

Profile of Directors, Secretary and Senior Management

DIRECTORS

TAN SRI DATO' (DR) HAJI AHMAD AZIZUDDIN BIN HAJI ZAINAL ABIDIN

PSM, DPMP, KMN, JP, *B.Eng.(Mining)(NZ)*, *AM (Aust)IMM*, *FIME(Mal)*, *P.Eng*

Y. Bhg. Tan Sri Ahmad, aged 74, is the Independent non-executive Chairman of the Group. He joined the IJM Board on 16 April 1984.

He started out as a civil servant and was the Senior Inspector of Mines for 14 years. Y. Bhg. Tan Sri Ahmad was also a Senator (1976-1978), Speaker of the Perak State Legislative Council (1978-1982), and State Assemblyman of Belanja District (1982-1986).

TAN BOON SENG @ KRISHNAN #^

SMS, B. Econs(Hons), CPA, CA, MBA

Mr Tan, aged 50, is an accountant by training. He joined IJM as Financial Controller in 1983 and joined the Board as an Alternate Director on 12 June 1984. He rose in ranks to assume the post of Group Managing Director on 1 January 1997.

Mr Tan is also a non-executive Director of Industrial Concrete Products Berhad, MASSCORP Berhad, ABN AMRO Bank Berhad, Torsco Berhad and Grupo Concesionario del Oeste S.A. He is also a member of the Executive Committee of the Federation of Public Listed Companies Berhad (FPLC).

Prior to joining IJM, he was with Kumpulan Perangsang Selangor Berhad for seven years.

GOH CHYE KOON #^+

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

Mr Goh, aged 53, has been the Deputy Group Managing Director of IJM since 1 January 1997.

He served as an engineer in the Ministry of Works for 11 years and was its Superintending Engineer prior to joining IJM as Senior Engineer in 1984. He was promoted as General Manager (Central Region) in 1986 and was made Alternate Director on 25 July 1995 before assuming his present position.

Mr Goh is also the Vice President of the Master Builders Association.

SOO HENG CHIN #^

B.Eng.(Civil)(Hons), MIEM, MBA

Mr Soo, aged 47, was appointed an Alternate Director on 12 June 1998 and subsequently a Group Executive Director on 17 May 2001. He heads a major construction unit within the Group and oversees the Purchasing & Store Department, Plant & Workshop Department, and Quality System & Safety Department.

Prior to joining IJM in 1979 as Engineer in Mudajaya Construction Sdn Bhd, he was an Engineer with the Drainage and Irrigation Department, Pahang.

VELAYUTHAN A/L TAN KIM SONG #

M.MIN, D.DIV (India & USA)

Mr Velayuthan, aged 48, was made an Alternate Director on 12 June 1998 and subsequently a Group Executive Director on 17 May 2001. He heads the Plantations Division of the Group.

Before joining IJM in 1985, he was the Assistant Manager of Multi-Purpose Holdings Berhad. He started out as a Project Officer of Desa Talisai Sdn Bhd and rose to become the Executive Director of IJM Plantations Sdn Bhd in 1997.

TAN SRI DATO' (DR) HAJI MURAD BIN MOHAMAD NOOR > * +

PSM, DSDK, JMN, PMK, SMK, KMN, BA (Hons)(Mal), Dip.Ed.(Mal), Dip.Ed.Admin (Reading UK), Hon.D.Litt (Reading UK), Hon.D.Ed (USM Penang)

Y. Bhg. Tan Sri Murad, aged 72, is a senior independent non-executive Director. He was appointed to the Board on 25 July 1985.

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

DATUK YAHYA BIN YA'ACOB > *

PJN, DIME, JSM, KMN, SMP, PBS, B.A. (Hons), D.P.A. (Malaya), M.B.M. (Philippines)

Y. Bhg. Datuk Yahya, aged 58, is an independent non-executive Director. He was appointed to the Board on 31 March 1999.

He is also the Chairman of the Malaysian Highway Authority and Trenergy (Malaysia) Berhad as well as non-executive Director of UDA Holdings Berhad, Rumpun Hijau Capital Berhad and Torsco Berhad.

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

OH CHONG PENG *

FCA, CPA

Mr Oh, aged 57, is an independent non-executive Director. He was appointed to the Board on 12 April 2002.

He is a non-executive Chairman of Land & General Berhad, Nanyang Press Holdings Berhad and RHB Management Company Sdn Bhd, and is a non executive Director of Star Publications (Malaysia) Berhad, British American Tobacco (Malaysia) Berhad, Rashid Hussain Berhad, RHB Capital Berhad, RHB Bank Berhad, RHB Insurance Berhad, Powertek Berhad and Renong Berhad. He is also a Council Member of the Malaysian Institute of Certified Public Accountants (MICPA), a Trustee of Huaren Education Foundation, and a Government appointed Member of the Labuan Offshore Financial Services Authority.

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

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

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

Y. Bhg. Tan Sri Wan Abdul Rahman, aged 61, joined the Board on 1 July 1996 and is a non-executive Director.

Besides this, he is also the Chairman of the Malaysian Construction Industry Development Board, Malaysian Standard & Accreditation Council, and The Road Engineering Association of Malaysia (REAM), Lingkaran Trans Kota Holdings Berhad and Lysaght Galvanized Steel Berhad. He also sits as non-executive Director of Malaysian Industrial Development Finance Berhad, Malaysia Mining Corporation Berhad, Northport Corporation Berhad, Powertek Berhad, Saujana Consolidated Berhad, and SIME UEP Properties Berhad. He is also a Council member of The Road Engineering Association of Asia & Australia (REAAA) and an Ex-Officio member of The Institution of Highways and Transportation (Malaysia Branch).

He was with the Ministry of Works for 32 years, having served the last six years as the Director General of the Public Works Department before his retirement in 1996.

DATO' GOH CHYE KEAT >

DSPN, JSM, DJN, Dip.Eng., P.Eng.

Y. Bhg. Dato' Goh, aged 61, one of the pioneers of the Group, has been a non-executive Director since he retired as Group Managing Director of IJM on 31 December 1996. He was appointed to the Board on 16 April 1984, and was made Group Managing Director in 1988.

He is a non-executive Director of Industrial Concrete Products Berhad and MASSCORP Berhad.

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

CHOO CHOON YEOW

B.Eng.(Hons), FIEM, MICE, P.Eng., C.Eng.

Mr Choo, aged 58, was made non-executive Director since his retirement as Deputy Group Managing Director of IJM on 24 March 1999.

He was with Jurutera Konsultant (M) Sdn Bhd for 13 years and was its Project Director prior to joining IJM in 1985 as Technical Manager. From there, he moved on to become Project Coordinator in 1987, Alternate Director on 1 November 1988, Director in 1994, and Deputy Group Managing Director in 1997.

LAI MENG

B.Econs(Hons)

Mr Lai, aged 47, is a non-executive Director of IJM. He was appointed Director on 23 June 1994 and is a representative of IGB Corporation Berhad.

He has been Executive Director of IGB Corporation Berhad since 1995, and a non-executive Director of Ipimuda Berhad.

He was with Bank Negara Malaysia for seven years and was its Senior Administration Officer prior to joining Hongkong Tin Corporation (M) Berhad in 1985 as Corporate Planner, and Kinta Kellas Investments PLC in 1986 as Corporate Manager. In 1988, he joined Tan & Tan Developments Berhad as Manager (Corporate Affairs) before being appointed Group Financial Controller in 1989 and General Manager (Finance & Administration) in 1990. He was promoted as Director (Corporate Affairs) of IGB Corporation Berhad in 1992.

HAJI OSMAN BIN HAJI ISMAIL

Adv Dip Acc

Tuan Haji Osman, aged 44, was appointed as non-executive Director of IJM on 5 January 2001. He is a representative of Permodalan Nasional Berhad ("PNB").

He is also a non-executive Director of Gold IS Berhad, Heitech Padu Berhad, IGB Corporation Berhad and Tan & Tan Developments Berhad.

Tuan Haji Osman, who joined PNB in 1985, is currently the Senior Manager, Financial & Management Audit Department of PNB. He is also a member of the Institute of Internal Auditor Malaysia.

SECRETARY

JEREMIE TING KENG FUI

MBA, FCIS, FCSM

Mr Ting, aged 45, joined IJM in 1982 and was appointed Company Secretary on 1 July 1994. He heads the Corporate Services Department.

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

He is the Deputy President of the Malaysian Association of the Institute of Chartered Secretaries & Administrators (MAICSA) for 2002, and is an alternate member of the Executive Committee of the Federation of Public Listed Companies Berhad. He was awarded the ROC-MAICSA Company Secretary Award 2000 (Listed Company Category).

SENIOR MANAGEMENT

LING AH HONG

B.Agric. Sc (Hons)

Mr Ling, aged 51, has been the General Manager of IJM Plantations Division since 1 September 1999.

His past positions include Agronomist (1979-1985) and Manager, Agricultural Services (1986-1989) of Dunlop Estates Berhad, General Manager, Plantation Division (1992-1996) of Malaysian Mosaics Berhad and Chief Operating Officer-Plantation (1996-1998) of Hap Seng Consolidated Berhad.

LOY BOON CHEN

CPA, MBA

Mr Loy, aged 51, was appointed Finance Director on 1 July 1998. He is also a non-executive Director of Guangdong Provincial Expressway Development Co. Limited.

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

He was with Ernst & Young for seven years. He joined Mudajaya Construction Sdn Bhd as Chief Accountant before being appointed Group Financial Controller of IJM in 1994.

He is also a member of the ESOS Committee.

MAH TECK OON

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

Mr Mah, aged 50, heads IJM Industries Division since 1 July 1998.

He was with the Hong Leong Group Malaysia for 15 years and was its General Manager of the ceramic tile factories for 10 years. He was the Senior General Manager of the Concrete Products Division of Hume Industries (M) Berhad prior to joining IJM in 1995 as Group General Manager (Industries Division).

TEH KEAN MING

B.E (Civil), P.Eng, MIEM

Mr Teh, aged 47, was appointed Group General Manager of IJM Properties Division on 1 April 2001.

He was a Resident Civil & Structural Engineer of Malayan Banking Berhad (1983-1987) and Site Manager of Antah Biwater J.V. Sdn Bhd (1987-1989) prior to joining IJM Construction Sdn Bhd as Project Manager (1989-1993), Senior Manager (Project) (1994-1997) and Project Director (1998-2001).

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

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

All Directors are Malaysians.

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

None of the Directors has been convicted of any offences within the past 10 years, other than traffic offences.

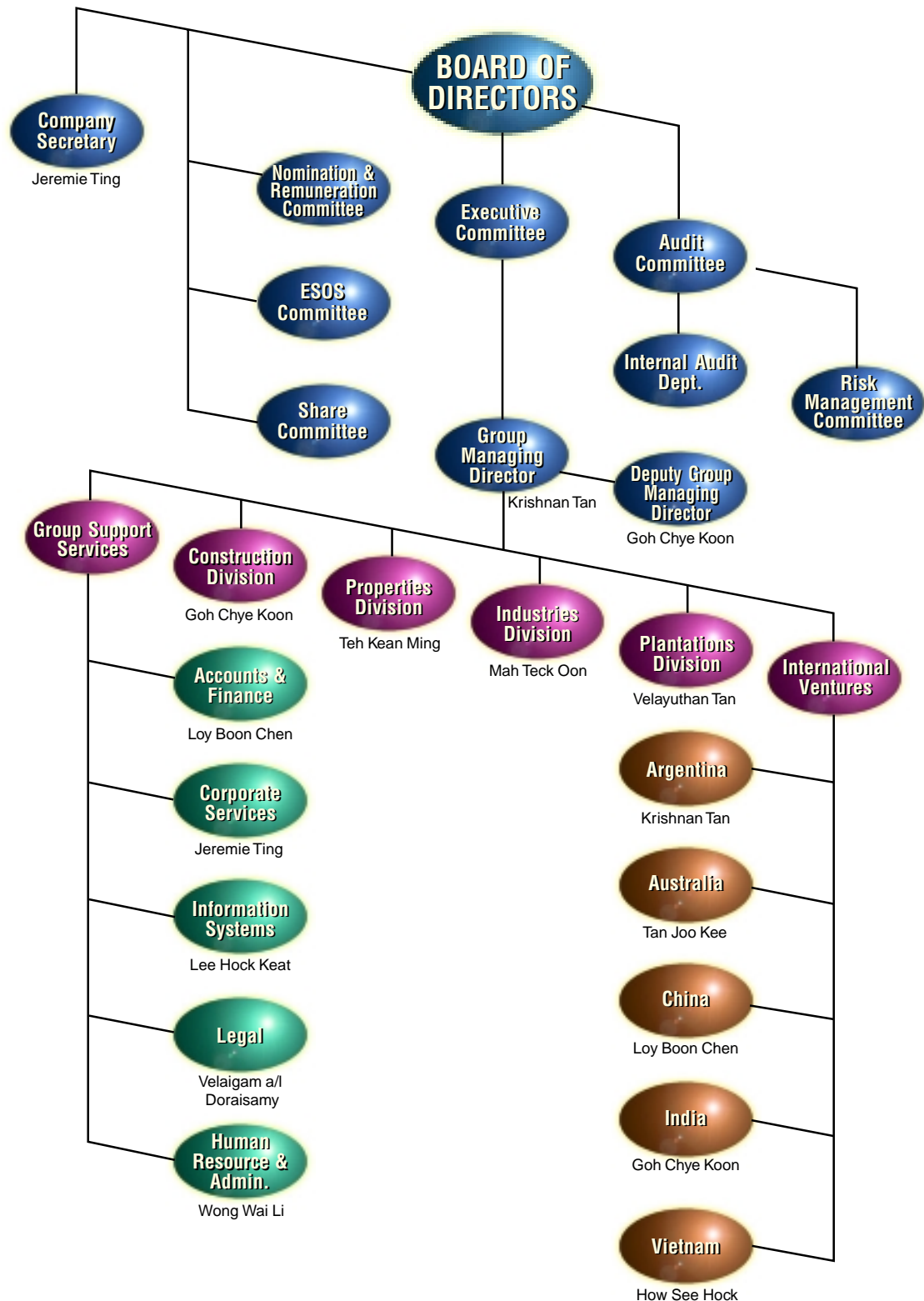
- # Executive Committee
- > Nomination & Remuneration Committee
- * Audit Committee
- ^ Share Committee
- + ESOS Committee



Group Support Services

L to R: Mr Lee Hock Keat (General Manager - Accounts & Finance), Mr Jeremie Ting (Company Secretary), Mr Velaigam a/l Doraisamy (Sr. Manager - Legal), Ms Wong Wai Li (Manager - Human Resource & Admin) and Mr Loy Boon Chen (Finance Director).

IJM Group of Companies - Organisation Chart



Chairman's Statement



INTRODUCTION

On behalf of the Board of Directors of IJM Corporation Berhad, I am pleased to present the Annual Report and the Financial Statements of the Group and the Company for the year ended 31 December 2001.

OPERATING RESULTS

The Malaysian economy took a turn for the worse in 2001, after the impressive rebound in 1999-2000 from the 1997 and 1998 recessionary years. It registered a GDP growth rate of only 0.4% against 8.3% in 2000. All major sectors in the economy, especially manufacturing and plantations, were hit by the slow-down in the global economy and the consequent export weakness. The September 11 incident in New York and the war in Afghanistan exacerbated the situation, further slowing down the recovery in the US and world economy and consequently, the Malaysian economy.

During 2001, the Government took proactive pump-priming measures to stimulate domestic demand to cushion the slowing Malaysian economy. These included two special fiscal stimulus packages totalling RM7.30 billion, to enable the construction sector to spearhead the growth in the local economy.

The Government also stepped up efforts to eliminate bureaucratic delays to accelerate project implementation and completion by giving all ministries and agencies deadlines to expedite payments to contractors and suppliers. Expansionary fiscal stimulus, both tax and non-tax, and accommodative monetary policies were put in place to help the country avert negative GDP growth for 2001.

In view of the positive measures taken by the Government and improved contributions from offshore operations, our Group was able to chalk up a 76.9% increase in pre-tax profit to RM210.41 million (2000: RM118.96 million) in 2001, on the back of revenues of RM857.39 million (2000: RM615.85 million). All the divisions, namely, Construction, Properties, Industries, Plantations and Infrastructure performed better in 2001. The pre-tax profit was also partially boosted by net exceptional gains of RM62.61 million. It should be noted that the Group enjoyed an exceptional gain of RM122.26 million from the partial disposal of investment in Guangdong Provincial Expressway Development Co. Ltd (GPED). But the gains were reduced by an allowance of RM47.00 million for diminution in value of investment in Grupo Concesionario del Oeste S.A. (GCO), following a severe devaluation of the Argentine peso.

Besides the record pre-tax profit, the Group also achieved other significant milestones in 2001. These included securing RM1.77 billion in construction contracts, the highest ever in a single year; recognition from the industry through the "Builder of the Year" award; and being the second best performing stock on the Kuala Lumpur Stock Exchange.

As at end 2001, the Group's gearing ratio (debt-equity) is at an all-time low of 14.1% (2000: 30.6%). This was mainly attributable to an increase in billings, vigilant credit control and debt collection, and the sale of GPED shares which brought in RM249.18 million to enable the Group to prepay and significantly reduce foreign currency borrowings.

BUSINESS OUTLOOK AND OPERATIONAL STRATEGIES

Several key US economic indicators are showing early signs of recovery, suggesting that the US-led world economy might be able to recover fairly quickly and avoid the risk of simultaneous, deep and prolonged recession for many countries. The current consensus opinion is that the world economy will recover faster in the second half of 2002. Although Bank Negara Malaysia has in its Annual Report, released on 20 March 2002, forecast a modest 3.5% growth in GDP for Malaysia for 2002, most research houses are projecting the local economy to grow between 5% and 7%.

Since the 2002 Budget is proactive, the consensus is that a higher economic growth is possible. The Budget seeks, among others, to strengthen economic growth through increased domestic expenditure, encourage consumption and diversify growth sources through trade and domestic activities while maintaining the role of foreign direct investment as well as expanding exports. It also earmarked RM28.40 billion for development expenditure, and this, together with the unspent amount under the 2001 special fiscal stimulus packages totalling RM7.30 billion, should enable the Malaysian economy, especially the construction sector, to register a higher GDP growth for 2002.

The Malaysian monetary policy remained stable and expansionist in 2001 and should remain so in 2002. The liquidity in the local banking system is such that interest rates will likely remain low for the rest of 2002.

It is worthwhile to note that the local construction industry is seeing a convergence of positive factors where the cost-risk involved is minimal. Further, not only are contract opportunities good, the cost of borrowing for project financing is near historical lows.

Dato' Goh Chye Keat, Mr Krishnan Tan and Mr Goh Chye Koon with the CIDB Builder of the Year 2001 award.



“...despite a very difficult and uncertain world economic environment, our Group has performed creditably while holding fast to our commitment on the quality of our products and safe work environment for our people.”

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



Steel Arches for Bridge BR-8 at Putrajaya

Given this, the Construction Division is optimistic that it will be able to score further successes in procuring new projects in Malaysia as well as overseas, especially in India where as a pioneering Malaysian contractor, we have carved a niche for ourselves in the emerging Indian construction market.

The Properties Division expects to at least emulate its 2001 performance based on our proven track record of timely completion and offerings of products with better layout, quality finishes and IT/Internet infrastructure for higher-end residential and commercial units. Several projects in good locations in Penang, Klang, Seremban, Johor Bahru and Sandakan would commence work during 2002. The Properties Division expects the times ahead to continue to be challenging. Except for properties in prime locations, demand for properties is generally subdued despite the availability of low interest financing.

Having seen improved results in 2001, the Industries Division would continue to ensure high capacity utilisation of existing plant in the steel fabrication, quarrying and ready-mixed businesses and secure better priced contracts. This division is expected to perform well in the current year given the robust construction sector in 2002.

The low crude palm oil (CPO) price has been a drag on the palm oil industry in the past two years. If the current CPO price is any indication of better times, then the Plantations Division should turn in a better set of results in 2002. The Division's current total planted acreage is 49,208 of which 22,225 acres are matured and in production while the balance will

come into maturity in the next two years. This Division also expects to plant an additional 28,267 acres of oil palm over the next few years.

The Infrastructure Division saw its investment in China reduced substantially, after the partial divestment of GPED shares in 2001. As such, it would see less contribution from China in 2002. The contribution from 20.1%-associate GCO, Argentina would also be reduced mainly due to the devaluation of the Argentine peso. However, in Vietnam, the 36%-owned Binh An Water Corporation Limited should see further growth in earnings resulting from higher demand and maximisation of production capacity.

In summary, despite a very difficult and uncertain world economic environment, our Group has performed creditably while holding fast to our commitment on the quality of our products and safe work environment for our people. The Group is optimistic of a good performance in 2002 and will continue to intensify our efforts to achieve our immediate objectives while addressing the need to create infrastructure investments with recurrent earnings, particularly within Malaysia.

DIVIDEND

The Board of Directors proposes a final dividend of 5%, less income tax (2000: 5%, less income tax), subject to shareholders' approval at the 18th Annual General Meeting of the Company. Together with the interim and special interim dividends totalling 15%, less income tax, the total dividends for 2001 would be 20%, less income tax (2000: 8%, less income tax).

UTILISATION OF PROCEEDS FROM CORPORATE PROPOSAL

In February 2000, the Company issued RM150 million nominal value of bonds with 80,178,930 detachable warrants. In the current year, the proceeds from the bond issue have been fully utilised.

CORPORATE GOVERNANCE

Our statement on corporate governance can be found on pages 40 to 46.

There were no sanctions and/or penalties imposed on the Company and its subsidiaries, directors or management by the relevant regulatory bodies in 2001.

RELATED PARTY TRANSACTIONS

Significant related party transactions of the Group for 2001 are disclosed in Note 44 to the financial statements. This Note also sets out the aggregate value of recurrent transactions conducted during the period in accordance with the general mandate obtained from shareholders at the previous Annual General Meeting.


During the period, there were no material contracts of the Group involving directors' and major shareholders' interests except those disclosed in Note 5 (b) to the financial statements.

ACKNOWLEDGEMENT

On behalf of the Board of Directors, I would like to thank the directors, management and all employees of the Group for their commitment and contribution during 2001. The year 2002 will continue to be a challenging

one despite recent signs of economic recovery worldwide. I would also like to take the opportunity to thank shareholders, associates, clients, bankers, sub-contractors and suppliers for your continuing understanding and support to the Group.

The Board and I also wish to record our sincere appreciation to Mr Ooi Poay Lum, an Executive Director who resigned from the Company and the Board on 31 July 2001 after 21 years of service with the Group; Mr Khoo Chew Meng, a retired director who resigned from the Board on 15 August 2001 but will remain an adviser to the Group; and Y. Bhg. Dato' Arthur Tan Boon Shih, a Director who resigned from the board on 4 April 2002. In addition, Mr Choo Choon Yeow, with 17 years of service with the Group, has expressed his intention to retire from the Board at the conclusion of the forthcoming Annual General Meeting but will remain an adviser to the Group. I also wish to welcome two senior executives of the Group, Mr Soo Heng Chin and Mr Velayuthan Tan; and Mr Oh Chong Peng, who was appointed an independent non-executive Director and member to the Audit Committee; to the Board. I am confident they will add a wealth of experience to the deliberations at the Board.



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

