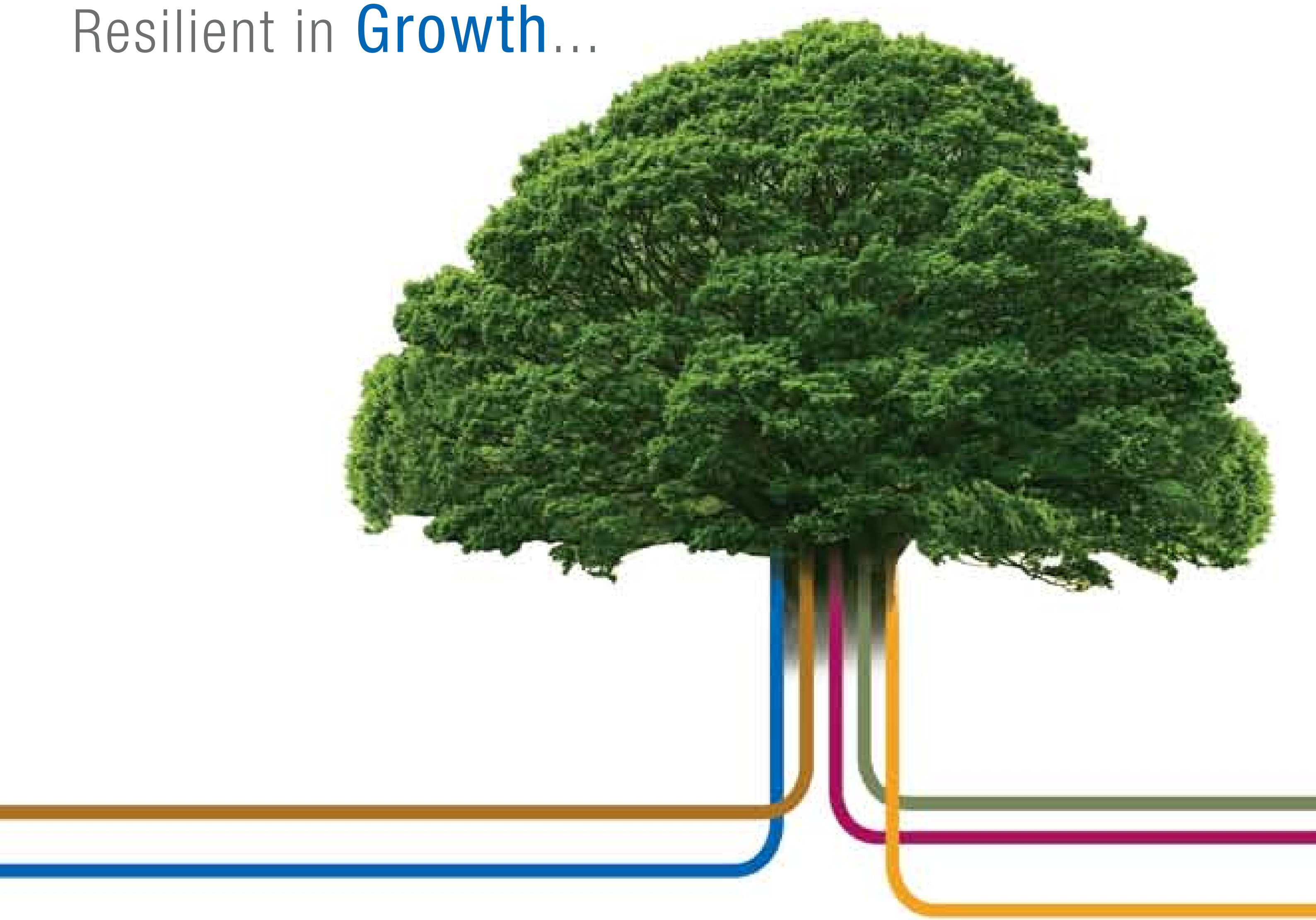
IJM CORPORATION BERHAD
(104131-A)

annual report '11

Resilient in Growth...



...Rooted in Strength

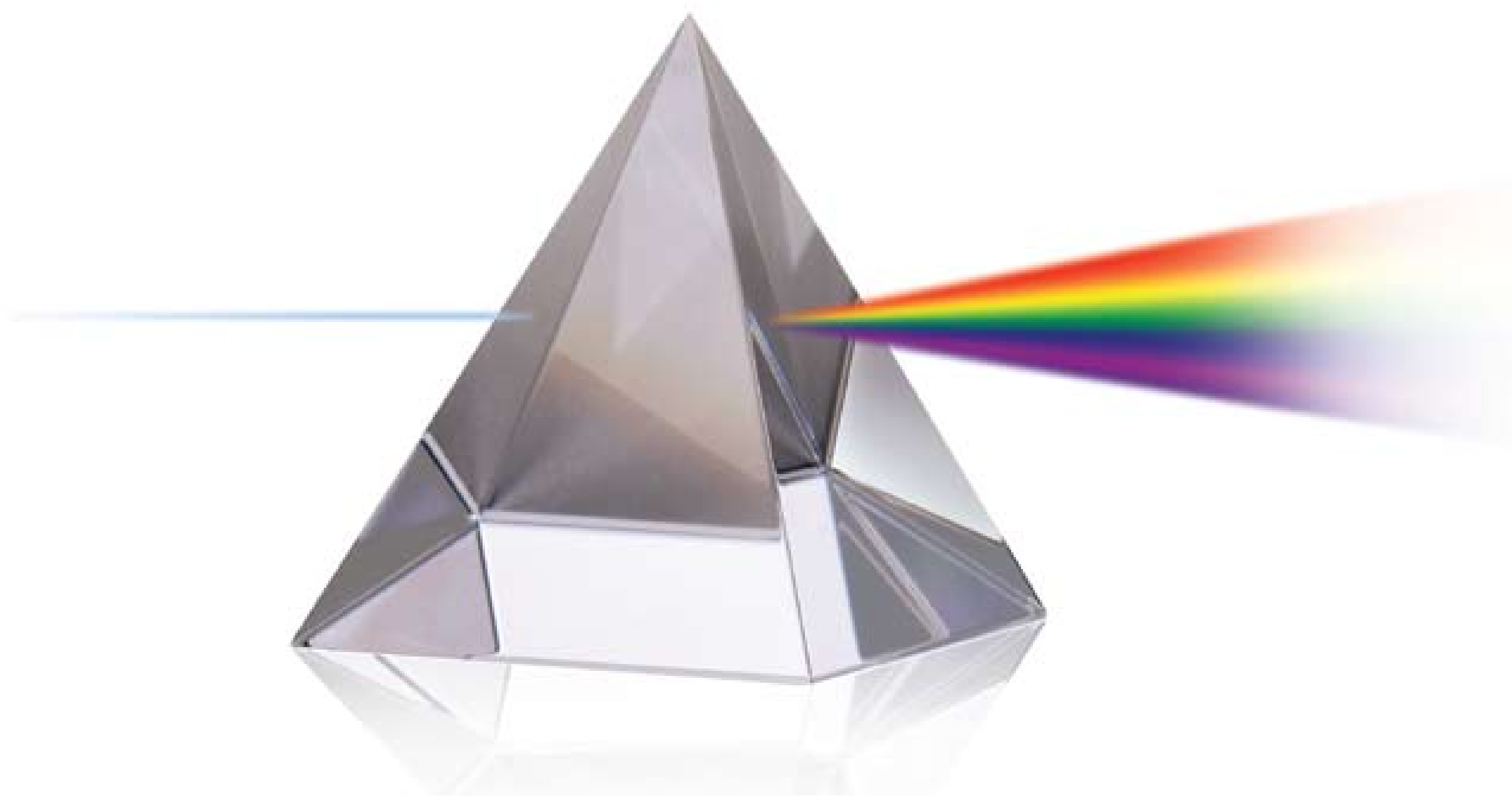
CONTENTS

Leveraging on our strengths... to maintain continuous growth

By staying rooted to our values, capabilities and expertise, the IJM Group has evolved and grown over the years, continuing to enhance value for all of its stakeholders.

The flourishing tree represents our deep-rooted commitment which, nourished by our diverse businesses, is able to withstand the changes and challenges in any environment, as we continue to nurture lives in every aspect of our operations.

Shared Vision



Framework & Commitments

Nothing stops our businesses from reaching their shared vision. We strive for excellence and efficiency in our quest to enhance our position as a dynamic industry leader.

IJM Charter

Our business policy and conduct continues to be guided by a strong commitment towards...

- Quality Products & Services
- Trusted Client Relationships
- Safety, Health & Environment
- Employee Welfare
- Social Responsibility
- Good Corporate Governance
- Maximising Stakeholder Returns
- Ethical Conduct

Our Vision

To be an internationally competitive Malaysian builder of world-class infrastructure and buildings.

Our Mission

To deliver the highest standards of performance in all our ventures with the IJM Mark of Excellence.

Our Culture

We strive to:

- uphold the highest standards of professionalism and exemplary corporate governance to maximise the benefits for all stakeholders;
- respect the different cultures, gender, religion, human rights and dignity of our stakeholders;
- ensure the quality of our products and services exceeds our customers' expectations;
- create a conducive environment for team spirit among our employees to work towards a unified workforce; and
- be a responsible and respected corporate citizen with concerns for social, safety, health and environmental issues.

Corporate Profile

IJM is one of Malaysia's leading conglomerates and is listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). Its core business activities encompass construction, property development, manufacturing and quarrying, infrastructure concessions and plantations.

Headquartered in Selangor, Malaysia, IJM's regional aspirations have seen it establish a growing presence in neighbouring developing markets with operations presently spanning 10 countries, with primary focus in Malaysia, India, United Arab Emirates, China and Indonesia.

IJM's phenomenal growth over the past two and a half decades has been the result of its unwavering focus on its core competencies, diversification into strategically related businesses and selective expansion into new markets.

IJM's excellent track record is well recognised and has been accredited with numerous awards. Recent accolades include:

- The Malaysian Construction Industry Excellence - Contractor of the Year Award 2009
- The Malaysian Construction Industry Excellence (International Achievement) Award in 2007, 2006 and 2001
- The MITI Excellence Award for Export of Services in 2007 and 2003
- The Malaysian International Contractor of the Year Award in 2005 and 2000
- The Road Engineering Excellence Award in 2004
- The Project Award in Major Skill Project in 2004 and Major Building Category in 2003
- The Malaysian Builder of the Year Award in 2002 and 2001

The Company's culture of professionalism, performance and good governance as well as care for society and the environment has also seen it being conferred:

- The Malaysian Corporate Governance Index - Industry Excellence Award (Construction) 2010 and Merit Award 2009
- The NACRA Industry Excellence Awards (Construction and Infrastructure) in 2009, 2008, 2007, 2006, 2004 and 2003, and Merit Award in 2010
- The Malaysian Construction Industry Excellence (Environmental Best Practices Special Mention Award) in 2008
- The Prime Minister's CSR Awards (Environment Category) in 2007
- Gold Medal Award for Occupational Safety & Health National Excellence in 2007
- The Asia Money Best Managed Company (Mid Cap) in Malaysia in 2006
- The Top 200 PLCs Corporate Governance Survey Report in 2006 (Ninth Place)
- The ACCA Malaysia Environmental and Social Reporting Award in 2006 (Second Runner-up in Best Social Reporting)
- The KLSE Corporate Merit Award (Construction Sector) in 2003, 2002 and 2001
- The inaugural Malaysian Business Corporate Governance Award in 2002

Municipal Corporation of Delhi Building, New Delhi, India

Metavilla homes at Seremban 2 Township, Negeri Sembilan

The result of a merger between three medium-sized local construction companies - IGB Construction Sdn Bhd, Jurutama Sdn Bhd and Mudajaya Sdn Bhd, IJM was formed in 1983 to compete more effectively against bigger foreign rivals. The Company began to quickly establish itself as a professionally managed construction group and rapidly gained market acceptance. Over the years, the Company progressively built on its delivery capabilities, competitive prowess and financial capacity to strengthen its footing as a reputable local contractor.

In April 2007, IJM acquired the Road Builder Group ("RBH"), its nearest competitor, to augment its position as one of the country's biggest builders. In addition to bolstering its construction order book, property land bank and infrastructure portfolio, the enlarged Group enabled IJM to attain considerable synergistic benefits from the merger, greater local prominence as well as attain a more sizeable balance sheet to bid for larger jobs and facilitate its expansion into overseas markets.

IJM's undertaking as a property developer began as a natural progression from its experience in the construction business. The Group's property arm has since grown considerably. Listed on the Main Market

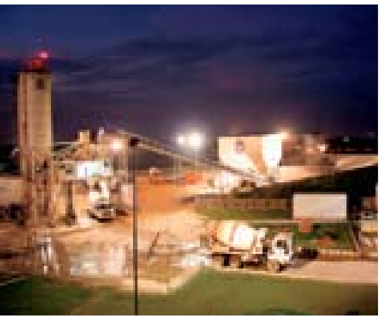
left to right:

THE EDGE Billion Ringgit Club 2010

Malaysian Corporate Governance Index - Industry Excellence Award (Construction) 2010

ACCA Malaysia Sustainability Reporting Awards (MaSRA) 2010

NACRA Merit Award 2010



Batching plant in Bachupally, India

New planting with leguminous cover crop

First oil rig berthed at Kuantan Port, Pahang

of Bursa Securities, IJM Land Berhad is presently one of the largest property developers in Malaysia with sprawling townships, commercial buildings and high-rise condominiums under development in key growth areas throughout the country. The Group has also made substantial inroads as a reputable developer into India in recent years. Besides that, it had also successfully undertaken ventures overseas in the past such as in Orlando USA, Singapore and Australia.

Initially supporting in-house needs, the Group's Industry Division quickly grew its operations into scalable core activities focused on demand outside the Group. IJM continued to expand on its operations in this division with strategic acquisitions such as the takeover of Industrial Concrete Products Berhad in 2004 and successful market diversifications into China, India and Pakistan.

Leveraging on its construction expertise, the Group also targeted infrastructure investments to create long-term recurrent income streams. Initial advancements into concession assets in Malaysia, however, proved elusive and, thus, an international focus was adopted. IJM's involvement in overseas infrastructure privatisation (Build-Operate-Transfer) schemes met with considerable success. Amongst the Group's present investments in major overseas infrastructure projects are the Western Access Tollway in Argentina, five tolled highways and the Gautami power plant in India, and the Binh An water treatment concession in Vietnam. In Malaysia, the Group operates three highways and port concessions, mainly from the RBH merger. The Group had previously invested in and profitably sold several infrastructure assets in China.

The Group also showed considerable foresight by venturing into plantations in 1985 as a source of steady income to cushion the cyclical nature of its core construction business. This investment has since paid off handsomely. Now listed on the Main Market of Bursa Securities, IJM Plantations Berhad has contributed significantly to the Group's earnings over the years and has also accorded the Group better resilience to weather macro-economic and input costs volatilities. It is currently expanding its plantation operations into Indonesia.

When IJM went public in 1986, it had a market capitalisation of RM66 million and total assets of RM172 million. As at 31 March 2011, the Group's market capitalisation and total assets stood at around RM8.7 billion and RM12.6 billion respectively.

Group Structure

IJM CORPORATION BERHAD
(104131-A)

Note: Non-operating or dormant companies are not included

↗ Direct subsidiary/associate/jointly controlled entity of IJM Corporation Berhad
■ Subsidiaries
■ Associates
■ Jointly Controlled Entities
↗ Direct subsidiary/associate of Road Builder (M) Holdings Bhd
@ Direct subsidiary of IJM (India) Infrastructure Limited, a subsidiary of IJMII (Mauritius) Limited
! Direct jointly controlled entity of IJM Vijayawada (Mauritius) Limited
& Direct subsidiary of IJMII (Mauritius) Limited, subsidiary of IJM Investments (M) Limited
$ Associate of IJM International Limited
^ Wholly-owned subsidiary of RB Port Sdn Bhd, a wholly-owned subsidiary of Road Builder (M) Holdings Bhd
# Associate of IEMCEE Infra (Mauritius) Limited
* Associate of IJMII (Mauritius) Limited
H Associate of KP Port Services Sdn Bhd
O Direct jointly controlled entity of IJM Trichy (Mauritius) Limited
◆ Direct subsidiary of RB Manufacturing Sdn Bhd, a wholly-owned subsidiary of IJM Corporation Berhad

CONSTRUCTION

↗ IJM Construction Sdn Bhd

- Road Builder (M) Sdn Bhd
  - Commerce House Sdn Bhd
- IJM Building Systems Sdn Bhd
- IJM Construction Vietnam Company Limited
- IJM Investments J. A. Limited
  - IJM Gulf Limited
    - IJM Gulf Pakistan (Pvt) Limited
  - IM Technologies Pakistan (Private) Limited
  - Karachi Expressway J. A. Limited
- Ground Envirotech Pte Ltd
- IJM Construction (Pakistan) (Private) Limited
- Jurutama Sdn Bhd
- Prebore Piling & Engineering Sdn Bhd

- CSC Ground Engineering Sdn Bhd
- Hexacon Construction Pte Limited
- Integrated Water Services (M) Sdn Bhd
- Highway Master Sdn Bhd

- Ambang Usaha Sdn Bhd
- ECC-IJM Joint Venture
- Hafeera-IJM Joint Venture
- IJMC-Liberty Properties Joint Venture
- IJMC-Norwest Joint Venture
- IJMC-Peremba Joint Venture
- IJMC-Perkasa Sutera Joint Venture
- IJMC-Puncabahan Joint Venture
- IJMC-Teratai Joint Venture
- ISZL Consortium
- Shimizu-Nishimatsu-UEMB-IJMC Joint Venture
- Kiara Teratai-IJM Joint Venture
- IJMC-JAKS Joint Venture

↗ IJM Construction (Middle East) Limited Liability Company

↗ Nilai Cipta Sdn Bhd

IJM (India) Infrastructure Limited &
- IJM (India) Geotechniques Private Limited

PROPERTY

↗ IJM Land Berhad

- IJM Properties Sdn Bhd
  - Aqua Aspect Sdn Bhd
  - Chen Yu Land Sdn Bhd
  - Cypress Potential Sdn Bhd
  - IJM Management Services Sdn Bhd
  - Jelutong Development Sdn Bhd
  - Liberty Heritage (M) Sdn Bhd
  - Manda'rina (M) Sdn Bhd
  - NS Central Market Sdn Bhd
  - Sinaran Intisari (M) Sdn Bhd
  - Suria Bistari Development Sdn Bhd
  - Worldwide Ventures Sdn Bhd
- RB Land Sdn Bhd
  - Aras Varia Sdn Bhd
  - Casa Warna Sdn Bhd
  - Dian Warna Sdn Bhd
  - RB Property Management Sdn Bhd
  - Seremban Two Holdings Sdn Bhd
  - Seremban Two Properties Sdn Bhd
  - Seremban Two Property Management Sdn Bhd
  - Shah Alam 2 Sdn Bhd
  - Titian Tegas Sdn Bhd
  - Tarikan Abadi Sdn Bhd
  - Unggul Senja Sdn Bhd
- Sova Holdings Sdn Bhd
- Emko Properties Sdn Bhd
  - Emko Management Services Sdn Bhd
- ERMS Berhad
  - Holiday Villa Management Sdn Bhd
- RB Development Sdn Bhd

- Astaka Tegas Sdn Bhd
- Cekap Tropikal Sdn Bhd
- Elegan Pesona Sdn Bhd
- Good Debut Sdn Bhd
- IJM Management Services-Giat Bernas Joint Venture
- IJM Properties-JA Manan Development Joint Venture
- Radiant Pillar Sdn Bhd
- Sierra Selayang Sdn Bhd
- Sierra Ukay Sdn Bhd
- Valencia Terrace Sdn Bhd
- Larut Leisure Enterprise (Hong Kong) Limited

↗ IJM Australia Pty Limited

IJM Lingamaneni Township Private Limited @
Swarnandhra-IJMII Integrated Township Development Company Private Limited @

- OSW Properties Pty Limited $

↗ NPE Property Development Sdn Bhd

INDUSTRY

Industrial Concrete Products Sdn Bhd

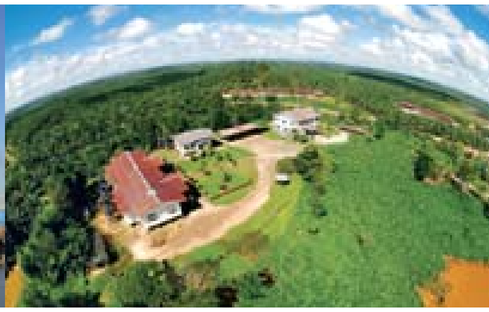
- Durabon Sdn Bhd
- Expedient Resources Sdn Bhd
  - Tadmansori Rubber Industries Sdn Bhd
- ICP Investments (L) Limited
  - ICPB (Mauritius) Limited
    - IJM Concrete Products Private Limited
    - IJM Steel Products Private Limited
- ICP Jiangmen Co. Ltd
- ICP Marketing Sdn Bhd
- Malaysian Rock Products Sdn Bhd
  - Aggregate Marketing Sdn Bhd
  - Azam Ekuiti Sdn Bhd
  - IJM Concrete Private Limited
    - IJM Concrete Pakistan
  - IJM Concrete Products Pakistan Private Limited
  - Kuang Rock Products Sdn Bhd
  - Oriental Empire Sdn Bhd
  - Scaffold Master Sdn Bhd
  - Strong Mixed Concrete Sdn Bhd

Kamad Quarry Sdn Bhd

Kemena Industries Sdn Bhd

Cofreth (M) Sdn Bhd
Metech Group Berhad
Spirolite (M) Sdn Bhd

PLANTATION



IJM Plantations Berhad

- Akrab Perkasa Sdn Bhd
- Berakan Maju Sdn Bhd
- Desa Talisai Palm Oil Mill Sdn Bhd
- Desa Talisai Sdn Bhd
- Excellent Challenger (M) Sdn Bhd
- Gunaria Sdn Bhd
  - PT Sinergi Agro Industri
- IJM Agri Services Sdn Bhd
- IJM Edible Oils Sdn Bhd
- IJMP Investments (M) Limited
  - IJM Plantations (Mauritius) Limited
- Minat Teguh Sdn Bhd
  - PT Primabahagia Permai
    - PT Prima Alumga
    - PT Indonesia Plantation Synergy
- Rakanan Jaya Sdn Bhd
- Ratus Sempurna Sdn Bhd
- Sabang Mills Sdn Bhd
- Sijas Plantations Sdn Bhd

INFRASTRUCTURE & OTHERS

Road Builder (M) Holdings Bhd

Besraya (M) Sdn Bhd
New Pantai Expressway Sdn Bhd
Kuantan Port Consortium Sdn Bhd
- KP Port Services Sdn Bhd
- KPN Services Sdn Bhd

Sukma Samudra Sdn Bhd ^

Konsortium Pelabuhan Kemaman Sdn Bhd
KP Depot Services Sdn Bhd H

IJM Investments (M) Limited

- IEMCEE Infra (Mauritius) Limited
- IJMII (Mauritius) Limited
  - Roadstar (India) Infrastructure Private Limited @
  - Swarnandhra Road Care Private Limited @
- IJM Rajasthan (Mauritius) Limited
  - Jaipur-Mahua Tollway Private Limited
- IJM Rewa (Mauritius) Limited
  - Rewa Tollway Private Limited
- IJM Trichy (Mauritius) Limited
- IJM Vijayawada (Mauritius) Limited

- Gautami Power Private Limited #
- Swarna Tollway Pte Ltd *

IJM International Limited

IJM Investments (L) Ltd

IJM Highway Services Sdn Bhd

Kuching Riverine Resort Management Sdn Bhd ◆

CIDB Inventures Sdn Bhd
Emas Utilities Corporation Sdn Bhd
Grupo Concesionario del Oeste S. A.
Kumpulan Europlus Berhad

Lebuhraya Kajang-Seremban Sdn Bhd
Trichy Tollway Private Limited o
Vijayawada Tollway Private Limited !

IJM Corp bags RM690m cancer institute contract

KPC disasar tarik pelaburan RM38 bilion

Future gains from Indonesian venture

IJM sees contribution to production and earnings by end-2014

IJM unit bags RM247m Sarawak road contracts

Two other firms also win jobs for the Murum dam access road

»The four packages awarded will be completed in 24 to 27 months«

IJM Land plans RM1.2b property projects this year

IJM Corp ups interest in Indian toll concession

Good response to IJM Land project

By Marina Emmanuel

IJM sells 30% stake in Laos power project to Mega First

IJM
IN THE HEADLINES

The IJM Group continued making headlines in the financial year ended 31 March 2011 amidst a period of economic recovery.

Upping the ante

Toll cuts during Raya

IJM unit clinches RM350m 2nd bridge package

Govt to pay NPE RM90mil

Najib: Compensation to be paid over toll rate cut

JAKS, IJM units win water transfer project

IJM keeps good track record in jobs

CPO rally to drive IJM Plantations earnings

IJM on track to win RM2b new orders

AT THE HELM

2010

11 April

Futsal Tournament @ Sports Planet, Sunway

Kelab Sukan IJM ("KSIJM") organised a futsal tournament to promote a healthy work-life balance amongst staff.

22 April

Inauguration of MCD Building @ New Delhi, India

The Municipal Corporation of Delhi ("MCD") Building, the city's tallest building built by IJM, was inaugurated by Home Minister, P. Chidambaram. The MCD Building is shown on page 6.

03 May

UBS Malaysia Corporate Day @ Sydney, Australia

IJM met with various institutional investors in one-on-one meetings.

18 May

Conference and Exhibition on 'Coastal Engineering Management Asia' @ Singapore

Industrial Concrete Products Sdn Bhd ("ICP") participated in the conference organised by International Quality and Productivity Center and showcased its spun piles in the exhibition.

05 June

'We Go Green' World Environment Day @ India

ICP India planted trees to mark the World Environment Day and promoted the 'green' concept amongst staff and the society.

13 June

Memorandum of Understanding ("MoU") between USM, Sanggar SAINS & IJM

A MoU was entered into to build a Science Park in USM as a centre for innovation and research development in the field of Science, Community and Arts.

18-20 June

8th IJM Games 2010 @ Kuantan, Pahang

The Infrastructure Division hosted the biennial inter-division games participated by over 500 IJM staff in various sports events and the overall champion was the Plantation Division.

02 July

Senior Management Dialogue @ Holiday Villa Hotel & Suites Subang

The Board, senior management and project managers attended the annual dialogue themed 'IJM in the Next Decade' where group and divisional performances, operational strategies and other issues were discussed.

03 July

Annual Dinner 'Boogie Nite' 2010 @ Sunway Resort Hotel & Spa

IJM staff attended the annual dinner party with great food, fantastic music and live performances.

10 July

Heartiest Congratulations to Dato' Teh Kean Ming

Yang Di-Pertua Negeri Pulau Pinang, Tun Dato' Seri Haji Abdul Rahman bin Haji Abbas conferred the Darjah Setia Pangkuan Negeri (D.S.P.N) which carries the title Dato' to our CEO & Managing Director on the occasion of His Excellency's birthday.

11 July

Visit by Sabah Forestry Department and Japanese Scientists @ IJM Plantations

The visit was to evaluate the potential collaboration on mangrove forest rehabilitation.

03 August

Merdeka Outing for School Children @ Kuala Lumpur & Penang

About 400 school children mainly from low income families were treated to a memorable trip focusing on historical and iconic sites of the city in tandem with the Merdeka theme.

04 August

IJM Scholarship Award 2010 @ Holiday Villa Hotel & Suites Subang

IJM presented the Scholarship Awards to 21 deserving recipients this year. In addition, 31 children of employees received the Academic Excellence Awards.

09 August

Completion of Lebuhraya Kajang-Seremban ("LEKAS")

LEKAS Highway connecting Kajang to Senawang was officially completed with the opening of Paroi Junction. The ceremony was officiated by Works Minister, Y.B. Dato' Shaziman Bin Hj. Abu Mansor.

25 August

AGM @ Holiday Villa Hotel & Suites Subang

IJM held its 26th Annual General Meeting and the shareholders approved resolutions to receive the audited financial statements, reappointment of directors and auditors, among others.

31 August

Visit to Old Folk's Homes @ Pahang

In conjunction with National Day, our Port Division visited 8 old folk's homes to distribute food and goodies as well as bringing joy to them.

05 September

A Day of Fun with the Kids @ KLCC

117 children from 6 homes were treated to a fun-filled outing at the Aquaria and Petrosains KLCC which concluded with a lovely dinner at the ECOBA restaurant in Damansara Perdana.

15-16 September

CLSA Investor Forum @ Hong Kong

IJM met with numerous fund managers to present on its business outlook and financial performance.

18 September

Mid-Autumn Celebration @ S2 City Park, Seremban

IJM Land in collaboration with Chinese associations in Seremban showcased 70 giant lanterns from China and celebrated the mid-autumn festival that was graced by Y.B. Tan Sri Dr Koh Tsu Koon, Minister in the PM's Department.

30 September

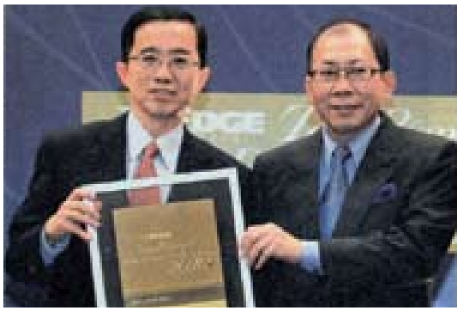
A Contrarian View of Corporate Governance @ Wisma IJM

CEO of Securities Industry Development Corporation, the training and development arm of the Securities Commission Malaysia, Mr. John Zinkin gave an enlightening talk on implementing good governance in an Asian context.

07 October

The Edge Top Property Developers Awards 2010

IJM Land was listed as one of the Top 10 Property Developers for 2010, demonstrating a great accomplishment for our property arm.



Corporate Diary (cont'd)

26 October

Budget 2011 Briefing @ Wisma IJM

Mr. Steve Chia, Tax Senior Executive Director of PricewaterhouseCoopers presented the highlights and implications of the budget.

02 November

Singapore Accreditation Council Certification for Ready-Mixed Concrete

Industry Division's 7 batching plants were successfully certified to conform to SS EN 206-1:2009, SS 544-1:2009, SS 544-2:2009 and SAC CT06:2010 for the export of concrete products to Singapore.

14 December

Malaysian Corporate Governance Index - Industry Excellence Award (Construction) 2010 @ Kuala Lumpur

IJM received the Award from the Minority Shareholder Watchdog Group at the Renaissance Hotel.

14 December

Donation to 1MCA Medical Foundation

As part of its corporate responsibility welfare initiatives, IJM donated RM200,000 to the foundation.

22 & 30 December

Green Building Index ("GBI") Certification @ Penang

IJM Land was awarded the GBI certification for The Light Linear and The Light Point projects, being the first developer in Penang to obtain the certification for high-rise properties.

2011

01 January

Changes in Top Management

Dato' Teh Kean Ming was appointed as CEO and Managing Director while Mr. Tan Gim Foo was appointed as Deputy CEO & Deputy Managing Director.

Tan Sri Dato' Krishnan Tan was redesignated as Executive Deputy Chairman.

28 January

National Annual Corporate Report Awards ("NACRA") 2010 @ Kuala Lumpur

IJM received the Merit Award at the Dinner & Award Ceremony held at the Sime Darby Convention Centre.

16 February

Chinese New Year Celebration @ Wisma IJM

Over 450 staff attended the event filled with performances like lion dance, 24 festive drums, a chinese orchestra and great food.

16 February

Scholar-Mentor Get-Together @ Wisma IJM

A scholar-mentor get-together was held as part of the mentoring programme to provide IJM scholars with counseling and guidance in their studies and to facilitate career development.

16 February

MPOB Code of Practices ("CoP") Certification @ IJM Plantations

Our plantation operations in Sabah were certified with MPOB's CoP for quality, food safety and sustainability.

21 February

Asia-Pacific Chinese Entrepreneurs ("APCE") Visit @ Kuantan Port

50 investors from APCE Association together with East Coast Economic Region Development Council officials visited our port and were briefed on the facilities and services.

10 March

DPM's Visit @ New Delhi, India

Deputy Prime Minister of Malaysia, Tan Sri Muhyiddin bin Haji Mohd Yassin visited our Delhi Metro Rail Corporation, Airport Metro Express Line Package C2 project.

22-23 March

Credit Suisse Asian Investor Conference @ Hong Kong

IJM took part in one-on-one and small group meetings with institutional investors who attended the conference.

26-27 March

Family Day @ Pahang

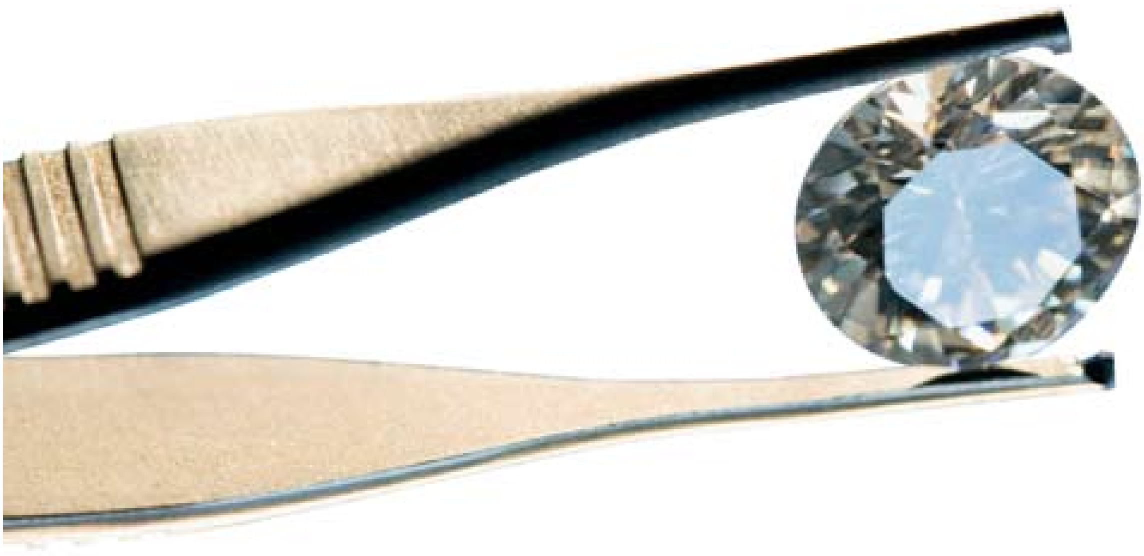
Our Port Division successfully organised a family day event themed '1 KPC-Family Fiesta 2011' at the Bukit Gambang Theme Park.

31 March

Plantation Expansion in Indonesia

IJM Plantations successfully completed field planting totaling over 13,000 hectares in Kalimantan.

Ingrained Strength



Organisation & Stewardship

Through perseverance, dedication and hardwork, we emerge with strength even under the most challenging circumstances. Every sector is a facet that illuminates our focus on excellence.

left to right

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

Y. Bhg. Tan Sri Dato' Tan Boon Seng @
Krishnan

Board of Directors
& SECRETARY

left to right
top:

Y. Bhg. Datuk Yahya Bin Ya'acob
Y. Bhg. Tan Sri Abdul Halim Bin Ali
Y. Bhg. Datuk Oh Chong Peng
Y. Bhg. Datuk Hj Hasni Bin Harun

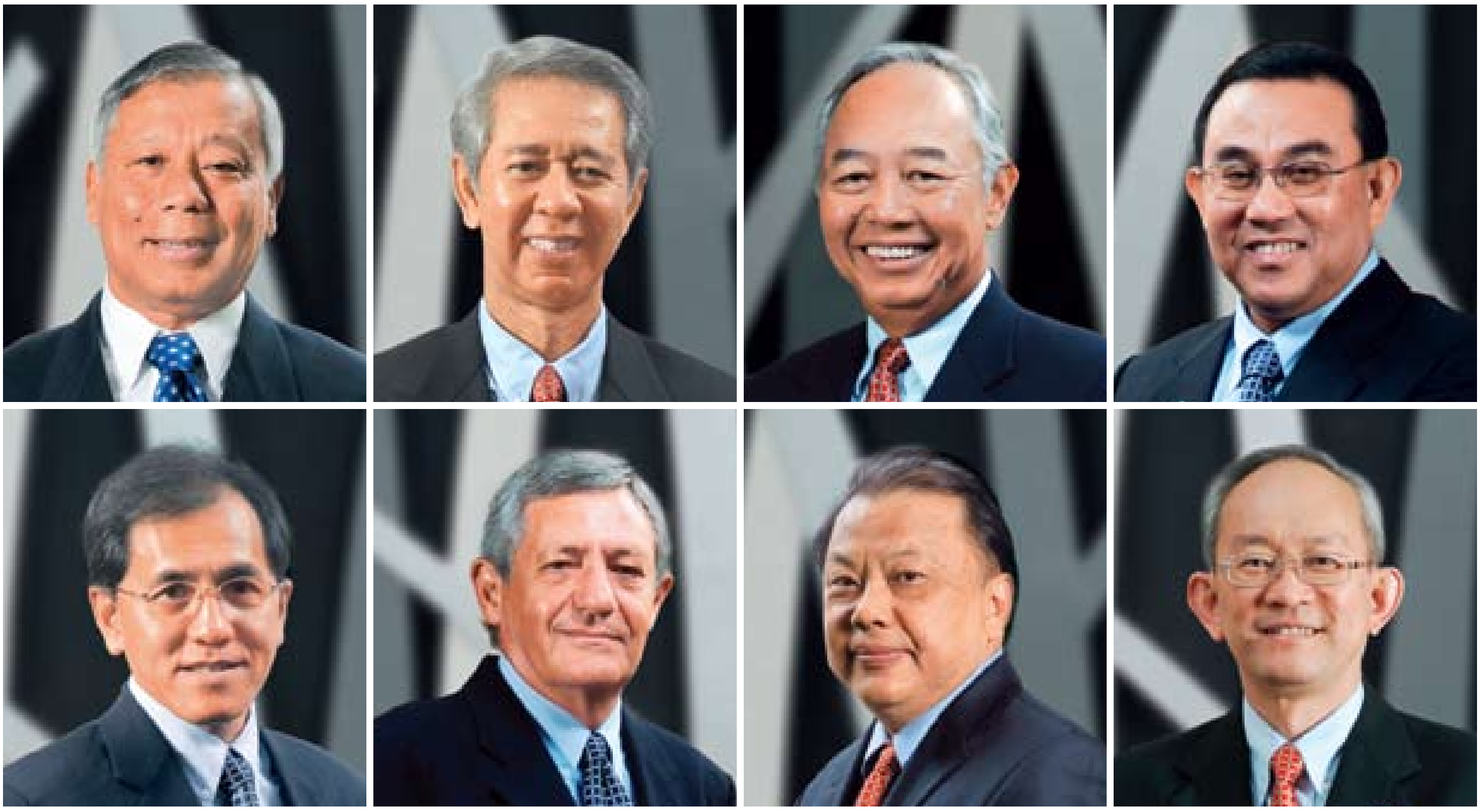
bottom:

Y. Bhg. Datuk Lee Teck Yuen
Y. Bhg. Dato' David Frederick Wilson
Y. Bhg. Dato' Goh Chye Koon
Jeremie Ting Keng Fui, *Secretary*

left to right

Y. Bhg. Dato' Teh Kean Ming

Tan Gim Foo



Profile of Directors

Y. BHG. TAN SRI DATO' WAN ABDUL RAHMAN, BORN IN JUNE 1941, JOINED THE BOARD ON 1 JULY 1996. HE WAS APPOINTED THE CHAIRMAN OF IJM CORPORATION BERHAD ON 28 FEBRUARY 2003.

Y. Bhg. 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, FCIOB, P.Eng., C.Eng.

Independent Non-Executive Chairman

- Nomination & Remuneration Committee
- Audit Committee

He obtained a Diploma in Civil Engineering from the Technical College, Kuala Lumpur in 1963, Diploma in Civil & Structural from Brighton College of Technology, United Kingdom in 1965, and attended the Advanced Management Programme of Harvard Business School, Boston, Massachusetts, USA in 1993. He was conferred a Honorary Doctor of Engineering by University of Birmingham, United Kingdom in 1993. He was with the Ministry of Works for 32 years, having served the last six (6) years as the Director General of the Public Works Department before his retirement in 1996.

He is a Council member of The Road Engineering Association of Asia & Australia (REAAA), Past President of The Chartered Institution of Highways and Transportation (Malaysia Branch) and The Road Engineering Association of Malaysia (REAM). He is at present the Vice-President of the Kuala Lumpur Lawn Tennis Association and Malay Cricket Association.

His directorships in other public companies include Lingkaran Trans Kota Holdings Berhad (Chairman), Lysaght Galvanized Steel Berhad (Chairman), Bank of America Malaysia Berhad, Malaysian Industrial Development Finance Berhad, NCB Holdings Berhad, MMC Corporation Berhad and Northport (Malaysia) Berhad (Chairman).

Y. BHG. TAN SRI DATO' TAN, BORN IN DECEMBER 1952, WAS APPOINTED EXECUTIVE DEPUTY CHAIRMAN ON 1 JANUARY 2011. HE JOINED IJM CORPORATION BERHAD ("IJM") AS FINANCIAL CONTROLLER IN 1983 AND THEN THE BOARD AS AN ALTERNATE DIRECTOR ON 12 JUNE 1984, DIRECTOR ON 10 APRIL 1990 AND DEPUTY MANAGING DIRECTOR ON 1 NOVEMBER 1993. HE WAS APPOINTED GROUP MANAGING DIRECTOR ON 1 JANUARY 1997. HE WAS REDESIGNATED CHIEF EXECUTIVE OFFICER & MANAGING DIRECTOR ("CEO&MD") ON 26 FEBRUARY 2004, AND STEPPED DOWN AS THE CEO&MD ON 31 DECEMBER 2010.

Y. Bhg. Tan Sri Dato' Tan Boon Seng @ Krishnan

PSM, DSPN, SMS

B.Econs(Hons), CPA(M), MBA

Executive Deputy Chairman

• Executive Committee

He qualified as a Certified Public Accountant in 1978 after graduating with a Bachelor of Economics (Honours) degree from University of Malaya in 1975, and holds a Master's degree in Business Administration from Golden Gate University, San Francisco, USA. Prior to joining IJM, he was with Kumpulan Perangsang Selangor Berhad for seven (7) years, his last position was Group Financial Controller.

His directorships in other public companies include IJM Plantations Berhad, IJM Land Berhad (Chairman), Malaysian South-South Corporation Berhad and Grupo Concesionario del Oeste S.A., Argentina. He is a member of the Board of Governors of Malaysia Property Incorporated (MPI). He also serves as a Member of the Malaysian Accounting Standards Board as well as the Financial Reporting Foundation, and a Trustee of Perdana Leadership Foundation. He is actively involved in the promotion of Malaysia India business ties and is currently the President of the Malaysia-India Business Council (MIBC) and Chairman of the Malaysia India CEO Forum.

For his contribution to the industry, he was awarded The Prominent Player Award 2008 by the Construction Industry Development Board Malaysia (CIDB).

Profile of Directors (cont'd)

Y. BHG. DATO' TEH, BORN IN APRIL 1955, WAS APPOINTED CHIEF EXECUTIVE OFFICER & MANAGING DIRECTOR ON 1 JANUARY 2011. HE WAS THE DEPUTY CHIEF EXECUTIVE OFFICER & DEPUTY MANAGING DIRECTOR FROM 1 JULY 2008 TO 31 DECEMBER 2010, AND THE ALTERNATE DIRECTOR TO DATO' GOH CHYE KEAT FROM 1 SEPTEMBER 2005 TO 16 AUGUST 2006 AND THE ALTERNATE DIRECTOR TO DATO' GOH CHYE KOON FROM 16 AUGUST 2006 TO 30 JUNE 2008.

Y. Bhg. Dato' Teh Kean Ming

DSPN, PKT

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

Chief Executive Officer & Managing Director

- Executive Committee
- Securities & Options Committee

He graduated with a Bachelor of Engineering degree from University of New South Wales, Australia in 1981.

He was a Resident Civil & Structural Engineer of Dayabumi Phase 3 Project (1981-1983) and Menara Maybank (1983-1987) and Area Engineer 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). He was the Group General Manager of IJM Corporation Berhad ("IJM") from 1 April 2001 to 31 December 2004. He was also the head of the Property Division of IJM from 2001 to 2008 and the Managing Director of IJM Properties Sdn Bhd from 1 January 2005 to 10 June 2009.

His directorships in other public companies include Metech Group Berhad, IJM Land Berhad, IJM Plantations Berhad, ERMS Berhad and Road Builder (M) Holdings Bhd.

MR TAN, BORN IN JUNE 1958, WAS APPOINTED DEPUTY CHIEF EXECUTIVE OFFICER & DEPUTY MANAGING DIRECTOR ON 1 JANUARY 2011. HE WAS THE ALTERNATE DIRECTOR TO MR SOO HENG CHIN FROM 1 SEPTEMBER 2005 TO 30 JANUARY 2010 AND THE ALTERNATE DIRECTOR TO DATO' GOH CHYE KOON FROM 30 JANUARY 2010 TO 31 DECEMBER 2010. HE IS ALSO THE MANAGING DIRECTOR OF IJM CONSTRUCTION SDN BHD ("IJMC") AND HEADS THE CONSTRUCTION DIVISION OF THE GROUP.

Tan Gim Foo

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

Deputy Chief Executive Officer &
Deputy Managing Director

• Executive Committee

He graduated with a Bachelor of Engineering (1st Class Honours) degree from University Malaya in 1983, and holds a Master's degree in Business Administration from Charles Sturt University, New South Wales, Australia.

He started out as a Site Engineer of Mudajaya Construction Sdn Bhd (1983-1986) prior to joining IJM Corporation Berhad as Planning & Design Engineer (1986-1988). He was Project Manager (1988-1994), Senior Manager (1994-1997) and Project Director (1998-2009). He was the Executive Director of IJMC from 1 January 2005 to 30 January 2010.

Profile of Directors (cont'd)

Y. Bhg. Datuk Yahya, born in January 1944, was appointed Director on 31 March 1999.

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

He was in the Malaysian Administrative and Diplomatic service for more than 32 years, having served the last five (5) 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 Contracts Division, Ministry of Finance (1988-1991), Deputy Director of the Implementation & Coordination Unit, Prime Minister's Department (1986-1988), and Deputy Secretary of the Finance Division, Ministry of Finance (1976-1986).

His directorships in other public companies include Emas Kiara Industries Berhad, LBI Capital Berhad, UDA Holdings Berhad, Pelaburan Johor Berhad and Damansara Realty Berhad.

Y. Bhg. Datuk Yahya Bin Ya'acob

PJN, DIMP, JSM, KMN, SMP, PBS

B.A. (Hons), D.P.A. (Malaya), M.B.M. (Philippines)

Senior Independent Non-Executive Director

- Nomination & Remuneration Committee
- Audit Committee
- Securities and Options Committee

Y. Bhg. Tan Sri Abdul Halim Bin Ali

PMN, PJN, SPMS, SIMP, DGSM, DHMS, DSDK, JSM, KMN

BA (Hons), University of Malaya

Independent Non-Executive Director

- Audit Committee

Y. Bhg. Tan Sri Abdul Halim, born in July 1943, was appointed Director on 25 April 2007.

He graduated with a Bachelor of Arts (Honours) degree from University of Malaya in 1966. He joined the Ministry of Foreign Affairs and served in the Malaysian Diplomatic Service from 1966 to 1996. During this period, he served in several diplomatic missions overseas, including ambassadorial appointments in Vietnam and Austria. He was appointed the Chief Secretary to the Government of Malaysia in 1998 and retired in 2001. After his retirement, he was made the Chairman of the Employees Provident Fund Board until January 2007.

His directorships in other public companies include Malaysia Building Society Berhad (Chairman), Malakoff Corporation Berhad (Chairman), Minority Shareholders Watchdog Group (Chairman) and ESSO Malaysia Berhad.

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

He undertook his accountancy training in London and qualified as a Chartered Accountant in 1969 and is a Fellow of the Institute of Chartered Accountants of England and Wales. He is also a member of the Malaysian Institute of Certified Public Accountants (MICPA) and the Malaysian Institute of Accountants.

He joined Coopers & Lybrand in London in 1969 and in Malaysia in 1971. He was a senior partner of Coopers and Lybrand (now known as PricewaterhouseCoopers), Malaysia from 1974 until his retirement in 1997. He was a Government appointed Committee Member of the Kuala Lumpur Stock Exchange from 1990 to 1996, a past President (1994-1996) and Council Member (1981-2002) of the MICPA, and also a member of the Listing Committee of Bursa Malaysia Berhad from 2008 to May 2011.

His directorships in other public companies include Alliance Financial Group Berhad (Chairman), British American Tobacco (Malaysia) Berhad, Dialog Group Berhad, IJM Plantations Berhad, Ingenious Growth Berhad, Kumpulan Europlus Berhad and Malayan Flour Mills Berhad. He is also a Trustee of UTAR Education Foundation; and a Government appointed Member of the Labuan Financial Services Authority.

Y. Bhg. Datuk Oh Chong Peng

PJN, JSM

FCA

Independent Non-Executive Director

- Nomination & Remuneration Committee
- Audit Committee

Y. Bhg. Datuk Hj Hasni Bin Harun

PJN, AMN, PJC

B. Accs (Hons), CA, MBA

Non-Executive Director

Y. Bhg. Datuk Hj Hasni, born in June 1957, was appointed Director on 21 April 2008 and is a representative of Zelan Berhad ("Zelan"). He first joined the Board on 9 May 2007 as an Alternate Director.

He graduated with a Bachelor of Accounting (Honours) degree from the University of Malaya in 1979, and holds a Master's degree in Business Administration from United States International University, San Diego, California, USA. He is also a member of the Malaysian Institute of Accountants.

He held several senior positions in the Accountant General's Office from 1980 to 1994. He was the Senior General Manager of the Investment Department at the Employees Provident Fund Board from March 1994 to March 2001, and the Managing Director of RHB Asset Management Sdn Bhd from April 2001 until April 2006. He then joined DRB-Hicom Berhad as Group Chief Financial Officer until December 2006 and joined MMC Corporation Berhad ("MMC") as the Chief Operating Officer in January 2007 until February 2008. In March 2008, he was appointed as the Chief Executive Officer, Malaysia prior to his present appointment as the Group Managing Director in May 2010.

His directorships in other public companies include Aliran Ihsan Resources Berhad, MMC, Zelan, Johor Port Berhad, Malakoff Corporation Berhad and MMC Engineering Group Berhad.

Y. Bhg. Datuk Lee, born in August 1956, was appointed Director on 30 May 2007.

He graduated with a Bachelor of Science (Honours) degree in Civil Engineering and Business Administration from University of Leeds, United Kingdom in 1978.

His directorships in other public companies include Road Builder (M) Holdings Bhd, IJM Land Berhad, Malaysian South-South Corporation Berhad (Executive Director) and Asean Business Forum. He is also currently the President of Malaysian Water Ski Federation, Honorary Secretary of Malaysian South-South Association and the Honorary Consul of the Republic of Colombia.

Y. Bhg. Datuk Lee Teck Yuen

PJN

BSc.(Hons) Civil Eng. & Bus. Adm.

Non-Executive Director

• Nomination & Remuneration Committee

Y. Bhg. Dato' David Frederick Wilson

DIMP

MA (Mech.Sc), BA (Mech.Sc)

Non-Executive Director

• Securities & Options Committee

Y. Bhg. Dato' Wilson, a British citizen, born in March 1945, was appointed Director on 30 May 2007.

He holds a Master of Arts degree in Mechanical Sciences from Cambridge University, United Kingdom. He is a Fellow of the Institution of Civil Engineers, United Kingdom and the Institution of Highways and Transportation, United Kingdom.

He worked on various infrastructure and development projects in United Kingdom, Africa, Central America, the Caribbean and the Middle East before coming to Malaysia in 1980 as the Chief Resident Engineer for the construction of the Kuala Lumpur-Seremban Expressway and the implementation of the first highway toll systems in Malaysia.

In 1986, he joined United Engineers (Malaysia) Berhad as General Manager - Technical Services and was Managing Director of Kinta Kellas plc from 1990 to 1994 during which time he was responsible for the management of the construction of the North-South Expressway. Subsequent appointments included Managing Director of Renong Overseas Corporation Sdn Bhd (1995-2002), Managing Director of Crest Petroleum Berhad (1998-2000) and President of the Construction and Engineering Division of the Renong Group (1998-2002).

In 2002, he moved to Road Builder (M) Holdings Bhd initially as Non-Executive Director and later as Executive Director responsible for construction operations in India.

Y. Bhg. Dato' Goh, born in June 1949, is a Non-Executive Director since 30 June 2009.

He graduated with a Bachelor of Engineering (Honours) degree from University of Malaya in 1973, and served as an engineer in the Ministry of Works for eleven (11) years and was its Superintending Engineer prior to joining IJM Corporation Berhad 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 the position of Deputy Group Managing Director on 1 January 1997. He was redesignated Deputy Chief Executive Officer & Deputy Managing Director in 2004, and upon his retirement, he remained as Executive Director for a year till 29 June 2009 to oversee the overseas' construction activities.

He was a member of the Construction Consultative Panel of the Malaysia Productivity Corporation (formerly known as National Productivity Corporation) ("MPC") and also a member of the Technical Resource Group on Human Resource of the MPC (2003-Jan 2010). He was the Chairman of the Building Industry Presidents' Council (June 2007-June 2008) and President of the Master Builders Association Malaysia for session 2004/2006, and has served as its Deputy President, Vice President and Deputy Secretary General. He was also a member of the Construction Industry Development Board, Malaysia (2004-2006) and Presidential Consultative Council of the Board of Engineers, Malaysia (2002-2004). He is presently an Advisory Peer Group (APG) member of the School of Science and Technology (SST), Wawasan Open University (March 2010).

He is also a Director of Kumpulan Europlus Berhad.

Y. Bhg. Dato' Goh Chye Koon

KMN, DSPN, JMN

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

Non-Executive Director

Note:

1. There are no family relationship between the Directors and/or major shareholders of the Company.
2. All Directors are Malaysians except for Dato' David Frederick Wilson who is a British national.
3. Save for Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman Bin Wan Yaacob, Tan Sri Dato' Tan Boon Seng @ Krishnan, Dato' Teh Kean Ming, Datuk Hj Hasni bin Harun, Datuk Lee Teck Yuen, and Dato' Goh Chye Koon, who have deemed interest in certain related party transactions as disclosed in Note 53 to the financial statements, none of the Directors has any financial interest in any business arrangement involving the Group.
4. All Directors maintain a clean record with regard to convictions for offences.

Group Organisation Chart

BOARD OF DIRECTORS

CEO & Managing Director

Dato' Teh Kean Ming

- Executive Committee
- Audit Committee
  - Risk Management Committee
    Cyrus Eruch Daruwalla
  - Internal Audit
    Lyndon Alfred Felix
- Nomination & Remuneration Committee
- Securities & Options Committee
- Company Secretary
  Jeremie Ting Keng Fui

DIVISIONS


Tan Gim Foo


Dato' Soam Heng Choon


Khor Kiem Teoh


Joseph Tek Choon Yee


Dato' Ho Phea Keat


James Wong Tet Foh

Construction
Tan Gim Foo

Property
Dato' Soam Heng Choon

Industry
Khor Kiem Teoh

Plantation
Joseph Tek Choon Yee

Infrastructure
Ports Dato' Ho Phea Keat
Tolls James Wong Tet Foh

International Ventures


Pook Fong Fee
India & Pakistan


Tan Kiam Choon
Middle East


Tan Peng Kok
Vietnam


Adam Eleod
Argentina

Deputy CEO & Deputy Managing Director

Tan Gim Foo

GROUP SUPPORT SERVICES


Cyrus Eruch Daruwalla


James Ponniah Joseph


Jeremie Ting Keng Fui


Lee Chun Fai


Agnes Choon


Mohd Kamal bin Harun


Lyndon Alfred Felix


Ng Yoke Kian


Ahmad Nazmi bin Mohamed Ali


S. Ramesh a/l V. Subramaniam


Shane Guha Thakurta


Sheela Kasivisvanathan

Accounts & Finance
Cyrus Eruch Daruwalla (CFO)
Lee Chun Fai (Deputy CFO)

Legal
James Ponniah Joseph

Corporate Services & Administration
Jeremie Ting Keng Fui

- **Corporate Services**
  Ng Yoke Kian
- **Administration**
- **Information Systems**

Business Development & New Ventures
Mohd Kamal bin Harun

Quality, Health, Safety & Environment

- **Quality System**
  S. Ramesh a/l V. Subramaniam
- **Health, Safety & Environment**
  Ahmad Nazmi bin Mohamed Ali

Human Resources
Agnes Choon

Investor Relations
Shane Guha Thakurta

Corporate Communications
Sheela Kasivisvanathan

Profile of Senior Management


Khor Kiem Teoh


Dato' Soam Heng Choon


Dato' Ho Phea Keat

Khor Kiem Teoh

B.Civil Engineering
Chief Executive Officer & Managing Director (Industrial Concrete Products Sdn Bhd)

Mr. Khor, born in August 1958, is the Chief Executive Officer & Managing Director of Industrial Concrete Products Sdn Bhd ("ICP") since 5 November 2007.

He graduated from Auburn University, Alabama, USA with a Bachelor of Science degree majoring in Civil Engineering in 1981 Upon graduation, he joined Jurutera Konsultant (SEA) Sdn Bhd, an engineering consultancy firm as an engineer. He was involved in the design of North-South Expressway.

He joined ICP in 1984 as a Sales Engineer and was promoted to Sales Manager in 1993. He was Deputy General Manager in 2002 and then General Manager in 2003. On 17 August 2004, he was appointed as Chief Operating Officer and as Alternate Director to Mr Lim Yong Keat. He resigned as Alternate Director to Mr Lim Yong Keat on 21 September 2005. He was appointed as Executive Director of ICP on 16 August 2006.

Y. Bhg. Dato' Soam Heng Choon

DIMP
B.Sc. (Civil Eng)(Hons), P.Eng, MIEM
Chief Executive Officer & Managing Director (IJM Land Berhad)

Dato' Soam, born in August 1959, was redesignated as the Chief Executive Officer & Managing Director of IJM Land Berhad with effect from 1 February 2010. Prior to that, he was the Company's Managing Director since 2 October 2006. He is currently also the Managing Director of RB Land Sdn Bhd and IJM Properties Sdn Bhd.

He graduated from the University of Strathclyde, United Kingdom with a Bachelor of Science (1st Class Honours) in Civil Engineering. He was with the Ministry of Works prior to joining Road Builder (M) Holdings Bhd Group in 1989.

He is a Professional Engineer and a member of the Institution of Engineers, Malaysia. He is the Vice President of Real Estate and Housing Developers Association (REHDA) Malaysia and the Immediate Past Chairman of the REHDA, Negeri Sembilan branch.

Y. Bhg. Dato' Ho Phea Keat

DIMP
B.Tech.(Civil), P.Eng., MIEM
Managing Director (Port Division)

Dato' Ho, born in March 1955, was appointed the Managing Director of Kuantan Port Consortium Sdn Bhd ("KPC") on 1 September 2009.

He graduated with a Bachelor of Technology (1st Class) degree in Civil Engineering from the Indian Institute of Technology, Bombay, India in 1982. He is a qualified Professional Engineer and is also a corporate member of the Institution of Engineers, Malaysia. He also holds an advanced certificate specialising in Port and Harbour Engineering from the Port & Harbour Research Institute, Japan.

In 1983, he joined Kuantan Port Authority as a Civil Engineer and optionally retired from the Government Service as a Senior Civil Engineer in 1997. He was Head of the Planning, Research & Development Department of KPC in 1998 and promoted to the position of General Manager of Infrastructure, Research & Development, a position he held for seven (7) years, where he was also responsible for the full spectrum of the Civil Engineering and Maritime Infrastructure works of Kuantan Port. He was promoted as the Deputy Managing Director in September 2008.


Joseph Tek Choon Yee


Velayuthan A/L Tan Kim Song

Joseph Tek Choon Yee

B. Sc. (Hons), MPhil. (Cantab)

Chief Executive Officer & Managing Director (IJM Plantations Berhad)

Mr. Joseph Tek, born in January 1966, was appointed the Chief Executive Officer & Managing Director ("CEO&MD") of IJM Plantations Berhad ("IJMP") on 23 May 2010.

He graduated with a Bachelor of Science degree with First Class Honours from Universiti Kebangsaan Malaysia. He was a Commonwealth ODASS-Sime Darby scholar and obtained his Master's in Philosophy (Plant Breeding) from Cambridge University, England. He also attended the ASEAN Senior Management Development Programme organised by Harvard Business School Alumni Club of Malaysia.

He joined IJMP in September 2004 to head the research, training and development activities of the Group, and was appointed an Alternate Director on 22 May 2008 and Executive Director on 19 October 2008 besides being the General Manager - Plantations (Sabah). He was then redesignated to the position of Chief Operating Officer & Executive Director on 18 May 2009, prior to his appointment as CEO&MD of IJMP.

Prior to joining IJMP in 2004, he was with Sime Darby Plantations Sdn Bhd as Plant Breeder in Ebor Research (1991-1997), R&D Manager (1997-2000) and later Manager-Agritech Business (2000-2001) with Sime Aerogreen Sdn Bhd and Sime Gardentech Sdn Bhd. His last position was Head of R&D with the Malaysian Palm Oil Association (MPOA) (2001-2004).

He is currently a member of the Programme Advisory Committee (PAC) of the Malaysian Palm Oil Board (MPOB) (2011-2013) and a Council Member of the Malaysian Estate Owners' Association (MEOA) since 2009. He was also a Council Member of the Malaysian Oil Scientists' and Technologists' Association (MOSTA) (2006-2007), a member of the Criteria Working Group for the Roundtable on Sustainable Palm Oil (RSPO) (2005-2006) and Vice-Chairman of the MPOA Environment Working Committee for 2004-2005.

Velayuthan A/L Tan Kim Song

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

Chief Executive Officer (IJM Plantations Berhad - Indonesia)

Mr. Vela Tan, born in May 1954, was appointed the Chief Executive Officer of PT Primabahagia Permai on 1 June 2010, and heads the Indonesian operations of IJM Plantations Berhad ("IJMP").

He completed a Diploma in Management from the Malaysian Institute of Management in 1985. He was with Multi-Purpose Holdings Berhad for five (5) years before joining IJM Corporation Berhad ("IJM") in 1985. He was appointed Group General Manager of IJMP in 1994 before being appointed Executive Director in 1997 and Managing Director in 2003. He was redesignated Chief Executive Officer & Managing Director in February 2004 until his retirement in May 2010. He also served as Group Executive Director of IJM from May 2001 to May 2003.

He was conferred with an Honorary fellowship of the Malaysian Oil Scientists' & Technologists' Association (MOSTA) in June 2010 and is a Council Member of the Malaysian Estate Owners' Association (MEOA) for term 2010/2011. He was also a Council Member of Malaysian Palm Oil Association (MPOA) and alternate Board Member on the Malaysian Palm Oil Board (MPOB). He is the President of the Sabah Rugby Union since 2002 and Founding President of Sandakan Rugby Club.

Profile of Senior Management (cont'd)

Tong Wai Yong

James Wong Tet Foh

Neoh Soon Hiong

Tong Wai Yong

B.Eng. (Civil Eng)(Hons), P.Eng., FIEM

Executive Director (Road Builder (M) Sdn Bhd)

Mr. Tong, born in April 1958, has been the Executive Director of Road Builder (M) Sdn Bhd ("RBM") since 20 November 2006. He is also the Operations Director of IJM Construction Sdn Bhd. In addition, he heads the Construction Services at Head Office overseeing Procurement & Store, Plant & Workshop, Project Monitoring, Quality Management System and Health, Safety & Environmental Management System departments.

He graduated with a Bachelor of Engineering (Honours) degree from University of Malaya in Civil Engineering. He started his career as a Project Engineer with the Ministry of Works (1982-1984) and subsequently worked as the Site Agent for Syarikat Pembinaan Raya Sdn Bhd (1984-1989). He was the Chief Operating Officer of Pati Sdn Bhd (1989-2003) prior to joining RBM as the Director for Special Projects in 2003.

He is a Fellow Member of the Institution of Engineers, Malaysia and a Registered Professional Engineer.

Ir. James Wong Tet Foh

B.Sc. (Civil Eng) (Hons), M.Sc., P.Eng.

Head of Toll Division

Ir. James Wong, born in April 1961, was appointed Head of Toll Division on 21 July 2011.

He graduated in 1984 with a Bachelor of Science (1st Class Honours) in Civil Engineering and a Master of Science degree in Concrete Structures in 1985 from Imperial College of Science, Technology & Medicine, United Kingdom. He attained his Professional Engineer registration with the Board of Engineers Malaysia in 1989 after having spent the first five years of his career with a forensic engineering consultancy firm specialising in distressed buildings or infrastructure works covering the field of geotechnical, structural and material investigations.

He joined the UEM Group of Companies ("UEM") in 1989 as Senior Project Engineer and served for 21 years in various capacities, that included as Chief Operating Officer for UE Construction Sdn Bhd (2002-2004) and Director of International Projects for UEM Builders Berhad (2004-2009) covering India, Middle East, Indonesia and Singapore. At UEM, he was directly involved with notable projects such as the North South Interurban Tolled Expressways, Putra KL LRT System II, Ipoh-Rawang Electrified Double Track Project, College of Technology Qatar and major expressways in India. In 2009, he moved to Lafarge Concrete (M) Sdn Bhd as Vice President of Marketing and Strategy (Asia).

He joined IJM Construction Sdn Bhd as Business Development Director in January 2010 and was redesignated as Business Development Director of IJM Corporation Berhad in February 2011, prior to his appointment as Head of Toll Division.

Neoh Soon Hiong

MBA

Head of Toll Division (2006-2011)

Mr. Neoh, born in July 1956, has retired on 21 July 2011 as Head of Toll Division after serving more than 13 years in the Toll Division. He is now assigned to procure and lead a major highway project in Malaysia.

He graduated from Paris Graduate School of Management, France with a European Masters Degree in Business Administration.

He worked for the Public Works Department for more than 10 years and subsequently joined PLUS Expressways Berhad as an engineer of its Maintenance Management Department in 1990. In 1995, he was transferred to Metramac Corporation Sdn Bhd and served as an engineer until he joined Besraya Sdn Bhd ("BSB") as Project Manager in 1997. His subsequent appointments included Head of Operations of BSB (1999-2000), General Manager of BSB and New Pantai Expressway Sdn Bhd ("NPE") (2001-2004), Executive Director of Toll Division of BSB and NPE (2004-2006), Managing Director of NPE and BSB (2006-2011), and CEO of Lebuhraya Kajang-Seremban Sdn Bhd (2007-2011).


Jeremie Ting Keng Fui


Loy Boon Chen


Cyrus Eruch Daruwalla

Jeremie Ting Keng Fui
FCIS, MBA
Company Secretary

Mr. Jeremie Ting, born in September 1957, joined IJM Corporation Berhad in 1982 and was appointed as Company Secretary on 1 October 1994. He is also the Company Secretary of IJM Plantations Berhad and IJM Land Berhad, and heads the Corporate Services, Administration, and Information Systems Departments.

He completed the examinations of The Institute of Chartered Secretaries and Administrators (ICSA) in 1981, after obtaining a Diploma in Foundations of Administration from Chelmer Institute of Higher Education, Chelmsford, Essex, England in 1979, and holds a Master's degree in Business Administration from Golden Gate University, San Francisco, USA.

He was the President of the Malaysian Institute of Chartered Secretaries & Administrators (MAICSA) for 2004. He is presently a Council Member and has served as Council Member over 16 years since 1994. He is also a member of the Governance Committee, Technical & Professional Practice Committee and National Disciplinary Tribunal of MAICSA and is also MAICSA Adviser for Securities Commission (SC)/ Bursa Affairs.

He was a member of the Corporate Governance Working Group of the SC and a member of the Committee of Adjudicators of the Malaysian Corporate Governance (MCG) Index 2010 of the Minority Shareholder Watchdog Group (MSWG).

He was adjudged the winner of the ROC-MAICSA Company Secretary Award 2000 under the Listed Company Category.

Loy Boon Chen
MBA, CPA(M)
IJM Representative in Kumpulan Europlus Berhad and Talam Corporation Berhad

Mr. Loy, born in October 1951, is an Executive Director of both Kumpulan Europlus Berhad and Talam Corporation Berhad.

He is also an Independent Non-Executive Director of Guangdong Provincial Expressway Development Co. Limited, a company listed on the Shenzhen Stock Exchange, China.

He qualified as a Certified Public Accountant in 1978 and holds a Master's degree in Business Administration from Golden Gate University, San Francisco, USA. He served an international accounting firm for seven (7) years prior to joining Chong Kok Lin & Sons Berhad in 1980 as Accountant cum Secretary for a year. In 1981, he joined Mudajaya Construction Sdn Bhd as Chief Accountant before being appointed Group Financial Controller of IJM Corporation Berhad ("IJM") in 1994. He was made the Finance Director of IJM from 1998 and was the head of the Finance & Accounts Department before his retirement in 2006. He was also the Chairman of IJM Group Risk Management Committee since its inception in 2002 until 2006. He was a member of the Accounting Standards Sub-Committee of the Federation of Public Listed Companies Berhad (1998-2006).

Cyrus Eruch Daruwalla
ACCA, B. Commerce
Chief Financial Officer

Mr. Cyrus Daruwalla, born in January 1962, joined IJM Corporation Berhad in September 2006 as Chief Financial Officer, heading the Accounts & Finance Department for the overall Group. He is a Director of Road Builder (M) Holdings Bhd and is also an Executive Director for several of the Group's overseas entities.

He graduated with a Bachelor of Commerce (Honours) degree from University of Bombay in 1982, and was admitted as an associate member of the Association of Chartered Certified Accountants, United Kingdom in 1993.

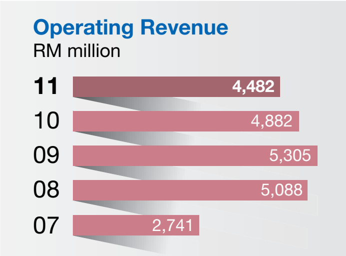
Upon graduation he completed his audit articleship with Ernst & Young, London, UK prior to joining Addmoss Taylor & Partners, London, before being appointed as Senior Accountant for Portlands of Blackheath Ltd., UK in 1987. In Malaysia, he worked as Head of Professional Programmes for Emile Woolf Far East Sdn Bhd, before being appointed as Group Financial Controller for the Sri America Group of Companies. In 1999, he joined PricewaterhouseCoopers, Malaysia as Manager before assuming the position of Executive Director in 2003.

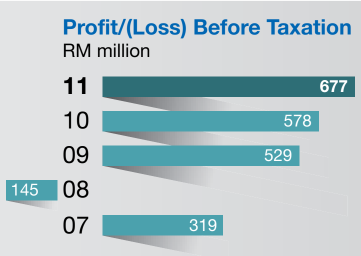
Emerging Capabilities

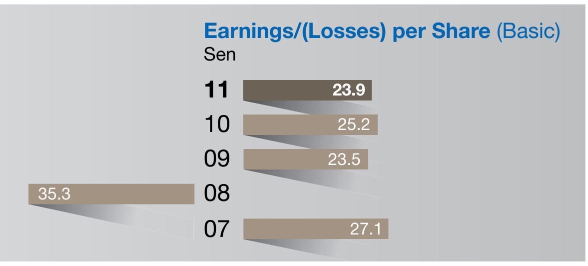
Shareholder Summary of Information

The ability to change and evolve over
time has allowed us to spread our wings
in a growing array of disciplines.
We view challenges as opportunities
for further growth.

Group Financial Highlights



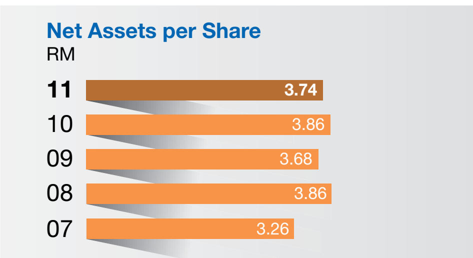


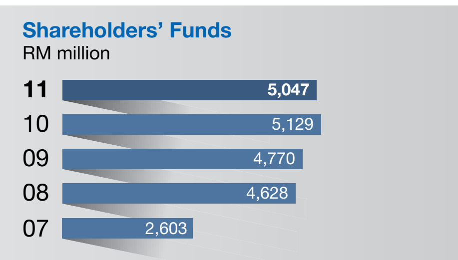


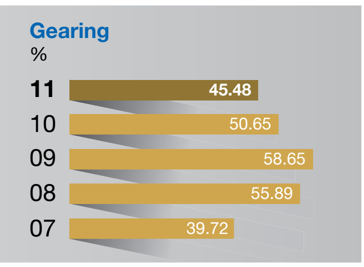
FINANCIAL YEAR ENDED 31 MARCH		2011	2010	2009	2008	2007
OPERATING REVENUE (N1)	RM'000					
Construction		**1,336,191**	1,841,219	2,355,258	2,353,153	1,126,246
Property development		**1,178,764**	1,175,637	985,953	991,027	499,594
Industry		**807,397**	882,853	1,069,052	871,995	715,600
Plantation		**538,264**	441,817	541,564	527,703	302,816
Infrastructure		**620,277**	538,913	349,625	305,019	63,188
Investment & Others		**976**	1,990	3,854	39,148	33,144
		4,481,869	4,882,429	5,305,306	5,088,045	2,740,588
PROFIT/(LOSS) BEFORE TAXATION	RM'000					
Construction		**(79,233)**	30,890	40,333	165,558	120,425
Property development		**289,658**	171,895	125,476	107,043	77,177
Industry		**109,497**	174,378	170,987	118,858	73,740
Plantation		**196,013**	111,692	160,453	191,151	57,106
Infrastructure		**127,503**	95,882	26,492	88,603	(22,946)
Investment & Others		**33,129**	(6,713)	4,929	(816,061)	13,427
		676,567	578,024	528,670	(144,848)	318,929
NET PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY	RM'000	**321,327**	332,580	290,212	(420,467)	194,336
ISSUED SHARE CAPITAL	RM'000	**1,351,115**	1,327,216	941,952	859,314	570,327
SHAREHOLDERS' FUNDS	RM'000	**5,047,137**	5,129,221	4,770,150	4,628,250	2,602,922
TOTAL ASSETS	RM'000	**12,579,858**	12,558,295	11,726,163	11,148,413	6,038,809
EARNINGS/(LOSSES) PER SHARE (Basic)	Sen	**23.88**	25.21	23.46*	(35.31)*	27.13*
GROSS DIVIDEND PER SHARE	Sen	**11.00**	11.00	34.99	–	15.00
NET ASSETS PER SHARE	RM	**3.74**	3.86	3.68*	3.86*	3.26*
RETURN ON TOTAL ASSETS	%	**2.55**	2.65	2.47	(3.77)	3.22
RETURN ON EQUITY	%	**6.37**	6.48	6.08	(9.08)	7.47
GEARING (Net Debt/Equity)	%	**45.48**	50.65	58.65	55.89	39.72
SHARE PRICE						
High	RM	**6.82**	6.86	6.60	9.35	9.50
Low	RM	**4.38**	4.20	2.35	4.90	5.15
Closing	RM	**6.41**	4.88	4.18	6.10	8.65
WARRANT PRICE 2005/2010						
High	RM	**1.54**	1.81	2.02	4.46	4.60
Low	RM	**1.08**	0.37	0.26	1.08	0.69
Closing	RM	**1.54****	1.30	0.37	1.82	3.86
WARRANT PRICE 2009/2014						
High	RM	**3.07**	1.34	–	–	–
Low	RM	**0.90**	0.95	–	–	–
Closing	RM	**2.48**	1.13	–	–	–

N1 Including share of associate and joint venture's revenue

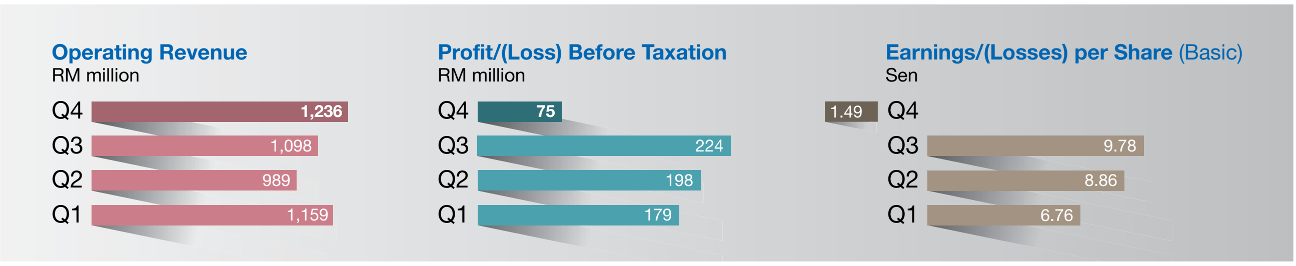
* Adjusted for 2:5 Bonus Issue ** Warrants 2005/2010 ceased trading and expired on 5 August 2010 and 20 August 2010 respectively





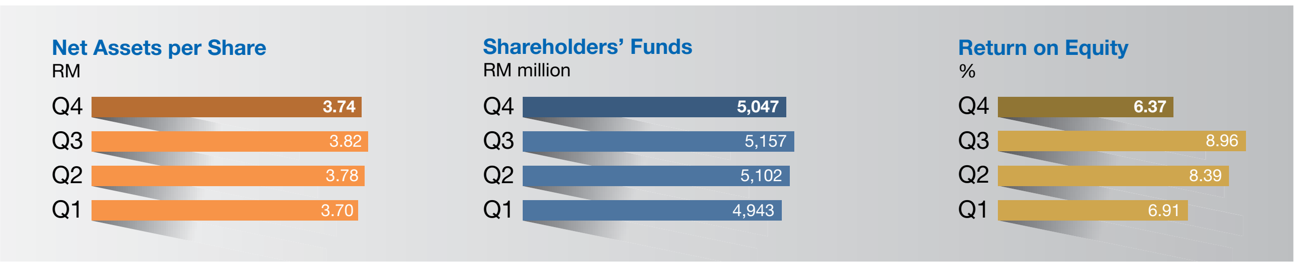


Group Quarterly Performance



FINANCIAL YEAR ENDED 31 MARCH 2011		First Quarter	Second Quarter	Third Quarter	Fourth Quarter
OPERATING REVENUE [N1]	RM'000				
Construction		306,876	305,324	297,768	426,223
Property development		379,524	214,653	256,607	327,980
Industry		201,856	184,116	217,335	204,090
Plantation		120,632	145,833	167,677	104,122
Infrastructure		149,651	138,921	158,114	173,591
Investment & Others		219	220	214	323
		1,158,758	989,067	1,097,715	1,236,329
PROFIT/(LOSS) BEFORE TAXATION	RM'000				
Construction		8,994	9,820	10,260	(108,307)
Property development		84,661	44,336	110,823	49,838
Industry		29,126	26,154	28,071	26,146
Plantation		38,767	64,690	59,830	32,726
Infrastructure		15,432	48,004	16,843	47,224
Investment & Others		2,085	5,359	(1,731)	27,416
		179,065	198,363	224,096	75,043
NET PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY	RM'000	90,048	119,282	132,192	(20,195)
ISSUED SHARE CAPITAL	RM'000	1,336,971	1,350,979	1,351,032	1,351,115
SHAREHOLDERS' FUNDS	RM'000	4,943,068	5,102,329	5,157,340	5,047,137
TOTAL ASSETS	RM'000	12,400,408	12,457,241	12,545,300	12,579,858
EARNINGS/(LOSSES) PER SHARE (Basic)	Sen	6.76	8.86	9.78	(1.49)
GROSS DIVIDEND PER SHARE	Sen	–	4.00	–	7.00
NET ASSETS PER SHARE	RM	3.70	3.78	3.82	3.74
RETURN ON TOTAL ASSETS (Annualised)	%	2.84	3.53	3.74	2.55
RETURN ON EQUITY (Annualised)	%	6.91	8.39	8.96	6.37
SHARE PRICE					
High	RM	5.15	5.20	6.52	6.82
Low	RM	4.38	4.89	5.14	5.79
Closing	RM	4.92	5.19	6.23	6.41
WARRANT PRICE 2005/2010					
High	RM	1.54	1.56*	–	–
Low	RM	1.08	1.34*	–	–
Closing	RM	1.39	1.54*	–	–
WARRANT PRICE 2009/2014					
High	RM	1.27	1.35	3.07	3.04
Low	RM	0.90	1.05	1.32	2.06
Closing	RM	1.10	1.30	2.76	2.48

[N1] Including share of associate and joint venture's revenue
* Ceased trading and expired on 5 August 2010 and 20 August 2010 respectively



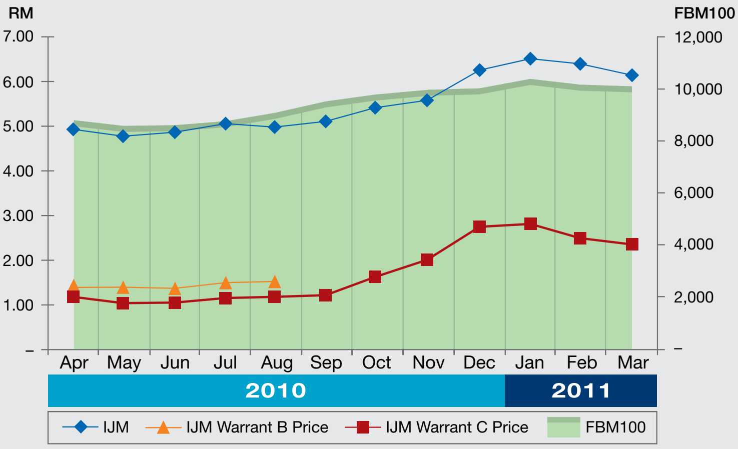
Statement of Value Added & Distribution

FINANCIAL YEAR ENDED 31 MARCH	2011 RM'000	2010 RM'000
Value added :		
Revenue	**3,720,717**	4,013,530
Purchases of goods & services	**(2,496,466)**	(2,899,798)
Value added by the Group	**1,224,251**	1,113,732
Share of profits of associates	**46,844**	19,676
Share of (losses)/profits of jointly controlled entities	**(26,226)**	11,071
Total value added	**1,244,869**	1,144,479
Distribution :		
To employees		
- Salaries & other staff costs	**226,975**	209,415
To Governments		
- Taxation	**197,194**	154,860
To providers of capital		
- Dividends	**181,261**	35,199
- Finance costs	**193,738**	201,421
- Minority interest	**158,046**	90,584
Retained for future reinvestment & growth		
- Depreciation and amortisation	**147,589**	155,619
- Retained profits	**140,066**	297,381
Total distributed	**1,244,869**	1,144,479

Value added is a measure of wealth created. The above statement shows the Group's value added for 2011 and 2010 and its distribution by way of payments to employees, governments and capital providers, with the balance retained in the Group for future reinvestment and growth.

Reconciliation

	2011 RM'000	2010 RM'000
Profit for the year	**321,327**	332,580
Add : Depreciation and amortisation	**147,589**	155,619
Finance costs	**193,738**	201,421
Staff costs	**226,975**	209,415
Taxation	**197,194**	154,860
Minority interest	**158,046**	90,584
Total value added	**1,244,869**	1,144,479



Based on volume weighted average share/warrant price & index

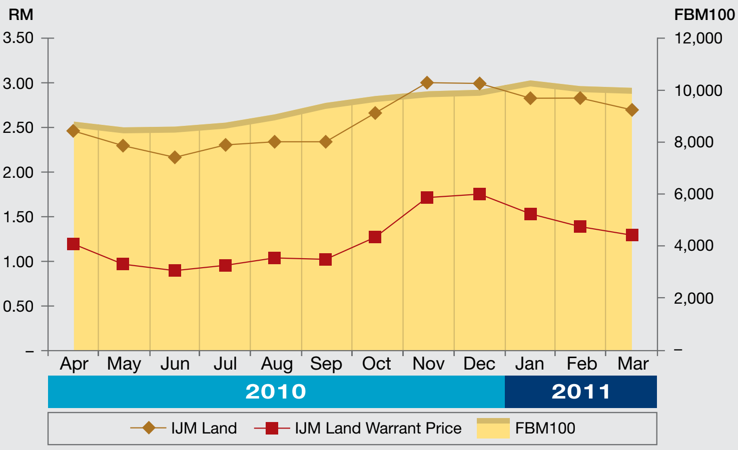
Source: Bloomberg

IJM Corporation Berhad ("IJM") Share & Warrant Prices vs FBM100

IJM's share price (stock code: 3336) increased marginally in the first half of the financial year mainly due to the absence of fresh catalysts following a strong share price performance the year before. Sentiment began to improve in October 2010 after the Government launched the Economic Transformation Programme, through which more details on plans for large scale projects were unveiled. The construction sector was thus expected to directly benefit from the initial phases of its implementation.

IJM's share price increased 30% to close at RM6.41 as at 31 March 2011, from RM4.94 a year ago. IJM's Warrant C 2009/2014 price (stock code: 3336wc) mirrored a similar trend to that of its mother share, rising to RM2.48 as at 31 March 2011, an increase of 112% from RM1.17 a year ago and returning a gain of 892% over its issue price of RM0.25 in October 2009.

IJM's Warrant B 2005/2010 (stock code: 3336wb) expired on 20 August 2010 following its cessation of trading on 5 August 2010. For the period 1 April 2010 to 4 August 2010, IJM's Warrant B price gained 13% from RM1.36 to RM1.54. On its last trading day, warrantholders stood to have gained 2980% since its issue price of RM0.05 in July 2005.

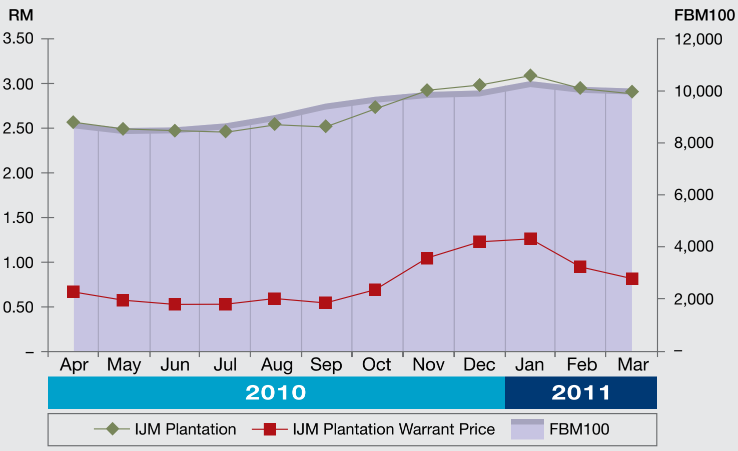


Based on volume weighted average share/warrant price & index

Source: Bloomberg

IJM Land Berhad ("IJML") Share & Warrant Prices vs FBM100

IJML's share price (stock code: 5215) moderated in the first half of the financial year before rising to a peak of RM3.24 in December 2010 and ending at RM2.75 on 31 March 2011. For the year, the share price increased 15% from RM2.39. IJML's Warrant 2008/2013 price (stock code: 5215wa) followed a similar pattern to that of its mother share, rising from RM1.16 in April 2010 to RM1.43 in March 2011, an increase of 23%.



Based on volume weighted average share/warrant price & index

Source: Bloomberg

IJM Plantations Berhad ("IJMP") Share & Warrant Prices vs FBM100

IJMP's share price (stock code: 2216) started at RM2.57 in April 2010, traded in a narrow band throughout the first half of the financial year and rose to a peak of RM3.17 in January 2011 before closing at RM2.95 on 31 March 2011, thus representing a gain of 15% from a year ago. IJMP's Warrant (stock code: 2216wa) echoed a similar pattern to that of its mother share, rising from RM0.70 in April 2010 to RM0.85 in March 2011, representing a gain of 21%.

IJM Commercial Papers/Medium Term Notes 2009/2016 (RM1 Billion)

As a further endorsement to IJM's strong financial position, MARC has assessed and affirmed IJM's corporate debt as "AA-" with a short term rating of "MARC-1" and a stable outlook in its latest annual review in December 2010.

Details of the commercial papers and medium term notes are disclosed in Note 17 to the Financial Statements.


CREDIT ANALYSIS

Corporate Debt
Construction

MARC

IJM CORPORATION BERHAD

2010 Annual Review

FINANCIAL CALENDAR

Financial Year End		**31 March 2011**
Announcement of Results	1st Quarter	25 August 2010
	2nd Quarter	23 November 2010
	3rd Quarter	23 February 2011
	4th Quarter	27 May 2011
Notice of Annual General Meeting		29 July 2011
Annual General Meeting		24 August 2011

INVESTOR SERVICE

The Group maintains a dynamic website (www.ijm.com) which provides detailed information on the Group's operations and latest developments. For further details, you may contact:

For shareholder and company related matters, please contact:

Mr Jeremie Ting
Company Secretary
Tel: +603 79858130 Fax: +603 79521200
E-mail: jt@ijm.com

For financial performance or company development matters, please contact:

Mr Shane Guha Thakurta
Investor Relations Manager
Tel: +603 79858041 Fax: +603 79529388
E-mail: shanethakurta@ijm.com

I. ANALYSIS OF SHAREHOLDINGS as at 30 June 2011

Authorised Share Capital	**:**	**RM3,000,000,000**
Issued & paid-up Capital	**:**	**RM1,363,803,454***
Class of Shares	**:**	**Ordinary Shares of RM1.00 each**
Voting Rights		
On show of hands	**:**	**1 vote**
On a poll	**:**	**1 vote for each share held**

* inclusive of 16,000 shares bought-back by the Company and retained as treasury shares as at 30 June 2011

DISTRIBUTION OF SHAREHOLDINGS

Range of Shareholdings	Number of Shareholders	Number of Shares	Percentage of Issued Capital
Less than 100	294	10,850	0.00%
100 - 1,000	1,171	800,559	0.06%
1,001 - 10,000	4,817	15,412,032	1.13%
10,001 - 100,000(1)	999	29,258,248	2.14%
100,001 to less than 5% of issued shares	556	980,546,159	71.90%
5% and above of issued shares	3	337,759,606	24.77%
	7,840	1,363,787,454	100.00%

(1) excluding 16,000 treasury shares

REGISTER OF SUBSTANTIAL SHAREHOLDERS

	Number of Shares		
	Direct	Deemed Interests	Percentage of Issued Capital
1. Employees Provident Fund Board	204,769,826	–	15.015%
2. Kumpulan Wang Persaraan (Diperbadankan)	84,659,600	–	6.208%
3. Amanahraya Trustees Berhad - Skim Amanah Saham Bumiputera	100,000,000	–	7.333%

THIRTY LARGEST SHAREHOLDERS

	Number of Shares	Percentage of Issued Capital
1. CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD	160,012,126	11.73%
2. AMANAHRAYA TRUSTEES BERHAD SKIM AMANAH SAHAM BUMIPUTERA	100,000,000	7.33%
3. KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	77,747,480	5.70%
4. HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (U.S.A.)	66,557,113	4.88%
5. EB NOMINEES (TEMPATAN) SENDIRIAN BERHAD PLEDGED SECURITIES ACCOUNT FOR ZELAN BERHAD (KLM)	66,330,098	4.86%
6. CARTABAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR STATE STREET BANK & TRUST COMPANY (WEST CLT OD67)	35,400,138	2.60%
7. HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR J.P. MORGAN BANK LUXEMBOURG S.A.	34,422,471	2.52%
8. MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 1)	24,148,340	1.77%
9. AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM WAWASAN 2020	19,631,510	1.44%
10. CARTABAN NOMINEES (ASING) SDN BHD GOVERNMENT OF SINGAPORE INVESTMENT CORPORATION PTE LTD FOR GOVERNMENT OF SINGAPORE (C)	19,509,880	1.43%
11. HSBC NOMINEES (ASING) SDN BHD BBH AND CO BOSTON FOR VANGUARD EMERGING MARKETS STOCK INDEX FUND	18,762,350	1.38%
12. VALUECAP SDN BHD	16,049,400	1.18%
13. HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (SAUDI ARABIA)	15,320,618	1.12%
14. CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR DIMENSIONAL EMERGING MARKETS VALUE FUND	15,041,880	1.10%
15. HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (U.A.E.)	14,610,005	1.07%
16. PERMODALAN NASIONAL BERHAD	13,905,700	1.02%
17. HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (NORGES BK LEND)	13,059,660	0.96%
18. AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM MALAYSIA	13,000,000	0.95%

THIRTY LARGEST SHAREHOLDERS (cont'd)

	Number of Shares	Percentage of Issued Capital
19. CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR AMERICAN INTERNATIONAL ASSURANCE BERHAD	12,990,070	0.95%
20. CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR PRUDENTIAL FUND MANAGEMENT BERHAD	12,124,684	0.89%
21. LEMBAGA TABUNG HAJI	11,055,400	0.81%
22. CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (NOMURA)	10,742,600	0.79%
23. HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (BVI)	10,420,000	0.76%
24. HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (U.K.)	9,903,500	0.73%
25. CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (PHEIM)	9,781,000	0.72%
26. PERTUBUHAN KESELAMATAN SOSIAL	8,922,108	0.65%
27. MINISTER OF FINANCE AKAUN JAMINAN PINJAMAN KERAJAAN PERSEKUTUAN	8,533,350	0.63%
28. CARTABAN NOMINEES (ASING) SDN BHD STATE STREET LONDON FUND OD75 FOR ISHARES PUBLIC LIMITED COMPANY	8,191,340	0.60%
29. HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR BNP PARIBAS SECURITIES SERVICES	8,138,100	0.60%
30. AMANAHRAYA TRUSTEES BERHAD PUBLIC ISLAMIC DIVIDEND FUND	8,048,904	0.59%
	842,359,825	61.76%

Analysis of Shareholdings & Warrantholdings (cont'd)

II. ANALYSIS OF WARRANTHOLDINGS as at 30 June 2011

Warrants 2009/2014 : 117,188,938 outstanding

DISTRIBUTION OF WARRANTHOLDINGS

Range of Warrantholdings	Number of Warrantholders	Number of Warrants	Percentage of Outstanding Warrants
Less than 100	193	2,266	0.00%
100 - 1,000	1,782	688,380	0.59%
1,001 - 10,000	916	3,890,952	3.32%
10,001 - 100,000	377	13,177,643	11.24%
100,001 to less than 5% of issued warrants	136	77,061,197	65.76%
5% and above of issued warrants	3	22,368,500	19.09%
	3,407	117,188,938	100.00%

THIRTY LARGEST WARRANTHOLDERS

	Number of Warrants	Percentage of Outstanding Warrants
1. CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB BANK FOR SONG KEE LING (MM0873)	8,682,000	7.41%
2. DB (MALAYSIA) NOMINEE (ASING) SDN BHD EXEMPT AN FOR DEUTSCHE BANK AG SINGAPORE (PWM ASING)	7,500,000	6.40%
3. RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SONG KEE LING	6,186,500	5.28%
4. RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHANG SI FOCK @ CHONG SEE FOCK (CEB)	4,000,000	3.41%
5. GENERAL TECHNOLOGY SDN BHD	2,583,800	2.20%
6. CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR GENERAL TECHNOLOGY SDN. BHD. (PB)	2,396,600	2.05%
7. HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR BNP PARIBAS SECURITIES SERVICES	2,289,200	1.95%
8. RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHANG SI FOCK @ CHONG SEE FOCK	2,145,300	1.83%
9. HDM NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHIN HOE (M01)	2,131,800	1.82%
10. AMANAHRAYA TRUSTEES BERHAD MIDF AMANAH STRATEGIC FUND	1,923,000	1.64%
11. CIMSEC NOMINEES (ASING) SDN BHD EXEMPT AN FOR CIMB SECURITIES (SINGAPORE) PTE LTD (RETAIL CLIENTS)	1,778,600	1.52%

THIRTY LARGEST WARRANTHOLDERS (cont'd)

	Number of Warrants	Percentage of Outstanding Warrants
12. UOBM NOMINEES (ASING) SDN BHD EXEMPT AN FOR SOCIETE GENERALE BANK & TRUST, SINGAPORE BRANCH(CUST ASSET)	1,752,400	1.50%
13. AMANAHRAYA TRUSTEES BERHAD PUBLIC ENHANCED BOND FUND	1,684,200	1.44%
14. CHOO YOKE KUEN	1,579,800	1.35%
15. HDM NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAM MAY CHOW (M01)	1,522,500	1.30%
16. CH'NG BENG KIAN	1,501,800	1.28%
17. TAN BOON SENG @ KRISHNAN	1,424,348	1.22%
18. RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOONG VIVIEN	1,419,000	1.21%
19. GENERAL TECHNOLOGY SDN BHD	1,370,000	1.17%
20. DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD MIDF AMANAH ASSET MANAGEMENT BERHAD FOR YAYASAN SARAWAK (JG281)	1,280,400	1.09%
21. HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (JAPAN)	1,260,700	1.08%
22. OSK NOMINEES (TEMPATAN) SDN BERHAD KIM ENG SECURITIES PTE. LTD. FOR WONG YUE JEEN	1,250,200	1.07%
23. A.A. ANTHONY NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DANIEL LIM HWA YEW	1,202,500	1.03%
24. DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD MIDF AMANAH ASSET MANAGEMENT BERHAD FOR INTERNATIONAL ISLAMIC UNIVERSITY RETIREMENT BENEFIT FUND (JF484)	1,124,100	0.96%
25. AMANAHRAYA TRUSTEES BERHAD MIDF AMANAH GROWTH FUND	1,030,000	0.88%
26. OSK NOMINEES (TEMPATAN) SDN BERHAD KIM ENG SECURITIES PTE. LTD. FOR LIM CHONG CHEE	1,030,000	0.88%
27. MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (NON PAR 1)	1,000,000	0.85%
28. EMINENT ACE SDN BHD	1,000,000	0.85%
29. HSBC NOMINEES (ASING) SDN BHD HSBC-FS FOR FULLERTON GLOBAL EQUITIES FUND (FULLERTON FUNDS)	988,500	0.84%
30. HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (NORGES BK LEND)	976,766	0.83%
	66,014,014	56.34%

III. DIRECTORS' SHAREHOLDINGS & WARRANTHOLDINGS

DIRECTORS' SHAREHOLDINGS IN IJM CORPORATION BERHAD
as at 30 June 2011

Name of Directors	Number of Shares Direct	Number of Shares Deemed	Percentage of Issued Capital
Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob	70,000	–	0.005%
Tan Sri Dato' Tan Boon Seng @ Krishnan	2,449,180	1,045,136[1]	0.256%
Dato' Teh Kean Ming	84,000	91,000[1]	0.013%
Tan Gim Foo	–	–	–
Datuk Yahya bin Ya'acob	70,000	–	0.005%
Tan Sri Abdul Halim bin Ali	–	–	–
Datuk Oh Chong Peng	–	–	–
Datuk Hj. Hasni bin Harun	–	–	–
Datuk Lee Teck Yuen	1,240,000	580,000[1]	0.133%
Dato' David Frederick Wilson	–	–	–
Dato' Goh Chye Koon	38,092	–	0.003%

Note:-
[1] Through a family member

DIRECTORS' WARRANTHOLDINGS IN IJM CORPORATION BERHAD
as at 30 June 2011

Name of Directors	2009/2014 Number of Warrants Direct	2009/2014 Number of Warrants Deemed	Percentage of Outstanding Warrants
Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob	7,000	–	0.006%
Tan Sri Dato' Tan Boon Seng @ Krishnan	1,424,348	900,000[1]	1.983%
Dato' Teh Kean Ming	39,300	39,800[1]	0.067%
Tan Gim Foo	–	–	–
Datuk Yahya bin Ya'acob	7,600	–	0.006%
Tan Sri Abdul Halim bin Ali	–	–	–
Datuk Oh Chong Peng	–	–	–
Datuk Hj. Hasni bin Harun	–	–	–
Datuk Lee Teck Yuen	–	–	–
Dato' David Frederick Wilson	–	–	–
Dato' Goh Chye Koon	15,400	–	0.013%

Note:-
[1] Through a family member

III. DIRECTORS' SHAREHOLDINGS & WARRANTHOLDINGS (cont'd)

DIRECTORS' SHAREHOLDINGS AND WARRANTHOLDINGS IN IJM PLANTATIONS BERHAD
as at 30 June 2011

Name of Directors	Number of Shares Direct	Number of Shares Deemed	Percentage of Issued Capital	Number of Warrants Direct	Number of Warrants Deemed	Percentage of Outstanding Warrants
Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob	45,000	–	0.006%	5,000	–	0.006%
Tan Sri Dato' Tan Boon Seng @ Krishnan	646,000	429,982[1]	0.134%	70,060	51,051[1]	0.152%
Dato' Teh Kean Ming	–	–	–	–	–	–
Tan Gim Foo	–	–	–	–	–	–
Datuk Yahya bin Ya'acob	–	–	–	–	–	–
Tan Sri Abdul Halim bin Ali	–	–	–	–	–	–
Datuk Oh Chong Peng	100,000	–	0.012%	10,000	–	0.013%
Datuk Hj. Hasni bin Harun	–	–	–	–	–	–
Datuk Lee Teck Yuen	–	–	–	–	–	–
Dato' David Frederick Wilson	–	–	–	–	–	–
Dato' Goh Chye Koon	517,000	–	0.064%	73,008	–	0.092%

Note:-
[1] Through a family member

DIRECTORS' SHAREHOLDINGS & WARRANTHOLDINGS IN IJM LAND BERHAD
as at 30 June 2011

Name of Directors	Number of Shares Direct	Number of Shares Deemed	Percentage of Issued Capital	Number of Warrants Direct	Number of Warrants Deemed	Percentage of Outstanding Warrants
Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob	50,000	–	0.004%	5,000	–	0.003%
Tan Sri Dato' Tan Boon Seng @ Krishnan	–	20,000[1]	0.001%	1,248,610	123,900[1]	0.741%
Dato' Teh Kean Ming	–	–	–	147,000	5,200[1]	0.082%
Tan Gim Foo	–	–	–	130,000	–	0.070%
Datuk Yahya bin Ya'acob	–	–	–	5,000	–	0.003%
Tan Sri Abdul Halim bin Ali	10,000	–	0.001%	–	–	–
Datuk Oh Chong Peng	–	–	–	–	–	–
Datuk Hj. Hasni bin Harun	–	–	–	–	–	–
Datuk Lee Teck Yuen	11,064,693	–	0.805%	–	–	–
Dato' David Frederick Wilson	–	–	–	–	–	–
Dato' Goh Chye Koon	–	–	–	–	–	–

Note:-
[1] Through a family member

IV. SHARE BUY BACK SUMMARY

for Financial Year Ended 31 March 2011

	No. of Shares Purchased & Retained as Treasury Shares	Total Consideration RM	Purchase Price Per Share (RM) Highest	Lowest	Average
2011					
Balance at the beginning of financial year	–	–	–	–	–
Purchases during the financial year					
April 2010	–	–	–	–	–
May 2010	–	–	–	–	–
June 2010	10,000	47,847	4.75	4.75	4.75
July 2010	–	–	–	–	–
August 2010	–	–	–	–	–
September 2010	–	–	–	–	–
October 2010	–	–	–	–	–
November 2010	5,000	29,161	5.79	5.79	5.79
December 2010	–	–	–	–	–
January 2011	–	–	–	–	–
February 2011	–	–	–	–	–
March 2011	–	–	–	–	–
Balance at end of financial year	**15,000**	**77,008**	**5.79**	**4.75**	**5.13**

None of the treasury shares were resold or cancelled during the financial year.

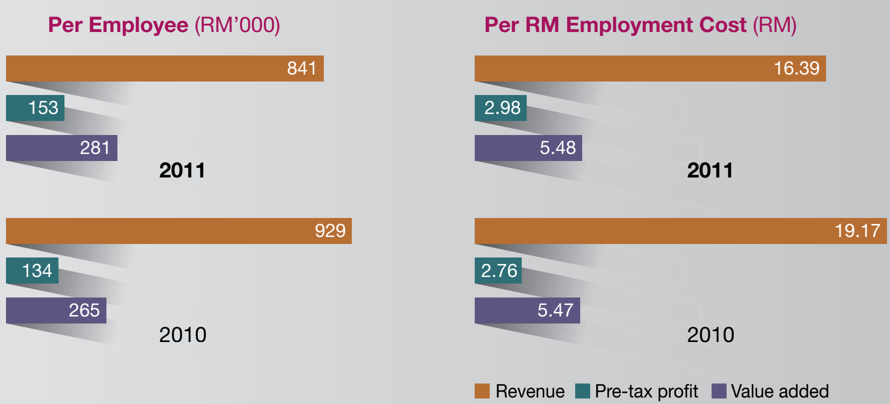
Employees & Productivity

Employees

	2011 '000	2010 '000
(a) Employees as at 31 March:-		
Employees by Classification		
- Management	**796**	749
- Executive	**1,476**	1,448
- Non-Executive	**2,153**	2,123
	4,425	4,320
Employees by Ethnic Composition		
- Bumiputra	**2,225**	2,082
- Chinese	**1,030**	1,052
- Indian	**355**	367
- Others (including overseas)	**815**	819
	4,425	4,320
(b) Productivity:- (N1)		
Revenue - per employee (in RM'000)	**841**	929
- per RM employment cost (in RM)	**16.39**	19.17
PBT - per employee (in RM'000)	**153**	134
- per RM employment cost (in RM)	**2.98**	2.76
Value added - per employee (in RM'000)	**281**	265
- per RM employment cost (in RM)	**5.48**	5.47

(N1) Based on number of employees during the year.

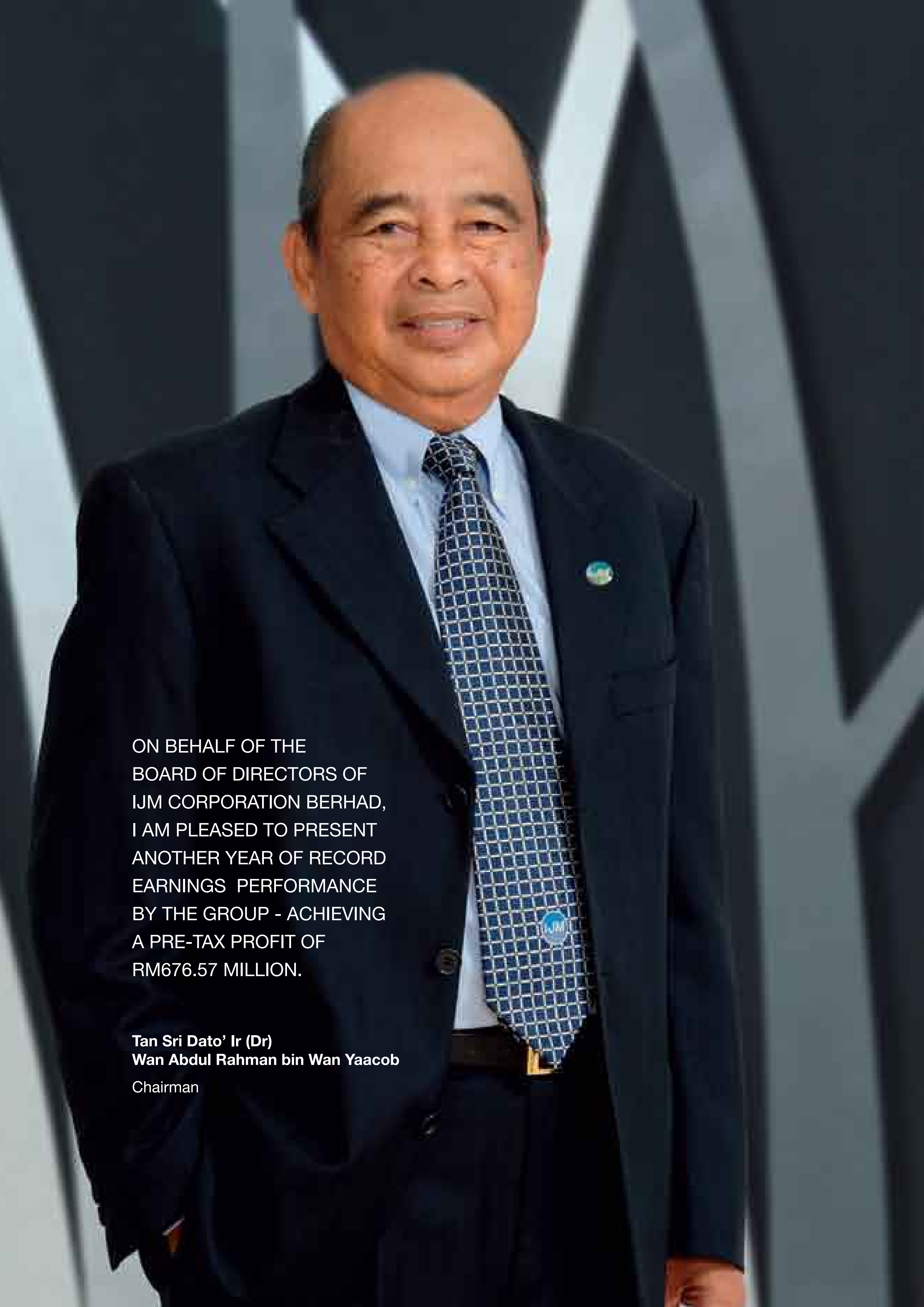
Productivity



Delivering Results

Business Review & Reports

We deliver value beyond numbers in all our endeavours. Through the years, IJM has consistently progressed, evolving as a trusted name both locally and regionally.



ON BEHALF OF THE BOARD OF DIRECTORS OF IJM CORPORATION BERHAD, I AM PLEASED TO PRESENT ANOTHER YEAR OF RECORD EARNINGS PERFORMANCE BY THE GROUP - ACHIEVING A PRE-TAX PROFIT OF RM676.57 MILLION.

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

BUSINESS ENVIRONMENT

In 2010, the global economy rebounded strongly to grow at 5%, as compared to a contraction of 0.6% in the previous year. Expansion was led by emerging economies, notably in Asia, where robust domestic demand and a strong recovery in trade made up for the slack from laggard developed economies that continued to be weighted down by the lingering effects of the 2008/09 financial crisis. Towards the second half of the year, strong growth in Asian economies and expansionary monetary policies adopted in the West began to lead to greater inflationary pressures, seen particularly in rising food and commodity prices, as well as greater capital inflows into emerging markets.

Chairman's Statement

Concurrent with other emerging countries, the Malaysia economy bounced back to expand by 7.2% in 2010 from a contraction of 1.7% in 2009. The recovery was on account of strong export demand in the first half of the year and a vibrant domestic economy that was supported by better labour market conditions, increased rural household incomes from higher commodity prices, robust consumer spending, an accommodative monetary policy and a resumption in capital spending by the private sector. After recording a growth of 5.8% in 2009, the domestic construction sector however grew by 5.2% in 2010 on the back of government stimulus packages that centred on civil infrastructure improvements and non-residential buildings.

Likewise, the Group's major overseas market, India, grew by an estimated 8.6% during 2010-11, aided by a rebound in the agricultural sector and aggregate demand. However, persistently high inflation called for tightening monetary policy by the central bank throughout the year.

Kuantan Port, Pahang

The Troika Condominium, Kuala Lumpur

OPERATING RESULTS

Group revenue decreased by 7.3% to RM3,720.72 million as compared to RM4,013.53 million in the previous year mainly due to lower billings from hampered progress in some major construction projects and lower revenues from the sale of building materials. The Group's operating profit before tax, however, increased by 17.1% to RM676.57 million from RM578.02 million last year. This was mainly attributable to record results achieved by the Property, Plantation and Infrastructure Divisions and despite a loss suffered by the Construction Division.

The Construction Division's performance this year continued to be weighed down by the after-effects of the 2008/09 financial crisis when it suffered from a combination of high material prices, ensuing debtor balance build-ups, irregular order book replenishment opportunities and higher fixed overheads, the combination of which made for very tough operating conditions. As a result, the Division's performance this year was impacted by slower construction progress especially on its overseas projects coupled with a relatively young local order book where site activity has yet to pick up, leading to a 27.4% fall in revenue to RM1,336.19 million as compared to RM1,841.22 million in the previous year. In addition to these factors, the adoption of FRS 139 resulted in significant impairment provisions made for outstanding receivables and claims which led to the Division incurring a loss of RM79.23 million as compared to a profit before tax of RM30.89 million last year.

With the property market continuing its positive momentum throughout the year, the Group's Property Division registered healthy increases in sales volume and selling prices, although it achieved relatively flat revenue growth of 0.3% to RM1,178.76 million from RM1,175.64 million a year earlier, mainly due to the release of completed bumiputera units in the previous year. The Division's profit before tax improved to a record RM289.66 million from RM171.90 million last year on the back of better margins achieved and the recognition of a RM63 million gain on disposal of a property investment subsidiary which owned the Aeon Melaka shopping mall.

During the year, the Industry Division's operations too were affected by the drop in construction activity. As a result, the Division's revenue decreased by 8.5% to RM807.40 million from RM882.85 million a year ago. Profit before tax was worse affected as it fell 37.2% to RM109.50 million as compared to RM174.38 million in the previous year mainly due to eroding margins from intense pricing competition from competing products.

The Plantation Division benefited from a robust CPO price environment amidst lower production of fresh fruit bunches from unfavourable weather conditions in the year. This led to a 21.8% increase in its revenue to RM538.26 million as compared to RM441.82 million in the previous year and a 75.5% jump in profit before tax to RM196.01 million from RM111.69 million last year.

Employee housing in Sungai Sabang Estate, Sugut

Turnover of the Infrastructure Division improved by 15.1% to RM620.28 million as compared with RM538.91 million last year on the back of higher overall collections from its toll operations, increased cargo throughput recorded at its ports and higher turnover from its power plant in Andra Pradesh. Profit before tax of the Division saw a marked increase to RM127.50 million from RM95.88 million, primarily as a result of the improved revenue collection and forex translation gains.

BUSINESS OUTLOOK AND OPERATIONAL STRATEGIES FOR FY 2012

Economic indicators increasingly show that growth in advanced economies remain moribund and fragile with the conclusion of quantitative easing measures by the United States of America, contagion fears of possible sovereign debt defaults in the European Union, and a reversion to a more normal pace of growth for emerging economies in 2011. Despite lingering global uncertainties, the Malaysian economy is expected to remain resilient in the coming year from continued growth in domestic demand, a strong banking sector as well as the implementation of key initiatives announced by the Government under the Economic Transformation Programme.

The Group is expected to perform relatively well in the coming year. Despite the weak results for FY 2011, the Construction Division is expected to do better going forward from improved construction progress and encouraging order book replenishment prospects. The Property Division is expected to sustain its strong performance in the coming year on the back of a strong market and sizeable unrecognised turnover whereas the Industry Division should benefit from the increasing construction activity in Malaysia. The performance of the Plantation Division is expected to be in line with CPO price movements and would be bolstered by the expected recovery in its FFB production. The positive contributions from the tolls, ports, water and power operations of the Infrastructure Division are expected to continue as the concessions mature, boosting the bottom line of the Group moving forward. The Group, while positive in its outlook, remains vigilant in its stance for the near term in light of considerable macroeconomic uncertainties.

For the long term, the Group will continue to focus its resources on engaging the regional markets, growing its recurrent income base and reviewing its assets portfolio for opportunities, while pursuing its domestic growth plans.

Laman Granview Puchong

DIVIDENDS

For the financial year ended 31 March 2011, the Company declared a single tier second interim dividend of 7 sen per share payable on 13 July 2011 to every shareholder on the register on 30 June 2011. A single tier first interim dividend of 4 sen per share was earlier paid on 23 December 2010 to every entitled shareholder at the close of business on 15 December 2010.

In respect of the financial year ended 31 March 2010, an interim dividend of 11 sen per share less tax of 25% was paid on 24 August 2010 to shareholders who were entitled to receive the dividend at the close of business on 30 July 2010.

CORPORATE GOVERNANCE

IJM subscribes to the principles of good corporate governance as the Group believes it is the only way to sustainably enhance shareholder value. This belief underpins all our business undertakings and is acknowledged by our shareholders, evident by the highly institutionalised and large foreign shareholding composition and numerous corporate governance accolades received.

Our Corporate Governance Statement can be found on pages 84 to 92.

There were no sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by relevant regulatory bodies in 2010/11.

RELATED PARTY TRANSACTIONS

Significant related party transactions of the Group for the financial year are disclosed in Note 53 to the *Financial Statements*. This note also sets out the recurrent transactions conducted during the period in accordance with the general mandate obtained from shareholders at the Extraordinary General Meeting held on 25 August 2010.

Except for those disclosed in Note 53 to the *Financial Statements*, there were no material contracts of the Group involving Directors' and major shareholders' interest during the period.

CORPORATE RESPONSIBILITY

IJM's emphasis on Corporate Responsibility ("CR") reflects its conviction that economic success must be accompanied by a sustainable positive impact on society. This philosophy is guided by the Group's CR Framework and policy statements, and is embraced throughout its operations via a wide range of environmental-friendly and operational best management practices to achieve long term sustainable benefits for all stakeholders.

The Group's construction business, cognisant of its imprint on the environment, has committed itself to the code of conduct prescribed in Environmental Management System ISO 14001, while our plantations unit employs good agronomic environmental practices and continues to be involved in the Roundtable on Sustainable Palm Oil (RSPO) to promote sustainable production and use of palm oil.

The Group places considerable emphasis in ensuring the highest standards of governance, ethical business conduct and values are practised within its organisation. As part of its philanthropic efforts, the Group carried out numerous community programmes pertaining to social welfare, education and sports development and will continue to identify areas where its support can make a real difference. The Group is also committed to providing for the wellbeing at the workplace through increased awareness, accountability and continued training of employees and contractors towards the conduct of all activities in an ethical, environmentally responsible, safe and healthy manner.

More information on the Group's extensive Corporate Responsibility activities is provided on pages 118 to 133.

Sabah Oil & Gas Terminal Project at Kimanis, Sabah

KEY LEADERSHIP CHANGES

The Board and I wish to thank Tan Sri Dato' Krishnan Tan for his outstanding achievement of successfully leading IJM into being the formidable organisation it is today. Tan Sri stepped down as Chief Executive Officer and Managing Director ("CEO&MD") of the Group on 31 December 2010 and has agreed to continue to serve the Group as Executive Deputy Chairman, a role in which he is still expected to contribute positively to the Group.

In addition, I wish to congratulate Tan Sri on being conferred the Darjah Kebesaran Panglima Setia Mahkota (PSM) which carries the title 'Tan Sri' by His Majesty The Yang di-Pertuan Agong on the occasion of His Majesty's Official Birthday on 4 June 2011.

We take this opportunity to congratulate and welcome Dato' Teh Kean Ming who has been promoted as the new CEO&MD and Mr Tan Gim Foo who has been appointed as the new Deputy CEO & Deputy Managing Director of the Group, both with effect from 1 January 2011. We are confident that their wealth of knowledge and experience in the business and long service with the Group will enable them to lead IJM to the next level of achievement.

ACKNOWLEDGEMENT

The Board and I would like to record our sincere appreciation to Datuk Hj Hasni bin Harun, who is due to retire this year and will not be seeking reappointment come 24 August 2011. Datuk Hj Hasni has been a member of the IJM Board of Directors since 9 May 2007.

At this juncture, I would also like to announce that I will not be seeking reappointment at this forthcoming Annual General Meeting. After 15 very good years of association with the IJM Group, I would like to take this opportunity to express my gratitude to my fellow Directors, the management and staff of IJM for their support that has made my tenure as Chairman, a pleasurable and enriching experience for me. I wish the Group the very best for continuing and sustainable success in their future endeavours as they grow from strength to strength.

On behalf of the Board, I would like to commend the Directors, management and all employees of the Group for their dedication, resourcefulness, commitment and contribution to the Group in the past year. I would also like to take this opportunity to thank the shareholders, associates, clients, bankers, subcontractors and suppliers for their support to the Group. The Group values and looks forward to this continued support as we progress towards new undertakings.

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

THIS IS MY INAUGURAL REPORT TO THE SHAREHOLDERS. IT IS TRULY AN HONOUR FOR ME TO BE GIVEN THE OPPORTUNITY TO ASSUME THE POSITION OF CEO & MD OF THE GROUP. AS IN THE BEST TRADITION OF THIS GROUP, THE TRANSITION THUS FAR HAS BEEN VERY SMOOTH. I TAKE THIS OPPORTUNITY TO THANK THE BOARD FOR THEIR CONFIDENCE IN ME.

Dato' Teh Kean Ming
CEO & Managing Director

My predecessor, Tan Sri Dato' Krishnan Tan, has led the Group into what IJM is today. I take this opportunity to thank him for his strong leadership, foresight and guidance throughout these years. Additionally, I wish to welcome Mr. Tan Gim Foo as my Deputy. Together, we look forward to serving all our stakeholders and take the Group to greater heights of achievement.

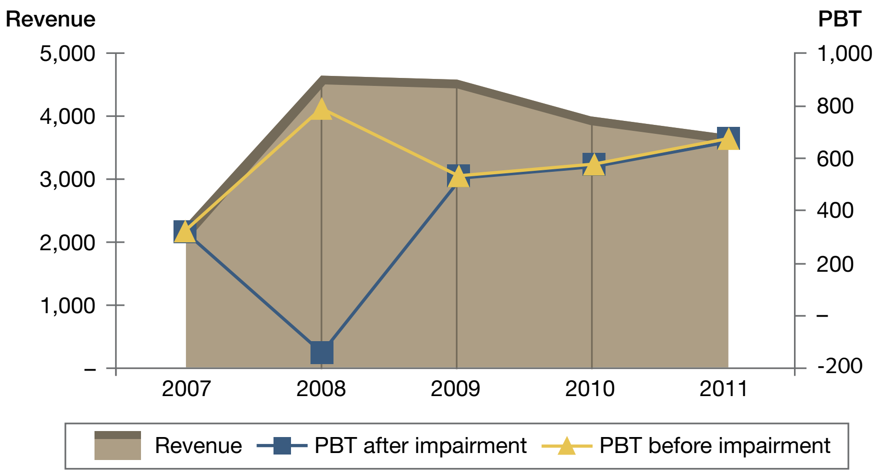
"*Resilient in Growth, Rooted in Strength*"... the two key messages of this year's annual report theme aptly depicts the Group, which has evolved over the years in an environment of increasing challenges, strongly supported by our five core businesses with uncompromising focus on delivering excellence and generating enhanced value to our shareholders.

CEO's Review of Operations

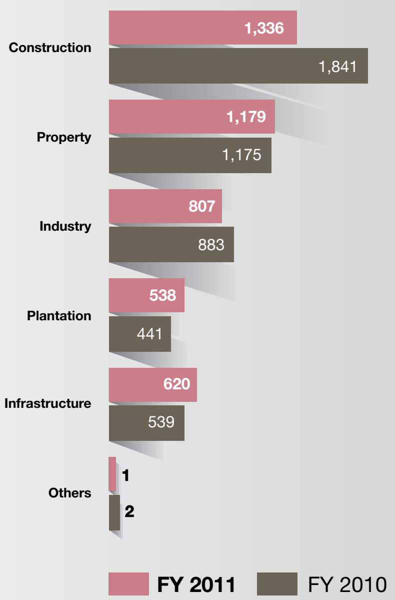
For the financial year ended 31 March 2011 ("FY 2011"), the Group achieved relatively good results though turnover declined 7% to RM3,720.72 million from the preceding year of RM4,013.53 million mainly due to lower billings from the early stages of construction of newly secured projects in the Construction Division, and lower sales of building materials.

In terms of the bottom line, our profit before tax ("PBT") improved by 17% to RM676.57 million from the previous year. This was attributable to improved margins from our Property and Plantation Divisions, higher net foreign exchange translation gains in respect of offshore US Dollar denominated borrowings in the Infrastructure Division and a capital gain from the disposal of a subsidiary.

Group Performance (RM' million)

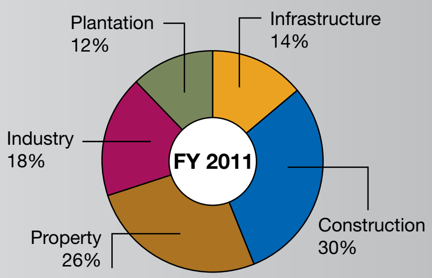


Group Revenue by Division*
(RM' million)

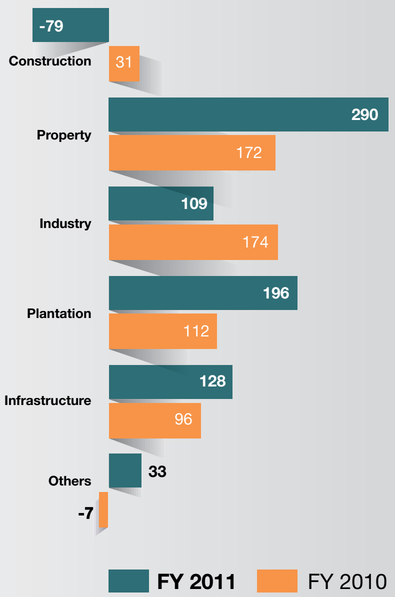


*includes share of associate and joint venture's revenue

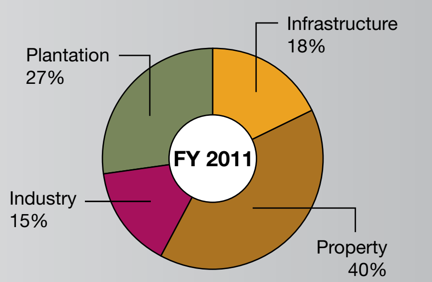
Group Revenue by Division*
(Proportion %)



Group PBT by Division
(RM' million)



Group PBT by Division
(Proportion %)



Diversified Business and Markets of the Group

Summer Place Apartment, Penang

	CONSTRUCTION
Malaysia	•
India	•
Middle East	•
China	
Pakistan	
Vietnam	
Argentina	
Indonesia	
Singapore	•
Australia	

The performances of our divisions are further elaborated later in this report. Suffice to say at this juncture, and it is clearly evident that the Group's diversified earnings base has helped it to overcome the negative contributions from the Construction Division to produce a good set of results.

Shah Alam 2 township

Labu Quarry, Negeri Sembilan

Kajang-Seremban Highway

Replanting in Desa Talisai South Estate, Sandakan

PROPERTY	INDUSTRY	INFRASTRUCTURE	PLANTATION
•	•	•	•
•	•	•	
•	•		
	•		
		•	
		•	
			•
•			
•			

Our commitment and efforts toward corporate governance excellence brought recognition. IJM received the Malaysian Corporate Governance Index - Industry Excellence Award (Construction) 2010 in December 2010. IJM also garnered other notable awards during the financial year such as the NACRA 2010 Merit Award while IJM Land Berhad, our property subsidiary, was awarded The Edge Property Excellence Award 2010. These awards are testimony to our dedication and commitment to performance excellence.

On the Corporate Responsibility ("CR") front, a formal CR Committee has been recently set-up to realign, strategise and formulate the Group's CR initiatives that will influence the way we do business in a sustainable way and contribute to the improvement of the welfare of our people and the community at large. I am truly very excited about this. Several initiatives are in the pipeline; their progress and the activities carried out will be reported in the next annual report.

I am honoured to work with the people of IJM. Their unwavering support, dedication and commitment to excellence have helped to bring the Group to where it is today. Over the years they have also volunteered many hours towards social responsibility programmes in the areas and countries where the Group operates. I am well aware that the IJM employees are truly our Mark of Excellence and it is an honour to lead them.

Going forward, the business environment will continue to be challenging. I believe that the Group, with its strong fundamentals, the strategic foresight of its leaders, its emphatic commitment to product and service excellence, and backed by the execution skills of our people, is well poised for resilient growth in the future.

Prestige Shanthinikethan Bangalore in India

The escalating commodity prices of 2008 and the Global Financial Crisis of 2009 had a significant adverse impact on our construction business, especially in our overseas operations. The Construction Division experienced a significant decline in new construction activities during the year while older projects reached completion. Thus, revenue declined 27% to RM1,336.19 million from RM1,841.22 million the year earlier. The impact on bottom line was more severe as existing contracts especially those in the Middle East and India, suffered cost escalations and work slowdown. New accounting treatments for claims in progress and impairment provisions further impacted its overall performance. The Division recorded a pre-tax loss of RM79 million against a pre-tax profit of RM31 million the previous year.

Lulu Reef Access Bridge in Bahrain

Construction Management Team:

left to right
top to bottom

- Tan Gim Foo
- Dato' Goh Chye Koon
- Soo Sik Sang
- Tong Wai Yong
- Pook Fong Fee
- Ong Teng Cheng
- Azhar Bin Kaulan
- Liew Hau Seng
- Yong Juen Wah
- Tan Kiam Choon
- Kok Fook Yu
- Lee Foh Ching
- Wan Chee Leong
- Thomas Foo Jong Jian
- Chan Kai Leong

Construction

During the year, the Division successfully completed several projects. The projects completed locally include the Kajang Seremban Expressway, the Senai Aeromall Terminal Building at Sultan Ismail International Airport in Johor Bahru, the SS2 Shopping Mall in Petaling Jaya, the Troika Condominium and Ampersand Luxury Condominium in Kuala Lumpur, Monte Bayu Apartments in Cheras, the Platino Grand Tower and Summer Place Apartments in Penang. Overseas, the Division completed the Prestige Shanthinikethan Bangalore project in India and Lulu Reef Access Bridge in Bahrain.

On the order book front, the Division successfully replenished more than RM1.0 billion in order book by securing a number of sizeable jobs. These include the Murum Access Road, Sarawak (Package A1 & B2) for RM247 million, Second Penang Bridge-Batu Kawan Expressway (Package 3B) for RM350 million, Platinum Park Phase 3 (Office Block) for RM461 million and Puteri Harbour Nusajaya (Parcel A1 & A2) for RM219 million. Apart from these, the Division also secured a few projects through its joint ventures such as the National Cancer Institute for RM276 million (our 40% share) and Pahang Raw Water Transfer Project, Lot 1-3B Semantan Pipeline and Related Works for RM161 million (60% share).

The Division is optimistic of a turnaround performance in FY 2012 given its existing order book, the buoyant conditions in the domestic property market and the higher public capital spending expected under the Economic Transformation Programme ("ETP") and the Tenth Malaysia Plan ("10MP").

CEO's Review of Operations (cont'd)

SS2 Shopping Mall in Petaling Jaya

Senai Aeromall Terminal Building at Sultan Ismail International Airport in Johor Bahru

Prestige Shanthinikethan Bangalore in India

However, rising inflation due to changes in global demand and geopolitical tensions, rising interest rates and adverse weather conditions will pose higher risks to the Division. To mitigate the impact of rising costs, the Division has implemented several measures such as inventory stock-up for major construction materials while strengthening its cost control procedures and effectiveness and bidding selectively for new projects.

Taking cognisance that the first loss after more than two decades of good performance was principally attributed to overseas operations, the Division has reviewed and re-strategised its overseas operations especially, to improve its financial performance and operational efficiency. The Division has adopted more stringent risk management processes for its overseas operations to enhance its resilience to the increasing uncertainties and key challenges in overseas markets. Considerable efforts were also undertaken to strengthen the human resource function and enhance the existing framework for addressing key weaknesses in overseas operations.

On the domestic front, the Division has continued to perform well, supported by sound internal control systems and leveraging on our expertise in construction of civil engineering works, high rise buildings and residential housing projects. With the expectation of rising oil prices and costs of major construction materials, the primary focus for the Division now would be to manage costs and intensify its execution of on-going projects for fast completion while maintaining the highest quality standards expected of the Group.

The Division has put in concerted efforts to tender for new projects and is optimistic of securing more jobs locally in the coming financial year. Moving forward, the Division believes that the new projects will contribute positively to its bottom line. On the international front, the Division has adopted a more prudent approach to its tendering process due to the intense competition, political instability, currency risk and collection risk in the overseas markets.

Lulu Reef Access Bridge in Bahrain

In line with our motto for Safety and Quality, the Division will focus and endeavour to achieve the highest standards to satisfy our customers' needs and enhance the value of our end products. In this regard, the Division has invested considerably for the continuous improvement on its safety and quality measures. They include providing adequate training and promoting awareness to all members in the Division, performing regular audits and inspections to assess for compliance and effectiveness as well as providing adequate skilled resources for proper project implementation and execution.

The increasing expectations for quality improvement and completion ahead of schedule from our customers will be our primary driver for continuous improvement on existing processes and cost effectiveness. The Division will continuously review its policies and procedures to meet the requirements of our customers despite a volatile environment. With sound risk management framework and internal control functions, the Division is confident and able to respond quickly to emerging risks whilst maintaining proper checks and balances in the system.

Construction Support Services:

left to right
top to bottom

- James Ponniah Joseph
- Mohd Kamal Bin Harun
- Ramar S/O Subramaniam
- Ng Chin Meng
- Dammavalam Sreenivasa Rao
- Soh Wan Heng
- Jim Mah Foong Kong
- Cho Foong Khuan
- Pang Sek Loh
- Liew Chee Khong
- Harjeet Singh
- Lam Choy Loong
- Casslyn Chong Siew Chen

Laman Granview in Puchong

The Property Division achieved another year of strong performance by recording a 69% jump in pre-tax profit to RM289.66 million (FY 2010: RM171.90 million) on the back of a revenue of RM1,178.76 million (FY 2010: RM1,175.64 million). The profit growth was achieved on the back of improved profit margins from the Division's on-going projects as well as the recognition of a RM63 million gain on disposal of a subsidiary, Delta Awana Sdn Bhd, the property investment subsidiary which owns the Aeon Bandaraya Melaka shopping mall.

Bukit Mandarina, Cheras

Property Management Team:

left to right
top to bottom

- Dato' Soam Heng Choon
- Chai Kian Soon
- Hoo Kim See
- Edward Chong Sin Kiat
- Bahrin Bin Baharudin
- Patrick Oye Kheng Hoon
- Tham Huen Cheong
- Toh Chin Leong
- Shuy Eng Leong
- Lee Kok Hoo
- Chong Ching Foong
- Manjit Singh

Property

The Malaysian economy experienced a resumption of strong growth in 2010 with an expansion of 7.2% mainly driven by robust domestic demand with strong expansion in private sector activity. In line with improving economic conditions, strong liquidity and rising inflationary fears, the property market continued its upward momentum driven by positive consumer sentiments and accommodative mortgage rate regime. In 2010, the Malaysian property market recorded 376,583 transactions valued at RM107.44 billion, which were 11.4% and 32.6% higher respectively compared to 2009. The Division's projects throughout the country similarly enjoyed strong take-up rates, which enabled its sales to hit RM1.46 billion, surpassing its previous high of RM1.26 billion in the last financial year.

Our projects which saw strong demand included the Light Collection I and II of our prestigious "The Light" waterfront development and Maritime office suites in Penang, Klang Valley's Laman Granview in Puchong and Villa 33, Bukit Mandarina in Cheras (exclusive semi-detached and bungalow enclaves), shop offices in Bukit Raja, Klang and Laman Baiduri (a lake front condominium project) in Subang Jaya. Our shop offices development adjacent to Aeon Bandaraya Melaka shopping mall called 1 Lagenda received overwhelming response whilst our landed residential development in Johor called Nusa Duta and our Suriamas Suites condominium project enjoyed robust sales. Our on-going townships such as Seremban 2 in Negeri Sembilan, Shah Alam 2 in Puncak Alam, Selangor and Bandar Utama in Sandakan, Sabah, also continued to enjoy strong demand.

Bayu Segar in Cheras

Nusa Duta township in Johor

Platino Grand Tower in Penang

The Division's FY 2011 revenue and profit contributions were anchored by Penang's Light Linear, Light Point, Summer Place and Platino condominium projects, Klang Valley's Laman Baiduri and Laman Granview, Melaka's 1 Lagenda, Johor's Nusa Duta landed development and our townships in Shah Alam 2, Seremban 2 and Bandar Utama in Sandakan.

In 2011, the Malaysian economy is projected to grow by 5% to 6%, with stronger performance in the second half of the year underpinned by strong domestic demand emanating primarily from private sector activity. Favourable labour market conditions, higher disposable incomes, sustained consumer confidence and ready access to financing will support private consumption whilst capital spending by the domestic oriented industries given the high levels of capacity utilisation and positive business confidence, as well as the implementation of key initiatives under the ETP, will support private investment. Meanwhile, the public sector is expected to remain supportive of growth, with higher capital spending resulting from the implementation of new projects and the acceleration of on-going projects.

On the back of this positive momentum, we will continue with aggressive launches of our on-going developments incorporating new designs and concepts to meet the ever changing customers' demand. We will be unveiling our maiden project in Kota Kinabalu, Sabah which is a twin block condominium project with a panaromic view of the Likas Bay. We are also expecting to introduce our new condominium project in Wangsa Maju, Kuala Lumpur strategically located adjacent to our highly successful Riana Green East project and within walking distance to the popular Wangsa Walk shopping centre and Sri Rampai LRT station.

In addition, we are actively preparing to bring to the market three of our large scale projects, namely The Light (Commercial Precinct), Canal City and Sebana Cove developments. Whilst the overall macro economic environment appears bright, we will also be cautious of the effects of inflation caused by rising commodities, food and crude oil prices on the demand for our properties as well as on our construction cost.

In India, the property market in the state of Andhra Pradesh where the Division has property developments is still very challenging as the decision for a separate Telengana state remains non-conclusive and agitation is still on-going. Amidst this, the construction of Phase 1 of the Rain Tree Park, Dwaraka Krishna Township in Vijayawada, is nearing completion and would be ready for occupancy by end of July 2011. Even with the slowdown in this region, we are optimistic to market those completed units. In addition, the Division is planning for a commercial mall strategically located in Hyderabad.

With a strong level of committed sales on hand coupled with our strategically located land banks and extensive product mix, the outlook of the Division remains positive.

Taman Utama township in Sandakan

ICP Piles used at the Nansha Maritime Safety Department Jetty, China

FY 2011 was a challenging year for the Industry Division. Growth in the construction sector slowed in the second half of the financial year resulting in lower demand for construction related materials. Intense competition led to margin erosion. Consequently, the Division's pre-tax profit fell by 37% to RM109.50 million on the back of a lower turnover which fell by 9% to RM807.40 million.

Quarry in Hyderabad, India

Industry Management Team:

left to right
top to bottom

- Khor Kiem Teoh
- Lee Hock Aun
- Leong Yew Kuen
- Tan Boon Leng
- Pang Chwee Hoon
- Ooi Ka Tong
- Leong Siew Wah
- Tan Khuan Beng
- Faizal Amir B Mohd Zain
- Choy Teik San
- Wong Siew Meng
- Leong Chee Hong
- Chan Kok Keong
- Low Hong Imm

Industry

The Division's core business of manufacturing and sales of PSC piles faced several challenges. The number of construction projects in the domestic and overseas markets was limited by the financial crisis the year before, making the market extremely competitive and putting pressure on selling prices. Despite the total tonnage of piles delivered falling only 3.5% year on year, revenue decreased by 11% to RM458.30 million. Operating profits decreased substantially by 38% to RM74.30 million. On a positive note, the Division contained further margin erosion through cost optimization measures and sound procurement management.

During the financial year, supplies for a number of local projects such as the Integrated Transportation Complex and Satellite Building for LCCT, Selangor; CT6 at Westport, Klang, Selangor; Hydrocarbon Storage at Tg. Bin, Johor; and Sabah Oil & Gas Terminal Project at Kimanis, Sabah were secured. The Government is expected to roll out more projects under the 10MP and ETP in FY 2012. More oil and gas facilities and heavy industries development projects are expected to take off. The Division is confident of securing orders from these projects.

Additionally export orders have increased by 40% in terms of total tonnage. Major projects secured during the financial year were supplies for the Mega Shipyard of Sembawang and Motor Sports Hub Projects in Singapore. These projects are expected to continue into FY 2012. A better construction outlook is foreseen in Singapore and the Division expects higher exports in FY 2012, which augurs well for the Division's high capacity plant in Senai, Johor.

On the operational front, production costs were well managed through stringent controls and continued research & development. Our laboratory has successfully implemented green solution with zero energy system using advanced admixture for pile production without energy input, thus achieving significant cost savings and reducing emission of carbon dioxide into the atmosphere.

CEO's Review of Operations (cont'd)

Through constant emphasis on high quality products, the Division achieved further recognition when seven of its plants were awarded the certification of SS EN 206 - 1:2009, SS544: Part 1 & 2:2009 and SAC CT06:2010 during the financial year by Certification International (Singapore) Pte Ltd (CIS) which reaffirms the advance of the Division's concrete batching plant technology.

It was however a difficult year for ICP Jiangmen which recorded a loss before tax of RM3.34 million compared to profit before tax of RM7 million in the prior year. Revenue contracted by 43% due to lower delivery and selling prices. The marine piles market in Guangdong Province contracted in FY 2011 due to postponement of projects implementation caused by tightening measures by the Chinese Government. Major projects successfully supplied to were Crane Rail Projects for Fangcheng and Qingzhou Ports at Beibu Gulf, Guangxi; Cruise Terminal Breakwater Structure's Foundation Work at Nansha; Bulk Cargo Terminal at Gaolan, Zhuhai and China Rail Wuhan Bridge Heavy Industries Group Co. Ltd.'s Jetty at Zhuhai.

Major port developments, jetties, coal power stations, petrol-chemical plants and ship-building yards are expected to be implemented in the Pearl Delta Region. With the continued growth in China's economy, the outlook of the Division's China operations remain positive beyond FY 2012.

Durabon Sdn Bhd ("DSB") achieved a revenue of RM90.66 million and PBT of RM12.61 million, a decrease of 4% and 9% respectively compared with previous financial year. Lower revenue was attributed to decrease in selling prices due to intense competition from Chinese manufacturers. Sales volume however increased marginally by 0.3% due to higher export sales to Vietnam and Indonesia. DSB will intensify its marketing efforts to Vietnam and Indonesia where more construction activities are expected to come on stream.

Soaring commodities prices and weakening US Dollar posed immense challenges on the business of Expedient Resources Sdn Bhd ("ERSB"), an export-oriented subsidiary engaged in the manufacturing and supply of rubber underlay and reclaimed rubber. ERSB focused on high-margin niche market to avoid direct competition with Chinese underlays. Consequently, revenue dropped marginally by 1% to RM15.60 million while PBT improved by 125% to RM0.09 million from last year. ERSB is well placed to take advantage of the robust demand for reclaimed rubber.

Turnover in the quarries improved by 8% to RM100.06 million on better performances from Junjung and Labu quarries supported by in-house sales, 2nd Penang bridge and double tracking projects. Meanwhile, revenues from quarries in Kuantan, Pahang and Kuang Selangor remained flat. In Johor, sales from Kulai and Ulu Choh quarries remained weak due to lack of construction activities. The premix operations in Kuang Selangor and Ulu Choh, Johor also suffered sales decline by 58% and 31% respectively due to intense competition. As such, pre-tax profits dropped by 13% to RM22.20 million due to margin erosion, higher spare parts costs and increase in royalty rates.

Ready mixed plant at Islamabad, Pakistan

ICP Piles used at the CT6 at Westport Klang, Selangor

The Division's efforts to establish a quarry business in India has begun to bear fruit as they successfully acquired the assets and right to operate a quarry at Medchal, Hyderabad. It is currently exploring new quarries in other parts of India. The Division is also pursuing more quarries in strategic locations in Malaysia.

Strong Mixed Concrete Sdn Bhd ("SMC") recorded a 12% jump in revenue to RM53.40 million on higher volume. However, rising raw materials prices and fuel costs resulted in SMC posting a lower PBT which dropped by 12% to RM0.91 million.

In India, turnover for the ready-mixed sector expanded by 20% to RM96.10 million on higher selling prices following the uptrend in cement prices. Unfortunately, sales in two plants in Hyderabad were adversely affected by the Telangana issue. A pre-tax profit of RM1.75 million was registered for FY 2011 which was 10% lower than previous year due to the lag in selling prices which could not keep pace with frequent cement price increases.

The instability in Pakistan and lack of foreign aid resulted in lesser jobs in Islamabad. Furthermore, the massive flood worsened the overall situation. Nevertheless, turnover increased by 33% to RM5.69 million and pre-tax profit achieved was RM0.16 million. The Pakistan Government is working towards bringing in more foreign direct investments. Meanwhile, the Karachi plant had not been performing well due to political and security reasons causing sales to drop by 62% to RM4.5 million and a pre-tax loss of RM0.22 million.

Turnover for the steel wire mesh business in India fell by 21% to RM3.60 million and suffered a higher loss of RM3.96 million compared to previous year's loss of RM1.59 million due to an impairment adjustment of RM1.9 million on its assets following the ceasing of operations in view of recurring losses.

The scaffolding rental business of Scaffold Master Sdn Bhd registered a drop of 31% in turnover to RM6.39 million on lower rental rates and in-house demand. In tandem, pre-tax profit fell by 32% to RM2.60 million. Nevertheless, in-house demand as well as from external markets is expected to increase significantly. The lower US Dollar is a boon as accessories from China is much cheaper now. As such, the business expects better performance in the next financial year.

Kemena Industries Sdn Bhd, a 55% subsidiary in Bintulu, Sarawak is engaged in the production of ready-mixed concrete and precast reinforced concrete products. Its turnover fell by 7% to RM25.23 million due to completion of the Sungai Plan project and pre-tax profits dropped by 12% to RM3.16 million. Spirolite (M) Sdn Bhd, a 38% associate manufacturing pipes, tubes, tanks and containers contributed a turnover of RM10.76 million and a pre-tax profit of RM1.23 million.

For the coming financial year, the Division hopes to see more jobs roll out under the ETP and 10MP, which should augur well for the Industry Division. However, the Division will remain vigilant and proactive to abrupt changes in today's highly volatile economic environment.

XinHui Paper Mill Jetty, Jiangmen, China

Rakanan Jaya North Estate

Amidst the global economic uncertainties stemming from the effects of the global financial crisis in 2008 and 2009 as well as the impact of adverse weather conditions on palm oil production, the Division has proven its resilience and sustainability by charting another year of record performance with revenue growing by 22% to achieve RM538.26 million and pre-tax profits increasing by 75% to reach RM196.01 million.

These financial results were propelled by the strength of crude palm oil ("CPO") prices driven by sturdy supply and demand fundamentals throughout the reporting year. In line with the appreciation of CPO prices, the Division achieved a higher average CPO selling price of RM2,760 per tonne (FY 2010: RM2,246 per tonne), an increase of 23% over the preceding year.

Sabang Palm Oil Mill II, Sugut

Plantation Management Team:

left to right
top to bottom
- Joseph Tek Choon Yee
- Puru Kumaran
- Velayuthan A/L Tan Kim Song
- Ng Chung Yin
- Madusoodanan
- S Kugarajah
- Francis Chai Min Fah
- P K Venugopal

Plantation

While the commodity market was favourable to the Division, as an upstream producer, the changing weather patterns however, affected the production of fresh fruit bunches ("FFB"). The operation experienced El Nino induced drought in early part of 2010 and La Nina condition of incessant rain thereafter stretching into the first quarter of 2011. As a result, the oil palms suffered biological stress resulting in lagged and lower FFB production by 5% to 575,210 tonnes (FY 2010: 604,663 tonnes) and total FFB milled inclusive of outside fruit purchase, also dropped by 6% to 708,522 tonnes (FY 2010: 756,870 tonnes).

The total planted hectarage in Sabah as at the financial year end stood at 25,199 hectares (FY 2010: 25,222 hectares) of which 96% was mature hectarage. During the financial year, the Division continued its planting programme in Indonesia and increased its planted hectarage to a total of 13,606 hectares as at year end (FY 2010: 5,306 hectares). Overall, 65% of the total planted hectarage is located in Sabah (Sandakan and Sugut regions), while 35% is in Indonesia.

Details of the Division's oil palm age profile are as follows:-

	Ha	%
MALAYSIA		
Mature (> 20 years)	1,980	8
Mature - Prime (8 - 20 years)	19,694	78
Mature - Young (4 - 7 years)	2,600	10
Immature (1 - 3 years)	925	4
Total	25,199	100
INDONESIA		
Mature (8 - 20 years)	563	4
Immature (1 - 3 years)	13,043	96
Total	13,606	100

Mature palms in Desa Talisai North Estate, Sandakan

CPO production for the year was 151,096 tonnes (FY 2010: 163,452 tonnes) from its four palm oil mills with a total capacity of 195 tonnes of FFB per hour. Due to the adverse weather conditions affecting cropping pattern, CPO production was lower by 8% while palm kernel ("PK") production dropped by 4% to 32,574 tonnes (FY 2010: 33,897 tonnes). The average CPO extraction rate was 21.3%, a marginal decline from 21.6% in the preceding year while PK extraction rate recorded a slight improvement at 4.6% (FY 2010: 4.5%).


Use of pot-tray system in pre-nursery to facilitate easy movement


Water catchment in Desa Talisai South Estate for production and domestic consumption

The Division's kernel crushing plant crushed 32,909 tonnes (FY 2010: 34,201 tonnes) of kernel producing 14,941 tonnes (FY 2010: 15,147 tonnes) of crude palm kernel oil to achieve an improved extraction rate of 45.4% (FY 2010: 44.3%). Total palm kernel expeller output was 16,457 tonnes (FY 2010: 17,092 tonnes) and achieved an extraction rate of 50.0% (FY 2010: 50.0%).

Contributions made to the Government in the form of Sabah sales tax and windfall profit levy as well as palm oil cess paid to the Malaysian Palm Oil Board ("MPOB") amounted to RM37.92 million (FY 2010: RM31.13 million). Rising production costs mainly attributable to fertiliser, fuel and labour, have been a concern for years. The Division remains vigilant in its focus in curbing and mitigating the rising costs.

During the year, availability of skilled workers remained a major constraint. Various incentive schemes were introduced to attract and retain skilled workers. To meet the demand for trained human capital in Indonesia, the Division carried out cadet training programmes for young graduates from Malaysia and Indonesia. In addition to critical plantation operations knowledge and agronomy practices, the cadets are also exposed to the plantations supply chain.

The Division continues to place great importance on nurturing sustainability whereby caring for the environment is integral in ensuring the long-term sustainability of the business. The Division also implemented good environmental management practices in soil and water conservation, utilisation of waste by-products, integrated pest management as well as zero-burning policy.

The Division practices recycling of palm by-products and mill effluent whereby empty fruit bunches ("EFB") go through the process of composting with palm oil mill effluent ("POME"). The application of compost which contains high nitrogen, to the fields essentially serves as organic fertilisers that enhance the soil condition while improving nutrient uptake, enabling rationalisation of inorganic fertilisers usage and mitigating high fertilisers cost.

During the reporting period, the Division successfully achieved its target of being fully certified under MPOB's Code of Practices ("CoPs") for quality, food safety and sustainability. All of its operating units including 1 nursery, 11 estates, 4 palm oil mills and 1 kernel crushing plant in Sabah have been certified.

The expansion project in Indonesia gained momentum and made significant progress. Total planted area increased by 156% to 13,606 hectares as at FY 2011 (FY 2010: 5,306 hectares). Another 5,223 hectares are ready for field planting in the current year. The established nurseries held over three million seedlings at year end and they would be available for planting to cover over 17,000 hectares. Our first palm oil mill in Indonesia commenced ground works on 11 May 2010 and is expected to commence operations by end of 2011.

The joint venture with Godrej Agrovet Limited ("GAL") in Godrej IJM Palm Oil Limited ("GIPOL") to carry out the business of purchasing oil palm FFB and milling in Goa and Karnataka, India, was terminated on 24 November 2010. Due to the change in business environment and the focus on expansion into Indonesia, the Division disposed its 51% equity interest in GIPOL. Similarly, the joint venture with CTI Biofuel, LLC for carrying out bio-diesel business, was dissolved on 1 December 2010. The Division also disposed 50% equity interest in Loongsyn Sdn Bhd ("LSSB"), an associate, on 25 March 2011. LSSB's principal activities are wholesaling and retailing of agricultural fertilisers and chemicals, operation of oil palm plantations and investment holding.

During the financial year, the Division assumed control of two Indonesian entities, PT Prima Alumga ("PTPA") and PT Indonesia Plantation Synergy ("PTIPS"). PT Primabahagia Permai ("PTPP"), a subsidiary of the Division has been nominated to acquire the shares in PTPA and PTIPS. The completion of shares acquisition is pending approval from the Indonesia Investment Coordinating Board.

Looking ahead, the Division remains optimistic on the outlook of palm oil industry as global demand for palm oil is expected to enjoy steady growth in the coming years, driven by higher consumption from emerging markets and increased usage for oleo and biodiesel, against a back drop of production constraint for substitute oil seeds. CPO prices are currently trading above RM3,000 per tonne level. If these positive trends continue, the Division can expect to deliver another good performance in the coming year, barring unforeseen circumstances.

FFB Quality Day campaign at the palm oil mill in Sugut

As the Indonesian operations gather pace, the Division shall place greater strides in executing the expansion programme and working in diligence to achieve good results in the near term and future.

Plantation Statistics

	Unit	FY 2011	FY 2010	FY 2009	FY 2008	FY 2007
ESTATES						
Oil Palm Area						
Sabah, Malaysia						
Mature (>20 years)	hectare	1,980	705	900	–	–
Mature-Prime (8-20 years)	hectare	19,694	17,380	14,447	15,600	11,876
Mature-Young (4-7 years)	hectare	2,600	5,505	7,764	7,040	10,673
Immature (1-3 years)	hectare	925	1,632	2,136	2,653	2,871
Kalimantan, Indonesia						
Mature (8-20 years)	hectare	563	–	–	–	–
Immature (1-3 years)	hectare	13,043	5,306	308	–	–
Total Planted Area	hectare	**38,805**	**30,528**	**25,555**	**25,293**	**25,420**
FFB Production	tonne	575,210	604,663	600,205	567,324	504,871
Yield Per Mature Hectare	tonne	23.7	25.6	26.0	25.1	22.4
MILLS						
FFB Processed	tonne	708,522	756,870	750,592	724,361	669,050
Palm Kernels Processed	tonne	32,909	34,201	40,705	52,954	55,778
Production						
Crude Palm Oil	tonne	151,096	163,452	157,376	154,174	144,095
Palm Kernel	tonne	32,574	33,897	35,022	34,269	30,277
Crude Palm Kernel Oil	tonne	14,941	15,147	17,721	23,042	24,038
Palm Kernel Expeller	tonne	16,457	17,092	20,922	27,717	29,004
Extraction Rates						
Crude Palm Oil	%	21.3	21.6	21.0	21.3	21.5
Palm Kernel	%	4.6	4.5	4.7	4.7	4.5
Crude Palm Kernel Oil	%	45.4	44.3	43.5	43.5	43.1
Palm Kernel Expeller	%	50.0	50.0	51.4	52.3	52.0
AVERAGE SELLING PRICES						
Crude Palm Oil	RM/tonne	2,760	2,246	2,641	2,544	1,511
Palm Kernel	RM/tonne	1,927	1,116	1,180	1,481	786
Crude Palm Kernel Oil	RM/tonne	4,259	2,555	3,107	3,251	1,863
Palm Kernel Expeller	RM/tonne	377	195	358	381	198

Jaipur-Mahua Tollway, India

The Infrastructure Division reported an improved turnover by 15% to RM620.28 million (FY 2010: RM538.91 million) mainly due to higher collections from Malaysian and overseas toll roads, local port concessions and our Indian power plant. Correspondingly, the Division's pre-tax profits rose by 33% to RM127.50 million (FY 2010: RM95.88 million) on the same account. The Division's infrastructure assets comprised of nine (9) toll concessions (with three (3) in Malaysia, five (5) in India and one (1) in Argentina), two (2) ports - one each in Pahang and Terengganu, a power plant in India and a water treatment plant in Vietnam.

Western Access Tollway, Argentina

Tolls Management Team:

left to right

top to bottom

- James Wong Tet Foh
- Neoh Soon Hiong
- Wan Salwani Binti Wan Yusof
- Cletus Joseph A Pereira
- Yap Pak How
- Chua Lay Hoon
- Hwa Tee Hai
- Ong See Chang

Port Management Team:

left to right

top to bottom

- Dato' Ho Phea Keat
- Haji Khasbullah Bin A Kadir
- Azah Bin Abdul Aziz
- Azahari Bin Muhammad Yusof

Infrastructure

Toll Roads

On the domestic front, the toll road concessions continue to contribute substantial results to the Infrastructure Division. Presently, there are three (3) operating toll roads, namely the wholly-owned 16.6 Km Besraya Highway ("Besraya"), 19.6 Km New Pantai Highway ("NPE") and 50%-owned 43.3 Km Kajang Seremban Highway ("LEKAS") holding concession periods of 44, 34 and 33 years respectively.

During the financial year, Besraya's turnover increased by 51% to RM61.16 million from previous year. Its pre-tax profit increased by 64% to RM40.28 million. The increase was mainly attributable to deferred income recognition for Salak Jaya toll plaza abolishment, toll hike deferment and lower finance cost. The Besraya Eastern Extension ("BEE") concession was awarded during the financial year and will provide better connectivity to the Northern and North-Eastern parts of Kuala Lumpur. Construction of the BEE has commenced and is expected to be completed in 2013. It will add another 12.3 Km length to the existing Besraya.

NPE also performed better. It recorded a 9% higher turnover to RM105.77 million. Its pre-tax profit of RM27.31 million was 23% higher than prior year. The improved performance was due to strong growth in traffic volume, lean operating cost and decreased finance costs. Its concession agreement which provides for toll rates revision for all classes of vehicles effective 1 January 2009 was deferred by the Government until present to ease the public's financial burden during the economic slowdown. On 18 February 2011, the Government also reduced the toll fare for Class 1 vehicles at PJS2 toll plaza from RM1.60 to RM1.00 to ease the burden of residents living nearby effective for 5 years. The reduction will be compensated by the Government.


Traffic control centre at New Pantai Highway

The Toll Division optimizes capital management in order to enhance its cash flow position through various means including rescheduling its debt repayments. In April 2010, NPE restructured the remaining Primary Senior BBA Notes of RM370.0 million whereby 30% of the nominal value for each Series was redeemed and 20% was restructured on pro-rata basis to create new Series of RM74.0 million with a profit rate 5.55% per annum until 2014. As a result, NPE's repayment profile has been lengthened to match the concession cash flows and its covenants relaxed to enable distribution of excess cash to its shareholder.

LEKAS was completed in early August 2010 and full tolling commenced in September 2010. During the financial year, LEKAS contributed a turnover of RM15.76 million (FY 2010: RM5.58 million) and a pre-tax loss of RM23.71 million (FY 2010: RM12.83 million) mainly due to highway assets amortisation, finance cost and low traffic volume. The deferment of North-South Expressway's scheduled toll-rate hikes since 2008 had resulted in relatively cheaper tariffs and indirectly contributed to LEKAS's low traffic performance. Moreover, the developments and pace of occupancy along LEKAS's alignment have remained subdued.

Going into FY 2012, the Toll Division is confident of continued performance to achieve higher productivity and cost efficiency to sustain profitability. Moving forward, the Division's portfolio will expand with the inclusion of the NPE Extension Project and the 286 Km West Coast Highway Project through IJM's investment in Kumpulan Europlus Berhad.

In India, the Division's operating toll roads comprising wholly-owned Rewa Tollway (387 Km) and 35%-owned Swarna Tollway (145 Km) have been operating for seven years with improved traffic counts. The newer tollways are the fully-owned Jaipur-Mahua Tollway (108 Km), 50%-owned Chilkaluripet-Vijayawada Tollway (79 Km) and 50%-owned Trichy Tollway (93 Km). Construction work on the Six Laning of Chilkaluripet-Vijayawada Tollway continues during the financial year. The Indian tollways hold concession periods ranging from 16 to 31 years.

Swarna Tollway, India

Night view of Swarna toll plaza, India

During the financial year, Indian tollways contributed higher revenues of RM119.30 million (FY 2010: RM98.34 million) mainly due to turnover contributions from Jaipur-Mahua and Trichy tollways, which commenced full-tolling in mid FY 2010. Pre-tax profits were RM18.79 million (FY 2010: RM21.61 million) mainly due to recognition of net foreign exchange translation gains in relation to offshore US Dollar-denominated borrowings. Without the gains, the Indian Toll Division would be in a pre-tax loss position of RM8.55 million (FY 2010: RM22.41 million) which was lower this year due to the maturing profile of existing assets with improved toll collections. It is anticipated that Indian tolling operations, which are in their early stages of the concessions, will continue to face challenges in terms of traffic volumes and high debt costs.

The Group had entered into conditional share purchase agreements to acquire additional stakes totaling 45% in Swarna Tollway in October 2010 and June 2011, and an additional stake of 49% in Chilkaluripet-Vijayawada Tollway in May 2011. This is expected to bode well for the Group to build on its Infrastructure Assets portfolio overseas for future recurring income streams.

In Argentina, the Group's 20%-owned Grupo Concesionario del Oeste S.A. ("GCO") which operates a 21-year concession of the Western Access Tollway (56 Km) in Buenos Aires, contributed a higher turnover by 14% to RM45.08 million from prior year due to revisions in toll rates for category 2 and rush-hour vehicles in December 2009 plus a second revision of 20% in all categories in October 2010. Overall traffic volume has recovered by 7% to 112.1 million passenger car units from prior year. As a result, the Group's share of profit recovered to RM1.23 million from a previous year loss of RM0.53 million. GCO's outlook for 2011 is expected to be positive, having already seen a good recovery in traffic levels during 2010.

It is anticipated that the Group's prospects in the toll road business will continue to remain positive with limited operational and financial risk exposure and will continue to contribute a steady recurring income stream to the Group's earnings.

Kuantan Port, Pahang

Unloading steel pipes at Kuantan Port

Ports

The two port concessions in the Group's stable of concession assets contributed positively to its bottom-line. During the financial year, Kuantan Port achieved an improved pre-tax profit of 21% to RM49.50 million (FY 2010: RM40.97 million) on the back of higher turnover of RM124.20 million (FY 2010: RM112.30 million). Cargo throughput recorded was 12.7 million freightweight tonnes ("FWT") (FY 2010: 11.0 million FWT), an increase of 15% from prior year contributed by liquid chemical exports, mineral oil and petroleum imports, iron ore exports and containers following the recovery from the global slowdown.

The Group's 39% stake in Kemaman Port, Terengganu which operates the East Wharf and Liquid Chemical Berth performed well. The Group recorded its share of turnover of RM13.42 million (FY 2010: RM13.18 million) and pre-tax profits share of RM2.89 million (FY 2010: RM3.32 million) arising from cargo handling and marine services.

During the financial year, the Port Division continued to invest in port facilities that would yield good returns to its bottom line. The division plans to construct three new berths costing RM150 million in order to handle additional cargo and mitigate the current berth congestion due to significant increase in iron ore and steel pipes cargoes.

On the international front, the Port Division is exploring business opportunities in the development, management and operations of ports around the region. The Division anticipates the global maritime trade will continue to play a significant role in the years to come and this will augur well for the Port Division as it continues to provide steady contributions to the Group in future years.

Power Plant

In India, the Group's sole power plant concession in Andhra Pradesh is its 20%-owned Gautami Power, a 469 MW natural gas based Combined Cycle Power Plant. The power plant contributed a higher turnover by 11% to RM123.89 million (FY 2010: RM111.47 million) and increased pre-tax profits by 44% to RM13.84 million (FY 2010: RM9.61 million) for the Group's share of results during the financial year. The investment is expected to contribute regular income streams to the Group throughout the concession period until year 2023.

Water Treatment Plant

The 36%-owned associate, Binh An Water Corporation Ltd in Vietnam contributed a net profit of RM3.05 million (FY 2010: RM3.50 million) to the Group's share of results during the financial year. The investment is expected to contribute stable income streams to the Group until the year 2019.

Gautami Power Plant in Andhra Pradesh, India

Besraya Highway

CONCLUSION

Notwithstanding the Group's overall mixed performance during the financial year, I believe that IJM has performed relatively well in the face of a competitive and challenging market environment. The prospects for the Construction Division in the next financial year is encouraging as order book replenishment remains positive as the Government continues to emphasise on infrastructure spending coupled with increasing private sector developments.

The present mortgage regime, improved consumer sentiments and higher disposable incomes together with our strong unbilled sales in excess of RM1 billion will continue to drive our Property Division to scale greater heights. With the rollout of more ETP and oil and gas development projects, our Industry Division expects its order book and financial performance to improve in the future.

Our Plantation Division is anticipated to deliver another round of good performance if prices remain above RM3,000 per tonne levels combined with the expected recovery in FFB production. Meanwhile, our maturing Infrastructure assets are expected to contribute to the Group's earnings with steady recurring income streams generated from tolling, port, water and power operations.

The Group continues to remain vigilant in its actions and proactive in management while operating in a robust and highly competitive business environment. The Group's operating performance for the forthcoming financial year is anticipated to be satisfactory as the Group continues to generate profitable growth.

In closing, I want to personally thank the people of IJM for their hard work, discipline and dedication to the Group. While this past year was challenging, I believe we have emerged as an even stronger company and well positioned for growth... "*Rooted in Strength, Resilient in Growth*".

Dato' Teh Kean Ming
CEO & Managing Director

The Board of Directors ("the Board") recognises the importance of good corporate governance in building sustainable business growth, and is committed to ensure that the highest standards of corporate governance as embodied in the Malaysian Code on Corporate Governance ("the Code") are practiced throughout the Group.

I. BOARD OF DIRECTORS

1. Composition of the Board

Of the eleven (11) Board members, eight (8) are Non-Executive Directors. Amongst the Non-Executive Directors, four (4) are Independent Non-Executive Directors. The Chairman is one of the Independent Non-Executive Directors. Datuk Yahya bin Ya'acob is the Senior Independent Non-Executive Director, who will attend to any query or concern concerning the Group besides the Chairman and Chief Executive Officer & Managing Director ("CEO&MD").

The role of the Independent Non-Executive Chairman and the CEO&MD are distinct and separate to ensure there is a balance of power and authority. The Independent Non-Executive Chairman is responsible for the leadership, effectiveness, conduct and governance of the Board. The Independent Non-Executive Chairman did not previously hold the position of CEO&MD in the Group.

The CEO&MD has overall responsibility for the day-to-day management of the business and implementation of the Board's policies and decisions. The CEO&MD is responsible to duly ensure execution of strategic goals, effective operation within the Group, and to explain, clarify and inform the Board on matters pertaining to the Group.

Malaysian Corporate Governance Index - Industry Excellence Award (Construction) 2010

The composition and size of the Board are reviewed from time to time to ensure its appropriateness. The profile of each Director is presented on pages 20 to 27.

2. Duties and Responsibilities of the Board

The Board is primarily responsible for the Group's overall strategic plans for business performance, overseeing the proper conduct of business, succession planning, risk management, investor relations programmes, internal control and management information systems; while the management is accountable for the execution of the expressed policies and attainment of the Group's expressed corporate objectives. The demarcation complements and reinforces the supervisory role of the Board.

The Directors have a diverse set of skills, experience and knowledge necessary to govern the Group. The Non-Executive Directors are professionals in the field of engineering, finance, accounting, economics or experienced senior public administrators. Together, they bring a wide range of competencies, capabilities, technical skills and relevant business experience to ensure that the Group continues to be a competitive leader within its diverse industry segments with a strong reputation for technical and professional competence. The Independent Non-Executive Directors bring independent judgment and provide constructive views on issues of strategy, business performance, resources and standards of conduct.

The Company, from time to time, uses the services of retired Executive Directors for specific roles in the Company's operations for specific periods. These Directors are paid remuneration for their services.

3. Board Meetings

The Board conducts at least four scheduled meetings annually, with additional meetings convened as and when necessary. During the financial year, five (5) Board meetings were held.

The attendance record of each Director was as follows:

	Number of Meetings Attended	Percentage
Executive Directors		
Dato' Teh Kean Ming	5 out of 5	100%
Tan Sri Dato' Tan Boon Seng @ Krishnan	5 out of 5	100%
Tan Gim Foo *(Appointed on 1 January 2011)*	1 out of 1	100%
Independent Non-Executive Directors		
Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob	5 out of 5	100%
Tan Sri Abdul Halim bin Ali	5 out of 5	100%
Datuk Yahya bin Ya'acob	5 out of 5	100%
Datuk Oh Chong Peng	5 out of 5	100%
Non-Executive Directors		
Datuk Hj Hasni bin Harun	5 out of 5	100%
Datuk Lee Teck Yuen	5 out of 5	100%
Dato' David Frederick Wilson	5 out of 5	100%
Dato' Goh Chye Koon	4 out of 5	80%
Alternate Director		
Tan Gim Foo, Alternate to Dato' Goh Chye Koon^	4 out of 4	100%

^ Ceased as an Alternate Director to Dato' Goh Chye Koon on 1 January 2011

Besides these Board meetings, the Directors also attend tender adjudication meetings and investment briefings, where Directors deliberate on the Group's participation in major project bids in excess of RM500 million (or RM250 million for overseas contracts) or investments. Informal meetings and consultations are frequently and freely held to share expertise and experiences. Directors also attend the annual senior management dialogue where operational strategies, performance progress and other issues are presented, discussed and communicated to senior managers of the Group.

Directors and senior management attended the Corporate Governance talk

4. Supply of Information

All Directors are provided with the performance and progress reports on a timely basis prior to the scheduled Board meetings. All Board papers, including complicated issues or specific matters, are distributed in advance to ensure Directors are well informed and have the opportunity to seek additional information, and are able to obtain further clarification from the Company Secretary, should such a need arise. Where necessary, the services of other senior management or external consultants will be arranged to brief and help the Directors clear any doubt or concern.

The schedule of matters reserved specifically for the Board's deliberation include the approval of corporate plans, annual budgets, new ventures, acquisitions and disposals of undertakings and properties of a substantial value, and changes to the management and control structure within the Group, including key policies, delegated authority limits, and participation in the adjudication of tenders for construction project in excess of established limits. Proper minutes of all deliberations of the Board are recorded, including the issues discussed and the conclusion of decisions.

All Directors have access to the advice and services of a full time Company Secretary. The Directors may seek independent advice, where necessary, at the expense of the Company, so as to ensure the Directors are able to make independent and informed decisions.

5. Committees Established by the Board

The Board has delegated certain functions to the Committees it established to assist in the execution of its responsibilities. The Committees operate under clearly defined terms of reference. The Committees are authorised by the Board to deal with and to deliberate on matters delegated to them within their terms of reference. The Chairman of the respective Committees reports to the Board on the outcome of the Committee meetings and such reports are included in the Board papers.

A. Executive Committee

The Executive Committee was established on 31 March 1995 and its membership consists of the Executive Directors of the Board. The Executive Committee meets monthly to review the operations of the Group's operating divisions. In attendance are the Heads of Division, Chief Financial Officer, Company Secretary, and relevant departmental heads. The terms of reference of the Executive Committee are available for reference at the Company's website at http://www.ijm.com.

During the financial year, 11 Executive Committee meetings were held. All members of the Executive Committee attended all the meetings.

B. Audit Committee

The Audit Committee was established on 31 January 1994 comprising entirely of Independent Non-Executive Directors. The Audit Committee is chaired by Datuk Oh Chong Peng and other members of the Audit Committee are Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob, Datuk Yahya bin Ya'acob and Tan Sri Abdul Halim bin Ali. The terms of reference and summary of activities of the Audit Committee are set out on pages 93 to 95.

C. Nomination & Remuneration Committee

The Remuneration Committee was established on 2 December 1998 and was renamed Nomination & Remuneration Committee on 16 May 2001. The Nomination & Remuneration Committee comprises wholly of Non-Executive Directors, being chaired by Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob *(sitting right)*. The three other members of the Nomination & Remuneration Committee are Datuk Yahya bin Ya'acob *(standing left)*, Datuk Oh Chong Peng *(sitting left)* and Datuk Lee Teck Yuen *(standing right)*.

The duties and responsibilities of the Nomination & Remuneration Committee are to assist the Board in reviewing and recommending the appropriate remuneration policies applicable to Directors, CEO&MD and senior management and the appointment and evaluation of the performance of Directors.

The terms of reference of the Nomination & Remuneration Committee include to review and determine the mix of skills, experience and other qualities (including core competencies of Non-Executive Directors on an annual basis); and to assess the effectiveness of the Board as a whole, the committees of the Board and the contribution of each individual Director on an annual basis. The details of the terms of reference of the Nomination & Remuneration Committee are available for reference at the Company's website at http://www.ijm.com.

The activities of the Nomination & Remuneration Committee during the financial year include the following:-

(i) evaluated and approved the appointments of new Executive Deputy Chairman, CEO&MD and Deputy CEO & Deputy MD;
(ii) reviewed the service contract of Non-Executive Directors and re-employed retired senior officers;
(iii) reviewed the salary, promotion and bonus & incentives of senior management of the Group;
(iv) assessed and evaluated the effectiveness of the Board and the individual Directors (including the CEO&MD);
(v) reviewed the Human Resource Manual - Scheme & Conditions of Service;
(vi) reviewed the terms of reference of the Nomination & Remuneration Committee;
(vii) reviewed the Directors' Fees for the Group; and
(viii) considered and engaged an external advisor for the Group salary review exercise.

The Nomination & Remuneration Committee meets as required. Five (5) meetings were held during the financial year and the attendance record of each member of the Committee was as follows:

Nomination & Remuneration Committee	Number of Meetings Attended	Percentage
Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman Bin Wan Yaacob	5 out of 5	100%
Datuk Yahya bin Ya'acob	4 out of 5	80%
Datuk Oh Chong Peng	5 out of 5	100%
Datuk Lee Teck Yuen	5 out of 5	100%

All recommendations of the Nomination & Remuneration Committee are subject to endorsement of the Board.

The Nomination & Remuneration Committee was generally satisfied with the performance and effectiveness of the Board and Board Committees. The criteria and method of the Board and individual Director assessment and evaluation have been revised and formalised. The assessment of the Board was based on specific criteria covering areas such as overall business performance, Board governance, development of management and succession plan, and Board composition & structure. The specific criteria for assessment of individual Director cover expertise, judgement, approach to conflict, commitment of time and effort in discharging duties and responsibilities. The evaluation and assessment process is now conducted by way of electronic means through the iPortal under e-Evaluation.

As a policy, the Board itself would assess, evaluate and determine the independence of an Independent Director when he is due for re-appointment at the Annual General Meeting, notwithstanding that the tenure of service of the Independent Director has been more than twelve (12) years.

D. Securities and Options Committee

The Securities and Options Committee ("SOC") was established on 27 August 2007 combining the roles and responsibilities of the Share Committee and Employee Share Option Scheme Committee which was previously established on 3 September 1986 and 30 October 2003 respectively. The SOC is responsible for implementing and administering of options, and regulating and approving the securities transactions and registrations. The SOC comprises Datuk Yahya bin Ya'acob (Chairman), Dato' Teh Kean Ming and Dato' David Frederick Wilson.

6. Appointments to the Board

The Nomination & Remuneration Committee is responsible for making recommendations for the appointment of Directors to the Board, including those of subsidiaries and associated companies. In making these recommendations, the Nomination & Remuneration Committee considered the required mix of skills and experience, which the Directors brought to the Board.

7. Re-election

The Articles of Association provides every new appointed Director be subjected to re-election at the immediate Annual General Meeting. Further, one third (1/3) of the Board shall retire from office and be eligible for re-election at every Annual General Meeting, and all the Directors should submit themselves for re-election at least every three years. This has been consistently practised.

8. Directors' Training

All Directors have attended the Directors' Mandatory Accreditation Programme organised by the Bursa Malaysia Securities Berhad ("Bursa Securities"). Our Directors have attended conferences, seminars, and training programmes from time to time covering areas such as finance, risks management, regulatory laws, rules and guidelines. An induction briefing is also provided by our Company Secretary to newly appointed Directors.

The Company is aware of the importance of continuous training for Directors to enable the Directors to effectively discharge their duties, and will on a continuous basis, evaluate and determine the training needs of its Directors.

During the year, all the Directors have attended various training programmes, seminars and/or conferences. The details of the Directors' Training are available for reference in the Company's website at http://www.ijm.com.

Updates on companies and securities legislations, and other relevant rules and regulations, such as amendments to the Companies Act 1965, Listing Requirements of the Bursa Securities, the Code, Capital Markets & Services Act 2007, was provided to the Board, together with the Board papers, in order to acquaint them with the latest developments in these areas.

Where possible and when the opportunity arises, Board meetings will be held at locations within the Group's operating businesses to enable the Directors to obtain a better perspective of the business and enhance their understanding of the Group's operations. The Board had also visited project sites of the Group during the year.

Directors and staff attended a talk on the Malaysian Competition Act and its impact on businesses

II. REMUNERATION

The remuneration policy of the Company is based on the philosophy of giving higher weightage on performance-related bonuses. These are entrenched in the remuneration policy for Executive Directors (and senior management), which are reviewed annually by the Nomination & Remuneration Committee. The Group also participates in industry specific surveys by independent professional firms to obtain current data in benchmarking the Group.

The performance of Directors is measured by the Directors' contribution and commitment to both the Board and the Group. The Executive Directors' and senior management's remuneration depend on the performance of the Group and the achievement of the goals (including quantified organisational targets, Key Performance Index and/or personal achievement) set at the beginning of each year.

In the case of Non-Executive Directors, the level of remuneration reflects the contribution and level of responsibilities undertaken by the particular Non-Executive Director.

In addition to the basic salary and bonus & incentives for all its employees, including the Executive Directors, the Group also offers benefits-in-kind such as private medical care (including "portable" critical illnesses insurance) and car in accordance with the IJM Scheme and Conditions of Service. On top of the Employees Provident Fund statutory contribution rate of 12%, the Group is providing additional contribution ranging from 1% to 5% to all its employees based on length of services.

During the last financial year, the Group had offered for sale a total of 60,000,000 warrants of IJM Land Berhad, a subsidiary, to all eligible employees of the Group at RM0.302 per warrant.

Directors' Remuneration

The details of the remuneration of Directors during the financial year are as follows:

A. Aggregate remuneration of Directors categorised into appropriate components:

The Company

	Salaries RM'000	Fees RM'000	Bonus, Incentives & Others RM'000	EPF RM'000	Benefits -in-kind RM'000	Total RM'000
Executive Directors	1,938	–	11,881	1,000	42	14,861
Non-Executive Directors	1,002	687	165	89	50	1,993
Total	2,940	687	12,046	1,089	92	**16,854**

In addition, an allowance of RM1,000 was paid to the Non-Executive Directors for each of the Board and Board Committee meeting attended.

Other Related Companies

	Salaries RM'000	Fees RM'000	Bonus, Incentives & Others RM'000	EPF RM'000	Benefits -in-kind RM'000	Total RM'000
Executive Directors	510	277	351	143	24	1,305
Non-Executive Directors	–	133	14	–	–	147
Total	510	410	365	143	24	**1,452**

B. Aggregate remuneration of each Director:

	Remuneration received from the Company	Remuneration received from Other Related Companies
Executive Directors	**RM'000**	**RM'000**
Tan Sri Dato' Tan Boon Seng @ Krishnan	13,512 @	159 * #
Dato' Teh Kean Ming	1,349	141 * #
Tan Gim Foo	–	1,005 ^
Non-Executive Directors		
Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob	190	–
Datuk Yahya bin Ya'acob	111	–
Tan Sri Abdul Halim bin Ali	96	–
Datuk Oh Chong Peng	119	82 #
Datuk Hj Hasni bin Harun	66 **	–
Datuk Lee Teck Yuen	82	65 *
Dato' David Frederick Wilson	671 ***	–
Dato' Goh Chye Koon	658 ***	–
Total	**16,854**	**1,452**

* *Fees and allowances received from IJM Land Berhad in their capacity as Non-Executive Directors.*

\# *Fees and allowances received from IJM Plantations Berhad in their capacity as Non-Executive Directors.*

^ *Remuneration of Tan Gim Foo is in his capacity as Managing Director of IJM Construction Sdn Bhd.*

*** *Remuneration of Dato' David Frederick Wilson and Dato' Goh Chye Koon are in respect of specific overseas assignments.*

@ *Includes the retirement gratuity of RM8.4 million.*

** *Fees and allowances paid to Zelan Berhad.*

III. INVESTOR RELATIONS AND SHAREHOLDER COMMUNICATION

1. Dialogue between the Company and Investors

The Company places great importance in ensuring the highest standards of transparency and accountability in its communication to shareholders, as well as to potential investors, analysts and the public.

This is achieved through timely announcements and disclosures made to the Bursa Securities, which includes quarterly financial results, material contract awarded, changes in the composition of the Group and any other material information that may affect investors' decision making. The Company's full year audited financial results are released within two (2) months after the financial year end. A comprehensive annual report is released within four (4) months after the financial year end.

The Group also conducts regular dialogues with financial analysts. At least two scheduled Company Briefings are held each year, usually coinciding with the release of the Group's second and final quarterly results, to explain the results achieved as well as immediate and long term strategies, along with their implications, going forward.

A press conference is normally held after each Company Annual General Meeting and/or Extraordinary General Meeting to provide the media an opportunity to receive an update from the Board on the proceedings at the meetings and to address any queries or areas of interest of the media.

IJM's 26th Annual General Meeting 2010

Our Executive Deputy Chairman having a light discussion with some shareholders

The Company also participates in several institutional investors' forums both locally and outside Malaysia. The summary of the Group's investor relations activities during the financial year and additional corporate information and/or disclosures of the Group are available for reference at the Company's website at http://www.ijm.com.

Any information that may be regarded as material would not be given to any single shareholder or shareholder group on a selective basis except to the extent of their representation in the Board.

2. Annual General Meeting

The Annual General Meeting is the principal forum for dialogue with shareholders. The notice of meeting and the annual report are sent out to shareholders at least 21 days before the date of the meeting in accordance with the Company's Articles of Association.

At each Annual General Meeting, a presentation is given by the CEO&MD to explain the Group's strategy, performance and major developments to shareholders. The Board also encourages shareholders to participate in the question and answer session at the Annual General Meeting.

3. Investor Relations Function

The Group, recognising the importance of investor relations, has an established Investor Relations Department to continuously develop and maintain its investor relations programme and consistently inform shareholders and the investing community of the Group's developments in an effective, clear and timely manner.

4. Openness and Transparency

The Group has established a comprehensive website at http://www.ijm.com, which includes a dedicated section on Investor Relations, to further enhance shareholder communication.

To better serve stakeholders of the Group, a feedback page on the website provides an avenue for stakeholders to suggest improvements via email: ijmir@ijm.com. In addition, stakeholders who wish to reach the respective divisions of the Group can do so through the 'Contact Us' page.

Investor queries pertaining to financial performance or company developments can be directed to the Investor Relations Manager whereas shareholder related queries can be referred to the Company Secretary, whose contact details are detailed in the "Information for Investors" section on page 40 of the Annual Report.

IV. ACCOUNTABILITY AND AUDIT

1. Financial Reporting

In presenting the annual financial statements and quarterly announcements to the shareholders, the Board aimed to present a balanced and understandable assessment of the Group's position and prospects. This also applied to other price sensitive public reports and reports to regulators.

2. Directors' Responsibility Statement

The Directors are required by the Act to prepare the financial statements for each financial year in accordance with the provisions of the Act and applicable approved accounting standards to give a true and fair view of the state of affairs of the Group and the Company at the end of the financial year and of the results and cash flows of the Group and the Company for the financial year.

In preparing the financial statements, the Directors have:

i) adopted appropriate accounting policies which are consistently applied;

ii) made judgments and estimates that are reasonable and prudent;

iii) ensured that all applicable approved accounting standards have been followed; and

iv) prepared financial statements on the going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue in operational existence in the foreseeable future.

The Directors are responsible for ensuring that the Company keeps accounting records which disclose with reasonable accuracy the financial position of the Group and the Company and which enable them to ensure that the financial statements comply with the Act.

The Directors have also taken such steps as are reasonably open to them to safeguard the assets of the Group and the Company, and to prevent fraud and other irregularities.

A blog@IJM in the i-Portal has been established since 2006 to enable the employees of the Group to raise matters of concern or on issues of integrity, among others.

3. Internal Control

The Group's Statement on Internal Control is set out on pages 96 to 101.

4. Whistle-Blowing Policy

With the introduction of the Whistleblower Protection Act 2010, the Company has revised its Whistle-Blowing Policy to be in line with the provision of the Whistleblower Protection Act 2010 to enhance the coverage and protection to whistleblowers, which now encompasses report of suspected and/or known misconduct, wrongdoings, corruption and instances of fraud, waste, and/or abuse involving the resources of the Group.

The Whistle-Blowing Policy is posted on the iPortal and the Company's website at http://www.ijm.com for ease of access for reporting by employees and associates of the Group.

5. Relationship with the Auditors

The role of the Audit Committee in relation to the external auditors is set out on pages 93 to 95.

6. Non-Audit Fee

The amount of non-audit fee incurred for the services provided by the external auditors and their affiliated companies to the Group for FY 2011 amounted to RM1.4 million.

7. Related Party Transactions

Significant related party transactions of the Group for the financial year are disclosed in Note 53 to the Financial Statements. This note also sets out the recurrent transactions conducted during the period in accordance with the general mandate obtained from shareholders at the Extraordinary General Meeting held on 25 August 2010.

Signed on behalf of the Board of Directors in accordance with its resolution dated 11 July 2011.

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

During the financial year, the Audit Committee carried out its duties and responsibilities in accordance with its terms of reference and held discussions with the internal auditors, external auditors and management staff. The Audit Committee is of the view that no material misstatements or losses, contingencies or uncertainties have arisen, based on the reviews made and discussions held.

MEMBERSHIP AND TERMS OF REFERENCE OF THE AUDIT COMMITTEE

MEMBERSHIP

The Audit Committee shall be appointed by the Board of Directors from amongst the Non-Executive Directors and shall consist of not less than three (3) members, with a majority of them being Independent Directors. The members of the Audit Committee shall elect a Chairman from among their numbers, and who shall be an Independent Director. In determining independence, the Board will observe the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The Chairman of the Audit Committee, Datuk Oh Chong Peng is a qualified Chartered Accountant, a Fellow of the Institute of Chartered Accountants of England and Wales, and a member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants.

The Board of Directors shall review the terms of office and performance of the Audit Committee and each of its members at least once every three (3) years.

Members of the Audit Committee
left to right
sitting:
- Datuk Oh Chong Peng
- Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob

standing:
- Datuk Yahya bin Ya'acob
- Tan Sri Abdul Halim bin Ali

MEETINGS

Meetings shall be held at least four (4) times a year with the attendance of the Chief Financial Officer, Head of Internal Audit and representatives of the external auditors. Other Board members and senior management may attend meetings upon the invitation of the Audit Committee. At least twice a year, the Audit Committee shall meet with the external auditors without the presence of management. The auditors, both internal and external, may request a meeting if they consider that one is necessary.

The Chairman of the Audit Committee engages on a continuous basis with senior management, Head of Internal Audit and the external auditors, in order to keep abreast of matters and issues affecting the Group.

A quorum consists of two (2) members present and a majority of whom must be Independent Directors.

The Company Secretary acts as secretary to the Audit Committee. Minutes of each meeting are distributed to each Board member, and the Chairman of the Audit Committee reports on key issues discussed at each meeting to the Board.

During the financial year, the Audit Committee convened six (6) meetings. All the members of the Audit Committee had attended all the meetings other than Datuk Yahya bin Ya'acob, who extended his apology for not being able to attend for one of the meetings.

AUTHORITY

The Audit Committee wherever necessary and reasonable for the performance of its duties, shall in accordance with the procedure determined by the Board and at the cost of the Company:

- have authority to investigate any activity within its terms of reference;
- have full, free and unrestricted access to any information pertaining to the Group;
- have direct communication channels with the external and internal auditors, as well as all employees of the Group; and
- be able to obtain external independent professional or other advice and to secure the attendance of outsiders with the relevant experience and expertise if it considers this as necessary.

DUTIES

The following are the summary of the main duties and responsibilities of the Audit Committee collectively:

1) To review the quarterly results to Bursa Securities and year end financial statements of the Group before submission to the Board.
2) To consider the nomination and appointment of external auditors, as well as their audit fee.
3) To consider any letter of resignation from the external auditors, and any questions of resignation or dismissal.
4) To discuss with the external auditors, prior to the commencement of audit, their audit plan, which shall state the nature of the audit, and to ensure co-ordination of audit where more than one (1) audit firm is involved.
5) To review with the external auditors, their evaluation of system of internal controls, their management letter and the management's response.
6) To review the assistance given by the employees of the Company to the external auditors.
7) To review the internal audit scope, functions, competency and resources of the internal audit together with the internal audit plan and programme.
8) To monitor any related party transactions and situations where a conflict of interest may arise within the Company or Group.
9) To review the reports of the Risk Management Committee in relation to the adequacy and integrity of the Group's internal control system.
10) To discuss problems and reservations arising from the interim and final external audits, and any matters the external auditors and/or internal auditors may wish to discuss (in the absence of management, where necessary).
11) To review all prospective financial information provided to the regulators and/or the public.
12) To report promptly to Bursa Securities on any matter reported by it to the Board, which has not been satisfactorily resolved resulting in the breach of the Listing Requirements of Bursa Securities.

The details of the terms of reference of the Audit Committee are available for reference at the Company's website at http://www.ijm.com.

SUMMARY OF ACTIVITIES FOR THE FINANCIAL YEAR

During the year, the Audit Committee carried out the following activities:

1.0 Financial Reporting

- Reviewed the quarterly financial results announcements and the year end financial statements of the Group;
- In the review of the annual audited financial statements, the Audit Committee discussed with management and the external auditors the accounting principles and standards that were applied and their judgement of the items that may affect the financial statements.

2.0 Internal Audit

- Reviewed the annual audit plan proposed by the Internal Auditors to ensure the adequacy of the scope and coverage of work;
- Reviewed the effectiveness of the audit process, resource requirements for the year and assessed the performance of the Internal Audit function;
- Reviewed the audit reports presented by the Internal Auditors on their findings and recommendations with respect to system and control weaknesses. The Audit Committee then proposed that control weaknesses be rectified and recommendations for improvements be implemented.

3.0 External Audit

- Reviewed the external auditors' audit strategy, audit plan and scope of work for the year;
- Reviewed the findings of the external auditors' reports, particularly issues raised in the management letter and ensure where appropriate, the necessary corrective actions has been taken by management.

4.0 Risk Management Committee

- Reviewed the Risk Management Committee's reports and assessments;

5.0 Related Party Transactions

- Reviewed the related party transactions that arose within the Group to ensure that the transactions are fair and reasonable to, and are not to the detriment of, minority shareholders.

TRAINING

During the year, all the Audit Committee members have attended various seminars, training programmes and conferences. Details of these are available at the Company's website at http://www.ijm.com.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is carried out by the Internal Audit Department ("IAD"), which reports directly to the Audit Committee on its activities based on the approved annual Internal Audit Plan. The approved annual Internal Audit Plan is designed to cover projects and entities across all levels of operations within the Group. The IAD adopts a risk-based auditing approach, taking into account global best practices and industry standards.

The Head of Internal Audit reports directly to the Audit Committee and has direct access to the Chairman of the Audit Committee on all the internal control and audit issues.

The main role of the IAD is to provide the Audit Committee with independent and objective reports, performed with impartiality, proficiency and due professional care, on the effectiveness of the system of internal controls within the Group. The Audit Committee discusses the internal audit reports to ensure recommendations from the reports are duly acted upon by management.

INTERNAL AUDIT ACTIVITIES FOR THE FINANCIAL YEAR

During the year, internal audits performed spanned the construction, property, industry and infrastructure divisions, as well as the overseas operations of the Group. The department continues to provide internal audit services to IJM Land Berhad and IJM Plantations Berhad, and in an effort to provide value added services, it also plays an active advisory role in the review and improvement of existing internal controls within the Group.

The total cost incurred for the internal audit function of the Group for the financial year ended 31 March 2011 was approximately RM1.4 million.

Statement on Internal Control

The Board of Directors of IJM ("the Board") seeks to nurture and preserve throughout the Group a sound system of internal controls, risk management practices and good corporate governance. This is set out in the Board's Statement on Internal Control made in compliance with Paragraph 15.26 of the Listing Requirements of Bursa Malaysia Securities Berhad and the Statement on Internal Control: Guidance for Directors of Public Listed Companies.

BOARD'S RESPONSIBILITY

The Board acknowledges its responsibility for maintaining a sound system of internal controls to safeguard the shareholders' investments and the Group's assets, and to discharge their stewardship responsibilities in identifying principal risks and ensuring the implementation of appropriate systems to manage these risks in accordance with the best practices of the Malaysian Code on Corporate Governance.

The Board further reiterates its responsibility for reviewing the adequacy and the integrity of the Group's internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

Notwithstanding, the Group's systems by its nature can only manage rather than eliminate the risk of failure to achieve business objectives. Accordingly, such systems can only provide reasonable but not absolute assurance against material misstatement or loss.

The Group has in place an on-going risk management process which is regularly reviewed by the Board, to identify, document, evaluate, monitor and manage significant risks that may impede the Group from attaining its corporate objectives throughout the year.

AUDIT COMMITTEE'S RESPONSIBILITY

The Group has a well-defined organisational structure with delineated lines of accountability, authority and responsibility. The Audit Committee, with the assistance of the Risk Management Committee, performs regular assessments on the Group's risk profile, and through the Group Internal Audit Department, reviews and monitors the effectiveness of the Group's internal control systems.

The Internal Audit Department performs internal audits on various operating units within the Group based on a risk-based audit approach approved by the Audit Committee annually. Further details on the Audit Committee are set out in the Audit Committee Report.

RISK MANAGEMENT COMMITTEE

The Group has established a Risk Management Committee ("RMC") that is dedicated to perform regular reviews on the Group's risk profile. The RMC is chaired by the Group's Chief Financial Officer and includes representatives from all business divisions, both local and overseas, as well as from relevant Head Office operations support departments.

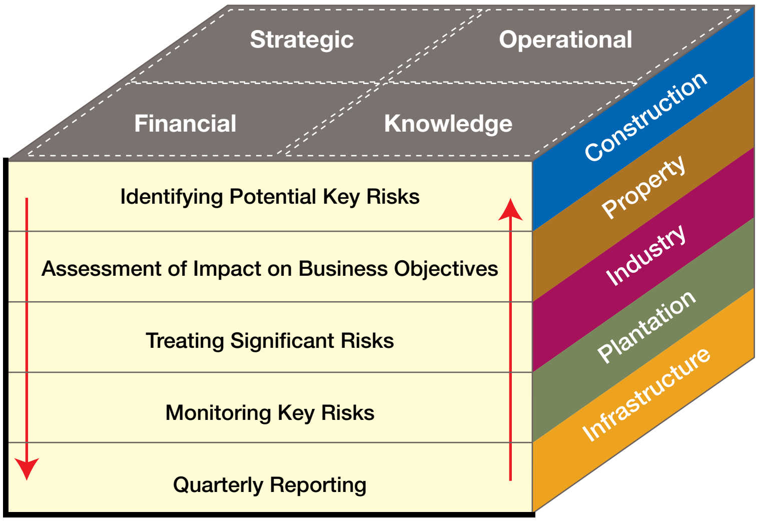
Each business division's risk management function is led by the respective head of the division. The RMC reports to the Audit Committee on a quarterly basis where key risk issues and controls and mitigating actions are deliberated.

RISK MANAGEMENT FRAMEWORK

The RMC principally develops, executes and maintains the risk management system so as to ensure that the Group's visions and objectives are achieved. Its reviews cover matters such as responses to significant risks identified including non-compliance with applicable laws, regulations, rules and guidelines, changes to internal controls and management information systems, and output from monitoring processes.

The Group's risk management system has been developed with the assistance of external experts. Assessment and evaluation processes of the risks are essential elements of the annual strategic review cycle. Each business or functional unit is required to document the management's mitigating and control actions following the identification of risks associated to the achievement of their strategic, financial, operational and other business objectives. As the business risk profile changes, new areas are then introduced for assessment.

RISK MANAGEMENT PROCESS



In the risk management process, a risk map addressing the potential risks using quantitative and qualitative aspects to assess the potential likelihood and impact on business objectives, the controls and processes for managing risks and the means for assuring management that the processes put in place continue to operate satisfactorily and effectively, is prepared annually by each business or functional unit. These risk maps exclude the associates and joint ventures of the Group as they are managed by their respective management committees.

The Group's Head Office also considers the risks associated with the Group's strategic objectives, which are not addressed by the business or functional units. The consolidated risk profiles of all the Group's operating units and any proposed recommendations and mitigating actions are then reported to the RMC before they are presented to the Audit Committee for consideration.

As a global conglomerate with diverse business portfolio, the Group faces exposure to numerous risks. Hence, the Group has in place adequate and regularly reviewed insurance coverage where it is available on economically acceptable terms to minimise the related financial impact.

MARKET RISK MANAGEMENT

Market risk refers to the risk resulting from economic conditions and the inherent cyclical nature of the Group's core businesses of construction, property development and manufacturing.

As the economy recovers from the slowdown, order book enhancement and overcapacity situation remain key areas of concern. Therefore, the Group constantly explores various potential businesses and geographical diversifications as well as seeking alternative uses for the available capacity. The properties sector remains challenged amidst stiff competition from new and current property players causing the Group's property division to adopt a more aggressive marketing strategy with product differentiation and flexibility in product offerings to suit the current market demand.

Over the years, the Group has ventured overseas, particularly in the emerging markets such as India, the Middle East, Pakistan, Indonesia, Vietnam and China. Whilst the Group is able to tap into those markets, foreign jobs come with added risks given their different operating and economic environments as well as intensive competition from local and international players. The Group continues to monitor the market risks whilst continuously seeking out local as well as international opportunities to replenish orders and preserve earnings.

Commodity risk in relation to oil palm prices is managed by constant price monitoring, pricing swaps and close monitoring of the price trends of major substitutes

IJM Land manages market risk by adopting a more aggressive marketing strategy to suit the current market demand

COMMODITY RISK MANAGEMENT

Commodity risk arises from the volatility in the prices of commodities, including currency fluctuations. This is often associated with the Group's plantation business as oil palm is subject to cyclical swings and price volatility. The Group manages such risk by constantly monitoring the commodity prices, employing pricing swaps and close monitoring of the price trends of major substitutes such as oils and fats markets.

CREDIT AND LIQUIDITY RISK MANAGEMENT

Credit and liquidity risk arises from the inability to recover debts in a timely manner which may adversely affect the bottom line profitability, operating cash flows and availability of funding. The Group minimises its exposure to such risks by assessing the creditworthiness of potential customers, close monitoring of daily sales collection as well as cash flows, more effective credit utilisation and greater concerted effort to collect overdue debts to keep leverage at a comfortable level.

OPERATIONAL RISK MANAGEMENT

Operational risk is the impact arising from the execution of a company's business functions. This include breakdown in systems and equipments, overcapacity situations, inadequate skilled labour and adverse climate conditions. The Group strictly adheres to policies, procedures, processes, quality controls and best practices to ensure that all systems and equipments are well functioned during the execution of business processes. To manage the overcapacity issue, the Group constantly reviews its business plans, maintains good relationships with vendors and customers and seeks alternative uses of available capacity.

The Group has implemented an attractive remuneration scheme to attract and retain skilled labour to meet existing and future needs. To cope with the adverse dry seasons of 'El Nino' and adverse wet seasons of 'La Nina' that affect the oil palm crops, the Group's plantation division strictly follows the company's planting manual, carries out good agricultural practices, implements water conservation and irrigation measures to sustain the high production yield.

Regular accident evacuation drills are held at our factories

Joint fire drill exercise with various government agencies at Kuantan Port

LEGAL AND REGULATORY COMPLIANCE

The Group, through its in house legal division, maintains legal oversight within the Group and reports directly to the Chief Executive Officer and Managing Director. The Head of Legal is an engineer and lawyer by profession and has experience for over 20 years in various organisations prior to joining the Group. He provides legal input vis-à-vis compliance with applicable laws and regulations as well as legal advice on business and operational matters.

DISASTER RECOVERY PLANNING

With threats of management information systems ("MIS") breakdown or collapse, and other potential hazards such as fire, flood, earthquake or major equipment failures, amongst others, the continuity of business operations is of a major concern to the Group.

In line with that, the Group has in place a production site for its Enterprise Resource Planning ("ERP") systems at an external hosting centre in Cyberjaya, Kuala Lumpur which has been designed to be near disaster free while the existing IJM Data Centre at Wisma IJM, Petaling Jaya continues to house the non-ERP applications.

The IJM Data Centre also acts as a warm site for systems recovery, or vice versa, in the event of a MIS failure. Data back-ups are systematically performed daily and sent to an off-site storage location. Should there be a major disruption causing loss of data, application systems would be restored within 48-72 hours to ensure continuity of business operations.

Regular incident management drills at our properties and project sites ranging from basic fire safety to mass evacuation drills are conducted to ensure our employees are well prepared and familiar with our emergency response and crisis management plans.

The Group is continuously developing and enhancing its business continuity management plans to ensure the continuity of critical business functions in the event of a crisis.

KEY ELEMENTS OF THE GROUP'S SYSTEM OF INTERNAL CONTROLS

- Clearly delineated delegation of responsibilities to the Committees of the Board and to operating units, including defined levels of authority for all aspects of the business which are set out in an authority matrix;
- Clearly documented standard operating policies and procedures which are subject to review and improvement from time to time;
- Top down communication of company values such as fraud prevention and avenues for whistle blowing;
- Regular and comprehensive information conveyed to the management, covering both financial performance and key business indicators, such as staff utilisation, cash flow performance, current economic and market conditions;
- Annual budgets are prepared for the approval at both the divisional units and by the Board. Actual performance is compared against budget and prior period's results, with major variances being followed up and management actions are taken, where necessary;
- Quarterly or as necessary, company briefings with analysts conducted on the day of release of financial results, following the Board's approval, to apprise the shareholders, stakeholders and general public of the Group's performance and to promote transparency and open discussion; and
- Visits to the operating units of the Group's businesses by members of the Board and senior management to familiarise with the business and operations.

A Whistle Blowing Talk was held to educate IJM staff on fraud prevention and avenues for whistle blowing

ANNUAL AND QUARTERLY RISK ASSESSMENTS

During the financial year under review, all divisions within the Group conducted their annual comprehensive reviews of their risk profiles and accordingly, proposed changes to risk management and internal control processes, which were assessed by the RMC and reported to the Audit Committee.

The Group identified major risk areas of concern and mitigating actions were undertaken within an appropriate timeframe. The identified key risks included economic slowdown, tightened liquidity, late collections, competitive property environment and fluctuating commodity prices. A number of minor internal control weaknesses identified during the review have been, or are being, addressed. In addition, the Group performs quarterly risk assessment updates. There have been no material losses, contingencies or uncertainties arising from the reviews.

Based on inquiries and information provided, we are pleased to state that the system of internal controls was generally satisfactory and adequate for its purpose. Management continues to take measures to ensure the adequacy and effectiveness of internal controls, and to safeguard the Group's assets and shareholders' investments.

THE GROUP WILL CONTINUE TO MONITOR ALL MAJOR RISKS AFFECTING THE GROUP AND TAKE THE NECESSARY MEASURES TO MITIGATE THEM AND ENHANCE THE GROUP'S SYSTEM OF INTERNAL CONTROLS.

This Statement on Internal Control is made in accordance with the resolution of the Board of Directors dated 11 July 2011.

Quality Report

In IJM, we relate Quality with Customers' Satisfaction and Continuous Improvements. We believe that focusing on Customers' Satisfaction and adherence to Continuous Improvements and Quality Standards are important aspects in order to remain competitive in today's market. One of the Group's major objectives is to focus on our activities to meet the current and future requirements of our customers. The Group's motto of "Excellence Through Quality" aptly describes its uncompromising adherence to quality standards and pursuit for Continuous Improvements.

QUALITY POLICY STATEMENTS

In line with IJM's quality philosophy, the Group believes that Process Excellence is our Operational Pillars. Quality is our hallmark thus we shall work together to:

- Ensure projects implemented and services provided meet customers' satisfaction.
- Continuously enhance our skills, processes and quality management system.
- Be trusted by our stakeholders for our dedication, professional conduct and integrity.
- Ensure adherence to applicable legal requirements.
- Strive to be the industry reference.

COMMITMENT & CULTURE

The Group's commitment towards quality is mirrored by the involvement of senior management in quality management committees and management review meetings.

The Group places emphasis on developing a quality conscious culture in regards to the processes and systems at every level of operations to increase the employees' awareness of their responsibilities and commitment towards quality excellence.

CONTROL & MONITORING

The Group is committed towards meeting customers' needs and delivering quality products and services, and therefore has developed and effectively implemented a system comprising:

- Well structured quality management system at all relevant levels of operations;
- Routine assurance and control visits to verify effectiveness of its implementation;
- Scheduled internal and external audits;
- Effective data analysis including customer satisfaction surveys;
- Knowledge based feedback system;
- Key performance indices as part of quality objectives; and
- Effective use of electronic based system for centralized monitoring and control.

Our plantation operations are fully certified under MPOB's Code of Practices for quality, food safety and sustainability

Regular assessments are carried out at project sites to ensure quality control

CUSTOMERS' SATISFACTION & CONTINUOUS IMPROVEMENT

Customers' Satisfaction becomes our yardstick for measuring success. We define quality as the extent to which we satisfy our customers. Therefore, our integrated management system comprises all our efforts to optimize our customer-focused activities.

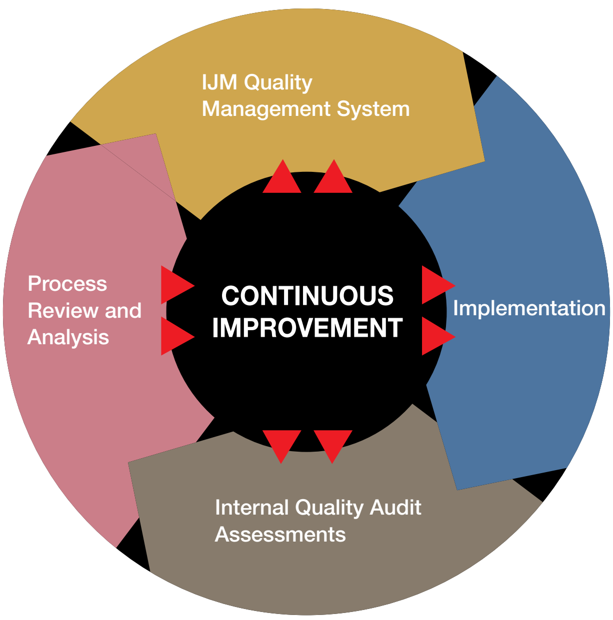
The Group has in place an internally developed self regulated system called IJM Quality Standard Assessment System ("IQSAS") for various aspects of its building construction and civil works. This serves as a benchmark amongst its projects and subsequently as a catalyst for continuous quality improvement.

Our high end property development projects are also assessed based on the Construction Quality Assessment System ("CONQUAS") while the Group's manufactured products are quality certified to comply with the applicable regulatory standards and some of the plants are certified to the Singapore Accreditation Council.

As an important part of our quality management, our processes are designed to add value to our customers. Continuous improvement is also an integral part of IJM's philosophy to create and sustain better quality performance and is carried out through the following approaches:

- Progressive review and update of the Quality Management System ("QMS") manual and procedures to address the requirements of customers and businesses, and technological advancement;
- Knowledge and skills development of its people to keep them abreast with advancement in products and services needs;
- On-the-job training throughout its operations;
- Emphasis on process excellence;
- Investments in latest hardware and software;
- Inculcate innovation as part of operations strategy;
- Introduction of high performance materials in its manufactured products and moving towards more automation; and
- Implementation of guidelines and process control systems for effective execution and monitoring.

We shall continue to monitor our processes to enable us to continuously improve on our performance. Ultimately, our goal is to be recognized as a Quality leader by our customers, competitors and the industry at large.



RECOGNITION & CERTIFICATION

In order to promote healthy competition amongst its people to deliver quality work, the Group accords annually the Quality Awards to projects that excel amongst its peers. The awards are presented for two categories comprising building and civil works.

The Group's QMS was certified by the internationally recognized ISO 9001 standard since 1996. Since then, the Group aspires to continuously achieve compliance with ISO 9001:2008 in its core business operations. The following are companies that have achieved the renowned certification:

1. IJM Corporation Berhad
2. IJM Land Berhad
3. IJM Construction Sdn Bhd
4. Road Builder (M) Sdn Bhd
5. Industrial Concrete Products Sdn Bhd
6. Prebore Piling & Engineering Sdn Bhd
7. IJM Building Systems Sdn Bhd
8. Jurutama Sdn Bhd
9. IJM (India) Infrastructure Ltd
10. Kuang Rock Products Sdn Bhd
11. Expedient Resources Sdn Bhd
12. Strong Mixed Concrete Sdn Bhd
13. Durabon Sdn Bhd
14. Besraya (M) Sdn Bhd
15. New Pantai Expressway Sdn Bhd
16. Lebuhraya Kajang-Seremban Sdn Bhd
17. IJM Highway Services Sdn Bhd
18. Kuantan Port Consortium Sdn Bhd (Handling of liquid bulk cargo)

In addition, our Industry Division accomplished further recognition when Certification International (Singapore) Pte Ltd awarded Industrial Concrete Products Sdn Bhd the Certification of SS EN 206-1:2009, SS 544: Part 1 & 2:2009, SAC CT 06:2010 for its ready-mixed concrete factories: Klang 1 & 2, Kapar, Lumut 1 & 3, Nilai and Senai.

The Port Division was awarded the ISO 9001:2008 in December 2010 for handling of liquid bulk cargo in Kuantan Port while our Toll Division also achieved the same certification for New Pantai Expressway, Besraya Highway, IJM Highway Services and Lebuhraya Kajang-Seremban in March 2010.

Meanwhile, our Plantation Division successfully achieved its target of being fully certified under the Malaysian Palm Oil Board's Code of Practices for quality, food safety and sustainability. All of its operating units including 1 nursery, 11 estates, 4 palm oil mills and 1 kernel crushing plant in Sabah have been certified.

Training for the Singapore Standards for Industry Division's Quality Control Department

The Group is committed to the safety and health of its personnel and the public as well as the protection of the environment which have always been an integral part of the Company's sustainable business strategy and core values.

The establishment of the Health, Safety and Environmental Management System ("HSEMS") has undoubtedly demonstrated the Group's dedication and commitment toward safeguarding the people and protecting the environment.

The HSEMS is specifically designed to not only "manage, control and mitigate" but it has also been extended for continual improvement, in line with the internationally recognised OHSAS 18001, MS ISO 14001 and MS 1722 standards requirements.

In addition, specific Project Safety and Health Plan ("PSP") and Project Environmental Management Plan ("PEMP") have been established on the basis of project specific needs covering phases of project development from pre-construction to decommissioning. This is to ensure that the health, safety and environmental regulations are consistently complied with to minimise any potential adverse impacts.

Apart from those plans, the Emergency Response Plan ("ERP") has also been established at all project sites which outline the emergency management and business recovery procedures.

Health, Safety and Environment ("HSE") Policy Statement

Guided by its motto, "Health, Safety and Environment is Everyone's Responsibility", the IJM Group continually strives to improve its environmental, safety and health practices with the objectives of preventing accidents, occupational illnesses and environmental pollution.

To achieve the objectives, the Group has in place HSE policies and procedures, and a comprehensive HSE framework which aids the Group to:

- Comply with all applicable HSE legislations and other HSE requirements;
- Familiarise all employees and stakeholders with HSE training, information and facilities available;
- Increase HSE awareness and accountability at all levels of the organisation; and
- Monitor and regularly review its set HSE objectives.

Good housekeeping practices at the sites

Use of personal protective equipment at our factories for safety

Use of safety signage's at the project sites

HSE Organisation

The Health, Safety and Environmental Management System ("HSEMS") has been implemented at all levels of the Group and HSE Organisations have been established to effectively manage and monitor its implementation. The HSE Organisations include:

a) Health, Safety and Environment Management Committee ("HSEMC")

   The Committee, led by the CEO & Managing Director meets at planned intervals to review the HSE operations and performance.

b) Health, Safety and Environment Committee ("HSEC")

   Led by appointed senior management staff, the Committee is established at corporate level and at all workplaces as part of compliance with the Occupational Safety and Health Act 1994 ("OSHA").

c) Corporate HSE Department

   Established at corporate level to assist the Group in establishing, implementing and maintaining the HSEMS.

HSE Management Programmes

In line with the objectives of preventing accidents, occupational illnesses and environmental pollution and as part of the IJM's HSE continual improvement programme, the Company has introduced various management programmes for its divisions during the year under review.

These programmes have been initiated to enhance our HSE compliance and to drive the Company's HSE management to a higher level. These programmes include:

- HSE Self Assessment

  It has been designed to help Project Teams to identify their level of compliance with the HSEMS. The process involves 16 elements in HSEMS which are to be assessed and evaluated using a scoring system.

  The programme focuses on HSE responsibilities at all required levels emphasizing on self compliance approach.

- Behavioural Based Safety

  This has recently been introduced to the existing HSE system to bring HSEMS to the next level. This programme is essential for the effectiveness of the system as it focuses on the human factor, which is one of the most important factors in ensuring the effectiveness of the HSEMS.

- E-HSE Reporting

  This is an online HSE reporting data storage and retrieval system. By using the Company's I-Portal, it helps to effectively and efficiently monitor, disseminate and share HSE performances across the Company, identify gaps and further improve on the HSEMS through enhanced data analysis. It is also in line with IJM's objectives of protecting the environmental by reducing the use of paper via the online portal.

- Environmental Performance Evaluation ("EPE") Programme

  An internal management process and tool to provide the management with reliable and verifiable information on the status of its environmental management performance and to identify areas for improvement.

Monitoring and Measurement of HSE Performances

i) HSE Statistics

(a) Lost Workdays and Lost Time Injury

A total of 17,237,215 man-hours worked have been recorded during the financial year under review. There were 2 cases of Lost Time Injury ("LTI") and a total of 189 Lost Workdays ("LW") recorded from April 2010 to March 2011 mainly due to a severe accident at the beginning of April 2010 which resulted in 150 LW till August 2010.

(b) Frequency Rate

Frequency Rate is recorded based on the number of LTI cases for every million man-hours worked. As of March 2011, we have recorded a Frequency Rate of 0.12 per million man-hours worked against our target rate of 0.27.

(c) Severity Rate

Severity Rate is recorded based on the number of LW cases resulting from incidents for every one million man-hours worked. As of March 2011, we have recorded a Severity Rate of 10.96 per million man-hours worked against our target rate of 2.5.

ii) Internal HSE Audits

A total of 9 internal HSE audits were carried out during the year under review to ensure continuous compliance with the HSE requirements and standards. The audit exercise focused on the physical works and operational controls at the sites, documentation and implementation of the HSE system.

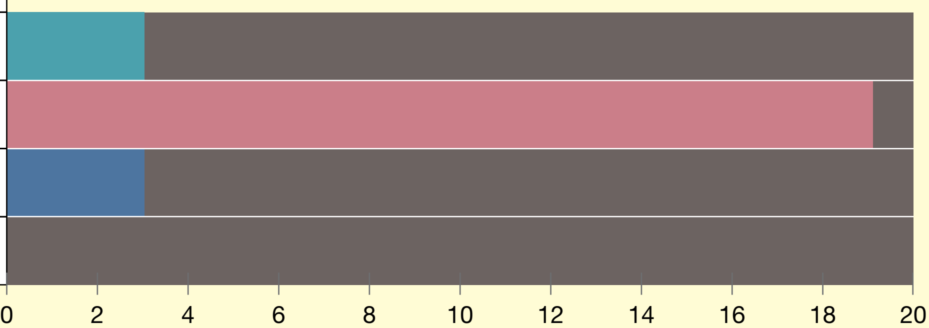
iii) HSE Surprise Inspections

Apart from the audits, 25 HSE inspections were carried out to verify conformance with established HSE requirements and standards. Inspected projects were given specific ratings to categorise their level of HSE compliance based on various criteria.

Our Construction Division has set a specific rating of 75% and above as the key performance indicator to be achieved by all projects. 88% of the inspected projects were in the categories of 'Good' and 'Excellent' with ratings of 75% and above.

Project Rating

Ratings	No. of Projects
Excellent 91 - 100%	3
Good 75 - 90%	19
Average 61 - 74%	3
Below Average 0 - 60%	0



Edge Protection Fencing System prevents fall from high rise building under construction

Fire fighting training at our factories

Health & Safety training at the plantations

Accident Prevention

IJM is committed to reduce the construction risks at the project sites by adopting best practices and introducing new technologies such as the Edge Protection Fencing System that prevents falling from height accidents which is the main cause of most construction fatalities. The system has been designed for easy handling and installation with maximum protection against impact of an accidental fall of a person or an object, and is effective for super tall building constructions. Such system was first introduced at our Grand Hyatt KL Project at Jalan Pinang, Kuala Lumpur.

Other Safety and Health Practices

Our Industry Division has in place Occupational Safety and Health Management System which was established in accordance with the OHSAS 18001:2007 standard and implemented in its factories. Safety Officers are appointed at the workplaces to coordinate and ensure the smooth implementation of the system. The system is audited by the internal auditors to ensure compliance with applicable legislations and standards.

The Plantation Division has established Safety Committees in each operating unit with Safety Meetings being regularly held in compliance with the requirements of the Occupational Safety and Health Act (OSHA). Training relating to health and safety topics including crisis management, machinery accident, preventive maintenance and confined space management is provided to all operating units.

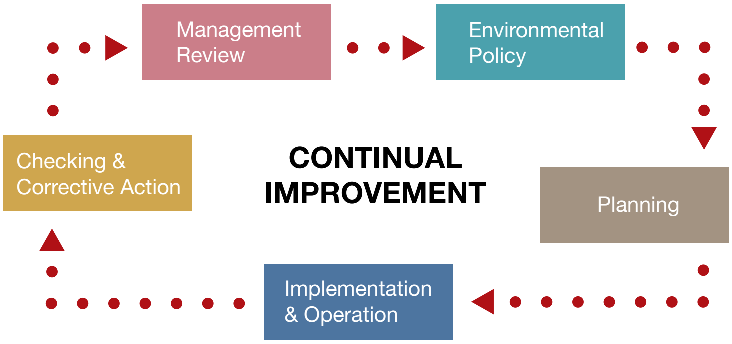
The Port Division has in place a safety policy in accordance with the DOSH requirements which is applicable to all port users and employees. The division conducts daily safety briefings and tool box meetings, weekly audits and monthly joint-audits with the local regulator, Kuantan Port Authority. Its Emergency Response Team conducts regular exercises to ensure immediate response and professional execution in the event of emergencies.

ENVIRONMENT

Key targets set by the Group in its corporate environmental policy are pollution prevention, natural resources management, reinstatement of landscape at project sites, minimisation of social and environmental nuisances and respect for the culture of the communities.

The Company took an organised approach to initiate, implement and monitor environmental plans by establishing an Environmental Management System ("EMS") in compliance with ISO 14001. The performance indicators established are based on environmental impact assessments, environmental objectives and statutory requirements.

ISO 14001 Model



Environmental Monitoring

Our environmental monitoring framework is supported by the Environment Quality Monitoring Programme ("EQMP") which self-measures the quality of the surrounding environment affected by our business operations and activities. It also serves to monitor and measure the projects that are not subject to the Environmental Impact Assessment ("EIA") Approval Conditions. The programme focused on the quality of air, noise and river water to minimise the potential damage or harm towards the eco-system.

Environmental Preservation and Conservation

The Group aims to continuously improve its environmental programme preservation and conservation performance and contribute positively to the environment through best practices in its day-to-day operations. Following are the conservation and preservation measures adopted by the various divisions of the Group. The efforts are featured by sector to capture a complete picture of IJM's environmental activities.

Construction

The Construction Division through the EQMP outlined various compliance requirements, specific mitigation measures and best management practices in controlling and minimising the scale of adversity of their operations towards the environment.

Soil erosion control by using temporary groundcover

Construction site hoardings used to reduce noise and dust pollution

Water Pollution Control

During the construction period, water pollution is controlled by adopting the Erosion and Sedimentation Control Plan, which includes:

- Stabilisation of slopes to avoid erosion and landslide by using temporary groundcover, turfing, vegetation and hydro-seeding;
- Controlled earthworks and flood mitigation controls of surrounding low-lying areas near project sites;
- Adequate temporary drainage system to control surface water run-off to prevent flooding;
- Construction of silt pond, sedimentation pond or installation of silt fences at appropriate spot/area prior to commencement of construction activities;
- Regular water quality monitoring;
- Building materials like cement, sand and other powders are properly stored to prevent from being washed into waterways or drainage areas; and
- For land reclamation works along the seaside, sand bunds are constructed to prevent sea pollution.

Air and Noise Pollution Control

Air quality and noise pollution control embraces practices that help reduce air and noise pollution and its underlying causes. The practices include:

- Prohibition of open burning at construction sites to prevent the emission of particles and toxic gasses;
- Dampening down the sites/access routes with water to contain dust;
- Trucks loaded with construction materials are covered or dampen down;
- Suitable piling methods are used during foundation works to prevent noise pollution;
- Adequate maintenance programme for construction vehicles and machineries to prevent noise pollution and emission of excessive dark smokes; and
- Erection of hoardings at construction sites to contain dust and noise pollution.

Apart from the practices above, the air and noise qualities are to be regularly monitored and ensured compliance with the Environmental Quality Act 1974.

Waste Management

The Construction Division's Waste Management System complies with the Environmental Quality (Scheduled Waste) Regulations 2005, Local Government Act 1976 and other requirements outlined by the local Municipal Councils. The system clearly defines roles, responsibilities and waste handling methods including segregation of wastes, not only to meet the legal requirements but also helps in improving the local surroundings.

Industry

The Industry Division's standard operating procedures is on safeguarding the quality of air and minimising noise pollution in and around the communities in which it operates.

Air and Noise Pollution Control

All staff is required to wear noise protective equipment as a precautionary step and in compliance with OSHA regulations. Sprinkler systems have been installed in crushes, conveyers and along quarry access routes to dampen down the load on the lorries in all the quarries.

A fish pond at one of our quarries for a greener environment

Green Building Index certificates for our Light Linear and Light Point condominium projects

Dust Monitoring

As for its factories, the regulation for the prevention and control of health hazards due to mineral dust is stipulated under the Factories and Machinery Act 1967. Dust monitoring, first carried out at the Lumut factory of our Industry Division, is rolled out progressively in all factories and quarries.

Landslide Prevention

As a preventive action against landslides or other adverse effects to the environment, turfing of hillsides has been adopted in our quarry operations.

Landscaping and Housekeeping

More trees and plants have been planted to create a greener environment at the factories while landscaping, gardens and fish ponds have been built for a greener environment in the quarries.

Property

Green Building

IJM Land, our property subsidiary continues to create sustainable designs that minimise a building's negative impact to the environment. This is evident with its Light Linear and Light Point condominium projects in Penang which have been certified with the Green Building Index ("GBI") Rating.

The company was the first developer in Penang to obtain the GBI certification for high-rise property development. Both high rise developments embody the art of high living with a deep sense of appreciation for nature and the environment that centres upon modern, minimalist design powered by cutting-edge smart home technology in a green tropical setting.

The division's latest property designs subscribe to the principle of harmonising and embracing the environment to create optimal living conditions. These features include orientating units to face 'north' and 'south' directions to reduce heat, use of natural lighting to minimise electricity usage, installing inverter air-conditioning ready piping and incorporating lush green areas, beautiful landscapes and court-yards within its developments and openings for better cross-ventilation for a healthier environment.

Plantation

IJM Plantations, our plantations subsidiary is committed to minimise the impact of agricultural activities on the environment with best management practices while pursuing green initiatives such as biodiversity conservation and enhancement. As such, the Division adopted sustainable methods in its oil palm cultivation and harvesting operations, and in its palm oil production process.

Land Conservation

About 9% or 6,250 acres of the plantation land bank has been classified for conservation, education, recreation and training. The division's crowning glory is the "Hundred-Acre Wood" project which showcases eco-conservation initiatives, natural science education and training efforts over a 100 acre plot of land. The site hosts an arboretum of valuable tropical rainforest tree species including Laran *(Neolamarckia cadamba)* and Sesenduk *(Endospermum spp.)*, a water catchment, fruit orchard and a medicinal herbal garden with over 150 species of medicinal plants. The project prevented erosion on steep-slopes, reduced soil degradation and re-established a network of natural habitat.

Visitors at the Plantation Division's 'Hundred Acre Wood'

Tree planting at the plantations

Forest Planting Project

The division carried out the forest planting project in areas unsuitable for oil palm cultivation and to-date, more than 38 hectares of low lying areas were planted with tree species resistant to prolonged flooding such as Bongkul *(Neonauclea subdita)* and Sepat *(Mitragna speciosa)*.

Carbon Sequestration

The estimated carbon fixed by over 3.5 million oil palm trees in the division is calculated based on Malaysian Palm Oil Board ("MPOB")'s methodology. In the reporting year, total carbon sequestered was 737,517 metric tonnes or 29 metric tonnes per planted hectare based on total planted area and age profile of oil palm trees. There is approximately 12% increase (or equivalent to 79,166 metric tonnes of carbon) in carbon sequestered during the financial year compared to prior year as more trees attained maturity.

Carbon sequestered by the Group's oil palm trees in FY 2011

	Age Group (years)	Standing Biomass (tonnes/ha)	Carbon (tonnes/ha)	Planted Area (hectare)	Total Carbon (metric tonnes)
Immature	(1-3 years)	14.5	5.8	816	4,733
Mature	(4-8 years)	40.3	16.12	4,246	68,446
	(9-13 years)	70.8	28.32	12,395	351,026
	(14-18 years)	93.4	37.36	4,657	173,986
	(19-24 years)	113.2	45.28	3,077	139,327
Total				25,191	737,518

Zero Burning

Zero burning policy has been adopted by the Plantation Division for both new planting and replanting of oil palm trees. This technique contributes towards a cleaner environment, helps in minimising global warming and is in compliance with environmental legislations.

Proper and safe agrochemical handling is practised at the plantations

Flora and fauna flourishing at the plantations

Water and Soil Conservation

The division's standard practice of planting legume cover crops helps to restore soil fertility temporarily lost after land clearance. Sizeable water reservoirs with proper vegetation are created to meet daily operational requirements and for human consumption. Rainfall parameters are routinely monitored by all operating units on a daily basis.

Agrochemical Utilisation

The fertiliser programme is based on the leaf nutrient and yield performance profile of the oil palm trees. The division adopts anti pest-resistance strategy by carefully selecting the treatment chemical to avoid reliance on any one type of chemical. The quantity of agrochemicals used is closely monitored with anticipation of the integrated pest management strategy.

Integrated Pest Management

The Plantation Division embraces integrated pest management which involves a combination of pest management techniques to maintain a high level of biodiversity within the ecosystem. Beneficial plants like *Turnera subulata*, *Antigonon leptopus* and *Cassia cobanensis* are planted to keep populations of oil palm insect pests in balance with nature resulting in reduced use of insecticides for bagworms and nettle caterpillars.

The division also breeds predatory insects in insectariums in its Quality, Training and Research Centre in Sugut for biological control of leaf-eating pests. Owl boxes are also built to attract rodent-eating barn owls as a biological control tool for rats in the estates. Similarly, pheromone sachets are used to trap the *Oryctes rhinoceros* beetles, instead of chemical control. The plantation's minimal use of pesticides has allowed a variety of flora and fauna to flourish.

Waste By-Product Utilisation

The division has in place zero waste discharge policy in the palm oil milling process. Palm oil mill effluents ("POME") which are rich in nutrients are properly treated before being discharged to the field for irrigation. Empty fruit bunches ("EFB") are also being channelled for mulching in the estates. In Sabang, both shredded EFB and POME are mixed for the production of biocompost to reduce dependence on inorganic fertilisers and to improve marginal soils.

Toll

Smart Card System

The Toll Division employs the 'Smart Card' system at its tolled highways as a substitute for conventional tickets. Besides reducing paper consumption, the 'Smart Card' system whilst mitigating possible discrepancies in toll collection, facilitates easy retrieval of data.

EIA Conformance

Incorporating the latest technology in the design and construction of the highway with minimal impact to the environment, LEKAS was constructed based on the Environment Impact Assessment ("EIA") Approval Conditions.


Our port people participated in the fire disaster training


"No Smoking" Campaign at our Lumut Factory

Port

Sea Pollution Control

The Port Division abides fully to the local and international regulations in this respect, e.g. Marine Oil Pollution Convention (MARPOL 73/78 Convention) and the International Safety Guide for Oil Tankers and Terminals ("ISGOTT").

It is compulsory for all oil tankers calling at Kuantan Port to strictly adhere to the ship-shore safety checklist in order to ensure compliance with safety and pollution controls. As a mitigating measure, the division's Oil Spill Emergency Response Team is always on standby and could be deployed immediately whenever required.

Dust Pollution Control

The division also mandates that lorries carrying bulk cargoes like palm kernel expellers, fertilisers, wood chips and other bulk goods, to cover the cargo before leaving the port premises in order to reduce dust pollution in the port area and its surrounding vicinity.

The use of conveyor system for the loading and discharging of cargoes is encouraged. Dust from these bulk cargoes, though they may not affect the environment detrimentally, may however affect the health of port employees and users in the long run. Therefore, employees and port users are encouraged to use dust masks.

HSE TRAINING AND AWARENESS PROGRAMMES

HSE awareness and accountability at all levels of the organisation is emphasised at all times as the Group is committed to ensure that its staff is always aware and follows the prescribed HSE guidelines. The Group's I-Portal serves as an important medium to disseminate information on the latest HSE manuals, incidents alerts and recommended corrective actions. Training and campaigns are continuously being conducted to promote awareness on Occupational Safety and Health.

The Industry Division's safety theme for FY 2011 was "Excellence in Safety and Health Culture" to promote safety practices throughout the division. Safety and Health Awareness Competitions are carried out to gauge the safety and health performance of the workplaces covering legal compliance, safety promotion and health & safety practices as well as housekeeping, all of which are part of the assessment. The rewards serve as an encouragement for continuous efforts to improve the Occupational Safety and Health ("OSH") status of the workplace.

Awareness on OSH is continuously promoted in our factories through various programmes, trainings and campaigns such as fire fighting and first aid training, gotong-royong and 5S activities, assembly/briefing on safety and health matters. In addition, rewards are presented for every achievement of 500 Accident Free Days. The OSH Campaigns included the "Save the Earth" campaign (Kuala Terengganu Factory) which promoted the recycling concept, "No Smoking" campaign (Lumut Factory) and "Safety & Health Awareness" campaign (Kapar Factory).

Safety and Health Awareness Competition at the Industry Division


Safety & Health Award for Best Construction Project

The Plantation Division conducted the Improving Productivity with Smart Alternatives ("IPSA") programme focusing on promoting safe handling of agrochemicals during pest control activities. All agrochemical users are registered and approved under the Pesticides Act 1974 (Act 149) and Regulations, and Food Safety Act 1983 (Act 281). The division's Civil Defence Emergency Response Team (CDERT) in collaboration with the local civil defence department conducted training courses on various safety and casualty rescue aspects.

The Port Division participated in the Fire Disaster Training Exercise (National Level) at MTBE (M) Sdn Bhd's Propane Dehydrogenation Plant and Petronas Gas Berhad's Centralised Utility Facilities storage tank in the Gebeng Industrial Estate, Pahang. The exercise, held in November 2010, involved the Government agencies such as Jabatan Bomba & Penyelamat Malaysia, Health Department, Red Cross, St. John Ambulance, Polis DiRaja Malaysia and the Gebeng Emergency Mutual Aid members.

HSE AWARDS

HSE awards are presented annually to projects/sites and factories which have performed well among its peers based on set criteria encompassing compliance with legal requirements and HSE Management System. This award serves as an encouragement to promote the best practices in HSE and to improve performances in HSE Management System.

Constant Growth

Corporate Responsibility

Investing in quality and continuous improvement, we realise a future of growth and sustainability. The Group aims to be a highly competitive and socially responsible regional player.

At IJM, sustainability means nurturing a successful business that can provide lasting benefits to all our stakeholders. We remain firmly committed to this belief and it is reflected in all our corporate and business conduct as:

- a harbour for capital and enterprise in the **MARKETPLACE**;
- a nurturer of the **ENVIRONMENT**;
- a developer of **COMMUNITIES**; and
- a provider of opportunities at the **WORKPLACE**.

In adopting these best practices, IJM is guided by its Corporate Responsibility ("CR") Framework, which is consistent with the principles set out in Bursa Securities' CR Guidelines, as depicted in the diagram below:

MARKETPLACE

The ability to command the confidence of our customers, suppliers, business partners, investors, bankers, governments and regulatory bodies are of paramount importance to the Group's continued success. IJM therefore devotes considerable effort towards cultivating excellent business ethics and values, good corporate governance and stakeholder engagement, fair and transparent procurement systems, and delivering quality and innovative products and services.

Staff attended a talk on Malaysian Competition Law to promote good business ethics amongst staff

Business Ethics & Values

IJM promotes ethical leadership from the top as an important means of inculcating and preserving an enduring moral foundation throughout the Group. Induction, training and improvement courses organised by the Group's Human Resources Department are also embedded, whenever possible, with messages to foster an ethical culture amongst staff.

Corporate Governance

Good corporate governance is cultivated throughout the Group, as promulgated in its policy statement "*We strive to uphold the highest standards of professionalism and exemplary corporate governance to maximise the benefits for all stakeholders*". Various best practices have been put in place from adequate Board balance among executive, non-executive and independent directors for sound decision-making process to transparent disclosures of the Board's remuneration.

The Board is committed to ensuring true and fair financial reporting, maintenance of sound internal control systems and appropriate risk management framework, proper safeguarding of the Group's assets and prevention of fraud and other irregularities.

The risk management framework adopted by the Group uses a risk-based approach and the reviews cover the areas of non-compliance with applicable laws, regulations, guidelines, changes to internal controls and management information systems. The outcome of the current year's risk assessment reviews has been satisfactory and no material misstatements or losses, contingencies or uncertainties have arisen.

Please refer to the *Corporate Governance Statement* for more details of the Group's best corporate governance practices and *Statement on Internal Control* for the risk management framework, practices and other internal control measures.

Stakeholder engagement at our plantations involved the High Commissioner of Fiji, market analysts, fund managers and local journalists

Stakeholder Engagement

The Group through its established Investor Relations ("IR") programme endeavours to communicate and disseminate quality and relevant information about the Group's developments, operations and financial performance to investors, regulators, customers, suppliers, employees and general public, in a timely and transparent manner. Various disclosures and announcements are made to the Bursa Securities, regular dialogues and site visits are held with analysts and fund managers, and press conferences are organised from time to time to effectively disseminate pertinent information to the general public. More details of the Group's IR activities are contained in the *Corporate Governance Statement* and the Company's website www.ijm.com.

Avenues for whistle-blowing are available where an employee can report fraud or irregularities in the most confidential and discreet means to the Group Internal Auditor, Chief Executive Officer & Managing Director or the Company Secretary. Opportunities are also made available for employees to provide feedback and opinions through interactive intranet forums and suggestion boxes. Third party whistle-blowers can report on any wrongdoings via the Group website.

Apart from this, visitors to the website are welcomed to offer feedback and comments for improvements pertaining to the Group's product offerings, services or any other matters they wish to raise.

Procurement Policy

The Group's procurement policy is to obtain the most reliable source of materials and services in terms of pricing, quality, availability and timely delivery.

The Group's neutral and open procurement policies aimed at providing choice, quality, efficiency, timeliness and economies of scale in the provision of products and services to ensure customer satisfaction. It covers areas such as material requisitions and order process, requests for tenders and quotations, evaluation and selection of sub-contractors and suppliers based on established criteria, periodical assessments and updates of approved sub-contractor/supplier lists.

Products & Services - Quality

With the adoption of ISO 9001 quality system certification, the Group has in place policies, procedures and best practices for the delivery of products and services of superior quality and standard. To date, the Group's ISO 9001 certified companies stand at 18. The Group's commitment to quality is further demonstrated by the adoption of its *'Mark of Excellence'* branding and *'Excellence through Quality'* corporate motto.

The Group carries out regular reviews, process improvements and quality control assessments that enhance the production process and quality of its products and services whilst minimising product defects, accidents, health and environmental hazards. In addition, annual satisfaction surveys are carried out to obtain customers' feedback in order to serve them better.

As a testament to the Group's commitment to quality, it has received strong recognition from satisfied customers, governmental and regulatory bodies, and public support, through an assortment of awards and endorsements including the Malaysian Construction Industry Excellence - Contractor of the Year Award 2009 and International Achievement Award in 2007, 2006 and 2001.

More information on the Group's best quality practices are covered in the *Quality Report*.

Malaysian Construction Industry Excellence - Contractor of the Year Award 2009 (left) and International Achievement Award 2007 (right)

Products & Services - Innovation, Research & Development

The Group constantly innovates and improves on the quality of its products and services in order to remain relevant to evolving technology, consumer preferences and to preserve the environment. In this regard, the Group practices regular reengineering and reinvention of its products and processes through on-going research and development ("R&D") to produce the highest quality with lower costs and faster time-to-market than its competitors, to maintain its competitive edge.

The Industry Division's Central Research and Development Laboratory at its Klang factory accredited by Department of Standards, Malaysia, achieved new accreditation for aggregate testing including sieving, crushing and flakiness in 2010. The laboratory has embarked on new scope of testing covering compression tests for cube, cylinder and core, and aggregate shape index test and anticipates being granted accreditation by Department of Standards by end of this year.

The division, through its continuous use of advanced admixture for piles production without energy input, has reduced the emission of carbon dioxide and achieved significant cost savings. Its lab has also developed new concrete formulation using green materials (slag and pulverized fuel ash) for producing piles with improved strength and durability.

Industry Division's Research & Development Centre: Testing for durability and strength of PC bars

IJM Plantations' R&D activities produced high quality palm oil fruits

The Plantation Division's R&D activities, conducted through its Quality, Training and Research Centre remain focused on the implementation of biological controls to reduce the use of chemical pesticides and improving oil palm yield through methodical breeding and selection, scientific recordings of genetic blocks, selection of mother palms in Sijas Estate, Sabah and progeny testing trials. Additionally, the SIRIM MS157:2005 and Malaysian Palm Oil Board (MPOB) certified hybrid oil palm seeds bearing the 'IJM DxP' trademark are produced and used in the Division's oil palm replantings in Sabah as well as new plantings in Indonesia.

ENVIRONMENT

The Group's environmental policy is to be a responsible and respected corporate citizen with concerns for environmental issues. As such, the protection and preservation of the environment are essential parts of the Group's corporate philosophy and business policies. IJM believes this strategy will result in the least disruption to the environment and contribute to the sustainable development of its businesses and the surrounding environment.

During the financial year, various divisions of the Group carried out a variety of activities and public events focusing on environmental awareness, education and conservation to instill among its employees and the community at large, the actions that one can take to make the environment a better place for all to thrive in.

ICP Lumut participated in the 'Larian Ozon Mesra Alam' to create awareness on global climate issues

ICP Lumut's 'Jom Bersihkan Pantai' campaign raised awareness on keeping our lovely beaches clean

Environmental Campaigns

Our Industry Division carried the '*Save the Earth*' campaign in Kuala Terengganu to promote the concept of recycling by segregating unwanted materials generated from its production processes.

ICP Lumut participated in the '*Larian Ozon Mesra Alam*' organised by Department of Environment, Perak to create awareness among its employees on the global climate issues and depleting ozone layer and helped clean up the beaches of Teluk Senangin, Perak in its '*Jom Bersihkan Pantai*' campaign.

An arboretum in the plantations

A tranquil and well preserved lake at our plantations in Sabah

Mud Ball Throwing Event

IJM Land held a '*Mud Ball Throwing*' event adjacent to its The Light Waterfront Development project wherein 7,000 mud balls with EM® (effective microorganisms™) were thrown into Penang's Sg. Gelugor's river mouth in an effort to treat and rehabilitate the polluted river.

Best Plantation Environmental Management Practices

Our Plantation Division employs best management practices related to the plantation industry such as zero burning techniques in its planting programmes, conservation of remnant rainforest trees, collection and planting of medicinal plants and rehabilitation of several sites with the planting of tropical timber samplings.

The Division's greatest achievement is the maintenance of a '*Hundred Acre Wood*' in Sugut, Sabah.

Children learned about the migratory birds at the annual IJM-supported Raptor Watch event

Gotong-Royong 1 Malaysia

In line with the Government's efforts to eradicate 'Aedes', our toll subsidiary, Besraya joined Kuala Lumpur City Hall ("KLCH") and organised a *'Gotong-Royong 1 Malaysia'* event to clean up the residential areas around Kampung Malaysia Raya and Kampung Malaysia Tambahan that are located near our toll road. About 300 caring residents, KLCH staff and Besraya staff participated in the clean up event.

Raptor Watch 2011

Once again, IJM supported the annual Raptor Watch event in conjunction with Malaysian Nature Society in March 2011 at the PNB Ilham Resort in Port Dickson, Negeri Sembilan. The festival celebrated the return of migratory birds of prey or raptors to their breeding grounds in the northern hemisphere and served to raise public awareness on the conservation of raptors and their habitats.

More details of the Group's efforts in the protection and preservation of the environment are contained in the *Health, Safety and Environment Report*.

COMMUNITY

IJM is steadfast in its practice of *"giving back to the community"* in the areas where it operates. Its community efforts which are defined in the CR framework, focuses on social welfare, education and sports development at grassroots level.

IJM contributed about RM110,000 to the setting up of a halfway home for Indonesian migrant workers

Social Welfare

A common thread in all the social welfare activities organised by the IJM Group is its intent in ensuring that it makes a difference to the lives of the people it touches.

During the year, IJM supported a wide variety of events organised by the Company or public events initiated by charitable organisations like National Stroke Association of Malaysia ("NASAM")'s fund raising events such as Malaysia's Biggest Breakfast; blood donation drives for University Malaya Medical Centre; the infrastructure needs of a halfway home for Indonesian migrant workers which was mooted by the Indonesian Embassy amongst others.

Two key events organised by IJM standout for its theme of reaching out to underprivileged children in market places where IJM has a presence.

IJM hosted close to 400 school children from nine schools in two events held simultaneously in Penang and Kuala Lumpur. The programme was geared towards giving the children a memorable and educational trip by focusing on historical and iconic sites in keeping with the spirit of 'Merdeka'.

About 400 school children participated in IJM's Merdeka event focusing on historical and iconic sites of Kuala Lumpur

IJM brought over 100 children from six homes to have an enjoyable educational time at the Aquaria, KLCC

Another event simply titled *"A Day of Fun with the Kids"* saw over 100 children from six homes, namely Ozanam Home, Shelter 1, Rumah Kebajikan SVP, El Shaddai, Pusat Jagaan Kanak-Kanak Sayang and House of Joys, being treated to a fun-outing at Aquaria and Petrosains in KLCC. The Group also has a tradition of celebrating all major festivities with staff and always invited children from orphanages and homes to participate in these celebrations.

Industry Division donated the 'GaitKeeper' rehabilitation treadmill to Yayasan Kebajikan SSL Stroke

The Industry Division continued its efforts of maintaining basic infrastructure in the areas in which it operates. Kuang Rock Products Sdn. Bhd took part in the works to upgrade and resurface the Matang Pagar road and the Kapar piles factory continued its practice of maintaining the main road in Kampong Tok Muda.

The Division also revisited Yayasan Kebajikan SSL Stroke, a past beneficiary of IJM's CR efforts and donated the 'GaitKeeper' rehabilitation treadmill - a machine specially designed for exercise and rehabilitation training of stroke survivors.

The Toll Division through collaborations with the Malaysian Highway Authority, Polis Di-Raja Malaysia (PDRM) and the Road Safety Department, Ministry of Works participates actively in national-level safety campaigns such as Chinese New Year Road Safety Campaign officiated by the Secretary-General of the Ministry of Works, Datuk Thomas George at Kajang Selatan Toll Plaza on LEKAS highway.

In another community orientated gesture, the Division annually offers discounts on toll rates during festive seasons.

'Misi Berjalan Kaki Seremban ke Putrajaya' set a record for the 'Longest Non-Stop Walk Relay' in the Malaysian Book of Records

Kuantan Port visited eight old folk's homes and distributed goodies in conjunction with National Day 2010

During the year, the Toll Division hosted the Flag Raising Ceremony in conjunction with the 37th Kuala Lumpur Federal Territory Day; distributed '*Bubur Lambuk*' to all road users and staff at the Besraya Mines South Toll Plaza during Ramadan; and co-organised the '*Misi Berjalan Kaki Seremban ke Putrajaya*' in conjunction with the National Youth Day 2010 celebrations with Majlis Belia Negeri Sembilan. The event which saw the participation of students, disabled and LEKAS staff, created a record for the '*Longest Non-Stop Walk Relay*' in the Malaysian Book of Records.

In conjunction with National Day 2010, the Port Division brought joy to the inmates of eight old folk's homes and distributed goodies. In addition, the Division also made regular contributions to schools and spastic centres throughout the year.

Corporate Responsibility (cont'd)

IJM Plantations supported the 'Breast Health Awareness' outreach programme in Kota Kinabalu

A 'Scholar-Mentor Get Together' session before the IJM Scholarship presentation ceremony

The Port's annual '*Breaking of Fast*' event organised in August 2010 is a key event. Guests included members of the Pahang royal family, state dignitaries, the media, clients, staff and their families. Children from spastic centres and primary schools in Gambang, Beserah and Balok were also invited.

For FY 2011, the Plantation Division continued to engage communities in public healthcare projects such as the '*Breast Health Awareness*' outreach programme in collaboration with the Duchess of Kent Hospital and the provision of medical care and sponsorship of medical supplies to the Sugut-Paitan community.

Education

IJM Scholarship

IJM has been offering scholarships to deserving students for the past 17 years. The scholarship programme was created to help develop and nurture bright, young Malaysian talents into capable leaders of the future. Many of the students, who have benefited from the programme, returned to work within the Group. To date, the programme has reached out to more than 150 students.

The scholarship award covers fields of study such as Civil, Mechanical, Chemical and Electrical Engineering; Accounting; Architecture; Estate Management; Housing, Building & Planning; Quantity Surveying; Applied Science; Economics and Business Administration; Agricultural Science and Agribusiness; and Material Science and Geology.

The presentation ceremony held annually in August saw 21 successful recipients. A special feature in the programme is the practice of assigning mentors to all successful candidates to guide and counsel IJM scholars during the course of their studies and during the internship programme which provides IJM scholars the opportunity to do their industrial training with the Group as part of their course requirements.

Internship Programme

IJM also accepts interns or industrial trainees for durations of between three months to eight months. During their internship with the Group, they are paid an allowance and are insured under the Group's Accident Policy. In the year under review, the IJM Group hosted more than 70 interns including IJM scholars under the programme.

Career and Education Fairs

At HQ level, the Company regularly participates in career and education fairs and remains responsive to requests from colleges and universities for site visits, invitations to career or technical talks and participation in studies or surveys. The Plantation Division also participated in a state-level Job Placement Programme to encourage local youths to join the plantation industry.

IJM Plantations collaborated with a NGO, Tadika Sahabat Rakanan, to provide basic education for children in the Paitan community

IJM sponsored COBRA Rugby 10s

Education Programme at the Plantations

The Plantation Division continues to provide basic education for the children between ages of five and ten years old of plantation workers as well as those from surrounding communities in the areas where it operates through the seven kindergartens that have been set-up in various IJM estates across Sabah. Where there is a need, the Division has set-up crèches for babies and toddlers whose parents work on the plantation.

In Sugut, the Division collaborated with a NGO, Tadika Sahabat Rakanan, to provide basic education for children in the Paitan community and with the Humana Child Aid Society Sabah to build a learning centre in Desa Talisai South Estate. Operating since 2008, the learning centre comprises three purpose-built classrooms catering for over 100 children of different age groups. Children here are taught by trained teachers in the Indonesian and Malaysian syllabus. Details of this programme can be found at www.borneochildaid.org.

Sports Development at Grassroots Level

Acknowledging the important role that sports plays in enhancing physical and mental well-being of youths and as a great integrator of people of various races, IJM has consistently maintained a hands-on approach which has yielded successes through its focus on rugby and gymnastics.

Both sporting events sponsored by IJM have many merits in common. It is interesting to note that both these events are organised by volunteers made up of sports enthusiasts, supporters and families of the participants. Started as local events, today both these events have gained much stature and recognition, attracting international teams and audiences from around the world, which also goes to support the Government's call to promote sports tourism.

IJM's involvement in rugby dates back to the 1990s. IJM Corporation's sponsorship of rugby development in Peninsular Malaysia is managed through a partnership with the Combined Old Boys Rugby Association ("COBRA") and CIMB Foundation which in 2005, initiated the COBRA-CIMB Schools Rugby Development Programme geared towards promoting, exposing, training and nurturing Malaysian school children in the game of rugby.

The Plantation Division in Sabah also has a successful on-going collaboration with Sandakan Rugby Club, Sabah Rugby Union and Sabah Education Department with the Academy of Rugby Excellence in Sandakan established as a platform to spearhead the objectives. Over time, this has resulted in rugby being introduced as an extra-curricular activity in participating schools in Sabah. IJM also sponsors an annual Junior 7s tournament for Sabah school students in various age groups.

The Group has the distinction of being associated with two of Malaysia's most successful rugby clubs on the field, namely COBRA and Borneo Eagles.

IJM Plantations sponsored and organised the 9th IJMP-MSSS-SRU Sabah level school rugby tournament attracting over 650 children ruggers, including girls

IJM has continuously sponsored the COBRA Rugby 10s which is one of Malaysia's biggest international rugby tournaments; with the other being the Borneo Invitational Club 7s in Kota Kinabalu, where the Plantation Division is the co-organiser and main sponsor. The Division's efforts in promoting rugby has also resulted in the Sabah State being given the honour of hosting the Malaysian leg of the Asian Seven Series, an event organised by Sabah Rugby Union and supported by Malaysian Rugby Union and more importantly the International Rugby Board.

Since 2004, IJM also sponsors the Serdang Rhythmic Angels Club which organised the fourth edition of the Angel Cup International Inter-Club Rhythmic Gymnastics Championship in August 2010 at the Majlis Sukan Negara Gymnasium in Bukit Jalil. The event attracted 17 teams from 10 countries with a total of 74 individual gymnasts participating in the pre-junior and junior categories. Established in 1998, the gymnastics club which is based in Seri Kembangan is managed entirely by volunteers.

The event, not only serves as a portal to promote and discover potential gymnasts for the international stage, but also provides an avenue for coaches and judges to meet and share the latest development in rhythmic gymnastics.

IJM continuously supported the COBRA Rugby 10s with a long-term aim of reviving the sport of rugby in Malaysia

IJM is a constant supporter of the Angel Cup International Inter-Club Rhythmic Gymnastics Championship

To further emphasise IJM's support of sports development at grassroots level, the Company has been a long-term charter member of Yayasan Kecemerlangan Sukan Malaysia or SportExcel. The non-profit organisation is a prime mover of junior athlete development through provisions of training grants and scholarships to achieve excellence in sports.

The Group will continue in its endeavours to '*give back*' to the community through various social welfare, education and sports development programmes.

WORKPLACE

The Group's Workplace initiatives are focused on ensuring healthy and safe working environment for its people, continuous investment in training and development programmes to create opportunities for professional growth, fair remuneration and staff benefits to improve staff performance and instill loyalty and lastly, to attain work-life balance.

A mock accident was held at Beranang Rest & Service area, LEKAS highway to ensure the readiness, efficiency and effectiveness of our highway emergency response team

IJM staff from different backgrounds coming together to celebrate Chinese New Year at Wisma IJM

Health & Safety

The Group has in place a comprehensive Health, Safety & Environment ("HSE") framework and management system to ensure that:

- all applicable HSE legislations, guidelines and other requirements are being met;
- all employees and stakeholders are engaged on training, information and facilities available to them;
- extensive efforts are made to raise awareness and responsibility at all levels;
- assessment of performance against safety improvement objectives is performed on a regular basis;
- health and safety objectives are continuously monitored, reviewed and improved; and
- HSE audits and surprise inspections are conducted.

Further details on the Group's health and safety practices, policies and procedures are available in the *Health, Safety and Environment Report*.

Workplace Diversity

The Group understands that a positive and respectful culture across the organisation is critical for the overall business sustainability and is committed to providing an environment where all employees, regardless of age, gender, race, religion, nationality and education, have equal opportunity to thrive. This healthy mix encourages the employees to strive to reach their full potential whilst working together in harmony to achieve organisational goals and sustainable growth.

The analysis of the Group's employees by classification, ethnic composition and productivity is illustrated in the *Employees & Productivity Report*.

Creative Thinking Workshop to promote creative thinking techniques to solve impossible work problems

HSE Away Day course to motivate and train staff on best HSE practices

Human Capital Development

The Group continuously invests in human capital development by providing various training/courses for its employees throughout the year designed to enhance their skill sets and capabilities to excel within the organisation.

The total training hours achieved and number of staff trained in FY 2011 was 24,820 hours and 2,659 employees, an increase of 1.2 times over the prior year comprising of internal and external courses ranging from technical-related and skills management courses to soft skills and life-long learning. Amongst the trainings made available to the staff were:

i) Environmental Performance Evaluation - to educate staff on proper evaluation of their projects and their impact to the environment.

ii) Concrete Skills, Brickwork & Plastering - to train staff on proper building concepts.

iii) Negotiation Skills - to train staff to become effective negotiators by learning different styles of negotiations to be used in a myriad of situations.

iv) Team Building for Peak Performance - to encourage mutual support and team work among team members to achieve common goals.

v) Creative Thinking - a two-day workshop designed to apply creative thinking techniques to solve impossible work problems, improve brain power and foster innovation.

In addition, the IJM Toastmasters Club, established since 2004, provides a mutually supportive and positive learning environment in which every member has the opportunity to develop public speaking and leadership and communication skills.

The Group's Engineers' Training Programme exposes graduate engineers joining IJM to the construction fraternity, to gain in-depth knowledge of the industry in order to prepare them for the future role of Project Manager.

A Training Needs Analysis ("TNA") database has been developed by the Group to identify and collate gaps between the current knowledge or skills of employees with knowledge and skills the job requires. This has helped the Training Department to plan annual training programmes whilst facilitating the Group to track the capabilities and training requirements of its employees.

Our employees have been provided with education subsidies and study and examination leaves for approved Masters, Degrees or Professional Qualification programmes as part of the Group's continuous efforts to develop its human capital potential.

Recipients of the Long Service Awards 2010


Quality Award presented to the construction project with the highest quality scores

Staff Awards

Loyalty Appreciation

Employees who have served IJM for 20 years are presented with the Long Service Awards and gifts as a token of appreciation for their loyalty, hard work and dedication towards the Group. In 2010, a total of 35 staff were conferred the long service awards during the Company's Annual Dinner.

Retirement Awards

Staff who have reached the retirement age of 55 and have served for more than 15 years in the Group have been presented with the Retirement Awards during the Company's Annual Dinner. This year, a total of 4 awards were presented.

Performance Awards

HSE and Quality Awards are presented annually to promote best HSE and quality practices to the projects, plants and factories which have performed well amongst their peers. These awards also serve to promote healthy competition whilst continuously raising the standards of our operations.

Apart from that, the Toll Division motivates its staff by presenting the Staff Performance Awards to the best performing and dedicated toll employee every quarter and annually.

Fair Remuneration

The Group's philosophy is to create an attractive work place with good prospects for employee advancement with fair remuneration package over the long term. Employees are appropriately remunerated based on his or her job scope/requirements, qualification, experience, ability and performance. To maintain a competitive remuneration package to retain quality people, the Group constantly assesses and benchmarks its compensation structure against industry standards as well as the marketplace.

Performance incentives/bonuses are designed to reward employees for good performance achieved by the Group through their participation and efforts. In addition, the Group has previously granted Employees Share Option Schemes and allotted warrants to eligible employees to encourage better work performance and instill loyalty.

Recipients of the Academic Excellence Awards with their father, an IJM staff

Touch rugby event at the IJM Games 2010, Kuantan

Staff Welfare

IJM provides attractive and competitive benefits to its employees as follows:

Employee Protection

The Group has implemented various employee protection schemes in order to ensure the staff are well looked after, such as the Group Multiple Insurance Benefits Scheme covering term life and total permanent disability, critical illnesses and provides investment returns as well. It is portable and offers employees a comprehensive protection up to the age of 70, and can be extended to cover spouses at affordable rates.

In addition, employees are also covered by the Group's Personal Accident Insurance Policy for total permanent disablement and/or death as a result of accidents arising from work. The Group also offers outpatient medical attention and dental, annual physical examination, and hospitalisation and surgical benefits.

Assistance to Purchase Residential Property

IJM Land, the Group's property arm develops a wide variety of residential properties, ranging from basic apartments to luxury condominiums, affordable terrace houses to semi-detached homes and bungalows in major townships all over the country. Our staff enjoys a 5% discount for the purchase of a residential property developed by IJM Land.

Academic Excellence Awards for the Children of IJM Employees

Annually, IJM presented prizes to the children of employees for outstanding achievements in the SPM, STPM and A-Level examinations. For the current year, a total of 31 children were awarded with the Academic Excellence Awards and cash prizes as an encouragement for the children to excel in their studies, besides raising awareness on the need for parental involvement in their children's education.

The champions of the IJM Games 2010 - the Plantation Division

Work-Life Balance

Various sports activities and fun events have been organised by the Group throughout the year to achieve a right balance between the professional and personal lives of its employees.

Healthy Living

Kompleks Sukan IJM-COBRA in Petaling Jaya, which is managed by the Group, is used to host many indoor and outdoor sports activities for our staff, such as futsal, bowling, carrom and darts to promote a healthy competition and lifestyle among the staff.

In June 2010, the 8th biennial inter-division IJM Games 2010 were jointly hosted by the Port and Toll Divisions in Kuantan, Pahang and participated by over 500 IJM staff from all over Malaysia. The event successfully fostered inter-company communications and relationships. The Plantation Division was the overall champion by winning 7 out of 12 sporting events.

Free health screening tests are organised for IJM staff

Blood donation drive at our plantations

Free health screening tests and health education talks such as '*Work-Life Balance*' and '*Early Detection and Prevention Saves Lives*' by National Kidney Foundation were conducted to educate staff on early identification of health risk factors and to promote a healthy living. In addition, regular blood donation campaigns were held throughout the Group.

Talks on personal financial management and crime prevention took place during the year as the Group believes that financial health and personal protection are also important aspects of healthy living.

Social Events

Various social events have been organised by KSIJM providing opportunities for staff to get to know fellow colleagues from other divisions, departments and branches. Many events were held during the year such as the Annual Dinner, Majlis Berbuka Puasa, Hari Raya, Chinese New Year, Deepavali and Christmas celebrations.

Our Property Division also organised various events such as '*A Hearty Family Fun*' and '*Pesta Tanglung*' to promote IJM Land's properties as well as community bonding among the residents and staff of Seremban 2.

The Group recognises the importance of its people towards organisation successes and will continue to maintain the best values and practices in the workplace.

A family day event organised by Kuantan Port

Pesta Tanglung at our Seremban 2 township in Negeri Sembilan

Financial Statements & Others

The Directors have pleasure in submitting their 27th annual report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2011.

PRINCIPAL ACTIVITIES

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

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

FINANCIAL RESULTS

	The Group RM'000	The Company RM'000
Net profit for the financial year	479,373	164,961
Attributable to:		
Owners of the Company	321,327	164,961
Minority interest	158,046	–
	479,373	164,961

DIVIDENDS

Dividends paid since the end of the previous financial year are as follows:

	RM'000
In respect of the financial year ended 31 March 2010:	
An interim dividend of 11 sen per share less income tax at 25%, paid on 24 August 2010	127,221
In respect of the financial year ended 31 March 2011:	
A single tier first interim dividend of 4 sen per share, paid on 23 December 2010	54,040
	181,261

On 27 May 2011, the Directors have declared a single tier second interim dividend in respect of the financial year ended 31 March 2011 of 7 sen per share to be paid on 13 July 2011 to every member who is entitled to receive the dividend as at 5:00pm on 30 June 2011.

The Directors do not recommend the payment of any final dividend for the financial year ended 31 March 2011.

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year are disclosed in the financial statements.

SHARE CAPITAL

During the financial year, the issued and paid-up ordinary share capital of the Company was increased from RM1,327,215,357 to RM1,351,114,355 by way of:

(a) The issuance of 22,403,715 new ordinary shares of RM1.00 each arising from the exercise of Warrants 2005/2010 at the exercise price of RM3.41 per share in accordance with the Deed Poll dated 22 June 2005; and

(b) The issuance of 1,495,283 new ordinary shares of RM1.00 each arising from the exercise of Warrants 2009/2014 at the exercise price of RM4.00 per share in accordance with the Deed Poll dated 18 September 2009.

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

TREASURY SHARES

During the financial year, the Company repurchased 15,000 of its ordinary shares from the open market on Bursa Malaysia Securities Berhad ("Bursa Malaysia") for RM77,008. The average price paid for the shares repurchased was approximately RM5.10 per share.

Details of the treasury shares are set out in Note 14(C) to the financial statements.

WARRANTS 2005/2010

The Warrants 2005/2010 are constituted by a Deed Poll dated 22 June 2005.

On 23 August 2005, the Company allotted:

(a) 93,171,576 new Warrants 2005/2010 at an issue price of RM0.05 per Warrant on the basis of 1 Warrant for every 5 existing ordinary shares of RM1.00 each held in the Company on 11 July 2005; and

(b) 10,000,000 new Warrants 2005/2010 at an issue price of RM0.05 per Warrant to eligible management staff of the Company and its subsidiaries.

On 2 October 2009, the Company allotted 8,098,689 new Warrants 2005/2010 at an issue price of RM0.05 per Warrant on the basis of 2 new Warrants 2005/2010 for every 5 existing Warrants 2005/2010 held in the Company on 1 October 2009 following the 2:5 Bonus Issue.

Each Warrant 2005/2010 entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 23 August 2005 to 20 August 2010, at an exercise price of RM4.80 in accordance with the provisions in the Deed Poll. The exercise price was adjusted to RM4.77 on 19 August 2008 pursuant to the payment of dividend in-specie by the Company to its shareholders of 85,763,142 IJM Land Berhad's ("IJMLB") warrants on the basis of 1 IJMLB warrant for every 10 IJM shares held. The exercise price was subsequently adjusted to RM3.41 on 1 October 2009 following the 2:5 Bonus Issue and the rights issue of new Warrants 2009/2014 on the basis of 1 Warrant for every 10 existing ordinary shares of RM1 each in the Company held after the 2:5 Bonus Issue. Any Warrants 2005/2010 not exercised at the date of maturity will lapse and cease to be valid for any purpose. As at 20 August 2010, 424,235 Warrants 2005/2010 were unexercised and have lapsed.

The ordinary shares issued from the exercise of Warrants 2005/2010 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, the entitlement date of which is prior to the date of the allotment of the new shares arising from the exercise of Warrants 2005/2010.

WARRANTS 2009/2014

The Warrants 2009/2014 are constituted by a Deed Poll dated 18 September 2009.

On 26 October 2009, the Company allotted 132,097,381 new Warrants 2009/2014 at an issue price of RM0.25 per Warrant on the basis of 1 Warrant for every 10 existing ordinary shares of RM1.00 each in the Company held after the 2:5 Bonus Issue.

Each Warrant 2009/2014 entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 26 October 2009 to 24 October 2014, at an exercise price of RM4.00 in accordance with the provisions in the Deed Poll. Any Warrants 2009/2014 not exercised at the date of maturity will lapse and cease to be valid for any purpose. As at the balance sheet date, 129,878,037 Warrants 2009/2014 (2010: 131,373,320) remained unexercised.

The ordinary shares issued from the exercise of Warrants 2009/2014 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, the entitlement date of which is prior to the date of the allotment of the new shares arising from the exercise of Warrants 2009/2014.

DIRECTORS

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' Teh Kean Ming, Chief Executive Officer ("CEO") & Managing Director ("MD") *(ceased as the Deputy CEO & Deputy MD and redesignated as CEO & MD on 1 January 2011)*
Dato' Tan Boon Seng @ Krishnan, Executive Deputy Chairman *(ceased as the CEO & MD on 31 December 2010 and redesignated as Executive Deputy Chairman on 1 January 2011)*
Tan Gim Foo, Deputy CEO & Deputy MD *(ceased as the Alternate Director to Dato' Goh Chye Koon and appointed as Deputy CEO & Deputy MD on 1 January 2011)*
Datuk Yahya bin Ya'acob*, *Senior Independent Non-Executive Director*
Tan Sri Abdul Halim bin Ali, *Independent Non-Executive Director*
Datuk Oh Chong Peng*, *Independent Non-Executive Director*
Datuk Hj Hasni bin Harun, *Non-Executive Director*
Datuk Lee Teck Yuen*, *Non-Executive Director*
Dato' David Frederick Wilson, *Non-Executive Director*
Dato' Goh Chye Koon, *Non-Executive Director*

* members of the Nomination and Remuneration Committee

According to the Register of Directors' Shareholdings, particulars of interest of Directors who held office at the end of the financial year in shares and Warrants of the Company and its related corporations during the financial year are as follows:

	Number of ordinary shares of RM1 each			
	Balance at 1.4.2010	**Acquired**	**Disposed**	**Balance at 31.3.2011**
IJM Corporation Berhad				
Name of Director				
Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob				
Direct interest	70,000	–	–	**70,000**
Dato' Teh Kean Ming				
Direct interest	84,000	–	–	**84,000**
Indirect interest	91,000(1)	–	–	**91,000**(1)
Dato' Tan Boon Seng @ Krishnan				
Direct interest	2,679,180	–	230,000	**2,449,180**
Indirect interest	1,095,136(1)	–	–	**1,095,136**(1)
Datuk Yahya bin Ya'acob				
Direct interest	70,000	–	–	**70,000**
Datuk Lee Teck Yuen				
Direct interest	–	2,100,000	860,000	**1,240,000**
Indirect interest	–	980,000(1)	400,000(1)	**580,000**(1)
Dato' Goh Chye Koon				
Direct interest	103,092	–	65,000	**38,092**

DIRECTORS (cont'd)

	Number of ordinary shares of RM0.50 each			
	Balance at 1.4.2010	Acquired	Disposed	Balance at 31.3.2011
IJM Plantations Berhad (a subsidiary)				
Name of Director				
Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob				
Direct interest	45,000	–	–	**45,000**
Dato' Tan Boon Seng @ Krishnan				
Direct interest	646,000	–	–	**646,000**
Indirect interest	429,982[(1)]	–	–	**429,982**[(1)]
Datuk Oh Chong Peng				
Direct interest	100,000	–	–	**100,000**
Dato' Goh Chye Koon				
Direct interest	202,000	350,000	35,000	**517,000**

	Number of ordinary shares of RM1 each			
	Balance at 1.4.2010	Acquired	Disposed	Balance at 31.3.2011
IJM Land Berhad (a subsidiary)				
Name of Director				
Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob				
Direct interest	50,000	–	–	**50,000**
Dato' Tan Boon Seng @ Krishnan				
Indirect interest	20,000[(1)]	–	–	**20,000**[(1)]
Tan Sri Abdul Halim bin Ali				
Direct interest	10,000	–	–	**10,000**
Datuk Lee Teck Yuen				
Direct interest	11,064,693	–	–	**11,064,693**

	Number of Warrants 2005/2010				
	Balance at 1.4.2010	Acquired	Disposed	Exercised	Lapsed at 20.8.2010
IJM Corporation Berhad					
Name of Director					
Datuk Lee Teck Yuen					
Direct interest	2,100,000	–	–	2,100,000	**–**
Indirect interest	980,000[(1)]	–	–	980,000[(1)]	**–**

DIRECTORS (cont'd)

	Number of Warrants 2009/2014 Balance at 1.4.2010	Acquired	Disposed	Exercised	Balance at 31.3.2011
IJM Corporation Berhad					
Name of Director					
Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob					
Direct interest	7,000	–	–	–	**7,000**
Dato' Teh Kean Ming					
Direct interest	9,300	30,000	–	–	**39,300**
Indirect interest	9,800[(1)]	30,000[(1)]	–	–	**39,800**[(1)]
Dato' Tan Boon Seng @ Krishnan					
Direct interest	274,348	1,150,000	–	–	**1,424,348**
Indirect interest	114,700[(1)]	555,300[(1)]	–	–	**670,000**[(1)]
Datuk Yahya bin Ya'acob					
Direct interest	7,600	–	–	–	**7,600**
Dato' Goh Chye Koon					
Direct interest	15,400	–	–	–	**15,400**

	Number of Warrants 2008/2013 Balance at 1.4.2010	Acquired	Disposed	Exercised	Balance at 31.3.2011
IJM Land Berhad (a subsidiary)					
Name of Director					
Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob					
Direct interest	5,000	–	–	–	**5,000**
Dato' Teh Kean Ming					
Direct interest	227,000	–	80,000	–	**147,000**
Indirect interest	5,200[(1)]	–	–	–	**5,200**[(1)]
Dato' Tan Boon Seng @ Krishnan					
Direct interest	1,248,610	–	–	–	**1,248,610**
Indirect interest	13,000[(1)]	110,900[(1)]	–	–	**123,900**[(1)]
Tan Gim Foo					
Direct interest	130,000	–	–	–	**130,000**
Datuk Yahya bin Ya'acob					
Direct interest	5,000	–	–	–	**5,000**

DIRECTORS (cont'd)

	Number of Warrants 2009/2014				
	Balance at 1.4.2010	Acquired	Disposed	Exercised	Balance at 31.3.2011
IJM Plantations Berhad (a subsidiary)					
Name of Director					
Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob					
Direct interest	5,000	–	–	–	**5,000**
Dato' Tan Boon Seng @ Krishnan					
Direct interest	70,060	–	–	–	**70,060**
Indirect interest	51,051(1)	–	–	–	**51,051**(1)
Datuk Oh Chong Peng					
Direct interest	10,000	–	–	–	**10,000**
Dato' Goh Chye Koon					
Direct interest	24,258	48,750	–	–	**73,008**

(1) Held through a family member

Except as disclosed above, the Directors in office at the end of the financial year do not have any direct or indirect interests in the shares or Warrants of the Company and its related corporations during the financial year.

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.

Except as disclosed above, neither during nor at the end of the financial year 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 Warrants of IJM Land Berhad, a subsidiary of the Company (See Note 7 to the financial statements).

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:

(a) 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

(b) 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.

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.

OTHER STATUTORY INFORMATION (cont'd)

In the interval between the end of the financial year 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 year; 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.

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 year 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.

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 year have not been substantially affected by any item, transaction or event of a material and unusual nature;

(b) the financial statements of the Group and of the Company set out on pages 143 to 283 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 2011 and of the results and cash flows of the Group and of the Company for the financial year ended on that date in accordance with the MASB Approved Accounting Standards in Malaysia for Entities Other than Private Entities and the provisions of the Companies Act, 1965; and

(c) the information set out in Note 59 to the financial statements have been prepared in accordance with the Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

AUDITORS

The Auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office.

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
DIRECTOR

DATO' TEH KEAN MING
DIRECTOR

Petaling Jaya
27 May 2011

Statements of Comprehensive Income

for the financial year ended 31 March 2011

		The Group		The Company	
	Note	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Operating revenue	4,13	**3,720,717**	4,013,530	**277,564**	225,672
Cost of sales		**(2,694,040)**	(3,060,100)	**(116,386)**	(139,673)
Gross profit		**1,026,677**	953,430	**161,178**	85,999
Other operating income		**364,056**	208,933	**117,352**	133,878
Tendering, selling and distribution expenses		**(106,128)**	(93,927)	**–**	–
Administrative expenses		**(230,569)**	(182,681)	**(34,368)**	(22,816)
Other operating expenses		**(204,349)**	(137,057)	**(14,503)**	(65,742)
Operating profit before finance cost	5	**849,687**	748,698	**229,659**	131,319
Finance cost	9	**(193,738)**	(201,421)	**(47,983)**	(38,303)
Operating profit after finance cost		**655,949**	547,277	**181,676**	93,016
Share of profits of associates		**46,844**	19,676	**–**	–
Share of (losses)/profits of jointly controlled entities		**(26,226)**	11,071	**–**	–
Profit before taxation	13	**676,567**	578,024	**181,676**	93,016
Income tax expense	10	**(197,194)**	(154,860)	**(16,715)**	(10,973)
Net profit for the financial year		**479,373**	423,164	**164,961**	82,043
Other comprehensive income (net of tax):					
Currency translation differences		**(25,877)**	20,341	**552**	(92)
Share of other comprehensive income of associates		**(9,982)**	(2,360)	**–**	–
Realisation of other comprehensive income arising from disposal of foreign subsidiaries and a jointly controlled entity		**2,640**	–	**–**	–
Total comprehensive income for the financial year		**446,154**	441,145	**165,513**	81,951
Net profit attributable to:					
Owners of the Company		**321,327**	332,580	**164,961**	82,043
Minority interest		**158,046**	90,584	**–**	–
Net profit for the financial year		**479,373**	423,164	**164,961**	82,043
Total comprehensive income attributable to:					
Owners of the Company		**291,034**	346,350	**165,513**	81,951
Minority interest		**155,120**	94,795	**–**	–
Total comprehensive income for the financial year		**446,154**	441,145	**165,513**	81,951
Earnings per share for net profit attributable to owners of the Company:					
- Basic	11(a)	**23.88 Sen**	25.21 Sen		
- Fully diluted	11(b)	**23.26 Sen**	24.84 Sen		

Consolidated Balance Sheets

as at 31 March 2011

	Note	2011 RM'000	2010 RM'000 (Restated)	2009 RM'000 (Restated)
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY				
Share capital	14	**1,351,115**	1,327,216	941,952
Share premium	14	**1,835,676**	1,776,547	2,128,037
Treasury shares	14	**(77)**	–	(16,298)
Revaluation reserve		**35,974**	36,395	36,441
Exchange translation reserve		**(88,709)**	(58,416)	(72,232)
Other reserves	15	**78,745**	75,258	37,903
Retained profits		**1,834,413**	1,972,221	1,714,347
		5,047,137	5,129,221	4,770,150
MINORITY INTEREST		**1,469,770**	1,328,138	845,917
TOTAL EQUITY		**6,516,907**	6,457,359	5,616,067
NON-CURRENT LIABILITIES				
Bonds	16	**448,227**	568,886	652,704
Commercial Papers and Medium Term Notes	17	**650,000**	691,848	233,380
Term loans	18	**1,498,423**	1,388,610	1,073,621
Government support loans	19	**206,091**	204,157	280,175
Hire purchase and lease creditors	20	**2,149**	510	5,843
Derivative financial instruments	22	**8,037**	–	–
Deferred tax liabilities	23	**370,929**	363,172	350,093
Trade and other payables	24	**88,152**	80,364	84,888
Retirement benefits	25	**6,159**	5,914	5,839
		3,278,167	3,303,461	2,686,543
Government grants	26	**99,161**	112,250	73,343
		9,894,235	9,873,070	8,375,953
NON-CURRENT ASSETS				
Property, plant and equipment	27	**1,445,173**	1,400,529	1,470,721
Leasehold land	28	**169,234**	145,945	126,649
Investment properties	29	**124,565**	452,546	185,985
Concession assets	30	**1,981,040**	1,948,606	1,991,344
Associates	32	**487,304**	442,120	415,263
Jointly controlled entities	33	**1,024,368**	1,064,518	817,981
Available-for-sale, financial assets	34	**2,204**	2,214	16,464
Derivative financial instruments	22	**771**	–	–
Long term receivables	35	**70,191**	159,914	72,986
Intangible assets	36	**77,120**	74,804	83,078
Deferred tax assets	23	**83,147**	92,088	65,773
Land held for property development	37	**673,380**	702,138	734,233
Plantation development expenditure	38	**592,679**	474,258	430,972
		6,731,176	6,959,680	6,411,449

	Note	2011 RM'000	2010 RM'000 (Restated)	2009 RM'000 (Restated)
CURRENT ASSETS				
Property development costs	37	**1,614,772**	1,513,061	1,699,730
Inventories	39	**584,071**	529,320	390,726
Trade and other receivables	40	**1,874,107**	2,170,690	2,103,848
Financial assets at fair value through profit or loss	41	**212,730**	110,522	75,021
Deposits, cash and bank balances	42	**1,506,597**	1,221,511	945,654
Assets held for sale	43	**7,152**	501	29,830
Tax recoverable		**49,253**	53,010	69,905
		5,848,682	5,598,615	5,314,714
Less:				
CURRENT LIABILITIES				
Trade and other payables	44	**1,660,175**	1,689,300	1,831,432
Current tax liabilities		**31,773**	37,199	29,567
Derivative financial instruments	22	**3,201**	–	–
Borrowings				
- Bank overdrafts	45	**65,559**	55,917	123,801
- Others	45	**924,915**	902,809	1,365,410
		2,685,623	2,685,225	3,350,210
NET CURRENT ASSETS		**3,163,059**	2,913,390	1,964,504
		9,894,235	9,873,070	8,375,953

Company Balance Sheets

as at 31 March 2011

	Note	2011 RM'000	2010 RM'000
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Share capital	14	**1,351,115**	1,327,216
Share premium	14	**1,835,676**	1,776,547
Treasury shares	14	**(77)**	–
Exchange translation reserve		**(283)**	(835)
Other reserve	15	**32,470**	33,138
Retained profits		**744,875**	808,192
TOTAL EQUITY		**3,963,776**	3,944,258
NON-CURRENT LIABILITIES			
Commercial Papers and Medium Term Notes	17	**650,000**	650,000
Term loans	18	**275,000**	300,000
		925,000	950,000
		4,888,776	4,894,258
NON-CURRENT ASSETS			
Property, plant and equipment	27	**8,378**	9,060
Investment properties	29	**5,036**	5,165
Subsidiaries	31	**4,427,397**	4,314,710
Associates	32	**109,535**	87,546
Jointly controlled entities	33	**323,209**	348,158
Available-for-sale, financial assets	34	**2,050**	2,050
Derivative financial instruments	22	**771**	–
Deferred tax assets	23	**1,092**	339
Land held for property development	37	**281**	281
		4,877,749	4,767,309
CURRENT ASSETS			
Inventories	39	**7,966**	12,122
Trade and other receivables	40	**712,548**	764,959
Financial assets at fair value through profit or loss	41	**168,082**	82,681
Deposits, cash and bank balances	42	**147,173**	117,004
Tax recoverable		**9,068**	11,754
		1,044,837	988,520
Less:			
CURRENT LIABILITIES			
Trade and other payables	44	**880,208**	845,208
Borrowings	45	**153,602**	16,363
		1,033,810	861,571
NET CURRENT ASSETS		**11,027**	126,949
		4,888,776	4,894,258

Statements of Changes in Equity
for the financial year ended 31 March 2011

The Group	Note	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Revaluation reserve RM'000	Exchange translation reserve RM'000	Other reserves RM'000	Retained profits RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000
		Attributable to owners of the Company									
At 1 April 2010											
As previously reported		1,327,216	1,776,547	–	36,395	(58,416)	75,258	1,972,221	5,129,221	1,328,138	6,457,359
Effect of adopting FRS 139	58	–	–	–	–	–	–	(274,671)	(274,671)	(19,717)	(294,388)
As restated		1,327,216	1,776,547	–	36,395	(58,416)	75,258	1,697,550	4,854,550	1,308,421	6,162,971
Comprehensive income:											
Net profit for the financial year		–	–	–	–	–	–	321,327	321,327	158,046	479,373
Other comprehensive income:											
Currency translation differences arising from translation of net investment in foreign subsidiaries, associates and branch		–	–	–	–	(22,951)	–	–	(22,951)	(2,926)	(25,877)
Share of other comprehensive income of associates		–	–	–	–	(9,982)	–	–	(9,982)	–	(9,982)
Realisation of other comprehensive income arising from disposal of foreign subsidiaries and a jointly controlled entity		–	–	–	–	2,640	–	–	2,640	–	2,640
		–	–	–	–	(30,293)	–	–	(30,293)	(2,926)	(33,219)
Total comprehensive income for the financial year		–	–	–	–	(30,293)	–	321,327	291,034	155,120	446,154

The Group	Note	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Revaluation reserve RM'000	Exchange translation reserve RM'000	Other reserves RM'000	Retained profits RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000
		Attributable to owners of the Company									
Transferred to capital reserve upon redemption of preference shares in a subsidiary	15	–	–	–	–	–	5,000	(5,000)	–	–	–
Realisation of reserves of a subsidiary		–	–	–	(421)	–	(845)	1,266	–	–	–
Acquisition of subsidiaries		–	–	–	–	–	–	–	–	8,219	8,219
Disposal and liquidation of subsidiaries		–	–	–	–	–	–	–	–	(2,846)	(2,846)
Accretion/dilution of interests in a subsidiary		–	–	–	–	–	–	510	510	(510)	–
Interim dividend: - Year ended 31 March 2010	12	–	–	–	–	–	–	(127,221)	(127,221)	–	(127,221)
Single tier dividend: - Year ended 31 March 2011	12	–	–	–	–	–	–	(54,040)	(54,040)	–	(54,040)
Dividends paid by subsidiaries to minority shareholders		–	–	–	–	–	–	–	–	(27,523)	(27,523)
Issuance of shares: - Exercise of Warrants 2005/2010	14	22,404	54,269	–	–	–	(273)	–	76,400	–	76,400
- Exercise of Warrants 2009/2014	14	1,495	4,860	–	–	–	(374)	–	5,981	–	5,981
Shares buy back	14	–	–	(77)	–	–	–	–	(77)	–	(77)
Transferred to retained profits upon expiry of Warrants 2005/2010	15	–	–	–	–	–	(21)	21	–	–	–
Issuance of shares by subsidiaries to minority shareholders		–	–	–	–	–	–	–	–	28,889	28,889
At 31 March 2011		**1,351,115**	**1,835,676**	**(77)**	**35,974**	**(88,709)**	**78,745**	**1,834,413**	**5,047,137**	**1,469,770**	**6,516,907**

The Group	Note	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Revaluation reserve RM'000	Exchange translation reserve RM'000	Other reserves RM'000	Retained profits RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000
		Attributable to owners of the Company									
At 1 April 2009		941,952	2,128,037	(16,298)	36,441	(72,232)	37,903	1,714,347	4,770,150	845,917	5,616,067
Comprehensive income:											
Net profit for the financial year		–	–	–	–	–	–	332,580	332,580	90,584	423,164
Other comprehensive income:											
Currency translation differences arising from translation of net investment in foreign subsidiaries, associates and branch		–	–	–	(46)	16,176	–	–	16,130	4,211	20,341
Share of other comprehensive income of associates		–	–	–	–	(2,360)	–	–	(2,360)	–	(2,360)
		–	–	–	(46)	13,816	–	–	13,770	4,211	17,981
Total comprehensive income for the financial year		–	–	–	(46)	13,816	–	332,580	346,350	94,795	441,145

Statements of Changes in Equity (cont'd)

for the financial year ended 31 March 2011

The Group	Note	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Revaluation reserve RM'000	Exchange translation reserve RM'000	Other reserves RM'000	Retained profits RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000
		Attributable to owners of the Company									
Share of realisation of capital reserve in an associate	15	–	–	–	–	–	(130)	130	–	–	–
Transferred to capital reserve upon redemption of preference shares in a subsidiary	15	–	–	–	–	–	5,000	(5,000)	–	–	–
Dilution of interests in a subsidiary		–	–	–	–	–	–	(34,637)	(34,637)	253,372	218,735
Capital distribution to minority shareholders upon capital reduction		–	–	–	–	–	–	–	–	(584)	(584)
Second interim dividend:											
- Year ended 31 March 2009		–	–	–	–	–	–	(35,199)	(35,199)	–	(35,199)
Dividends paid by subsidiaries to minority shareholders		–	–	–	–	–	–	–	–	(34,484)	(34,484)
Issuance of shares:											
- Exercise of Warrants 2005/2010	14	7,119	19,692	–	–	–	(357)	–	26,454	–	26,454
- Exercise of Warrants 2009/2014	14	724	2,354	–	–	–	(182)	–	2,896	–	2,896
- Bonus Issue	14	377,421	(377,421)	–	–	–	–	–	–	–	–
Issurance of Warrants 2009/2014	15	–	–	–	–	–	33,024	–	33,024	–	33,024
Shares buy back	14	–	–	(57)	–	–	–	–	(57)	–	(57)
Disposal of treasury shares	14	–	3,885	16,355	–	–	–	–	20,240	–	20,240
Disposal of subsidiary's warrants to minority shareholders		–	–	–	–	–	–	–	–	18,120	18,120
Issuance of shares and warrants by subsidiaries to minority shareholders		–	–	–	–	–	–	–	–	151,002	151,002
At 31 March 2010		1,327,216	1,776,547	–	36,395	(58,416)	75,258	1,972,221	5,129,221	1,328,138	6,457,359

The Company	Note	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Exchange translation reserve RM'000	Other reserve RM'000	Retained profits RM'000	Total RM'000
		Non-distributable					Distributable	
At 1 April 2010								
As previously reported		1,327,216	1,776,547	–	(835)	33,138	808,192	3,944,258
Effect of adopting FRS 139	58	–	–	–	–	–	(47,038)	(47,038)
As restated		1,327,216	1,776,547	–	(835)	33,138	761,154	3,897,220
Comprehensive income:								
Net profit for the financial year		–	–	–	–	–	164,961	164,961
Other comprehensive income:								
Currency translation differences arising from translation of a foreign branch and projects		–	–	–	552	–	–	552
Total comprehensive income for the financial year		–	–	–	552	–	164,961	165,513
Interim dividend:								
- Year ended 31 March 2010	12	–	–	–	–	–	(127,221)	(127,221)
Single tier dividend:								
- Year ended 31 March 2011	12	–	–	–	–	–	(54,040)	(54,040)
Issuance of shares:								
- Exercise of Warrants 2005/2010	14	22,404	54,269	–	–	(273)	–	76,400
- Exercise of Warrants 2009/2014	14	1,495	4,860	–	–	(374)	–	5,981
Shares buy back	14	–	–	(77)	–	–	–	(77)
Transferred to retained profits upon expiry of Warrants Warrants 2005/2010	15	–	–	–	–	(21)	21	–
At 31 March 2011		**1,351,115**	**1,835,676**	**(77)**	**(283)**	**32,470**	**744,875**	**3,963,776**

The Company	Note	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Exchange translation reserve RM'000 (Non-distributable)	Other reserve RM'000 (Non-distributable)	Retained profits RM'000 (Distributable)	Total RM'000
At 1 April 2009		941,952	2,128,037	(16,298)	(743)	653	761,348	3,814,949
Comprehensive income:								
Net profit for the financial year		–	–	–	–	–	82,043	82,043
Other comprehensive income:								
Currency translation differences arising from translation of a foreign branch and projects		–	–	–	(92)	–	–	(92)
Total comprehensive income for the financial year		–	–	–	(92)	–	82,043	81,951
Second interim dividend:								
- Year ended 31 March 2009		–	–	–	–	–	(35,199)	(35,199)
Issuance of shares:								
- Exercise of Warrants 2005/2010	14	7,119	19,692	–	–	(357)	–	26,454
- Exercise of Warrants 2009/2014	14	724	2,354	–	–	(182)	–	2,896
- Bonus Issue	14	377,421	(377,421)	–	–	–	–	–
Issuance of Warrants 2009/2014	15	–	–	–	–	33,024	–	33,024
Shares buy back	14	–	–	(57)	–	–	–	(57)
Disposal of treasury shares	14	–	3,885	16,355	–	–	–	20,240
At 31 March 2010		1,327,216	1,776,547	–	(835)	33,138	808,192	3,944,258

Consolidated Cash Flow Statement

for the financial year ended 31 March 2011

	Note	2011 RM'000	2010 RM'000
OPERATING ACTIVITIES			
Receipts from customers		**4,023,970**	3,957,035
Payments to contractors, suppliers and employees		**(3,185,958)**	(3,328,782)
Government grant received		**7,774**	2,720
Compensation received from Government		**–**	83,456
Income from unit trusts		**369**	–
Interest received		**86,811**	66,034
Interest paid		**(175,540)**	(205,734)
Income tax paid		**(193,030)**	(135,183)
Net cash flow from operating activities		**564,396**	439,546
INVESTING ACTIVITIES			
Acquisition of subsidiaries	48(a)	**(5,269)**	–
Subscription of redeemable convertible unsecured loan stocks in Lebuhraya Kajang Seremban Sdn Bhd, a jointly controlled entity		**–**	(219,000)
Investments in associates		**(11,399)**	(258)
Acquisition of short term investments		**(199,986)**	(424,235)
Disposal of shares to minority shareholders		**–**	218,735
Disposal of subsidiaries		**66,686**	23,108
Disposal of associates		**4,334**	–
Disposal of jointly controlled entities		**9,765**	–
Disposal of investments		**114,112**	410,612
Proceeds from liquidation of associates		**1,191**	2,565
Distribution of capital to minority shareholders upon liquidation of subsidiaries		**(88)**	–
Purchase of development land held for property development	37(a)	**(53,349)**	(12,996)
Purchase of property, plant and equipment, leasehold land and investment properties		**(171,209)**	(341,003)
Cost incurred on concession assets		**(120,488)**	(74,254)
Additions to plantation development expenditure		**(85,847)**	(39,432)
Advances for land acquisition and plantation development expenditure		**–**	(63,465)
Deferred expenditure incurred	36	**(5,528)**	(1,793)
Disposal of property, plant and equipment, leasehold land and investment properties		**11,175**	14,866
Disposal of assets held for sale		**506**	24,743
Dividends received from associates		**11,884**	4,147
Dividends received from other investments		**115**	968
Net proceeds received from capital reduction in investments		**–**	336
Redemption of redeemable preference shares by a jointly controlled entity		**25,753**	–
Advances to associates		**(809)**	(600)
Advances to jointly controlled entities		**(108,872)**	(75,560)
Repayment of advances from jointly controlled entities		**18,939**	34,049
Net cash flow used in investing activities		**(498,384)**	(518,467)

Consolidated Cash Flow Statement (cont'd)

for the financial year ended 31 March 2011

	Note	2011 RM'000	2010 RM'000
FINANCING ACTIVITIES			
Issuance of shares by the Company:			
- Exercise of Warrants 2005/2010		**76,400**	26,454
- Exercise of Warrants 2009/2014		**5,981**	2,896
Issuance of Warrants 2009/2014		**–**	33,024
Issuance of shares and warrants by subsidiaries to minority shareholders		**28,889**	151,002
Repayment of Bonds		**(151,000)**	(190,000)
Drawdown of Commercial Papers ("CP") and Medium Term Notes ("MTN")		**–**	650,000
Repayments of CP and MTN		**(89,000)**	(380,000)
Proceeds from bank borrowings		**1,182,804**	1,009,276
Repayments of bank borrowings		**(582,715)**	(792,360)
Net (repayments to)/advances from the State Government		**(6,000)**	3,680
Repayment of Government Support Loan		**(2,500)**	(2,500)
Repayments to hire purchase and lease creditors		**(3,429)**	(8,999)
Payment of MTN and bonds interests		**(34,050)**	(30,008)
Dividends paid by subsidiaries to minority shareholders		**(27,523)**	(34,484)
Dividends paid by the Company		**(181,261)**	(35,199)
(Increase)/decrease in bank deposits assigned to trustees		**(129,300)**	54,569
Re-purchase of treasury shares	14(C)	**(77)**	(57)
Disposal of treasury shares	14(C)	**–**	20,240
Net cash flow from financing activities		**87,219**	477,534
NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL YEAR		**153,231**	398,613
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		**1,165,294**	766,984
FOREIGN EXCHANGE DIFFERENCES ON OPENING BALANCES		**1,093**	(303)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	50	**1,319,618**	1,165,294

Company Cash Flow Statement

for the financial year ended 31 March 2011

	Note	2011 RM'000	2010 RM'000
OPERATING ACTIVITIES			
Receipts from customers		**80,956**	149,242
Payments to contractors, suppliers and employees		**(161,767)**	(162,710)
Income from unit trusts		**369**	–
Interest received		**15,820**	3,141
Interest paid		**(12,808)**	(11,034)
Income tax paid		**–**	(7,177)
Net cash flow used in operating activities		**(77,430)**	(28,538)
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**(1,134)**	(192)
Disposal of property, plant and equipment		**193**	246
Acquisition of additional interests in subsidiaries		**–**	(55,824)
Disposal of shares in subsidiaries		**12**	235,659
Acquisition of short term investments		**(132,986)**	(410,035)
Disposal of investments		**62,109**	340,916
Proceeds from disposal/liquidation of associates		**1,001**	2,546
Net proceeds received from capital reduction in a subsidiary		**–**	2,287
Dividends received from subsidiaries		**144,061**	62,403
Dividends received from associates		**5,612**	2,965
Dividends received from other investments		**64**	921
Advances to subsidiaries		**(281,626)**	(644,231)
Repayment of advances from subsidiaries		**327,602**	237,830
Advances to associates		**(1,111)**	(13,392)
Repayment of advances from associates		**2,994**	12,813
Repayment of advances from jointly controlled entities		**352**	622
Subscription of redeemable convertible unsecured loan stocks in Lebuhraya Kajang Seremban Sdn Bhd, a jointly controlled entity		–	(219,000)
Net cash flow from/(used in) investing activities		**127,143**	(443,466)
FINANCING ACTIVITIES			
Issuance of shares by the Company:			
- Exercise of Warrants 2005/2010		**76,400**	26,454
- Exercise of Warrants 2009/2014		**5,981**	2,896
Issuance of Warrants 2009/2014		**–**	33,024
Proceeds from bank borrowings		**137,300**	451,215
Repayments of bank borrowings		**(23,837)**	(400,764)
Payment of MTN interests		**(34,050)**	(25,630)
Dividends paid by the Company		**(181,261)**	(35,199)
Re-purchase of treasury shares		**(77)**	(57)
Disposal of treasury shares		**–**	20,240
Drawdown of Commercial Papers ("CP") and Medium Term Notes ("MTN")		**–**	650,000
Repayments of CP and MTN		**–**	(300,000)
Net cash flow (used in)/from financing activities		**(19,544)**	422,179
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL YEAR		**30,169**	(49,825)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		**117,004**	166,829
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	50	**147,173**	117,004

Summary of Significant Accounting Policies

for the financial year ended 31 March 2011

The following accounting policies have been applied consistently to all the years presented in dealing with items which are considered material in relation to the financial statements, unless otherwise stated.

1 BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with the provisions of the Companies Act, 1965 and Financial Reporting Standards, the Malaysian Accounting Standards Board ("MASB") Approved Accounting Standards in Malaysia for Entities Other than Private Entities.

The financial statements have been prepared under the historical cost convention, unless otherwise indicated in this summary of significant accounting policies.

The preparation of financial statements in conformity with the MASB Approved Accounting Standards in Malaysia for Entities Other than Private Entities requires the use of certain critical accounting 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. It also requires Directors to exercise their judgement in the process of applying the Company's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ from those estimates.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2 to the financial statements.

(a) Standards, amendments and improvements to published standards and interpretations that are effective

The new accounting standards, amendments and improvements to published standards and interpretations that are effective for the Group's and the Company's financial year beginning on or after 1 April 2010 and are applicable to the Group and the Company are as follows:

- FRS 7 "Financial Instruments: Disclosures" and the related Amendments
- FRS 8 "Operating Segments"
- FRS 101 (revised) "Presentation of Financial Statements"
- FRS 123 "Borrowing Costs"
- FRS 139 "Financial Instruments: Recognition and Measurement" and the related Amendments
- Amendment to FRS 1 "First-time Adoption of Financial Reporting Standards" and FRS 127 "Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate"
- Amendment to FRS 2 "Share-based Payment: Vesting Conditions and Cancellations"
- Amendments to FRS 132 "Financial Instruments: Presentation" and FRS 101 (revised) "Presentation of Financial Statements" - Puttable financial instruments and obligations arising on liquidation
- IC Interpretation 9 "Reassessment of Embedded Derivatives" and the related Amendments
- IC Interpretation 10 "Interim Financial Reporting and Impairment"
- IC Interpretation 11 "FRS 2 Group and Treasury Share Transactions"
- IC Interpretation 14 "FRS 119 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction"
- Improvements to FRSs (2009)

All changes in accounting policies have been made in accordance with the transition provisions in the respective standards, amendments and improvements to published standards and interpretations.

A summary of the impact of the new accounting standards, amendments and improvements to published standards and interpretations on the financial statements of the Group and of the Company is set out in Note 58 to the financial statements.

1 BASIS OF PREPARATION (cont'd)

(b) Standards, amendments and improvements to published standards and interpretations to existing standards that are applicable to the Group, but are not yet effective and have not been early adopted

The new standards, amendments and improvements to published standards and interpretations that are mandatory for the Group's financial year beginning on or after 1 April 2011 or later periods, and the Group has not early adopted, are as follows:

- The revised FRS 3 "Business Combinations" (effective prospectively from 1 July 2010) continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through profit or loss. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs should be expensed.
- The revised FRS 127 "Consolidated and Separate Financial Statements" (applies prospectively to transactions with non-controlling interests from 1 July 2010) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. When this standard is effective, all earnings and losses of the subsidiary are attributed to the parent and the non-controlling interest, even if the attribution of losses to the non-controlling interest results in a debit balance in the shareholders' equity. Profit or loss attributable to non-controlling interests for prior years is not restated. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss.
- Amendment to FRS 2 "Share-based Payment: Group Cash-Settled Share-based Payment Transactions" (effective from 1 January 2011) clarifies that an entity that receives goods or services in a share-based payment arrangement must account for those goods or services no matter which entity in the group settles the transaction, and no matter whether the transaction is settled in shares or cash. The amendments also incorporate guidance previously included in IC Interpretation 8 "Scope of FRS 2" and IC Interpretation 11 "FRS 2 – Group and Treasury Share Transactions", which shall be withdrawn upon application of this amendment.
- Amendments to FRS 7 "Financial Instruments: Disclosures" and FRS 1 "First-time Adoption of Financial Reporting Standards" (effective from 1 January 2011) requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy.
- IC Interpretation 4 "Determining Whether an Arrangement Contains a Lease" (effective from 1 January 2011) requires the Group to identify any arrangement that does not take the legal form of a lease, but conveys a right to use an asset in return for a payment or series of payments. This interpretation provides guidance for determining whether such arrangements are, or contain, leases. The assessment is based on the substance of the arrangement and requires assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset. If the arrangement contains a lease, the requirements of FRS 117 "Leases" should be applied to the lease element of the arrangement.
- IC Interpretation 12 "Service Concession Arrangements" (effective from 1 July 2010) applies to contractual arrangements whereby a private sector operator participates in the development, financing, operation and maintenance of infrastructure for public sector services. Depending on the contractual terms, this interpretation requires the operator to recognise a financial asset if it has an unconditional contractual right to receive cash or an intangible asset if it receives a right (license) to charge users of the public service. Some contractual terms may give rise to both a financial asset and an intangible asset.
- IC Interpretation 15 "Agreements for Construction of Real Estates" (effective from 1 January 2012) supersedes FRS 201 "Property Development Activities" in respect of basis of income recognition for property development activities.

1 BASIS OF PREPARATION (cont'd)

(b) Standards, amendments and improvements to published standards and interpretations to existing standards that are applicable to the Group, but are not yet effective and have not been early adopted (cont'd)

The new standards, amendments and improvements to published standards and interpretations that are mandatory for the Group's financial year beginning on or after 1 April 2011 or later periods, and the Group has not early adopted, are as follows: (cont'd)

- IC Interpretation 16 "Hedges of a Net Investment in a Foreign Operation" (effective from 1 July 2010) clarifies the accounting treatment in respect of net investment hedging. This includes the fact that net investment hedging relates to differences in functional currency, not presentation currency, and hedging instruments may be held by any entity in the group. The requirements of FRS 121 "The effects of changes in foreign exchange rates" do apply to the hedged item.
- IC Interpretation 17 "Distribution of Non-cash Assets to Owners" (effective from 1 July 2010) provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends. FRS 5 has also been amended to require that assets are classified as held for distribution only when they are available for distribution in their present condition and the distribution is highly probable.
- IC Interpretation 18 "Transfers of Assets from Customers" (effective prospectively for assets received on or after 1 January 2011) provides guidance where an entity receives from a customer an item of property, plant and equipment (or cash to acquire such an asset) that the entity must then connect the customer to a network or to provide the customer with services. Where the transferred item meets the definition of an asset, the asset is recognised as an item of property, plant and equipment at its fair value. Revenue is recognised for each separate service performed in accordance with the recognition criteria of FRS 118 "Revenue".
- IC Interpretation 19 "Extinguishing Financial Liabilities with Equity Instruments" (effective from 1 July 2011) provides clarification when an entity renegotiates the terms of a financial liability with its creditor and the creditor agrees to accept the entity's shares or other equity instruments to settle the financial liability fully or partially. A gain or loss, being the difference between the carrying value of the financial liability and the fair value of the equity instruments issued, shall be recognised in profit or loss. Entities are no longer permitted to reclassify the carrying value of the existing financial liability into equity with no gain or loss recognised in profit or loss.
- Amendments to IC Interpretation 14 "FRS 119 - The Limit on a Defined Benefit Assets, Minimum Funding Requirements and their Interaction" (effective from 1 July 2011) permits an entity to recognise the prepayments of contributions as an asset, rather than an expense in circumstances when the entity is subject to a minimum funding requirement and makes an early payment of contributions to meet those requirements.
- Improvements to FRS 2 (effective from 1 July 2010) clarifies that contributions of a business on formation of a joint venture and common control transactions are outside the scope of FRS 2.
- Improvements to FRS 3 (effective from 1 January 2011)
  - Clarifies that the choice of measuring non-controlling interests at fair value or at the proportionate share of the acquiree's net assets applies only to instruments that represent present ownership interests and entitle their holders to a proportionate share of the net assets in the event of liquidation. All other components of non-controlling interest are measured at fair value unless another measurement basis is required by FRS.
  - Clarifies that the amendments to FRS 7, FRS 132 and FRS 139 that eliminate the exemption for contingent consideration do not apply to contingent consideration that arose from business combinations whose acquisition dates precede the application of FRS 3 (2010). Those contingent consideration arrangements are to be accounted for in accordance with the guidance in FRS 3 (2005).

1 BASIS OF PREPARATION (cont'd)

(b) Standards, amendments and improvements to published standards and interpretations to existing standards that are applicable to the Group, but are not yet effective and have not been early adopted (cont'd)

The new standards, amendments and improvements to published standards and interpretations that are mandatory for the Group's financial year beginning on or after 1 April 2011 or later periods, and the Group has not early adopted, are as follows: (cont'd)

- Improvements to FRS 5 "Non-current Assets Held for Sale and Discontinued Operations" (effective from 1 July 2010) clarifies that all of a subsidiary's assets and liabilities are classified as held for sale if a partial disposal sale plan results in loss of control. Relevant disclosure should be made for this subsidiary if the definition of a discontinued operation is met.
- Improvements to FRS 101 "Presentation of Financial Statements" (effective from 1 January 2011) clarifies that an entity shall present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes to the financial statements.
- Improvements to FRS 138 "Intangible Assets" (effective from 1 July 2010) clarifies that a group of complementary intangible assets acquired in a business combination may be recognised as a single asset if each asset has similar useful lives.
- Improvements to IC Interpretation 9 (effective from 1 July 2010) clarifies that this interpretation does not apply to embedded derivatives in contracts acquired in a business combination, businesses under common control or the formation of a joint venture.

The Group has applied the transitional provision which exempts entities from disclosing the possible impact arising from the initial application of amendments to FRS 7 and IC Interpretation 12 on the financial statements of the Group and the Company.

Unless otherwise disclosed, the above standards, amendments to published standards and interpretations are not anticipated to have any significant impact on the financial statements of the Group and of the Company in the year of initial application.

2 ECONOMIC ENTITIES IN THE GROUP

(a) Subsidiaries

Subsidiaries are those corporations, partnerships or other entities (including special purpose entities) in which the Group has power to exercise control over the financial and operating policies so as to obtain benefits from their activities, generally accompanying a shareholding of more than one half of the voting rights.

The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. In assessing whether potential voting rights contribute to control, the Group examines all facts and circumstances (including the terms of exercise of the potential voting rights and any other contractual arrangements whether considered individually or in combination) that affect potential voting rights.

Subsidiaries are consolidated using the acqusition method of accounting, except for business combinations involving entities or businesses under common control with agreement dates on or after 1 January 2006, which are accounted for using the merger method of accounting.

2 ECONOMIC ENTITIES IN THE GROUP (cont'd)

(a) Subsidiaries (cont'd)

Under the acquisition method of accounting, subsidiaries are fully consolidated from the date on which control is transferred to the Group and are de-consolidated from the date that control ceases. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the date of acquisition, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired at the date of acquisition is reflected as goodwill – See accounting policy 3 on goodwill. If the cost of acquisition is less than the fair value of the identifiable net assets of the subsidiary acquired, the gain is recognised directly in profit or loss.

Where more than one exchange transaction is involved, any adjustment to the fair values of the subsidiary's identifiable assets, liabilities and contingent liabilities relating to previously held interests of the Group is accounted for as a revaluation.

Minority interest represents that portion of the profit or loss and net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the Company. It is measured at the minorities' share of the fair value of the subsidiaries' identifiable assets and liabilities at the date of acquisition and the minorities' share of changes in the subsidiaries' equity since that date.

Under the merger method of accounting, the results of subsidiaries are presented as if the merger had been effected throughout the current and previous years. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. On consolidation, the cost of the merger is cancelled with the values of the shares received. Any resulting credit difference is classified as equity and regarded as a reserve. Any resulting debit difference is adjusted against reserve. Any share premium, capital redemption reserve and any other reserves which are attributable to share capital of the merged enterprises, to the extent that they have not been capitalised by a debit difference, are reclassified and presented as movement in other reserves.

All inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated except for contracted finished goods which are stated at net realisable value. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

The gain or loss on disposal of a subsidiary, which is the difference between net disposal proceeds and the Group's share of its net assets as of the date of disposal, including the cumulative amount of any exchange differences that relate to the subsidiary, is recognised in profit or loss attributable to the owners of the Company.

(b) Transactions with minority interests

The Group applies a policy of treating transactions with minority interests as transactions with equity owners of the Group. For purchases from minority interests, the difference between any consideration paid and the relevant share of the carrying value of net assets of the subsidiary acquired is deducted from equity. Gains or losses on disposals to minority interests are also recorded in equity. For disposals to minority interests, differences between any proceeds received and the relevant share of minority interests are also recorded in equity.

(c) Associates

Associates are those corporations, partnerships or other entities in which the Group exercises significant influence, but which it does not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Significant influence is the power to participate in the financial and operating policy decisions of the associates but not the power to exercise control over those policies.

2 ECONOMIC ENTITIES IN THE GROUP (cont'd)

(c) Associates (cont'd)

Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associate includes goodwill identified on acquisition, net of any accumulated impairment.

The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in reserves is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other long term unsecured receivables, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

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 asset transferred. Where necessary, in applying the equity method, adjustments are made to the financial statements of associates to ensure consistency of accounting policies with those of the Group. Dilution gains and losses in associates are recognised in profit or loss.

For incremental interest in an associate, the date of acquisition is the purchase date at each stage and goodwill is calculated at each purchase date based on the fair value of assets and liabilities identified. There is no "step up to fair value" of net assets of the previously acquired stake and the share of profits and equity movements for the previously acquired stake is recorded directly through equity

(d) Jointly controlled entities

Jointly controlled entities are corporations, partnerships, or other entities over which there is contractually agreed sharing of control by the Group with one or more parties where the strategic financial and operating decisions relating to the entities require unanimous consent of the parties sharing control.

The Group's interest in jointly controlled entities is accounted for in the consolidated financial statements using the equity method of accounting. Equity accounting involves recognising the Group's share of the post-acquisition results of jointly controlled entities in profit or loss and its share of post-acquisition movements of reserves in other comprehensive income. The cumulative post-acquisition movements are adjusted against the cost of the investment and includes goodwill on acquisition (net of accumulated impairment).

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.

The Group recognises the portion of gains or losses on the sale of assets by the Group to the joint venture that is attributable to the other venturers. The Group does not recognise its share of profits or losses from the joint venture that result from the purchase of assets by the Group from the joint venture until it resells the assets to an independent party. However, a loss on the transaction is recognised immediately if the loss provides evidence of a reduction in the net realisable value of current assets or an impairment.

Where necessary, adjustments are made to the financial statements of jointly controlled entities to ensure consistency of accounting policies with the Group.

(e) Jointly controlled operations

A jointly controlled operation is a contractual agreement whereby the Group and other parties have joint control over an economic activity.

In respect of its interest in jointly controlled operations, the Group recognises in its financial statements the assets that it controls and the liabilities that it incurs as well as the expenses that it incurs and its share of the income and expenses that it earns from the sales of goods or services by the joint venture.

3 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 the identifiable net assets at the date of acquisition.

Goodwill on acquisition of subsidiaries is included in the balance sheet as intangible assets. Goodwill is tested annually for impairment and carried at cost less accumulated impairment. Impairment of goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the business combination in which the goodwill arose. The Group allocates goodwill to each business segment in each country in which it operates. See accounting policy 25 on impairment of non-financial assets.

Goodwill on acquisitions of jointly controlled entities and associates is included in investments in jointly controlled entities and associates respectively. Such goodwill is tested for impairment as part of the overall balance.

4 INVESTMENTS

Investments in subsidiaries, jointly controlled entities and associates are shown at cost less accumulated impairment. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy 25 on impairment of non-financial assets.

Long term investments, previously measured at cost and subject to impairment, are now classified as available-for-sale financial assets. These are initially measured at fair value plus transaction costs and subsequently, at fair value except for investment in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured. These are measured at cost and are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date. Changes in fair values of available-for-sale equity securities are recognised in other comprehensive income. A significant prolonged decline in the fair value of the investment below its cost is considered as an indicator that the asset is impaired. See accounting policy 22(d)(ii) on impairment of available-for-sale financial assets.

Short term investments in marketable securities, previously measured at the lower of cost and market value, are now reclassified as financial assets at fair value through profit or loss and measured at fair value on the date a transaction is entered into and are subsequently re-measured at fair value with changes in fair value recognised in profit or loss. Market value is calculated by reference to stock exchange quoted selling prices at the close of business on the balance sheet date. On disposal of an investment, the difference between net disposal proceeds and its fair value is recognised in profit or loss.

5 FOREIGN CURRENCIES

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia, which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the transaction dates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

5 FOREIGN CURRENCIES (cont'd)

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- Income and expenses for each statement of comprehensive income presented are translated at the average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- All resulting exchange differences are recognised as a separate component of other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to other comprehensive income. When a foreign operation is partially disposed of or sold, a proportionate share of such exchange differences is reclassified to profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate at the date of the balance sheet.

6 PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION

All property, plant and equipment are stated at cost or at valuation less accumulated depreciation and accumulated impairment except for freehold land and capital work-in-progress which are not depreciated. Freehold land is not depreciated as it has an infinite life. Depreciation on capital work-in-progress commences when the assets are ready for their intended use.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised in profit or loss during the financial period in which they are incurred.

Hotel operating equipment comprises glassware, silverware and chinaware which are capitalised at the minimum level requirements for normal operations and are not depreciated. Subsequent replacement costs are written off to the profit or loss in the financial year in which they are acquired. In the opinion of the Directors, the difference between the replacement costs charged to the profit or loss and the deprecation had the hotel operating equipment been capitalised and depreciated over their estimated useful life is not material to the financial statements.

Maintenance dredging expenditure, comprising costs incurred to maintain the depth of the basin, are capitalised and amortised on a straight-line basis over the estimated useful life of five years.

The Group amortises plantation infrastructure development expenditure in equal annual instalments over the period of the respective leases ranging from 21 years to 884 years. Leasehold land classified as finance lease is amortised in equal instalments over the period of the respective leases that range from 30 to 99 years. Other property, plant and equipment are depreciated on a straight-line basis to write-off the cost of the assets, or their revalued amounts, to their residual values over their estimated useful lives. The annual rates of depreciation are:

Buildings, including hotel building	2 to 33.3%
Plant, machinery, equipment and vehicles	4 to 33.3%
Office equipment, furniture and fittings and renovations	5 to 33.3%
Liquid chemical berths	3.3%
Inner harbour basin	2%

6 PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION (cont'd)

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

When an asset's carrying amount is increased as a result of a revaluation, the increase is recognised in other comprehensive income as a revaluation surplus reserve. When the asset's carrying amount is decreased as a result of a revaluation, the decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus reserve of that asset; all other decreases are recognised in profit or loss.

The residual values and useful lives of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision of the residual values and useful lives are included in profit or loss for the financial year in which the changes arise.

At each balance sheet date, the Group assesses whether there is any indication of impairment. 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 25 on impairment of non-financial assets.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in profit or loss. On disposal of revalued assets, amounts in the revaluation reserve relating to those assets are transferred to retained earnings.

Where applicable, the fair value of property, plant and equipment at the date of acquisition of subsidiaries is carried forward in place of cost.

7 INVESTMENT PROPERTIES

Investment properties comprise principally land and buildings held for long term rental yields or for capital appreciation or both, and are not occupied by the Group. Investment properties are stated at cost less accumulated depreciation and accumulated impairment.

Freehold land is not depreciated as it has an infinite life.

Depreciation on buildings is calculated so as to write off the cost of the assets less residual values on a straight-line basis over the expected useful lives. The annual depreciation rate for Buildings is 2%.

Leasehold land is amortised in equal instalments over the period of the respective leases that range from 81 to 91 years.

On disposal of an investment property, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal, it shall be derecognised. The difference between the net disposal proceeds and the carrying amount is recognised in profit or loss in the period of the retirement or disposal.

8 CONCESSION ASSETS

Items classified as concession assets comprise Expressway Development Expenditure and heavy repairs.

(a) Expressway development expenditure

Expressway Development Expenditure ("EDE") comprises the cost of construction (inclusive of the cost of reconstruction, widening and rehabilitation) of the concession assets. EDE is measured at cost less accumulated amortisation and accumulated impairment.

Where the Group provides construction services in exchange for the concession assets, the revenue and profits relating to the construction services are recognised in accordance with accounting policy 9(a) on revenue and profit recognition for construction contracts.

8 CONCESSION ASSETS (cont'd)

(a) Expressway development expenditure (cont'd)

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

$$\frac{\text{Cumulative traffic volume to-date}}{\text{Projected total traffic volume for the entire concession period}} \times \text{EDE}$$

The projected total traffic volume for the entire concession period is determined by a traffic survey carried out by a firm of independent traffic consultants and Directors' annual reassessment of the projected total traffic volume.

All interests and fees incurred during the period of construction are capitalised in the EDE which in turn are amortised in profit or loss in accordance with the formula above. Interests and fees incurred after the completion of construction are charged to the profit or loss.

Compensation received relating to variations in terms of concession agreements are recognised as deferred income and are credited to profit or loss over the expected lives of the related assets, on bases consistent with amortisation of the related assets.

(b) Heavy repairs

Heavy repairs comprise expenditure incurred in respect of structural repair and rehabilitation of embankment, slopes and road pavement along the highway. The cost of heavy repairs are amortised on a straight-line basis over the anticipated economic life of such works of seven years, commencing from the date the expenditure are incurred.

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

9 REVENUE AND PROFIT RECOGNITION

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of sales taxes and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(a) 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 a construction contract can be estimated reliably, contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the balance sheet date. 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 costs for the contract. Costs incurred during the financial year in connection with future activity on a contract are excluded from costs incurred to-date when determining the stage of completion of a contract. Such costs are shown as amounts due from/(to) customers on construction contracts within trade and other receivables on the balance sheet unless it is not probable that such contract costs are recoverable from the customers, in which case such costs are recognised as an expense immediately.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that are likely to be recoverable.

9 REVENUE AND PROFIT RECOGNITION (cont'd)

(a) Construction contracts (cont'd)

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

Contract revenue comprises the initial amount of revenue agreed in the contract and variations in the contract work and claims that can be measured reliably. A variation or a claim is only included in contract revenue when it is probable that the customer will approve the variation or negotiations have reached an advanced stage such that it is probable that the customer will accept the claim.

(b) 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.

(c) 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.

(d) Toll concession revenue

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

Pursuant to the relevant Concession Agreements, the Government of Malaysia reserves the right to restructure or to restrict the imposition of unit toll rate increases, and in such event, the Government shall compensate for any reduction in toll revenue, subject to negotiation and other considerations that the Government may deem fit. Toll compensation is recognised as revenue when recovery is probable and the amount that is recoverable can be measured reliably. The amount of toll compensation accrued and recognised in profit or loss for the year has been estimated after taking into consideration the effects of the compensation arrangements.

(e) Port revenue

Revenue from port operations is recognised when services are rendered to customers.

(f) Hotel and club operations revenue

Hotel revenue represents income derived from room rental and sales of food and beverage. Room rental income is accrued on a daily basis on customer-occupied rooms. Sales of food and beverage are recognised upon delivery to customers. Hotel revenue is recognised net of sales tax and discounts.

(g) Other revenue

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

Interest income is recognised on a time proportion basis, taking into account the principal outstanding and the effective rate over the period to maturity, unless collectibility is in doubt, in which case it is recognised on a cash receipt basis.

Rental income is recognised on an accrual basis unless collectibility is in doubt, in which case the recognition of such income is suspended.

10 BORROWINGS AND BORROWING COSTS

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between initial recognised amount and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method, except for borrowing costs incurred for the construction of any qualifying assets.

Borrowing costs 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.

Borrowing costs to finance a township development commences when activities necessary to prepare the development land for its intended use commences and includes activities associated with obtaining approvals prior to commencement of physical development. Capitalisation of borrowing costs in relation to each individual development phase shall cease upon the completion of the respective development phase.

Borrowing costs incurred 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 profit or loss.

11 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. 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 FRS 201_{2004} 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 25 on impairment of non-financial 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 profit or loss exceeds billings to purchasers, the balance is shown as accrued billings under trade and other receivables (within current assets). Where billings to purchasers exceed revenue recognised in profit or loss, 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.

12 INVENTORIES

(a) 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.

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

12 INVENTORIES (cont'd)

(b) Finished goods, quarry products, raw materials, construction materials, crude palm oil, crude palm kernel oil, oil palm nurseries, stores and spares

Inventories are valued at the lower of cost and net realisable value, other than contracted crude palm oil/crude palm kernel oil which are stated at net realisable value. Cost is determined on a weighted average basis. The costs of raw materials, oil palm nurseries, 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 estimated selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses.

13 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.

14 TRADE RECEIVABLES

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and include retention monies withheld by principals. If collection is expected in one year or less (or in the normal operating cycle of the business, if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment (see accounting policy 22(d) on impairment of financial assets).

15 LEASES

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment, or series of payments, the right to use an asset for an agreed period of time.

(a) Accounting as lessee

Finance leases

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

Finance leases are capitalised at the lower of the fair value of the leased assets and 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 periodic constant rate of interest 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 profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each 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 profit or loss over the lease period.

15 LEASES (cont'd)

(b) Accounting as lessor

Finance leases

Leases of assets where the lessee assumes substantially all the risks and rewards 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 (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

16 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 25 on impairment of non-financial assets.

17 LEASEHOLD LAND

Leasehold land where a significant portion of the risks and rewards of ownership is not expected to pass to the lessee by end of the lease term is treated as an operating lease. Leasehold land are carried at cost or surrogate carrying amount and are amortised on a straight line basis over the lease terms in accordance with the pattern of benefits provided.

Leasehold land are amortised over the lease period of the respective leases ranging from 30 to 50 years.

18 INCOME TAXES

The income tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

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.

Deferred tax is recognised in full, 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 profits 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 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.

18 INCOME TAXES (cont'd)

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 profit or loss, 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.

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.

19 EMPLOYEE BENEFITS

(a) Short term employee benefits

The Group recognises a liability and an expense for bonuses based on a formula that takes into consideration the profit attributable to the owners of the Company after certain adjustments. The Group recognises a provision where there is a contractual obligation or where there is a past practice that has created a constructive obligation.

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

(b) 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 plan.

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 dependant on one or more factors such as age, years of service or compensation.

(i) Defined contribution plan

The Group's contributions to defined contribution plan are charged to profit or loss in the period to which they relate. Once the contributions have been paid, the Group has no further payment obligations. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available. As required by law, companies in Malaysia make contributions to the national pension scheme, the Employees Provident Fund ("EPF"), a defined contribution plan.

(ii) Unfunded defined benefit plan

Kuantan Port Consortium Sdn Bhd, an indirect subsidiary of the Company, operates an unfunded, defined benefit Retirement Benefit Scheme for its employees in accordance with the provisions in the Collective Agreement. Benefits are payable based on the number of years of service with the company.

Provision is made in the balance sheet of the company for the cost of retirement benefits under this Scheme which is determined based on actuarial valuation using the projected unit credit method. Under this method, the cost of providing retirement benefits is recognised in profit or loss on a systematic basis so as to spread the cost over the employees' working lives with the company. The obligation is measured at the present value of the estimated future cash outflows using the yield at balance sheet date on government securities that have maturity dates approximating the terms of the company's obligations.

Actuarial gains and losses arise mainly from the changes in actuarial assumptions and experience adjustments. Such gains and losses are credited or charged to profit or loss over the expected average remaining working lives of the employees participating in the plan.

19 EMPLOYEE BENEFITS (cont'd)

(c) Share-based compensation

The Group operates an equity-settled share-based compensation plan for the employees, under which equity instruments (warrant) are given to employees as consideration for the services received. The fair value of the employee services received in exchange for grant or offer for sale of the warrants is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the warrants granted or sold excluding the impact of any non-market vesting conditions.

20 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand, deposits held at call with banks, other short term, highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are included within borrowings in current liabilities on the balance sheet.

21 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. In other cases, they are charged to the profit or loss when incurred.

(iii) Dividends

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

(iv) Warrants reserve

Proceeds from the issuance of warrants, net of issue costs, are credited to warrants reserve which is non-distributable. Warrants reserve is transferred to the share premium account upon the exercise of warrants and the warrants reserve in relation to unexercised warrants at the expiry of the warrants period will be transferred to retained earnings.

(v) Purchase of own shares

Where the Company purchases the Company's equity share capital, the consideration paid, including any directly attributable incremental external costs, net of tax, is deducted from capital and reserves attributable to owners of the Company as treasury shares until they are cancelled, reissued or disposed of.

Where such shares are sold, the difference between the sales consideration and the carrying amount of the treasury shares are shown as a movement in equity. Where the consideration received is more than the carrying amount, the credit difference arising is taken to the share premium account. Where the consideration received is less than the carrying amount, the debit difference is offset against reserves.

Where such shares are cancelled, the issued share capital is reduced by the nominal value of the cancelled shares. The amount by which the Company's issued share capital is diminished on cancellation of shares is transferred to a capital redemption reserve account.

22 FINANCIAL INSTRUMENTS

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.

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.

(a) Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale. The classification depends on the nature of the asset and the purpose for which the financial assets were acquired. Management determines the classification at initial recognition.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if it is acquired or incurred principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the balance sheet date which are presented as non-current assets. The Group's loans and receivables comprise 'trade and other receivables (other than amounts due from customers on construction contracts, accrued billings in respect of property development and prepayments)' and 'deposits, cash and bank balances' in the balance sheet.

(iii) Available-for-sale

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless the management intends to dispose of the assets within 12 months after the balance sheet date.

Investment in unquoted equity instruments which are classified as available-for-sale and whose fair value cannot be reliably measured are measured at cost. These investments are assessed for impairment at each reporting date.

(b) Recognition and initial measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset.

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are expensed in profit or loss.

(c) Subsequent measurement – gains and losses

Financial assets, both available-for-sale and at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Changes in the fair values of financial assets at fair value through profit or loss, including the effects of currency translation, interests and dividend income, are recognised in profit or loss in the period in which the changes arise.

22 FINANCIAL INSTRUMENTS (cont'd)

(c) Subsequent measurement – gains and losses (cont'd)

Changes in the fair value of available-for-sale financial assets are recognised in other comprehensive income, except for impairment (see accounting policy Note 22(d)(ii) on impairment of available-for-sale financial assets) and foreign exchange gains and losses on monetary assets. The exchange differences on monetary assets are recognised in profit or loss, whereas exchange differences on non-monetary assets are recognised in other comprehensive income as part of fair value change.

Interest and dividend income on available-for-sale financial assets are recognised separately in profit or loss. Dividends income on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive payments is established.

(d) Subsequent measurement – impairment of financial assets

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired and recognises an allowance for impairment when such evidence exists. A financial asset or a group of financial assets is impaired and impairment are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

If any such evidence exists, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The asset's carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss.

The carrying amount of the financial assets is reduced by the impairment directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

In a subsequent period, if the amount of the impairment decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(i) Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default or significant delay in payments are objective evidence that these financial assets are impaired.

When a receivable is uncollectible, it is written off against the related allowance account. Such receivables are written off after all the necessary procedures have been completed and the amount of the loss has been determined.

If 'loans and receivables' has a variable interest rate, the discount rate for measuring any impairment is the current effective interest rate determined under the contract. As a practical expedient, the Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment is recognised in profit or loss.

22 FINANCIAL INSTRUMENTS (cont'd)

(d) Subsequent measurement – impairment of financial assets (cont'd)

(ii) Available-for-sale financial assets

In addition to the objective evidence of impairment described in Note 22(d)(i) above, a significant or prolonged decline in the fair value of the equity investment below its cost is considered as an indicator that the asset is impaired. If any such evidence exists, the cumulative loss that had been recognised directly in equity is removed from equity and recognised in profit or loss. The amount of cumulative loss that is reclassified to profit or loss is the difference between the acquisition cost and the current fair value, less any impairment of that financial asset previously recognised in profit or loss. Impairment recognised in profit or loss on equity instruments classified as availablefor-sale is not reversed through profit or loss.

(e) Derecognition

Financial assets are de-recognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

When available-for-sale financial assets are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss.

(f) Financial liabilities

The Group classifies its financial liabilities as other financial liabilities. The classification depends on the nature of the liabilities and the purpose for which the financial liabilities were incurred. Management determines the classification at initial recognition.

<u>Other financial liabilities</u>

Other financial liabilities of the Group comprise ‘bonds’, ‘commercial papers and medium term notes’, ‘term loans’, ‘government support loans’, ‘hire purchase and lease creditors’ and ‘trade and other payables (other than amounts due to customers on construction contracts and progress billings in respect of property development)’ (Notes 16, 17, 18, 19, 20 and 24).

When other financial liabilities are recognised initially, they are measured at fair value plus directly attributable transaction costs.

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the effective interest method. Gains and losses are recognised in statement of comprehensive income when the other financial liabilities are derecognised, and through the amortisation process.

Financial liabilities are derecognised when the obligation specified in the contract is discharged or cancelled or expired.

(g) 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 interest rate swap contracts is calculated as the present value of the estimated future cash flows. The fair value of CPO pricing swap contracts is based on quoted market prices 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.

22 FINANCIAL INSTRUMENTS (cont'd)

(g) Fair value estimation for disclosure purposes (cont'd)

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

(h) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented on the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

23 TRADE AND OTHER PAYABLES

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

Trade and other payables are classified as current liabilities if payment is due within one year, or in the normal operating cycle of the business if longer. If not, they are presented as non-current liabilities.

24 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 and operational maintenance of the concession assets are classified as non-current and are credited to the statement of comprehensive income over the expected lives of the related assets, on bases consistent with the depreciation of the related assets.

The Group also treats the benefit of a government loan at a below market of interest as a government grant. The loan shall be recognised and measured initially at its fair value. The benefit of the below market rate of interest is measured as the difference between the initial carrying value of the loan and the proceeds received, and is recognised as a government grant, which will be credited to the statement of comprehensive income over the expected lives of the related assets on bases consistent with the depreciation of the related assets for which the loan was granted to the Group.

The Group has applied the accounting policy prospectively for such loan received on and after 1 April 2010 in accordance with the transitional provision of the amendments to FRS 120 "Accounting for Government Grants and Disclosure of Government Assistance".

25 IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment 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 fair value less costs to sell and value-in-use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets, other than goodwill, that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

The impairment is charged to profit or loss unless it reverses a previous revaluation, in which case it is charged to the revaluation surplus. Impairment of goodwill are not reversed. In respect of other assets, any subsequent increase in recoverable amount is recognised in profit or loss unless it reverses an impairment of a revalued asset, in which case it is taken to revaluation surplus reserve.

26 SEGMENTAL INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Committee ("EXCO") that makes strategic decisions.

27 CONTINGENT LIABILITIES

The Group does not recognise a contingent liability but discloses its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare circumstance where there is a liability that cannot be recognised because it cannot be measured reliably. Contingent liabilities do not include financial guarantee contracts.

In the acquisition of subsidiaries by the Group under a business combination, the contingent liabilities assumed are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest.

The Group recognises separately the contingent liabilities of the acquirees as part of allocating the cost of a business combination where their fair values can be measured reliably. Where the fair values cannot be measured reliably, the resulting effect will be reflected in the goodwill arising from the acquisitions and the information about the contingent liabilities acquired are disclosed in the Notes to the financial statements.

Subsequent to the initial recognition, the Group measures the contingent liabilities that are recognised separately at the date of acquisition at the higher of the amount that would be recognised in accordance with the provisions of FRS 137_{2004} "Provisions, Contingent Liabilities and Contingent Assets" and the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with FRS 118_{2004} "Revenue".

28 PLANTATION DEVELOPMENT EXPENDITURE

Plantation development expenditure comprises new planting expenditure, estate administration, finance cost and upkeep of plantation up to its maturity and are stated at cost or valuation. All expenditure incurred subsequent to maturity, replanting expenditure and upkeep and maintenance expenditure including fertilising costs are charged to the profit or loss when incurred.

Certain plantation expenditure of the subsidiaries of the Company has been revalued in 1997. The Directors have not adopted a policy of regular revaluations of such assets and no later valuation has been recorded.

29 NON-CURRENT ASSETS CLASSIFIED AS ASSETS HELD FOR SALE

Non-current assets are classified as assets held for sale, and are stated at the lower of carrying amount and fair value less costs to sell, if their carrying amount is recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

1 GENERAL INFORMATION

The Company is principally engaged in construction and investment holding activities. The Group's principal activities consist of construction, property development, manufacturing and quarrying, hotel operations, tollway operations, port operations, plantations and investment holding. The principal activities of the subsidiaries and associates are described in Note 57 to the financial statements.

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

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 statements have been approved for issue in accordance with a resolution of the Board of Directors on 27 May 2011.

2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated by the Directors and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

(a) Income taxes

The Group is subject to income taxes in numerous jurisdictions. Due to the complexity of transactions entered into by the Group, significant judgement is required in determining capital allowances, deductibility of certain expenses and the chargeability of certain income during the estimation of the provision for income taxes. In determining the tax treatment, the Directors have relied upon industry practice and experts opinion. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

(b) Deferred tax assets

Deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. This involves judgement regarding the future financial performance of the particular entity in which the deferred tax asset has been recognised.

(c) Construction contracts

The Group recognises contract profits based on the stage of completion method. 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 costs for the contract. When it is probable that the estimated total contract costs of a contract will exceed the total contract revenue of the contract, the expected loss on the contract is recognised as an expense immediately.

Significant judgement is required in the estimation of total contract costs. Where the actual total contract costs is different from the estimated total contract costs, such difference will impact the contract profits/(losses) recognised.

The Group has estimated total contract revenue based on the initial amount of revenue agreed in the contract and variations in the contract work and claims that can be measured reliably based on the latest available information, and in the absence of such, the Directors' best estimates derived from reasonable assumptions, experience and judgement.

Where the actual approved variations and claims differ from the estimates, such difference will impact the contract profits/(losses) recognised.

2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

(d) Property development

The Group recognises property development profits by reference to the stage of completion of the development activity at the balance sheet date. The stage of completion is determined based on the proportion that the property development costs incurred todate bear to the estimated total costs for the property development. Where it is probable that total property development costs of a development phase will exceed total property development revenue of the development phase, the expected loss on the development phase is recognised as an expense immediately.

Significant judgement is required in the estimation of total property development costs. Where the actual total property development costs is different from the estimated total property development costs, such difference will impact the property development profits/(losses) recognised.

(e) Amortisation of concession assets

The expressway development expenditure of the Group are amortised over the concession period based on the following formula:

$$\frac{\text{Cumulative traffic volume to-date}}{\text{Projected total traffic volume for the entire concession period}} \text{ X Expressway development expenditure}$$

In order to determine the projected total traffic volume for the entire concession period, the Group relies on the traffic survey carried out by a firm of independent traffic consultants and Directors' annual re-assessment of the current and future years' projected total traffic volume. Any changes in the projected total traffic volume for the entire concession period will impact the amortisation charge for the year.

(f) Allowance for impairment of receivables

The Group recognises an allowance for impairment of receivables when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables.

Significant judgement is required in the assessment of the recoverability of receivables. The methodology and assumptions used for estimating both the amount and timing of future cash flows and discount rates are reviewed regularly to reduce any differences between the estimated loss and actual loss experience.

To the extent that actual recoveries deviate from management's estimates, such variances may have a material impact on the profit or loss. Based on management's assessment, management believes that the current level of allowance for impairment of receivables is adequate. In addition, management is also rigorously monitoring the recoverability of these receivables.

(g) Impairment of assets

The Group determines whether an asset is impaired by evaluating the extent to which the recoverable amount of an asset is less than its cost. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. Changes in assumptions could significantly affect the results of the Group's test for impairment of assets.

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to market risk (including foreign currency exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall financial risk management objective is to minimise any potential adverse effects from the unpredictability of financial markets on the Group's financial performance in order to ensure the Group creates value for its shareholders. Financial risk management is carried out through risk reviews, internal control systems, insurance programmes and adherence to the Group's 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 interest rate swap contracts, commodity swap contracts and cross currency swap contracts to hedge certain financial risk exposures.

(a) Market risk

(i) Currency risk

Entities in the Group primarily transact in currencies of their respective functional currencies except for certain borrowings which were denominated in currencies other than their respective functional currencies (ie United States Dollar borrowings).

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

The currency exposure profile of the Group's and the Company's financial assets and financial liabilities is disclosed in the respective notes to the financial statements.

Currency risks as defined by FRS 7 arise on account of monetary assets and liabilities being denominated in a currency that is not the functional currency. As at 31 March 2011, the Group's and Company's Ringgit Malaysia ("RM") functional entities had United States Dollar ("USD") denominated net monetary liabilities, as well as the effects to the Group's and the Company's profit before tax if the USD had strengthened/weakened by 5% against RM are as follows:

	The Group	The Company
	2011	2011
	RM'000	RM'000
Net monetary liabilities denominated in USD	(640,559)	(15,095)
Effects to profit after tax if the USD had strengthened/weakened against RM		
- strengthened	(32,028)	(755)
- weakened	32,028	755

This sensitivity analysis ignores any offsetting foreign exchange factors and has been determined assuming that the change in foreign exchange rates had occurred at the balance sheet date. The stated change represents management's assessment of reasonably possible changes in foreign exchange rates over the period until the next annual balance sheet date.

As at balance sheet date, there are no other significant monetary balances held by the Group and the Company that are denominated in non-functional currency. Differences resulting from the translation of financial statements into the Group's presentation currency are not taken into consideration.

(ii) Cash flow interest rate risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's interest bearing assets are primarily short-term bank deposits with financial institutions. The interest rates on these deposits are monitored closely to ensure that they are maintained at favourable rates. The Group considers the risk of significant changes to interest rates on deposits to be unlikely.

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(a) Market risk (cont'd)

(ii) Cash flow interest rate risk (cont'd)

Interest rate exposure arises mainly from the Group's borrowings. The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. Derivative financial instruments (floating to fixed interest rate swap) are used, where appropriate, to generate the desired interest rate profile.

If the Group's borrowings at variable rates on which effective hedges have not been entered into changes in the following basis points, with all other variables being held constant, the effects on profit before tax would be as follows:

	The Group 2011 RM'000	The Company 2011 RM'000
Borrowings based on cost of funds ("COF"):		
- increase by 50 basis points	**(2,996)**	**(1,500)**
- decrease by 50 basis points	**2,996**	**1,500**
Borrowings based on benchmark prime lending rate ("BPLR"):		
- increase by 50 basis points	**(1,368)**	**–**
- decrease by 50 basis points	**1,368**	**–**

(iii) Price risk

The Group is exposed to quoted securities price risk arising from investments held which are classified on the balance sheet as fair value through profit or loss. Investments in quoted securities comprise mainly quoted corporate bonds and unit trusts as an alternative to bank deposits. The Group considers the impact of changes in prices of equity securities on profit before tax to be insignificant.

(b) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises from credit exposures to customers, including outstanding receivables, as well as deposits, cash and bank balances and derivative financial instruments with financial institutions.

For trade and other receivables, the Group controls these risks by the application of credit approvals, limits and monitoring procedures. The Group also minimises its exposure through analysing the counterparties' financial condition prior to entering into any agreements/contracts and obtaining sufficient collateral where appropriate to mitigate credit risk. Trade receivables are monitored on an ongoing basis via Group management reporting procedures. For other financial assets (deposits, cash and bank balances with financial institutions and derivative financial instruments), the Group adopts the policy of dealing only with counterparties of high credibility (i.e. banks and financial institutions).

The maximum exposure to credit risk is represented by the carrying amount of each financial assets in the balance sheet after deducting any impairment allowance.

See Note 33 and 40 for further disclosure on credit risk.

(c) Liquidity risk

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding (comprises undrawn borrowing facilities and cash and cash equivalents) 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 (Note 50) 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 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(c) Liquidity risk (cont'd)

The table below analyses the financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year RM'000	Between 1 and 5 years RM'000	Over 5 years RM'000
The Group			
At 31 March 2011			
Bonds	75,397	389,692	123,678
Commercial Papers and Medium Term Notes	76,577	756,000	–
Term loans	631,861	1,512,220	229,102
Government support loans	5,000	50,943	218,772
Hire purchase and lease creditors	2,102	2,329	–
Trade and other payables	1,445,724	42,280	45,872
Short term borrowings*	394,978	–	–
Derivative financial instruments	3,201	3,179	4,858
	2,634,840	2,756,643	622,282

* Short term borrowings of the Group include bankers' acceptances, revolving credits and bank overdrafts

	Less than 1 year RM'000	Between 1 and 5 years RM'000	Over 5 years RM'000
The Company			
At 31 March 2011			
Commercial Papers and Medium Term Notes	34,050	756,000	–
Term loans	38,320	298,310	–
Short term borrowings (bankers' acceptances and revolving credits)	129,151	–	–
Trade and other payables	1,175,602	–	–
	1,377,123	1,054,310	–

The exposure of the borrowings of the Group and the Company to interest rate changes and the contractual repricing dates at the balance sheet dates are disclosed in Notes 16, 17, 18 and 19 to the financial statements.

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholders value. In order to maintain or achieve an optimal capital structure, the Group may adjust the dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new financing facilities or dispose assets to reduce borrowings.

Management monitors capital based on the Group's and the Company's gearing ratio. The Group and the Company are also required by certain banks to maintain a gearing ratio of not exceeding certain percentage varying between 100% and 200%. The Group's and the Company's strategies are to maintain gearing ratio of not exceeding 100%.

The gearing ratio is calculated as net debt divided by equity capital. Net debt is calculated as total borrowings (exclude trade and other payables) less cash and cash equivalents. Equity capital is equivalent to capital and reserves attributable to owners of the Company. The Group and the Company monitor gearing ratios based on the terms of the respective loan agreement.

4 OPERATING REVENUE

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Construction contract revenue	**878,168**	1,366,068	**112,826**	139,617
Property development revenue	**1,071,339**	933,525	**–**	2,100
Sale of quarry and manufactured products	**763,240**	840,781	**–**	–
Sale of goods	**70,042**	104,494	**–**	–
Toll concession revenue	**222,813**	189,485	**–**	–
Port revenue	**127,723**	116,677	**–**	–
Sale of crude palm oil and plantations related products	**506,284**	406,745	**–**	–
Management services	**19,498**	17,114	**–**	577
Dividend income	**68**	1,120	**164,505**	83,135
Rental of properties	**27,025**	6,987	**233**	243
Rendering of other services	**34,517**	30,534	**–**	–
	3,720,717	4,013,530	**277,564**	225,672

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:

	2011 RM'000	2010 RM'000
Operating revenue of the Group	**3,720,717**	4,013,530
Share of operating revenue of:		
Associates	**461,022**	439,381
Jointly controlled entities	**300,130**	429,518
	4,481,869	4,882,429

5 OPERATING PROFIT BEFORE FINANCE COST

(a) The following expenses (excluding finance cost and income tax expense) by nature have been debited in arriving at operating profit before finance cost:

	Note	The Group		The Company	
		2011 RM'000	2010 RM'000 (Restated)	2011 RM'000	2010 RM'000 (Restated)
Construction contract costs		**930,800**	1,190,551	**116,386**	137,508
Property development costs		**775,200**	835,286	**–**	2,165
Cost of quarry and manufactured products sold		**615,883**	628,738	**–**	–
Cost of plantation products sold		**233,819**	213,805	**–**	–
Toll operation costs		**68,012**	57,694	**–**	–
Port operation costs		**66,242**	62,115	**–**	–
Costs of rendering of other services		**4,084**	71,911	**–**	–
Employee benefits cost	6	**226,975**	209,415	**22,470**	17,962
Property, plant and equipment:					
- depreciation	27	**88,238**	91,343	**696**	1,039
- written off	27	**705**	1,834	**–**	–
- loss on disposal		**313**	451	**–**	–
- impairment	27	**3,205**	2,086	**–**	–
Amortisation of leasehold land	28	**3,096**	3,253	**–**	–
Investment properties					
- depreciation	29	**4,184**	3,847	**129**	129
- impairment	29	**326**	–	**–**	–

5 OPERATING PROFIT BEFORE FINANCE COST (cont'd)

(a) The following expenses (excluding finance cost and income tax expense) by nature have been debited in arriving at operating profit before finance cost: (cont'd)

	Note	The Group 2011 RM'000	The Group 2010 RM'000 (Restated)	The Company 2011 RM'000	The Company 2010 RM'000 (Restated)
Rental of land and buildings		**4,095**	3,788	**1,276**	1,276
Hire of plant and equipment		**11,235**	18,466	**–**	–
Port lease and licence		**3,829**	3,829	**–**	–
Auditors' remuneration					
- statutory audit	8				
Current year		**2,414**	2,172	**261**	270
(Over)/under accrual in respect of prior years		**(50)**	123	**(9)**	–
Foreign exchange loss:					
- unrealised		**52,554**	30,302	**6,546**	2,465
- realised		**6,842**	2,153	**3**	–
Allowance for diminution in value of quoted investments		**–**	82	**–**	46
Allowance for diminution in value of unquoted investments		**–**	14,250	**–**	–
Fair value loss:					
- derivative financial instruments		**19,071**	–	**–**	–
Impairment of investment in a subsidiary		**–**	–	**–**	1,035
Impairment of land held for property development	37(a)	**1,822**	845	**–**	–
Impairment of property development costs	37(b)	**10,739**	3,689	**–**	–
Amortisation of concession assets	30	**48,531**	50,270	**–**	–
Amortisation of quarry development expenditure	36	**3,212**	2,974	**–**	–
Amortisation of construction order book	36	**–**	3,284	**–**	–
Amortisation of discount on bonds issue		**328**	599	**–**	–
Amortisation of premium on acquisition of marketable securities		**–**	49	**–**	–
Allowance for impairment of receivables	40	**73,190**	22,851	**2,063**	46,039
Allowance for impairment of amounts due from jointly controlled entities	33	**36,177**	–	**–**	–
Bad debts written off		**–**	1,316	**–**	–
Building stocks written down		**11,592**	757	**–**	–
Loss on disposal of subsidiaries		**926**	–	**66**	–
Loss on disposal of an associate		**2,775**	–	**–**	–

Direct operating expenses from investment properties that generated rental income for the Group and the Company during the financial year amounted to RM1,872,000 (2010: RM884,000) and RM482,013 (2010: 160,360) respectively.

Direct operating expenses from investment properties that did not generate rental income for the Group during the financial year amounted to RM11,000 (2010: RM275,000).

5 OPERATING PROFIT BEFORE FINANCE COST (cont'd)

(b) The following amounts have been credited in arriving at operating profit before finance cost: (cont'd)

	Note	The Group 2011 RM'000	The Group 2010 RM'000	The Company 2011 RM'000	The Company 2010 RM'000
Gross dividends received from:					
- subsidiaries					
(quoted)		–	–	35,939	8,506
(unquoted)		–	–	122,816	63,147
- associates					
(unquoted)		–	–	5,684	10,364
- other investments					
(quoted)		134	1,178	66	1,118
Interest income					
- bank deposits		28,612	22,607	3,494	2,569
- loans and receivables from related parties		46,555	31,754	77,640	67,827
- loans and receivables from non-related parties		27,602	10,070	20	571
- amortised cost on trade and other receivables and amounts due from jointly controlled entities		38,078	–	4,508	–
- others		10,956	14,523	305	–
Foreign exchange gain:					
- unrealised		58,493	81,546	1,376	2,386
- realised		3,959	7,813	6	846
Gain on disposal of property, plant and equipment		3,645	3,102	104	99
Gain on disposal of leasehold land		2,272	2,232	–	–
Gain on disposal of assets held for sale		5	3,279	–	–
Rental income from properties		29,305	10,531	233	243
Rental income from plant, machinery, equipment and vehicles		188	3,822	136	277
Bad debts recovered	40	4,778	822	–	–
Write back of allowance for impairment of receivables	40	16,306	1,614	–	–
Write back of allowance for diminution in value of investments		22,000	1,864	22,000	1,187
Amortisation of government grants	26	5,778	5,083	–	–
Gain on disposal of shares in subsidiaries		62,947	12,388	–	54,232
Gain on liquidation of associates		–	115	–	2,386
Gain on disposal of an associate		993	–	990	–
Gain on disposal of a jointly controlled entity		4,684	–	–	–
Gain on disposal of short term investments		1,039	11	862	11
Gain on disposal of long term investments		–	423	–	–
Income from quoted unit trusts		1,750	1,445	496	863
Fair value gains:					
- financial assets held for trading		5,151	–	4,779	–
- derivative financial instruments		1,443	–	1,443	–

6 EMPLOYEE BENEFITS COST

	Note	The Group 2011 RM'000	The Group 2010 RM'000	The Company 2011 RM'000	The Company 2010 RM'000
Wages, salaries and bonus		**259,790**	236,462	**18,236**	14,318
Defined contribution retirement plan		**25,484**	24,904	**2,748**	2,000
Defined benefit retirement plan	25	**1,012**	1,087	**–**	–
Other employee benefits		**16,483**	14,991	**1,486**	1,644
		302,769	277,444	**22,470**	17,962
Less expenses capitalised into:					
- Concession assets	30	**–**	(66)	**–**	–
- Property development costs	37(b)	**(458)**	(379)	**–**	–
- Plantation development expenditure	38(b)	**(8,678)**	(7,028)	**–**	–
- Construction contract work in progress	46	**(66,658)**	(60,556)	**–**	–
		226,975	209,415	**22,470**	17,962

7 DIRECTORS' REMUNERATION

	The Group 2011 RM'000	The Group 2010 RM'000	The Company 2011 RM'000	The Company 2010 RM'000
Directors of the Company:				
Fees	**1,097**	883	**687**	575
Defined contribution retirement plan	**1,232**	984	**1,089**	779
Other emoluments	**15,861**	9,113	**14,986**	7,206
	18,190	10,980	**16,762**	8,560
Directors of subsidiaries:				
Fees	**509**	426	**–**	–
Defined contribution retirement plan	**1,030**	1,072	**–**	–
Other emoluments	**7,326**	9,845	**–**	–
	8,865	11,343	**–**	–

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 the Company's assets and the provision of other benefits during the financial year amounted to RM509,000 (2010: RM1,625,000) and RM92,000 (2010: RM432,000) respectively.

Executive Directors and certain Non-Executive Directors of the Company have been allotted warrants under the Warrants 2008/2013 of IJM Land Berhad, a subsidiary of the Company, pursuant to the offer for sale by the Company to all its eligible employees as follows:

		Number of Warrants 2008/2013 of IJM Land Berhad, a subsidiary			
Expiry Date	Exercise Price RM/Warrant	Balance at 1.4.2010 '000	Disposed '000	Exercised '000	Balance at 31.3.2011 '000
11 September 2013	1.35	1,456	80	–	**1,376**

8 AUDITORS' REMUNERATION – STATUTORY AUDIT

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
PricewaterhouseCoopers Malaysia *	**1,741**	1,735	**252**	270
Other member firms of PricewaterhouseCoopers International Limited *	**427**	433	**–**	–
Other auditors of subsidiaries	**196**	127	**–**	–
	2,364	2,295	**252**	270

* PricewaterhouseCoopers Malaysia and other member firms of PricewaterhouseCoopers International Limited are separate and independent legal entities.

9 FINANCE COST

	Note	The Group		The Company	
		2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Interest expenses arising from:					
- Interest bearing bank borrowings		**122,810**	140,392	**13,429**	8,745
- Advances from subsidiaries		**–**	–	**463**	2,518
- Hire purchase and leasing		**73**	1,195	**–**	–
- Bonds		**26,744**	46,550	**–**	–
- Commercial Papers and Medium Term Notes ("MTN")		**36,097**	33,047	**32,607**	24,751
- Amortisation of government support loan		**6,917**	6,771	**–**	–
- Amortised costs on financial liabilities		**12,094**	–	**–**	–
- Fair value loss on interest rate swaps		**2,134**	–	**–**	–
- Others		**8,018**	11,590	**1,484**	2,289
		214,887	239,545	**47,983**	38,303
Less interest capitalised into:					
- Concession assets	30	**–**	(7,449)	**–**	–
- Property development costs	37(b)	**(20,505)**	(25,701)	**–**	–
- Plantation development expenditure	38(b)	**–**	(4)	**–**	–
- Construction contract work-in-progress	46	**(644)**	(4,970)	**–**	–
		(21,149)	(38,124)	**–**	–
		193,738	201,421	**47,983**	38,303

10 INCOME TAX EXPENSE

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Current tax:				
- Malaysian income tax	**192,927**	163,698	**17,468**	10,456
- Overseas taxation	**(5,156)**	4,398	**–**	–
	187,771	168,096	**17,468**	10,456
Deferred taxation (Note 23)	**9,423**	(13,236)	**(753)**	517
	197,194	154,860	**16,715**	10,973

10 INCOME TAX EXPENSE (cont'd)

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Current tax:				
- Current year	**185,508**	158,588	**16,855**	10,579
- Benefits from previously unrecognised temporary differences	**(2,815)**	(1,942)	**–**	–
- Under/(over) accrual in prior years (net)	**5,078**	11,450	**613**	(123)
	187,771	168,096	**17,468**	10,456
Deferred taxation:				
- Origination and reversal of temporary differences	**9,423**	(13,236)	**(753)**	517
	197,194	154,860	**16,715**	10,973

There is no tax charge/credit in relation to the components of other comprehensive income.

The explanation of the relationship between income tax expense and profit before taxation is as follows:

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Profit before taxation	**676,567**	578,024	**181,676**	93,016
Tax calculated at the Malaysian tax rate of 25% (2010: 25%)	**169,142**	144,506	**45,419**	23,254
Tax effects of:				
- Different tax rates in other countries	**(8,666)**	(3,354)	**–**	–
- Expenses not deductible for tax purposes	**54,343**	25,249	**6,138**	15,720
- Income not subject to tax	**(68,347)**	(16,608)	**(35,455)**	(27,878)
- Utilisation of tax incentives	**(772)**	(4,223)	**–**	–
- Current year's deferred tax assets not recognised	**55,894**	33,458	**–**	–
- Utilisation of previously unrecognised tax losses	**(121)**	(267)	**–**	–
- Utilisation of previously unrecognised deductible temporary difference	**(2,694)**	(1,675)	**–**	–
- Share of results of jointly-controlled entities and associates	**(6,622)**	(6,522)	**–**	–
- Recognition of previously unrecognised deferred tax assets	**–**	(26,973)	**–**	–
- Others	**(41)**	(181)	**–**	–
Under/(over) accrual in prior years	**5,078**	11,450	**613**	(123)
Income tax expense	**197,194**	154,860	**16,715**	10,973

Included in income tax expense of the Group are tax savings from utilisation of tax losses as follows:

	The Group	
	2011 RM'000	2010 RM'000
Tax losses:		
Tax savings as a result of the utilisation of tax losses brought forward for which the related credit is recognised during the year	**121**	267

11 EARNINGS PER SHARE

(a) Basic

The basic earnings per share for the financial year has been calculated based on the Group's profit attributable to owners of the Company for the financial year and the weighted average number of ordinary shares in issue during the financial year. The weighted average number of ordinary shares in issue was derived at after taking into account the exercise of Warrants 2005/2010 and Warrants 2009/2014 (2010: exercise of Warrants 2005/2010 and Warrants 2009/2014).

	The Group	
	2011	**2010**
	RM'000	**RM'000**
Net profit attributable to owners of the Company	**321,327**	332,580
	'000	**'000**
Weighted average number of ordinary shares in issue	**1,345,369**	1,319,420
Basic earnings per share (sen)	**23.88**	25.21

(b) Fully diluted

The fully diluted earnings per share of the Group is calculated by dividing the Group's profit attributable to owners of the Company for the financial year of RM321,327,000 (2010: RM332,580,000) by the weighted average number of ordinary shares in issue, adjusted to assume the conversion of all dilutive potential ordinary shares, i.e. the Warrants 2009/2014 (2010: Warrants 2005/2010 and Warrants 2009/2014). 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 Warrants 2009/2014 (2010: outstanding Warrants 2005/2010 and Warrants 2009/2014). 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	
	2011	**2010**
	RM'000	**RM'000**
Net profit attributable to owners of the Company	**321,327**	332,580
	'000	**'000**
Weighted average number of ordinary shares in issue	**1,345,369**	1,319,420
Adjustments for Warrants 2005/2010	**–**	7,503
Adjustments for Warrants 2009/2014	**36,262**	11,856
Weighted average number of ordinary shares for diluted earnings per share	**1,381,631**	1,338,779
Diluted earnings per share (sen)	**23.26**	24.84

12 DIVIDENDS

Dividends declared and paid in respect of the current financial year are as follows:

	The Company			
	2011		2010	
	Gross dividend per share Sen	Amount of dividend, net of tax RM'000	Gross dividend per share Sen	Amount of dividend, net of tax RM'000
Interim dividend, net of 25% tax	**–**	**–**	11.00	127,221
Single tier first interim dividend	**4.00**	**54,040**	–	–
Single tier second interim dividend	**7.00**	*****	–	–
	11.00	**54,040**	11.00	127,221

* The amount of dividend will be determined based on the number of shareholders entitled to receive the dividend as at 5:00pm on 30 June 2011.

On 27 May 2011, the Directors have declared a single tier second interim dividend in respect of the financial year ended 31 March 2011 of 7 sen per share to be paid on 13 July 2011 to every member who is entitled to receive the dividend as at 5:00pm on 30 June 2011. The second interim dividend has not been recognised in the Statement of Changes in Equity as it was declared subsequent to the financial year end.

The Directors do not recommend the payment of any final dividend for the financial year ended 31 March 2011 (2010: Nil).

13 SEGMENTAL REPORTING

Management has determined the operating segments based on the reports reviewed by the Executive Committee ("EXCO") that are used to make strategic decisions. The EXCO considers the business from business segment perspective and assesses the performance of the operating segments based on a measure of profit before taxation.

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) Plantation - Cultivation of oil palm

(e) Infrastructure - Tollway and port operations

Other operations of the Group comprise mainly investment holding.

13 SEGMENTAL REPORTING (cont'd)

The segment information provided to the EXCO for the reportable segments for the financial year ended 31 March 2011 is as follows:

	Construction RM'000	Property development RM'000	Manufacturing & quarrying RM'000	Plantation RM'000	Infrastructure RM'000	Investment & others RM'000	Group RM'000
REVENUE:							
Total revenue	1,862,092	1,178,927	838,524	538,264	620,277	165,415	5,203,499
Less: Inter-segment revenue	(525,901)	(163)	(31,127)	–	–	(164,439)	(721,630)
	1,336,191	1,178,764	807,397	538,264	620,277	976	4,481,869
Less: Share of operating revenue of associates and jointly controlled entities	(395,553)	(19,721)	(44,157)	(31,980)	(269,741)	–	(761,152)
Revenue from external customers	940,638	1,159,043	763,240	506,284	350,536	976	3,720,717
RESULTS:							
(Loss)/profit before taxation	(79,233)	289,658	109,497	196,013	127,503	33,129	676,567
Profit before taxation includes:							
- Depreciation and amortisation of property, plant and equipment, leasehold land, investment properties, concession assets and intangible assets	(11,634)	(10,705)	(32,907)	(28,001)	(63,245)	(769)	(147,261)
- Amortisation of government grants	–	–	–	–	5,778	–	5,778
- Interest income	80,162	52,706	2,415	4,855	7,991	3,674	151,803
- Gains on disposal of a subsidiary	–	62,947	–	–	–	–	62,947
- Finance cost	(97,424)	(9,268)	(5,197)	–	(81,849)	–	(193,738)
- Share of results of associates	14,125	649	(676)	3,389	29,357	–	46,844
- Share of results of jointly controlled entities	(14,631)	7,205	–	(119)	(18,681)	–	(26,226)

Inter-segment 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.

The revenue from external customers reported to the EXCO is measured in a manner consistent with that in the statement of comprehensive income.

Revenue by product and services is disclosed in Note 4 to the financial statements.

13 SEGMENTAL REPORTING (cont'd)

The segment information provided to the EXCO for the reportable segments for the financial year ended 31 March 2011 is as follows: (cont'd)

	Construc-tion RM'000	Property develop-ment RM'000	Manu-facturing & quarrying RM'000	Planta-tion RM'000	Infra-structure RM'000	Invest-ment & others RM'000	Group RM'000
ASSETS:							
Segment assets	**1,683,738**	**4,632,477**	**936,962**	**1,501,695**	**3,311,313**	**381,273**	**12,447,458**
Unallocated assets:							
- Deferred tax assets							**83,147**
- Tax recoverable							**49,253**
Consolidated total assets							**12,579,858**
Segment assets include:							
- Investment in associates	**88,585**	**38,298**	**13,946**	**–**	**324,475**	**22,000**	**487,304**
- Investment in jointly controlled entities	**139,727**	**480,496**	**–**	**–**	**404,145**	**–**	**1,024,368**
- Additions to non-current assets* (other than financial instruments and deferred tax assets)	**24,151**	**58,568**	**32,896**	**197,543**	**130,422**	**17**	**443,597**
LIABILITIES:							
Segment liabilities	**2,132,545**	**1,022,266**	**207,619**	**230,560**	**1,949,732**	**18,366**	**5,561,088**
Unallocated liabilities:							
- Deferred tax liabilities							**370,929**
- Current tax liabilities							**31,773**
Consolidated total liabilities							**5,963,790**

* Non-current assets comprise property, plant and equipment, leasehold land, investment properties, concession assets, intangible assets, land held for property development and plantation development expenditure.

The amounts provided to the EXCO with respect to total assets and total liabilities are measured in a manner consistent with that of the financial statements. These assets and liabilities are allocated based on the operations of the segment.

13 SEGMENTAL REPORTING (cont'd)

The segment information provided to the EXCO for the reportable segments for the financial year ended 31 March 2010 is as follows:

	Construction RM'000	Property development RM'000	Manufacturing & quarrying RM'000	Plantation RM'000	Infrastructure RM'000	Investment & others RM'000	Group RM'000
REVENUE:							
Total revenue	2,463,697	1,175,955	919,508	441,817	538,913	155,572	5,695,462
Less: Inter-segment revenue	(622,478)	(318)	(36,655)	–	–	(153,582)	(813,033)
	1,841,219	1,175,637	882,853	441,817	538,913	1,990	4,882,429
Less: Share of operating revenue of associates and jointly controlled entities	(489,584)	(69,420)	(42,072)	(35,072)	(232,751)	–	(868,899)
Revenue from external customers	1,351,635	1,106,217	840,781	406,745	306,162	1,990	4,013,530
RESULTS:							
Profit/(loss) before taxation	30,890	171,895	174,378	111,692	95,882	(6,713)	578,024
Profit before taxation includes:							
- Depreciation and amortisation of property, plant and equipment, leasehold land, investment properties, concession assets and intangible assets	(18,609)	(9,826)	(34,505)	(27,775)	(63,429)	(827)	(154,971)
- Amortisation of government grants	–	–	–	–	5,083	–	5,083
- Interest income	40,528	25,131	1,332	3,781	7,989	193	78,954
- Finance cost	(83,789)	(4,160)	(7,476)	(4,409)	(101,587)	–	(201,421)
- Share of results of associates	5,658	1,724	1,116	34	11,144	–	19,676
- Share of results of jointly controlled entities	23,568	(228)	–	(5,147)	(7,122)	–	11,071

Inter-segment 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.

The revenue from external customers reported to the EXCO is measured in a manner consistent with that in the statement of comprehensive income.

Revenue by product and services is disclosed in Note 4 to the financial statements.

13 SEGMENTAL REPORTING (cont'd)

The segment information provided to the EXCO for the reportable segments for the financial year ended 31 March 2010 is as follows: (cont'd)

	Construc-tion RM'000	Property develop-ment RM'000	Manu-facturing & quarrying RM'000	Planta-tion RM'000	Infra-structure RM'000	Invest-ment & others RM'000	Group RM'000
ASSETS:							
Segment assets	1,999,444	4,587,542	922,432	1,379,882	3,395,417	128,480	12,413,197
Unallocated assets:							
- Deferred tax assets							92,088
- Tax recoverable							53,010
Consolidated total assets							12,558,295
Segment assets include:							
- Investment in associates	74,982	38,272	15,154	12,842	300,858	12	442,120
- Investment in jointly controlled entities	229,000	442,572	–	12,164	380,782	–	1,064,518
- Additions to non-current assets* (other than financial instruments and deferred tax assets)	7,522	194,672	27,371	161,011	230,723	39	621,338
LIABILITIES:							
Segment liabilities	2,106,024	972,698	213,058	227,559	2,062,600	6,376	5,588,315
Unallocated liabilities:							
- Deferred tax liabilities							363,172
- Current tax liabilities							37,199
Consolidated total liabilities							5,988,686

* Non-current assets comprise property, plant and equipment, leasehold land, investment properties, concession assets, intangible assets, land held for property development and plantation development expenditure.

The amounts provided to the EXCO with respect to total assets and total liabilities are measured in a manner consistent with that of the financial statements. These assets and liabilities are allocated based on the operations of the segment.

13 SEGMENTAL REPORTING (cont'd)

Geographical information:

	Revenue from external customers RM'000	Non-current assets RM'000
2011		
Malaysia	**3,210,367**	**4,043,667**
India	**478,814**	**664,655**
Other countries	**31,536**	**354,869**
	3,720,717	**5,063,191**
2010		
Malaysia	3,437,597	4,303,857
India	499,061	740,210
Other countries	76,872	154,759
	4,013,530	5,198,826

* Non-current assets comprise property, plant and equipment, leasehold land, investment properties, concession assets, intangible assets, land held for property development and plantation development expenditure.

Revenue is based on the country in which the customers are located. Non-current assets are determined according to the country where these assets are located.

14 SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES

(A) SHARE CAPITAL

	The Group and the Company			
	2011		2010	
	Number of shares '000	Nominal value RM'000	Number of shares '000	Nominal value RM'000
Ordinary shares of RM1 each:				
Authorised:				
At 1 April / At 31 March	**3,000,000**	**3,000,000**	3,000,000	3,000,000
Issued and fully paid:				
At 1 April	**1,327,216**	**1,327,216**	941,952	941,952
Issuance of shares:				
- Arising from the bonus issue	**–**	**–**	377,421	377,421
- Exercise of Warrants 2005/2010	**22,404**	**22,404**	7,119	7,119
- Exercise of Warrants 2009/2014	**1,495**	**1,495**	724	724
At 31 March	**1,351,115**	**1,351,115**	1,327,216	1,327,216

(a) During the financial year, the issued and paid-up ordinary share capital of the Company was increased from RM1,327,215,357 to RM1,351,114,355 by way of:

(i) The issuance of 22,403,715 new ordinary shares of RM1.00 each arising from the exercise of Warrants 2005/2010 at the exercise price of RM3.41 per share in accordance with the Deed Poll dated 22 June 2005; and

(ii) The issuance of 1,495,283 new ordinary shares of RM1.00 each arising from the exercise of Warrants 2009/2014 at the exercise price of RM4.00 per share in accordance with the Deed Poll dated 18 September 2009.

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

14 SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES (cont'd)

(A) SHARE CAPITAL (cont'd)

(b) Warrants 2005/2010

The Warrants 2005/2010 are constituted by a Deed Poll dated 22 June 2005.

On 23 August 2005, the Company allotted:

(i) 93,171,576 new Warrants 2005/2010 at an issue price of RM0.05 per Warrant on the basis of 1 Warrant for every 5 existing ordinary shares of RM1.00 each held in the Company on 11 July 2005; and

(ii) 10,000,000 new Warrants 2005/2010 at an issue price of RM0.05 per Warrant to eligible management staff of the Company and its subsidiaries; and

On 2 October 2009, the Company allotted 8,098,689 new Warrants 2005/2010 at an issue price of RM0.05 per Warrant on the basis of 2 new Warrants 2005/2010 for every 5 existing Warrants 2005/2010 held in the Company on 1 October 2009 following the 2:5 Bonus Issue.

Each warrant entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 23 August 2005 up to the date of expiry on 22 August 2010, at an exercise price of RM4.80 per share in accordance with the Deed Poll dated 22 June 2005. The exercise price was adjusted to RM4.77 on 19 August 2008 pursuant to the dividend in-specie by the Company to its shareholders of 85,763,142 IJM Land Berhad's ("IJMLB") warrants on the basis of 1 IJMLB warrant for every 10 IJM shares held. The Warrants 2005/2010 is listed on the Main Market of Bursa Malaysia with effect from 2 September 2005. The exercise price was subsequently adjusted to RM3.41 on 1 October 2009 following the 2:5 Bonus Issue and the allotment of 132,097,381 new Warrants 2009/2014 on the basis of 1 Warrant for every 10 existing ordinary shares of RM1 each in the Company held after the 2:5 Bonus Issue.

Warrants exercised during the financial year resulted in 22,403,715 new ordinary shares being issued at RM3.41 each. The weighted average quoted price of shares of the Company at the time when the warrants were exercised was RM4.99 (2010: RM5.02) per share.

As at 20 August 2010, 424,235 Warrants 2005/2010 that were not exercised have lapsed.

(c) Warrants 2009/2014

The Warrants 2009/2014 are constituted by a Deed Poll dated 18 September 2009.

On 26 October 2009, the Company allotted 132,097,381 new Warrants 2009/2014 at an issue price of RM0.25 per Warrant on the basis of 1 Warrant for every 10 existing ordinary shares of RM1.00 each in the Company held after the 2:5 Bonus Issue.

Each warrant entitles the registered holder to subscribe for 1 new ordinary share in the Company at any time on or after 26 October 2009 up to the date of expiry on 24 October 2014, at an exercise price of RM4.00 per share in accordance with the Deed Poll dated 18 September 2009. The Warrants 2009/2014 was listed on the Main Market of Bursa Malaysia on 28 October 2009.

Warrants exercised during the financial year resulted in 1,495,283 new ordinary shares being issued at RM4.00 each. The weighted average quoted price of shares of the Company at the time when the warrants were exercised was RM5.18 (2010: RM4.61) per share.

As at the balance sheet date, 129,878,037 Warrants 2009/2014 (2010: 131,373,320) remained unexercised.

14 SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES (cont'd)

(B) SHARE PREMIUM

	The Group and the Company 2011 RM'000	2010 RM'000
At 1 April	**1,776,547**	2,128,037
Arising from:		
- Bonus issue	**–**	(377,421)
- Exercise of Warrants 2005/2010	**54,269**	19,692
- Exercise of Warrants 2009/2014	**4,860**	2,354
- Disposal of treasury shares	**–**	3,885
At 31 March	**1,835,676**	1,776,547

(C) TREASURY SHARES

	The Group and the Company 2011 Number of shares '000	2011 Amount RM'000	2010 Number of shares '000	2010 Amount RM'000
At 1 April	**–**	**–**	3,388	16,298
Shares buy back	**15**	**77**	10	57
Disposal of treasury shares	**–**	**–**	(3,398)	(16,355)
At 31 March	**15**	**77**	–	–

The shareholders of the Company had approved an ordinary resolution at the Extraordinary General Meeting held on 25 August 2010 for the Company to repurchase its own shares up to a maximum of 10% of the issued and paid-up capital of the Company. The Directors of the Company were committed to enhancing the value of the Company and believed that the repurchase plan was being applied in the best interest of the Company and its shareholders.

During the financial year, the Company repurchased 15,000 (2010: 10,000) of its issued share capital from the open market on Bursa Malaysia for RM77,008 (2010: RM56,913). The average price paid for the shares repurchased was approximately RM5.10 (2010: RM5.65) per share. The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares as allowed under Section 67A of the Companies Act, 1965. The Company has the right to reissue these shares at a later date. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended.

In the preceding financial year, the Company disposed its entire holding of treasury shares totalling 3,397,500 shares in the open market on Bursa Malaysia at prices ranging from RM5.91 to RM6.05 per share for cash consideration of RM20,240,000. The excess of sales consideration received over the carrying amount of the treasury shares of RM3,885,000 was credited to the share premium account (Note 14(B)).

15 OTHER RESERVES

	The Group 2011 RM'000	The Group 2010 RM'000
(a) Capital reserve		
At 1 April	**37,120**	37,250
Share of realisation of capital reserve in an associate	**(750)**	(130)
Realisation of capital reserve in a subsidiary	**(95)**	–
At 31 March	**36,275**	37,120
(b) Warrants reserve		
At 1 April	**33,138**	653
Addition arising from issuance of new Warrants 2009/2014	**–**	33,024
Transferred to share premium upon exercise of:		
- Warrants 2005/2010	**(273)**	(357)
- Warrants 2009/2014	**(374)**	(182)
Transferred to retained profits upon expiry of Warrants 2005/2010	**(21)**	–
At 31 March	**32,470**	33,138
(c) Capital redemption reserve		
At 1 April	**5,000**	–
Transferred to capital reserve upon redemption of preference shares in a subsidiary	**5,000**	5,000
At 31 March	**10,000**	5,000
At 31 March	**78,745**	75,258

	The Company 2011 RM'000	The Company 2010 RM'000
Warrants reserve		
At 1 April	**33,138**	653
Addition arising from issuance of new Warrants 2009/2014	**–**	33,024
Transferred to share premium upon exercise of:		
- Warrants 2005/2010	**(273)**	(357)
- Warrants 2009/2014	**(374)**	(182)
Transferred to retained profits upon expiry of Warrants 2005/2010	**(21)**	–
At 31 March	**32,470**	33,138

16 BONDS

	Junior Bai Bithaman Ajil Notes (a) RM'000	Secured Senior Bai Bithaman Ajil Notes (a) RM'000	Total RM'000
The Group			
2011			
At 1 April	**267,774**	**388,017**	**655,791**
Redeemed during the year	**–**	**(151,000)**	**(151,000)**
At 31 March	**267,774**	**237,017**	**504,791**
Less: Realisation of fair value	**–**	**(9,467)**	**(9,467)**
	267,774	**227,550**	**495,324**
Less: Amount redeemable within 12 months (Note 45)	**–**	**(47,097)**	**(47,097)**
	267,774	**180,453**	**448,227**
2010			
At 1 April	267,774	443,017	710,791
Redeemed during the year	–	(55,000)	(55,000)
At 31 March	267,774	388,017	655,791
Less: Realisation of fair value	–	(2,777)	(2,777)
	267,774	385,240	653,014
Less: Amount redeemable within 12 months (Note 45)	–	(84,128)	(84,128)
	267,774	301,112	568,886

A. Maturity profile of Bonds

	Carrying amount RM'000	< 1 year RM'000	1 – 2 years RM'000	2 – 3 years RM'000	3 – 4 years RM'000	4 – 5 years RM'000	> 5 years RM'000
2011							
Secured							
Junior Bai Bithaman Ajil Notes	**267,774**	**–**	**–**	**–**	**–**	**139,005**	**128,769**
Senior Bai Bithaman Ajil Notes	**227,550**	**47,097**	**52,455**	**51,640**	**76,358**	**–**	**–**
	495,324	**47,097**	**52,455**	**51,640**	**76,358**	**139,005**	**128,769**
2010							
Secured							
Junior Bai Bithaman Ajil Notes	267,774	–	–	–	–	–	267,774
Senior Bai Bithaman Ajil Notes	385,240	84,128	94,194	104,910	102,008	–	–
	653,014	84,128	94,194	104,910	102,008	–	267,774

16 BONDS (cont'd)

B. Principal features of Bonds

(a) Junior and Senior Bai Bithaman Ajil ("BBA") Notes

The principal features of the Junior and Senior BBA Notes are as follows:

(i) A subsidiary, New Pantai Expressway Sdn Bhd ("NPE"), has issued RM250,000,000 secured Junior BBA Notes and RM490,000,000 secured Senior BBA Notes on 27 October 2003 and 31 October 2003 respectively.

The RM250,000,000 Junior BBA Notes was issued at its nominal value and carry a profit rate ranging from 7.45% to 7.75% per annum. It is repayable in 4 semi-annual instalments, commencing 11 1/2 years after the issue date.

The RM490,000,000 Senior BBA Notes comprise RM390,000,000 issued at its nominal value and RM100,000,000 issued at a discount. RM390,000,000 nominal value of the notes carry a profit rate of 5.9% per annum and RM100,000,000 nominal value of the discounted notes carry an annual profit rate of 5.6% per annum. The nominal value is repayable 4 to 10 years after the issue date.

On 23 April 2010, pursuant to a restructuring agreement, NPE has restructured the outstanding Senior BBA Notes by:

- redeeming at par 30% of the outstanding Senior BBA Notes on a pro-rata basis on a date prior to their respective maturity dates;
- rescheduling 20% of the outstanding Senior BBA Notes on a pro-rata basis; and
- creating another series of primary Senior BBA Notes with a profit rate of 5.55% per annum.

(ii) The Junior and Senior BBA Notes are secured by the following:

- a debenture creating a fixed and floating charge over all assets, rights and interests, both present and future of the issuer;
- assignment of all contractual rights of the issuer, being its rights arising under the Project Agreements (as defined in the Senior and Junior BBA Notes Trust Deeds);
- a charge and an assignment over the Designated Accounts (as defined in the Senior and Junior BBA Notes Trust Deeds); and
- an assignment of all the issuer's interests in all relevant insurances required to be undertaken in respect of the New Pantai Highway Project.

In addition, the Junior BBA Notes are secured by the shareholder's guarantee which shall provide an irrevocable, unconditional and continuing corporate guarantee to meet any cash shortfall in the issuer's payment obligations at each payment date under the Junior BBA Notes so long as the Senior BBA Notes remain outstanding.

(iii) The Junior BBA Notes contains covenants which require NPE to maintain financial service cover ratio of at least 1.25 times and debt equity ratio of not greater than 75:25.

(iv) The Senior BBA Notes contains covenants which require NPE to maintain financial service cover ratio of at least 1.5 times and debt equity ratio of not greater than 70:30.

(v) The Senior BBA Notes shall rank in priority to the Junior BBA Notes.

17 COMMERCIAL PAPERS AND MEDIUM TERM NOTES ("CP/MTN")

	Note	The Group 2011 RM'000	The Group 2010 RM'000	The Company 2011 RM'000	The Company 2010 RM'000
Current					
Secured:					
- RM100 million CP 2007/2014	(a)	**–**	49,000	**–**	–
Unsecured:					
- RM400 million MTN 2006/2013	(b)	**41,848**	41,532	**–**	–
		41,848	90,532	**–**	–
Non-current					
Unsecured:					
- RM400 million MTN 2006/2013	(b)	–	41,848	**–**	–
- RM1 billion CP/MTN 2009/2016	(c)	**650,000**	650,000	**650,000**	650,000
		650,000	691,848	**650,000**	650,000
		691,848	782,380	**650,000**	650,000

A. Effective interest rate, maturity profile and currency profile of CP/MTN

The net exposure of CP/MTN to interest rate cash flow risk and the periods in which the CP/MTN mature or reprice are as follows:

	Effective interest rate as at year end % p.a	Total carrying amount RM'000	Currency	< 1 year RM'000	1-2 years RM'000	2-3 years RM'000	3-4 years RM'000	4-5 years RM'000	> 5 years RM'000
The Group									
2011									
Unsecured									
RM400 million MTN 2006/2013	**6.30**	**41,848**	**RM**	**41,848**	**–**	**–**	**–**	**–**	**–**
RM1 billion CP/MTN 2009/2016	**5.24**	**650,000**	**RM**	**–**	**–**	**200,000**	**200,000**	**250,000**	**–**
		691,848		**41,848**	**–**	**200,000**	**200,000**	**250,000**	**–**
2010									
Secured									
RM100 million CP 2007/2014	2.31	49,000	RM	49,000	–	–	–	–	–
Unsecured									
RM400 million MTN 2006/2013	6.00 - 6.30	83,380	RM	41,532	41,848	–	–	–	–
RM1 billion CP/MTN 2009/2016	5.25	650,000	RM	–	–	–	200,000	200,000	250,000
		782,380		90,532	41,848	–	200,000	200,000	250,000

17 COMMERCIAL PAPERS AND MEDIUM TERM NOTES ("CP/MTN") (cont'd)

A. Effective interest rate, maturity profile and currency profile of CP/MTN (cont'd)

The net exposure of CP/MTN to interest rate cash flow risk and the periods in which the CP/MTN mature or reprice are as follows: (cont'd)

	Effective interest rate as at year end % p.a	Total carrying amount RM'000	Currency	< 1 year RM'000	1-2 years RM'000	2-3 years RM'000	3-4 years RM'000	4-5 years RM'000	> 5 years RM'000
The Company									
2011									
Unsecured									
RM1 billion CP/MTN 2009/2016	**5.24**	**650,000**	**RM**	**–**	**–**	**200,000**	**200,000**	**250,000**	**–**
2010									
Unsecured									
RM1 billion CP/MTN 2009/2016	5.25	650,000	RM	–	–	–	200,000	200,000	250,000

B. Principal features of CP/MTN

(a) RM100 million CP 2007/2014

The CP was issued by Besraya (M) Sdn Bhd ("Besraya"), a subsidiary of the Company, on 5 January 2007 under a principal Facility Agreement for a RM100 million CP/MTN facility.

The RM100 million CP/MTN facility was secured by way of:

(i) a second debenture creating a fixed and floating charge over all the assets, rights and interest, both present and future, of Besraya;

(ii) a supplemental assignment of Besraya's rights, interest, title, benefits and proceeds under the respective Project Documents and Insurance Policies as defined in the Assignment of Contracts and the Supplemental Assignment of Contracts;

(iii) a supplemental assignment of Besraya's present and future rights, title and interest in all monies in the Project Account and Operating Account as defined in the Assignment of Designated Accounts and the Supplemental Assignment of Designated Accounts;

(iv) an additional letter of comfort from Road Builder (M) Holdings Bhd ("RBH"), a subsidiary of the Company; and

(v) an additional letter of undertaking from RBH that it will not require Besraya to redeem any preference shares prior to the full repayment of the RM100 million CP/MTN facility.

The CP was fully repaid during the financial year.

17 COMMERCIAL PAPERS AND MEDIUM TERM NOTES ("CP/MTN") (cont'd)

B. Principal features of CP/MTN (cont'd)

(b) RM400 million CP/MTN 2006/2013

The MTN was issued by Road Builder (M) Sdn Bhd ("RBM"), a subsidiary of the Company on 23 March 2006 under a RM400 million nominal value CP/MTN Programme and is secured by way of a charge and assignment over the Finance Service Reserve Account of RBM upon maturity and full redemption of the Secured Stapled Bond issued by RBM.

The RM400 million CP/MTN facility contains covenants which require RBM to maintain its debt to equity ratio of not more than 2.5 times at all times.

(c) RM1 billion CP/MTN 2009/2016

The MTN was issued by the Company under a RM1 billion nominal value Commercial Papers ("CP") and MTN Programme ("CP/MTN Programme") which was implemented on 4 September 2009. 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 23 October 2009 for a total amount of up to RM1 billion nominal value subject to:

(a) the aggregate nominal value of outstanding CPs shall not exceed RM1 billion at any time; and

(b) the aggregate nominal value of outstanding MTNs shall not exceed RM1 billion at any time;

provided always that the outstanding nominal value of the CPs and MTNs issued under the CP/MTN Programme should not exceed RM1 billion.

The RM1 billion CP/MTN 2009/2016 contains covenants which require the Group to maintain its debt to equity ratio of not more than 1.25 times.

18 TERM LOANS

		The Group		The Company	
	Note	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Current:					
Secured	45	**51,342**	169,377	**–**	–
Unsecured	45	**466,841**	468,986	**25,000**	–
		518,183	638,363	**25,000**	–
Non-current:					
Secured		**521,488**	610,563	**–**	–
Unsecured		**976,935**	778,047	**275,000**	300,000
		1,498,423	1,388,610	**275,000**	300,000
		2,016,606	2,026,973	**300,000**	300,000

A. Currency profile of term loans

The currency exposure profile of term loans is as follows:

	The Group	
	2011 RM'000	2010 RM'000
United States Dollar	**702,159**	663,590

18 TERM LOANS (cont'd)

B. Effective interest rate and maturity profile of term loans

The net exposure of term loan to interest rate cash flow risk and the periods in which the borrowings mature or reprice are as follows:

At 31 March 2011

Group	Effective interest rate as at year end % p.a	Total carrying amount RM'000	Currency	Note	Floating interest rate < 1 year RM'000	Floating interest rate 1-2 years RM'000	Floating interest rate 2-3 years RM'000	Floating interest rate 3-4 years RM'000	Floating interest rate 4-5 years RM'000	Floating interest rate > 5 years RM'000	Fixed interest rate < 1 year RM'000	Fixed interest rate 1-2 years RM'000	Fixed interest rate 2-3 years RM'000	Fixed interest rate 3-4 years RM'000	Fixed interest rate 4-5 years RM'000
2011															
Secured															
Term loan 1	11.0	273,690	Rs	(a)	14,379	15,434	17,293	8,843	11,343	206,398	–	–	–	–	–
Term loan 2	4.5	7,890	RM	(b)	2,630	2,630	2,630	–	–	–	–	–	–	–	–
Term loan 3	4.5	3,250	RM	(c)	2,333	917	–	–	–	–	–	–	–	–	–
Term loan 4	5.0	288,000	RM	(d)	32,000	56,064	56,064	71,936	71,936	–	–	–	–	–	–
		572,830			51,342	75,045	75,987	80,779	83,279	206,398	–	–	–	–	–

18 TERM LOANS (cont'd)

B. Effective interest rate and maturity profile of term loans (cont'd)

The net exposure of term loan to interest rate cash flow risk and the periods in which the borrowings mature or reprice are as follows: (cont'd)

At 31 March 2011

Group	Effective interest rate as at year end % p.a	Total carrying amount RM'000	Currency	Note	Floating interest rate < 1 year RM'000	1-2 years RM'000	2-3 years RM'000	3-4 years RM'000	4-5 years RM'000	> 5 years RM'000	Fixed interest rate < 1 year RM'000	1-2 years RM'000	2-3 years RM'000	3-4 years RM'000	4-5 years RM'000
2011															
Unsecured															
Term loan 10	6.4	1,150	RMB		1,150	–	–	–	–	–	–	–	–	–	–
Term loan 11	12.0	1,782	Rs		–	–	–	–	–	–	1,188	594	–	–	–
Term loan 12	11.9	3,437	Rs		–	–	–	–	–	–	1,528	1,528	381	–	–
Term loan 13	5.5	10,548	RM		–	–	–	–	–	–	5,753	4,795	–	–	–
Term loan 14	5.0	7,292	RM		–	–	–	–	–	–	6,250	1,042	–	–	–
Term loan 15	5.0	23,824	RM		–	–	–	–	–	–	10,588	10,588	2,648	–	–
Term loan 16	10.0	170	Rs		–	–	–	–	–	–	170	–	–	–	–
Term loan 17	1.2	151,400	USD	(j)	75,700	75,700	–	–	–	–	–	–	–	–	–
Term loan 18	0.9	26,915	USD		26,915	–	–	–	–	–	–	–	–	–	–
Term loan 19	1.0	12,112	USD		12,112	–	–	–	–	–	–	–	–	–	–
Term loan 20	0.9	42,392	USD		18,168	24,224	–	–	–	–	–	–	–	–	–
Term loan 21	2.8	90,840	USD		90,840	–	–	–	–	–	–	–	–	–	–
Term loan 22	2.3	136,260	USD		–	27,252	54,504	54,504	–	–	–	–	–	–	–
Term loan 23	2.4	211,960	USD		–	35,327	70,653	70,653	35,327	–	–	–	–	–	–
Term loan 24	1.9	30,280	USD		–	–	–	15,140	15,140	–	–	–	–	–	–
Term loan 25	4.4	300,000	RM		25,000	100,000	100,000	75,000	–	–	–	–	–	–	–
Term loan 26	10.3	393,414	Rs		–	–	–	–	–	–	191,479	70,208	79,081	49,205	3,441
		1,443,776			249,885	262,503	225,157	215,297	50,467	–	216,956	88,755	82,110	49,205	3,441
		2,016,606			301,227	337,548	301,144	296,076	133,746	206,398	216,956	88,755	82,110	49,205	3,441

18 TERM LOANS (cont'd)

B. Effective interest rate and maturity profile of term loans (cont'd)

The net exposure of term loan to interest rate cash flow risk and the periods in which the borrowings mature or reprice are as follows: (cont'd)

At 31 March 2010

Group	Effective interest rate as at year end % p.a	Total carrying amount RM'000	Currency	Note	Floating interest rate < 1 year RM'000	Floating 1-2 years RM'000	Floating 2-3 years RM'000	Floating 3-4 years RM'000	Floating 4-5 years RM'000	Floating > 5 years RM'000	Fixed interest rate < 1 year RM'000	Fixed 1-2 years RM'000	Fixed 2-3 years RM'000	Fixed 3-4 years RM'000	Fixed 4-5 years RM'000
2010															
Secured															
Term loan 1	10.7	329,460	Rs	(a)	56,394	42,952	35,592	43,037	33,990	117,495	–	–	–	–	–
Term loan 2	3.6	7,890	RM	(b)	–	2,630	2,630	2,630	–	–	–	–	–	–	–
Term loan 3	3.6	7,000	RM	(c)	2,333	2,333	2,334	–	–	–	–	–	–	–	–
Term loan 4	4.1	320,000	RM	(d)	32,000	32,000	56,064	56,064	71,936	71,936	–	–	–	–	–
Term loan 5	7.0	43,000	RM	(e)	–	–	–	–	–	–	43,000	–	–	–	–
Term loan 6	4.1	12,600	RM	(f)	6,300	6,300	–	–	–	–	–	–	–	–	–
Term loan 7	6.0	750	RM	(g)	–	–	–	–	–	–	750	–	–	–	–
Term loan 8	3.8	44,240	RM	(h)	13,600	13,600	13,600	3,440	–	–	–	–	–	–	–
Term loan 9	4.0	15,000	RM	(i)	15,000	–	–	–	–	–	–	–	–	–	–
		779,940			125,627	99,815	110,220	105,171	105,926	189,431	43,750	–	–	–	–

18 TERM LOANS (cont'd)

B. Effective interest rate and maturity profile of term loans (cont'd)

The net exposure of term loan to interest rate cash flow risk and the periods in which the borrowings mature or reprice are as follows: (cont'd)

At 31 March 2010

Group	Effective interest rate as at year end % p.a	Total carrying amount RM'000	Currency	Note	Floating interest rate < 1 year RM'000	Floating 1-2 years RM'000	Floating 2-3 years RM'000	Floating 3-4 years RM'000	Floating 4-5 years RM'000	Floating > 5 years RM'000	Fixed interest rate < 1 year RM'000	Fixed 1-2 years RM'000	Fixed 2-3 years RM'000	Fixed 3-4 years RM'000	Fixed 4-5 years RM'000
2010															
Unsecured															
Term loan 10	5.8	2,400	RMB		1,200	1,200	–	–	–	–	–	–	–	–	–
Term loan 11	12.0	913	Rs		–	–	–	–	–	–	730	183	–	–	–
Term loan 12	11.9	3,194	Rs		–	–	–	–	–	–	1,278	1,278	638	–	–
Term loan 13	5.5	16,301	RM		–	–	–	–	–	–	5,753	5,753	4,795	–	–
Term loan 14	5.0	13,542	RM		–	–	–	–	–	–	6,250	6,250	1,042	–	–
Term loan 15	5.0	34,411	RM		–	–	–	–	–	–	10,588	10,588	10,588	2,647	–
Term loan 16	10.0	5,338	Rs		–	–	–	–	–	–	1,314	1,314	1,314	1,314	82
Term loan 17	1.1	245,437	USD	(j)	81,813	81,813	81,811	–	–	–	–	–	–	–	–
Term loan 18	0.9	58,177	USD		21,816	29,090	7,271	–	–	–	–	–	–	–	–
Term loan 19	0.9	26,180	USD		13,090	13,090	–	–	–	–	–	–	–	–	–
Term loan 20	0.9	55,633	USD		19,635	19,635	16,363	–	–	–	–	–	–	–	–
Term loan 21	2.8	98,175	USD		98,175	–	–	–	–	–	–	–	–	–	–
Term loan 22	2.3	65,450	USD		–	–	29,453	35,997	–	–	–	–	–	–	–
Term loan 23	2.3	114,538	USD		–	38,179	76,359	–	–	–	–	–	–	–	–
Term loan 25	3.6	300,000	RM		–	25,000	100,000	100,000	75,000	–	–	–	–	–	–
Term loan 26	10.3	207,344	Rs		207,344	–	–	–	–	–	–	–	–	–	–
		1,247,033			443,073	208,007	311,257	135,997	75,000	–	25,913	25,366	18,377	3,961	82
		2,026,973			568,700	307,822	421,477	241,168	180,926	189,431	69,663	25,366	18,377	3,961	82

18 TERM LOANS (cont'd)

B. Effective interest rate and maturity profile of term loans (cont'd)

The net exposure of term loan to interest rate cash flow risk and the periods in which the borrowings mature or reprice are as follows: (cont'd)

At 31 March 2011

				Floating interest rate						Fixed interest rate				
Company	Effective interest rate as at year end % p.a	Total carrying amount RM'000	Currency	< 1 year RM'000	1-2 years RM'000	2-3 years RM'000	3-4 years RM'000	4-5 years RM'000	> 5 years RM'000	< 1 year RM'000	1-2 years RM'000	2-3 years RM'000	3-4 years RM'000	4-5 years RM'000
2011														
Unsecured														
Term loan 25	**4.4**	**300,000**	**RM**	**25,000**	**100,000**	**100,000**	**75,000**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
		300,000		**25,000**	**100,000**	**100,000**	**75,000**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
2010														
Unsecured														
Term loan 25	3.6	300,000	RM	–	25,000	100,000	100,000	75,000	–	–	–	–	–	–
		300,000		–	25,000	100,000	100,000	75,000	–	–	–	–	–	–

18 TERM LOANS (cont'd)

C. Principal features of secured term loans

(a) Term loan 1 of RM273,690,000 (2010: RM329,460,000) is secured by fixed and floating charges over the property, plant and equipment (Note 27), concession assets (Note 30) and amounts due from customers on construction contracts (Note 46) of IJM (India) Infrastructure Limited ("IJMII"), a subsidiary of the Company, certain subsidiaries of IJMII and IJM Investments (M) Limited, a subsidiary of the Company.

(b) Term loan 2 of RM7,890,000 (2010: RM7,890,000) is secured by way of:

(i) a facilities agreement for the sum of RM7,890,000;

(ii) a registered open all monies first party charge over certain parcels of freehold vacant commercial land of RBLSB (Note 37); and

(iii) a corporate guarantee by IJM Land Berhad ("IJMLB"), a subsidiary of the Company.

(c) Term loan 3 of RM3,250,000 (2010: RM7,000,000) is secured by way of:

(i) a facilities agreement for the sum of RM9,000,000;

(ii) a registered open all monies third party charge over certain parcels of freehold vacant commercial land of RBLSB (Note 37); and

(iii) a corporate guarantee by IJMLB.

(d) Term loan 4 of RM288,000,000 (2010: RM320,000,000) is secured by way of:

(i) a facilities agreement for the sum of RM320,000,000;

(ii) a first legal charge created under the National Land Code 1965 over certain properties and parcels of land of the subsidiaries of IJMLB (Note 37); and

(iii) Letter of awareness or comfort from the Company.

(e) In the preceding financial year, Term loan 5 of RM43,000,000 was secured by way of:

(i) land titles of RB Land Sdn Bhd ("RBLSB"), a subsidiary of the Company and its subsidiaries, pertaining to the developments (Note 37) with a minimum value of 1.67 times the loan outstanding for the creation of Lien-Holder's Caveat;

(ii) letter of undertaking from RBLSB to open Housing Development Accounts with the Bank during the duration of the loan; and

(iii) assignment of the said Housing Development Accounts to the Bank.

This term loan has been fully settled during the financial year.

(f) In the preceding financial year, Term loan 6 of RM12,600,000 was secured by way of:

(i) a facilities agreement for the sum of RM26,000,000;

(ii) a registered first legal charge created under the National Land Code, 1965 over certain parcels of freehold land of a subsidiary of RBLSB (Note 37); and

(iii) a corporate guarantee by IJMLB.

This term loan has been fully settled during the financial year.

18 TERM LOANS (cont'd)

C. Principal features of secured term loans (cont'd)

(g) In the preceding financial year, Term loan 7 of RM750,000 was secured by way of:

(i) a first legal charge over the tugboat and container crane of Kuantan Port Consortium Sdn Bhd ("KPC"), a subsidiary of the Company (Note 27);

(ii) an assignment and / or noting of the bank's interest on the following insurance in respect of the tugboat of KPC:

(i) hull, machinery and equipment;
(ii) increased value; and
(iii) mortgage interest insurance; and

(iii) a corporate guarantee by Road Builder (M) Holdings Bhd ("RBH"), a subsidiary of the Company.

This term loan has been fully settled during the financial year.

(h) In the preceding financial year, Term loan 8 of RM44,240,000 was secured by way of:

(i) a facilities agreement of RM44,240,000 together with interest, commission and all other charges thereon;

(ii) a first party first legal charge over certain parcels of leasehold land of a subsidiary of RBLSB with tenure expiring on 22 May 2094 (Note 37); and

(iii) a corporate guarantee by RBLSB and its holding company IJMLB.

This term loan has been fully settled during the financial year.

(i) In the preceding financial year, Term loan 9 of RM15,000,000 was secured by way of:

(i) a Lien-Holders' Caveat over certain parcels of landed properties of RBLSB with minimum security cover of 1.0 time (Note 37); and

(ii) a corporate guarantee by IJMLB.

This term loan has been fully settled during the financial year.

(j) On 23 August 2005, IJM Investment (L) Limited, a subsidiary of the Company, has entered into a Facility Agreement for the acceptance of USD 100 million Syndicated Term Loan Facility with a final maturity date of 7 years from the date of the Facility Agreement ("Term loan 17"), which will be used to refinance the existing short-term offshore USD borrowings of the Group, and to fund existing and future investments overseas. This facility contains covenants which require the Group to maintain minimum shareholders' funds, and limits its debt to capital ratio and earnings before income tax, depreciation and amortisation to finance costs ratio.

19 GOVERNMENT SUPPORT LOANS - UNSECURED

	Note	The Group 2011 RM'000	The Group 2010 RM'000
Government Support Loans:			
- Government Support Loan 1	(a)	**106,699**	103,161
- Government Support Loan 2	(b)	**104,357**	103,478
		211,056	206,639
Less: Payable within 12 months (Note 44)		**(4,965)**	(2,482)
		206,091	204,157

A. Maturity profile of Government Support Loans

	Total carrying amount RM'000	< 1 year RM'000	1-2 years RM'000	2-3 years RM'000	3-4 years RM'000	4-5 years RM'000	> 5 years RM'000
2011							
Government Support Loan 1	**106,699**	**–**	**–**	**–**	**–**	**22,848**	**83,851**
Government Support Loan 2	**104,357**	**4,965**	**4,800**	**4,641**	**6,282**	**6,073**	**77,596**
	211,056	**4,965**	**4,800**	**4,641**	**6,282**	**28,921**	**161,447**
2010							
Government Support Loan 1	103,161	–	–	–	–	–	103,161
Government Support Loan 2	103,478	2,482	4,800	4,641	4,486	6,073	80,996
	206,639	2,482	4,800	4,641	4,486	6,073	184,157

B. Principal features of Government Support Loans

The principal features of Government Support Loans of subsidiaries of Road Builder (M) Holdings Bhd ("RBH"), a subsidiary of the Company, are as follows:

(a) Government Support Loan 1

On 26 March 1996, New Pantai Expressway Sdn Bhd, a subsidiary of RBH, entered into a Land Cost Supplemental Agreement with the Government of Malaysia ("the Government") for an interest-free loan provided by the Government in making available the concession area to the Company as Reimbursable Land Cost for the construction of the New Pantai Expressway.

As amended by a second Supplemental Concession Agreement dated 7 October 2003, the Government Support Loan 1 is reimbursable to the Government in 5 annual instalments, with the first instalment to commence on 26 March 2016.

19 GOVERNMENT SUPPORT LOANS - UNSECURED (cont'd)

B. Principal features of Government Support Loans (cont'd)

The principal features of Government Support Loans of subsidiaries of Road Builder (M) Holdings Bhd ("RBH"), a subsidiary of the Company, are as follows: (cont'd)

(b) Government Support Loan 2

The Government Support Loan 2 is in respect of an agreement between Kuantan Port Consortium Sdn Bhd, a subsidiary of RBH and the Government of Malaysia ("the Government") in connection with the reimbursable infrastructure cost for the purpose of financing the dredging of the new harbour basin. In financial year 2007, the instalment payments were re-scheduled to commence on 15 June 2006 and are repayable in 22 yearly variable instalments.

The Government Support Loan 2 is secured by a negative pledge and by a deed of assignment over:

(a) the balance of the revenue from the scheduled leases, tenancies and new sub leases and tenancies granted after the commencement date of the Privatisation Agreement after deducting the amounts payable to Kuantan Port Authority; and

(b) all other revenue received from its port operations.

20 HIRE PURCHASE AND LEASE CREDITORS

	The Group	
	2011 RM'000	**2010 RM'000**
Minimum payments:		
- Payable within 1 year	**2,102**	4,710
- Payable between 1 and 5 years	**2,329**	519
	4,431	5,229
Less: Future finance charges	**(478)**	(359)
Present value of hire purchase and lease liabilities	**3,953**	4,870
Present value of hire purchase and lease liabilities:		
- Payable within 1 year (Note 44)	**1,804**	4,360
- Payable between 1 and 5 years (included in non-current liabilities)	**2,149**	510
	3,953	4,870

Hire purchase and lease liabilities are effectively secured as the rights to the leased assets revert to the financier in the event of default. As at balance sheet date, the effective interest rate was 11.46% (2010: 12.15%) per annum.

21 FINANCIAL INSTRUMENTS BY CATEGORY

	Note	Loans and receivables RM'000	Assets at fair value through the profit and loss RM'000	Available-for-sale financial assets RM'000	Total RM'000
Group:					
At 31 March 2011					
Assets as per balance sheet:					
Non-current assets:					
Amounts due from jointly controlled entities	33	707,613	–	–	707,613
Available-for-sale financial assets	34	–	–	2,204	2,204
Long term receivables *	35	40,429	–	–	40,429
Derivative financial instruments	22	–	771	–	771
Current assets:					
Trade and other receivables **	40	1,598,022	–	–	1,598,022
Financial assets at fair value through profit or loss	41	–	212,730	–	212,730
Deposits, cash and bank balances	42	1,506,597	–	–	1,506,597
Total		3,852,661	213,501	2,204	4,068,366

	Note	Liabilities at fair value through the profit and loss RM'000	Other financial liabilities at amortised costs RM'000	Total RM'000
Liabilities as per balance sheet:				
Non-current liabilities:				
Bonds	16	–	448,227	448,227
Commercial papers and medium term notes	17	–	650,000	650,000
Term loans	18	–	1,498,423	1,498,423
Government support loans	19	–	206,091	206,091
Derivative financial instruments	22	8,037	–	8,037
Trade and other payables	24	–	88,152	88,152
Current liabilities:				
Trade and other payables ***	44	–	1,369,462	1,369,462
Derivative financial instruments	22	3,201	–	3,201
Borrowings	45	–	990,474	990,474
Total		11,238	5,250,829	5,262,067

* Long term receivables exclude advances for land acquisition and plantation development expenditure.

** Trade and other receivables exclude amounts due from customers on construction contracts, accrued billings in respect of property development and prepayments.

*** Trade and other payables exclude amounts due to customers on construction contracts, progress billings in respect of property development and retirement benefits payable.

21 FINANCIAL INSTRUMENTS BY CATEGORY (cont'd)

	Note	Loans and receivables RM'000	Assets at fair value through the profit and loss RM'000	Available-for-sale financial assets RM'000	Total RM'000
Company:					
At 31 March 2011					
Assets as per balance sheet:					
Non-current assets:					
Available-for-sale financial assets	34	–	–	2,050	2,050
Derivative financial instruments	22	–	771	–	771
Current assets:					
Trade and other receivables*	40	706,872	–	–	706,872
Financial assets at fair value through profit or loss	41	–	168,082	–	168,082
Deposits, cash and bank balances	42	147,173	–	–	147,173
Total		854,045	168,853	2,050	1,024,948

	Note	Other financial liabilities at amortised costs RM'000	Total RM'000
Liabilities as per balance sheet:			
Non-current liabilities:			
Commercial papers and medium term notes	17	650,000	650,000
Term loans	18	275,000	275,000
Current liabilities:			
Trade and other payables**	44	876,568	876,568
Borrowings	45	153,602	153,602
Total		1,955,170	1,955,170

* Trade and other receivables exclude amounts due from customers on construction contracts and prepayments.

** Trade and other payables exclude amounts due to customers on construction contracts.

22 DERIVATIVE FINANCIAL INSTRUMENTS

	Note	The Group Assets RM'000	The Group Liabilities RM'000	The Company Assets RM'000	The Company Liabilities RM'000
Current:					
Interest rate swaps	(a)	–	3,201	–	–
Crude palm oil pricing swaps	(b)	–	–	–	–
		–	3,201	–	–
Non-current:					
Interest rate swaps	(a)	771	3,179	771	–
Cross currency swap	(c)	–	4,858	–	–
		771	8,037	771	–
		771	11,238	771	–

(a) Interest rate swaps

From floating rate to fixed rate

IJM Investments (L) Ltd, a subsidiary of the Company, has entered into interest rate swap contracts to hedge the floating rate interest payable on its long term borrowings and bonds. The contracts entitle the Group to pay interest at fixed rates on notional principal amounts and oblige it to receive interest at floating rates on the same amounts. Under the interest rate swaps, the Group agrees with the other parties to exchange the difference between fixed rate and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

The floating rates of the Group's interest rate swap contracts are linked to the London Inter Bank Offer Rate ("LIBOR"). The weighted average effective interest rate of the Group's floating rate borrowings during the financial year is 1.07% (2010: 1.05%) per annum (Note 18). After the interest rate swaps, the Group's weighted average effective interest rate during the financial year is 3.48% (2010: 4.11%) per annum.

The remaining terms and notional principal amounts of the outstanding interest rate swap contracts of the Group at the balance sheet date, which are denominated in United States Dollars, were as follows:

Duration	Floating rate	Fixed rate	Amount in foreign currency USD'000	Amount in RM equivalent '000
31.10.05 - 30.07.12	6-month LIBOR + 0.7%	4.25%	10,000	30,280
29.07.05 - 30.07.12	6-month LIBOR + 0.7%	4.30%	20,000	60,560
01.06.05 - 29.07.12	6-month LIBOR + 0.7%	4.30%	20,000	60,560
21.04.09 - 05.03.12	3-month LIBOR + 0.6%	1.59%	8,889	26,916
30.03.09 - 27.09.12	3-month LIBOR + 0.55%	1.88%	11,000	33,308
30.03.09 - 14.12.11	3-month LIBOR + 0.65%	1.88%	4,000	12,112

From fixed rate to floating rate

The Company has entered into interest rate swap contract which entitles the Company to pay interest at floating rates on notional principal amounts and oblige it to receive interest at fixed rates on the same amounts. Under the interest rate swaps, the Company agrees with the other parties to exchange the difference between fixed rate and floating rate interest amounts calculated by reference to the agreed notional principal amounts.

22 DERIVATIVE FINANCIAL INSTRUMENTS (cont'd)

(a) Interest rate swaps (cont'd)

From fixed rate to floating rate (cont'd)

The floating rates of the Company's interest rate swap contracts are linked to the Kuala Lumpur Inter Bank Offer Rate ("KLIBOR"). The weighted average effective interest rate of the Company's fixed rate borrowings during the financial year is 5.5% (2010: 5.5%) per annum (Note 17). After the interest rate swaps, the Company's weighted average effective interest rate during the financial year is 4.41% (2010: 3.86%) per annum.

The remaining terms and notional principal amounts of the outstanding interest rate swap contract of the Company at the balance sheet date, which is denominated in Ringgit Malaysia, were as follows:

Duration	Fixed rate	Floating rate	Amount in RM equivalent '000
11.01.10 - 23.10.15	5.50%	6-month KLIBOR + 1.28%	200,000

(b) Crude palm oil pricing swap

During the financial year, IJM Plantations Berhad, a subsidiary of the Company entered into CPO pricing swap contracts for a fixed monthly quantity in the futures market and where required, selling forwards in the physical market.

As at the balance sheet date, there is no outstanding CPO pricing swap contracts.

(c) Cross currency swap

IJM Investments (L) Ltd, a subsidiary of the Company, has entered into cross currency swap contract to swap future Indian Rupee proceeds to US Dollars. The cross currency swap enables the Group to hedge its foreign exchange exposures and it forms part of the overall structure for financing the Group's India-based subsidiary.

Cross currency swap	Notional amount	Effective period
To minimise the foreign exchange exposure	Indian Rupee 1,824 million swapped to USD 40 million	May 2010 to May 2015

(d) Maturity profile of derivative financial instruments

Types of derivative	< 1 year RM'000	1 – 3 years RM'000	> 3 years RM'000	Total fair value of derivative financial assets/ (liabilities) RM'000
As at 31 March 2011:				
(i) Interest rate swaps:				
- from floating rate to fixed rate	(3,201)	(3,179)	–	(6,380)
- from fixed rate to floating rate	–	–	771	771
(ii) Cross currency swap	–	–	(4,858)	(4,858)
				(10,467)

23 DEFERRED TAXATION

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority.

The following amounts, determined after appropriate offsetting, are shown in the balance sheet.

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Deferred tax assets	**83,147**	92,088	**1,092**	339
Deferred tax liabilities	**(370,929)**	(363,172)	**–**	–
	(287,782)	(271,084)	**1,092**	339
At 1 April	**(271,084)**	(284,320)	**339**	856
(Charged)/credited to income statement (Note 10)				
- Property, plant and equipment	**(1,578)**	6,258	**43**	98
- Concession assets	**(19,393)**	(831)	**–**	–
- Post-employment benefit	**70**	(196)	**–**	–
- Intangible assets	**(734)**	406	**–**	–
- Plantation development expenditure	**(295)**	(3,591)	**–**	–
- Inventories	**(84)**	(185)	**–**	(329)
- Tax losses	**(7,288)**	4,936	**–**	–
- Payables	**14,936**	1,435	**710**	(286)
- Development properties	**6,498**	(2,003)	**–**	–
- Foreseeable loss	**(361)**	(1,017)	**–**	–
- Finance lease receivables	**(67)**	(184)	**–**	–
- Borrowings	**(408)**	801	**–**	–
- Leasehold land	**81**	8,511	**–**	–
- Ports	**(403)**	(403)	**–**	–
- Others	**(397)**	(701)	**–**	–
	(9,423)	13,236	**753**	(517)
Acquisition of subsidiaries (Note 48(a))	**(8,497)**	–	**–**	–
Disposal of subsidiaries (Note 49(a)(i)	**930**	–	**–**	–
Exchange differences	**292**	–	**–**	–
At 31 March	**(287,782)**	(271,084)	**1,092**	339

23 DEFERRED TAXATION (cont'd)

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Subject to income tax				
Deferred tax assets (before offsetting)				
- Property, plant and equipment	**15,516**	8,515	**–**	–
- Development properties	**43,054**	39,298	**–**	–
- Post-employment benefit	**1,760**	1,690	**–**	–
- Intangible assets	**–**	82	**–**	–
- Inventories	**–**	292	**–**	–
- Payables	**24,404**	9,548	**1,526**	816
- Tax losses	**19,535**	26,685	**–**	–
- Foreseeable loss	**393**	754	**–**	–
- Borrowings	**7,278**	9,415	**–**	–
- Concession assets	**1,479**	6,250	**–**	–
- Ports	**10,725**	11,321	**–**	–
- Others	**(383)**	158	**–**	–
	123,761	114,008	**1,526**	816
Offsetting	**(40,614)**	(21,920)	**(434)**	(477)
Deferred tax assets (after offsetting)	**83,147**	92,088	**1,092**	339
Deferred tax liabilities (before offsetting)				
- Property, plant and equipment	**(114,432)**	(105,853)	**(434)**	(477)
- Plantation development expenditure	**(88,101)**	(87,806)	**–**	–
- Development properties	**(61,493)**	(56,822)	**–**	–
- Intangible assets	**(1,894)**	(1,242)	**–**	–
- Finance lease receivables	**(1,123)**	(1,056)	**–**	–
- Port	**(4,826)**	(5,019)	**–**	–
- Borrowings	**(22,583)**	(24,312)	**–**	–
- Payables	**–**	(80)	**–**	–
- Inventories	**(842)**	(1,050)	**–**	–
- Leasehold land	**(3,574)**	(3,655)	**–**	–
- Concession assets	**(112,739)**	(98,117)	**–**	–
- Others	**64**	(80)	**–**	–
	(411,543)	(385,092)	**(434)**	(477)
Offsetting	**40,614**	21,920	**434**	477
Deferred tax liabilities (after offsetting)	**(370,929)**	(363,172)	**–**	–

The amount of unutilised deductible temporary differences and unused tax losses for which no deferred tax asset is recognised in the balance sheet are as follows:

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Unutilised deductible temporary differences	**242,503**	105,972	**–**	–
Unused tax losses	**271,815**	196,031	**–**	–
	514,318	302,003	**–**	–
Deferred tax assets not recognised	**128,580**	75,501	**–**	–

24 TRADE AND OTHER PAYABLES

	Note	The Group 2011 RM'000	The Group 2010 RM'000
Other payables:			
Advances from the State Government	(a)	**33,180**	33,180
Land premium payable to State Government	(b)	**12,100**	18,100
Less: Payable within 12 months (Note 44)		**(3,000)**	(3,000)
Payable after 12 months		**9,100**	15,100
Interests in projects	(c)	**39,851**	25,974
Refundable membership securities	(d)	**6,021**	6,110
		88,152	80,364

(a) On 17 January 2003, Jelutong Development Sdn Bhd ("JDSB"), an indirect subsidiary of the Company, has entered into a Reimbursement Land Cost Agreement (hereinafter referred to as "the RLC Agreement") with the Penang State Government in connection with the completion of the Jelutong Expressway Project.

Under the RLC Agreement, the advances from the State Government for the reimbursement of land cost totalling RM33,180,000 was received as follows:

Year	RM'000
2005	7,000
2006	7,000
2007	7,000
2008	7,000
2010	5,180
	33,180

The advances are repayable to the State Government as follows:

	Percentage of advances to be repaid to the State Government %
36 months from the commencement of Stage 3 of the Construction Works of Jelutong Expressway or from the completion of alienation of Parcels A2 and B1, whichever is later (1st Payment)	30
12 months from the date of the Certificate of Completion of the entire Jelutong Expressway or from the date of the 1st Payment, whichever is later (2nd Payment)	30
12 months from the date of the 2nd Payment	40
	100

As at 31 March 2011, JDSB has completed Stage 2 of the Construction Works. Stage 3 of the Construction Works is expected to commence within 1 month upon resolving and relocating all the affected squatters by the Penang State Government.

The advances on reimbursable land cost are interest free. However, if JDSB fails to pay the Penang State Government any of the instalment payments above by their respective due dates, JDSB shall be liable to pay to the Penang State Government interest at a fixed rate of 8% per annum on any such outstanding instalment payments.

24 TRADE AND OTHER PAYABLES (cont'd)

(b) On 4 October 2002, a subsidiary of IJM Properties Sdn Bhd ("IJMPRP"), Jelutong Development Sdn Bhd ("JDSB") entered into a Supplementary Agreement to the Privatisation Agreement with the Penang State Government in connection with the land alienation to the subsidiary in exchange for undertaking the Jelutong Expressway Project. JDSB shall pay the State Government a land premium of RM24.1 million from the date of issuance of advertising permit for sale of the first phase of the low-medium cost housing units on Parcel C2.

The land premium is repayable to the State Government as follows:

	RM'000
Payable within 1 year	3,000
Payable between 1 and 2 years	3,000
Payable between 2 and 3 years	3,000
Payable between 3 and 4 years	3,100
	12,100

As at 31 March 2011, the status of Jelutong Expressway construction works is disclosed in Note 24(a).

(c) This represents the share of net results of Road Builder (M) Sdn Bhd, a subsidiary of the Company, in certain projects in India in accordance with the arrangements set out in the Ancillary Agreement dated 8 January 2003.

(d) This represents membership securities received by ERMS Berhad ("ERMS"), a subsidiary of the Company, prior to the implementation of a Deed of Trust dated 20 May 1993. The membership securities are refundable only upon the transfer of a membership by a member to an acceptable transferee and after the said transferee has paid the required refundable securities.

Based on the Deed of Trust, the refundable membership securities shall be paid to an Accumulated Fund over 92 equal annual payments of RM77,000. Subsequently, on 28 June 1997, the Trustee agreed to an annual payment of RM364 to be paid to the Accumulated Fund over 88 years beginning from 15 June 1998.

On 20 March 2003, ERMS had withdrawn the Accumulated Fund and purchased a group premium pension scheme, which terminal value will be used to refund the membership securities to the members. Accordingly, ERMS had ceased to contribute the fixed annual payment to the Accumulated Fund.

25 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) Unfunded defined benefit plan

A subsidiary of the Company, Kuantan Port Consortium Sdn Bhd, operates an unfunded defined benefit scheme ("the scheme") for its eligible employees. Under the scheme, eligible employees are entitled to retirement benefits varying between 75% and 100% of final salary on attainment of the retirement age of 55 years based on the number of years of service with the company. The obligation in respect of the unfunded defined benefit scheme, calculated using the projected unit credit method, is determined by an actuarial valuation carried out with sufficient regularity by a qualified actuary.

25 RETIREMENT BENEFITS (cont'd)

(b) Unfunded defined benefit plan (cont'd)

The movements during the financial year on the amounts recognised in the consolidated balance sheet are as follows:

	The Group	
	2011 RM'000	2010 RM'000
At 1 April	**6,712**	6,638
Charged to profit or loss	**1,012**	1,087
Contributions paid during the financial year	**(682)**	(1,013)
At 31 March	**7,042**	6,712
Present value of liabilities:		
- Payable within 1 year (Note 44)	**883**	798
- Payable between 1 and 5 years	**4,649**	4,297
- Payable after 5 years	**1,510**	1,617
Payable after 1 year (included in non-current liabilities)	**6,159**	5,914
	7,042	6,712

The amounts of unfunded defined benefit recognised in the balance sheet may be analysed as follows:

	The Group	
	2011 RM'000	2010 RM'000
Present values of unfunded defined benefit obligations	**7,951**	7,647
Unrecognised actuarial losses	**(909)**	(935)
Liability in the balance sheets	**7,042**	6,712
Analysed as:		
Current (included in other payables - Note 44)	**883**	798
Non-current	**6,159**	5,914
	7,042	6,712

The expenses recognised in the profit or loss were analysed as follows:

	The Group	
	2011 RM'000	2010 RM'000
Current service cost	**624**	686
Interest cost	**362**	401
Actuarial loss	**26**	–
Total unfunded defined benefit retirement plan (Note 6)	**1,012**	1,087

25 RETIREMENT BENEFITS (cont'd)

(b) Unfunded defined benefit plan (cont'd)

The charges to the profit or loss were included in the following line items:

	The Group	
	2011 RM'000	2010 RM'000
Cost of sales	**759**	815
Administrative expenses	**253**	272
Total included in employee benefits cost (Note 6)	**1,012**	1,087

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

	The Group	
	2011 %	2010 %
Discount rate	**5.0**	5.0
Expected rate of salary increases	**5.0**	5.0

26 GOVERNMENT GRANTS

	The Group	
	2011 RM'000	2010 RM'000
Cost		
At 1 April	**132,023**	131,463
Exchange translation differences	**(8,717)**	560
At 31 March	**123,306**	132,023
Accumulated amortisation		
At 1 April	**(19,773)**	(14,580)
Current amortisation (Note 5(b))	**(5,778)**	(5,083)
Exchange translation differences	**1,406**	(110)
At 31 March	**(24,145)**	(19,773)
	99,161	112,250

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

27 PROPERTY, PLANT AND EQUIPMENT

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

	Freehold land RM'000	Leasehold land RM'000	Plantation infrastructure development expenditure RM'000	Buildings RM'000	Plant, machinery, equipment and vehicles RM'000	Office equipment, furniture, fittings and renovations RM'000	Liquid chemical berths RM'000	Inner harbour basin RM'000	Capital work-in-progress RM'000	Total RM'000
The Group										
2011										
Net book value										
At 1 April 2010										
As previously reported	47,153	–	133,714	208,207	521,462	31,800	133,986	109,917	40,580	1,226,819
Effect of adopting improvement to FRS 117 (Note 58)	–	173,710	–	–	–	–	–	–	–	173,710
As restated	47,153	173,710	133,714	208,207	521,462	31,800	133,986	109,917	40,580	1,400,529
Acquisition of subsidiaries (Note 48(a))	–	–	6,996	–	127	30	–	–	11,700	18,853
Disposal of a subsidiary (Note 49(a)(ii))	–	–	–	–	(475)	(460)	–	–	–	(935)
Additions	201	–	35,771	13,356	54,776	6,968	–	3,350	45,523	159,945
Disposals	–	–	–	(397)	(3,670)	(76)	–	–	–	(4,143)
Written off	–	–	–	(39)	(366)	(300)	–	–	–	(705)
Depreciation charges for the year	–	(2,373)	(2,448)	(15,597)	(71,931)	(9,233)	(5,750)	(1,981)	–	(109,313)
Impairment	–	–	–	(1,809)	(1,413)	17	–	–	–	(3,205)
Exchange differences arising from translation of assets of foreign entities	(675)	16	(390)	(1,561)	(9,705)	(741)	–	–	(1,343)	(14,399)
Reclassifications	–	–	1,028	34,815	13,069	2,684	–	–	(51,596)	–
Transferred to assets held for sale (Note 43)	–	(884)	–	(489)	–	(81)	–	–	–	(1,454)
At 31 March 2011	46,679	170,469	174,671	236,486	501,874	30,608	128,236	111,286	44,864	1,445,173

27 PROPERTY, PLANT AND EQUIPMENT (cont'd)

The details of property, plant and equipment are as follows: (cont'd)

	Freehold land RM'000	Leasehold land RM'000	Plantation infrastructure development expenditure RM'000	Buildings RM'000	Plant, machinery, equipment and vehicles RM'000	Office equipment, furniture, fittings and renovations RM'000	Liquid chemical berths RM'000	Inner harbour basin RM'000	Capital work-in-progress RM'000	Total RM'000
The Group (cont'd)										
2010										
Net book value										
At 1 April 2009										
As previously reported	47,069	–	104,867	190,062	553,084	35,414	119,297	111,991	137,251	1,299,035
Effect of adopting improvement to FRS 117 (Note 58)	–	171,686	–	–	–	–	–	–	–	171,686
As restated	47,069	171,686	104,867	190,062	553,084	35,414	119,297	111,991	137,251	1,470,721
Disposal of a subsidiary Note 49(b)(i)	–	–	–	–	(361)	(38)	–	–	–	(399)
Additions	–	4,801	29,818	5,117	68,427	6,560	1,254	–	37,383	153,360
Disposals	–	(59)	–	–	(7,056)	(214)	–	–	(4)	(7,333)
Written off	–	–	–	(127)	(498)	(604)	–	–	(605)	(1,834)
Depreciation charges for the year	–	(2,299)	(2,055)	(11,713)	(98,585)	(8,152)	(4,323)	(2,074)	–	(129,201)
Impairment	–	–	–	–	(1,977)	(109)	–	–	–	(2,086)
Exchange differences arising from translation of assets of foreign entities	84	(478)	111	(1,121)	(3,061)	88	–	–	6	(4,371)
Reclassifications	–	59	973	24,175	11,489	(1,145)	17,758	–	(53,309)	–
Transferred to investment properties (Note 29)	–	–	–	(126)	–	–	–	–	(80,142)	(80,268)
Transferred from assets held for sale	–	–	–	1,940	–	–	–	–	–	1,940
At 31 March 2010	47,153	173,710	133,714	208,207	521,462	31,800	133,986	109,917	40,580	1,400,529

27 PROPERTY, PLANT AND EQUIPMENT (cont'd)

The details of property, plant and equipment are as follows: (cont'd)

	Freehold land RM'000	Leasehold land RM'000	Plantation infrastructure development expenditure RM'000	Buildings RM'000	Plant, machinery, equipment and vehicles RM'000	Office equipment, furniture, fittings and renovations RM'000	Liquid chemical berths RM'000	Inner harbour basin RM'000	Capital work-in-progress RM'000	Total RM'000
The Group (cont'd)										
Net book value										
At 31 March 2011										
Cost	**46,679**	**160,650**	**190,017**	**371,454**	**1,206,526**	**124,908**	**156,300**	**135,619**	**44,864**	**2,437,017**
Valuation	**–**	**30,141**	**–**	**4,802**	**3,668**	**–**	**–**	**–**	**–**	**38,611**
Accumulated depreciation	**–**	**(20,322)**	**(15,346)**	**(111,435)**	**(681,194)**	**(94,213)**	**(28,064)**	**(24,333)**	**–**	**(974,907)**
Accumulated impairment	**–**	**–**	**–**	**(28,335)**	**(27,126)**	**(87)**	**–**	**–**	**–**	**(55,548)**
Net book value	**46,679**	**170,469**	**174,671**	**236,486**	**501,874**	**30,608**	**128,236**	**111,286**	**44,864**	**1,445,173**
At 31 March 2010										
Cost	47,153	190,706	145,851	333,089	1,177,914	121,392	156,300	132,269	40,580	2,345,254
Valuation	–	–	–	4,802	3,668	–	–	–	–	8,470
Accumulated depreciation	–	(16,996)	(12,137)	(101,177)	(634,360)	(89,483)	(22,314)	(22,352)	–	(898,819)
Accumulated impairment	–	–	–	(28,507)	(25,760)	(109)	–	–	–	(54,376)
Net book value	47,153	173,710	133,714	208,207	521,462	31,800	133,986	109,917	40,580	1,400,529

27 PROPERTY, PLANT AND EQUIPMENT (cont'd)

	Freehold land RM'000	Buildings RM'000	Plant, machinery, equipment and vehicles RM'000	Office equipment, furniture, fittings and renovations RM'000	Capital work-in-progress RM'000	Total RM'000
The Company						
2011						
Net book value						
At 1 April 2010	**900**	**500**	**6,819**	**841**	**–**	**9,060**
Additions	**–**	**–**	**1,039**	**95**	**–**	**1,134**
Disposals	**–**	**–**	**(89)**	**–**	**–**	**(89)**
Depreciation charges for the year	**–**	**(10)**	**(1,069)**	**(295)**	**–**	**(1,374)**
Exchange differences	**–**	**–**	**(353)**	**–**	**–**	**(353)**
At 31 March 2011	**900**	**490**	**6,347**	**641**	**–**	**8,378**
2010						
Net book value						
At 1 April 2009	900	511	8,579	1,231	–	11,221
Additions	–	–	21	171	–	192
Disposals	–	–	(147)	–	–	(147)
Depreciation charges for the year	–	(11)	(1,697)	(561)	–	(2,269)
Exchange differences	–	–	63	–	–	63
At 31 March 2010	900	500	6,819	841	–	9,060
At 31 March 2011						
Cost	**900**	**577**	**7,943**	**6,821**	**–**	**16,241**
Accumulated depreciation	**–**	**(87)**	**(1,596)**	**(6,180)**	**–**	**(7,863)**
Net book value	**900**	**490**	**6,347**	**641**	**–**	**8,378**
At 31 March 2010						
Cost	900	577	8,247	6,726	–	16,450
Accumulated depreciation	–	(77)	(1,428)	(5,885)	–	(7,390)
Net book value	900	500	6,819	841	–	9,060

(a) Valuation

Property, plant and equipment include buildings and plant of certain subsidiaries which were last revalued in 1982, 1993 and 1997 based on an open market value basis by firms of independent professional valuers.

Had the revalued buildings and plant with net book value of RM28,395,000 (2010: RM29,024,000) been carried at cost less accumulated depreciation, the net book values would have been as follows:

	The Group	
	2011 RM'000	2010 RM'000 (Restated)
Leasehold land	**20,008**	20,169
Buildings	**236**	295
Plant	**300**	482
	20,544	20,946

27 PROPERTY, PLANT AND EQUIPMENT (cont'd)

(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	
	2011 RM'000	2010 RM'000
Plant, machinery, equipment and vehicles	**5,931**	9,854

(c) Net book values of assets pledged as security for term loans of certain subsidiaries (Note 18):

	The Group	
	2011 RM'000	2010 RM'000
Freehold land	**193**	207
Building	**61,372**	69,620
Plant, machinery, equipment and vehicles	**2,283**	1,682
Office equipment, furniture and fittings and renovations	**669**	662
	64,517	72,171

(d) During the financial year, the following depreciation charges have been included in the aggregate costs incurred to-date within amounts due from/(to) customers on construction contracts of the Group and capitalised as plantation development expenditure respectively:

		The Group		The Company	
	Note	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Included in the aggregate costs incurred to-date within amounts due from/(to) customers on construction contracts	46	**17,402**	35,940	**678**	1,230
Capitalised as plantation development expenditure	38(b)	**3,673**	1,918	**–**	–

28 LEASEHOLD LAND

	Note	The Group 2011 RM'000	The Group 2010 RM'000 (Restated)
Cost			
At 1 April			
As previously reported		**416,298**	346,875
Effect of adopting improvements to FRS 117	58	**(256,171)**	(210,026)
As restated		**160,127**	136,849
Acquisition of subsidiaries	48(a)(iii)	**14,958**	–
Additions		**14,093**	19,464
Disposals		**(1,505)**	(2,799)
Transferred from assets held for sale		**–**	6,607
Exchange differences arising from translation of assets of foreign entities		**(585)**	6
At 31 March		**187,088**	160,127
Accumulated amortisation			
At 1 April			
As previously reported		**32,640**	26,076
Effect of adopting improvements to FRS 117	58	**(18,458)**	(15,876)
As restated		**14,182**	10,200
Charge for the financial year	5(a)	**3,770**	3,949
Transferred from assets held for sale		**–**	181
Disposals		**(77)**	(149)
Exchange differences		**(21)**	1
At 31 March		**17,854**	14,182
Net book value			
At 31 March		**169,234**	145,945

Long term leasehold land and long term leasehold plantation land of certain subsidiaries were last revalued in 1982, 1993 and 1997 based on an open market value basis by firms of independent professional valuers. As at 1 April 2007, upon the adoption of FRS 117 "Leases", the unamortised amount of leasehold land as at 31 March 2007 is retained as the surrogate carrying amount as allowed by the transitional provision of FRS 117. As at 1 April 2010, following the adoption of the improvement to FRS 117 "Leases", leasehold land in which the Group has substantially all the risks and rewards incidental to ownership has been reclassified retrospectively from operating lease to finance lease (Note 58).

During the financial year, amortisation expenses of RM674,000 (2010: RM696,000) have been included in plantation development expenditure (Note 38(b)).

29 INVESTMENT PROPERTIES

The Group	Note	Freehold land RM'000	Leasehold land RM'000	Freehold buildings RM'000	Long term leasehold buildings RM'000	Total RM'000
2011						
Net book value						
At 1 April 2010						
As previously reported		**13,678**	**–**	**27,999**	**346,866**	**388,543**
Effect of adopting improvement to FRS 117	58	**–**	**64,003**	**–**	**–**	**64,003**
As restated		**13,678**	**64,003**	**27,999**	**346,866**	**452,546**
Disposal of a subsidiary	49a(i)	**–**	**(41,471)**	**–**	**(272,272)**	**(313,743)**
Reversal of over accrual of costs		**–**	**(155)**	**–**	**(4,000)**	**(4,155)**
Transferred to assets held for sale	43	**–**	**(1,253)**	**(457)**	**(3,863)**	**(5,573)**
Depreciation charges for the year	5(a)	**–**	**(418)**	**(626)**	**(3,140)**	**(4,184)**
Impairment for the year	5(a)	**–**	**–**	**(326)**	**–**	**(326)**
At 31 March 2011		**13,678**	**20,706**	**26,590**	**63,591**	**124,565**
2010						
Net book value						
At 1 April 2009						
As previously reported		13,678	–	29,253	120,590	163,521
Effect of adopting improvement to FRS 117	58	–	22,464	–	–	22,464
As restated		13,678	22,464	29,253	120,590	185,985
Additions		–	–	20	173,241	173,261
Transferred from property, plant and equipment	27	–	–	–	80,268	80,268
Transferred from property development costs	37(b)	–	41,822	–	25,110	66,932
Transferred to assets held for sale	43	–	–	(501)	–	(501)
Disposal of a subsidiary	49(b)(ii)	–	–	–	(49,270)	(49,270)
Reversal of over accrual of costs		–	–	(138)	(144)	(282)
Depreciation charges for the year	5(a)	–	(283)	(635)	(2,929)	(3,847)
At 31 March 2010		13,678	64,003	27,999	346,866	452,546

29 INVESTMENT PROPERTIES (cont'd)

The Group	Freehold land RM'000	Leasehold land RM'000	Freehold buildings RM'000	Long term leasehold buildings RM'000	Total RM'000
At 31 March 2011:					
Cost	**13,678**	**21,347**	**30,828**	**68,408**	**134,261**
Accumulated depreciation	**–**	**(641)**	**(3,656)**	**(4,713)**	**(9,010)**
Accumulated impairment	**–**	**–**	**(582)**	**(104)**	**(686)**
Net book value	**13,678**	**20,706**	**26,590**	**63,591**	**124,565**
At 31 March 2010:					
Cost	13,678	64,469	31,624	352,800	462,571
Accumulated depreciation	–	(466)	(3,093)	(4,187)	(7,746)
Accumulated impairment	–	–	(532)	(1,747)	(2,279)
Net book value	13,678	64,003	27,999	346,866	452,546

The above properties are not occupied by the Group and are used to either earn rentals or for capital appreciation, or both. The fair value of the properties was estimated at RM170,130,000 (2010: RM452,633,000) by the Directors based on either valuations by independent professionally qualified valuers or the Directors' estimates by reference to open market value of properties in the vicinity.

As at the end of the preceding financial year, the carrying values of investment properties amounting to RM19,675,000 were pledged as security for Term loan 8 of a subsidiary (Note 18).

	Note	Freehold buildings RM'000	Total RM'000
The Company			
2011			
Net book value			
At 1 April 2010		**5,165**	**5,165**
Depreciation charges for the year	5(a)	**(129)**	**(129)**
At 31 March 2011		**5,036**	**5,036**
2010			
Net book value			
At 1 April 2009		5,294	5,294
Depreciation charges for the year	5(a)	(129)	(129)
At 31 March 2010		5,165	5,165
At 31 March 2011:			
Cost		**6,475**	**6,475**
Accumulated depreciation		**(1,439)**	**(1,439)**
Net book value		**5,036**	**5,036**
At 31 March 2010:			
Cost		6,475	6,475
Accumulated depreciation		(1,310)	(1,310)
Net book value		5,165	5,165

30 CONCESSION ASSETS

	Note	The Group 2011 RM'000	2010 RM'000
Cost			
At 1 April		**2,515,684**	2,291,859
Additions during the financial year		**120,488**	218,414
Exchange translation differences		**(43,840)**	5,411
At 31 March		**2,592,332**	2,515,684
Accumulated amortisation			
At 1 April		**(172,654)**	(116,590)
Current amortisation	5(a)	**(69,626)**	(55,817)
Exchange translation differences		**4,317**	(247)
At 31 March		**(237,963)**	(172,654)
		2,354,369	2,343,030
Less: Deferred income			
Cost			
At 1 April		**(400,456)**	(184,410)
Additions during the financial year		**–**	(216,046)
At 31 March		**(400,456)**	(400,456)
Accumulated amortisation			
At 1 April		**6,032**	485
Current amortisation	5(a)	**21,095**	5,547
At 31 March		**27,127**	6,032
		(373,329)	(394,424)
		1,981,040	1,948,606

Deferred income comprises:

(a) compensation received by New Pantai Expressway Sdn Bhd ("NPE"), a subsidiary of the Group, from the Malaysian Government as a result of the cessation of toll collections with effect from 14 February 2009 at the PJS2 Toll Plaza for Kuala Lumpur bound road users on the NPE; and

(b) compensation received by Besraya Sdn Bhd, a subsidiary of the Group, from the Malaysian Government as a result of the cessation of toll collections with effect from 24 February 2009 at the Salak Jaya Toll Plaza.

The concession assets in India with a net carrying value of RM544,484,000 (2010: RM603,831,000) are pledged as security for Term Loan 1 (Note 18).

In the preceding financial year, finance cost and employee benefits cost of RM7,449,000 (Note 9) and RM66,000 (Note 6) respectively had been capitalised and included in additions.

31 SUBSIDIARIES

	The Company 2011 RM'000	The Company 2010 RM'000
At cost:		
Quoted shares:		
- in Malaysia	**1,202,045**	935,902
Unquoted Redeemable Convertible Unsecured Loan Stocks ("RCULS")	**400,000**	400,000
Unquoted shares:		
- in Malaysia	**3,169,956**	3,174,956
- outside Malaysia	**1,934**	4,995
	4,773,935	4,515,853
Less: Accumulated impairment		
Unquoted shares		
- in Malaysia	**(1,079,093)**	(942,761)
- outside Malaysia	**(1,035)**	(4,018)
	(1,080,128)	(946,779)
	3,693,807	3,569,074
Amounts owing by subsidiaries	**733,590**	745,636
	4,427,397	4,314,710
Market value		
Quoted shares:		
- in Malaysia	**3,356,126**	2,049,222

The Group's effective equity interest in the subsidiaries and their respective principal activities and countries of incorporation are set out in Note 57 to the financial statements.

32 ASSOCIATES

	The Group 2011 RM'000	The Group 2010 RM'000	The Company 2011 RM'000	The Company 2010 RM'000
(a) Associates other than Grupo Concesionario del Oeste S.A ("Grupo")	**427,255**	383,305	**65,241**	43,252
(b) Grupo	**60,049**	58,815	**44,294**	44,294
	487,304	442,120	**109,535**	87,546
Represented by:				
Group's share of net assets	**487,304**	442,120		
Market value				
Quoted shares:				
- in Malaysia	**184,929**	55,567	**184,929**	55,567
- outside Malaysia (Grupo)	**55,968**	28,622	**55,968**	28,622
	240,897	84,189	**240,897**	84,189

The Group's effective equity interest in the associates and their respective principal activities and countries of incorporation are set out in Note 57 to the financial statements.

32 ASSOCIATES (cont'd)

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
(a) Associates other than Grupo:				
Quoted shares, at cost:				
- in Malaysia	**50,664**	50,664	**50,664**	50,664
Unquoted shares, at cost:				
- in Malaysia	**84,517**	90,597	**42,277**	42,277
- outside Malaysia	**200,633**	189,802	**1,765**	1,776
	335,814	331,063	**94,706**	94,717
Share of post-acquisition retained profits	**146,880**	109,675	**–**	–
Share of post-acquisition reserves	**(8,106)**	11,940	**–**	–
	474,588	452,678	**94,706**	94,717
Less: Accumulated impairment	**(47,333)**	(69,373)	**(29,465)**	(51,465)
	427,255	383,305	**65,241**	43,252
(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	**17,755**	16,521	**–**	–
Less: Accumulated impairment	**(47,000)**	(47,000)	**(45,000)**	(45,000)
	60,049	58,815	**44,294**	44,294

Based on the current valuation of the Group's share of net assets and best estimates of the net present value of future cash flows, the Directors are of the opinion that the investment in Grupo is not further impaired.

(c) 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 obligations beyond these amounts. The Group's share of such losses is as follows:

	The Group	
	2011 RM'000	2010 RM'000
Current year share of profits/(losses)	**5,255**	(3,980)
Cumulative share of losses	**(17,662)**	(22,917)

32 ASSOCIATES (cont'd)

(d) The Group's share of assets and liabilities of the associates are as follows:

	The Group	
	2011 RM'000	2010 RM'000
Non-current assets	**613,190**	683,236
Current assets	**335,180**	330,967
Non-current liabilities	**(288,864)**	(358,388)
Current liabilities	**(172,572)**	(217,031)
Net assets	**486,934**	438,784
Premium on acquisition	**370**	3,336
	487,304	442,120

The Group's share of the revenue and expenses of the associates are as follows:

	The Group	
	2011 RM'000	2010 RM'000
Revenue	**461,022**	439,381
Expenses including taxation	**(414,178)**	(419,705)
Net profit for the financial year	**46,844**	19,676

33 JOINTLY CONTROLLED ENTITIES

	The Group	
	2011 RM'000	2010 RM'000
Share of net assets of jointly controlled entities	**316,755**	449,406
Amounts owing by jointly controlled entites	**893,739**	624,459
Less: Allowance for impairment of amounts owing by jointly controlled entities	**(186,126)**	(9,347)
	707,613	615,112
	1,024,368	1,064,518

	The Company	
	2011 RM'000	2010 RM'000
Unquoted shares at cost	**296,122**	290,000
Amounts owing by jointly controlled entites	**71,348**	58,158
Less: Allowance for impairment of amounts owing by jointly controlled entities	**(44,261)**	–
	27,087	58,158
	323,209	348,158

The amounts owing by jointly controlled entities are mainly unsecured advances for the jointly controlled entities' working capital requirements which bear interest rates ranging from 6.0% to 8.3% (2010: 6.0% to 7.8%).

33 JOINTLY CONTROLLED ENTITIES (cont'd)

As at 31 March 2011, amounts owing by jointly controlled entities of the Group and the Company of RM143,114,000 and RM42,024,000 respectively were impaired and provided for. The net amounts recoverable from jointly controlled entities are arrived at based on the present value of the projected cash flows generated by the construction and property development activities undertaken by the jointly controlled entities.

Movements on the Group's allowance for impairment of amounts owing by jointly controlled entities are as follows:

	The Group RM'000	The Company RM'000
At 31 March 2010	9,347	–
Allowance for impairment of amounts owing by jointly controlled entities on 1 April 2010 upon initial adoption of FRS 139	140,602	44,261
Allowance for impairment of amounts owing by jointly controlled entities during the year (Note 5(a))	36,177	–
At 31 March 2011	**186,126**	**44,261**

A significant portion of the amounts owing by jointly controlled entities is in relation to Kumpulan Europlus Berhad, an associate of the Company. The Group has carried out an assessment on the recoverability of these balances and management believes that the current impairment recognised is adequate.

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

	Group's effective interest in jointly controlled entities 2011 %	2010 %	Principal activity
Astaka Tegas Sdn Bhd	**50**	50	Property development and investment holdings
Elegan Pesona Sdn Bhd	**50**	50	Property development
IJM Properties-JA Manan Development Joint Venture	**50**	50	Property development
Sierra Ukay Sdn Bhd	**50**	50	Property development
Sierra Selayang Sdn Bhd	**50**	50	Property development
IJM Properties-Danau Lumayan Joint Venture	**60**	60	Property development
IJM Management Services-Giat Bernas Joint Venture	**70**	70	Project management services
Valencia Terrace Sdn Bhd	**50**	50	Property development
Radiant Pillar Sdn Bhd	**50**	50	Property development
Good Debut Sdn Bhd	**50**	50	Property development
Cekap Tropikal Sdn Bhd	**50**	50	Property development
Larut Leisure Enterprise (Hong Kong) Limited	**50**	50	Property development
IJMP – RPSB Joint Venture	**60**	60	Sand mining operations
IJM Biofuel Sdn Bhd	**–**	60	Manufacture and sale of biodiesel
Godrej IJM Palm Oil Limited	**–**	51	Trading of oil palm fresh fruit bunches and milling
IJM-SCL Joint Venture	**50**	50	Construction
IJM-Gayatri Joint Venture	**60**	60	Construction
IJM-NBCC-VRM Joint Venture	**50**	50	Construction
Lebuhraya Kajang Seremban Sdn Bhd	**50**	50	Toll road operations

33 JOINTLY CONTROLLED ENTITIES (cont'd)

(a) Details of the jointly controlled entities are as follows: (cont'd)

	Group's effective interest in jointly controlled entities 2011 %	2010 %	Principal activity
Trichy Tollway Private Limited	**50**	50	Highway development
Vijayawada Tollway Pte Ltd	**50**	50	Highway development
Hafeera-IJM Joint Venture	**50**	50	Construction
IJMC-Norwest Joint Venture	**70**	70	Construction
IJMC-Puncabahan Joint Venture	**70**	70	Construction
IJMC-Zublin Joint Venture	**50**	50	Construction
IJMC-LCL Interiors LLC	**70**	70	Construction
ISZL Consortium	**25**	25	Construction
ECC - IJM Joint Venture	**50**	50	Construction
BSC-RBM-PATI JV	**38**	38	Construction
RBM-PATI JV	**75**	75	Construction
Ambang Usaha Sdn Bhd	**50**	50	Construction
IJMC-Peremba Joint Venture	**50**	50	Construction
IJMC-Perkasa Sutera Joint Venture	**70**	70	Construction
IJMC-Gayatri Joint Venture	**60**	60	Construction
IJM-LFE Joint Venture	**70**	70	Construction
Shimizu-Nishimatsu-UEMB-IJM Joint Venture	**20**	–	Construction
IJMC - JAKS Joint Venture	**60**	–	Construction
Kiara Teratai - IJM Joint Venture	**40**	–	Construction
IJMC-Liberty Properties Joint Venture	**–**	60	Construction
IJMC-Teratai Joint Venture	**–**	50	Construction

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

	The Group 2011 RM'000	2010 RM'000
Non-current assets	**1,155,896**	1,144,328
Current assets	**700,866**	723,722
Non-current liabilities	**(1,121,259)**	(1,086,896)
Current liabilities	**(418,748)**	(331,748)
Net assets	**316,755**	449,406

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

	The Group 2011 RM'000	2010 RM'000
Revenue	**300,130**	429,518
Expenses including taxation	**(326,356)**	(418,447)
Net (losses)/profits for the financial year	**(26,226)**	11,071

Capital commitment and contingent liability relating to the Group's interest in jointly controlled entities are disclosed in Notes 54 and 55 respectively.

34 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Unquoted shares:				
- in Malaysia	**36,375**	36,385	**6,500**	6,500
- outside Malaysia	**260**	260	**260**	260
	36,635	36,645	**6,760**	6,760
Transferable club membership	**234**	234	**–**	–
	36,869	36,879	**6,760**	6,760
Allowance for impairment				
Unquoted shares:				
- in Malaysia	**(34,325)**	(34,325)	**(4,450)**	(4,450)
- outside Malaysia	**(260)**	(260)	**(260)**	(260)
Transferable club membership	**(80)**	(80)	**–**	–
	(34,665)	(34,665)	**(4,710)**	(4,710)
	2,204	2,214	**2,050**	2,050

Available-for-sale financial assets are denominated in Ringgit Malaysia.

35 LONG TERM RECEIVABLES

	Note	The Group 2011 RM'000	The Group 2010 RM'000
Lease receivables	(a)	**23,163**	23,452
Less: Amount receivable within 12 months (included in trade and other receivables - Note 40)		**(496)**	(288)
		22,667	23,164
Advances for land acquisition and plantation development expenditure	(b)	**29,762**	112,457
Government grant receivables	(c)	**26,634**	40,487
Less:			
- Amount receivables within 12 months (included in trade and other receivables - Note 40)		**(12,528)**	(16,194)
		14,106	24,293
Other receivables		**3,656**	–
		70,191	159,914

35 LONG TERM RECEIVABLES (cont'd)

(a) Lease receivables

	The Group	
	2011 RM'000	2010 RM'000
Lease receivables:		
- Receivable within 1 year	**2,785**	2,785
- Receivable between 1 and 5 years	**11,991**	11,708
- Receivable after 5 years	**21,071**	24,140
	35,847	38,633
Less: Unearned interest income	**(12,684)**	(15,181)
	23,163	23,452
Lease receivables:		
- Receivable within 1 year	**496**	288
- Receivable between 1 and 5 years	**4,927**	3,808
- Receivable after 5 years	**17,740**	19,356
	23,163	23,452

IJM Properties Sdn Bhd, a subsidiary of the Company, entered into a lease arrangement with a third party to lease a building for a period of 15 years commencing 1 March 2007.

(b) This represents deposits made by IJM Plantations Berhad, a subsidiary of the Company to the State Land Department for the subsidiary's applications to acquire certain parcels of leasehold land and advances for plantation development activities in Indonesia.

(c) This represents the operational grants receivable from the Indian Government for certain toll road concessions awarded to the Group.

The fair values of lease receivables and government grant receivables are computed based on cash flows discounted at market borrowing rates of 7.5% and 10% respectively.

The currency exposure profile of long term receivables is as follows:

	The Group	
	2011 RM'000	2010 RM'000
United States Dollar	**–**	18,380

36 INTANGIBLE ASSETS

	Goodwill on consolidation RM'000	Construction order book RM'000	Quarry development expenditure RM'000	Premium paid on quarry rights RM'000	Total RM'000
The Group					
2011					
Cost					
At 1 April 2010	1,014,620	9,850	20,381	202	1,045,053
Additions	–	–	5,528	–	5,528
At 31 March 2011	**1,014,620**	**9,850**	**25,909**	**202**	**1,050,581**
Accumulated amortisation					
At 1 April 2010	–	(9,850)	(15,121)	(202)	(25,173)
Current amortisation (Note 5(a))	–	–	(3,212)	–	(3,212)
At 31 March 2011	**–**	**(9,850)**	**(18,333)**	**(202)**	**(28,385)**
Accumulated impairment					
At 1 April 2010/ At 31 March 2011	**(945,076)**	**–**	**–**	**–**	**(945,076)**
	69,544	–	7,576	–	77,120
2010					
Cost					
At 1 April 2009	1,018,150	9,850	18,867	202	1,047,069
Additions	–	–	1,793	–	1,793
Reversal	–	–	(279)	–	(279)
Disposal of subsidiaries (Note 49(b))	(3,530)	–	–	–	(3,530)
At 31 March 2010	1,014,620	9,850	20,381	202	1,045,053
Accumulated amortisation					
At 1 April 2009	–	(6,566)	(12,147)	(202)	(18,915)
Current amortisation (Note 5(a))	–	(3,284)	(2,974)	–	(6,258)
At 31 March 2010	–	(9,850)	(15,121)	(202)	(25,173)
Accumulated impairment					
At 1 April 2009/ At 31 March 2010	(945,076)	–	–	–	(945,076)
	69,544	–	5,260	–	74,804

36 INTANGIBLE ASSETS (cont'd)

	The Group	
	2011 RM'000	2010 RM'000
Amortisation for the current financial year was included in the following statement of comprehensive income line items:		
- Cost of sales	**3,212**	2,974
- Other operating expenses	**–**	3,284
	3,212	6,258

37 PROPERTY DEVELOPMENT

(a) Land held for property development

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Freehold land, at cost	**491,212**	496,094	**281**	281
Leasehold land, at cost	**80,833**	88,608	**–**	–
Leasehold land, at valuation	**63,368**	63,523	**–**	–
Development costs	**66,261**	82,756	**–**	–
Accumulated impairment	**(28,294)**	(28,843)	**–**	–
	673,380	702,138	**281**	281
At 1 April	**702,138**	734,233	**281**	281
Additions during the year	**53,349**	12,996	**–**	–
Transferred to property development costs (Note 37(b)):				
- Land cost	**(42,218)**	(39,771)	**–**	–
- Development costs	**(25,081)**	(3,345)	**–**	–
	(67,299)	(43,116)	**–**	–
Transferred to assets held for sale (Note 43)	**(125)**	–	**–**	–
Disposals during the year	**(12,861)**	(1,130)	**–**	–
Impairment during the year (Note 5(a))	**(1,822)**	(845)	**–**	–
At 31 March	**673,380**	702,138	**281**	281

Leasehold land of RM63,310,000 was revalued in 1994 based on the valuation conducted by an independent firm of professional valuers on 6 November 1992 on an open market basis.

Leasehold land of RM155,000 was revalued in 1989 based on valuation conducted by an independent firm of professional valuers on an open market basis.

The revalued amounts are retained as surrogate costs as allowed under transitional provisions of FRS 201_{2004}.

The carrying values of freehold land and leasehold land amounting to RM109,566,000 (2010: RM99,630,000) and RM2,771,000 (2010: RM3,371,000) respectively are pledged as security for Term Loan 4 of a subsidiary (Note 18).

37 PROPERTY DEVELOPMENT (cont'd)

(b) Property development costs

	Note	The Group 2011 RM'000	The Group 2010 RM'000
At 1 April			
Freehold land – at cost		**559,593**	639,482
Leasehold land – at cost		**489,740**	443,217
Development costs		**2,406,139**	2,472,375
Accumulated costs charged to profit or loss		**(1,759,164)**	(1,789,192)
Completed units transferred to building stocks		**(177,212)**	(63,806)
Accumulated impairment		**(6,035)**	(2,346)
		1,513,061	1,699,730
Less: Completed development properties:			
Freehold land – at cost		**(72,911)**	(71,573)
Leasehold land – at cost		**(121,622)**	(28,866)
Development costs		**(728,439)**	(707,218)
Accumulated costs charged to profit or loss		**766,796**	752,789
Completed units transferred to building stocks		**156,176**	54,868
		–	–
		1,513,061	1,699,730
Arising from the acquisition of a subsidiary:			
- Development costs	48(a)(i)	**47,063**	–
Costs incurred during the financial year:			
- Purchase of land		**55,084**	16,975
- Development costs		**682,229**	605,175
		737,313	622,150
Disposal of land		**(917)**	–
Transferred from land held for property development:	37(a)		
- Land cost		**42,218**	39,771
- Development costs		**25,081**	3,345
		67,299	43,116
Costs charged to profit or loss		**(637,456)**	(619,308)
Impairment during the year	5(a)	**(10,739)**	(3,689)
Completed units transferred to inventories		**(81,252)**	(162,616)
Land transferred to investment properties	29	**–**	(41,822)
Development costs transferred to investment properties	29	**–**	(25,110)
Exchange differences		**(19,600)**	610
At 31 March		**1,614,772**	1,513,061
At 31 March:			
Freehold land – at cost		**560,403**	559,593
Leasehold land – at cost		**347,085**	489,740
Development costs		**2,403,939**	2,406,139
Accumulated costs charged to profit or loss		**(1,586,636)**	(1,759,164)
Completed units transferred to building stocks		**(91,981)**	(177,212)
Accumulated impairment		**(18,038)**	(6,035)
		1,614,772	1,513,061

37 PROPERTY DEVELOPMENT (cont'd)

(b) Property development costs (cont'd)

Property development costs incurred during the financial year include the capitalisation of the following expenses:

	Note	The Group 2011 RM'000	2010 RM'000
Employee benefits cost	6	**458**	379
Finance cost	9	**20,505**	25,701

The carrying values of freehold land and leasehold land amounting to RM126,210,000 (2010: RM138,548,000) and RM44,728,000 (2010: RM68,198,000) respectively are pledged as security for Term Loans 2, 3 and 4 (2010: Term Loans 2, 3, 4, 6 and 8) of a subsidiary (Note 18).

The title deeds to the leasehold land of a subsidiary with net book values amounting to RM32,769,000 (2010: RM32,769,000) are currently being processed by the relevant authorities and have yet to be issued to the subsidiary.

38 PLANTATION DEVELOPMENT EXPENDITURE

	The Group 2011 RM'000	2010 RM'000
Cost		
At 1 April	**305,525**	262,239
Acquisition of subsidiaries (Note 48(a)(iii))	**29,463**	–
Additions during the year	**90,194**	42,050
Exchange difference	**(1,236)**	1,236
At 31 March	**423,946**	305,525
Valuation		
At 1 April / At 31 March	**168,733**	168,733
At 31 March	**592,679**	474,258

(a) The plantation development expenditure of IJM Plantations Berhad, a subsidiary of the Company and its certain subsidiaries were last revalued in 1997 based on an open market value basis by firms of independent professional valuers.

Had the revalued plantation development expenditure of the Group been carried under the cost model, the carrying amount would have been RM64,116,744 (2010: RM64,116,744).

(b) Plantation development expenditure capitalised during the financial year include the following:

	Note	The Group 2011 RM'000	2010 RM'000 (Restated)
Depreciation of property, plant and equipment	27(d)	**3,673**	1,918
Amortisation of leasehold land	28	**674**	696
Finance cost	9	**–**	4
Employee benefits cost	6	**8,678**	7,028

39 INVENTORIES

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Cost				
Raw materials:				
- Construction materials	**107,286**	40,979	**6,028**	10,184
- Other raw materials	**100,378**	84,855	**–**	–
Finished goods:				
- Completed buildings	**158,610**	210,829	**–**	–
- Quarry and manufactured products	**83,376**	79,490	**–**	–
- Compost	**252**	111	**–**	–
- Palm kernel	**3,110**	1,597	**–**	–
Oil palm seeds	**1,722**	1,079	**–**	–
Oil palm nursery	**20,319**	9,744	**–**	–
Fertilisers and chemicals	**647**	4,476	**–**	–
Stores, spares & consumables	**23,498**	17,266	**–**	–
Work-in-progress	**580**	555	**–**	–
	499,778	450,981	**6,028**	10,184
Net realisable value				
Finished goods:				
- Completed buildings	**65,593**	48,048	**1,938**	1,938
- Crude palm oil	**17,111**	25,975	**–**	–
- Consumables	**496**	476	**–**	–
- Palm kernel	**830**	530	**–**	–
- Crude palm kernel oil	**263**	3,310	**–**	–
	84,293	78,339	**1,938**	1,938
	584,071	529,320	**7,966**	12,122

40 TRADE AND OTHER RECEIVABLES

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Trade receivables	**1,411,325**	1,294,758	**108,105**	81,864
Less: Allowance for impairment of trade receivables	**(209,074)**	(66,341)	**(14,440)**	(11,692)
	1,202,251	1,228,417	**93,665**	70,172
Trade and tender deposits	**16,991**	23,282	**–**	–
Trade advances	**89,120**	72,939	**11,404**	13,087
Less: Allowance for impairment of trade advances	**(8,982)**	(274)	**(8,982)**	(274)
	80,138	72,665	**2,422**	12,813
Other receivables	**263,571**	252,274	**21,826**	19,924
Less: Allowance for impairment of other receivables	**(25,468)**	(12,529)	**(3,887)**	(3,824)
	238,103	239,745	**17,939**	16,100

40 TRADE AND OTHER RECEIVABLES (cont'd)

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Amounts owing by subsidiaries	–	–	621,157	687,958
Less: Allowance for impairment of amounts owing by subsidiaries	–	–	(42,215)	(42,215)
	–	–	578,942	645,743
Amounts owing by associates	31,987	31,619	14,969	17,291
Less: Allowance for impairment of amounts owing by associates	(2,360)	(2,979)	(1,173)	(1,173)
	29,627	28,640	13,796	16,118
Deposits	30,912	24,222	108	147
	1,598,022	1,616,971	706,872	761,093
Amounts due from customers on construction contracts (Note 46)	155,265	387,635	1,791	1,619
Accrued billings in respect of property development	94,080	142,788	–	–
Prepayments	26,740	23,296	3,885	2,247
	1,874,107	2,170,690	712,548	764,959

Trade and other receivables include the current portion of the following items:

	The Group	
	2011 RM'000	2010 RM'000
Lease receivables (Note 35)	496	288
Government grant receivables (Note 35)	12,528	16,194

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

	The Group	
	2011 RM'000	2010 RM'000
United States Dollar	22,719	16,571
Singapore Dollar	1,798	7,910
Vietnam Dong	2,624	–
	27,141	24,481

Trade and other receivables that are neither past due nor impaired:

Credit terms of trade receivables range from payment in advance to 120 days (2010: range from payment in advance to 120 days).

Other than receivables that are impaired, trade and other receivables comprise:

- Receivables in relation to construction business arising from rendering of construction services to companies with a good collection track record with the Group and the Company. These receivables include retention sums which are to be settled in accordance with the terms of the respective contracts;
- Receivables in relation to property development business arising from sale of development units to large number of property purchasers with end financing facilities from reputable end-financiers, and the ownership and rights to the properties revert to the Group in the event of default; and
- Receivables from other external parties with no history of default.

40 TRADE AND OTHER RECEIVABLES (cont'd)

Trade and other receivables that are past due but not impaired:

As at 31 March 2011, trade and other receivables of the Group and the Company of RM487,943,000 and RM20,568,000 respectively were past due but not impaired. These relate to customers for whom there is no objective evidence that the receivables are not fully recoverable.

The ageing analysis of these receivables is as follows:

	The Group 2011 RM'000	The Company 2011 RM'000
At 31 March 2011		
- Up to 6 months	**169,437**	**6,754**
- More than 6 months	**318,506**	**13,814**
	487,943	**20,568**

Trade and other receivables that are impaired:

As at 31 March 2011, trade and other receivables of the Group and the Company of RM245,884,000 and RM70,697,000 respectively were impaired and provided for. The receivables were individually impaired either because of significant delay in collection period or because the debtors are in unexpectedly difficult economic situations. Movements on the Group's and the Company's allowance for impairment of trade and other receivables are as follows:

	The Group RM'000	The Company RM'000
At 31 March 2010	82,123	59,178
Allowance for impairment of receivables on 1 April 2010 upon initial adoption of FRS 139	116,704	9,456
Allowance for impairment of receivables during the year (Note 5(a))	73,190	2,063
Reversal of allowance for impairment of receivables	(16,306)	–
Bad debts written off	(4,042)	–
Bad debts recovered	(4,778)	–
Foreign currency exchange differences	(1,007)	–
At 31 March 2011	**245,884**	**70,697**

Concentrations of credit risk with respect to trade and other receivables are limited due to the Group's large number of customers, who are dispersed over a broad spectrum of industries and businesses, other than the concentration of credit risk in respect of amounts due from a "single customer limit" debtor and Kumpulan Europlus Berhad ("KEB"), an associate and companies related to the associate. The Group has carried out an assessment on the recoverability of these balances and management believes that the current impairment recognised is adequate.

The amounts owing by subsidiaries and associates are unsecured, bear interest at rates ranging from 5.0% to 8.8% (2010: 5.0% to 8.8%) per annum and repayable on demand.

There is no material difference between the carrying value of trade and other receivables and their fair value, due to the short-term duration of the receivables.

Certain construction receivables, net of recoveries from projected cash flows to be derived from the projects, are secured against land titles deposited with the Group.

41 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Quoted securities in Malaysia – held for trading:				
Quoted shares	**5,412**	4,964	**3,321**	2,633
Quoted warrants	**–**	63	**–**	48
Quoted corporate bonds	**11,378**	–	**11,378**	–
Quoted unit trusts	**195,940**	105,495	**153,383**	80,000
	212,730	110,522	**168,082**	82,681

In the preceding financial year, short term investments in marketable securities are carried at the lower of cost and market value, determined on an aggregate portfolio basis.

On 1 April, the Group and the Company adopted FRS 139 "Financial Instruments: Recognition and Measurement". With the adoption of FRS 139, short term investments are recognised and measured at fair value on the date a transaction is entered into and are subsequently re-measured at fair value with changes in fair value recognised in profit or loss at each reporting date.

The fair value of all quoted securities is based on their quoted market prices in an active market.

42 DEPOSITS, CASH AND BANK BALANCES

		The Group		The Company	
	Note	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Deposits with licensed banks	(a)	**972,502**	741,633	**24,943**	43,933
Cash and bank balances		**303,766**	269,370	**122,230**	73,071
Housing Development Accounts	(b)	**230,329**	210,508	**–**	–
		534,095	479,878	**122,230**	73,071
		1,506,597	1,221,511	**147,173**	117,004

(a) Included in deposits with licensed banks are the deposits of IJM Investments (L) Ltd, a subsidiary of the Company, amounting to RM121,120,000 (2010: RM Nil) which were assigned to the bank to hold as security in connection with the term loan of a subsidiary referred to in Note 18 to the financial statements.

(b) Cash and bank balances include balances amounting to RM230,329,000 (2010: RM210,508,000) 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 projects 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.

The currency exposure profile of deposits with licensed banks is as follows:

	The Group	
	2011 RM'000	2010 RM'000
United States Dollar	**121,120**	–

42 DEPOSITS, CASH AND BANK BALANCES (cont'd)

The currency exposure profile of cash and bank balances and Housing Development Accounts is as follows:

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Hong Kong Dollar	**93**	97	**–**	–
Singapore Dollar	**43,665**	917	**424**	430
Australian Dollar	**–**	75	**–**	–
United States Dollar	**7,459**	10,863	**45**	1,976
Korean Won	**–**	586	**–**	–
Vietnam Dong	**1,818**	–	**–**	–
	53,035	12,538	**469**	2,406

The effective interest rates per annum as at the end of the financial year for the Group and the Company are as follows:

	The Group		The Company	
	2011 %	2010 %	2011 %	2010 %
Deposits with licensed banks	**2.73**	2.19	**2.77**	2.15
Cash at bank held under Housing Development Accounts	**1.74**	1.46	**–**	–

Deposits, cash and bank balances are mainly deposits with banks with high credit ratings assigned by international credit rating agencies.

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

Deposits with licensed banks have a maturity period ranging between 1 and 365 days (2010: 1 and 365 days).

43 ASSETS HELD FOR SALE

		The Group	
	Note	2011 RM'000	2010 RM'000
Investment properties (Note 29)	(a)	**–**	501
Investment properties (Note 29)	(b)	**5,116**	–
Investment properties (Note 29)	(c)	**457**	–
Property, plant and equipment (Note 27)	(b)	**27**	–
Property, plant and equipment (Note 27)	(d)	**1,427**	–
Land held for property development (Note 37(a))	(e)	**125**	–
		7,152	501

(a) The Directors of ICP Marketing Sdn Bhd, an indirect subsidiary of the Company, had approved the disposal of 3 units of Greenfield apartments for a cash consideration (net) of RM506,000. The disposals were completed on 10 May 2010 and 2 June 2010.

(b) The directors of IJM Properties Sdn Bhd, an indirect subsidiary of the Company, had entered into a sale and purchase agreement with Fairview Schools Penang Sdn Bhd to dispose IJM Lake Plaza for a cash consideration of RM7,000,000. The disposal is subject to fulfilment of conditions precedent.

(c) The Directors of ICP Marketing Sdn Bhd, an indirect subsidiary of the Company, had approved the disposal of a unit of 4-storey shop office for a cash consideration of RM650,000. The disposal is subject to fulfilment of conditions precedent.

43 ASSETS HELD FOR SALE (cont'd)

(d) The directors of Holiday Villa Management Sdn Bhd, an indirect subsidiary of the Company, had approved the disposal of a parcel of leasehold land situated in Pahang Darul Makmur, with a hotel building and clubhouse erected thereto for a cash consideration of RM5,700,000. As at 31 March 2011, the sale and purchase agreement was in the process of being finalised.

(e) The directors of IJM Construction Sdn Bhd, a wholly-owned subsidiary of the Company, had approved the disposal of a piece of land for a cash consideration of RM 137,895. The disposal is subject to fulfilment of conditions precedent.

44 TRADE AND OTHER PAYABLES

		The Group		The Company	
	Note	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Trade payables		**888,775**	887,619	**3,528**	5,502
Amounts owing to subsidiaries		**–**	–	**832,839**	784,995
Amounts owing to associates		**2,642**	3,231	**2,189**	2,923
Amounts owing to jointly controlled entities		**30,327**	19,390	**–**	5,494
Government support loan	19	**4,965**	2,482	**–**	–
Trade accruals		**65,267**	74,120	**29,992**	31,233
Land premium payable to State Government	24	**3,000**	3,000	**–**	–
Other payables and accruals		**372,389**	443,208	**7,727**	6,360
Dividend payable		**293**	26	**293**	26
Hire purchase and lease creditors	20	**1,804**	4,360	**–**	–
		1,369,462	1,437,436	**876,568**	836,533
Retirement benefits payable	25	**883**	798	**–**	–
Progress billings in respect of property development		**155,860**	132,792	**–**	–
Amounts due to customers on construction contracts	46	**133,970**	118,274	**3,640**	8,675
		1,660,175	1,689,300	**880,208**	845,208

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

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Singapore Dollar	**98**	11,406	**10,563**	10,291
United States Dollar	**1,632**	3,390	**–**	–
	1,730	14,796	**10,563**	10,291

The amounts owing to subsidiaries, associates and jointly controlled entities are unsecured, bear interest at rates ranging from 5.0% to 7.5% (2010: 5.0% to 7.5%) per annum and repayable on demand.

Credit terms of trade and other payables range from payments in advance to 120 days (2010: range from payments in advance to 120 days).

45 BORROWINGS

	Note	The Group 2011 RM'000	The Group 2010 RM'000	The Company 2011 RM'000	The Company 2010 RM'000
Secured					
Bonds	16	**47,097**	84,128	**–**	–
Commercial Papers and Medium Term Notes	17	**–**	49,000	**–**	–
Term loans	18	**51,342**	169,377	**–**	–
Revolving credits		**32,000**	6,000	**–**	–
Bank overdrafts	50	**45,868**	33,489	**–**	–
Bankers' acceptances		**12,509**	–	**–**	–
		188,816	341,994	**–**	–
Unsecured					
Commercial Papers and Medium Term Notes	17	**41,848**	41,532	**–**	–
Term loans	18	**466,841**	468,986	**25,000**	–
Bankers' acceptances		**97,496**	31,702	**18,463**	–
Revolving credits		**175,782**	52,084	**110,139**	16,363
Bank overdrafts	50	**19,691**	22,428	**–**	–
		801,658	616,732	**153,602**	16,363
		990,474	958,726	**153,602**	16,363

The security of bonds, commercial papers, medium term notes and term loans are disclosed in notes 16, 17 and 18 respectively.

The secured bank overdrafts and bankers' acceptances are secured by fixed and floating charges over all the current assets of IJM (India) Infrastructure Limited ("IJMII"), a subsidiary of the Company.

As at 31 March 2011, the revolving credits of the Group is secured by way of Lien-Holder's Caveat over landed properties of a subsidiary with a minimum security cover of 1.0 time the loan outstanding.

As at 31 March 2010, the revolving credits of the Group were secured by way of Lien-Holder's Caveat upon issuance of sub-divided block titles from the relevant authorities with a minimum cover of 1.67 times the loan outstanding. The revolving credits were disbursed against corporate guarantee from IJMLB, a subsidiary of the Company. The corporate guarantee will be released once the Lien-Holder's Caveat was formalised.

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

	The Group 2011 RM'000	The Group 2010 RM'000	The Company 2011 RM'000	The Company 2010 RM'000
United States Dollar	**284,295**	267,255	**15,139**	16,363

45 BORROWINGS (cont'd)

As at the balance sheet date, the weighted average effective interest rates for the bank borrowings, other than Bonds, Commercial Papers, Medium Term Notes and Term Loans which are disclosed in notes 16, 17 and 18 respectively, of the Group and of the Company are as follows:

	The Group and The Company					
	2011			2010		
	Bankers' acceptance %	Revolving credit %	Bank overdraft %	Bankers' acceptance %	Revolving credit %	Bank overdraft %
Ringgit Malaysia	**3.23**	**3.26**	**7.19**	2.59	4.01	7.05
Indian Rupee	**10.18**	**10.20**	**10.75**	–	10.30	11.41
United States Dollar	**–**	**1.91**	**–**	–	1.66	–
Chinese Renminbi	**–**	**–**	**–**	–	–	5.10

46 AMOUNTS DUE FROM / (TO) CUSTOMERS ON CONSTRUCTION CONTRACTS

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Aggregate costs incurred to-date	**7,900,762**	11,717,497	**790,730**	674,115
Attributable profits less recognised losses	**557,919**	1,211,306	**(5,855)**	(2,436)
	8,458,681	12,928,803	**784,875**	671,679
Less: Progress billings on contracts	**(8,437,386)**	(12,659,442)	**(786,724)**	(678,735)
	21,295	269,361	**(1,849)**	(7,056)
Amounts due from customers on construction contracts (included in trade and other receivables - Note 40)	**155,265**	387,635	**1,791**	1,619
Amounts due to customers on construction contracts (included in trade and other payables - Note 44)	**(133,970)**	(118,274)	**(3,640)**	(8,675)
	21,295	269,361	**(1,849)**	(7,056)
Advances received on contracts (included in trade payables)	**167,001**	83,469	**–**	–
Retention sums on contracts (included in trade receivables)	**139,055**	157,632	**9,241**	8,547

46 AMOUNTS DUE FROM / (TO) CUSTOMERS ON CONSTRUCTION CONTRACTS (cont'd)

During the financial year, the following expenses have been included in the aggregate costs incurred to-date of the Group and of the Company:

		The Group		The Company	
	Note	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Employee benefits cost	6	**66,658**	60,556	**–**	–
Finance cost	9	**644**	4,970	**–**	–
Depreciation of property, plant and equipment	27	**17,402**	35,940	**678**	1,230

Amounts due from customers on construction contracts amounting to RM109,116,000 (2010: RM167,806,000) are pledged as security for bankers' acceptances and bank overdrafts (Note 45) of certain subsidiaries.

Amounts due from customers on construction contracts amounting to RM36,360,000 (2010: RM205,149,000) is secured in the form of an irrevocable power of attorney on the land and construction work held by a stakeholder.

47 IMPAIRMENT OF ASSETS

Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to business segments.

The carrying amounts of goodwill allocated to the CGUs are as follows:

	Manufacturing and quarrying RM'000	Construction RM'000	Others (individually insignificant) RM'000	Total RM'000
2011				
At 1 April 2010 / At 31 March 2011	**56,026**	**13,132**	**386**	**69,544**
2010				
At 1 April 2009	56,026	13,132	3,916	73,074
Disposal of subsidiaries (Note 49(b))	–	–	(3,530)	(3,530)
At 31 March 2010	56,026	13,132	386	69,544

The recoverable amounts of the respective CGUs are determined based on value-in-use ("VIU") calculations, using pre-tax cash flow projections on the following basis:

CGU	Basis of cash flow projections	Growth rate		Discount rate	
		2011 %	2010 %	2011 %	2010 %
Manufacturing and Quarrying	Financial budgets approved by management based on past performance and expectations of market development	**5**	5	**6.1**	6.2
Construction	Discounted cash flows of the construction order book	**N/A**	N/A	**10.0**	10.0

N/A denotes not applicable.

The discount rate used reflects the specific risks relating to the CGU.

48 ACQUISITION OF SUBSIDIARIES

(a) During the current financial year, the Group acquired the following subsidiaries:

(i) IJM Land Berhad ("IJML"), a subsidiary of the Company, has on 21 May 2010 entered into a Share Sale Agreement with the existing shareholders of Sova Holdings Sdn Bhd ("SHSB"), to acquire 210,000 ordinary shares of RM1 each, representing 70% of the issued and paid up capital of SHSB for a total cash consideration of RM18,000,000.

The acquisition was completed on 9 September 2010.

Details of net assets acquired are as follows:

	Note	Acquiree's carrying value RM'000	Fair value RM'000
Identifiable assets and liabilities			
Non-current assets			
Property, plant and equipment	27	157	157
		157	157
Current assets			
Property development costs	37(b)	12,471	47,063
Receivables		2,908	2,908
Tax recoverable		28	28
Cash and bank balances		2,354	2,354
		17,761	52,353
Non-current liabilities			
Deferred tax liabilities	23	–	(8,648)
		–	(8,648)
Current liabilities			
Payables		(18,853)	(18,853)
		(18,853)	(18,853)
Identifiable net (liabilities)/assets		(935)	25,009
Less: 30% of fair value of total net assets held by minority interests			(7,503)
Identifiable net assets acquired			17,506
Goodwill			494
Purchase consideration			18,000

The goodwill on acquisition of RM494,000 has been fully impaired as of 31 March 2011.

Details of cash flow arising from the acquisition are as follows:

	Group RM'000
Total purchase consideration	(18,000)
Less: Cash and cash equivalents of subsidiary acquired	2,354
Cash outflow to the Group on acquisition	(15,646)

The acquired business contributed revenue of RM Nil and net losses of RM4,577,978 to the Group for the period from 9 September 2010, date of completion of acquisition, to 31 March 2011.

48 ACQUISITION OF SUBSIDIARIES (cont'd)

(a) During the current financial year, the Group acquired the following subsidiaries: (cont'd)

(ii) On 1 December 2010, IJM Plantations Berhad ("IJMPB"), a subsidiary of the Company has entered into a Sale and Purchase Agreement with its joint venture partner, CTI Biofuels, to acquire the remaining 1,000,000 ordinary shares of RM1 each, representing 40% of the issued and paid up share capital of IJM Biofuel Sdn Bhd ("IJMBF") for a total cash consideration of RM1.

Following the completion of the acquisition, IJMBF becomes a wholly-owned subsidiary of IJMPB.

Details of net assets acquired are as follows:

	Note	Acquiree's carrying value RM'000	Fair value RM'000
Identifiable assets and liabilities			
Non-current assets			
Property, plant and equipment	27	11,700	11,700
		11,700	11,700
Current assets			
Cash and bank balances		55	55
		55	55
Current liabilities			
Payables		(12,713)	(12,713)
		(12,713)	(12,713)
Identifiable net liabilities acquired		(958)	(958)
Goodwill			958
Purchase consideration			*

* denotes RM1

The goodwill on acquisition of RM958,000 has been fully impaired as of 31 March 2011.

Details of cash flows arising from the acquisition are as follows:

	Group RM'000
Total purchase consideration	*
Less: Cash and cash equivalents of a subsidiary acquired	55
Cash inflow to the Group on acquisition	55

* denotes RM1

The acquired business contributed revenue of RM Nil and net losses of RM2,000 to the Group for the period from 1 December 2010, date of completion of acquisition, to 31 March 2011.

48 ACQUISITION OF SUBSIDIARIES (cont'd)

(a) During the current financial year, the Group acquired the following subsidiaries: (cont'd)

(iii) As of 31 March 2011, PT Primabahagia Permai, a subsidiary of IJM Plantations Berhad ("IJMP"), which in turn is a subsidiary of the Company, assumed control over PT Prima Alumga ("PTPA") and PT Indonesia Plantation Synergy ("PTIPS"). As a result, PTPA and PTIPS are consolidated as subsidiaries of IJMP.

Details of net assets acquired are as follows:

	Note	Acquiree's carrying value RM'000	Fair value RM'000
Identifiable assets and liabilities			
Non-current assets			
Property, plant and equipment	27	6,432	6,996
Leasehold land	28	14,958	14,958
Plantation development expenditure	38	29,463	29,463
Deferred tax assets	23	151	151
		51,004	51,568
Current assets			
Receivables		28,008	28,008
Inventories		14,728	14,728
Cash and bank balances		10,322	10,322
		53,058	53,058
Current liabilities			
Payables		(93,944)	(93,944)
		(93,944)	(93,944)
Identifiable net assets acquired		10,118	10,682
Less: Fair value of total net assets held by minority interests			(716)
Identifiable net assets acquired			9,966
Goodwill			–
Purchase consideration			9,966

Details of cash flows arising from the acquisition are as follows:

	Group RM'000
Total purchase consideration	**
Less: Cash and cash equivalents of a subsidiary acquired	10,322
Cash inflow to the Group on acquisition	10,322

** The purchase consideration is satisfied by offsetting against the advances provided by IJMP to PTIPS and PTPA.

(iv) On 23 October 2010, IJM Construction Sdn Bhd, a wholly-owned subsidiary of the Company, had incorporated IJM Construction Vietnam Company Limited ("IJMCV") in the Socialist Republic of Vietnam. The issued and paid up capital of IJMCV is Vietnam Dong 1,034,339,605.

The incorporation of IJMCV has no significant effect on the financial results of the Group in the current financial year and the financial position of the Group as at the end of the current financial year.

49 DISPOSAL OF INTEREST IN SUBSIDIARIES

(a) During the current financial year, the Group disposed the following subsidiaries:

(i) On 24 June 2010, IJM Land Berhad ("IJMLB"), a 61.56%-owned subsidiary of the Company, entered into Share Sale and Purchase Agreement to dispose 250,000 ordinary shares of RM1 each, representing 100% equity interest in Delta Awana Sdn Bhd ("DASB"), for a total cash consideration of RM68,467,134.

Following the completion of the disposal, DASB will cease to be a subsidiary of IJMLB.

Details of the disposal are as follows:

	At date of disposal RM'000
Investment properties (Note 29)	313,743
Trade and other receivables	7,533
Cash and bank balances	2,020
Trade and other payables	(12,513)
Amounts owing to related companies	(17,504)
Deferred tax liabilities (Note 23)	(930)
Current tax liabilities	(3,829)
Term loan	(283,000)
Net assets	5,520
Net disposal proceeds	(68,467)
Gain on disposal to the Group	(62,947)

The net cash flows on disposal was determined as follows:

Total proceeds from disposal – cash consideration	68,467
Cash and cash equivalents of subsidiary disposed of	(2,020)
Cash inflow to the Group on disposal	66,447

(ii) On 31 March 2011, 60% shareholdings in IJM Gulf Pakistan (Pvt) Ltd (which is effectively 60%-owned by IJM Investments J.A. Limited, which in turn is a wholly-owned subsidiary of IJM Construction Sdn Bhd, which in turn is a wholly-owned subsidiary of the Company) was disposed to Al Ghurair Giga Pakistan (Pvt) Ltd for a total cash consideration of RM3,000,000.

Following the completion of the disposal, IJM Gulf Pakistan (Pvt) Ltd will cease to be a subsidiary of IJM Investments J.A. Limited.

Details of the disposal are as follows:

	At date of disposal RM'000
Property, plant and equipment (Note 27)	935
Receivables	9,989
Payables	(6,138)
Net assets	4,786
Minority interest	(2,474)
Transfer from foreign exchange reserve	1,398
	3,710
Net disposal proceeds	(3,000)
Loss on disposal to the Group	710

49 DISPOSAL OF INTEREST IN SUBSIDIARIES (cont'd)

(a) During the current financial year, the Group disposed the following subsidiaries: (cont'd)

(ii) The net cash flows on disposal was determined as follows:

	RM'000
Total proceeds from disposal – cash consideration	3,000
Cash and cash equivalents of subsidiary disposed of	–
Cash inflow to the Group on disposal	3,000

(iii) On 6 May 2010, the Company entered into a Deed of Sale of Shares with Pipgall Pty Ltd to dispose 2,400,000 ordinary shares of AUD0.68 each in IJM Australia Pty Ltd ("IJMA"), representing 80% equity interest in IJMA, for a total cash consideration of AUD6,244 (translated to RM17,882 based on an exchange rate of 1 Australia Dollar equivalent to RM2.86).

Following the completion of the disposal, IJMA will cease to be a subsidiary of the Company.

The disposal has no significant effect on the financial results of the Group in the current financial year and the financial position of the Group as at the end of the current financial year.

(b) In the preceding financial year, the Group disposed the following subsidiaries/dilution of interest in subsidiaries:

(i) On 29 January 2010, Ground Envirotech Pte Ltd ("GEPL"), a wholly-owned subsidiary of IJM Construction Sdn Bhd, which in turn is a wholly-owned subsidiary of the Company, entered into an agreement with Insituform Technologies Netherlands BV to dispose 3,000,000 ordinary shares of SGD1 each in Insitu Envirotech (S.E.Asia) Pte Ltd ("IESEA"), representing 100% equity interest in IESEA, for a total cash consideration of SGD1,770,000 (translated to RM4,310,000 based on an exchange rate of 1 Singapore Dollar equivalent to RM2.4350).

Details of the disposal were as follows:

	At date of disposal RM'000
Property, plant and equipment (Note 27)	399
Inventories	283
Trade and other receivables	1,251
Cash and bank balances	1,374
Payables	(4,582)
Net liabilities	(1,275)
Attributable goodwill	3,511
	2,236
Net disposal proceeds	(4,310)
Gain on disposal to the Group	(2,074)

The net cash flows on disposal was determined as follows:

	At date of disposal RM'000
Total proceeds from disposal – cash consideration	4,310
Cash and cash equivalents of subsidiary disposed of	(1,374)
Cash inflow to the Group on disposal	2,936

49 DISPOSAL OF INTEREST IN SUBSIDIARIES (cont'd)

(b) In the preceding financial year, the Group disposed the following subsidiaries/dilution of interest in subsidiaries: (cont'd)

(ii) On 15 July 2009, IJM Properties Sdn Bhd, a wholly-owned subsidiary of IJM Land Berhad, which in turn is a 62.8%-owned subsidiary of the Company, completed the disposal of 100% equity interest in Kami Builders Sdn Bhd comprising 1,000,000 ordinary shares of RM1 each and 30,000 preference shares of RM1 each to Wawasan Q1 Properties Sdn Bhd for a total cash consideration of RM20,172,615.

Details of the disposal were as follows:

	At date of disposal RM'000
Investment properties (Note 29)	49,270
Trade and other receivables	137
Cash and bank balances	1
Trade and other payables	(39,568)
Net assets	9,840
Attributable goodwill	19
	9,859
Net disposal proceeds	(20,173)
Gain on disposal to the Group	(10,314)

The net cash flows on disposal was determined as follows:

	At date of disposal RM'000
Total proceeds from disposal – cash consideration	20,173
Cash and cash equivalents of subsidiary disposed of	(1)
Cash inflow to the Group on disposal	20,172

(iii) During the preceding financial year, the Company disposed 151,988,800 ordinary shares of RM1.00 each, representing 13.78% of the issued and paid up share capital of IJM Land Berhad ("IJMLB") for a total cash consideration of RM217.5 million. This has resulted in a deemed dilution of the Group's interest in IJMLB from 76.5% to 62.8%.

The deemed dilution of the Group's interest in IJMLB had been accounted for as transactions with minority interests. The difference between the consideration received and the relevant share of the carrying value of net assets of IJMLB amounting to RM34.6 million was charged to equity.

(iv) Industrial Concrete Products Sdn Bhd ("ICP"), a wholly-owned subsidiary of the Company, had on 17 August 2009 entered into a shares transfer agreement with Sapphire Plus Sdn Bhd ("SPSB") to dispose 2,400,000 ordinary shares of RMB1 each in ICP Jiangmen Co. Ltd ("ICP Jiangmen"), representing 4% equity interest in ICP Jiangmen, for a total cash consideration of RMB2,400,000 (translated to RM1,196,000 based on an exchange rate of 1RMB equivalent to RM0.4983). This has resulted in a deemed dilution of the Group's interest in ICP Jiangmen from 79% to 75%.

The disposal had no significant effect on the financial results of the Group in the preceding financial year and the financial position of the Group as at the end of the preceding financial year.

50 CASH AND CASH EQUIVALENTS

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

	Note	The Group 2011 RM'000	The Group 2010 RM'000	The Company 2011 RM'000	The Company 2010 RM'000
Deposits with licensed banks	42	**972,502**	741,633	**24,943**	43,933
Cash and bank balances	42	**534,095**	479,878	**122,230**	73,071
Bank overdrafts	45				
- Secured		**(45,868)**	(33,489)	**–**	–
- Unsecured		**(19,691)**	(22,428)	**–**	–
		(65,559)	(55,917)	**–**	–
		1,441,038	1,165,594	**147,173**	117,004
Less:					
Restricted deposits with licensed banks	42	**(121,420)**	(300)	**–**	–
		1,319,618	1,165,294	**147,173**	117,004

51 SIGNIFICANT NON-CASH TRANSACTION

In the preceding financial year, Besraya (M) Sdn Bhd, a wholly-owned subsidiary of the Company, received compensation of RM217 million from the Malaysian Government for the abolishment of the toll collection at the Salak Jaya Toll Plaza. The compensation was settled by way of waiver of government loan given for the construction of Besraya Expressway and the extension of the concession period of the Besraya Highway for an additional of 8 years.

52 FAIR VALUES OF FINANCIAL INSTRUMENTS

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 discounted value of future cash flows 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.

52 FAIR VALUES OF FINANCIAL INSTRUMENTS (cont'd)

The carrying values of financial assets and financial liabilities of the Group and of the Company at the balance sheet date approximated their fair values.

	Note	The Group Carrying value RM'000	The Group Fair value RM'000	The Company Carrying value RM'000	The Company Fair value RM'000
Financial Liabilities					
At 31 March 2011					
(i) Bonds	16	**448,227**	**458,421**	**–**	**–**
(ii) Commercial papers and Medium term notes	17	**650,000**	**662,590**	**650,000**	**662,590**
(iii) Term loans	18	**1,498,423**	**1,496,058**	**275,000**	**275,000**
(iv) Government support loans	19	**206,091**	**232,272**	**–**	**–**
(v) Advances from the State Government	24(a)	**33,180**	**(aa)**	**–**	**–**
(vi) Land premium payable to State Government	24(b)	**9,100**	**7,730**	**–**	**–**

(aa) The fair value of the Advances from the State Government has not been disclosed as the repayment is scheduled upon completion of certain conditions as set out in Note 24(a) to the financial statements, of which the completion date could not be reasonably determined as at the year end.

53 SIGNIFICANT RELATED PARTY DISCLOSURES

In addition to related party disclosures mentioned in Note 5 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 30 July 2010 for Recurrent Related Party Transactions with the following related parties:

(i) Zelan Berhad ("ZB") and its subsidiaries ("ZB Group")
(ii) MMC Corporation Berhad ("MMC") and its subsidiaries ("MMC Group")
(iii) Minconsult Sdn Bhd ("MSB")
(iv) IJM Plantations Berhad ("IJMP") and its subsidiaries ("IJMP Group")
(v) Yayasan Albhukhary ("YA")
(vi) IJM Land Berhad and its subsidiaries ("IJM Land Group")
(vii) Kumpulan Europlus Berhad and its subsidiaries ("KEB Group") and Talam Corporation Berhad and its subsidiaries ("Talam Group")
(viii) Guangzhou Port Construction Corp. ("CHEC")*
(ix) China Communications Construction Co. Ltd. ("CCCCL")**

* a major shareholder who holds 15% equity shares in ICP Jiangmen Co. Ltd
** holding company of CHEC

53 SIGNIFICANT RELATED PARTY DISCLOSURES (cont'd)

The Group

(a) The following transactions with related parties were carried out under terms and conditions negotiated amongst the related parties.

	2011 RM'000	2010 RM'000
(aa) Associates		
(i) Sales/progress billings in respect of construction contract:		
- Swarna Tollway Pte Ltd	**3,937**	4,009
(ii) Purchase of fertilisers and chemicals:		
- Loongsyn Sdn Bhd *	**16,570**	11,538
(ab) Jointly controlled entities		
(i) Progress billings in respect of construction contracts to/(by):		
- IJM Construction-Perkasa Sutera Joint Venture	**(2,904)**	(13,284)
- Lebuhraya Kajang Seremban Sdn Bhd	**9,650**	132,131
- Vijayawada Tollway Pte Limited	**99,398**	5,911
- Trichy Tollway Pte Limited	**1,507**	32,127
(ii) Sale of concrete piles and other construction materials to:		
- IJMC-Norwest Joint Venture	**19,568**	10,721
(iii) Project management fees charged by:		
- IJM Management Services-Giat Bernas Joint Venture	**176**	570
(iv) Purchase of plant and machinery from:		
- IJM Biofuel Sdn Bhd	**11,700**	37,896
- RBM-PATI JV	**–**	4,609
(v) Project management and sales and marketing fees charged to:		
- Sierra Ukay Sdn Bhd	**258**	2,992
- Elegan Pesona Sdn Bhd	**2,217**	739
(vi) Interests charged to:		
- Sierra Selayang Sdn Bhd	**198**	1,138
- IJM Properties-JA Manan Development Joint Venture	**2,001**	2,053
- Radiant Pillar Sdn Bhd	**6,045**	3,515
- Valencia Terrace Sdn Bhd	**3,339**	2,086
- Good Debut Sdn Bhd	**1,326**	947
- Cekap Tropikal Sdn Bhd	**3,296**	3,046
- Sierra Ukay Sdn Bhd	**4,841**	2,992
- Larut Leisure Enterprise (Hong Kong) Limited	**4,185**	3,544
- Lebuhraya Kajang Seremban Sdn Bhd	**16,800**	10,203
(vii) Net (advances to)/repayment from:		
- IJM Properties-JA Manan Development Joint Venture	**8,780**	(4,782)
- Radiant Pillar Sdn Bhd	**(50,448)**	(8,896)
- Sierra Ukay Sdn Bhd	**(23,164)**	(17,363)
- Elegan Pesona Sdn Bhd	**1,143**	896
- Good Debut Sdn Bhd	**(8,539)**	(1,968)
- Valencia Terrace Sdn Bhd	**(23,266)**	(8,604)
- Cekap Tropikal Sdn Bhd	**(914)**	(1,206)
- Larut Leisure Enterprise (Hong Kong) Limited	**(114)**	(9,230)
- IJM Biofuel Sdn Bhd	**–**	32,768
- Vijayawada Tollway Pte Ltd	**2,887**	(14,923)

* As at 31 March 2011, the Company was disposed.

53 SIGNIFICANT RELATED PARTY DISCLOSURES (cont'd)

The Company

(a) The following transactions with related parties were carried out under terms and conditions negotiated amongst the related parties. (cont'd)

	2011 RM'000	2010 RM'000
(aa) Subsidiaries		
(i) Interest charged to:		
- IJM Construction Sdn Bhd	**9,157**	5,209
- IJM Properties Sdn Bhd	**26,220**	22,767
- Jelutong Development Sdn Bhd	**6,594**	10,113
- Suria Bistari Development Sdn Bhd	**3,299**	4,824
- Worldwide Ventures Sdn Bhd	**650**	767
- IJM Construction (Middle East) Limited Liability Company	**–**	1,603
- Industrial Concrete Products Sdn Bhd	**–**	12,000
- IJM Land Berhad	**2,625**	–
(ii) Interest charged by:		
- Nilai Cipta Sdn Bhd	**155**	2,246
(iii) Management fees charged to:		
- IJM Construction (Middle East) Limited Liability Company	**–**	577
(iv) (Advances to)/repayment from:		
- IJM Investments (M) Limited	**(12,752)**	(123,615)
- IJM Construction Sdn Bhd	**(45,736)**	(135,573)
- IJM Properties Sdn Bhd	**(133,439)**	(43,359)
- IJM Construction (Middle East) Limited Liability Company	**–**	(21,810)
- Road Builder (M) Sdn Bhd	**(13,842)**	(14,385)
- IJM Land Berhad	**53,199**	(52,725)
- Styrobilt Sdn Bhd	**129,811**	(110,201)
- Suria Bistari Development Sdn Bhd	**13,475**	20,813
- Jelutong Development Sdn Bhd	**95,806**	40,410
- New Pantai Expressway Sdn Bhd	**15,501**	34
- IJMII (M) Limited	**34,914**	(67,732)
- Commerce House Sdn Bhd	**(19,459)**	5,031
- Liberty Heritage (M) Sdn Bhd	**(2,392)**	(2,167)
- Worldwide Ventures Sdn Bhd	**8,594**	(780)
(v) (Repayments to)/advances from:		
- Road Builder (M) Holdings Bhd	**(3,548)**	(42,869)
- Nilai Cipta Sdn Bhd	**(6,789)**	(23,810)
- IJM Investments (L) Ltd	**(38,153)**	104,787
(ab) Associates		
(i) Repayments (to)/from:		
- Hexacon Construction Pte Ltd	**(630)**	(600)
- Don Sahong Power Company Ltd	**2,330**	–
(ac) Jointly controlled entities		
(i) Interest charged to:		
- Lebuhraya Kajang Seremban Sdn Bhd	**16,800**	10,203

53 SIGNIFICANT RELATED PARTY DISCLOSURES (cont'd)

(b) Key management compensation during the financial year:

Key management personnel comprises the Directors and management personnel of the Group, having authority and responsibility for planning, directing and controlling the activities of the Group entities directly or indirectly.

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Wages, salaries and bonus	**12,216**	10,684	**6,500**	4,845
Defined contribution retirement plan	**2,086**	1,776	**1,174**	858
Other employee benefits	**8,957**	6,232	**8,562**	2,829
	23,259	18,692	**16,236**	8,532

Certain key management of the Company have been allotted warrants under the Warrants 2008/2013 of IJM Land Berhad, a subsidiary of the Company pursuant to the Offer for Sale by the Company to all its eligible employees as follows:

		Number of Warrants 2008/2013			
Expiry Date	Exercised Price RM/Warrant	Balance at 1.4.2010 '000	Disposed '000	Exercised '000	Balance at 31.3.2011 '000
11 September 2013	1.35	3,538	(211)	–	**3,327**

(c) Transactions with Directors and key management relating to the purchase of properties during the financial year:

In the ordinary course of business, the Directors and key management personnel of the Company has purchased properties from the property development subsidiaries during the financial year.

The following transactions with Directors and key management personnel were carried out under terms not more favourable than those generally available to the public or employees of the Group, or under negotiated terms which the Board of Directors, after deliberation, has believed to be in the best interests of the Group.

	The Group	
	2011 RM'000	2010 RM'000
Progress billings during the financial year:		
- Directors and key management personnel of the Company	**1,094**	1,438
- Close family members of Directors and key management personnel of the Company	**4,063**	557
(Advance payment)/amount outstanding arising from progress billings as at end of financial year from:		
- Key management personnel (including directors) of the Company	**3**	(509)
- Close family members of Directors and key management personnel of the Company	**8**	–

54 COMMITMENTS

(a) Capital commitments

	The Group	
	2011 RM'000	**2010 RM'000**
Approved and contracted for	**911,104**	327,491
Approved but not contracted for	**447,168**	306,744
	1,358,272	634,235
Analysed as follows:		
Purchases of property, plant and equipment, leasehold land and plantation development expenditure	**565,609**	299,138
Purchases of development land	**59,376**	28,806
Concession assets	**508,810**	30,278
Share of capital commitments of jointly controlled entities	**224,477**	276,013
	1,358,272	634,235

(b) Non-cancellable operating lease commitments

The non-cancellable operating lease commitments is in relation to operating lease payable by Kuantan Port Consortium Sdn Bhd, a subsidiary of the Company, to the Kuantan Port Authority pursuant to a Privatisation Agreement.

	The Group	
	2011 RM'000	**2010 RM'000**
Future minimum lease payments:		
- payable within 1 year	**3,426**	3,426
- payable between 1 and 2 years	**3,512**	3,426
- payable between 2 and 3 years	**3,768**	3,512
- payable between 3 and 4 years	**3,768**	3,768
- payable between 4 and 5 years	**3,863**	3,768
- payable after 5 years	**56,681**	60,544
	75,018	78,444

(c) Non-cancellable operating lease arrangements

In the preceding financial year, a subsidiary of the Company had entered into a lease arrangement to lease a building to a third party for a period of 10 years commencing 5 February 2010. During the financial year, the building has been disposed to third party and the operating lease arrangement is cancelled.

As at the end of the preceding financial year, the future aggregate minimum lease payments receivable under non-cancellable operating leases contracted for but not recognised as assets were as follows:

	The Group
	2010 RM'000
Lease receivable	
- Receivable within 1 year	29,602
- Receivable between 1 and 5 years	118,409
- Receivable after 5 years	143,430
	291,441

55 CONTINGENT LIABILITIES (UNSECURED)

	The Group		The Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Performance guarantees in respect of the contract performance of concession agreements	**18,340**	20,250	**16,819**	6,339
Stamp duty matters under appeal	**2,227**	2,385	**–**	–
Sales and service tax matters under appeal	**8,649**	4,301	**1,548**	–
	29,216	26,936	**18,367**	6,339

56 SIGNIFICANT EVENT SUBSEQUENT TO THE BALANCE SHEET DATE

On 8 April 2011, the Company has acquired 229,885,057 new ordinary shares of RM 1 each in IJM Land Berhad ("IJMLB") pursuant to the conversion of RM400 million nominal value of 10-year 3% coupon redeemable convertible unsecured loan stocks in IJMLB at a conversion price of RM1.74 per share. With the conversion, the Company's shareholding in IJMLB has increased from 61.56% to 68.09%.

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2011

SUBSIDIARIES

Name	Country of incorporation	Effective equity interest 2011 %	2010 %	Principal activities
Held by the Company				
GR Commerce Sdn Bhd	Malaysia	**100**	100	Under member's voluntary liquidation
Industrial Concrete Products Sdn Bhd	Malaysia	**100**	100	Manufacture of precast concrete products
IJM Construction Sdn Bhd	Malaysia	**100**	100	Civil and building construction and investment holding
IJM Argentina Sociedad Anomina *	Argentina	**100**	100	Investment holding
IJM Australia Pty Limited #	Australia	**–**	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

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2011 (cont'd)

SUBSIDIARIES (cont'd)

Name	Country of incorporation	Effective equity interest 2011 %	2010 %	Principal activities
Held by the Company (cont'd)				
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	Under member's voluntary liquidation
IJM Construction (Middle East) Limited Liability Company *	United Arab Emirates	**100**	100	Construction
Road Builder (M) Holdings Bhd	Malaysia	**100**	100	Investment holding
IJM Land Berhad	Malaysia	**61.6**	62.8	Investment holding
IJM Plantations Berhad @	Malaysia	**55**	–	Cultivation of oil palm and investment holding
Emcee Corporation Sdn Bhd	Malaysia	**100**	100	Ceased operation
RB Manufacturing Sdn Bhd	Malaysia	**100**	100	Ceased operation
IJM Highway Services Sdn Bhd	Malaysia	**100**	100	Provision of toll operation and maintenance services
Makmur Venture Sdn Bhd	Malaysia	**100**	100	Investment holding
Held by RB Manufacturing Sdn Bhd				
Kuching Riverine Resort Management Sdn Bhd	Malaysia	**100**	100	Property management
RB Resorts Sdn Bhd	Malaysia	**100**	100	Investment holding
Held by RB Resorts Sdn Bhd				
Don Sahong Project Management Sdn Bhd	Malaysia	**100**	100	Under member's voluntary liquidation
Held by Industrial Concrete Products Sdn Bhd				
Arca Permata (M) Sdn Bhd	Malaysia	**–**	100	Liquidated
Concrete Mould Engineering Sdn Bhd	Malaysia	**100**	100	Dormant
Durabon Sdn Bhd	Malaysia	**100**	100	Processing of steel bars
Expedient Resources Sdn Bhd	Malaysia	**100**	100	Manufacturing of rubber products
ICP Investments (L) Limited ^	Malaysia	**100**	100	Special purpose vehicle for financing and investment holding

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2011 (cont'd)

SUBSIDIARIES (cont'd)

Name	Country of incorporation	Effective equity interest 2011 %	2010 %	Principal activities
Held by Industrial Concrete Products Sdn Bhd (cont'd)				
ICP Jiangmen Co. Ltd. *	People's Republic of China	**75**	75	Production and sale of concrete products
ICP Marketing Sdn Bhd	Malaysia	**100**	100	Trading of building materials, plant and machinery and investment holding
Malaysian Rock Products Sdn Bhd	Malaysia	**100**	100	Quarrying, sale of rock products and investment holding
Ubon Steel Sdn Bhd	Malaysia	**–**	100	Liquidated
Held by Expedient Resources Sdn Bhd				
Tadmansori Rubber Industries Sdn Bhd	Malaysia	**100**	100	Trading of rubber products
Held by ICP Investments (L) Limited				
ICPB (Mauritius) Limited *	Mauritius	**100**	100	Investment holding
Held by ICPB (Mauritius) Limited				
IJM Steel Products Private Limited *	India	**100**	100	Production and supply of steel welded mesh
IJM Concrete Products Private Limited *	India	**100**	100	Production and supply of ready mixed concrete
Held by Malaysian Rock Products Sdn Bhd				
Aggregate Marketing Sdn Bhd	Malaysia	**100**	100	Sale of rock products
Azam Ekuiti Sdn Bhd	Malaysia	**100**	100	Leaseholder of quarry land
Bohayan Industries Sdn Bhd	Malaysia	**70**	70	Dormant
Damansara Rock Products Sdn Bhd	Malaysia	**100**	100	Under member's voluntary liquidation
Global Rock Marketing Sdn Bhd	Malaysia	**–**	100	Liquidated
Kuang Rock Products Sdn Bhd	Malaysia	**100**	100	Quarrying and sale of rock products
Oriental Empire Sdn Bhd	Malaysia	**100**	100	Leaseholder of quarry land
Scaffold Master Sdn Bhd	Malaysia	**100**	100	Sale and rental of steel scaffolding

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2011 (cont'd)

SUBSIDIARIES (cont'd)

Name	Country of incorporation	Effective equity interest 2011 %	2010 %	Principal activities
Held by Malaysian Rock Products Sdn Bhd (cont'd)				
Strong Mixed Concrete Sdn Bhd	Malaysia	**100**	100	Production and supply of ready-mixed concrete
Warga Sepakat Sdn Bhd	Malaysia	**100**	100	Dormant
IJM Concrete Private Limited *	Dubai	**60**	60	Investment holding
IJM Concrete Products Pakistan Private Limited *	Pakistan	**60**	60	Production and supply of ready-mixed concrete
IJM Concrete Pakistan Private Limited *	Pakistan	**60**	60	Dormant
Held by IJM Concrete Private Limited				
IJM Concrete Pakistan *	Pakistan	**60**	60	Production and supply of ready-mixed concrete
Held by IJM Construction Sdn Bhd				
IJM Building Systems Sdn Bhd	Malaysia	**100**	100	Prefabricated building construction
Jurutama Sdn Bhd	Malaysia	**100**	100	Civil and building construction and property development
Prebore Piling & Engineering Sdn Bhd	Malaysia	**100**	100	Piling, engineering and other construction works
Ground Envirotech Pte Ltd *	Singapore	**100**	100	Investment holding
IJM Investments J.A. Limited *	United Arab Emirates	**100**	100	Investment holding
IJM Construction Vietnam Company Limited *	Vietnam	**100**	–	Civil and building construction
Ground Envirotech (M) Sdn Bhd	Malaysia	**100**	100	Under member's voluntary liquidation
IJM Construction International Limited Liability Company *	United Arab Emirates	**100**	100	Under member's voluntary liquidation
RB Construction Sdn Bhd	Malaysia	**100**	100	Under member's voluntary liquidation
Road Builder (M) Sdn Bhd	Malaysia	**100**	100	Civil and building construction

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2011 (cont'd)

SUBSIDIARIES (cont'd)

Name	Country of incorporation	Effective equity interest 2011 %	2010 %	Principal activities
Held by IJM Investments J.A. Limited				
IJM Gulf Limited *	United Arab Emirates	**60**	60	Civil and building construction
Karachi Expressway J.A. Limited *	United Arab Emirates	**100**	100	Investment holding and construction
IM Technologies Pakistan (Private) Limited *	Pakistan	**60**	60	Civil, building construction and property development
IJM Construction (Pakistan) (Private) Limited *	Pakistan	**100**	–	Civil and building construction
Held by IJM Gulf Limited				
IJM Gulf Pakistan (Pvt) Ltd *	United Arab Emirates	**–**	60	Civil and building construction
Held by Road Builder (M) Sdn Bhd				
Commerce House Sdn Bhd	Malaysia	**100**	100	Trading in construction materials and providing insurance agency services
Bukit Bendera Resort Sdn Bhd	Malaysia	**100**	100	Hotel operation and club management
Road Builder (Mauritius) Limited *	Republic of Mauritius	**100**	100	Investment holding
Imbangan Pintar Sdn Bhd	Malaysia	**100**	100	Under member's voluntary liquidation
Coastal Specialist Sdn Bhd	Malaysia	**–**	100	Liquidated
Kuari Sungai Batu Sdn Bhd	Malaysia	**100**	100	Under member's voluntary liquidation
Bukit Bendera Enterprise Berhad	Malaysia	**100**	100	Under member's voluntary liquidation
NCB-RBM JV *	Malaysia	**100**	100	Construction
RBM-HASRAT Sedaya JV *	Malaysia	**100**	100	Construction
Contrail Road Builder Consortium *	Malaysia	**100**	100	Construction
Held by Road Builder (Mauritius) Limited				
Road Builder (India) Private Limited *	India	**100**	100	Dormant
RBM Construction (India) Private Limited *	India	**100**	100	Dormant

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2011 (cont'd)

SUBSIDIARIES (cont'd)

Name	Country of incorporation	Effective equity interest 2011 %	2010 %	Principal activities
Held by Imbangan Pintar Sdn Bhd				
Saluran Teguh Sdn Bhd	Malaysia	**–**	60	Liquidated
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
IJM Rajasthan (Mauritius) Limited #	Republic of Mauritius	**100**	100	Investment holding
IJM Trichy (Mauritius) Ltd #	Republic of Mauritius	**100**	100	Investment holding
IJM Vijayawada (Mauritius) Ltd #	Republic of Mauritius	**100**	100	Investment holding
Held by IJMII (Mauritius) Limited				
IJM (India) Infrastructure Limited #	India	**99**	99	Construction
Held by IJM Rewa (Mauritius) Limited				
Rewa Tollway Private Limited #	India	**100**	100	Infrastructure development
Held by IJM (India) Infrastructure Limited				
Swarnandhra-IJMII Integrated Township Development Company Private Limited #	India	**51**	51	Property development
Swarnandhra Road Care Private Limited #	India	**100**	100	Road maintenance
Roadstar (India) Infrastructure Private Limited *	India	**70**	70	Development of infrastructure projects and construction & operation of toll gates
IJM (India) Geotechniques Private Limited *	India	**100**	100	Soil investigation & testing, foundation laying & treatment & piling
IJM Lingamaneni Township Private Limited #	India	**99.8**	99.8	Property development

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2011 (cont'd)

SUBSIDIARIES (cont'd)

Name	Country of incorporation	Effective equity interest 2011 %	Effective equity interest 2010 %	Principal activities
Held by IJM Rajasthan (Mauritius) Limited				
Jaipur-Mahua Tollway Private Limited #	India	**100**	100	Highway development
Held by Styrobilt Sdn Bhd				
IJM Plantations Berhad @ (2010: of which 16.6% is held directly by the Company)	Malaysia	**–**	55	Cultivation of oil palm and investment holding
Held by IJM Plantations Berhad				
Berakan Maju Sdn. Bhd.	Malaysia	**55**	55	Cultivation of oil palm
Desa Talisai Sdn. Bhd.	Malaysia	**55**	55	Investment holding
Dynasive Enterprise Sdn. Bhd.	Malaysia	**55**	55	Investment holding
Excellent Challenger (M) Sdn. Bhd.	Malaysia	**55**	55	Cultivation of oil palm
Gunaria Sdn. Bhd.	Malaysia	**55**	55	Investment holding
IJM Agri Services Sdn. Bhd.	Malaysia	**55**	55	Under member's voluntary liquidation
IJM Edible Oils Sdn. Bhd.	Malaysia	**55**	55	Palm kernel milling
Minat Teguh Sdn. Bhd.	Malaysia	**55**	55	Investment holding
Mowtas Bulkers Sdn. Bhd.	Malaysia	**55**	55	Under member's voluntary liquidation
Rakanan Jaya Sdn. Bhd.	Malaysia	**55**	55	Cultivation of oil palm
Ratus Sempurna Sdn. Bhd.	Malaysia	**55**	55	Property holding
Sabang Mills Sdn. Bhd.	Malaysia	**55**	55	Palm oil milling
Sijas Plantations Sdn. Bhd.	Malaysia	**55**	55	Investment holding
Ampas Maju Sdn. Bhd.	Malaysia	**55**	55	Under member's voluntary liquidation
Gapas Mewah Sdn. Bhd.	Malaysia	**55**	55	Under member's voluntary liquidation
Golden Grip Sdn. Bhd.	Malaysia	**55**	55	Under member's voluntary liquidation
Kulim Mewah Sdn. Bhd.	Malaysia	**55**	55	Under member's voluntary liquidation
Laserline Sdn. Bhd.	Malaysia	**55**	55	Under member's voluntary liquidation
Macmillion Group Sdn. Bhd.	Malaysia	**55**	55	Under member's voluntary liquidation

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2011 (cont'd)

SUBSIDIARIES (cont'd)

Name	Country of incorporation	Effective equity interest 2011 %	Effective equity interest 2010 %	Principal activities
Held by IJM Plantations Berhad (cont'd)				
Rantajasa Sdn. Bhd.	Malaysia	**55**	55	Under member's voluntary liquidation
Sri Kilau Sdn. Bhd.	Malaysia	**55**	55	Under member's voluntary liquidation
Isu Mutiara Sdn. Bhd.	Malaysia	**55**	55	Under member's voluntary liquidation
Akrab Perkasa Sdn. Bhd.	Malaysia	**55**	55	Palm oil milling
Desa Talisai Palm Oil Mill Sdn. Bhd.	Malaysia	**55**	55	Palm oil milling
IJMP Investments (M) Limited *	Republic of Mauritius	**55**	55	Investment holding
Mowtas Multi-User Jetty Sdn Bhd	Malaysia	**–**	55	Liquidated
IJM Biofuel Sdn Bhd * @@	Malaysia	**55**	–	Manufacture and sale of biodiesel
Held by Desa Talisai Sdn. Bhd				
Cahaya Adil Sdn. Bhd.	Malaysia	**55**	55	Under member's voluntary liquidation
Firdana Corporation Sdn. Bhd.	Malaysia	**55**	55	Under member's voluntary liquidation
Gerbang Selasih Sdn. Bhd.	Malaysia	**55**	55	Under member's voluntary liquidation
Sihat Maju Sdn. Bhd.	Malaysia	**55**	55	Under member's voluntary liquidation
Held by Gunaria Sdn Bhd				
PT Sinergi Agro Industri *	Indonesia	**52**	52	Cultivation of oil palm
Held by Minat Teguh Sdn. Bhd.				
PT Primabahagia Permai *	Indonesia	**52**	52	Cultivation of oil palm
Held by PT Primabahagia Permai				
PT Prima Alumga * @@@	Indonesia	**52**	–	Cultivation of oil palm
PT Indonesia Plantation Synergy * @@@	Indonesia	**50**	–	Cultivation of oil palm

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2011 (cont'd)

SUBSIDIARIES (cont'd)

Name	Country of incorporation	Effective equity interest 2011 %	2010 %	Principal activities
Held by IJMP Investments (M) Limited				
IJM Plantations (Mauritius) Limited *	Republic of Mauritius	**55**	55	Investment holding
Held by Road Builder (M) Holdings Bhd				
Besraya (M) Sdn Bhd	Malaysia	**100**	100	Toll road operation
Essmarine Terminal Sdn Bhd	Malaysia	**100**	100	Investment holding
Arena Wiramas Sdn Bhd	Malaysia	**100**	100	Investment holding
RB Port Sdn Bhd	Malaysia	**100**	100	Investment holding
RB Plantations Sdn Bhd	Malaysia	**100**	100	Property investment
Lebuhraya S'lesa Sdn Bhd	Malaysia	**–**	100	Liquidated
HMS Resource Sdn Bhd	Malaysia	**100**	100	Investment holding
New Pantai Expressway Sdn Bhd	Malaysia	**100**	100	Design, construction, management, operation and maintenance of New Pantai Highway
NPE Property Development Sdn Bhd	Malaysia	**100**	100	Property development
Kuantan Port Consortium Sdn Bhd	Malaysia	**100**	100	Port management
Gagah Garuda Sdn Bhd	Malaysia	**100**	100	Investment holding
Held by Arena Wiramas Sdn Bhd				
Sensasi Wawasan Jaya Sdn Bhd	Malaysia	**100**	100	Property investment
Pilihan Alam Jaya Sdn Bhd	Malaysia	**100**	100	Property investment
Held by RB Port Sdn Bhd				
Sukma Samudra Sdn Bhd	Malaysia	**100**	100	Port management
Held by Kuantan Port ConsortiumSdn Bhd				
KP Port Services Sdn Bhd	Malaysia	**100**	100	Port supporting services
KPN Services Sdn Bhd	Malaysia	**100**	100	Providing nitrogen purging and pigging services

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2011 (cont'd)

SUBSIDIARIES (cont'd)

Name	Country of incorporation	Effective equity interest 2011 %	2010 %	Principal activities
Held by IJM Land Berhad				
ERMS Berhad	Malaysia	**61.6**	62.8	Hotel operations
RB Land Sdn Bhd	Malaysia	**61.6**	62.8	Property development and construction activities
Econstates Management Services Sdn Bhd	Malaysia	**61.6**	62.8	Dormant
Delta Awana Sdn Bhd	Malaysia	**–**	62.8	Property investment
Emko Properties Sdn Bhd	Malaysia	**61.6**	62.8	Property development
IJM Properties Sdn Bhd	Malaysia	**61.6**	62.8	Property development and investment holding
RB Development Sdn Bhd	Malaysia	**61.6**	62.8	Property development
Sova Holdings Sdn Bhd	Malaysia	**43**	–	Property development
Held by ERMS Berhad				
Holiday Villa Management Sdn Bhd	Malaysia	**61.6**	62.8	Hotel operations
Held by Emko Properties Sdn Bhd				
Emko Management Services Sdn Bhd	Malaysia	**61.6**	62.8	Property management
Tulip Avenue Sdn Bhd	Malaysia	**–**	62.8	Liquidated
Held by RB Land Sdn Bhd				
Shah Alam 2 Sdn Bhd	Malaysia	**61.6**	62.8	Property development
Seremban Two Property Management Sdn Bhd	Malaysia	**61.6**	62.8	Property management
Seremban Two Landscape Sdn Bhd	Malaysia	**49**	50	Under members' voluntary liquidation
Seremban Two Driving Range Sdn Bhd	Malaysia	**46**	47	Under members' voluntary liquidation
Seremban Two Holdings Sdn Bhd	Malaysia	**61.6**	62.8	Property development
Seremban Two Properties Sdn Bhd	Malaysia	**61.6**	62.8	Property development
RB Property Management Sdn Bhd	Malaysia	**61.6**	62.8	Property development
Ikatan Flora Sdn Bhd	Malaysia	**61.6**	62.8	Property development
Casa Warna Sdn Bhd	Malaysia	**61.6**	62.8	Property management
Serenity Ace Sdn Bhd	Malaysia	**61.6**	62.8	Under member's voluntary liquidation

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2011 (cont'd)

SUBSIDIARIES (cont'd)

Name	Country of incorporation	Effective equity interest 2011 %	2010 %	Principal activities
Held by RB Land Sdn Bhd (cont'd)				
Aras Varia Sdn Bhd	Malaysia	**61.6**	62.8	Property development
Dian Warna Sdn Bhd	Malaysia	**61.6**	62.8	Property development
Titian Tegas Sdn Bhd	Malaysia	**61.6**	62.8	Property development
Murni Lapisan Sdn Bhd	Malaysia	**61.6**	62.8	Dormant
Tarikan Abadi Sdn Bhd	Malaysia	**61.6**	62.8	Property development
Unggul Senja Sdn Bhd	Malaysia	**61.6**	62.8	Property development
Held by IJM Properties Sdn Bhd				
Aqua Aspect Sdn Bhd	Malaysia	**49**	50	Property development
Chen Yu Land Sdn Bhd	Malaysia	**61.6**	62.8	Property development
IJM Management Services Sdn Bhd	Malaysia	**61.6**	62.8	Project and construction management services
Jalinan Masyhur Sdn Bhd	Malaysia	**31**	32	Property development
Jelutong Development Sdn Bhd	Malaysia	**49**	50	Property development
Liberty Heritage (M) Sdn Bhd	Malaysia	**61.6**	62.8	Property management and car parking services
Maxharta Sdn Bhd	Malaysia	**61.6**	62.8	Property development, civil and building construction
NS Central Market Sdn Bhd	Malaysia	**43**	44	Property development
Sinaran Intisari (M) Sdn Bhd	Malaysia	**31**	32	Property development
Suria Bistari Development Sdn Bhd	Malaysia	**31**	32	Property development
Wedec Sdn Bhd	Malaysia	**61.6**	62.8	Interior fit-out services, upgrades and renovation works
Manda'rina (M) Sdn Bhd	Malaysia	**61.6**	62.8	Property development
IJMP-MK Joint Venture	Malaysia	**43**	44	Property development
Worldwide Ventures Sdn Bhd	Malaysia	**53**	54	Property development and investment holding
Glamour Development (MM2H) Sdn Bhd	Malaysia	**61.6**	62.8	Under member's voluntary liquidation
Cypress Potential Sdn Bhd	Malaysia	**43**	44	Property development
Held by Worldwide Ventures Sdn Bhd				
Island Golf View Sdn Bhd	Malaysia	**53**	54	Property development
PIETC Sdn Bhd	Malaysia	**–**	54	Liquidated
Sheffield Enterprise Sdn Bhd	Malaysia	**37**	38	Dormant

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2011 (cont'd)

ASSOCIATES

Name	Country of incorporation	Effective equity interest 2011 %	Effective equity interest 2010 %	Principal activities
Held by the Company				
CIDB Inventures Sdn Bhd *	Malaysia	**34**	34	Infrastructure investment
Cofreth (M) Sdn Bhd *	Malaysia	**25**	25	Total facilities management, operations & maintenance, co-generation and district cooling system/service provider
Community Resort Development System Sdn Bhd *	Malaysia	**20**	20	Dormant
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 Acesso Oeste highway
IJM-Yorkville (BVI) Pty Ltd ^	British Virgin Islands	**50**	50	Special purpose vehicle for financing
Inversiones e Inmobiliaria Sur-Sur S.A. *	Chile	**25**	25	Property development
MASSCORP-Chile Sdn Bhd *	Malaysia	**32**	32	Investment holding
Kumpulan Europlus Berhad *	Malaysia	**25**	25	Investment holding
Don Sahong Power Company Ltd *	British Virgin Islands	**–**	30	Investment holding
Metech 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 Construction Sdn Bhd				
Hexacon Construction Pte Limited #	Singapore	**46**	46	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	Under members' voluntary liquidation

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2011 (cont'd)

ASSOCIATES (cont'd)

Name	Country of incorporation	Effective equity interest 2011 %	2010 %	Principal activities
Held by IJM Construction Sdn Bhd (cont'd)				
Malaysian Construction Ventures (Overseas) Sdn Bhd *	Malaysia	**20**	20	Dormant
THB-IJM Joint Venture Sdn Bhd	Malaysia	**49**	49	Ceased operation
CSC Ground Engineering Sdn Bhd *	Malaysia	**30**	30	Civil and building contractor
Held by IJM Plantations Berhad				
Loongsyn Sdn. Bhd. *	Malaysia	**–**	27	Trading in agricultural fertilisers and chemicals
Held by IJM International (BVI) Pty Ltd				
Avillion Hotels International (Sydney) Pty Limited *	Australia	**49**	49	Dormant
Reliance-OSW (Nominees) Pty Limited *	Australia	**49**	49	Trustee company
Held by IJM International Limited				
OSW Properties Pty Limited *	Australia	**50**	50	Property development
Held by IEMCEE Infra (Mauritius) Limited				
Gautami Power Private Limited *	India	**20**	20	Power generation
Held by IJMII (Mauritius) Limited				
Swarna Tollway Pte Ltd #	India	**35**	35	Infrastructure development
Held by IJM Overseas Ventures Sdn Bhd				
Earning Edge Sdn Bhd	Malaysia	**22**	22	Property development
MASSCORP-Namibia Sdn Bhd *	Malaysia	**–**	40	Liquidated
Held by IJM Properties Sdn Bhd				
Ever Mark (M) Sdn Bhd	Malaysia	**31**	31	Property development
MASSCORP-Vietnam Sdn Bhd *	Malaysia	**12**	13	Investment holding
Wilmington Sdn Bhd	Malaysia	**–**	31	Liquidated
Held by Worldwide Ventures Sdn Bhd				
PIETC Holdings Sdn Bhd	Malaysia	**26**	26	Under members' voluntary liquidation

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2011 (cont'd)

ASSOCIATES (cont'd)

Name	Country of incorporation	Effective equity interest 2011 %	2010 %	Principal activities
Held by Sheffield Enterprise Sdn Bhd				
Inti International College Penang Sdn Bhd	Malaysia	**–**	11	Operate and manage commercial educational institutions
Held by Malaysian Rock Products Sdn Bhd				
DML-MRP Resources (M) Sdn Bhd	Malaysia	**50**	50	Dormant
Held by Road Builder (M) Holdings Bhd				
Konsortium Pelabuhan Kemaman Sdn Bhd *	Malaysia	**39**	39	Provision of cargo handling, marine, port and other ancillary and additional services
Held by Road Builder (M) Sdn Bhd				
Budi Benar Sdn Bhd *	Malaysia	**25**	25	Dormant
Held by KP Port Services Sdn Bhd				
KP Depot Services Sdn Bhd *	Malaysia	**30**	30	Container depot services

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

^ Company not required to issue audited statutory financial statements

@ IJM Plantations Berhad was previously 38.5% held through a wholly-owned subsidiary, Styrobilt Sdn Bhd and the entire equity interest was transferred to the Company during the financial year.

@@ IJM Biofuel Sdn Bhd was previously held as a jointly controlled entity and during the financial year, the entire equity interest held by the other joint venture partner was acquired by IJM Plantations Berhad

@@@ During the financial year, IJM Plantations Berhad has assumed control in PT Prima Alumga ("PTPA") and PT Indonesia Plantation Synergy ("PTIPS") and consolidated these entities in accordance with FRS 127 "Consolidated and Separate Financial Statements". PT Primabahagia Permai, a subsidiary of IJM Plantations Berhad, which in turn is a subsidiary of the Company has been nominated to acquire shares in PTPA and PTIPS.

58 CHANGES IN ACCOUNTING POLICIES

The following describes the impact of new standards, amendments and improvements to published standards and IC interpretations to existing standards on the financial statements of the Group and of the Company.

(a) FRS 7 "Financial Instruments: Disclosures" and the related Amendments

FRS 7 takes a different approach from the present requirements in dealing with risks disclosures. It requires information that is provided to top management to be disclosed in the financial statements. For each type of financial risk identified (ie credit risk, liquidity risk and market risk), entities are required to disclose additional qualitative and summary quantitative data about their exposures to that risk.

Except for additional disclosure in the notes to the financial statements, the adoption of FRS 7 has no significant impact on the financial statements of the Group and of the Company in the current financial year.

(b) FRS 8 "Operating Segments"

FRS 8 replaces FRS 114 "Segment Reporting" and is applied retrospectively. A "management approach" now applies to identifying and measuring the financial performance of an entity's operating segments for financial reporting purposes. Reported segment information will be based on the information that is provided internally to the chief operating decision maker. This will have the following impact on the disclosure of segmental information:

- The way entities identify, measure and present their segment information.
- There will be more diversity in the reported information on segments.
- The measurement of segment information may not be in accordance with FRS. In these cases, entities will need to reconcile key financial information presented in their financial statements.
- Entities will no longer need to prepare two sets of information for internal and external reporting purposes.
- Reportable segments are no longer limited to those that earn a majority of revenue from sales to external parties. This will mean that entities may now report the different stages of vertically integrated operations as separate segments.

Except for minor change in the presentation of segmental information as disclosed in Note 13 to the financial statements, the adoption of FRS 8 has no significant impact on the financial statements of the Group and of the Company in the current financial year.

(c) FRS 101 (revised) "Presentation of Financial Statements"

The revised standard requires changes in the format of the financial statements including the amounts directly attributable to shareholders in the primary statements, but does not affect the measurement of reported profit or equity.

The Group has elected to present the statement of comprehensive income in a single statement. As a result, the Group has presented all owner changes in equity in the consolidated statement of changes in equity whilst all non-owner changes in equity have been presented in the consolidated statement of comprehensive income. Certain comparative figures have been reclassified to conform with the current period's presentation. There is no impact on the results of the Group since these changes affect only the presentation of items of income and expenses.

(d) FRS 117 "Leases"

Following the adoption of the improvement to FRS 117 "Leases", leasehold land in which the Group has substantially all the risks and rewards incidental to ownership has been reclassified retrospectively from operating lease to finance lease. FRS 1 (revised) requires an additional balance sheet to be presented as at the beginning of the earliest comparative period following the reclassification of balances from leases to investment properties and property, plant and equipment. Balances at the beginning of the earliest comparative period are disclosed in Notes 27, 28 and 29 to the financial statements. Other than Notes 27, 28 and 29 to the financial statements, the other notes to the financial statements have not been impacted by the reclassification.

The effect of adoption of FRS 117 on the financial statements of the Group is disclosed in Note 58(g).

58 CHANGES IN ACCOUNTING POLICIES (cont'd)

The following describes the impact of new standards, amendments and improvements to published standards and IC interpretations to existing standards on the financial statements of the Group and of the Company. (cont'd)

(e) FRS 139 "Financial Instruments: Recognition and Measurement" and the related Amendments

With the adoption of FRS 139, the Group and the Company classify its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale. The Group's financial liabilities include financial liabilities at fair value through profit or loss and payables which are carried at amortised cost. The classification depends on the nature of the assets and liabilities and the purpose for which the assets/liabilities were acquired/incurred. Management determines the classification of its financial assets and liabilities at initial recognition. Set out below are the major changes in classifications of financial assets and liabilities of the Group:

i) Financial Assets and Liabilities at fair value through profit or loss

Financial assets and liabilities that are classified at fair value through profit or loss comprise derivative financial instruments as disclosed in Note 22 to the financial statements, which were not previously recognised in the financial statements on inception and were recognised in the financial statements on settlement date. These are now recognised and measured at fair value on the date a derivative contract is entered into and are subsequently re-measured at fair value with changes in fair value recognised in profit or loss at each reporting date.

Financial assets include short term investments (as classified under current assets) that are acquired principally for the purpose of selling in the short term. Prior to the adoption of FRS 139, short term investments were recognised at the lower of cost and market value. With the adoption of FRS 139, short term investments are recognised and measured at fair value on the date a transaction is entered into and are subsequently re-measured at fair value with changes in fair value recognised in profit or loss at each reporting date.

ii) Loans and receivables

Receivables, previously measured at invoiced amount and subject to impairment, are now classified as loans and receivables and measured at fair value plus transaction costs initially and subsequently, at amortised cost using the effective interest method.

When loans and receivables are impaired, the carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. Impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment loss is recognised in profit or loss.

iii) Available-for-sale financial assets

Investments, previously measured at cost and subject to impairment, are now classified as available-for-sale financial assets. These are initially measured at fair value plus transaction costs and subsequently, at fair value except for investment in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured. These are measured at cost and are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date.

58 CHANGES IN ACCOUNTING POLICIES (cont'd)

The following describes the impact of new standards, amendments and improvements to published standards and IC interpretations to existing standards on the financial statements of the Group and of the Company. (cont'd)

(e) FRS 139 "Financial Instruments: Recognition and Measurement" and the related Amendments (cont'd)

iii) Available-for-sale financial assets (cont'd)

Changes in fair values of available-for-sale equity securities are recognised in other comprehensive income. A significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the asset is impaired. If any such evidence exists, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss previously recognised in profit or loss, is removed from equity and recognised in profit or loss. Impairment losses recognised in profit or loss on equity instruments classified as available-for-sale are reversed through other comprehensive income and not through profit or loss.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are included in profit or loss.

iv) Payables

Payables were previously measured initially and subsequently at cost, are now initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

The Group and the Company have applied the new policies in relation to the financial instruments above in accordance with the transitional provisions in FRS 139 by recognising and re-measuring all financial assets and financial liabilities as at 1 April 2010 as appropriate. The related adjustments to the previous carrying amounts are made to the opening retained earnings. Comparatives are not restated.

The effect of adoption of FRS 139 on the financial statements of the Group is disclosed in Note 58(g).

(f) The adoption of FRS 123, Amendment to FRS 2, Amendments to FRS 132 and FRS 101 (revised), IC Interpretation 9, 10 and improvements to FRSs (2009) do not have a material impact on the financial statements of the Group and of the Company.

(g) (i) Impact on the Group's statement of comprehensive income:

	For the financial year ended 31 March 2010		
	As previously reported RM'000	Change in accounting policy FRS 117 RM'000	As restated RM'000
Other operating expenses:			
- Depreciation of property, plant and equipment	–	2,273	2,273
- Depreciation of investment properties	–	283	283
- Amortisation of leasehold land	5,809	(2,556)	3,253

58 CHANGES IN ACCOUNTING POLICIES (cont'd)

The following describes the impact of new standards, amendments and improvements to published standards and IC interpretations to existing standards on the financial statements of the Group and of the Company. (cont'd)

(g) (i) Impact on the Group's statement of comprehensive income: (cont'd)

	Increase/(decrease) for the financial year ended 31 March 2011		
	FRS 117 RM'000	FRS 139 RM'000	Total RM'000
Cost of sales:			
- Inception of financial liabilities measured at amortised costs	–	(614)	(614)
Other operating income:			
- Fair value gains on financial assets at fair value through profit or loss	–	5,151	5,151
- Financial assets measured at amortised cost	–	38,077	38,077
- Write back of allowance for impairment of receivables	–	15,640	15,640
Other operating expenses:			
- Depreciation of property, plant and equipment	2,373	–	2,373
- Depreciation of investment properties	419	–	419
- Amortisation of leasehold land	(2,792)	–	(2,792)
- Fair value losses on derivative financial instruments	–	16,937	16,937
- Impairment of amounts due from jointly controlled entities	–	20,988	20,988
Finance costs:			
- Fair value gains/losses on interest rate swap (net)	–	691	691
- Inception of financial assets measured at amortised costs	–	246	246
- Financial liabilities measured at amortised cost	–	12,095	12,095
Minority interest	–	(358)	(358)

The impact of adopting FRS 139 on the Group's basic and diluted earnings per share is insignificant.

(g) (ii) Impact on the Group's Balance Sheet:

	As previously reported RM'000	Change in accounting policy FRS 117 RM'000	As restated RM'000
Balances as at 31 March 2009			
Non-current assets:			
Property, plant and equipment	1,299,035	171,686	1,470,721
Leasehold land	320,799	(194,150)	126,649
Investment properties	163,521	22,464	185,985
Balances as at 31 March 2010			
Non-current assets:			
Property, plant and equipment	1,226,819	173,710	1,400,529
Leasehold land	383,658	(237,713)	145,945
Investment properties	388,543	64,003	452,546

58 CHANGES IN ACCOUNTING POLICIES (cont'd)

The following describes the impact of new standards, amendments and improvements to published standards and IC interpretations to existing standards on the financial statements of the Group and of the Company. (cont'd)

(g) (ii) Impact on the Group's Balance Sheet: (cont'd)

	As previously reported RM'000	Change in accounting policy FRS 117 RM'000	As restated RM'000
Balances as at 1 April 2010			
Non-current liabilities:			
Derivative financial instruments	–	(13,424)	(13,424)
Non-current assets:			
Amounts due from jointly controlled entities	615,112	(140,602)	474,510
Long term receivables	159,914	(5,599)	154,315
Derivative financial instruments	–	1,433	1,433
Current assets:			
Trade and other receivables	2,170,690	(175,334)	1,995,356
Financial assets at fair value through profit or loss	110,522	8,756	119,278
Current liabilities:			
Trade and other payables	(1,689,300)	30,382	(1,658,918)
Minority interest	(1,328,138)	19,717	(1,308,421)
Retained profits	1,972,221	(274,671)	1,697,550

	Increase/(decrease) to balances as at 31 March 2011		
	FRS 117 RM'000	FRS 139 RM'000	Total RM'000
Non-current liabilities:			
Derivative financial instruments	**–**	**8,037**	**8,037**
Non-current assets:			
Property, plant and equipment	**170,469**	**–**	**170,469**
Leasehold land	**(191,174)**	**–**	**(191,174)**
Investment properties	**20,705**	**–**	**20,705**
Amounts due from jointly controlled entities	**–**	**(154,817)**	**(154,817)**
Long term receivables	**–**	**(3,541)**	**(3,541)**
Derivative financial instruments	**–**	**771**	**771**
Current assets			
Trade and other receivables	**–**	**(131,191)**	**(131,191)**
Financial assets at fair value through profit or loss	**–**	**5,417**	**5,417**
Current liabilities			
Trade and other payables	**–**	**(18,603)**	**(18,603)**
Derivative financial instruments	**–**	**3,201**	**3,201**
Minority interest	**–**	**(20,075)**	**(20,075)**
Retained profits	**–**	**8,883**	**8,883**

58 CHANGES IN ACCOUNTING POLICIES (cont'd)

The following describes the impact of new standards, amendments and improvements to published standards and IC interpretations to existing standards on the financial statements of the Group and of the Company. (cont'd)

(g) (iii) Impact on the Company's statement of comprehensive income:

	Increase/(decrease) for the financial year ended 31 March 2011	
	FRS 139 RM'000	Total RM'000
Other operating income:		
- Fair value gains on financial assets at fair value through profit or loss	**4,779**	**4,779**
- Financial assets measured at amortised cost	**4,508**	**4,508**
Finance costs:		
- Fair value gains on interest rate swap	**1,443**	**1,443**

(iv) Impact on the Company's Balance Sheet:

	Balances as at 1 April 2010		
	As previously reported RM'000	Change in accounting policy FRS 139 RM'000	As restated RM'000
Non-current assets:			
Amounts due from jointly controlled entities	58,158	(44,261)	13,897
Derivative financial instruments	–	1,433	1,433
Current assets:			
Trade and other receivables	761,093	(12,966)	748,127
Financial assets at fair value through profit or loss	82,681	8,756	91,437

	Increase/(decrease) to balances as at 31 March 2011	
	FRS 139 RM'000	Total RM'000
Non-current assets:		
Amounts due from jointly controlled entities	**(42,024)**	**(42,024)**
Derivative financial instruments	**771**	**771**
Current assets:		
Trade and other receivables	**(10,695)**	**(10,695)**
Financial assets at fair value through profit or loss	**5,049**	**5,049**

59 DISCLOSURE OF REALISED AND UNREALISED RETAINED PROFITS/(ACCUMULATED LOSSES)

The following analysis is prepared in accordance with Guidance on Special Matter No.1, Determination of Realised and Unrealised Profits or Losses in the context of disclosure pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad.

	The Group 2011 RM'000	The Company 2011 RM'000
Total retained profits:		
- Realised	3,637,718	735,697
- Unrealised	(105,378)	9,178
	3,532,340	744,875
Total share of retained profits / (accumulated losses) of the associates:		
- Realised	171,317	–
- Unrealised	(6,683)	–
Total share of retained profits / (accumulated losses) of the jointly controlled entities:		
- Realised	(64,302)	–
- Unrealised	51	–
	3,632,723	–
Add/Less: Consolidation adjustments	(1,798,310)	–
Total retained profits	1,834,413	744,875

Statutory Declaration

I, Cyrus Eruch Daruwalla, 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 143 to 283 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 27 May 2011.

CYRUS ERUCH DARUWALLA

Before me:

PESURUHJAYA SUMPAH
No: B348
Nama: A. RATHNASAMY
AMN
MALAYSIA

Commissioner for Oaths
Petaling Jaya

Alamat tempat perniagaan
No. 10A, Jalan [illegible]
46200 Petaling Jaya, Selangor
Tel: 03-7960 1428
H/P: 016-9719 [illegible]

REPORT OF THE AUDITORS TO THE MEMBERS OF IJM CORPORATION BERHAD

(Incorporated in Malaysia)
(Company No: 104131-A)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of IJM Corporation Berhad on pages 143 to 283 which comprise the balance sheets as at 31 March 2011 of the Group and of the Company, and the statements of comprehensive income, changes in equity and cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on Notes 1 to 58.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards, the MASB Approved Accounting Standards in Malaysia for Entities Other than Private Entities and the Companies Act, 1965, and for such internal control as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards, the MASB Approved Accounting Standards in Malaysia for Entities Other than Private Entities and the Companies Act, 1965 so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2011 and of their financial performance and cash flows for the year then ended.

PricewaterhouseCoopers *(AF 1146), Chartered Accountants,*
Level 10, 1 Sentral, Jalan Travers, Kuala Lumpur Sentral, P O Box 10192, 50706 Kuala Lumpur, Malaysia
T: +60 (3) 2173 1188, F: +60 (3) 2173 1288, www.pwc.com/my

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

(a) In our opinion, 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.

(b) We have considered the financial statements and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in note 57 to the financial statements.

(c) 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 financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

(d) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

OTHER REPORTING RESPONSIBILITIES

The supplementary information set out in Note 59 on page 283 is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS
(No. AF: 1146)
Chartered Accountants

SHIRLEY GOH
(No. 1778/08/12 (J))
Chartered Accountant

Kuala Lumpur
27 May 2011

List of Top 10 Properties

as at 31 March 2011

No	Location	Description	Area Hectares	Tenure	Existing Use	Date of Revaluation (R)/ Acquisition (A)	Approx. Age of Building	Net Book Value (RM'000)
1	District of Labuk/ Sugut, Sabah: a) Berakan Maju Estate b) Sabang Estate c) Rakanan Jaya North & South Estate d) Excellent Challenger Estate I & II	Agriculture land	3,006.00 5,988.00 4,833.00 5,060.00	Leasehold (expiring 2030 to 2098)	Oil Palm Estate and Palm Oil Mill	A: 1999 A: 1999, 2002 A: 1999, 2001 A: 1997, 2008	– 9 – 3	476,855
2	District of Seremban, Negeri Sembilan PT 22597, 22721-22885, 22898-22933, 22977-22987, 23029-23032, 23054-23059, 23227-23247, 23253-23308, 23996, 32115-32118, 32127, 32129-32965, 34398	Residential, Commercial, Agriculture land	566.98	Freehold	Under development; Vacant; for future development	R: 19.03.2004	–	317,760
3	District of Kuala Selangor, Selangor PT 4649, 5631-5632, 6328-6331, 6468-6471, 6540-6551, 6812-6815, 9926-10269; LOT NO. 13807-13811, 13814-13815, 13822, 13837, 13839, 13841, 13846, 13851, 13853, 13855-14135. Mukim Jeram	Residential, Commercial, Mixed development	258.33	Leasehold (expiring 2096, 2104 and 2106)	Vacant; for future development	R: 19.03.2004	–	193,286
4	District of Timur Laut, Penang Balance Parcel A1, Seksyen 8, Jelutong	Residential, Mixed development, Commercial	25.93	Freehold	Reclamation in progress	N/A	–	172,935

List of Top 10 Properties (cont'd)

as at 31 March 2011

No	Location	Description	Area Hectares	Tenure	Existing Use	Date of Revaluation (R)/ Acquisition (A)	Approx. Age of Building	Net Book Value (RM'000)
5	District of Seremban, Negeri Sembilan PT 1-6, 8, 22-23, 25-29, 33-38, 48-56, 140-161, 184-205, 228-249, 278-346, 552-553, 555, 5579, 9354, 9363, 9447-9532, 9534, 15123-15137, 18249-18253, 18260-18262, 18264-18268, 18271-18309, 18311-18320, 19009-19010, 19905, 19967; LOT 21774-21775, 22057, 22062, 22064, 22791, 23280-23281, 23287, 25176, 25178-25179, 25747-25765, 25767-25778, 25893, 25895, 25903, 25905, 25945-25972, 25976, 25981, 25983, 25985, 27068-27070, 27086, 27089-27093, 27101-27102, 27104-27106, 27136-27137, 27139-27141, 27155, 27258-27263, 27302-27304, 27313-27315, 27318, 27397-27398, 28100-28114, 28130-28244, 28501, 28503-28505, 31156, 31172, 31178-31180, 31251-31252, 31256-31260, 31266, 31268-31276, 31284, 31287-31292, 31295-31296, 31307-31310, 31314-31322, 31325-31326, 31331-31332, 31336, Lot 31356, 31369-31371, 31373, 31381-31383, 31386-31387, 31400-31403, 31405, 31407-31409, 31503, 31521, 31524, 33735-33736, 33738-33739.	Residential, Commercial, Industrial land	153.93	Freehold	Under development; Vacant; for future development	R: 19.03.2004	–	152,835

No	Location	Description	Area Hectares	Tenure	Existing Use	Date of Revaluation (R)/ Acquisition (A)	Approx. Age of Building	Net Book Value (RM'000)
6	Kuantan, Pahang Lot 1863, Mukim Sungai Karang	Industrial land	599.63	Leasehold (expiring 2027)	Port facilities	A: 1998	2-13	117,736
7	Kutai Timur, East Kalimantan, Indonesia	Agriculture land	16,024	Leasehold (expiring 2044)	Oil palm estate	A: 2008	–	113,355
8	District of Petaling, Selangor Lot 14783 and Lot 1 Mukim Damansara	Hotel and recreational club	3.33	Leasehold (expiring 2086 to 2089)	Hotel and recreational club	R: 26.3.2007	22-25	108,895
9	District of Beluran, Sabah (Desa Talisai North Estate, Desa Talisai South Estate)	Agriculture land	4,072	Leasehold (expiring 2082)	Oil Palm Estate and Palm Oil Mill	R: 1997 A: 2002	20	106,025
10	Mukim of Petaling, Kuala Lumpur 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.	Residential, Commercial	26.71	Leasehold (expiring 2103 to 2106)	Vacant; for future development	A: 2003	–	90,206

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 27th Annual General Meeting ("AGM") of IJM CORPORATION BERHAD (104131-A) will be held at Victorian Ballroom, Level 1, Holiday Villa Hotel & Suites Subang, 9 Jalan SS12/1, 47500 Subang Jaya, Selangor Darul Ehsan on Wednesday, 24 August 2011, at 3.30 p.m. to transact the following matters:-

1. To receive the audited financial statements for the year ended 31 March 2011 together with the reports of the Directors and Auditors thereon.
2. To elect retiring Directors as follows:-
   a) Dato' Teh Kean Ming — **Resolution 1**
   b) Datuk Yahya bin Ya'acob — **Resolution 2**
   c) Datuk Oh Chong Peng — **Resolution 3**
   d) Tan Gim Foo — **Resolution 4**
3. To appoint PricewaterhouseCoopers as Auditors and to authorise the Directors to fix their remuneration. — **Resolution 5**
4. As special business to consider and pass the following ordinary resolutions:-
   a) "That the fees of the Directors not exceeding RM1,000,000 per annum be divided amongst them in such manner as the Directors may determine." — **Resolution 6**
   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 7**

By Order of the Board

Jeremie Ting Keng Fui
Company Secretary

Petaling Jaya
29 July 2011

Notes:

1. APPOINTMENT OF PROXY
   (i) a member is entitled to appoint up to two (2) proxies, and they need not be members;
   (ii) a member, who is an authorised nominee (as defined under the Securities Industry (Central Depositories) Act 1991), may appoint up to two (2) proxies in respect of each Securities Account held;
   (iii) a member who appoints a proxy must duly execute the Form of Proxy, and if two (2) proxies are appointed, the number of shares to be represented by each proxy must be clearly indicated;
   (iv) a corporate member who appoints a proxy must execute the Form of Proxy under seal or the hand of its officer or attorney duly authorised;
   (v) the duly executed Form of 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;
   (vi) only members whose names appear in the Record of Depositors as at **17 August 2011** will be entitled to attend and vote at the meeting; and
   (vii) the Annual Report and Form of Proxy are available for access and download from IJM website at http://www.ijm.com.
2. DIRECTORS' FEES
   The Resolution 6, if approved, will authorise the payment of Directors' fees not exceeding RM1,000,000 per annum pursuant to Article 97 of the Articles of Association.
3. AUTHORITY TO ISSUE SHARES UNDER SECTION 132D
   The Resolution 7, if approved, will empower the Directors to issue up to 10% of the issued share capital of the Company, for working capital and/or funding of strategic development of the Group. The approval is a new mandate and is sought to provide flexibility and avoid any delay and cost in convening a general meeting for such issuance of shares. The authorisation, unless revoked or varied by the Company at a general meeting, will expire at the next AGM. At this juncture, there is no decision to issue new shares. Should there be a decision to issue new shares after the authorisation is sought, the Company will make an announcement of the actual purpose and utilisation of proceeds arising from such issuance of shares.

Form of Proxy

I/We ____

NRIC/Passport/Company No.: ______________________________ Mobile Phone No.: ________________

CDS Account No.: ____________________________________ Number of Shares Held: ______________

Address: ____

____

being a member of **IJM CORPORATION BERHAD (104131-A)**, hereby appoint:-

1) Name of Proxy: ____________________________________ NRIC No.: ____________________

Address: ____

____ Number of Shares Represented: ________

2) Name of Proxy: ____________________________________ NRIC No.: ____________________

Address: ____

____ Number of Shares Represented: ________

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 27th Annual General Meeting ("AGM") of IJM CORPORATION BERHAD to be held on Wednesday, 24 August 2011, at 3.30 p.m., and at any adjournment thereof, in the manner indicated below:-

No.	Resolutions	For	Against
1.	To reappoint Dato' Teh Kean Ming as Director		
2.	To reappoint Datuk Yahya bin Ya'acob as Director		
3.	To reappoint Datuk Oh Chong Peng as Director		
4.	To reappoint Tan Gim Foo as Director		
5.	To reappoint PricewaterhouseCoopers as Auditors and to authorise the Directors to fix their remuneration		
6.	To approve the payment of Directors' fees not exceeding RM1,000,000 per annum		
7.	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.

Signed (and sealed) this ___________ day of _____________ 2011

Signature(s): ____

Notes:

(i) a member is entitled to appoint up to two (2) proxies, and they need not be members;

(ii) a member, who is an authorised nominee (as defined under the Securities Industry (Central Depositories) Act 1991), may appoint up to two (2) proxies in respect of each Securities Account held;

(iii) a member who appoints a proxy must duly execute the Form of Proxy, and if two (2) proxies are appointed, the number of shares to be represented by each proxy must be clearly indicated;

(iv) a corporate member who appoints a proxy must execute the Form of Proxy under seal or the hand of its officer or attorney duly authorised;

(v) the duly executed Form of 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;

(vi) only members whose names appear in the Record of Depositors as at **17 August 2011** will be entitled to attend and vote at the meeting; and

(vii) the Annual Report and Form of Proxy are available for access and download from IJM website at http://www.ijm.com.

Please Fold Here

Stamp

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

Please Fold Here

Corporate Information

IJM CORPORATION BERHAD
(104131-A)

HEAD OFFICE
Wisma IJM, Jalan Yong Shook Lin
46050 Petaling Jaya, Selangor Darul Ehsan, Malaysia
Tel : 603-79858288 Fax : 603-79529388
E-mail : ijm@ijm.com Website : http://www.ijm.com

Certified to ISO 9001:2008 Cert. No. : AR 0911
Certified to OHSAS 18001:2007 Cert. No. : SR 0105
Certified to MS 1722:Part 1:2005 Cert. No. : SR 0308
Certified to ISO 14001:2004 Cert. No. : ER 0489

MALAYSIA BRANCH OFFICES

JOHOR, MALAYSIA
17th Floor, Unit 17-05, City Plaza, Jalan Tebrau
80250 Johor Bahru, Johor Darul Ta'zim, Malaysia
Tel : 607-3334895, 607-3334896
Fax : 607-3334918
E-mail : ijmjb@ijm.com
Website : http://www.ijm.com
Contact : Encik Zulkarnain Abu Kassim

PENANG, MALAYSIA
Suite 05-01, Menara IJM Land, 1, Lebuh Tunku Kudin 3
11700 Gelugor, Pulau Pinang, Malaysia
Tel : 604-2961388
Fax : 604-2961389
E-mail : ijmpg@ijm.com
Website : http://www.ijm.com
Contact : Mr Liew Hau Seng

SARAWAK, MALAYSIA
1st Floor, Lots 7886 & 7887, Queen's Court
Jalan Wan Alwi, 93350 Kuching, Sarawak, Malaysia
Tel : 6082-463496, 6082-463497
Fax : 6082-461581
E-mail : ijmkch@ijm.com
Website : http://www.ijm.com
Contact : Mr Kok Fook Yu

DIVISIONAL OFFICES

CONSTRUCTION

MALAYSIA

IJM CONSTRUCTION SDN BHD (195650-H)
2nd Floor, Wisma IJM, Jalan Yong Shook Lin
P. O. Box 504 (Jalan Sultan)
46760 Petaling Jaya, Selangor Darul Ehsan
Malaysia
Tel : 603-79858288
Fax : 603-79529388
E-mail : ijm@ijm.com
Website : http://www.ijm.com
Contact : Mr Tan Gim Foo

INDIA

IJM (INDIA) INFRASTRUCTURE LIMITED
H.No. 1-89/1, Plot No. 42 & 43
Kavuri Hills, Phase-1, Madhapur
Hyderabad - 500 081 India
Tel : 91 40 23114661/62/63/64
Fax : 91 40 23114669
E-mail : ijmii@ijm.com
Website : http://www.ijm.com
Contact : Mr Pook Foong Fee

MIDDLE EAST

KINGDOM OF BAHRAIN

IJM CONSTRUCTION SDN BHD MIDDLE EAST REGIONAL OFFICE
Villa No. 835, Road No. 31
Block No. 608, Wadyan
P. O. Box 28141, West Riffa
Kingdom of Bahrain
Tel : 973 1773 0343
Fax : 973 1773 2187/1773 7881
E-mail : ijmme@ijmmellc.ae
Contact : Mr Tan Kiam Choon

UNITED ARAB EMIRATES

IJM CONSTRUCTION (MIDDLE EAST) LLC (560467)
Office 203, Level 2, Arcade Building
Al Garhoud, P. O. Box 36634
Dubai, United Arab Emirates
Tel : 971 4 2827007
Fax : 971 4 2830411
E-mail : ijmme@ijmmellc.ae
Contact : Mr Tan Kiam Choon

PAKISTAN

IJM CONSTRUCTION (PAKISTAN) (PVT) LTD
China Ground, Kashmir Road
Next to Kashmir Lawn
P. O. Box No. 3407, Muslimabad
74800 Karachi, Pakistan
Tel : 9221 4920021, 26
Fax : 9221 4920027
E-mail : ijmpakistan@ijm.com
Contact : Mr Pook Fong Fee

SINGAPORE

HEXACON CONSTRUCTION PTE LTD (198204843K)
432, Balestier Road, #02-432
Public Mansion
Singapore 329813
Tel : 65-62519388
Fax : 65-62531638
E-mail : hexacon@singnet.com.sg
Website : http://www.hexacon.com.sg
Contact : Mr Pang Hoe Sang

INDUSTRY

MALAYSIA

INDUSTRIAL CONCRETE PRODUCTS SDN BHD (32369-W)
Wisma IJM Annexe, Jalan Yong Shook Lin
P. O. Box 191, 46720 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel : 603-79558888
Fax : 603-79581111
E-mail : icp@ijm.com
Website : http://www.ijm.com
Contact : Mr Harry Khor Kiem Teoh

MALAYSIAN ROCK PRODUCTS SDN BHD (4780-T)
Wisma IJM Annexe, Jalan Yong Shook Lin
P. O. Box 504 (Jalan Sultan), 46760 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel : 603-79558888
Fax : 603-79574891
E-mail : mrp@ijm.com
Website : http://www.ijm.com
Contact : Mr Leong Yew Kuen

CHINA

ICP JIANGMEN CO LTD
6, Sihang Road, Gujing Town
Xinhui District, Jiangmen City
Guangdong 529145
China
Tel : 86 750-826 9008
Fax : 86 750-826 9098
E-mail : icpjm@ijm.com
Contact : Mr Leong Chee Hong

INDIA

IJM CONCRETE PRODUCTS PRIVATE LIMITED
Head Office - Hyderabad
H No 1-89/1, Plot No 42 & 43
2nd Floor, Kavuri Hills
Hyderabad - 500 081, Andhra Pradesh, India
Tel : 91 40 40056911
Fax : 91 40 23114669
E-mail : ijmcpplhyd@ijm.com
Contact : Mr Pavan Kumar

Chennai
Sy. No. 18/2, Seneerkuppam Village
Poonamalle Taluk, Avadi Road
Thiruvallur District
Chennai - 600 056, India
Tel : 91 44 29042024/25
Fax : 91 44 29042023
E-mail : ijmcpplchn@ijm.com
Contact : Mr Mohan D

Bangalore
38B, 38B-1, Doddanekundi Industrial Area
Phase -1, Mahadevapura Post
Whitefield, Bangalore - 560 048, India
Tel : 91 80 41226740/1/2/3
Fax : 91 80 41226739
E-mail : ijmcpplblr@ijm.com
Contact : Mr Jayesh Krishnan

Mumbai
Plot No C-448, TTC Industrial Area
Turbhe MIDC, Pawane
Navi Mumbai-400705
Tel : 91 22 27889248
Fax : 91 22 27889288
E-mail : ijmcpplmub@ijm.com
Contact : Mr Uma Mahesh

IJM STEEL PRODUCTS PRIVATE LIMITED
Plot No. 620, Isnapur Village, Patancheruvu Mandal
Pashamylaram, Medak District
Andhra Pradesh - 502 307, India
Tel : 91 8455 224338/91 8455 224118
Fax : 91 8455 224119
E-mail : ijmspi@ijm.com
Website : www.ijmweldmesh.com
Contact : Mr S. Sarath Chandra

PAKISTAN

IJM CONCRETE PAKISTAN (PRIVATE) LIMITED
Islamabad
Goldcrest DHA Islamabad, DHA Phase II
Sheikh Zayed Bin Sultan Road
(G.T. Road), Islamabad, Pakistan
Tel : 9251 5825075
Fax : 9251 4492203
E-mail : ijmcpp@ijm.com
Contact : Mr Colin Pang Toh Chin

Karachi
China Ground, Kashmir Road, Next to Kashmir Lawn
Muslimabad, 74800 Karachi, Pakistan
Tel : 9221 4920021, 9221 4283931
Fax : 9221 4920027, 9221 4920030
E-mail : ijmcpp@ijm.com
Contact : Mr Colin Pang Toh Chin

PLANTATION

IJM PLANTATIONS BERHAD (133399-A)
Wisma IJM Plantations
Lot 1, Jalan Bandar Utama, Mile 6
Jalan Utara, 90000 Sandakan, Sabah
Postal Address: BQ 3933, Mail Bag No. 8
90009 Sandakan, Sabah, Malaysia
Tel : 6089-667721
Fax : 6089-667728
E-mail : ijmplt@ijm.com
Website : http://www.ijm.com
Contact : Mr Joseph Tek

INFRASTRUCTURE

NEW PANTAI EXPRESSWAY SDN BHD (308276-U)
Plaza Tol Pantai Dalam
KM 10.6, Lebuhraya Baru Pantai
58200 Kuala Lumpur, Malaysia
Tel : 603-77838800
Fax : 603-77831111
E-mail : info.npe@ijm.com
Website : http://www.ijm.com
Contact : Mr Neoh Soon Hiong

BESRAYA (M) SDN BHD (342223-A)
Plaza Tol Mines, KM 15, Lebuhraya Sungai Besi
43300 Seri Kembangan
Selangor Darul Ehsan, Malaysia
Tel : 603-89418288
Fax : 603-89418388
E-mail : info.besraya@ijm.com
Website : http://www.ijm.com
Contact : Mr Neoh Soon Hiong

LEBUHRAYA KAJANG-SEREMBAN SDN BHD (700707-U)
Plaza Tol Kajang Selatan
KM 3.30, Lebuhraya Kajang Seremban
43500 Semenyih
Selangor Darul Ehsan, Malaysia
Tel : 603-87238021
Fax : 603-87230021
E-mail : info.lekas@ijm.com
Website : http://www.ijm.com
Contact : Mr Neoh Soon Hiong

KUANTAN PORT CONSORTIUM SDN BHD (374383-H)
Wisma KPC, KM 25, Tanjung Gelang
P. O. Box 199, 25720 Kuantan
Pahang Darul Makmur, Malaysia
Tel : 609-5863888
Fax : 609-5863777
E-mail : info.kuantanport@ijm.com
Website : http://www.kuantanport.com.my
Contact : Dato' Ir Ho Phea Keat

PROPERTY

MALAYSIA

IJM LAND BERHAD (187405-T)
Head Office - Petaling Jaya
Ground Floor, Wisma IJM, Jalan Yong Shook Lin
P. O. Box 504 (Jalan Sultan), 46760 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel : 603-79858288
Fax : 603-79529388
E-mail : ijmland.hq@ijm.com
Website : http://www.ijmland.com
Contact : Dato' Soam Heng Choon

Negeri Sembilan
P.T. 10786, Seremban 2, 70300 Seremban
Negeri Sembilan Darul Khusus, Malaysia
Tel : 606-7613888
Fax : 606-7619888
E-mail : ijmland.sbn@ijm.com
Website : http://www.ijmland.com
Contact : Mr Hoo Kim See

Penang
Suite 01-01, Menara IJM Land
1, Lebuh Tunku Kudin 3
11700 Gelugor, Pulau Pinang, Malaysia
Tel : 604-2961222
Fax : 604-2961223
E-mail : ijmland.pg@ijm.com
Website : http://www.ijmland.com
Contact : Mr Toh Chin Leong

Johor
17th Floor, Unit 17-04, City Plaza
Jalan Tebrau, 80250 Johor Bahru
Johor Darul Ta'zim, Malaysia
Tel : 607-3391888
Fax : 607-3334803
E-mail : ijmland.jb@ijm.com
Website : http://www.ijmland.com
Contact : Mr Tham Huen Cheong

Sabah
Ground Floor, Wisma IJM Plantations
Lot 1, Jalan Bandar Utama, Mile 6
Jalan Utara, 90000 Sandakan, Sabah
Postal Address: BQ 3933, Mail Bag No. 8
90009 Sandakan, Sabah, Malaysia
Tel : 6089-671899
Fax : 6089-673860
E-mail : ijmland.sdk@ijm.com
Website : http://www.ijmland.com
Contact : Mr Patrick Oye

Sarawak
Level 2, Riverine Emerald Condominium
(South Wing Mail Box)
Lot 372, Section 54, KTLD, Jalan Petanak
93100 Kuching, Sarawak, Malaysia
Tel : 6082-231678
Fax : 6082-252678
E-mail : ijmland.kch@ijm.com
Website : http://www.ijmland.com
Contact : Mr Chong Ching Foong

REGISTERED OFFICE
2nd Floor, Wisma IJM
Jalan Yong Shook Lin
46050 Petaling Jaya
Selangor Darul Ehsan
Malaysia
Tel : 603-79858288
Fax : 603-79521200
E-mail : csa@ijm.com
Website : http://www.ijm.com

PRINCIPAL BANKERS
- AmInvestment Bank Berhad
- CIMB Bank Berhad
- HSBC Bank Malaysia Berhad
- Malayan Banking Berhad
- RHB Banking Group
- Standard Chartered Bank Malaysia Berhad
- The Royal Bank of Scotland Berhad
- United Overseas Bank (Malaysia) Berhad

AUDITORS
PricewaterhouseCoopers
Chartered Accountants
Level 10, 1 Sentral, Jalan Travers
Kuala Lumpur Sentral
50706 Kuala Lumpur
Malaysia
Tel : 603-21731188
Fax : 603-21731288
Website : www.pwc.com/my

SHARE REGISTRAR
IGB Corporation Berhad
(Share Registration Department)
Level 32, The Gardens South Tower
Mid Valley City, Lingkaran Syed Putra
59200 Kuala Lumpur
Malaysia
Tel : 603-22898989
Fax : 603-22898802
E-mail : corporate-enquiry@igbcorp.com
Website : http://www.igbcorp.com

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

annual report '11

IJM CORPORATION BERHAD (104131-A)

IJM CORPORATION BERHAD (104131-A)
Wisma IJM, Jalan Yong Shook Lin
46050 Petaling Jaya, Selangor Darul Ehsan, Malaysia
Tel : +603-7985 8288
Fax : +603-7952 9388
E-mail : ijm@ijm.com
Web : http://www.ijm.com

www.ijm.com