended 31.12.2003:-			
Malaysia	1,229,895	1,488,609	40,946
India	134,000	256,100	95,784
Australia	-	45,704	-
Other countries	-	83,091	-
	1,363,895	1,873,504	136,730
Associates and jointly controlled entities			
- Malaysia	-	402,296	-
- Singapore	-	26,929	-
- Vietnam	-	39,073	-
- China	-	10,814	-
- India	-	38,056	-
- Australia	-	92,773	-
- Argentina	-	67,912	-
- Other countries	-	11,127	-
	1,363,895	2,562,484	136,730

In determining the geographical segments of the Group, revenue is based on the country in which the customers are located. Total segment assets and capital expenditure incurred during the period/year are determined according to the country where these assets are located.

10. SHARE CAPITAL

	THE COMPANY			
	31.3.2005		31.12.2003	
	Number of shares '000	Nominal value RM'000	Number of shares '000	Nominal value RM'000
Ordinary shares of RM1 each:-				
Authorised	1,000,000	1,000,000	1,000,000	1,000,000
Issued and fully paid:-				
At 1 January	382,276	382,276	363,937	363,937
Issue of shares under the Employee Share Option Scheme ("ESOS")	17,088	17,088	-	-
Issue of shares on conversion of Warrants	59,290	59,290	18,339	18,339
At 31 March / At 31 December	458,654	458,654	382,276	382,276

(a) During the financial period, the issued and paid up ordinary share capital of the Company was increased from RM382,276,059 to RM458,654,780 by way of:-

- (i) The issuance of 59,290,021 new ordinary shares of RM1 each arising from the conversion of Warrants 2000/2004 at the exercise price of RM2.76 (adjusted price) in accordance with the Deed Poll dated 24 January 2000.
- (ii) The issuance of 15,897,200 new ordinary shares of RM1 each at an issue price of RM3.99 and 1,191,500 new ordinary shares of RM1 each at an issue price of RM4.39 arising from the exercise of options under the ESOS.

The new ordinary shares issued rank pari passu in all respects with the existing issued shares of the Company.

- (b) As at the balance sheet date, no Warrants 2000/2004 remained unexercised (31.12.2003: 60,047,525) as the Warrants expired on 28 August 2004. Except for 757,504 Warrants which were unexercised and lapsed, all outstanding Warrants have been converted.

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

10. SHARE CAPITAL (continued)

- (c) As at the balance sheet date, 45,365,100 options under the ESOS remained unexercised (31.12.2003: Nil). The details of options over ordinary shares of the Company granted but not exercised under the ESOS are as follows:-

Grant Date	Expiry Date	Exercise Price RM/share	Number of options over ordinary shares				At 31.3.2005 '000
			At 1.1.2004 '000	Granted '000	Exercised '000	Terminated '000	
8 January 2004	10 November 2008	3.99/3.96*	-	36,756	15,897	242	20,617
7 April 2004	10 November 2008	4.47/4.44*	-	1,650	-	-	1,650
30 April 2004	10 November 2008	4.39/4.36*	-	24,149	1,191	460	22,498
20 May 2004	10 November 2008	4.21/4.18*	-	600	-	-	600
			-	63,155	17,088	702	45,365

- * The exercise price of the ESOS had been adjusted on 30 April 2005 pursuant to Bye-Law 14 of the ESOS Bye-Laws, which states that the option prices may be adjusted in the event of a capital distribution which may involve the declaration or provision of a dividend unless the aggregate gross dividends declared in respect of the financial period is less than ten percent (10%) of the nominal value of the shares of the Company. The adjusted option prices on 30 April 2005 is as follows:-

Offer Date	Before Adjustment	After Adjustment
8 January 2004	RM3.99	RM3.96
7 April 2004	RM4.47	RM4.44
30 April 2004	RM4.39	RM4.36
20 May 2004	RM4.21	RM4.18

Number of share options vested at balance sheet date amounted to 40,800,900 (31.12.2003: Not applicable).

The quoted prices of shares of the Company at the time when the options were exercised ranged from RM4.54 to RM4.98.

Details relating to options exercised during the financial period are as follows:-

Exercise date	Quoted price of shares at share issue date RM/share	Exercise price RM/share	Number of shares issued
February - March 2004	4.56 – 4.98	3.99	1,632,900
April - May 2004	4.66 – 4.98	3.99	5,140,200
April - May 2004	4.66 – 4.98	4.39	31,000
June - July 2004	4.64 – 4.82	3.99	1,971,200
June - July 2004	4.64 – 4.82	4.39	220,500
August - September 2004	4.54 – 4.80	3.99	1,508,700
August - September 2004	4.54 – 4.80	4.39	153,000
October - November 2004	4.62 – 4.74	3.99	1,648,850
October - November 2004	4.62 – 4.74	4.39	52,000
December - January 2005	4.54 – 4.88	3.99	1,336,500
December - January 2005	4.54 – 4.88	4.39	134,500
February - March 2005	4.78 – 4.84	3.99	2,658,850
February - March 2005	4.78 – 4.84	4.39	600,500
			17,088,700

11. CAPITAL RESERVES

	THE GROUP	
	31.3.2005 RM'000	31.12.2003 RM'000 Restated
(a) Capitalisation of post acquisition reserves in subsidiaries and associates:-		
At 1 January	12,563	12,563
Dilution arising from deemed disposal of a subsidiary	(6,823)	-
At 31 March / At 31 December	5,740	12,563
(b) Share of capital reserves of associates:-		
At 1 January	43,852	21,555
Dilution of a subsidiary arising from capital distribution:-		
- Capital reserves arising from the issue of shares by a subsidiary to minority interests	-	36,089
- Capital distribution in conjunction with listing of a subsidiary	-	(13,792)
	-	22,297
At 31 March / At 31 December	43,852	43,852
Total	49,592	56,415

The dilution arising from the deemed disposal of a subsidiary as stated in (a) above represents the difference between the Group's share of net assets immediately before and immediately after the disposal of the Company's entire equity in a wholly-owned subsidiary, Malaysian Rock Products Sdn. Bhd., for a sale consideration of RM110,000,000 satisfied by the issuance of 39,285,714 ordinary shares of RM1.00 each in Industrial Concrete Products Berhad (See Note 39(a)(i)).

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

12. RETAINED PROFITS

Subject to the agreement by the tax authorities, as at 31 March 2005, the Company has sufficient tax credits under Section 108 of the Income Tax Act, 1967 to frank the payment of net dividends of up to RM147,919,000 (31.12.2003: RM163,384,000) and also tax exempt income to declare exempt dividends of up to RM147,302,000 (31.12.2003: RM146,078,000). The extent of retained earnings not covered at that date amounted to RM123,344,000 (31.12.2003: RM772,000).

13. BONDS

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
(a) 8% Secured Fixed Rate Bond 1999/2009	100,000	100,000	-	-
Less:				
Discount on issuance	4,932	4,932	-	-
Amortisation	(2,713)	(2,096)	-	-
	2,219	2,836	-	-
	97,781	97,164	-	-
(b) 5% Redeemable Unsecured Bond 2000/2005	-	150,000	-	150,000
	97,781	247,164	-	150,000

The principal features of the bonds are as follows:-

- (a) The RM100,000,000 nominal amount of 8% Secured Fixed Rate Bond 1999/2009 was issued by a subsidiary at RM95.068 per RM100 nominal value to two local licensed banks, being the primary subscribers, on a bought deal basis. The bond is secured by way of assignment of all rights under the Concession Agreement between the subsidiary and the Government of Malaysia referred to in Note 27(b) to the financial statements. The bond ranks parri passu and rateably among themselves and in priority to all other unsecured indebtedness.

The bond carries a fixed coupon rate of 8% per annum payable semi-annually in arrears. At the end of its tenure, the bond will be redeemed at 100% of its nominal value on 15 October 2009.

- (b) The RM150,000,000 nominal amount of 5% Redeemable Unsecured Bond 2000/2005 was issued by the Company with 80,178,930 detachable warrants to a primary subscriber on a bought deal basis.

The bond was issued at 100% nominal amount and carries a fixed coupon rate of 5% per annum payable semi-annually in arrears. The bond was fully redeemed at 100% nominal value together with interest accrued to the date of maturity on 28 February 2005.

Each warrant entitled the registered holder to subscribe for one (1) new ordinary share in the Company at any time on or after 28 February 2000 to 28 August 2004 or such date extended in accordance with the Deed Poll, at an exercise price of RM2.99 per share or such adjusted price in accordance with the provisions in the Deed Poll.

The exercise price of the Warrants 2000/2004 had been adjusted to RM2.76 per share on 10 June 2003 following the distribution of 148,442,024 ordinary shares of RM0.50 each in IJM Plantations Berhad ("IJMP") to the shareholders of the Company on the basis of two (2) IJMP shares for every five (5) shares held in the Company. The exercise price was adjusted in accordance with condition 3(1)(c) of the second schedule of the Deed Poll.

The warrants were recognised in the financial statements when they were converted into ordinary shares of the Company. The warrants expired on 28 August 2004. Except for 757,504 warrants which remained unexercised and lapsed, all outstanding warrants have been converted.

14. MEDIUM TERM NOTES ("MTN") - UNSECURED

	THE GROUP AND THE COMPANY	
	31.3.2005	31.12.2003
	RM'000	RM'000
5.5% MTN 2005/2010	150,000	-

The MTN was issued under a RM300 million nominal value Commercial Papers ("CP") and MTN Programme (CP/MTN Programme) which was implemented during the financial period. The CP/MTN Programme can be utilised by the Company during the 7-year tenure commencing from the date of the first issue under the CP/MTN Programme on 24 February 2005 for a total amount of up to RM300 million nominal value subject to:-

- (i) the aggregate nominal value of outstanding CPs shall not exceed RM150 million at any time; and
- (ii) the aggregate nominal value of outstanding MTNs shall not exceed RM300 million at any time;

provided always that the outstanding nominal value of the CPs and MTNs issued under the CP/MTN Programme should not exceed RM300 million.

The MTN 2005/2010 is unsecured, carries a coupon rate of 5.5% per annum payable semi-annually, and is repayable in full on 24 February 2010.

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

15. TERM LOANS

	THE GROUP	
	31.3.2005 RM'000	31.12.2003 RM'000
Secured	96,367	48,015
Unsecured	102,600	22,800
	198,967	70,815
Payable within 1 year (Note 36)	25,296	1,906
Payable between 1 and 5 years	139,615	41,627
Payable after 5 years	34,056	27,282
Payable after 1 year (included in non-current liabilities)	173,671	68,909
	198,967	70,815
The currency exposure profile of term loans is as follows:-		
Indian Rupee	96,367	48,015
United States Dollar	102,600	22,800
	198,967	70,815

During the period, the interest rates for term loans denominated in United States Dollar ranged from 2.36% to 4.47% (Year ended 31.12.2003: 4.47%) per annum while the interest rates for the other term loans ranged from 7.25% to 9.00% (Year ended 31.12.2003: 9.75% to 13.00%) per annum. As at 31 March 2005, the effective interest rates for the term loans denominated in United States Dollar ranged from 2.36% to 4.47% (31.12.2003: 4.47%) per annum while the effective interest rate of the other term loans was 9.00% (31.12.2003: 9.75% to 13.00%) per annum.

The secured term loans are secured by fixed and floating charges over certain subsidiaries' property, plant and equipment (Note 21), concession assets (Note 22) and receivables.

16. HIRE PURCHASE AND LEASE CREDITORS

	THE GROUP	
	31.3.2005 RM'000	31.12.2003 RM'000
Minimum payments:-		
- payable within 1 year	629	204
- payable between 1 and 5 years	777	1,348
	1,406	1,552
Less: Future finance charges	(97)	(104)
Present value of liabilities	1,309	1,448
Present value of liabilities:-		
- payable within 1 year (Note 35)	567	204
- payable between 1 and 5 years (included in non-current liabilities)	742	1,244
	1,309	1,448

Hire purchase and lease liabilities are effectively secured as the rights to the leased assets revert to the financier in the event of default.

17. DEFERRED TAXATION

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
Deferred tax assets	12,442	14,068	2,499	2,867
Deferred tax liabilities	(24,299)	(4,956)	-	-
	(11,857)	9,112	2,499	2,867
At 1 January	9,112	(1,624)	2,867	358
(Charged)/credited to income statement (Note 6)				
- Property, plant and equipment	(3,484)	(1,279)	23	49
- Concession assets	3,602	-	-	-
- Post-employment benefit	66	404	160	(155)
- Intangible assets	(322)	(234)	-	-
- Inventories	419	(100)	368	-
- Tax losses	(161)	2,977	-	-
- Payables	(4,078)	3,187	(1,142)	577
- Development properties	1,505	4,765	-	-
- Foreseeable loss	155	-	-	-
- Finance lease receivables	(8,989)	-	-	-
- Others	1,354	1,699	223	2,038
	(9,933)	11,419	(368)	2,509
Acquisition of subsidiary (Note 39)	(11,012)	-	-	-
Dilution of interest in a subsidiary to an associate (Note 40(A))	-	(620)	-	-
Currency translation differences	(24)	(63)	-	-
At 31 March / 31 December	(11,857)	9,112	2,499	2,867

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

17. DEFERRED TAXATION (continued)

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
Subject to income tax				
Deferred tax assets (before offsetting)				
- Property, plant and equipment	2,572	1,271	-	-
- Concession assets	3,602	-	-	-
- Development properties	6,288	4,678	-	-
- Post-employment benefit	652	718	249	89
- Inventories	1,511	1,092	368	-
- Payables	5,203	8,477	1,956	3,098
- Tax losses	4,485	4,646	-	-
- Foreseeable loss	155	-	-	-
- Others	2,045	494	223	-
Offsetting	26,513 (14,071)	21,376 (7,308)	2,796 (297)	3,187 (320)
Deferred tax assets (after offsetting)	12,442	14,068	2,499	2,867
Deferred tax liabilities (before offsetting)				
- Property, plant and equipment	(25,024)	(8,531)	(297)	(320)
- Development properties	(1,823)	(1,718)	-	-
- Intangible assets	(1,865)	(1,543)	-	-
- Finance lease receivables	(8,989)	-	-	-
- Others	(669)	(472)	-	-
Offsetting	(38,370) 14,071	(12,264) 7,308	(297) 297	(320) 320
Deferred tax liabilities (after offsetting)	(24,299)	(4,956)	-	-

The amount of unused tax losses for which no deferred tax asset is recognised in the balance sheet is as follows:

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
Unutilised capital allowances	11,159	8,476	-	-
Tax losses	31,123	3,217	-	-
Deferred tax assets not recognised at 28%	11,839	3,274	-	-

18. TRADE PAYABLE

This represents the outstanding purchase consideration arising from acquisition of land for property development by a subsidiary, payable over the duration of the development, which is unsecured and interest free.

	THE GROUP	
	31.3.2005 RM'000	31.12.2003 RM'000
Total balance outstanding	8,072	12,000
Amount payable within 12 months (Note 35)	(2,072)	(6,000)
Amount payable after 12 months	6,000	6,000

19. RETIREMENT BENEFITS**(a) Defined contribution plan**

The Company and its subsidiaries in Malaysia contribute to the Employees Provident Fund, the national defined contribution plan. Once the contributions have been paid, the Group has no further payment obligations.

(b) Defined benefit plan

The Company and certain subsidiaries participated in the IJM Retirement Scheme, which is an approved defined benefits scheme under Section 150 of the Income Tax Act, 1967. The benefits payable on retirement are based on length of service and average basic salary over the last five years of service. The liability in respect of the said defined benefits scheme is determined using the projected unit credit method by an actuarial valuation carried out with sufficient regularity by a qualified actuary.

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
At 1 January	2,886	2,262	924	871
Charged to the income statement	2,922	3,203	543	642
Contributions and benefits paid	(3,220)	(2,579)	(576)	(589)
At 31 March / At 31 December	2,588	2,886	891	924

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

19. RETIREMENT BENEFITS (continued)

The amounts recognised in the balance sheets may be analysed as follows:-

At 31 March / At 31 December

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
Present value of funded obligations	21,057	20,048	2,780	3,101
Fair value of plan assets	(19,962)	(15,576)	(2,294)	(2,234)
Status of funded plan	1,095	4,472	486	867
Unrecognised actuarial gains	3,142	813	447	119
Unrecognised transitional liability	(1,649)	(2,399)	(42)	(62)
Liability in the balance sheets	2,588	2,886	891	924

The principal actuarial assumptions used in respect of the Group's defined benefit plan were as follows:-

	THE GROUP		THE COMPANY	
	31.3.2005 %	31.12.2003 %	31.3.2005 %	31.12.2003 %
Discount rates	7	7	7	7
Expected return on plan assets	5	5	5	5
Expected rate of salary increases	5	5	5	5
Actual return on plan assets	2,860	1,216	402	178

The expenses recognised in the income statements may be analysed as follows:-

	THE GROUP		THE COMPANY	
	31.3.2005	31.12.2003	31.3.2005	31.12.2003
	RM'000	RM'000	RM'000	RM'000
Current service cost	1,592	1,592	426	533
Interest cost	1,275	1,206	197	187
Expected return on plan assets	(695)	(624)	(100)	(93)
Past service cost	-	430	-	-
Amortisation of transitional liability	750	599	20	15
Total defined benefit retirement plan	2,922	3,203	543	642
Defined contribution retirement plan	8,383	7,241	1,488	1,486
Total included in staff cost (Note 4)	11,305	10,444	2,031	2,128
The charges to the income statements were included in the following line items:-				
- cost of sales	4,152	5,308	724	960
- administrative expenses	7,153	5,136	1,307	1,168
Total included in staff cost (Note 4)	11,305	10,444	2,031	2,128

20. DEFERRED INCOME

	THE GROUP	
	31.3.2005	31.12.2003
	RM'000	RM'000
At cost:-		
Government Grants	69,962	27,423
Less: Amortisation during the period / year	(1,563)	-
	68,399	27,423

The Government Grants represent grants received from the Indian Government for certain toll road concessions awarded to the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

21. PROPERTY, PLANT AND EQUIPMENT

The details of property, plant and equipment are as follows:-

THE GROUP

	Land			
	Freehold At Cost RM'000	Long term leasehold At Cost RM'000	Long term leasehold At Valuation RM'000	Short term leasehold At Cost RM'000
Net book value				
At 1 January 2004	8,855	19,933	1,308	-
Acquisition of subsidiaries	30,177	42,009	-	7,690
Additions	4,254	651	-	1,843
Disposals	-	(9,002)	-	-
Written off	-	-	-	-
Transferred to concession assets (Note 22)	-	-	-	-
Depreciation charges for the period	-	(446)	-	(242)
Exchange differences arising from translation of assets of a foreign entity	-	-	-	-
Reclassifications	10,450	-	-	-
Transferred to property development cost (Note 29)	-	-	-	-
At 31 March 2005	53,736	53,145	1,308	9,291
At 31 March 2005				
Cost	53,736	55,998	-	10,542
Valuation	-	-	1,308	-
Accumulated depreciation	-	(2,853)	-	(1,251)
Net book value	53,736	53,145	1,308	9,291
At 31 December 2003				
Cost	8,855	23,767	-	-
Valuation	-	-	1,308	-
Accumulated depreciation	-	(3,834)	-	-
Net book value	8,855	19,933	1,308	-

Buildings At Cost RM'000	Buildings At Valuation RM'000	Plant, machinery, equipment & vehicles At Cost RM'000	Office equipment, furniture & fittings & renovations At Cost RM'000	Capital work-in- progress At Cost RM'000	Total RM'000
36,145	660	91,329	3,638	88,582	250,450
27,836	-	56,204	417	9,108	173,441
15,226	-	40,043	2,330	1,382	65,729
(3,876)	-	(4,743)	(56)	-	(17,677)
-	-	(52)	(26)	-	(78)
-	-	-	-	(75,068)	(75,068)
(4,382)	(17)	(38,962)	(1,673)	-	(45,722)
34	-	610	21	-	665
-	-	6,066	-	(16,516)	-
-	-	-	-	(2,996)	(2,996)
70,983	643	150,495	4,651	4,492	348,744
95,216	-	439,715	15,650	4,492	675,349
-	660	-	-	-	1,968
(24,233)	(17)	(289,220)	(10,999)	-	(328,573)
70,983	643	150,495	4,651	4,492	348,744
40,880	-	180,162	11,637	88,582	353,883
-	660	-	-	-	1,968
(4,735)	-	(88,833)	(7,999)	-	(105,401)
36,145	660	91,329	3,638	88,582	250,450

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

21. PROPERTY, PLANT AND EQUIPMENT (continued)

THE COMPANY

	Long term leasehold land At Cost RM'000	Buildings At Cost RM'000	Plant, machinery, equipment & vehicles At Cost RM'000	Office equipment, furniture & fittings & renovations At Cost RM'000	Total RM'000
Net book value					
At 1 January 2004	9,036	7,495	1,305	601	18,437
Additions	-	-	777	509	1,286
Disposals	(9,002)	(1,007)	(84)	(3)	(10,096)
Depreciation charges for the period	(34)	(180)	(311)	(382)	(907)
At 31 March 2005	-	6,308	1,687	725	8,720
At 31 March 2005					
Cost	-	7,034	8,330	3,402	18,766
Accumulated depreciation	-	(726)	(6,643)	(2,677)	(10,046)
Net book value	-	6,308	1,687	725	8,720
At 31 December 2003					
Cost	11,500	8,321	5,054	2,325	27,200
Accumulated depreciation	(2,464)	(826)	(3,749)	(1,724)	(8,763)
Net book value	9,036	7,495	1,305	601	18,437

(a) Valuation

Property, plant and equipment include long term leasehold land and buildings of certain subsidiaries which were last revalued in 1982 and 1993 based on an open market value basis by a firm of independent professional valuers.

Had the revalued land and buildings been carried at cost less accumulated depreciation, the net book values would have been as follows:-

	THE GROUP	
	31.3.2005 RM'000	31.12.2003 RM'000
Long term leasehold land	408	415
Buildings	48	50
	456	465

(b) Assets acquired under finance lease agreements

Included in property, plant and equipment of the Group are the net book values of the following assets acquired under finance lease agreements:-

	THE GROUP	
	31.3.2005	31.12.2003
	RM'000	RM'000
Plant, machinery, equipment and vehicles	1,659	10,039

(c) During the financial period, interest expense of NIL (Year ended 31.12.2003: RM2,995,000) has been capitalised in capital work-in-progress.

(d) Net book values of assets pledged as security for term loans of certain subsidiaries (Note 15):-

	THE GROUP	
	31.3.2005	31.12.2003
	RM'000	RM'000
Freehold land	159	-
Plant, machinery, equipment and vehicles	303	52
Office equipment, furniture & fittings & renovations	16	4
Capital work-in-progress	-	136
	478	192

22. CONCESSION ASSETS

	THE GROUP	
	31.3.2005	31.12.2003
	RM'000	RM'000
At cost:-		
At 1 January	-	-
Transferred from property, plant and equipment (Note 21)	75,068	-
Additions during the financial period/year	87,963	-
At 31 March / At 31 December	163,031	-
Less : Accumulated amortisation		
At 1 January	-	-
Current amortisation	3,841	-
At 31 March / At 31 December	3,841	-
	159,190	-

The concession assets are pledged as security for term loan of certain subsidiaries (Note 15).

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

23. SUBSIDIARIES

	THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000
At cost:-		
Quoted shares:-		
- in Malaysia	267,647	-
Unquoted shares:-		
- in Malaysia	297,915	172,406
- outside Malaysia	5,401	5,363
	570,963	177,769
Less: Accumulated impairment losses	(6,071)	(173)
	564,892	177,596
Amount owing by a subsidiary (b)	87,271	83,183
	652,163	260,779
Market value of:-		
Quoted shares:-		
- in Malaysia	293,028	N/A

- (a) The Group's effective equity interest in the subsidiaries and their respective principal activities and countries of incorporation are set out in Note 48 to the financial statements.
- (b) Amount owing by a subsidiary is a loan by the Company to a foreign subsidiary, IJM International (BVI) Pty Ltd, which was on-lent to its associate, Reliance-OSW (Nominees) Pty Limited, which holds a property in Australia. Exchange differences arising from the translation of the loan as at the financial period end of RM2,607,000 (31.12.2003: RM17,602,000) is recognised in equity as it represents the Company's net investment in the subsidiary whereby the loan is expected to be recovered only upon disposal of either the Group's investment in the associate or the disposal of the property by the associate.

24. ASSOCIATES

	THE GROUP		THE COMPANY	
	31.3.2005	31.12.2003	31.3.2005	31.12.2003
	RM'000	RM'000	RM'000	RM'000
(a) Associates other than Grupo Concesionario del Oeste S.A. ("Grupo")	585,755	536,033	91,607	248,958
(b) Grupo	68,797	67,912	44,294	44,294
	654,552	603,945	135,901	293,252
(c) Amount owing by an associate	76,084	72,990	-	-
	730,636	676,935	135,901	293,252
Represented by:-				
Group's share of net assets	638,740	587,503		
Group's share of goodwill	(538)	206		
Goodwill on acquisition	16,350	16,236		
	654,552	603,945		
Market value of:-				
Quoted shares:-				
- in Malaysia	274,659	337,419	5,282	337,419
- outside Malaysia (Grupo)	13,919	12,343	13,919	12,343
	288,578	349,762	19,201	349,762

The Group's effective equity interest in the associates and their respective principal activities and countries of incorporation are set out in Note 48 to the financial statements.

	THE GROUP		THE COMPANY	
	31.3.2005	31.12.2003	31.3.2005	31.12.2003
	RM'000	RM'000	RM'000	RM'000
(a) Associates other than Grupo				
At cost:-				
Quoted shares:-				
- in Malaysia	153,683	182,880	17,219	182,880
Unquoted shares:-				
- in Malaysia	60,870	54,888	40,058	35,283
- outside Malaysia	163,433	103,378	2,800	1,765
	377,986	341,146	60,077	219,928
Unquoted Redeemable Convertible Unsecured Loan Stocks (RCULS)*	50,000	50,000	50,000	50,000
Share of post-acquisition retained profits	121,251	111,818	-	-
Share of post-acquisition reserves	61,721	61,721	-	-
	610,958	564,685	110,077	269,928
Less: Accumulated impairment losses	(25,203)	(28,652)	(18,470)	(20,970)
	585,755	536,033	91,607	248,958

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For the period ended 31 March 2005

(Continued)

24. ASSOCIATES (continued)

- * The RCULS were issued by an associate, IJM Plantations Berhad ("IJMP") and bear interest at 5% per annum from 2 July 2003 until the date of redemption or maturity, whichever is earlier. The RCULS can be converted at a conversion rate of 1 RCULS for 2 new ordinary shares of RM0.50 each in IJMP during the conversion period from 2 July 2006 to 1 July 2008. All outstanding RCULS will be redeemed in full by IJMP on 1 July 2008.

During the financial period, the Company disposed its 247,135,172 ordinary shares of RM0.50 each in IJMP with a cost of investment of RM136,397,000 to Styrobilt Sdn. Bhd. ("SSB"), a wholly-owned subsidiary, for a total consideration of RM299,034,000, satisfied by the issuance of 299,034 SSB Redeemable Preference Shares, issued at an issue price of RM1,000 per SSB Redeemable Preference Share. As this transaction represents the exchange of assets of a similar nature and value, the exchange is not a transaction which generates revenue and accordingly, the gain on disposal of IJMP shares to SSB is not recognised.

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
(b) Grupo:-				
Quoted shares, at cost	38,080	38,080	38,080	38,080
Unquoted shares, at cost	51,214	51,214	51,214	51,214
	89,294	89,294	89,294	89,294
Share of post-acquisition retained profits	26,503	25,618	-	-
Less: Accumulated impairment losses	(47,000)	(47,000)	(45,000)	(45,000)
	68,797	67,912	44,294	44,294

As a result of the effects of the provisions of the Economic Emergency Law, Grupo was unable to meet certain financial ratios required by the credit facilities contract with its creditor banks. This situation, as well as the amendments to the Concession Contract mentioned in the financial statements in the preceding financial year could result in the debts and guarantees granted being claimable if the banks notify Grupo of that non-compliance. However, during the financial period, Grupo has completed its renegotiation of the credit facilities contract with its creditor banks and there was no material financial impact on Grupo's financial results and financial position in the current financial period.

The renegotiation of the Concession Agreement with the Argentine Government has yet to be concluded and the impact of the outcome on the financial statements could only be determined when the renegotiation is concluded.

Subject to the outcome of the above renegotiation of the Concession Agreement, based on the current valuation of the Group's share of net assets and best estimates of the net present value of future cashflows, the Directors are of the opinion that the investment in Grupo is not impaired.

- (c) The amount owing by an associate is unsecured, interest free and is not repayable within the next 12 months.
- (d) Certain losses of associates of the Group are not recognised when they exceed the Group's cost of investment and advances as the Group has no further obligation beyond these amounts. The Group's share of such losses is as follows:-

	THE GROUP	
	31.3.2005 RM'000	31.12.2003 RM'000
Current period/year share of losses	-	(199)
Cumulative share of losses	(16,690)	(16,832)

25. JOINTLY CONTROLLED ENTITIES

	THE GROUP	
	31.3.2005 RM'000	31.12.2003 RM'000 Restated
Share of net assets of jointly controlled entities	22,384	12,045

(a) Details of the jointly controlled entities are as follows:-

	Group's effective interest in jointly controlled entities		Principal activity
	31.3.2005	31.12.2003	
Astaka Tegas Sdn Bhd	50%	-	Property development
Elegan Pesona Sdn Bhd	50%	-	Property development
Ambang Usaha Sdn Bhd	50%	-	Construction
IJM-Peremba Joint Venture	50%	-	Construction
LCL-IJMII International Interiors Private Limited	50%	-	Manufacturing custom-made furniture, interior design, advisory, consultancy and fit-out works for buildings, offices and homes
Dywidag-IJM Joint Venture	49%	49%	Dormant
IJM-IT&T Joint Venture	51%	51%	Dormant
IJM-Rezeki Joint Venture	70%	70%	Construction
IJM-Perkasa Sutera Joint Venture	70%	70%	Construction
IJM-SCL Joint Venture	50%	50%	Construction
IJM-Gayatri Joint Venture	60%	60%	Construction
WGI-IJM Joint Venture	40%	40%	Dormant
Liberty Properties-IJM Joint Venture	60%	60%	Construction
IJM Properties-JA Manan Development Joint Venture	50%	50%	Property development
IJMP-Mewah Kota Joint Venture	70%	70%	Property development
IJM Properties-Danau Lumayan Joint Venture	60%	60%	Property development
IJM Management Services- Giat Bernas Joint Venture	70%	70%	Project management services
IJM-NBCC-VRM Joint Venture	50%	50%	Construction

(b) The Group's share of assets and liabilities of the jointly controlled entities is as follows:-

	THE GROUP	
	31.3.2005 RM'000	31.12.2003 RM'000
Non-current assets	300,363	5,716
Current assets	203,196	63,724
Non-current liabilities	(264,330)	-
Current liabilities	(216,845)	(57,395)
	22,384	12,045

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

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25. JOINTLY CONTROLLED ENTITIES (continued)

The Group's share of the revenue and expenses of the jointly controlled entities are as follows:-

	THE GROUP	
	15 months ended 31.3.2005 RM'000	Year ended 31.12.2003 RM'000
Revenue	157,887	94,314
Expenses excluding tax	(155,567)	(93,753)
Profit from ordinary activities before taxation	2,320	561
Taxation	(467)	(557)
Profit from ordinary activities after taxation	1,853	4

The Group's share of capital commitments in relation to interest in jointly controlled entities is NIL (31.12.2003: RM3,052,809).

There is no contingent liability relating to the Group's and the Company's interests in the jointly controlled entities.

26. LONG TERM INVESTMENTS

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000 Restated	31.3.2005 RM'000	31.12.2003 RM'000
At cost:-				
Quoted shares:-				
- in Malaysia	64,781	48,911	56,332	48,911
- outside Malaysia	239	365	-	-
	65,020	49,276	56,332	48,911
Unquoted shares:-				
- in Malaysia	48,579	36,959	6,500	6,500
- outside Malaysia	264	265	260	260
	48,843	37,224	6,760	6,760
Quoted corporate bonds:-				
- in Malaysia	36,686	16,426	-	-
	150,549	102,926	63,092	55,671
Less: Allowance for diminution in value:-				
- quoted shares	(4,119)	(107)	-	-
- unquoted shares	(5,585)	(5,922)	(4,710)	(4,710)
- quoted corporate bonds	(816)	(676)	-	-
	(10,520)	(6,705)	(4,710)	(4,710)
	140,029	96,221	58,382	50,961

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000 Restated	31.3.2005 RM'000	31.12.2003 RM'000
Market value of:-				
Quoted shares:-				
- in Malaysia	60,874	50,088	56,544	50,088
- outside Malaysia	239	295	-	-
Quoted corporate bonds:-				
- in Malaysia	36,320	15,750	-	-
	97,433	66,133	56,544	50,088

The currency exposure profile of investments outside Malaysia is as follows:-

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
Australian Dollar	-	249	-	-
Indian Rupee	243	14	-	-
	243	263	-	-

27. LONG TERM RECEIVABLES

	THE GROUP	
	31.3.2005 RM'000	31.12.2003 RM'000
Lease receivable (a)	60,476	-
Receivable for construction of the Kementerian Kerja Raya Office Blocks (b)	41,552	51,122
Less: Amount receivable within 12 months (included in trade receivables - Note 31)	(7,656)	(7,656)
	33,896	43,466
Amount receivable after 12 months	94,372	43,466

(a) Lease receivable

	THE GROUP RM'000
Lease receivable	238,806
Less: Unearned interest income	(178,330)
	60,476

The lease receivable, which is due after 5 years, arises from the finance lease arrangement entered into by a subsidiary to develop and construct a special purpose building pursuant to a 30-year-lease agreement with a third party. The construction of the special purpose building was completed in 2004.

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

27. LONG TERM RECEIVABLES (continued)

- (b) The cost of construction of the Kementerian Kerja Raya Office Blocks by a subsidiary is reimbursable upon completion in instalments by the Government of Malaysia over a period of 13 1/2 years commencing from 1 March 1997, pursuant to a concession agreement. In connection with the concession, the subsidiary will also receive fees over the duration of the concession period for the maintenance, operation and management of the Kementerian Kerja Raya Office Blocks from the Government of Malaysia commencing from 1 March 1997. All rights under the above concession agreement have been assigned to secure the Bond referred to in Note 13(a) to the financial statements.

28. INTANGIBLE ASSETS

	THE GROUP	
	31.3.2005 RM'000	31.12.2003 RM'000 Restated
(a) Goodwill on consolidation	50,471	79
(b) Quarry development expenditure	6,927	5,456
(c) Premium paid on quarry rights	188	276
	57,586	5,811
(a) (i) Goodwill on consolidation		
At cost:-		
At 1 January	11,540	13,932
Arising from the acquisition of subsidiaries / additional equity interest in subsidiaries	53,921	688
Written off	-	(615)
Dilution of interest in a subsidiary to an associate (Note 40(A))	-	(2,465)
Disposal of subsidiary	(182)	-
At 31 March / At 31 December	65,279	11,540
Less: Accumulated amortisation		
At 1 January	(6,425)	(7,084)
Current amortisation	(311)	(561)
Dilution of interest in a subsidiary to an associate (Note 40(A))	-	1,220
Disposal of a subsidiary	85	-
At 31 March / At 31 December	(6,651)	(6,425)
	58,628	5,115

	THE GROUP	
	31.3.2005	31.12.2003
	RM'000	RM'000
(ii) Negative goodwill:-		
At 1 January	5,727	876
Arising from acquisition of additional shares in subsidiaries	3,271	4,851
At 31 March / At 31 December	8,998	5,727
Less: Accumulated amortisation		
At 1 January	(691)	(611)
Current amortisation	(150)	(80)
At 31 March / At 31 December	(841)	(691)
At 31 March / At 31 December	8,157	5,036
	50,471	79
(b) Quarry development expenditure		
At cost:-		
At 1 January	17,324	14,786
Additions	4,192	3,466
Written off	(96)	(928)
Quarry development expenditure fully amortised	(5,689)	-
At 31 March / At 31 December	15,731	17,324
Less: Accumulated amortisation		
At 1 January	(11,868)	(10,262)
Current amortisation	(2,625)	(2,478)
Written off	-	872
Quarry development expenditure fully amortised	5,689	-
At 31 March / At 31 December	(8,804)	(11,868)
	6,927	5,456
(c) Premium paid on quarry rights		
At cost:-		
At 31 March / At 31 December	364	364
Less: Accumulated amortisation		
At 1 January	(88)	(18)
Current amortisation	(88)	(70)
At 31 March / At 31 December	(176)	(88)
	188	276

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

29. PROPERTY DEVELOPMENT

(a) Land held for property development

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
Freehold land, at cost	89,151	58,541	281	281
Leasehold land, at cost	50,237	8,588	-	-
Development cost	15,079	5,202	-	-
	154,467	72,331	281	281
At 1 January	72,331	29,288	281	281
Additions during the period/year	35,427	16,029	-	-
Transferred from property development costs (Note 29(b)):-				
Land cost	51,124	22,937	-	-
Development cost	9,877	4,322	-	-
	61,001	27,259	-	-
Disposals during the period/year	(14,292)	(245)	-	-
At 31 March / At 31 December	154,467	72,331	281	281

(b) Property development costs

	THE GROUP	
	31.3.2005 RM'000	31.12.2003 RM'000
At 1 January		
Freehold land – at cost	114,173	149,356
Freehold land – at valuation	6,794	7,104
Leasehold land – at cost	105,272	71,465
Development costs	410,657	287,588
Accumulated costs charged to income statement	(304,404)	(193,788)
	332,492	321,725
Cost incurred during the period/year		
- purchase of land	27,797	33,249
- development costs	326,362	129,834
	354,159	163,083
Disposal of land	-	(15,921)
Transferred to land held for property development (Note 29(a)):		
Land cost	(51,124)	(22,937)
Development cost	(9,877)	(4,322)
	(61,001)	(27,259)

	THE GROUP	
	31.3.2005	31.12.2003
	RM'000	RM'000
Costs charged to income statement	(305,845)	(110,616)
Completed units transferred to inventories	(8,691)	(3,861)
Exchange differences	926	5,341
Acquisition of subsidiary - land	21,751	-
Transferred from capital work-in-progress in property, plant and equipment (Note 21)	2,996	-
Land transferred to property, plant and equipment (Note 21)	(4,095)	-
At 31 March / At 31 December	332,692	332,492
At 31 March / At 31 December		
Freehold land - at cost	87,595	114,173
Freehold land - at valuation	7,169	6,794
Leasehold land - at cost	125,803	105,272
Development costs	722,374	410,657
Accumulated costs charged to income statement	(610,249)	(304,404)
	332,692	332,492

During the financial period, interest expense of RM303,000 (Year ended 31.12.2003: NIL) (Note 5) has been capitalised and included in cost incurred during the financial period/year.

30. INVENTORIES

	THE GROUP		THE COMPANY	
	31.3.2005	31.12.2003	31.3.2005	31.12.2003
	RM'000	RM'000	RM'000	RM'000
At cost:-				
Raw materials:-				
- Construction materials	5,921	1,293	28	665
- Other raw materials	36,222	523	-	-
Finished goods:-				
- Completed buildings	12,917	9,348	-	6,101
- Quarry and manufactured products	32,687	6,955	-	-
Stores, spares & consumables	3,394	1,742	-	-
Work-in-progress	1,051	135	-	-
	92,192	19,996	28	6,766
At net realisable value:-				
Finished goods:-				
- Completed buildings	8,080	9,734	4,786	-
	100,272	29,730	4,814	6,766

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

31. TRADE AND OTHER RECEIVABLES

Note	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000 Restated	31.3.2005 RM'000	31.12.2003 RM'000
Trade receivables	792,247	506,794	83,712	78,959
Less: Allowance for doubtful debts	(29,997)	(21,337)	(12,908)	(11,692)
	762,250	485,457	70,804	67,267
Trade and tender deposits	1,155	1,032	940	1,032
Trade advances	27,587	26,570	27,587	26,570
Less: Allowance for doubtful debts	(5,010)	(3,654)	(5,010)	(3,654)
	22,577	22,916	22,577	22,916
Other debtors, deposits and prepayments	129,937	50,142	22,891	6,748
Less: Allowance for doubtful debts	(406)	(6,574)	-	-
	129,531	43,568	22,891	6,748
Amounts due from customers on construction contracts	10,131	11,912	11	-
Amounts owing by subsidiaries	-	-	596,777	399,705
Amounts owing by associates	101,380	108,762	64,044	86,166
Less: Allowance for doubtful debts	(7,015)	(7,414)	(4,013)	(4,412)
	94,365	101,348	60,031	81,754
Amounts owing by jointly controlled entities	120,831	95,384	30,396	31,625
Less: Allowance for doubtful debts	(9,000)	(9,000)	-	-
	111,831	86,384	30,396	31,625
	1,131,840	752,617	804,427	611,047

The currency exposure profile of trade and other receivables is as follows:-

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
Ringgit Malaysia	977,051	639,561	778,329	585,417
Indian Rupee	61,773	67,763	26,098	25,630
Hongkong Dollar	-	16,571	-	-
Australian Dollar	37,246	9,307	-	-
United States Dollar	52,255	18,916	-	-
Pound Sterling	-	499	-	-
Chinese Renminbi	3,515	-	-	-
	1,131,840	752,617	804,427	611,047

Credit terms of trade receivables range from payment in advance to 90 days (Year ended 31.12.2003: from payment in advance to 90 days).

The amounts owing by subsidiaries and associates are unsecured, bear interest at rates ranging from 4.0% to 6.0% (Year ended 31.12.2003: 3.0% to 8.4%) per annum and have no fixed terms of repayment.

Included in trade receivables is the current portion of the amount due for construction of the Kementerian Kerja Raya Office Blocks (Note 27(b)) of RM7,656,000 (Year ended 31.12.2003: RM7,656,000).

32. SHORT TERM INVESTMENTS

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000 Restated	31.3.2005 RM'000	31.12.2003 RM'000
At cost:-				
Quoted shares:-				
- in Malaysia	20,573	22,148	19,754	20,737
- outside Malaysia*	73,579	73,579	-	-
	94,152	95,727	19,754	20,737
Quoted warrants in Malaysia	6	55	2	2
Quoted debentures in Malaysia	218	218	218	218
	94,376	96,000	19,974	20,957
Less: Allowance for diminution in value of investments:-				
- Quoted shares	(9,449)	(4,667)	(9,449)	(4,504)
- Quoted warrants	-	(10)	-	-
	(9,449)	(4,677)	(9,449)	(4,504)
	84,927	91,323	10,525	16,453

* The short term investments quoted outside Malaysia represent the Group's investment in Guangdong Provincial Expressway Development Co. Ltd ("GPED").

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000 Restated	31.3.2005 RM'000	31.12.2003 RM'000
Market value:-				
Quoted shares:-				
- in Malaysia	11,294	14,032	10,391	12,776
- outside Malaysia	109,371	109,753	-	-
	120,665	123,785	10,391	12,776
Quoted warrants in Malaysia	76	3,644	57	3,601
Quoted debentures in Malaysia	77	76	77	76
	120,818	127,505	10,525	16,453

The currency exposure profile of investments outside Malaysia is as follows:-

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
Hongkong Dollar	73,579	73,579	-	-

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33. DEPOSITS WITH LICENSED BANKS

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
Short term deposits with licensed banks	33,689	128,040	-	99,585
Fixed deposits with licensed banks	4,984	9,316	4,009	9,316
	38,673	137,356	4,009	108,901

Included in short term deposits with licensed banks are the deposits of a subsidiary amounting to RM18,019,000 (31.12.2003: RM22,935,000) which are assigned to the trustee of the bond holders to hold as security in connection with the 8% Secured Fixed Rate Bond issued by a subsidiary referred to in Note 13(a) to the financial statements. The short term deposits are maintained by the trustee for payment of interest, income tax and for the redemption of the bond. Surplus funds could only be released to the subsidiary with the consent of the trustee.

The currency exposure profile of the deposits is as follows:-

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
Ringgit Malaysia	37,605	132,836	4,009	108,901
Australian Dollar	194	4,520	-	-
United States Dollar	874	-	-	-
	38,673	137,356	4,009	108,901

During the period, the deposits with licensed banks bear interest at rates ranging from 1.50% to 4.50% (Year ended 31.12.2003: 2.15% to 4.29%) per annum. As at 31 March 2005, the effective interest rates for the deposits with licensed banks ranged from 1.50% to 4.50% (31.12.2003: 2.15% to 4.29%) per annum.

Deposits with licensed banks have a maturity ranging between 1 to 365 days (31.12.2003: 1 to 365 days).

34. CASH AND BANK BALANCES

Cash and bank balances include balances amounting to RM7,116,631 (31.12.2003: RM5,104,133) which are maintained in designated Housing Development Accounts pursuant to the Housing Developers (Control and Licensing) Act, 1966 and Housing Regulations, 1991 in connection with the Group's property development projects. The utilisation of these balances are restricted before completion of the housing development and fulfilling all relevant obligations to the purchasers, such that the cash could only be withdrawn from such accounts for the purpose of completing the particular projects concerned.

The currency exposure profile of cash and bank balances is as follows:-

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
Ringgit Malaysia	24,538	41,272	1,855	1,217
Indian Rupee	5,221	4,032	-	-
Hongkong Dollar	19	9	-	-
Singapore Dollar	164	431	164	431
Australian Dollar	230	755	-	-
United States Dollar	7,973	1,140	-	-
Chinese Renminbi	3,056	-	-	-
	41,201	47,639	2,019	1,648

The above bank balances are deposits at call with banks and earn no interest.

35. TRADE AND OTHER PAYABLES

	Note	THE GROUP		THE COMPANY	
		31.3.2005 RM'000	31.12.2003 RM'000 Restated	31.3.2005 RM'000	31.12.2003 RM'000
Trade payables		459,747	387,896	30,340	46,675
Amounts due to customers on construction contracts	38	48,953	95,766	16,832	79,607
Progress billings in respect of property development		54,240	19,845	-	-
Amounts owing to subsidiaries		-	-	110,282	100,802
Amounts owing to associates		17,883	6,197	16,943	3,779
Amounts owing to jointly controlled entities		32,174	22,123	8,709	9,128
Hire purchase and lease creditors	16	567	204	-	-
Trade accruals		17,231	17,072	17,231	17,071
Other payables and accruals		84,817	65,679	7,404	18,865
Dividend payable		33,166	37	33,166	37
		748,778	614,819	240,907	275,964

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For the period ended 31 March 2005

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35. TRADE AND OTHER PAYABLES (continued)

The currency exposure profile of trade and other payables is as follows: -

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
Ringgit Malaysia	665,372	565,840	226,697	269,258
Indian Rupee	70,491	41,525	6,335	6,339
Hongkong Dollar	116	919	-	-
Singapore Dollar	8,348	452	7,875	367
Australian Dollar	729	5,603	-	-
United States Dollar	1,817	323	-	-
Pound Sterling	270	157	-	-
New Zealand Dollar	646	-	-	-
Euro	46	-	-	-
Chinese Renminbi	943	-	-	-
	748,778	614,819	240,907	275,964

Credit terms of trade and other payables range from payment in advance to 90 days (Year ended 31.12.2003: from payment in advance to 90 days).

The amounts owing to subsidiaries, associates and jointly controlled entities are unsecured, bear interest at rates ranging from 4.0% to 6.0% (31.12.2003: 3.0% to 8.4%) per annum and have no fixed terms of repayment.

Included in trade payables is the current portion of the outstanding purchase consideration arising from acquisition of land for property development by a subsidiary of RM2,072,000 (31.12.2003: RM6,000,000).

36. INTEREST BEARING BANK BORROWINGS

	Note	THE GROUP		THE COMPANY	
		31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
Secured:-					
Term loans	15	25,296	1,906	-	-
Unsecured:-					
Bankers' acceptances		66,706	36,075	15,988	35,075
Bills payables		7,562	-	-	-
Revolving credits		67,785	7,600	20,000	-
		142,053	43,675	35,988	35,075
		167,349	45,581	35,988	35,075

The currency exposure profile of the above bank borrowings is as follows:-

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
Ringgit Malaysia	86,706	36,075	35,988	35,075
Indian Rupee	25,296	1,906	-	-
United States Dollar	55,347	7,600	-	-
	167,349	45,581	35,988	35,075

The bankers' acceptances and revolving credits are unsecured and bear interest at rates ranging from 2.33% to 4.92% (Year ended 31.12.2003: 2.4% to 3.05%) per annum during the period. As at 31 March 2005, the effective interest rates for the bankers' acceptances ranged from 2.86% to 3.05% (31.12.2003: 3.00% to 3.02%) per annum and the effective interest rates for the revolving credits ranged from 2.33% to 4.92% (31.12.2003: 2.41%) per annum.

37. BANK OVERDRAFTS

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
Secured	21,846	7,228	-	-
Unsecured	3,504	1,975	174	-
	25,350	9,203	174	-

The secured bank overdraft is secured by fixed and floating charges over inventories (Note 30) and receivables (Note 31) of a subsidiary.

The currency exposure profile of the bank overdrafts is as follows:-

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
Ringgit Malaysia	3,504	299	174	-
Indian Rupee	21,846	7,228	-	-
United States Dollar	-	1,676	-	-
	25,350	9,203	174	-

The bank overdrafts bear interest at rates ranging from 6.10% to 9.50% (Year ended 31.12.2003: 6.50% to 11.00%) per annum during the period. As at 31 March 2005, the effective interest rates ranged from 6.10% to 9.50% (31.12.2003: 6.50% to 11.00%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

38. AMOUNTS DUE FROM / (TO) CUSTOMERS ON CONSTRUCTION CONTRACTS

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
Aggregate costs incurred to-date	3,539,301	2,621,673	690,440	600,142
Attributable profits less recognised losses	395,253	279,635	195,456	136,770
	3,934,554	2,901,308	885,896	736,912
Less: Progress billings on contracts	(3,973,376)	(2,985,162)	(902,717)	(816,519)
	(38,822)	(83,854)	(16,821)	(79,607)
Amounts due from customers on construction contracts (included in trade and other receivables - Note 31)	10,131	11,912	11	-
Amounts due to customers on construction contracts (included in trade and other payables - Note 35)	(48,953)	(95,766)	(16,832)	(79,607)
	(38,822)	(83,854)	(16,821)	(79,607)
Advances received on contracts (included in trade payables)	28,009	25,453	1,031	9,016
Retention sums on contracts (included in trade receivables)	47,614	39,418	1,549	3,430

During the period, depreciation charge amounting to RM1,925,000 (Year ended 31.12.2003: RM3,367,000) (Note 21) and interest expense of NIL (Year ended 31.12.2003: RM212,000) (Note 5) has been included in the aggregate costs incurred to-date.

39. ACQUISITION OF SUBSIDIARIES

(a) During the financial period, the Group/Company acquired the following new subsidiaries:-

(i) The Company acquired additional equity interests in Industrial Concrete Products Berhad ("ICP"), formerly a 20.1% associate, resulting in ICP becoming a subsidiary of the Company. The details of the acquisition are as follows:-

- On 12 May 2004, the Company acquired an additional 33,955,080 ordinary shares representing 32.4% equity interest in ICP, raising the Company's equity interest from 20.4% to 52.8%. Following that, on 10 June 2004, the Company made a mandatory general offer ("MGO") for the remaining ordinary shares in ICP not held by the Company. At the close of the MGO period, the Company secured acceptances for 23,776,000 ordinary shares in ICP, thereby raising the Company's equity interest in ICP to 73.8%.
- On 7 January 2005, the Company disposed 7,500,000 ordinary shares in ICP, reducing the Company's equity interest in ICP to 66.8%.
- On 18 January 2005, the Company disposed its entire equity in a wholly-owned subsidiary, Malaysian Rock Products Sdn. Bhd., to ICP for a sale consideration of RM110,000,000 satisfied by the issuance of 39,285,714 ordinary shares of RM1.00 each in ICP, increasing the Company's equity interest in ICP to 75.7%.
- On 29 March 2005, the Company disposed 6,200,000 ordinary shares in ICP, reducing the Company's equity interest in ICP to 71.5%. The Company's equity interest in ICP as at 31 March 2005 is 71.5%.

The effect of the acquisition on the financial results of the Group during the financial period is shown below. For ease of comparability, the Group's share of results of ICP during the period it was an associate, is also disclosed.

	15 months ended 31.3.2005 RM'000	Year ended 31.12.2003 RM'000
Operating revenue	279,760	-
Cost of sales	(200,208)	-
Gross profit	79,552	-
Other operating income	1,265	-
Administrative expenses	(45,213)	-
Operating profit before finance cost	35,604	-
Finance cost	(903)	-
Operating profit after finance cost	34,701	-
Share of results of associates	-	3,031
Profit from ordinary activities before taxation	34,701	3,031
Taxation		
Company and subsidiaries	(5,622)	722
Profit from ordinary activities after taxation	29,072	3,753
Minority interest	(8,874)	(2)
	20,205	3,751
Less: Group's share of profit had the Group not acquired the additional equity interest	(5,946)	-
Net profit for the period/year	14,259	3,751

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

39. ACQUISITION OF SUBSIDIARIES (continued)

The effect of the acquisition on the Group's financial position at the financial period end was as follows:-

	31.3.2005 RM'000
Non-current assets (including goodwill)	173,632
Non-current liabilities	(19,099)
Current assets	156,114
Current liabilities	(82,015)
Net assets	228,632
Minority interest	(4,645)
Group's share of net assets	223,987
Less:-	
- Amount accounted for as an associate	(46,394)
- Group's share of profit had the Group not acquired the additional equity interests	(5,946)
Increase in Group's net assets	171,647

Details of net assets acquired, goodwill and cash flow arising from the acquisition were as follows:-

	At date of acquisition RM'000
Non-current assets (including goodwill)	181,593
Non-current liabilities	(45,244)
Current assets	125,178
Current liabilities	(51,346)
Fair value of total net assets	210,181
Minority interest	(100,510)
Less: Amount accounted for as an associate	(46,394)
Fair value of net assets acquired	63,277
Goodwill	32,015
Cost of acquisition	95,292
Total purchase consideration	95,292
Cash and cash equivalents of subsidiaries acquired	365
Cash outflow on acquisition	95,657

- (ii) A wholly-owned subsidiary, IJM Properties Sdn Bhd, acquired 80% equity interest in Aqua Aspect Sdn Bhd by subscribing 8,000,000 new ordinary shares in Aqua Aspect Sdn Bhd for a total consideration of RM8,000,000. The effect of this acquisition on the financial results of the Group is insignificant while the net assets of the Group at the end of the financial period was increased by RM9,994,000. The cash outflow arising from the acquisition was RM1,755,000.

- (b) During the preceding financial year, the Group acquired the entire shareholdings in Warga Sepakat Sdn Bhd.

The acquisition has no significant effect on the financial results and financial position of the Group in the preceding financial year.

Details of net assets acquired, goodwill and cash flow arising from the acquisition in the preceding financial year were as follows:-

	At date of acquisition RM'000
Payables	(3)
Group's share of net assets	(3)
Goodwill	678
Cost of acquisition	675
Purchase consideration discharged by cash / Cash outflow on acquisition	675

40. DISPOSAL OF/DILUTION OF INTEREST IN SUBSIDIARIES

- (A) 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"), the Company and IJM Plantations Sdn Bhd ("IJMP"), a wholly-owned subsidiary of the Company, for the proposed acquisition of the listing status of RHTB to enable the listing of IJMP. Details of the Scheme which was completed in the preceding financial year were as follows:-

- (a) The par value of IJMP shares was split from one (1) ordinary share of RM1.00 each into two (2) ordinary shares of RM0.50 each;
- (b) RM150,000,000 of "inter-company" advances from the Company to IJMP was capitalised in the following manner:-
 - (i) RM100,000,000 of the advances was capitalised whereby 200,000,000 new IJMP Shares were issued; and
 - (ii) RM50,000,000 was converted into Redeemable Convertible Unsecured Loan Stocks in IJMP;
- (c) IJMP acquired the remaining 65% equity interest in Minat Teguh Sdn Bhd and the remaining 40% equity interest in Desa Talisai Sdn Bhd, of which the consideration was satisfied in the form of new IJMP shares issued;
- (d) The stockholders of RHTB was paid in the form of 2,430,804 IJMP shares and RHTB was paid a total cash consideration of RM25,000,000;
- (e) the Company distributed 1,992,000 IJMP shares to entitled employees of the Company and its subsidiaries (including IJMP) as part of the employees annual bonus; and
- (f) the Company distributed 148,442,024 IJMP shares to shareholders of the Company on the basis of two (2) IJMP Shares for every five (5) ordinary shares of RM1.00 each held in the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

40. DISPOSAL OF/DILUTION OF INTEREST IN SUBSIDIARIES (continued)

The listing of IJMP on the Main Board of the Bursa Malaysia Securities Berhad was completed on 2 July 2003 and thereafter IJMP became a 49% associate of the Group.

The impact of the dilution of interest in IJMP in the preceding financial year is detailed below.

Details of net assets disposed and cash flow arising from the dilution were as follows:-

	At date of disposal RM'000
Cash and bank balances	11,102
Property, plant and equipment	526,754
Intangibles	1,245
Associates	24,963
Deferred tax	620
Deferred income	(2,296)
Inventories	16,729
Receivables	14,593
Amount owing by associates	7,784
Payables	(22,663)
Amount owing to holding company	(51,408)
Amount owing to associates	(37,394)
Borrowings	465
Hire purchase and leasing	(8,340)
Unquoted Redeemable Convertible Unsecured Loan Stocks	(50,000)
	432,154
Minority interest	(73,219)
Group's share of net assets	358,935
Less: Amount retained / accounted for as associates	(221,445)
Net assets distributed to shareholders	137,490
Net purchase consideration / disposal proceeds discharged by cash	-
Less: Cash and cash equivalents of subsidiaries disposed	(11,102)
Cash outflow on dilution	(11,102)

The effect of the dilution on the financial results of the Group in the preceding financial year is as follows:-

	6 months ended 30.6.2003 RM'000
Operating revenue	75,450
Cost of sales	(50,695)
Gross profits	24,755
Other income	1,516
Expenses	(9,786)
Finance cost	(2,405)
Operating profit	14,080
Share of results of associates	1,766
Profit before taxation	15,846
Taxation	(4,587)
Profit after taxation	11,259
Minority interests	(1,686)
Net profit	9,573
Less: Group's share of profit attributable to investments retained as associates	(4,729)
	4,844

- (B) During the preceding financial year, a wholly-owned subsidiary, Malaysian Rock Products Sdn Bhd, disposed its entire equity interest in Mowtas Bulkers Sdn Bhd for RM1,200,000.

The effect of disposal on the financial position of the Group in the preceding financial year was as follows:-

	At date of disposal RM'000	31.12.2002 RM'000
Cash and bank balances	2	2
Receivables	1,155	1,155
Payables	(9)	(9)
Net assets disposed	1,148	1,148
Net disposal proceeds	1,200	
Net gain on disposal	52	
Total proceeds from disposal - cash consideration	1,200	
Cash and cash equivalents of subsidiary disposed	(2)	
Net cash inflow on disposal	1,198	

The disposal had no significant effect on the financial results of the Group in the preceding financial year.

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For the period ended 31 March 2005

(Continued)

41. NON-CASH TRANSACTIONS

- (a) There are no significant non-cash transactions during the financial period.
- (b) The principal non-cash transactions during the preceding financial year were transactions implemented as part of the listing exercise of IJM Plantations Berhad ("IJMP") on the Main Board of the Bursa Malaysia Securities Berhad, as detailed in Note 40(A).
- (i) subscription of 200,000,000 additional ordinary shares of RM0.50 each in IJMP, by way of capitalisation of amount owing by IJMP of RM100,000,000.
 - (ii) capital distribution of 148,442,024 IJMP shares for free by the Company to the shareholders of the Company.
 - (iii) distribution of 1,992,000 IJMP shares to the employees of the Company and its subsidiaries as part of the employees' annual bonus.
 - (iv) distribution of 2,430,804 IJMP shares to the stockholders of Rahman Hydraulic Tin Berhad ("RHTB") as part of the consideration for the acquisition of the listing status of RHTB.

42. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the Group's and the Company's cash flow statements comprise the following:-

	THE GROUP		THE COMPANY	
	31.3.2005 RM'000	31.12.2003 RM'000	31.3.2005 RM'000	31.12.2003 RM'000
Deposits with licensed banks (Note 33)	38,673	137,356	4,009	108,901
Cash and bank balances (Note 34)	41,201	47,639	2,019	1,648
Bank overdrafts (Note 37)				
- Secured	(21,846)	(7,228)	-	-
- Unsecured	(3,504)	(1,975)	(174)	-
	(25,350)	(9,203)	(174)	-
	54,524	175,792	5,854	110,549
Less:				
Restricted deposits with licensed banks (Note 33)	(18,019)	(22,935)	-	-
	36,505	152,857	5,854	110,549

43. FAIR VALUES OF FINANCIAL INSTRUMENTS FOR DISCLOSURE PURPOSES

Financial instruments are contracts that give rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. These include, amongst others, investments, deposits, cash and bank balances, receivables, payables, borrowings as well as derivative instruments.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

The fair value of a financial instrument is assumed to be the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

Quoted market prices, when available, are used as a measure of fair values. However, for a significant portion of the Group's and of the Company's financial instruments, quoted market prices do not exist. For such financial instruments, fair values presented are estimates derived using the net present value or other valuation techniques. These techniques involve uncertainties and are significantly affected by the assumptions used and judgements made regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows and other factors. Changes in assumptions could significantly affect these estimates and the resulting fair values.

(a) Off balance sheet financial instruments

(i) Forward foreign exchange contracts

As at 31 March 2005, the settlement dates on open forward contracts ranged between 3 - 6 months (Year ended 31.12.2003: NIL). The foreign currency amounts to be received and contractual exchange rates of the Group's outstanding contracts as at 31 March 2005, for the purpose of certain business ventures in India, are as follows:-

Duration	Currency to be received	Amount in foreign currency to be paid USD'000	Contractual rate	RM'000 Equivalents	Unrecognised gain RM'000
28.3.05 – 28.6.05	Indian Rupees	3,000	43.800	11,425	-
28.3.05 – 27.9.05	Indian Rupees	7,000	44.050	26,811	-
28.3.05 – 27.9.05	Indian Rupees	10,000	44.105	38,349	-
31.3.05 – 3.10.05	Indian Rupees	5,000	44.000	19,129	-

Any difference arising from the movement in the currencies of the above forward contracts would be deferred until the related receipts or payments. However if such receipts or payments do not occur, the difference at the maturity of these contracts would be recognised in the income statement.

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

43. FAIR VALUES OF FINANCIAL INSTRUMENTS FOR DISCLOSURE PURPOSES (continued)

(b) On balance sheet financial instruments

Except as stated below, the carrying values of other financial assets and financial liabilities of the Group and of the Company at the balance sheet date approximated their fair values.

		THE GROUP		THE COMPANY	
	Note	Carrying value RM'000	Fair value RM'000	Carrying value RM'000	Fair value RM'000
<u>Financial Assets</u>					
As at 31 March 2005					
(i)	Long term investments	26			
	- Quoted shares	60,901	61,113	56,332	56,544
	- Quoted corporate bonds	35,870	36,320	-	-
	- Unquoted shares	43,258	Note (aa)	2,050	Note (aa)
		140,029		58,382	
(ii)	Short term investments	32			
	- Quoted shares	84,703	120,665	10,305	10,391
	- Quoted debentures	218	77	218	77
	- Quoted warrants	6	76	2	57
		84,927		10,525	
(iii)	Long term receivables	27			
	- Receivables for construction of the Kementerian Kerja Raya Office Block	41,552	47,710	-	-
As at 31 December 2003					
(i)	Long term investments	26			
	- Quoted shares	49,169	50,383	48,911	50,088
	- Quoted corporate bonds	15,750	15,750	-	-
	- Unquoted shares	31,302	Note (aa)	2,050	Note (aa)
		96,221		50,961	
(ii)	Short term investments	32			
	- Quoted shares	91,060	123,785	16,233	12,776
	- Quoted debentures	218	76	218	76
	- Quoted warrants	45	3,644	2	3,601
		91,323		16,453	
(iii)	Long term receivables	27			
	- Receivables for construction of the Kementerian Kerja Raya Office Block	43,466	53,303	-	-

- (aa) It is not practicable to estimate the fair value of the Group's unquoted investments because of the lack of reference market prices and the inability to estimate fair value without incurring excessive costs. However, the Directors believe that the carrying values represent the recoverable amounts.

		THE GROUP		THE COMPANY	
	Note	Carrying value RM'000	Fair value RM'000	Carrying value RM'000	Fair value RM'000
<u>Financial liabilities</u>					
As at 31 March 2005					
(i) Bonds	13	97,781	103,427	-	-
(ii) Trade payable (Non-current)	18	6,000	4,577	-	-
As at 31 December 2003					
(i) Bonds	13	247,164	259,301	150,000	147,212
(ii) Trade payable (Non-current)	18	6,000	3,998	-	-

The above financial liabilities will be realised at their carrying values and not at their fair values as the Directors have no intention to settle these liabilities other than in accordance with their contractual obligations.

44. SIGNIFICANT RELATED PARTY DISCLOSURES

The Group

In addition to related party disclosures mentioned in Note 4 to the financial statements, set out below are other significant related party transactions and balances.

A General Mandate has been obtained from shareholders vide a Circular to Shareholders dated 27 April 2004 for Recurrent Related Party Transactions with the following related parties:-

- (i) Tronoh Consolidated Malaysia Berhad (formerly known as Tronoh Mines Malaysia Berhad) ("TMMB") and its subsidiaries ("TMMB Group")
- (ii) MMC Corporation Berhad (formerly known as Malaysia Mining Corporation Berhad) ("MMC") and its subsidiaries ("MMC Group")
- (iii) Industrial Concrete Products Berhad ("ICP") and its subsidiaries ("ICP Group")
- (iv) IJM Management Services-Giat Bernas Joint Venture ("IJMGBJV")
- (v) Minconsult Sdn Bhd ("MSB")
- (vi) IJM Plantations Berhad ("IJMP") and its subsidiaries ("IJMP Group")

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For the period ended 31 March 2005

(Continued)

44. SIGNIFICANT RELATED PARTY DISCLOSURES (continued)

The Group (Continued)

- (a) The following transactions with related parties were carried out in the normal course of business under terms and conditions which are obtainable in transactions with unrelated parties or negotiated amongst related parties.

	31.3.2005 RM'000	31.12.2003 RM'000
(aa) Associates:-		
(i) Sales / progress billings in respect of:-		
<u>Construction contract</u>		
- Worldwide Ventures Sdn Bhd	1,864	1,050
- Swarna Tollway Pte Ltd	6,319	50,484
<u>Quarry products</u>		
- ICP Group (as associate up to 12 May 2004)	-	1,631
(ii) Purchases in respect of:-		
<u>Building materials</u>		
- ICP Group (as associate up to 12 May 2004)	8,293	8,406
<u>Agricultural fertilisers and chemicals</u>		
- Loongsyn Sdn Bhd	-	4,143
(iii) Interest charged to:-		
- Worldwide Ventures Sdn Bhd	5,442	4,552
- IJM Plantations Berhad	-	2,793
(iv) Advances / repayments to:-		
- OSW Properties Pty Ltd	40,972	4,275
- Reliance - OSW Investment Trust	849	11,955
- Worldwide Ventures Sdn Bhd	3,546	5,755
- MASSCORP - Chile Sdn Bhd	1,639	-
- Emas Utilities Corporation Sdn Bhd	-	3,441
(v) Advances / repayments from:-		
- Quay Link Enterprises	-	18,859
- Gautami Power Limited	2,407	7,049
- JWS Projects Sdn Bhd	-	2,561
- MASSCORP - Chile Sdn Bhd	3,216	-
- Emas Utilities Corporation Sdn Bhd	2,972	-
- CIDB Inventures Sdn Bhd	10,924	-
- Worldwide Ventures Sdn Bhd	16,709	-
- OSW Properties Pty Ltd	-	9,325
- IJM Plantations Berhad	2,624	37,693
(vi) Interest on RCULS received/receivable from:-		
- IJM Plantations Berhad	3,132	1,250

	31.3.2005 RM'000	31.12.2003 RM'000
(bb) Jointly controlled entities:-		
(i) Progress billings in respect of construction contract by:- - IJM Construction - Perkasa Sutera Joint Venture	33,068	14,051
(ii) Sales and marketing fees charged to:- - IJM Properties - Danau Lumayan Joint Venture	9	1,112
(iii) Interests charged to:- - IJM Properties - JA Manan Joint Venture	1,208	-
(iv) Advances to:- - IJM-SCL Joint Venture - IJM-Gayatri Joint Venture	241 12,559	3,435 20,180
(v) Repayment / advances from:- - IJM-SCL Joint Venture - IJM-Gayatri Joint Venture	206 16,001	5,479 20,180
(cc) IJM Retirement Scheme:- - contribution to the Scheme	3,221	2,579
(dd) Professional fees paid to companies in which Directors of the Company have interests, which are based on commercial terms and conditions mutually agreed by the parties, are as follows:-		
(i) MSB, a company in which a Director of the Company, Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob has an interest	376	1,769
(ee) Progress billings to companies in which Dato' Ismail bin Yusof, a brother of Dato' Abdullah bin Mohd Yusof who is a Director of the Company, has interests:-		
(i) Totalap Sdn Bhd	14,432	-
(ii) Tuah Mentari Sdn Bhd	1,745	-
(ff) Progress billings in relation to a construction contract to a company in which Dato' Ismail bin Yusof, a brother of Dato' Abdullah bin Mohd Yusof who is a Director of the Company, is a director:-		
(i) Senai Airport Terminal Services Sdn Bhd	4,395	-
(gg) Progress billings in relation to a construction contract to an entity in which Dato' Ismail bin Yusof, a brother of Dato' Abdullah bin Mohd Yusof who is a Director of the Company, and Tan Sri Dato' Syed Mokhtar Shah bin Syed Nor, are directors:-		
(i) Yayasan Albhukhary	4,709	9,421

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

44. SIGNIFICANT RELATED PARTY DISCLOSURES (continued)

The Group (Continued)

Tan Sri Dato' Syed Mokhtar Shah bin Syed Nor who, by virtue of his interest in Seaport Terminal (Johore) Sdn Bhd, is deemed a substantial shareholder of MMC Corporation Berhad (formerly known as Malaysia Mining Corporation Berhad), a substantial shareholder of Tronoh Consolidated Malaysia Berhad (formerly known as Tronoh Mines Malaysia Berhad), which is in turn a substantial shareholder of the Company.

(b) Significant outstanding balances arising from the non-trade transactions during the financial period:-

<u>Related party</u>	<u>Type of transaction</u>	31.3.2005 RM'000	31.12.2003 RM'000
Receivables:-			
- OSW Properties Pty Ltd	Advances	31,869	-
- Reliance - OSW Investment Trust	Advances	849	11,955
- Worldwide Ventures Sdn Bhd	Advances	16,709	5,755
- IJM-SCL Joint Venture	Advances	241	3,435
- IJM-Gayatri Joint Venture	Advances	12,559	20,180
Payables:-			
- Emas Utilities Corporation Sdn Bhd	Advances	2,885	-

45. CAPITAL COMMITMENTS

	THE GROUP	
	31.3.2005 RM'000	31.12.2003 RM'000
Approved and contracted for	59,073	22,437
Approved but not contracted for	466	-
	59,539	22,437
Analysed as follows:-		
Purchases of property, plant and equipment	7,807	-
Development land	16,205	22,437
Investment in associates	35,527	-
	59,539	22,437

46. CONTINGENT LIABILITIES (UNSECURED)

	THE GROUP		THE COMPANY	
	31.3.2005	31.12.2003	31.3.2005	31.12.2003
	RM'000	RM'000	RM'000	RM'000
Bank borrowings of subsidiaries guaranteed by the Company	-	-	108,680	24,725
Bank borrowings of associates guaranteed by the Company/Group	142,239	90,613	104,239	90,613
Share certificates pledged for term loan facility granted to an associate	48,864	-	48,864	-
	191,103	90,613	261,783	115,338

47. COMPARATIVES

During the financial period:-

- Negative goodwill has been reclassified from capital reserves in the same balance sheet classification as goodwill.
- A subsidiary's investment in quoted debentures in Malaysia has been reclassified from short term investments to long term investments as it is the intention of the Directors to hold the investments in the quoted debentures in Malaysia until their respective maturity dates.
- The share of net assets of jointly controlled entities has been reclassified from amount owing by jointly controlled entities under trade and other receivables and amount owing to jointly controlled entities under trade and other payables to jointly controlled entities under non-current assets.
- The cash paid for purchase of land held for property development has been reclassified from cash flow from operating activities to cash flow from investing activities to reflect the long term nature of the land acquired.
- The cash received from government grant was reclassified from cash flow from operating activities to cash flow from investing activities in line with the classification of concession assets for which the government grant was obtained.

For comparative purposes, the balances as at 31 December 2003 have been reclassified in the current financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

47. COMPARATIVES (continued)

The effect of the reclassifications on the Group's and of the Company's financial statements as at 31 December 2003 are as follows:-

Group	Note	As previously reported RM'000	Effects of reclassification RM'000	As restated RM'000
<u>As at 31 December 2003</u>				
(i) CONSOLIDATED BALANCE SHEET				
CAPITAL AND RESERVES				
Capital reserves	11	(61,451)	5,036	(56,415)
NON-CURRENT ASSETS				
Jointly controlled entities	25	-	12,045	12,045
Long term investments	26	80,471	15,750	96,221
Intangible assets	28	10,847	(5,036)	5,811
CURRENT ASSETS				
Trade and other receivables	31	760,762	(8,145)	752,617
Short term investments	32	107,073	(15,750)	91,323
CURRENT LIABILITIES				
Trade and other payable	35	(610,834)	(3,985)	(614,819)
(ii) CONSOLIDATED CASH FLOW STATEMENT				
OPERATING ACTIVITIES				
Receipts from customers		1,349,831	(27,423)	1,322,408
Payment to contractors, suppliers and employees		(1,148,845)	16,029	(1,132,816)
INVESTING ACTIVITIES				
Purchase of development land held for property development		-	(16,029)	(16,029)
Government grant received		-	27,423	27,423

48. LIST OF SUBSIDIARIES AND ASSOCIATES*as at 31 March 2005*

Name	Country of incorporation	Effective equity interest		Principal activities
		31.3.2005 %	31.12.2003 %	
<u>SUBSIDIARIES</u>				
Held by the Company				
GR Commerce Sdn Bhd	Malaysia	100	72	Trading of building materials and insurance agent services
Industrial Concrete Products Berhad *	Malaysia	72	21	Manufacture of precast concrete products
IJM Construction Sdn Bhd	Malaysia	100	100	Civil and building construction and investment holding
IJM Properties Sdn Bhd	Malaysia	100	100	Property development and investment holding
IJM Argentina Sociedad Anomina *	Argentina	100	100	Investment holding
IJM Australia Pty Limited #	Australia	80	80	Engineering and construction consultancy and property development
IJM Investments (M) Limited #	Republic of Mauritius	100	100	Investment holding
IJM International (BVI) Pty Ltd *	British Virgin Islands	100	100	Investment holding
IJM International Limited #	Hong Kong	100	100	Investment holding
IJM Investments (L) Ltd *	Federal Territory of Labuan	100	100	Investment holding
IJM Overseas Ventures Sdn Bhd	Malaysia	100	100	Investment holding
Kamad Quarry Sdn Bhd	Malaysia	100	100	Quarrying, manufacture and sale of premix products and road pavement construction
Kemena Industries Sdn Bhd * @@	Malaysia	55	55	Manufacture of ready-mixed concrete and reinforced concrete products
Nilai Cipta Sdn Bhd *	Malaysia	70	70	Office complex concession holder
Styrobilt Sdn Bhd	Malaysia	100	100	Investment holding
Torsco Berhad *	Malaysia	100	100	Engineering, fabrication and construction
Held by IJM Construction Sdn Bhd				
IJM Building Systems Sdn Bhd	Malaysia	100	100	Prefabricated building construction

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

48. LIST OF SUBSIDIARIES AND ASSOCIATES (continued)

as at 31 March 2005

Name	Country of incorporation	Effective equity interest		Principal activities
		31.3.2005 %	31.12.2003 %	
Jurutama Sdn Bhd	Malaysia	100	100	Civil and building construction and property development
Kami Builders Sdn Bhd	Malaysia	100	100	Civil construction and property development
Prebore Piling & Engineering Sdn Bhd *	Malaysia	80	80	Piling, engineering and other construction works
Held by IJM Properties Sdn Bhd				
Aqua Aspect Sdn Bhd	Malaysia	80	-	Property development
BDA-Kidurong Development Sdn Bhd *	Malaysia	-	53	Property development
Chen Yu Land Sdn Bhd	Malaysia	100	100	Property development
IJM Management Services Sdn Bhd	Malaysia	100	100	Project and construction management services
Jalanan Masyhur Sdn Bhd	Malaysia	51	51	Property development
Jelutong Development Sdn Bhd^^	Malaysia	80	80	Civil construction and property development
Liberty Heritage (M) Sdn Bhd	Malaysia	100	100	Property management and car parking services
Maxharta Sdn Bhd	Malaysia	100	100	Property development, civil and building construction
NS Central Market Sdn Bhd	Malaysia	70	70	Property development
Sinaran Intisari (M) Sdn Bhd	Malaysia	51	51	Property development
Suria Bistari Development Sdn Bhd	Malaysia	51	51	Property development
Wedec Sdn Bhd	Malaysia	100	100	Interior fit-out services, upgrades and renovation works
Manda'rina Sdn Bhd (formerly known as Xylocorp (M) Sdn Bhd)	Malaysia	100	100	Property development
Held by Industrial Concrete Products Berhad				
Arca Permata (M) Sdn Bhd	Malaysia	72	21	Investment holding
Cosmic Centre Sdn Bhd	Malaysia	72	21	Dormant
Concrete Mould Engineering Sdn Bhd	Malaysia	47	-	Engineering works and mould making
Durabon Sdn Bhd	Malaysia	72	21	Processing of steel bars
Glamour Development Sdn Bhd	Malaysia	72	21	Dormant
Expedient Resources Sdn Bhd	Malaysia	52	15	Manufacture of rubber underlays and other rubber products
ICP Investment (L) Limited	Malaysia	72	-	Dormant
ICP Jiangmen Co. Ltd	People's Republic of China	53	-	Dormant

Name	Country of incorporation	Effective equity interest		Principal activities
		31.3.2005 %	31.12.2003 %	
ICP Marketing Sdn Bhd	Malaysia	72	21	Trading of pretensioned spun concrete piles, building materials and plant and machinery and investment holding
Malaysian Rock Products Sdn Bhd^^	Malaysia	72	100	Quarrying, sale of rock products and investment holding
Ubon Steel Sdn Bhd	Malaysia	72	21	Marketing of steel bars
Held by Expedient Resources Sdn Bhd				
Tadmansori Rubber Industries Sdn Bhd	Malaysia	52	15	Trading of rubber products
Held by Malaysian Rock Products Sdn Bhd				
Aggregate Marketing Sdn Bhd	Malaysia	72	100	Sale of rock products
Azam Ekuiti Sdn Bhd	Malaysia	72	100	Quarry owner
Bohayan Industries Sdn Bhd	Malaysia	51	70	Dormant
Damansara Rock Products Sdn Bhd	Malaysia	72	100	Quarrying, road pavement construction, manufacture and sale of premix products
Global Rock Marketing Sdn Bhd	Malaysia	72	100	Sale of rock products
Kuang Rock Products Sdn Bhd	Malaysia	72	100	Quarrying and sale of rock products
Oriental Empire Sdn Bhd	Malaysia	72	100	Quarry owner
Scaffold Master Sdn Bhd	Malaysia	72	100	Sale and rental of steel scaffolding
Strong Mixed Concrete Sdn Bhd	Malaysia	72	100	Production and supply of ready-mixed concrete
Warga Sepakat Sdn Bhd	Malaysia	72	100	Leaseholder of quarry land
Held by IJM Investments (M) Limited				
IEMCEE Infra (Mauritius) Limited #	Republic of Mauritius	100	100	Investment holding
IJMII (Mauritius) Limited #	Republic of Mauritius	100	100	Investment holding
IJM Rewa (Mauritius) Limited #	Republic of Mauritius	100	100	Investment holding
Held by IJMII (Mauritius) Limited				
IJM (India) Infrastructure Limited *	India	97	95	Construction
Held by IJM Rewa (Mauritius) Limited				
Rewa Tollway Private Limited #	India	100	100	Infrastructure development

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

48. LIST OF SUBSIDIARIES AND ASSOCIATES (continued)

as at 31 March 2005

Name	Country of incorporation	Effective equity interest		Principal activities
		31.3.2005 %	31.12.2003 %	
Held by IJM (India) Infrastructure Limited				
Swarnandhra-IJMII Integrated Township Development Company Private Limited #	India	50	49	Property development
IJM Concrete Products Private Limited	India	97	-	Supply of ready mixed concrete
Swarnandhra Road Care Private Limited	India	97	-	Road maintenance
Jaipur-Mahua Tollway Private Limited	India	97	-	Highway development
Roadstar (India) Infrastructure Private Limited	India	97	-	Development of infrastructure projects and construction & operation of toll gates
Held by IJM Australia Pty Limited				
Billmex Pty Limited #	Australia	80	80	Property development
Held by Torsco Berhad				
Sang Kee Enterprise Sdn Bhd *	Malaysia	100	100	Property investment
Sang Kee Feedmills Sdn Bhd *	Malaysia	100	100	Property investment
Torsco Overseas Sdn Bhd *	Malaysia	100	100	Provision of engineering, fabrication and construction works
<u>ASSOCIATES</u>				
Held by the Company				
CIDB Inventures Sdn Bhd	Malaysia	34	34	Infrastructure investment
Cofreth (M) Sdn Bhd *	Malaysia	25	20	Total facilities management, operations & maintenance, co-generation and district cooling system/ service provider
Community Resort Development System Sdn Bhd *	Malaysia	20	20	Dormant
Deltabumi Sdn Bhd	Malaysia	40	40	Special purpose vehicle
Emas Utilities Corporation Sdn Bhd *	Malaysia	40	40	Investment holding
Grupo Concesionario del Oeste S.A. #	Argentina	20	20	Construction, renovation, repair, conservation and operation of Acceso Oeste highway
IJM-Yorkville (BVI) Pty Ltd *	British Virgin Islands	50	50	Special purpose vehicle for financing
IJM Construction (Middle East) Limited Liability Company	Dubai, United Arab Emirates	49	-	Construction

Name	Country of incorporation	Effective equity interest		Principal activities
		31.3.2005 %	31.12.2003 %	
Inversiones e Inmobiliaria Sur-Sur S.A. *	Chile	25	25	Property development
JWS Projects Sdn Bhd	Malaysia	50	50	Investment holding
Macroland Holdings Sdn Bhd	Malaysia	30	30	Under members' voluntary liquidation
MASSCORP-Chile Sdn Bhd	Malaysia	32	32	Investment holding
Precast Property Sdn Bhd *	Malaysia	50	50	Dormant
Precast Technology Sdn Bhd *	Malaysia	50	50	Dormant
Sin Kean Boon Group Berhad *	Malaysia	20	20	Manufacture of roller shutters and aluminium extrusions and investment holding
Spirolite (M) Sdn Bhd *	Malaysia	38	38	Manufacture of straight extruded pipes and "spiral" pipes, tubes, tanks and containers
Held by IJM Australia Pty Limited				
Quay Link Enterprises Pty Limited #	Australia	40	40	Property development
Held by Torsco Berhad				
IMPSA (Malaysia) Sdn Bhd	Malaysia	40	-	Manufacture and marketing of hydropower generation equipments, cranes and, heavy duty pressure vessels
Held by IJM Construction Sdn Bhd				
Hexacon Construction Pte Limited #	Singapore	49	49	Civil and building construction
Highway Master Sdn Bhd	Malaysia	50	50	Road pavement construction
Integrated Water Services (M) Sdn Bhd *	Malaysia	35	35	Operation and maintenance of a water treatment plant
IT&T Builders Sdn Bhd	Malaysia	45	45	Building construction
Malaysian Construction Ventures (Overseas) Sdn Bhd	Malaysia	20	20	Project consultancy services
Nekadsatu Jaya Sdn Bhd	Malaysia	50	50	Construction and property development
THB-IJM Joint Venture Sdn Bhd	Malaysia	49	49	Construction
Held by IJM International (BVI) Pty Ltd				
Avillion Hotels International (Sydney) Pty Limited *	Australia	49	49	Hotel operator
Reliance-OSW (Nominees) Pty Limited *	Australia	49	49	Trustee company

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 31 March 2005

(Continued)

48. LIST OF SUBSIDIARIES AND ASSOCIATES (continued)

as at 31 March 2005

Name	Country of incorporation	Effective equity interest		Principal activities
		31.3.2005 %	31.12.2003 %	
Held by IJM International Limited				
Grapevine Investments (Hong Kong) Limited #	Hong Kong	50	50	Investment holding
OSW Properties Pty Limited *	Australia	50	50	Property development
Held by IEMCEE Infra (Mauritius) Limited				
Gautami Power Private Limited *	India	20	36	Power generation
Held by IJMII (Mauritius) Limited				
Swarna Tollway Pte Ltd *	India	35	35	Infrastructure development
Pacific Alliance-Stradec Group Infrastructure Company LLC	Republic of Mauritius	48	-	Project management, investment holding and supply of toll equipments.
Held by IJM Overseas Ventures Sdn Bhd				
Earning Edge Sdn Bhd	Malaysia	22	22	Property development
MASSCORP-Namibia Sdn Bhd	Malaysia	40	40	Investment holding
Held by IJM Properties Sdn Bhd				
Ever Mark (M) Sdn Bhd	Malaysia	50	50	Property development
MASSCORP-Vietnam Sdn Bhd	Malaysia	20	20	Investment holding
Wilmington Sdn Bhd	Malaysia	50	50	Property development
Worldwide Ventures Sdn Bhd	Malaysia	50	50	Property development and investment holding
Held by Malaysian Rock Products Sdn Bhd				
Batu Kenangan Sdn Bhd *	Malaysia	29	40	In members' voluntary liquidation
DML-MRP Resources (M) Sdn Bhd	Malaysia	36	50	Dormant
Pulai Maju Sdn Bhd	Malaysia	-	50	Leaseholder of quarry land
Held by Styrobilt Sdn Bhd				
IJM Plantations Berhad * ^^	Malaysia	49	49	Cultivation of oil palm and investment holding

Audited by a member firm of PricewaterhouseCoopers International Limited which is a separate and independent legal entity from PricewaterhouseCoopers, Malaysia

* Audited by a firm other than member firm of PricewaterhouseCoopers International Limited and PricewaterhouseCoopers, Malaysia

^^ Held by the Company on 31.12.2003

@@ Held by Malaysian Rock Products Sdn Bhd on 31.12.2003

STATUTORY DECLARATION

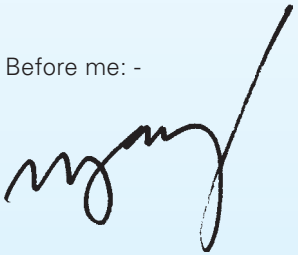
I, Loy Boon Chen, being the officer primarily responsible for the financial management of IJM Corporation Berhad, do solemnly and sincerely declare that, to the best of my knowledge and belief, the financial statements set out on pages 92 to 174 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared at Petaling Jaya on 18 May, 2005.



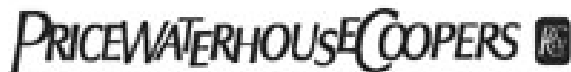
LOY BOON CHEN

Before me: -



G. VIJAYAN BASKARAN PPN
Commissioner for Oaths
Petaling Jaya

REPORT OF THE AUDITORS TO THE MEMBERS



Report of the auditors to the members of IJM Corporation Berhad

Company No: 104131-A

PricewaterhouseCoopers
(AF 1146)
Chartered Accountants
11th Floor Wisma Sime Darby
Jalan Raja Laut
P.O. Box 10192
50706 Kuala Lumpur, Malaysia
Telephone +60 (3) 2693 1077
Facsimile +60 (3) 2693 0997

We have audited the financial statements set out on pages 92 to 174. 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 purposes. We do not assume responsibility to any other person for the content of this report.

We conducted our audit in accordance with approved auditing standards 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 Directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements have been prepared in accordance with the provisions of the Companies Act, 1965 and MASB approved accounting standards in Malaysia so as to give a true and fair view of:
 - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements; and
 - (ii) the state of affairs of the Group and of the Company as at 31 March 2005 and of the results and cash flows of the Group and of the Company for the financial period ended on that date;
- and
- (b) the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

The names of the subsidiaries of which we have not acted as auditors are indicated in Note 48 to the financial statements. We have considered the financial statements of these subsidiaries and the auditors' reports thereon.

We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements 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 and did not include any comment made under subsection (3) of Section 174 of the Act.

PRICEWATERHOUSECOOPERS
(AF-1146)
Chartered Accountants

Kuala Lumpur
18 May 2005

Eric Ooi Lip Aun
(1517/06/06(J))
Partner

LIST OF PROPERTIES

as at 31 March 2005

Location	Description	Area (Hectares)	Tenure	Existing Use	Expiry Date	Age of Building (years)	Date of Revaluation (R) / Acquisition (A)	Net Book Value as at 31 March 2005 RM'000
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PROPERTY, PLANT & EQUIPMENT

JOHOR

Unit No.13-A, Unit 08 Level 5, Unit 02 Level 6, City Plaza, Jalan Tebrau 80250 Johor Bahru	Commercial	0.135	Freehold	Office space	-	5	A:2000	4,753
Lot 1704 & 1705, City Plaza, Jalan Tebrau 80250 Johor Bahru	Commercial	0.048	Freehold	Office space	-	9	A:1996	1,466
Lot PTB 19233 H.S.(D) 210937 Unit 1701-1703 Jalan Tebrau, Johor Bahru	Commercial land	0.064	Freehold	Office space (3 years; 2,361 sq.m.)	-	8	A:1996	2,118
Lot Nos. 810, 811 and MLO 23, GM 66, 68 & H.S. (M) 937 Mukim Sedenak, Air Bambau, Kulai	Agriculture land	8.147	Freehold	Vacant; for future development	-	-	A:1998	2,000
E-2-1 Block Mawar, Anjung Seri Condominium Jalan Persiaran Seri Alam 81750 Masai	Condominium	0.009	Freehold	Residential	-	6	A:1999	221
E-2-6, 3-2, 3-5 Block Mawar, Anjung Seri Condominium Jalan Persiaran Seri Alam 81750 Masai	Condominium	0.027	Freehold	Residential (Vacant)	-	6	A:1999	469

LIST OF PROPERTIES

as at 31 March 2005

(Continued)

Location	Description	Area (Hectares)	Tenure	Existing Use	Expiry Date	Age of Building (years)	Date of Revaluation (R) / Acquisition (A)	Net Book Value as at 31 March 2005 RM'000
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NEGERI SEMBILAN

Lot No. M45 Unit M45-2A & 2B Block 6 Seremban	Land & building	0.013	Freehold	Vacant	-	5	A:1999	123
H.S. (D) 77335, P.T. 6322 Mukim Labu, Daerah Seremban	Industrial land	14.164	Leasehold	Quarrying	2053	-	A:1993	1,055
H.S. (D) 75235, P.T. 6054 Mukim Labu, Daerah Seremban	Industrial land	16.997	Leasehold	Quarrying	2053	-	A:1993	3,055
H.S. (D) 151681, P.T. 23506 Mukim Labu, Daerah Seremban	Industrial land	4.047	Leasehold	Quarrying	2063	-	A:2003	640

PENANG

9-0-5, Taman Seri Damai, Lebuhraya Batu Lancang, 11600	Residential	0.01	Leasehold	Office & staff quarters	2088	16	A:1989	90
Parcel No. M/0/05/20 & M/0/05/21, Pusat Perdagangan Tanjung	Office	0.05	Leasehold	Office (548 sq.m.)	2089	9	A:1994	637
PT 35, No HS (D) 11743, Seksyen 4, Daerah Timur Laut, Bandar Jelutong	Industrial land	6.423	Freehold	Vacant; for future development	-	-	A:2001	14,545
9th Floor, Wisma Penang Garden, 42, Jalan Sultan Ahmad Shah, 10050	Office	0.082	Freehold	Office (8,833sq. ft.)	-	12	A:2004	1,865

Location	Description	Area (Hectares)	Tenure	Existing Use	Expiry Date	Age of Building (years)	Date of Revaluation (R) / Acquisition (A)	Net Book Values at 31 March 2005 RM'000
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PERAK

Lot 11004, 4-3/4 Miles, Jalan Lahat, Mukim Ulu Kinta	Industrial land & building	2.718	Leasehold	Plant 1, Office building & workshop (8,757 sq.m.)	2053	26	R:1981	1,534
PT No. 595, H.S. (D) Dgs 1276/88 and PT No. 538, H.S. (D) Dgs 1272/88, Mukim Lumut, Daerah Manjung	Industrial land & building	2.016	Leasehold	Plant 2A, C & D, Office building & workshop (6,930 sq.m.)	2087	11	R:1993	3,523
Lot 11, Mukim Lumut, Daerah Manjung	Industrial land & building	2.497	Leasehold	Plant 2B, Workshop (3,600 sq.m.) Plant 2E (1,800 sq.m.)	2094 2094	5 3	A:1995 A:2002	3,475 1,066
Lot D-2, Mukim Lumut, Daerah Manjung	Industrial land & building	5.075	Leasehold	Plant 3, Office building, workshop & jetty (4,480 sq.m.)	2093	4	A:1996	10,938

SARAWAK

Lot 1176 Block 32, Kemena Crossing, Bintulu	Industrial land & building	3.710	Leasehold	Office & workshop (1,734 sq. m.)	2050	18	A:1987	1,658
Lot 2945, Block 32 Kemena Land District Bintulu	Industrial land & building	2.676	Title yet to be issued	Vacant for future development	-	9	A:1996	903
Lot 1402, Block 31, Kemena Land District Jalan Tanjung Batu 97000 Bintulu	Commercial land & building	0.016	Leasehold	Shop-office (154 sq.m.)	2048	15	A:1996	248
Lot 3822, Block 31, Kemena Land District Jalan Tanjung Batu 97000 Bintulu	Building	0.003	Leasehold	Residential (333 sq.m.)	2056	9	A:1995	157

LIST OF PROPERTIES

as at 31 March 2005

(Continued)

Location	Description	Area (Hectares)	Tenure	Existing Use	Expiry Date	Age of Building (years)	Date of Revaluation (R) / Acquisition (A)	Net Book Values at 31 March 2005 RM'000
SELANGOR								
Lot 170, Section 7, Jalan Yong Shook Lin, 46050 Petaling Jaya	Commercial land & building	0.759	Leasehold	2 office buildings (7,088 sq.m.)	2069	23	A:1985	27,569
55 Jalan TS6/10A, Subang Industrial Park, Subang Jaya, H.S.(D) 97263, P.T. 27731 Mukim of Petaling	Industrial land	0.018	Leasehold	3 storey industrial building (178 sq.m.)	2090	10	A:1996	644
21D Jalan BRP 6/10, Seksyen U20, Bukit Rahman Putra, 47000 Sungai Buluh	Building	0.018	Freehold	Kuang Rock Products Shop-office (181 sq.m.)	-	5	A:2004	156
Workshop 3.5KM, Jalan Kampung Jawa Klang	Workshop	0.020	Leasehold	Workshop	-	4	A:2000	21
EMR 5364, Lot 2775 District of Klang	Workshop	0.037	Rented	For repair & maintenance of steel scaffolding	-	5	A:1999	46
Lot No. 197, Mukim Rawang, Daerah Gombak, Kundang Industrial Park	Industrial land	0.185	Freehold	Vacant; for future development	-	-	A:2000	459
P.T. 17308, H.S. (D) 30887, Mukim Kapar, Daerah Klang	Industrial	1.698	Freehold	Vacant; for future development	-	-	A:2003	6,397
Lot 6497 Sungai Buloh Estate Off 6th Mile Jalan Kapar 42100 Kapar, Klang	Land & building	5.75	Freehold	Office, store, workshop & workers' quarters	-	4	A:2001	2,884
Lot No 52177, Mukim Batu Daerah Gombak, KM 15 Jalan Rawang	Land & Building	0.013	Leasehold	Store	2089	12	A:1992	105

Location	Description	Area (Hectares)	Tenure	Existing Use	Expiry Date	Age of Building (years)	Date of Revaluation (R) / Acquisition (A)	Net Book Value as at 31 March 2005 RM'000
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WILAYAH PERSEKUTUAN KUALA LUMPUR

Part of Lot 2787 & 2789 (original lot), Lot 25547-25560, 25778-25929, 26003-26039, 26078-26120, Part of Lot 26311-26313, 26314, Part of Lot 26315-26317, 26318-26321, Part of Lot 26322, 26328-26341 (new lot), Mukim Petaling	Residential & commercial	0.391	Leasehold	Sales office	2078	1	A:2003	831
Unit No. K2/01/05 & K1/02/01 (23-1 & 1-2, Desa Seri Puteri, Jalan 2/125G, 57100)	Commercial	0.034	Leasehold	Commercial office	2093	2	A:2002	291
Unit No. K1/02/04, Desa Seri Puteri, Jalan 2/125G, 57100	Commercial	0.015	Leasehold	Commercial office	2093	3	A:2003	172
B7-6 Puncak Prima Condo Sri Hartamas	Condominium	0.009	Freehold	Residential	-	7	A:2001	324
Golden City Condominium No. 19-05, 19th Floor Jalan Ipoh, 51200	Condominium	0.010	Freehold	Residential	-	9	A:1995	187

LIST OF PROPERTIES

as at 31 March 2005

(Continued)

Location	Description	Area (Hectares)	Tenure	Existing Use	Expiry Date	Age of Building (years)	Date of Revaluation (R) / Acquisition (A)	Net Book Value as at 31 March 2005 RM'000
INDIA								
Village & Post Bodhanam, Chillakur Mandal, Kadivedu Sub-post, Nellore District, Andhra Pradesh 524410	Commercial land & building	19.18	Freehold	For installing plants, quarrying & office	-	-	A:2002	1,050
Plot No-21, S.V. Cooperative Industrial Estate, Quthbullapur Mandal, Bachupally Revenue Village, R.R. District Hyderabad 500062	Industrial land & building	1.06	Freehold	For setting up concrete plant	-	-	A:2004	1,132
Survey No. 1009/1 (1 Part), KPHB Colony, Kukatpally Village, Ranga Reddy District, Hyderabad, Andhra Pradesh	Residential building	34.05	Freehold	Under development	-	-	A:2003	214
Niripak Mandal Rampur Naikin Panchayat Budgaon Tehsil, Rampur Naikin District	Commercial	0.17	Freehold	Bhagwar Toll plaza	-	-	A:2004	21
Grampanchayat Baruka Block Sohagpur Mouza Rohaniya	Commercial	0.204	Freehold	Rohaniya Toll plaza	-	-	A:2004	12
Gram Kirar, Panchayat Kirar Tehsil Annupur	Commercial	0.639	Freehold	Amarkantak Toll plaza	-	-	A:2004	6
Sonvari Saralanganr	Commercial	0.648	Freehold	Sonvari Toll plaza	-	-	A:2004	37
Survey No. 806/1 Katni District	Commercial	0.63	Freehold	Barhi Toll plaza	-	-	A:2004	39
Plot No. 58 Gate No. 227 of Village Devghar	Commercial	0.056	Freehold	Under development	-	-	A:2003	44

Location	Description	Area (Hectares)	Tenure	Existing Use	Expiry Date	Age of Building (years)	Date of Revaluation (R) / Acquisition (A)	Net Book Value as at 31 March 2005 RM'000
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DEVELOPMENT PROPERTIES & LAND HELD FOR PROPERTY DEVELOPMENT**JOHOR**

Lot 13904-13980, 14007-14060 and 14067 & 19215 Kampung Muafakat Jalan Tun Abdul Razak	Commercial & residential	10.24	Title yet to be issued	Under development	-	-	A:1992	24,905
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PN 10938 Lot 25076 , PN 10939 Lot 25077, PN 10940 Lot 25078, (H.S. (D) 330192 PTB 21114 to H.S. (D) 330201 PTB 21123, Bandar & Daerah Johor Bahru	Commercial & residential	8.45	Leasehold	Under development	2101	-	A:1992	37,461
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NEGERI SEMBILAN

H.S. (D) 109551, P.T. 888, Commercial Pekan Bukit Kepayang, Daerah Seremban	Commercial	1.902	Leasehold	Under development	2096	-	A:2001	25,504
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PENANG

Lots 14, 17, 372, 374, 376 & 492, Section 19, Georgetown, North East District	Commercial land	0.546	Freehold	Vacant; for future development	-	-	A:1992	10,763
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Lots 721 to 739 & 745, 1721 and 1727, Seksyen 4, Bandar Butterworth, Daerah Seberang Prai Utara	Commercial & residential land, agricultural	5.378	Freehold	Vacant; for future development	-	-	A:1992	9,849
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LIST OF PROPERTIES

as at 31 March 2005

(Continued)

Location	Description	Area (Hectares)	Tenure	Existing Use	Expiry Date	Age of Building (years)	Date of Revaluation (R) / Acquisition (A)	Net Book Values at 31 March 2005 RM'000
Lots 395 & 396, Mukim 1, Pulau Betong, Daerah Barat Daya	Agriculture land	2.104	Freehold	Vacant; for future development	-	-	A:1992	1,306
Lots 34, 35, 38, 40, 41, 1245 & 101, Mukim 12, Daerah Seberang Prai Tengah	Agriculture land	5.508	Freehold	Vacant; for future development	-	-	A:1994	1,227
Holding No. 299, 300 & 304, Mukim 14, Seberang Prai Selatan	Commercial & residential land	10.918	Freehold	Under development	-	-	A:1994	8,378
Lot No. 501, Mukim 14, Seberang Prai Selatan (comprised in Geran No. 38943)	Commercial & residential land	3.567	Freehold	Under development	-	-	A:1994	2,737
Lot No. 862, Mukim 14, Seberang Prai Selatan (comprised in No. Pendaftaran 3754)	Commercial & residential land	1.806	Freehold	Vacant; for future development	-	-	A:1994	1,386
Lot No. 583, Mukim 14, Seberang Prai Tengah (comprised in Geran Mukim No. 381)	Commercial & residential land	1.453	Freehold	Vacant; for future development	-	-	A:1994	1,115
Lot No. 590, Mukim 14, Seberang Prai Tengah (comprised in No. Pendaftaran 12126)	Commercial & residential land	21.032	Freehold	Vacant; for future development	-	-	A:1994	16,140
Lot No. 591, No. GM 168, Mukim 14, Seberang Prai Tengah	Commercial & residential land	2.635	Freehold	Vacant; for future development	-	-	A:1994	2,022
Lot No. 592, Mukim 14, Seberang Prai Tengah (comprised in No. Pendaftaran 12127)	Commercial & residential land	11.153	Freehold	Vacant; for future development	-	-	A:1994	8,559

Location	Description	Area (Hectares)	Tenure	Existing Use	Expiry Date	Age of Building (years)	Date of Revaluation (R) / Acquisition (A)	Net Book Value as at 31 March 2005 RM'000
Lot No. 1639, Mukim 14, Seberang Prai Tengah, (comprised in Geran Mukim No. 299)	Commercial & residential land	2.978	Freehold	Vacant; for future development	-	-	A:1994	2,285
Lot No. 1640, Mukim 14, Seberang Prai Tengah (comprised in Geran Mukim No. 300)	Commercial & residential land	0.121	Freehold	Vacant; for future development	-	-	A:1994	93
Lot Nos. 1686 & 1729 Mukim 14, Seberang Prai Tengah	Agriculture land	5.233	Freehold	Vacant; for future development	-	-	A:1995	3,395
Lot No. 1627, Mukim 14, Seberang Prai Tengah	Agriculture land	7.282	Leasehold	Vacant; for future development	2876	-	A:1995	3,507
Lot No. 1628, Mukim 14, Seberang Prai Tengah	Agriculture land	1.174	Freehold	Vacant; for future development	-	-	A:1995	565
Lot 1725, 1727, 1728, 1768, 1781 & 1789, Mukim 14, Seberang Prai Tengah	Agriculture land	8.72	Freehold	Vacant; for future development	-	-	A:1995-96	1,113
P.T. 241, Seksyen 9W, No. H.S. (D) 5169, Daerah Timur Laut, Bandar Georgetown	Industrial	6.07	Leasehold	Under development	2100	-	A:2001	15,069
P.T. 32, 33, 34, 35 Seksyen 4, No. H.S. (D) 11743, Bandar Jelutong, Daerah Timur Laut	Mixed development	11.001	Freehold	Under development	-	-	A:2001	45,265
P.T. 1935, H.S. (D) 5541, Mukim 13, Daerah Timur Laut	Commercial	0.9999	Leasehold	Under development	2099	-	A:2004	1,453

LIST OF PROPERTIES

as at 31 March 2005

(Continued)

Location	Description	Area (Hectares)	Tenure	Existing Use	Expiry Date	Age of Building (years)	Date of Revaluation (R) / Acquisition (A)	Net Book Values at 31 March 2005 RM'000
Parcel A1-1 to A1-12, A3-1 to A3-4 Seksyen 4 Jelutong, Daerah Timur Laut	Mixed development	55.24	Freehold	Yet to be reclaimed	-	-	-	33,651
Parcel A2-1 to A2-3, Seksyen 8 Georgetown, Daerah Timur Laut	Mixed development, residential	10.627	Freehold	Yet to be reclaimed	-	-	-	6,474
P.T. 16, H.S. (D) 13337, Lot 398, Hakmilik 3020, Lot 397, Hakmilik 3019, & PT 01-15, HS (D) 12005 - 12019, Section 8, Bandar Georgetown, Daerah Timur Laut	Residential & commercial	4.674	Leasehold	Sold-Project completed	2100 & 2102	-	-	(4,622)
Parcel B1-1 to B1-8, B2-1 to B2-3, C1-2 to C1-3, C1-7 to C1-9, C2-1 to C2-7, C3-1 & C3-2 Seksyen 8 Georgetown, Daerah Timur Laut	Mixed development	44.681	Leasehold	Yet to be reclaimed	-	-	-	12,694
P.T. 1953, H.S. (D) 8207, Mukim 13, Daerah Timur Laut	Residential	6.133	Leasehold	Under development	2100	-	A:2004	5,521
PERAK								
Lot H.S. (D) KA 27107 - 9, P.T. No. 123935 - 7, Mukim of Hulu Kinta, Daerah Kinta	Residential land	5.071	Leasehold	Vacant; for future development	2092	-	A:2001	3,916

Location	Description	Area (Hectares)	Tenure	Existing Use	Expiry Date	Age of Building (years)	Date of Revaluation (R) / Acquisition (A)	Net Book Value as at 31 March 2005 RM'000
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SABAH

CL 075477584, District of Sandakan, 6th North Road	Residential	134.7	Leasehold	Under development	2081	-	A:1998	28,950
CL 075204269, District of Sandakan	-	3.97	Leasehold	Vacant; for future development	-	-	A:2002	882
CL 075204241, District of Sandakan	-	5.91	Leasehold	Vacant; for future development	-	-	A:2003	1,354

SARAWAK

Lot 7978, Section 65 KTLD, (Balance of Lot 5238, Section 65 KTLD, Kuching)	Agricultural	11.338	Leasehold	Under development	2024	-	A:1991	7,835
Lot 5536, Section 65 KTLD, Kuching	Agricultural	2.752	Leasehold	Under conversion to residential	2038	-	A:1996	1,902

LIST OF PROPERTIES

as at 31 March 2005

(Continued)

Location	Description	Area (Hectares)	Tenure	Existing Use	Expiry Date	Age of Building (years)	Date of Revaluation (R) / Acquisition (A)	Net Book Value as at 31 March 2005 RM'000
SELANGOR								
Lot 4446, Mukim Kapar, 41400 Kelang	Agriculture land	1.214	Freehold	Vacant; for future development	-	-	A:1984	300
HSD0069884 PT85480, HSD0070256 PT85857, HSD0070255 PT85856 & HSD0070254 PT85855, Mukim Klang, Daerah Klang	Commercial & residential	2.508	Freehold	Vacant; for future development	-	-	A:1994	7,061
HSD70033 PT85634, HSD69984 PT85585, HSD69933 PT85534, HSD69930 PT85528, HSD69878 PT85474, HSD69873 PT85469, HSD69869 PT85465, HSD69868 PT85464, HSD0070258 PT0085862, HSD69931 PT85529 & HSD 69932 PT85530, Mukim Klang, Daerah Klang	Agricultural	6.471	Freehold	Under development	-	-	A:1994	16,868
P.T. 27334 -27494, H.S.(D) 56569-56729 Mukim Kapar, Daerah Klang	Industrial land	7.79	Freehold	Vacant; for future development	-	-	A:1989	18,902
Lot 6497 C.T. 26645 Mukim Kapar, Daerah Klang	Industrial land	5.969	Freehold	Vacant; for future development	-	-	A:1996	9,046
H.S.(D) 66844, P.T. 2925, Mukim Ampang, Daerah Ulu Langat	Residential land	3.161	Leasehold	Vacant; for future development	2100	-	A:2005	9,000

Location	Description	Area (Hectares)	Tenure	Existing Use	Expiry Date	Age of Building (years)	Date of Revaluation (R) / Acquisition (A)	Net Book Value as at 31 March 2005 RM'000
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WILAYAH PERSEKUTUAN KUALA LUMPUR

Geran 30000 Lot 1724, Geran 7162 Lot 1512, Geran 7158 Lot 1508 & Geran 7157 Lot 1507, Seksyen 46	Commercial & Residential	2.070	Freehold	Under development	-	-	A:2004	1,327
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HS(D) NO. 16953 - 16962, 16979 - 16988, 17014 - 17023, 17072 - 17076, 17087 - 17096, 17106 - 17115, 17146 - 17153, 17383 - 17384, 18385, 17407 - 17417, 17440 - 17450, 17461 - 17472, 16843, 16885 - 16896, 16918 - 16932, 16943 - 16952, 16989, 16842, 17078 - 17086, 17116 - 17125, 17178 - 17187, 17251 - 17260, 17296 - 17305, 17316 - 17325, 16761 - 16764, 16990, 17169, and 17077 LOT NO. 25547 - 25560, 25778 - 25781, 25783 - 25839, 25841 - 25929, 26003 - 26039, 26078 - 26111, 26113 - 26120, 26308 - 26322, Mukim of Petaling	Residential & commercial	26.709	Leasehold	Vacant; for future development	2078	-	A:2003	52,841
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Daerah Kuala Lumpur, PN 27017, Lot 80, Seksyen 63	Residential	0.41	Leasehold	Vacant	2021	-	A:2004	22,924
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AUSTRALIA

1, William Street, Melbourne Victoria 3000	Industrial warehouse	1.000	Freehold	For sale	-	-	A:2003	9,784
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NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 21st Annual General Meeting (AGM) of IJM CORPORATION BERHAD (104131-A) will be held at the Registered Office at 2nd Floor, Wisma IJM, Jalan Yong Shook Lin, 46050 Petaling Jaya, Selangor Darul Ehsan, Malaysia on Wednesday, 10 August 2005, at 4.00 p.m. to transact the following matters:-

1. To receive the audited financial statements for the period ended 31 March 2005 together with the reports of the Directors and Auditors thereon. *(Resolution 1)*
2. To elect retiring Directors as follows:-
 - a) Soo Heng Chin *(Resolution 2)*
 - b) Tan Sri Dato' (Dr) Haji Murad bin Mohamad Noor *(Resolution 3)*
 - c) Datuk Oh Chong Peng *(Resolution 4)*
 - d) Datuk Yahya bin Ya'acob *(Resolution 5)*
3. To reappoint PricewaterhouseCoopers as Auditors and to authorise the Directors to fix their remuneration. *(Resolution 6)*
4. As special business to consider and pass the following ordinary resolutions:-
 - a) "That the Directors' fees of RM312,000 for the period ended 31 March 2005 be approved to be divided amongst the Directors in such manner as they may determine." *(Resolution 7)*
 - b) "That the Directors be and are hereby authorised, pursuant to Section 132D of the Companies Act 1965, to allot and issue not more than ten percent (10%) of the issued share capital of the Company at any time upon such terms and conditions and for such purposes as the Directors in their absolute discretion deem fit or in pursuance of offers, agreements or options to be made or granted by the Directors while this approval is in force and that the Directors be and are hereby further authorised to make or grant offers, agreements or options which would or might require shares to be issued after the expiration of the approval hereof." *(Resolution 8)*

By Order of the Board



Jeremie Ting Keng Fui
MAICSA 0777605
Company Secretary

Petaling Jaya
19 July 2005

Notes:

1. APPOINTMENT OF PROXY

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead and such a proxy need not be a member of the Company. In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised. The instrument appointing a proxy must be deposited at the Registered Office not less than forty-eight (48) hours before the time set for holding the meeting or adjourned meeting. The Annual Report and Form of Proxy are available for access and download at IJM website at <http://www.ijm.com>.

2. RETIREMENT OF DIRECTORS

The Resolution 3, if approved, will authorise the continuity in office of the Director (who is over the age of 70 years) until the next AGM pursuant to Section 129 (6) of the Companies Act, 1965 (the Act). The particulars of all Directors including those seeking re-election are contained in the Annual Report.

3. DIRECTORS' FEES

The Resolution 7, if approved, will authorise the payment of Directors' fees pursuant to Article 100 of the Articles of Association.

4. AUTHORITY TO ISSUE SHARES UNDER SECTION 132D

The Resolution 8, if approved, will renew the authorisation obtained at the last AGM, pursuant to Section 132D of the Act, for issuance of up to 10% of the issued share capital of the Company, subject to compliance with the regulatory requirements. The approval is sought to avoid any delay and cost in convening a general meeting for such issuance of shares. The authorisation, unless in pursuance of offers, agreements or options granted by the Directors while the approval is in force, will expire at the next AGM.

FORM OF PROXY

I/We _____

of _____

being a member of **IJM CORPORATION BERHAD (104131-A)**

hereby appoint _____

of _____

or failing him/her, the Chairman of the meeting, as my/our proxy to vote for me/us and on my/our behalf at the 21st Annual General Meeting (AGM) of IJM CORPORATION BERHAD (104131-A) to be held on Wednesday, 10 August 2005, at 4.00 p.m. and, at any adjournment thereof, in the manner indicated below:

No.	Resolutions	For	Against
1.	To receive the audited financial statements for the period ended 31 March 2005 together with the reports of the Directors and Auditors		
2.	To reappoint Soo Heng Chin as Director		
3.	To reappoint Tan Sri Dato' (Dr) Haji Murad Bin Mohamad Noor as Director to hold office until the next AGM		
4.	To reappoint Datuk Oh Chong Peng as Director		
5.	To reappoint Datuk Yahya Bin Ya'acob as Director		
6.	To reappoint PricewaterhouseCoopers as Auditors and to authorise the Directors to fix their remuneration		
7.	To approve the payment of Directors' fees of RM312,000		
8.	To authorise the issuance of up to 10% of the issued share capital of the Company		

Please indicate with "X" how you wish your vote to be cast. In the absence of specific instruction, your Proxy will vote or abstain as he/she thinks fit.

Number of Shares Held	Signed (and sealed) this _____ day of _____ 2005

Signature(s) : _____

Notes:

A member or holder entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead and such a proxy need not be a member of the Company. In the case of a corporate member, the instrument appointing a proxy must be either under its common seal or under the hand of its officer or attorney duly authorised. The instrument appointing a proxy must be deposited at the Registered Office not less than forty-eight (48) hours before the time set for holding the meeting or adjourned meeting. The Annual Report and Form of Proxy are available for access and download at the website at <http://www.ijm.com>.

Stamp

The Company Secretary
IJM CORPORATION BERHAD (104131-A)
2nd Floor, Wisma IJM
Jalan Yong Shook Lin
46050 Petaling Jaya
Selangor Darul Ehsan
Malaysia

CORPORATE INFORMATION



IJM CORPORATION BERHAD

(104131-A)

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DIVISIONAL OFFICES

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PLANTATIONS

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INTERNATIONAL VENTURES

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Principal Bankers

- ABN AMRO Bank Berhad
- Bumiputra-Commerce Bank Berhad
- HSBC Bank Malaysia Berhad
- Malayan Banking Berhad
- RHB Bank Berhad
- Standard Chartered Bank Malaysia Berhad
- United Overseas Bank (Malaysia) Berhad

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Stock Exchange Listing

Main Board of Bursa Malaysia Securities
Berhad since 29 September 1986
BMSB Code : 3336
Reuters Code : IJMS.KL
Bloomberg Code : IJM MK