IJM CORPORATION BERHAD
(104131-A)

annual report 2012

SHAPING PROGRESS

Contents

28th Annual General Meeting

IJM CORPORATION BERHAD (104131-A)

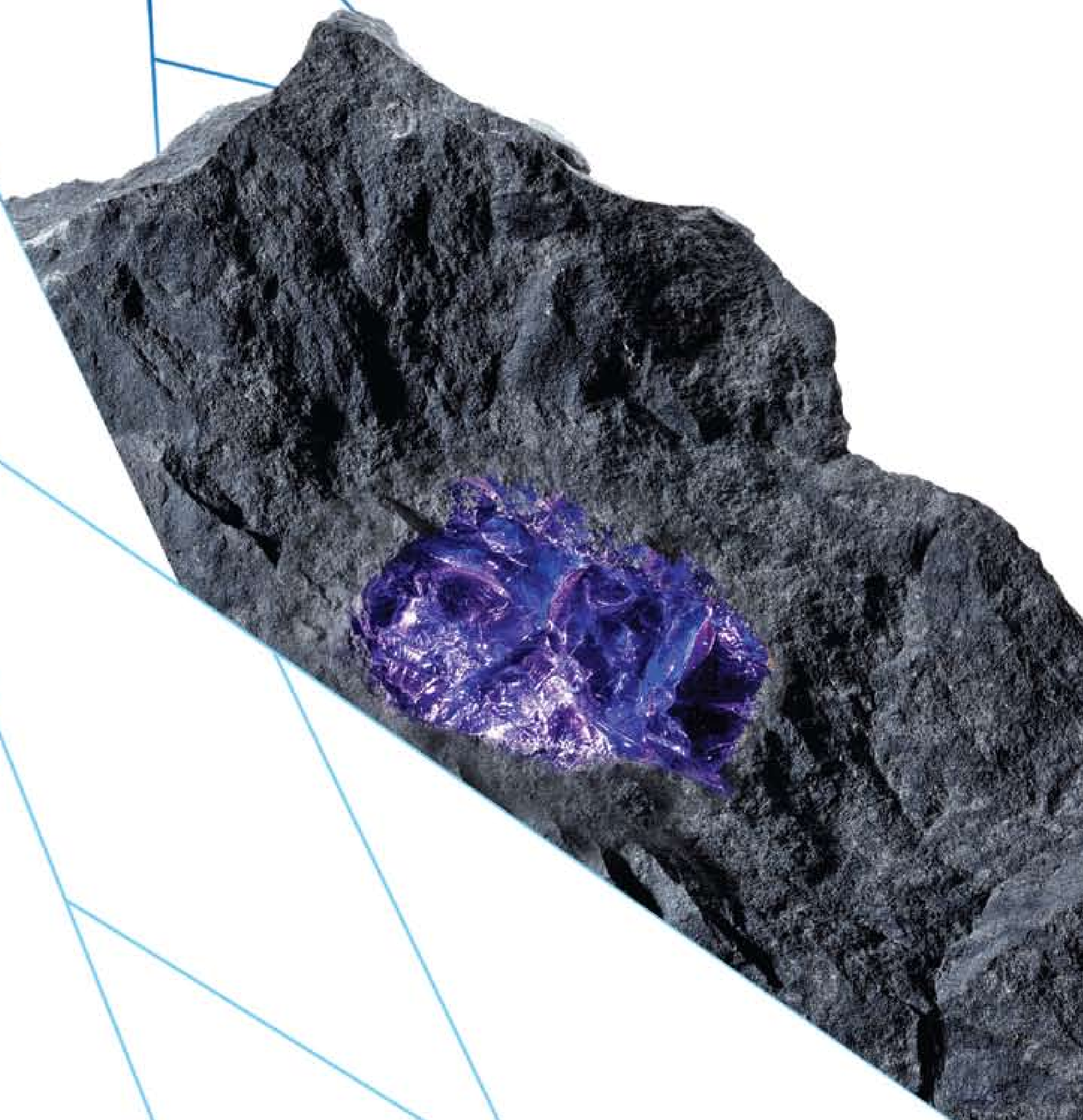
Venue : Victorian Ballroom,
Level 1, Holiday Villa Hotel & Suites Subang
9 Jalan SS12/1, 47500 Subang Jaya
Selangor Darul Ehsan

Date : Tuesday, 28 August 2012

Time : 3.30 p.m.

The shape of things to come is more than a vision at IJM. As one of the nation's partners in reshaping our country's future, IJM has been instrumental in building iconic landmarks and sustainable projects within and beyond Malaysia's borders. Our strength lies embedded in years of proven expertise and reliable delivery of excellence. We are driven by our core values of Integrity, Passion, Efficiency, Teamwork, Respect for Diversity, Innovation, Customer Focus and Quality.

Framework & Commitments



The core of our success is our firm commitment to deliver on our promises. IJM has built a prized reputation anchored on INTEGRITY and QUALITY.

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

Our corporate vision is to become a leading Malaysian conglomerate in the markets we serve.

Our Mission

Our mission is to deliver sustainable value to our stakeholders and enrich lives with the IJM Mark of Excellence.

Our Values

At IJM, we are guided by a set of core values in everything we do. These values form an integral part of our corporate culture, which is geared towards long-term success.

INTEGRITY

We act with integrity and professionalism in everything we do and with everyone we deal with, always delivering on our promise.

PASSION

We commit passionately to excel at all we do, constantly striving to push the limits and surpass standards of excellence at every opportunity.

EFFICIENCY

We drive efficiency by always looking for ways to better ourselves and our team performance, effectiveness and productivity.

TEAMWORK

We work and succeed in unity, believing and trusting each other in pursuing our shared goals.

RESPECT FOR DIVERSITY

We embrace a philosophy of openness in accepting differences of opinions, cultures and contributions, treating everyone with respect.

INNOVATION

We believe in continuous improvements, always exploring new ideas and promoting creative thinking.

CUSTOMER FOCUS

We place our customers at the heart of everything we do, constantly delivering at the right time with high quality and great attitude.

QUALITY

We deliver product and service excellence continually, relentlessly rising to exceed expectations.

Corporate Profile


Ampersand @ Kia Peng, Kuala Lumpur


Emirates Catering Facility, Dubai


ICP Piles used at Jana Manjung Power Station, Manjung, Perak


Oil palm estate in Sabah

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 three decades has been the result of its unwavering focus on its core competencies, diversification into strategically related businesses and selective expansion into new markets.


Jaipur Mahua Tollway, India


Berthing of ship, MV Ocean Concord at Kuantan Port, Pahang

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, 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 of Bursa Securities, IJM Land Berhad is 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. Besides establishing itself as a reputable township developer in India, IJM has 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 catering to demand from 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 owns and operates infrastructure concessions 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 owns and operates three highways and port concessions from the RBH merger. The Group had previously invested in and profitably sold several infrastructure assets in China.

The Group also ventured into oil palm 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 2012, the Group's market capitalisation and total assets stood at around RM7.8 billion and RM13.9 billion respectively.

Awards & Accolades

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

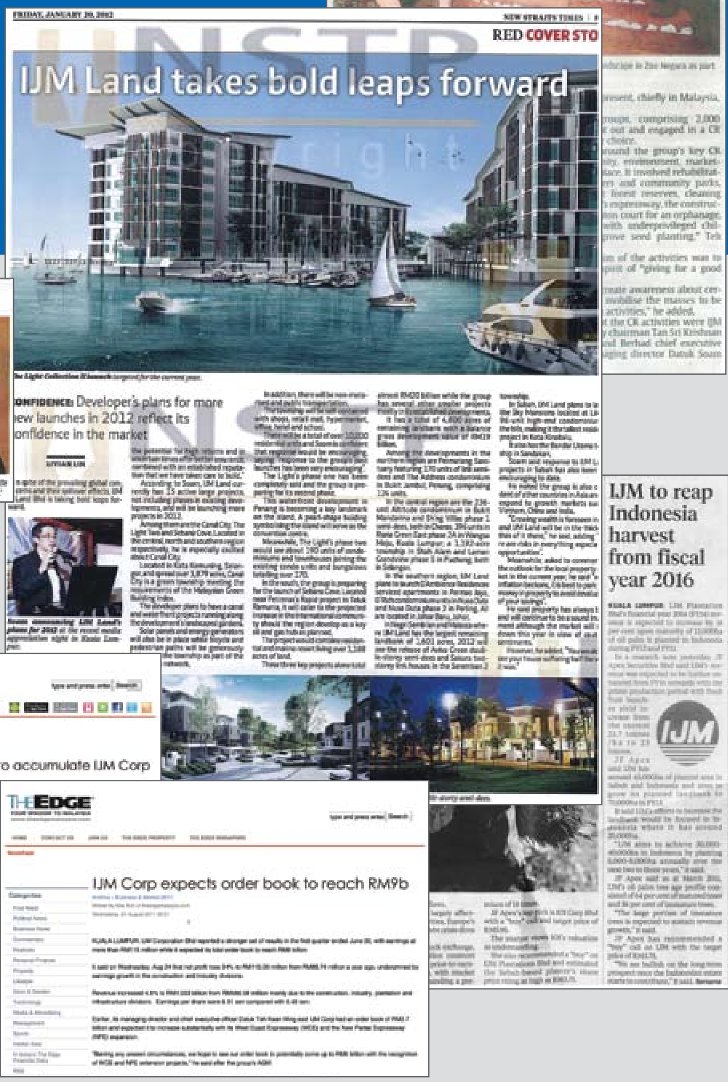
- The Malaysian Construction Industry Excellence - Contractor of the Year Award 2009
- The Malaysian Construction Industry Excellence (International Achievement) Award in 2007, 2006 and 2001
- The MITI Excellence Award for Export of Services in 2007 and 2003
- The Malaysian International Contractor of 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 Investor Relations Awards for Best Investor Relations Website (Mid Cap) in 2012
- The Malaysian Corporate Governance Index - Industry Excellence Award (Construction) 2011 and 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

IJM in the Headlines

Against a backdrop of global uncertainties in FY 2012, the IJM Group progressed and continued to shape a future of opportunities.



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

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

↗ IJM Construction (Middle East) Limited Liability Company

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
    - Island Golf View Sdn Bhd
- RB Land Sdn Bhd
  - Aras Varia Sdn Bhd
  - Casa Warna Sdn Bhd
  - Dian Warna Sdn Bhd
  - Ikatan Flora 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 Lingamaneni Township Private Limited @

Swarnandhra-IJMII Integrated Township Development Company Private Limited @

OSW Properties Pty Limited $

↗ NPE Property Development Sdn Bhd

Kuching Riverine Resort Management 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

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 Edible Oils Sdn Bhd
- 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

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 !

Corporate Diary

2011

16 April

Contribution to IEM Building Fund

A contribution was made to The Institution of Engineers, Malaysia in aid of their building expansion plans.

28 April

Kempen Mesra & Sopan 2011 @ LEKAS

IJM Toll Division launched its Courtesy Campaign to promote a culture of providing 'courtesy and cordial service' to our customers.

2-3 May

CIMB & Credit Suisse Malaysia Corporate Day @ London

IJM participated in one-on-one and small group meetings with fund managers over 2 days.

10-11 May

Team Building for Peak Performance @ Kompleks Sukan Cobra, PJ

A workshop was organised to encourage staff integration, harnessing leadership skills and maximising team performance.

23 May

IJM DxP seeds talk @ Keningau, Sabah

A commercial talk on IJM DxP seeds was held to educate and create awareness of our product.

26 June

Fundraising for Stroke Victims @ Taman Jaya, PJ

IJM participated in the fundraising event organised by the National Stroke Association of Malaysia (NASAM).

1 July

Senior Management Dialogue 2011 @ Holiday Villa Subang

The board, senior management and managers attended the annual dialogue themed '*Towards Higher Performance*' where group and divisional performances, operational strategies and other issues were discussed.

2 July

Annual Dinner 'Rock It' 2011 @ Sunway Pyramid Convention Centre

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

5-6 July

1st Georgetown-IJM International Golf Championship 2011 @ Pulau Pinang

Our CEO & MD, Dato' Teh Kean Ming attended the inaugural golf tournament where IJM was the title sponsor.

12 August

Merdeka Chess Championship @ Seremban

IJM Land sent a junior team of 5 participants creamed from its S2 Community Chess Group to participate in the 8th edition of the Malaysia Chess Festival.

19 August

Ramadan Buka Puasa @ Kuantan

Kuantan Port held a 'Buka Puasa' event graced by its Chairman, YM Tengku Tan Sri Dato' Seri Ahmad Rithaudeen Bin Tengku Ismail and made contributions to the students of Tafiz Al Quran religious school and several mosques.

24 August

AGM @ Holiday Villa Subang

IJM held its 27th Annual General Meeting and the shareholders approved resolutions to receive the audited financial statements, reappointment of directors and auditors, among others.

7 September

CG Blueprint 2011 – Towards Excellence in Corporate Governance @ Wisma IJM

PricewaterhouseCoopers presented a talk on the recently launched CG Blueprint by the Securities Commission to our Directors and senior management staff.

21-22 September

CLSA Investor Forum @ Hong Kong

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

24 September

KSIJM Pool Championship 2011 @ Brewball Midvalley

KSIJM organized a pool championship to encourage good work-life balance and winning mentality amongst staff.

29 September

The Edge Top Property Developers Awards 2011

IJM Land moved up a notch to ninth position amongst the top 10 developers in Malaysia and emerged third in the qualitative ranking.

2 October

Adidas Malaysia King Of The Road 2011 @ NPE Highway

7,700 runners took part in the competition themed 'Colors' on our New Pantai Highway ("NPE") by donning coloured racing bibs. The event was flagged off by Works Minister, YB Dato Shaziman Bin Hj Abu Mansor.

18 October

IJM Scholarship Award 2011 @ Holiday Villa Subang

IJM presented the Scholarship Awards to 25 deserving recipients while 50 children of the employees received the Academic Excellence Awards.

Corporate Diary (cont'd)

22 October

Official Opening of Sau Seng Lum (PJ) Haemodialysis Centre @ Puchong

The opening of this rehabilitation centre providing low cost dialysis treatment was graced by our CEO & MD. IJM has in the past and present donated dialysis machines to this noble cause.

15 November

Blood Donation Campaign @ Wisma IJM, PJ

A blood donation drive was organised in conjunction with Universiti Malaya Medical Centre.

26 November

The Outdoor Adventure @ Taman Pertanian Malaysia, Shah Alam

IJMers participated in outdoor activities that were physically challenging in a demanding environment.

3 December

Give Day Out

2,000 IJMers across our operations in Malaysia, India and China carried out the Corporate Responsibility initiative of their choice and helped make a difference to society.

7 December

Malaysian Corporate Governance Index – Industry Excellence Award (Construction) 2011 @ Kuala Lumpur

IJM received the Award for the second consecutive year from the Minority Shareholder Watchdog Group.

15 December

Metabolic Syndrome Talk @ Wisma IJM

An educational talk was given by Dr. Rajbans Singh to raise awareness on Metabolic Syndrome to our staff.

2012

11 January

Media Appreciation Night @ Bangsar, KL

IJM Land held its inaugural Media Appreciation Night for members of the press, media and advertising agencies. Attendees were also given a briefing on our upcoming project launches.

11 January

Stakeholder Engagement @ Plantations

IJM Plantations welcomed Australian Senator Nick Xenophon and YB Dato Shahrir Abdul Samad to the HUMANA education learning centre in Desa Talisai South Estate, Sabah.

15 January

Heartiest Congratulations to Dato' Tan Gim Foo

Our Deputy CEO and Deputy MD was conferred the Darjah Kebesaran Negeri Kedah Darul Aman - Darjah Setia Diraja Kedah (D.S.D.K.) which carries the title Dato' by the Sultan of Kedah, DYMM Al-Sultan Almu'tasimu Billahi Muhibuddin Tuanku Alhaj Abdul Halim Mu'adzam Shah Ibni Almarhum Sultan Badlishah in conjunction with the ruler's 84th birthday.

31 January

Letter of Acceptance for MRT Package V5 Project ("LA")

IJM Construction received the LA from Mass Rapid Transit Corporation Sdn Bhd for the Lembah Kelang: Jajaran Sungai Buloh-Kajang Package at a contract sum of RM974.78 million.

14-16 February

International Construction Week ("ICW") @ KLCC

IJM participated in the ICW, which was an annual programme of the Ministry of Works Malaysia and CIDB. It was officiated by YAB Dato' Sri Mohd Najib bin Tun Abdul Razak.

25-26 February

Highway Trail Hunt 2012 @ Melaka

Staff participated in the fun filled hunt exploring IJM's highways - New Pantai Highway, Besraya Highway and LEKAS en route to Melaka.

3 March

Daylight: A Tunnel Trip @ Pahang-Selangor Raw Water Transfer Project

KSIJM organised an educational visit to the site for its members to familiarise with the construction progress of this unique project.

10-11 March

Raptor Watch 2012 @ PNB Ilham Resort, Port Dickson

IJM supported the annual event which celebrated the return of migratory birds of prey to their breeding grounds in the northern hemisphere and raised public awareness on raptor conservation and their habitats.

13-29 March

Annual Training Camp 2012 @ Kuantan Port

The training was to improve the mental and physical strength of Kuantan Port's Second Squadron of Royal Army Regiment Engineer Specialists. It was officiated by YH Dato' Khairul Anuar Bin Abdul Rahman from Kuantan Port Authority.

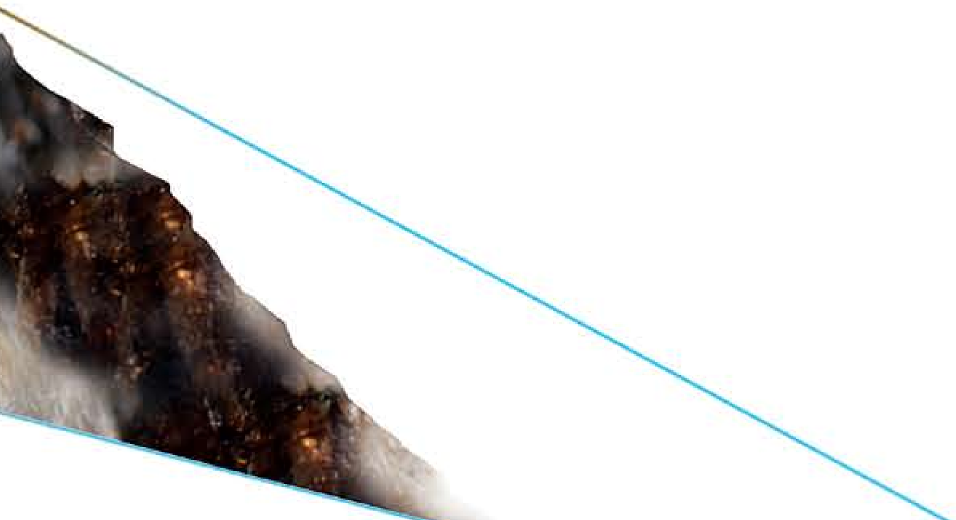
20-21 March

Credit Suisse Asian Investor Conference @ Hong Kong

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

Organisation & Stewardship

Management and staff of IJM practice TEAMWORK and RESPECT FOR DIVERSITY, creating a conducive work environment.



Board of Directors & Secretaries

left to right (sitting)

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

Y. Bhg. Tan Sri Abdul Halim Bin Ali

left to right (standing)

Y. Bhg. Dato' Teh Kean Ming

Y. Bhg. Dato' Tan Gim Foo







left to right
top:

Y. Bhg. Datuk Yahya Bin Ya'acob

Y. Bhg. Datuk Oh Chong Peng

Y. Bhg. Datuk Lee Teck Yuen

middle:

Y. Bhg. Dato' David Frederick Wilson

Y. Bhg. Dato' Goh Chye Koon

Jeremie Ting Keng Fui, *Secretary*

bottom:

Ng Yoke Kian, *Secretary*

Profile of Directors

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 Chairman

- Audit Committee
- Nomination & Remuneration Committee

Tan Sri Abdul Halim, born in July 1943, joined the Board on 25 April 2007. He was appointed the Chairman of IJM Corporation Berhad on 24 August 2011.

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), Minority Shareholders Watchdog Group (Chairman) and ESSO Malaysia Berhad.

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

PSM, DSPN, SMS
B.Econs(Hons), CPA(M), MBA

Executive Deputy Chairman

- Executive Committee

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.

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 Airline System Berhad, Malaysian Community & Education Foundation 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 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.

Y. Bhg. Tan Sri Abdul Halim Bin Ali
Independent Non-Executive Chairman

Y. Bhg. Tan Sri Dato' Tan Boon Seng @ Krishnan
Executive Deputy Chairman

Profile of Directors (cont'd)

Y. Bhg. Dato' Teh Kean Ming

DSPN, PKT

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

Chief Executive Officer & Managing Director

- Executive Committee
- Securities & Options Committee

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.

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 IJM Land Berhad, IJM Plantations Berhad, ERMS Berhad and Road Builder (M) Holdings Bhd.

Y. Bhg. Dato' Tan Gim Foo

DSDK

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

Deputy Chief Executive Officer & Deputy Managing Director

- Executive Committee

Dato' 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.

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.

Y. Bhg. Dato' Teh Kean Ming
Chief Executive Officer & Managing Director

Y. Bhg. Dato' Tan Gim Foo
Deputy Chief Executive Officer & Deputy Managing Director

Profile of Directors (cont'd)

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

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 Oh Chong Peng

PJN, JSM

FCA

Independent Non-Executive Director

- Nomination & Remuneration Committee
- Audit Committee

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, Malayan Flour Mills Berhad, Kumpulan Europlus Berhad and Ingenious Growth Berhad. He is also a Trustee of UTAR Education Foundation; and a Government appointed Member of the Labuan Financial Services Authority.

Y. Bhg. Datuk Lee Teck Yuen

PJN

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

Non-Executive Director

- Nomination & Remuneration Committee

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. Dato' David Frederick Wilson

DIMP
MA (Mech.Sc)

Non-Executive Director
• Securities & Options Committee

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 Chartered 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 Chye Koon

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

Non-Executive Director

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).

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' Tan Boon Seng @ Krishnan, 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

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

CEO & Managing Director

Dato' Teh Kean Ming

Deputy CEO & Deputy Managing Director

Dato' Tan Gim Foo

DIVISIONS

Construction

Dato' Tan Gim Foo

Property

Dato' Soam Heng Choon

Industry

Khor Kiem Teoh

Plantation

Joseph Tek Choon Yee

Infrastructure - Ports

Dato' Ho Phea Keat

Infrastructure - Tolls

James Wong Tet Foh

International Ventures

Anthony Teoh Teik Thiam
India


Pook Fong Fee
Pakistan


Tan Kiam Choon
Middle East


Tan Peng Kok
Vietnam


Adam Eleod
Argentina

GROUP SUPPORT SERVICES

Accounts & Finance

Cyrus Eruch Daruwalla

Corporate Strategy & Investment

Lee Chun Fai

Legal

James Ponniah Joseph

Business Development & New Ventures

Gabriel Chia Kee Loy

Human Resources

Agnes Choon

Corporate Services, Administration & Information Systems

Jeremie Ting Keng Fui

Internal Audit

Lyndon Alfred Felix

Investor Relations

Shane Guha Thakurta

Corporate Communications

Juliet Choong Wai Gaik

Health, Safety & Environment

Rozaimy bin Amiruddin

Quality

S. Ramesh a/l V. Subramaniam

Corporate Services

Ng Yoke Kian

Profile of Senior Management

Dato' Soam Heng Choon

Khor Kiem Teoh

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 ("IJML") with effect from 1 February 2010. Prior to that, he was IJML'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.

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.

Dato' Ho Phea Keat

James Wong Tet Foh

Y. Bhg. Dato' Ho Phea Keat

DIMP

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

Managing Director (Kuantan Port Consortium Sdn Bhd)

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 specializing 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 Division, 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.

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 specializing 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.

Profile of Senior Management (cont'd)


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 as Project Officer to initiate plantation business in Sandakan, Sabah. 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 also Sabah Sports Laureate (Tokoh Sukan) in 2010. He was 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.

Tong Wai Yong

Dato' Neoh Soon Hiong

Tong Wai Yong

B.Eng. (Civil)(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. He heads the Construction Services at Head Office as Director-in-Charge of Commerce House Sdn Bhd (Purchasing) and Plant Director of Plant & Workshop/Store Department. He is the QSSD Director of 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 Group General Manager and later 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.

Y. Bhg. Dato' Neoh Soon Hiong

DIMP

MBA

IJM Representative in West Coast Expressway Sdn Bhd

Dato' Neoh was born in July 1956. He served the Toll Division for more than 13 years and is now assigned to procure and lead a major highway project in Malaysia after he retired as the Head of Toll Division in 2011. He is currently the Chief Executive Officer and Director of West Coast Expressway Sdn Bhd, and also the Director of Besraya (M) Sdn Bhd ("BSB") and New Pantai Expressway Sdn Bhd ("NPE").

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 BSB as Project Manager in 1997. His subsequent appointments included Head of Operations of BSB (1999-2000), General Manager of BSB and 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).

Profile of Senior Management (cont'd)

Loy Boon Chen

Cyrus Eruch Daruwalla

Lee Chun Fai

Loy Boon Chen

MBA, CPA(M)

IJM Representative in Kumpulan Europlus Berhad and Trinity Corporation Berhad (formerly known as Talam Corporation Berhad)

Mr. Loy, born in October 1951, is an Executive Director of both Kumpulan Europlus Berhad and Trinity Corporation Berhad (formerly known as Talam Corportion Berhad).

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.

Lee Chun Fai

B. Acct. (Hons), MBA

Head of Corporate Strategy & Investment

Mr. Lee, born in February 1971, was appointed the Head of Corporate Strategy & Investment on 1 July 2012. Prior to that, he was the Deputy Chief Financial Officer for the IJM Group.

He graduated with a Bachelor of Accountancy (Honours) degree from University Utara Malaysia in 1995 and participated in the Kellogg-HKUST Executive MBA program by Kellogg School of Management and The Hong Kong University of Science & Technology's School of Business and Management. He obtained a Master of Business Administration from Northwestern University and The Hong Kong University of Science & Technology in 2012.

He started his career with a public accounting firm. In October 1995, he joined Road Builder (M) Holdings Bhd ("RBH Group") and was the Head of Corporate Services Division of RBH Group prior to the acquisition of RBH Group by IJM Corporation Berhad in 2007. He has extensive experience in corporate finance, privatization projects, financial management and reporting.

Ng Yoke Kian

Jeremie Ting Keng Fui

Ng Yoke Kian

ACIS

Company Secretary

Ms Ng, born in August 1967, joined IJM Corporation Berhad ("IJM") in 1997 and was appointed as Company Secretary on 6 April 2012. She is also the Company Secretary of IJM Plantations Berhad and IJM Land Berhad.

She is an Associate of Malaysian Institute of Chartered Secretaries & Administrators (MAICSA). She started her career with a secretarial firm for about 5 years and was an Assistant Manager of the Technical and Research Department of the MAICSA prior to joining IJM. She has more than 20 years experience in corporate secretarial work.

Jeremie Ting Keng Fui

FCIS, MBA

Company Secretary

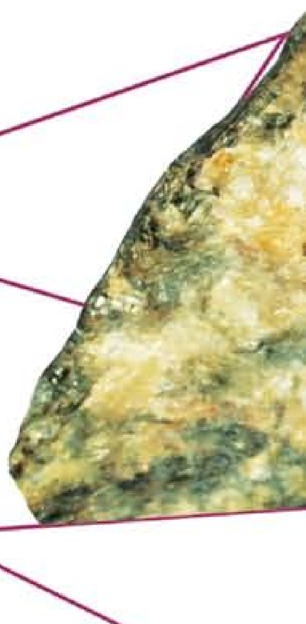
Mr. Jeremie Ting, born in September 1957, joined IJM Corporation Berhad in 1982 and was appointed Company Secretary on 1 October 1994. He is also the Company Secretary of IJM Plantations Berhad and IJM Land Berhad, and heads the Corporate Services, Administration, and Information Systems Departments.

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 obtained a Master's degree in Business Administration from Golden Gate University, San Francisco, USA in 1986.

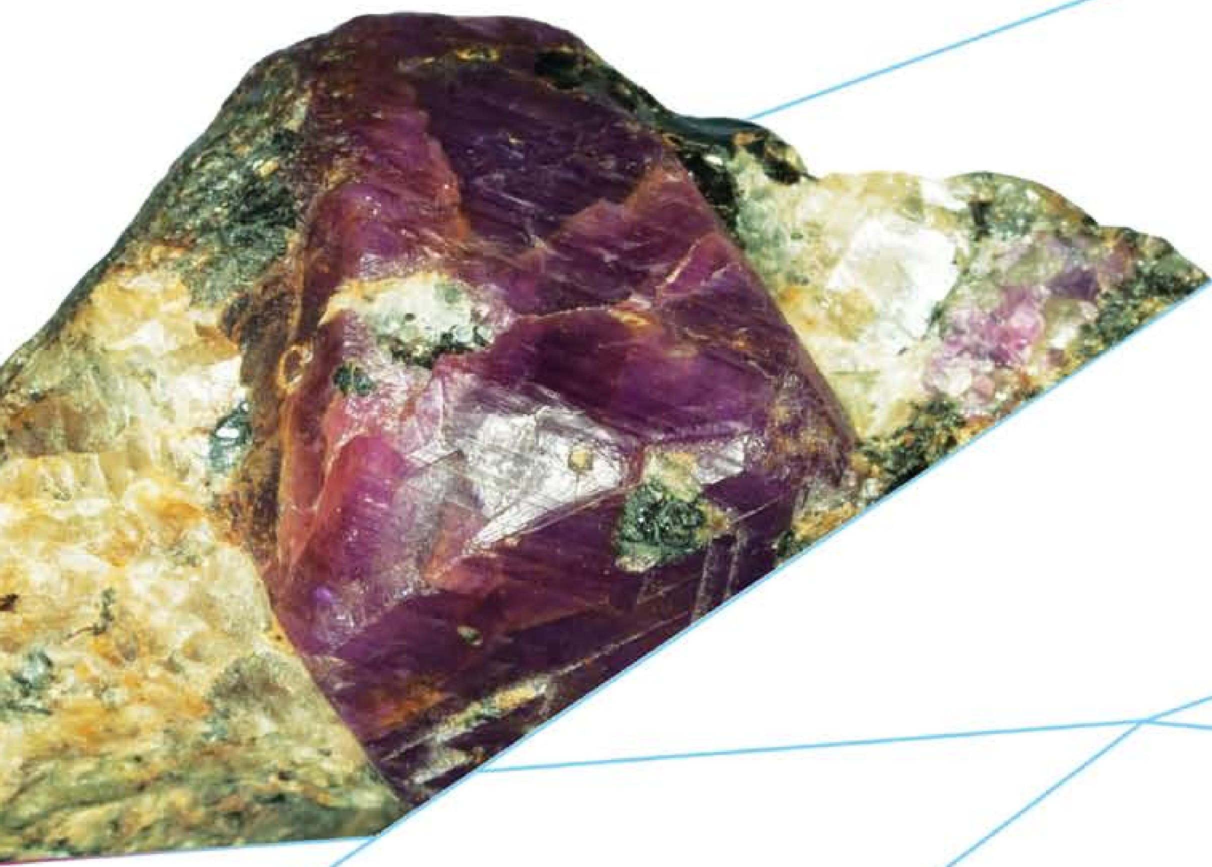
He is presently a Council Member of the Malaysian Institute of Chartered Secretaries & Administrators (MAICSA) and has been in Council for many years since 1994. He is also MAICSA Adviser for Bursa Affairs, and Chairman of the Governance Committee and Corporate Communications & Publications Committee, and a member of the National Disciplinary Tribunal, and Technical & Professional Practice Committee. He was adjudged the winner of the ROC-MAICSA Company Secretary Award 2000 under the Listed Company Category, and was the MAICSA President for 2004.

He was a member of the Committee of Adjudicators of the Malaysian Corporate Governance (MCG) Index 2011 and 2010 of the Minority Shareholder Watchdog Group (MSWG), and a member of the Focus Group for the Malaysian Code on Corporate Governance 2012 and Working Group for the Corporate Governance Blueprint 2011 of the Securities Commission.

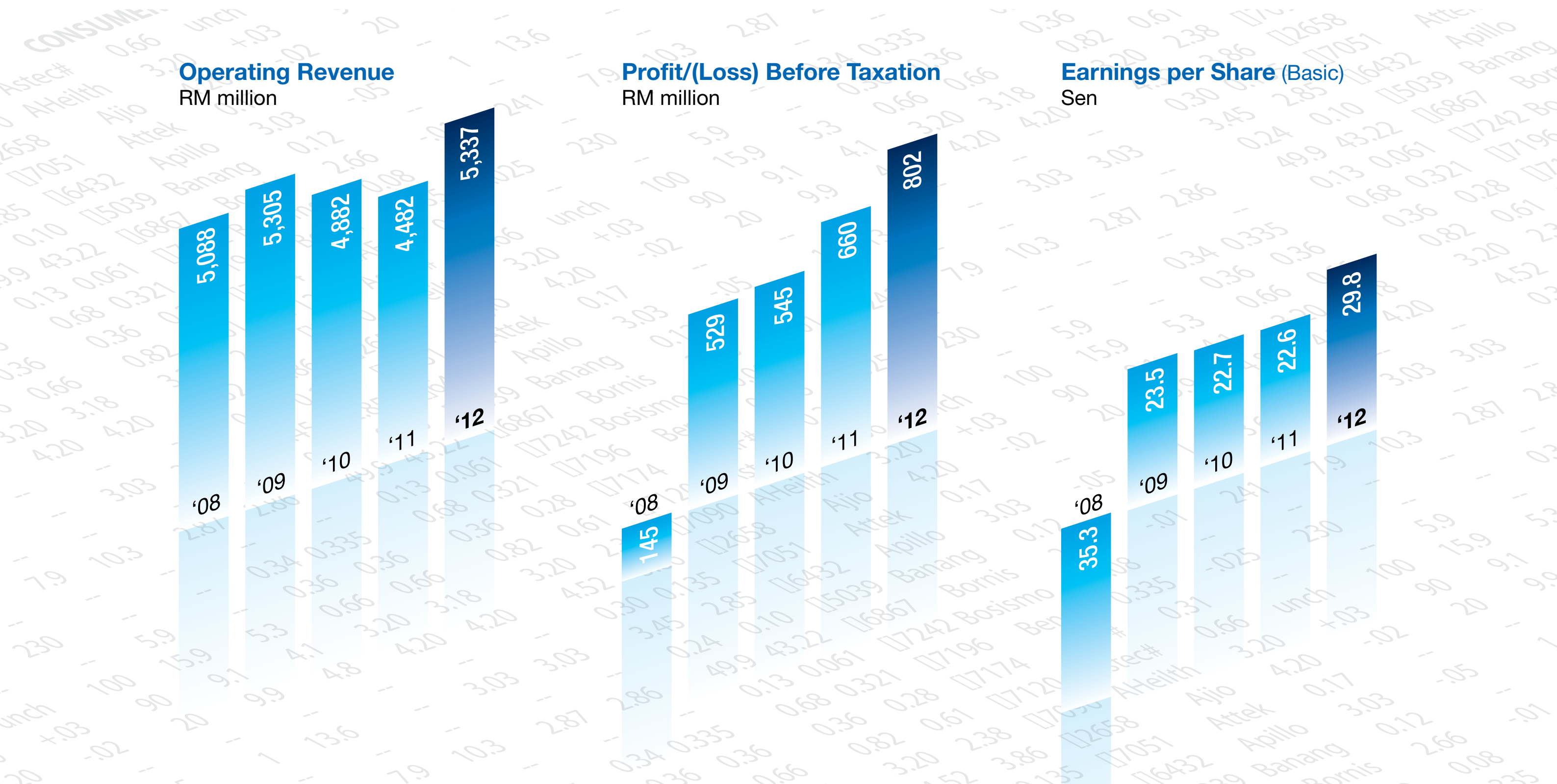
Shareholder Summary of Information



Constituting the bedrock of our success, every IJM company displays a PASSION for excellence and EFFICIENCY.

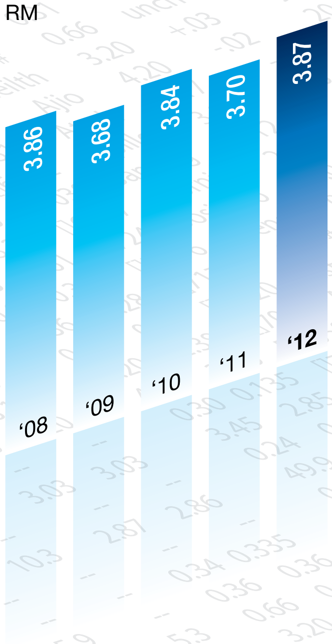


Group Financial Highlights

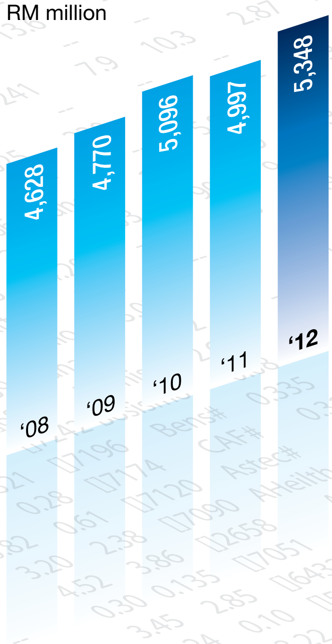


		2012	2011	2010	2009	2008
OPERATING REVENUE (N1)	RM'000					
Construction		**1,951,959**	1,336,191	1,841,219	2,355,258	2,353,153
Property development		**1,232,930**	1,178,764	1,175,637	985,953	991,027
Industry		**892,660**	807,397	882,853	1,069,052	871,995
Plantation		**590,434**	538,264	441,817	541,564	527,703
Infrastructure		**668,318**	620,277	538,913	349,625	305,019
Investment & Others		**353**	976	1,990	3,854	39,148
		5,336,654	4,481,869	4,882,429	5,305,306	5,088,045
PROFIT/(LOSS) BEFORE TAXATION	RM'000					
Construction		**62,001**	(79,233)	30,890	40,333	165,558
Property development		**283,891**	289,658	171,895	125,476	107,043
Industry		**138,151**	109,497	174,378	170,987	118,858
Plantation		**215,247**	196,013	111,692	160,453	191,151
Infrastructure		**86,138**	110,667	62,673	26,492	88,603
Investment & Others		**16,163**	33,129	(6,713)	4,929	(816,061)
		801,591	659,731	544,815	528,670	(144,848)

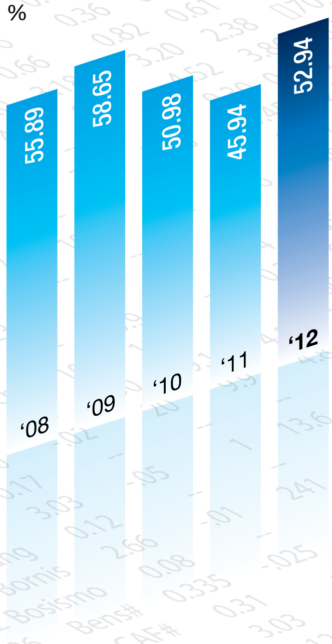
Net Assets per Share
RM



Shareholders' Funds
RM million



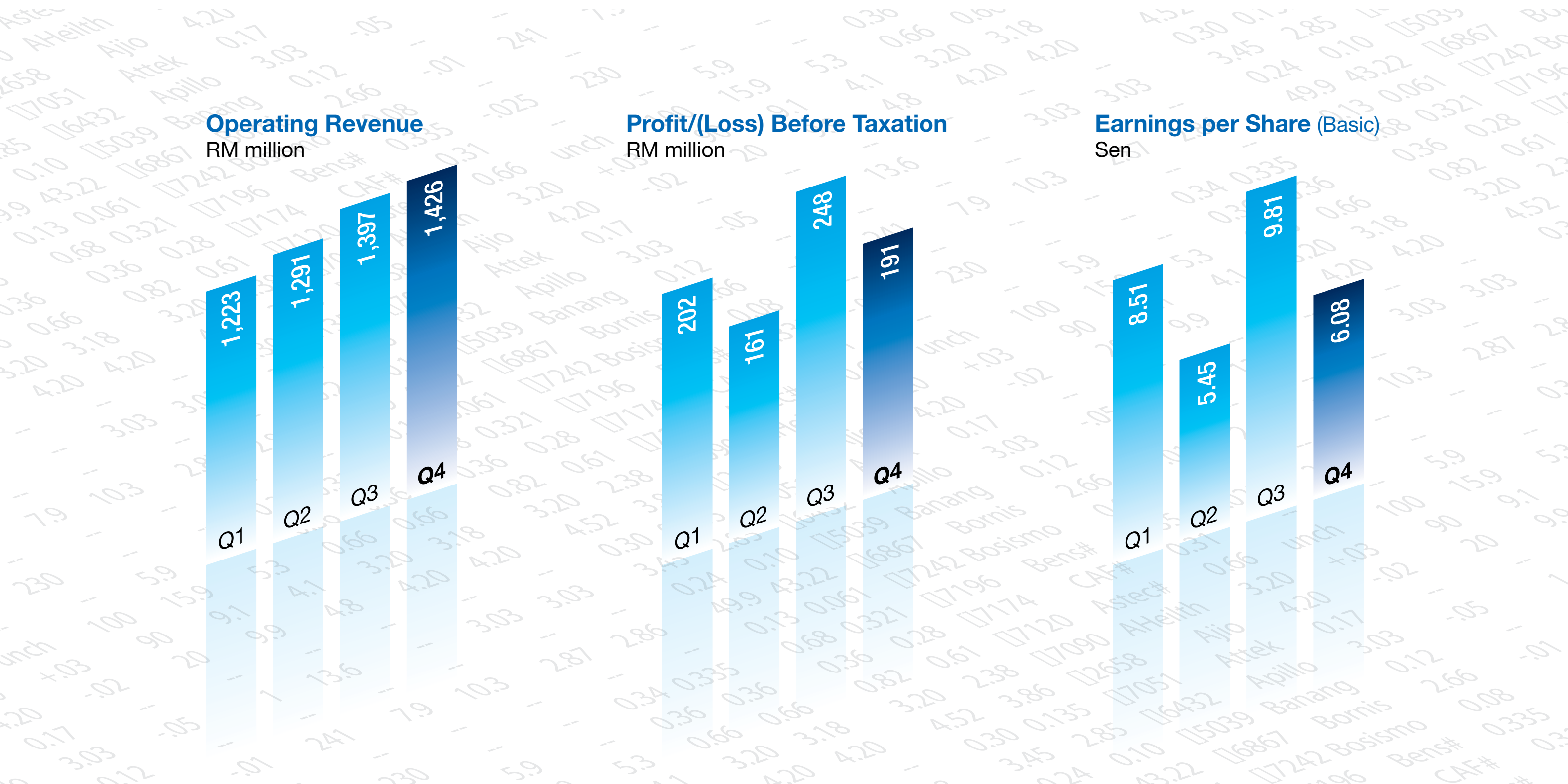
Gearing
%



		2012	2011	2010	2009	2008
NET PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY	RM'000	**409,076**	304,491	299,371	290,212	(420,467)
ISSUED SHARE CAPITAL	RM'000	**1,381,609**	1,351,115	1,327,216	941,952	859,314
SHAREHOLDERS' FUNDS	RM'000	**5,348,051**	4,997,092	5,096,012	4,770,150	4,628,250
TOTAL ASSETS	RM'000	**13,890,648**	12,553,751	12,534,691	11,726,163	11,148,413
EARNINGS PER SHARE (Basic)	Sen	**29.84**	22.63	22.69	23.46*	(35.31)*
GROSS DIVIDEND PER SHARE	Sen	**12.00**	11.00	11.00	34.99	–
NET ASSETS PER SHARE	RM	**3.87**	3.70	3.84	3.68*	3.86*
RETURN ON TOTAL ASSETS	%	**2.94**	2.43	2.39	2.47	(3.77)
RETURN ON EQUITY	%	**7.65**	6.09	5.87	6.08	(9.08)
GEARING (Net Debt/Equity)	%	**52.94**	45.94	50.98	58.65	55.89
SHARE PRICE						
High	RM	**6.58**	6.82	6.86	6.60	9.35
Low	RM	**3.90**	4.38	4.20	2.35	4.90
Closing	RM	**5.63**	6.41	4.88	4.18	6.10
WARRANT PRICE 2005/2010						
High	RM	**–**	1.54	1.81	2.02	4.46
Low	RM	**–**	1.08	0.37	0.26	1.08
Closing	RM	**–**	1.54**	1.30	0.37	1.82
WARRANT PRICE 2009/2014						
High	RM	**2.55**	3.07	1.34	–	–
Low	RM	**1.18**	0.90	0.95	–	–
Closing	RM	**1.98**	2.48	1.13	–	–

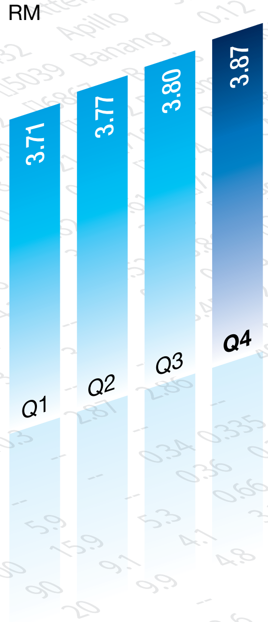
N1 Including share of associate and joint venture's revenue
** Warrants 2005/2010 ceased trading and expired on 5 August 2010 and 20 August 2010 respectively
* Adjusted for 2:5 Bonus Issue

Group Quarterly Performance

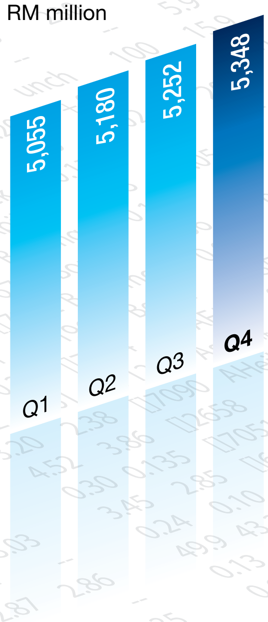


		First Quarter	Second Quarter	Third Quarter	Fourth Quarter
OPERATING REVENUE (N1)	RM'000				
Construction		430,303	422,826	535,321	563,509
Property development		260,087	297,625	296,290	378,928
Industry		237,482	219,683	229,315	206,180
Plantation		128,351	180,933	146,428	134,722
Infrastructure		166,729	169,652	189,951	141,986
Investment & Others		53	58	56	186
		1,223,005	1,290,777	1,397,361	1,425,511
PROFIT/(LOSS) BEFORE TAXATION	RM'000				
Construction		11,933	9,653	11,792	28,623
Property development		65,073	51,314	81,072	86,432
Industry		31,666	38,693	41,195	26,597
Plantation		66,387	62,880	71,557	14,423
Infrastructure		23,415	(4,868)	35,872	31,719
Investment & Others		3,136	3,768	6,233	3,026
		201,610	161,440	247,721	190,820

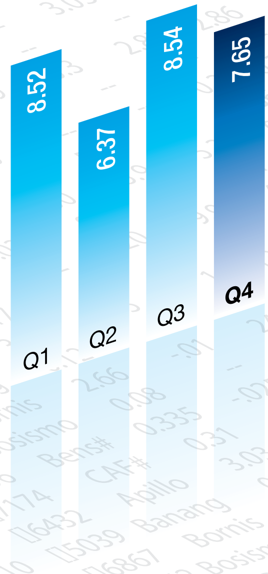
Net Assets per Share
RM



Shareholders' Funds
RM million



Return on Equity
%



		First Quarter	Second Quarter	Third Quarter	Fourth Quarter
NET PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY	RM'000	115,030	74,777	135,234	84,035
ISSUED SHARE CAPITAL	RM'000	1,363,804	1,375,430	1,381,609	1,381,609
SHAREHOLDERS' FUNDS	RM'000	5,055,422	5,179,687	5,252,260	5,348,051
TOTAL ASSETS	RM'000	12,717,363	13,391,985	13,802,203	13,890,648
EARNINGS PER SHARE (Basic)	Sen	8.51	5.45	9.81	6.08
GROSS DIVIDEND PER SHARE	Sen	–	4.00	–	8.00
NET ASSETS PER SHARE	RM	3.71	3.77	3.80	3.87
RETURN ON TOTAL ASSETS (Annualised)	%	3.52	2.51	3.30	2.94
RETURN ON EQUITY (Annualised)	%	8.52	6.37	8.54	7.65
SHARE PRICE					
High	RM	6.52	6.58	6.20	6.16
Low	RM	6.03	4.38	3.90	5.38
Close	RM	6.45	5.00	5.65	5.63
WARRANT PRICE 2009/2014					
High	RM	2.55	2.46	2.00	2.13
Low	RM	2.13	1.18	1.28	1.67
Closing	RM	2.44	1.47	1.71	1.98

[N1] Including share of associate and joint venture's revenue

Statement of Value Added & Distribution

	2012 RM'000	2011 RM'000 (Restated)
Value added :		
Revenue	**4,517,860**	3,720,717
Purchases of goods & services	**(3,127,160)**	(2,509,586)
Value added by the Group	**1,390,700**	1,211,131
Share of profits of associates	**39,799**	46,844
Share of losses of jointly controlled entities	**(37,840)**	(29,450)
Total value added	**1,392,659**	1,228,525
Distribution :		
To employees		
- Salaries & other staff costs	**254,177**	226,975
To Governments		
- Taxation	**251,105**	197,194
To providers of capital		
- Dividends	**150,726**	181,261
- Finance costs	**172,875**	194,986
- Non-controlling interests	**141,410**	158,046
Retained for future reinvestment & growth		
- Depreciation and amortisation	**164,016**	146,833
- Retained profits	**258,350**	123,230
Total distributed	**1,392,659**	1,228,525

Value added is a measure of wealth created. The above statement shows the Group's value added for 2012 and 2011 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

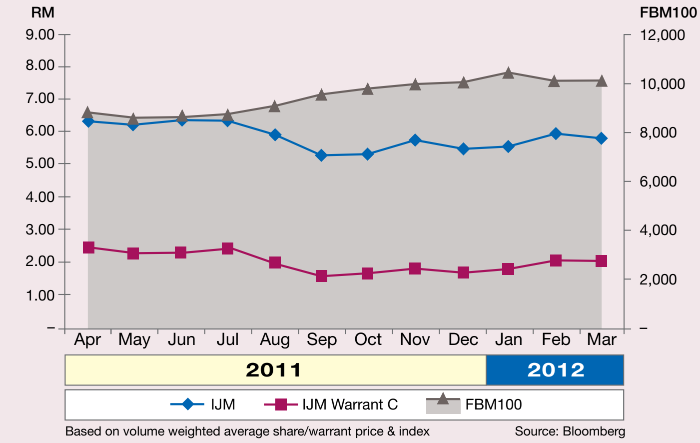
	2012 RM'000	2011 RM'000 (Restated)
Profit for the year	**409,076**	304,491
Add : Depreciation and amortisation	**164,016**	146,833
Finance costs	**172,875**	194,986
Staff costs	**254,177**	226,975
Taxation	**251,105**	197,194
Non-controlling interests	**141,410**	158,046
Total value added	**1,392,659**	1,228,525

Information for Investors

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

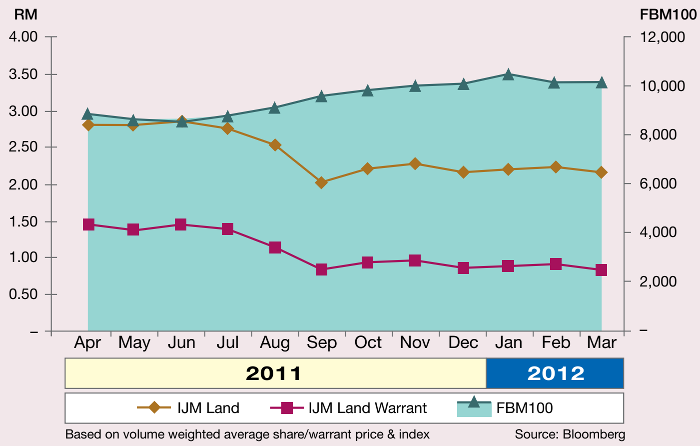
IJM's share price (stock code: 3336) stayed relatively flattish in the first four months of the financial year after performing well last year following the unveiling of the Economic Transformation Programme in October 2010. Sentiment for the construction sector, however, began to wane in the second half of 2011 due to investor fatigue from perceived slow pace of project roll outs and heightened political risk from expectations of possible general elections to be held in early 2012. The share price improved in February 2012 after the Company announced that it had been awarded the civil works contract for a maiden MRT project in the Klang Valley while its associate company, Kumpulan Europlus Berhad, announced in January that it had obtained an approval to undertake the privatisation of the West Coast Expressway.

IJM's share price decreased 11% to close at RM5.63 as at 31 March 2012, from RM6.35 a year ago. IJM's Warrant C 2009/2014 price (stock code: 3336wc) mirrored a similar trend to that of its mother share, reducing to RM1.98 as at 31 March 2012, a decrease of 20% from RM2.48 a year ago. The warrants, however, returned a gain of 692% over its issue price of RM0.25 in October 2009.



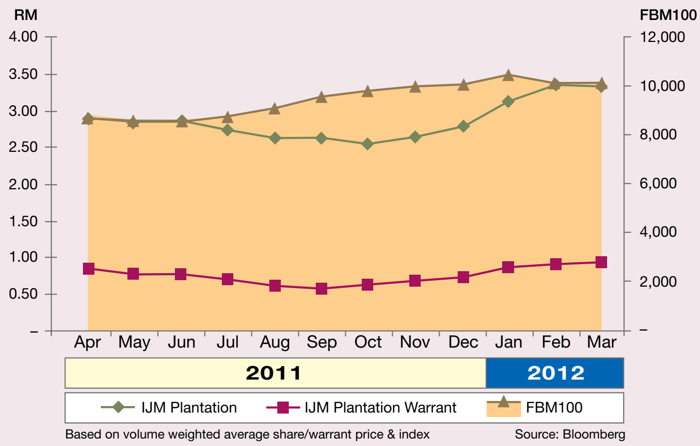
IJM Land Berhad ("IJML") Share & Warrant Prices vs FBM100

IJML's share price (stock code: 5215) moderated in the first half of the financial year and remained relatively flat for the remaining year to close at RM2.18 on 31 March 2012. For the financial year, the share price decreased 21% from RM2.75. IJML's Warrant 2008/2013 price (stock code: 5215wa) followed a similar pattern to that of its mother share, decreasing 46% from RM1.45 in April 2011 to RM0.79 in March 2012.



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

IJMP's share price (stock code: 2216) weakened to a trough of RM2.40 in October 2011 from RM2.99 in April 2011 before rising strongly to close at RM3.30 on 31 March 2012, thus representing an overall gain of 10% for the financial year. IJMP's Warrant (stock code: 2216wa) echoed a similar pattern to that of its mother share, rising from RM0.87 in April 2011 to RM0.94 in March 2012, representing a gain of 8%.



Information for Investors (cont'd)

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 2011.

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

FINANCIAL CALENDAR

Financial Year End		**31 March 2012**
Announcement of Results	1st Quarter	24 August 2011
	2nd Quarter	25 November 2011
	3rd Quarter	22 February 2012
	4th Quarter	29 May 2012
Notice of Annual General Meeting		30 July 2012
Annual General Meeting		28 August 2012

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:

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Analysis of Shareholdings & Warrantholdings

I. ANALYSIS OF SHAREHOLDINGS as at 29 June 2012

Authorised Share Capital	**:**	**RM3,000,000,000**
Issued & paid-up Capital	**:**	**RM1,381,663,434***
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 22,000 shares bought-back by the Company and retained as treasury shares as at 29 June 2012

DISTRIBUTION OF SHAREHOLDINGS

Range of Shareholdings	Number of Shareholders	Number of Shares	Percentage of Issued Capital
Less than 100	307	11,049	0.00%
100 - 1,000	1,247	874,754	0.06%
1,001 - 10,000	4,712	15,189,098	1.10%
10,001 - 100,000(1)	980	30,957,657	2.24%
100,001 to less than 5% of issued shares	522	921,893,807	66.73%
5% and above of issued shares	3	412,715,069	29.87%
	7,771	1,381,641,434	100.00%

(1) excluding 22,000 treasury shares

REGISTER OF SUBSTANTIAL SHAREHOLDERS

	Number of Shares		
	Direct	Deemed Interests	Percentage of Issued Capital
1. Employees Provident Fund Board	230,896,489	–	16.712%
2. Kumpulan Wang Persaraan (Diperbadankan)	88,501,480	–	6.406%
3. Amanahraya Trustees Berhad - Skim Amanah Saham Bumiputera	138,000,000	–	9.988%

Analysis of Shareholdings & Warrantholdings (cont'd)

THIRTY LARGEST SHAREHOLDERS

		Number of Shares	Percentage of Issued Capital
1.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD	193,671,689	14.02%
2.	AMANAHRAYA TRUSTEES BERHAD SKIM AMANAH SAHAM BUMIPUTERA PERMODALAN NASIONAL BERHAD	138,000,000	9.99%
3.	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	81,043,380	5.87%
4.	LEMBAGA TABUNG HAJI	48,390,900	3.50%
5.	CARTABAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR STATE STREET BANK & TRUST COMPANY (WEST CLT OD67)	39,252,648	2.84%
6.	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM WAWASAN 2020	37,743,710	2.73%
7.	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (U.S.A.)	27,793,015	2.01%
8.	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 1)	25,048,340	1.81%
9.	CARTABAN NOMINEES (ASING) SDN BHD GOVERNMENT OF SINGAPORE INVESTMENT CORPORATION PTE LTD FOR GOVERNMENT OF SINGAPORE (C)	22,859,980	1.65%
10.	HSBC NOMINEES (ASING) SDN BHD BBH AND CO BOSTON FOR VANGUARD EMERGING MARKETS STOCK INDEX FUND	22,802,550	1.65%
11.	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR DIMENSIONAL EMERGING MARKETS VALUE FUND	19,815,680	1.44%
12.	VALUECAP SDN BHD	18,552,000	1.34%
13.	HSBC NOMINEES (ASING) SDN BHD TNTC FOR SAUDI ARABIAN MONETARY AGENCY	17,432,900	1.26%
14.	AMANAHRAYA TRUSTEES BERHAD AMANAH SAHAM DIDIK PERMODALAN NASIONAL BERHAD	15,321,500	1.11%
15.	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD PLEDGED SECURITIES ACCOUNT FOR ZELAN BERHAD (01-00832-000)	15,079,000	1.09%
16.	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (U.A.E.)	12,947,805	0.94%
17.	AMANAHRAYA TRUSTEES BERHAD AS 1MALAYSIA PERMODALAN NASIONAL BERHAD	12,500,000	0.91%
18.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (NOMURA)	12,494,200	0.90%

THIRTY LARGEST SHAREHOLDERS (cont'd)

		Number of Shares	Percentage of Issued Capital
19.	PERMODALAN NASIONAL BERHAD	12,405,700	0.90%
20.	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (RESIDENT USA-2)	11,990,200	0.87%
21.	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (BVI)	11,426,000	0.83%
22.	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (NORGES BK LEND)	11,368,328	0.82%
23.	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR J.P. MORGAN BANK LUXEMBOURG S.A.	11,182,941	0.81%
24.	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (SAUDI ARABIA)	9,375,000	0.68%
25.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR EASTSPRING INVESTMENTS BERHAD	9,317,984	0.67%
26.	PERTUBUHAN KESELAMATAN SOSIAL	9,222,108	0.67%
27.	AMANAHRAYA TRUSTEES BERHAD PUBLIC ISLAMIC DIVIDEND FUND	9,191,304	0.67%
28.	MINISTER OF FINANCE AKAUN JAMINAN PINJAMAN KERAJAAN PERSEKUTUAN	8,533,350	0.62%
29.	AMSEC NOMINEES (TEMPATAN) SDN BHD AMTRUSTEE BERHAD FOR CIMB ISLAMIC DALI EQUITY GROWTH FUND (UT-CIMB-DALI)	8,065,000	0.58%
30.	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR PUBLIC ITTIKAL FUND (N14011970240)	8,050,000	0.58%
		880,877,212	63.76%

Analysis of Shareholdings & Warrantholdings (cont'd)

II. ANALYSIS OF WARRANTHOLDINGS as at 29 June 2012

Warrants 2009/2014 : 99,328,958 outstanding

DISTRIBUTION OF WARRANTHOLDINGS

Range of Warrantholdings	Number of Warrantholders	Number of Warrants	Percentage of Outstanding Warrants
Less than 100	196	2,406	0.00%
100 - 1,000	1,596	608,279	0.61%
1,001 - 10,000	858	3,739,109	3.76%
10,001 - 100,000	346	11,678,702	11.76%
100,001 to less than 5% of issued warrants	112	59,234,862	59.64%
5% and above of issued warrants	3	24,065,600	24.23%
	3,111	99,328,958	100.00%

THIRTY LARGEST WARRANTHOLDERS

		Number of Warrants	Percentage of Outstanding Warrants
1.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD MIDF AMANAH ASSET MANAGEMENT BERHAD FOR YAYASAN SARAWAK (JG281)	10,380,000	10.45%
2.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD MIDF AMANAH ASSET MANAGEMENT BERHAD FOR RENESAS SEMICONDUCTOR (M) SDN BHD (JF290)	6,894,600	6.94%
3.	AIBB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHUA MA YU	6,791,000	6.84%
4.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD MIDF AMANAH ASSET MANAGEMENT BERHAD FOR INTERNATIONAL ISLAMIC UNIVERSITY RETIREMENT BENEFIT FUND (JF484)	3,390,000	3.41%
5.	OCBC BANK (MALAYSIA) BERHAD AS BENEFICIAL OWNER (ELCI-TRE)	2,799,600	2.82%
6.	GENERAL TECHNOLOGY SDN BHD	2,583,800	2.60%
7.	HSBC NOMINEES (ASING) SDN BHD FULLERTON ALPHA	2,289,200	2.31%
8.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR GENERAL TECHNOLOGY SDN BHD (PB)	2,021,700	2.04%
9.	AMANAHRAYA TRUSTEES BERHAD MIDF AMANAH STRATEGIC FUND	1,900,000	1.91%
10.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD MIDF AMANAH ASSET MANAGEMENT BERHAD FOR INTERNATIONAL ISLAMIC UNIVERSITY MALAYSIA (JF483)	1,870,000	1.88%
11.	UOBM NOMINEES (ASING) SDN BHD EXEMPT AN FOR SOCIETE GENERALE BANK & TRUST, SINGAPORE BRANCH (CUST ASSET)	1,752,400	1.76%

THIRTY LARGEST WARRANTHOLDERS (cont'd)

		Number of Warrants	Percentage of Outstanding Warrants
12.	CH'NG BENG KIAN	1,501,800	1.51%
13.	TAN BOON SENG @ KRISHNAN	1,424,348	1.43%
14.	GENERAL TECHNOLOGY SDN BHD	1,370,000	1.38%
15.	OSK NOMINEES (TEMPATAN) SDN BERHAD MAYBANK KIM ENG SECURITIES PTE. LTD. FOR WONG YUE JEEN	1,210,200	1.22%
16.	LOW HONG IMM	1,146,000	1.15%
17.	AMANAHRAYA TRUSTEES BERHAD MIDF AMANAH GROWTH FUND	1,100,000	1.11%
18.	CHOO YOKE KUEN	1,079,800	1.09%
19.	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD MIDF AMANAH ASSET MANAGEMENT BERHAD FOR PERBADANAN BEKALAN AIR PULAU PINANG SDN BHD (JC427)	1,074,100	1.08%
20.	LOW CHU MOOI	1,050,000	1.06%
21.	OSK NOMINEES (TEMPATAN) SDN BERHAD MAYBANK KIM ENG SECURITIES PTE. LTD. FOR LIM CHONG CHEE	1,010,000	1.02%
22.	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (NON PAR 1)	1,000,000	1.01%
23.	ASIA VA HOLDINGS SDN BHD	910,000	0.92%
24.	PERTUBUHAN KESELAMATAN SOSIAL	908,000	0.91%
25.	OSK NOMINEES (ASING) SDN BERHAD MAYBANK KIM ENG SECURITIES PTE. LTD. FOR EXQUISITE HOLDINGS LIMITED	701,100	0.71%
26.	A.A. ANTHONY NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM TEONG KIAT	700,000	0.70%
27.	A.A. ANTHONY NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR DANIEL LIM HWA YEW	700,000	0.70%
28.	AMANAHRAYA TRUSTEES BERHAD MIDF AMANAH ISLAMIC FUND	700,000	0.70%
29.	CARTABAN NOMINEES (ASING) SDN BHD GOVERNMENT OF SINGAPORE INVESTMENT CORPORATION PTE LTD FOR GOVERNMENT OF SINGAPORE (C)	691,248	0.70%
30.	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (DR)	685,572	0.69%
		61,634,468	62.05%

Analysis of Shareholdings & Warrantholdings (cont'd)

III. DIRECTORS' SHAREHOLDINGS & WARRANTHOLDINGS

DIRECTORS' SHAREHOLDINGS IN IJM CORPORATION BERHAD
as at 29 June 2012

Name of Directors	Number of Shares Direct	Number of Shares Deemed	Percentage of Issued Capital
Tan Sri Abdul Halim bin Ali	–	–	–
Tan Sri Dato' Tan Boon Seng @ Krishnan	2,449,180	445,136[1]	0.209%
Dato' Teh Kean Ming	84,000	91,000[1]	0.013%
Dato' Tan Gim Foo	–	–	–
Datuk Yahya bin Ya'acob	70,000	–	0.005%
Datuk Oh Chong Peng	–	–	–
Datuk Lee Teck Yuen	1,240,000	580,000[1]	0.132%
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 29 June 2012

Name of Directors	2009/2014 Number of Warrants Direct	2009/2014 Number of Warrants Deemed	Percentage of Outstanding Warrants
Tan Sri Abdul Halim bin Ali	–	–	–
Tan Sri Dato' Tan Boon Seng @ Krishnan	1,424,348	1,050,000[1]	2.491%
Dato' Teh Kean Ming	39,300	39,800[1]	0.080%
Dato' Tan Gim Foo	–	–	–
Datuk Yahya bin Ya'acob	7,600	–	0.008%
Datuk Oh Chong Peng	–	–	–
Datuk Lee Teck Yuen	–	–	–
Dato' David Frederick Wilson	–	–	–
Dato' Goh Chye Koon	15,400	–	0.016%

Note:-
[1] Through a family member

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

DIRECTORS' SHAREHOLDINGS AND WARRANTHOLDINGS IN IJM PLANTATIONS BERHAD
as at 29 June 2012

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 Abdul Halim bin Ali	–	–	–	–	–	–
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	–	–	–	–	–	–
Dato' Tan Gim Foo	–	–	–	–	–	–
Datuk Yahya bin Ya'acob	–	–	–	–	–	–
Datuk Oh Chong Peng	100,000	–	0.012%	10,000	–	0.013%
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 29 June 2012

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 Abdul Halim bin Ali	30,000	–	0.002%	–	–	–
Tan Sri Dato' Tan Boon Seng @ Krishnan	–	20,000[1]	0.001%	1,248,610	123,900[1]	0.849%
Dato' Teh Kean Ming	–	–	–	147,000	5,200[1]	0.094%
Dato' Tan Gim Foo	–	–	–	130,000	–	0.080%
Datuk Yahya bin Ya'acob	–	–	–	5,000	–	0.003%
Datuk Oh Chong Peng	–	–	–	–	–	–
Datuk Lee Teck Yuen	11,064,693[2]	–	0.791%	–	–	–
Dato' David Frederick Wilson	–	–	–	–	–	–
Dato' Goh Chye Koon	–	–	–	–	–	–

Note:-
[1] Through a family member
[2] Held through a nominee Company

Analysis of Shareholdings & Warrantholdings (cont'd)

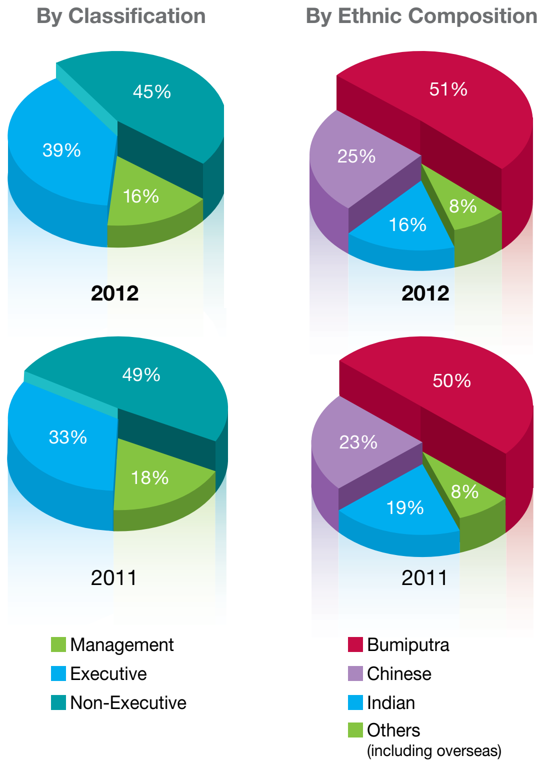
IV. SHARE BUY BACK SUMMARY for Financial Year Ended 31 March 2012

	No. of Shares Purchased & Retained as Treasury Shares	Total Consideration RM	Purchase Price Per Share (RM) Highest	Lowest	Average
2012					
Balance at the beginning of financial year	15,000	77,008			
Purchases during the financial year					
April 2011	–	–	–	–	–
May 2011	–	–	–	–	–
June 2011	1,000	6,349	6.30	6.30	6.35
July 2011	–	–	–	–	–
August 2011	–	–	–	–	–
September 2011	–	–	–	–	–
October 2011	–	–	–	–	–
November 2011	–	–	–	–	–
December 2011	1,000	5,848	5.80	5.80	5.85
January 2012	–	–	–	–	–
February 2012	–	–	–	–	–
March 2012	–	–	–	–	–
Balance at end of financial year	**17,000**	**89,205**			

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

Employees & Productivity

Employees

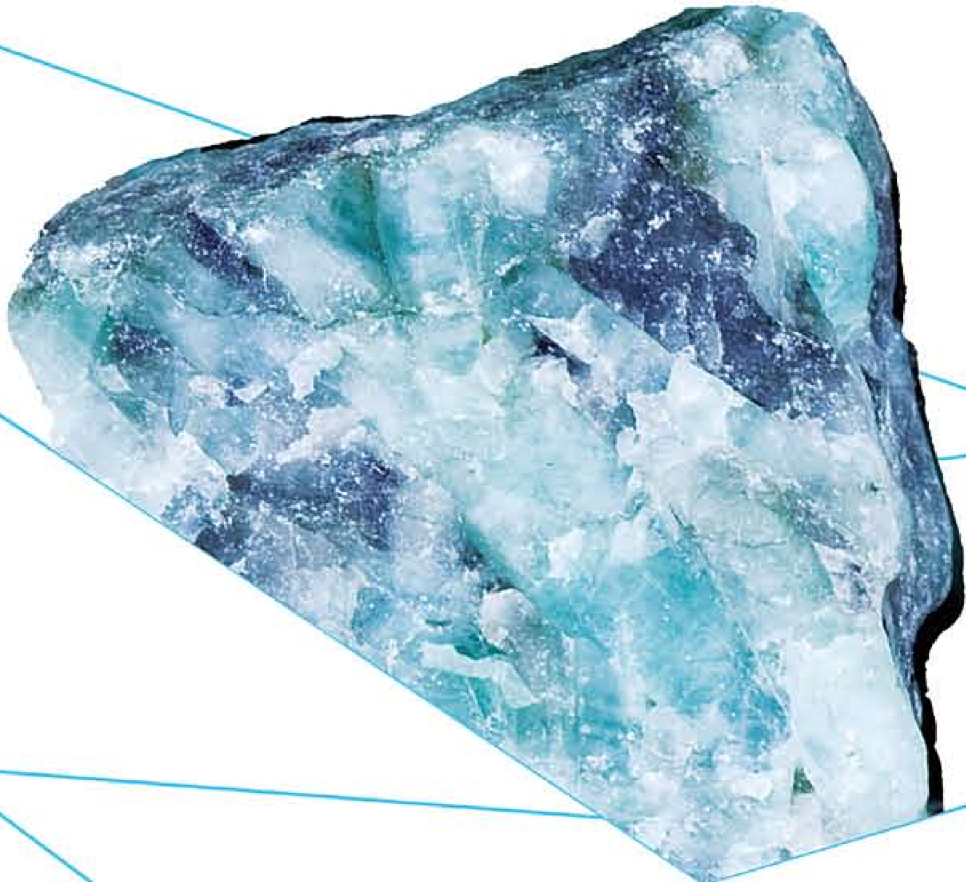


Productivity

		2012 '000	2011 '000
(a) Employees as at 31 March:-			
Employees by Classification			
- Management		**693**	796
- Executive		**1,735**	1,476
- Non-Executive		**1,960**	2,153
		4,388	4,425
Employees by Ethnic Composition			
- Bumiputra		**2,254**	2,225
- Chinese		**1,073**	1,030
- Indian		**344**	355
- Others (including overseas)		**717**	815
		4,388	4,425
(b) Productivity:- (N1)			
Revenue	- per employee (in RM'000)	**1,030**	841
	- per RM employment cost (in RM)	**17.77**	16.39
PBT	- per employee (in RM'000)	**183**	149
	- per RM employment cost (in RM)	**3.15**	2.91
Value added	- per employee (in RM'000)	**317**	278
	- per RM employment cost (in RM)	**5.48**	5.41

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

Business Review & Reports



IJM has emerged with strength even under the most challenging circumstances by enhancing our performance with INNOVATION.

Y. Bhg. Tan Sri Abdul Halim Bin Ali
Chairman

Chairman's Statement

This is my inaugural Annual Statement to Shareholders as your Chairman. I am privileged and delighted to report that IJM Group has delivered a record performance for the Financial Year ended 31 March 2012.

BUSINESS ENVIRONMENT

The momentum of recovery in the global economy continued into 2011 following an encouraging rebound in 2010. Growth trajectory, however, progressively worsened over the course of the year, stemming from heightened geopolitical tensions in the Middle East and North Africa region, natural disasters and a nuclear crisis in Japan as well as renewed concerns over contagion risks arising from the sovereign debt crisis in European economies. Global economic growth, therefore, subdued to a more moderate pace of 3.8% in 2011, as compared to 5.2% the year before.

Likewise, the Malaysian economy expanded by 5.1% in 2011 compared to 7.2% in 2010. Despite the global uncertainties, growth in the Malaysian economy remained buoyed by improved domestic demand in the form of robust consumer spending that was supported by favourable employment conditions and higher agricultural income as well as continued private investment activity on projects under the Economic Transformation Programme and also sustained government expenditure. The construction sector grew at a slower pace of 3.5% in 2011 after registering growth of 5.1% in the previous year mainly due to the waning effects of previous stimulus spending.

India's economic growth of 8.5% in 2010-11, as compared to 8.0% in 2009-10, emanating mainly from a strong agriculture sector. However, challenges emerged as the year progressed as business confidence was impacted by the high profile corruption scandals, persistently high inflation despite tightening monetary policy, policy indecisions and widespread execution difficulties on the ground.

Chairman's Statement (cont'd)

Against a deteriorating global backdrop, all Divisions registered improvements in revenue that resulted in a 21% increase in reported Group revenue to RM4,517.86 million as compared to RM3,720.72 million in the previous year. Similarly, Group operating profit before tax increased by 22% to RM801.59 million from RM659.73 million last year.

OPERATING RESULTS

Against a deteriorating global backdrop, all Divisions registered improvements in revenue that resulted in a 21% increase in reported Group revenue to RM4,517.86 million as compared to RM3,720.72 million in the previous year. Similarly, Group operating profit before tax increased by 22% to RM801.59 million from RM659.73 million last year, mainly due to a return to profits by the Construction Division, record earnings posted by the Plantation Division and improved results from the Industry Division. The better performance was achieved despite the benefit of a non-recurrent gain on asset disposal by the Property Division in the previous year as well as unfavourable foreign exchange translation losses that impacted the Infrastructure Division this year.

Mainly on the back of a maturing domestic order book profile, revenue recognition of the Construction Division improved in line with a pick-up in site activity. This led to a 46% improvement in its turnover this year to RM1,951.96 million as compared to RM1,336.19 million in the previous year. The Division also returned to profitability, recording profit before tax of RM62.00 million from its first time ever loss of RM79.23 million last year when it made major impairment provisions for outstanding receivables and claims. Although constituting only a small portion of its outstanding order book, the Division's overseas jobs continued to face slow progress.

The Malaysian property market experienced robust levels of activity, although headwinds began to emerge in the later part of the year from the deteriorating global landscape. Riding on healthy levels of committed sales in hand arising from well-received launches in recent years, revenue of the Property Division saw a 5% increase to RM1,232.93 million from RM1,178.76 million the year before. Profit before tax, at RM283.89 million, was just shy of the record profits achieved in the previous year amounting to RM289.66 million. Stripping out the last year's one-off gain of RM63 million from the disposal of a property investment subsidiary which owned Aeon Mall Melaka shopping mall, profit before tax increased 25% compared to the previous year.

The Industry Division saw revenue and profit before tax increases of 11% and 26% respectively to RM892.66 million and RM138.15 million. During the year, the Division was able to capitalise from an upswing in construction activity as well as increased exports to Singapore. Profit margins, however, edged downwards during the year as product mix tilted towards that of smaller diameter piles.

In addition to having produced its highest level of fresh fruit bunches of 648 thousand tonnes, the Plantation Division benefited from buoyant CPO prices throughout the year. This resulted in a 10% revenue growth to an all-time high of RM590.43 million as compared to RM538.26 million in the previous year. Consequently, profit before tax increased by 10% to a record RM215.25 million from RM196.01 million achieved last year.

Al Reem Island mixed development project in the Middle East

Nusa Duta township, Johor Bahru

Turnover of the Infrastructure Division improved by 8% to RM668.32 million from RM620.28 million in the previous year mainly on account of higher cargo throughput and a tariff revision at the Kuantan Port and encouraging growth in traffic across the Division's toll roads. However, profit before tax for the Division decreased by 22% to RM86.14 million from RM110.67 million a year ago, primarily due to foreign currency translation losses of RM15.29 million compared to a gain of RM35.91 million last year and substantial first time provisions for scheduled major maintenance required under IFRIC 12 amounting to RM27.45 million.

BUSINESS OUTLOOK AND OPERATIONAL STRATEGIES FOR FY2012

Downward pressure on the global economy is expected to continue as a confluence of adverse factors threaten the global economy with almost all major sources of demand being affected at the same time – the Eurozone is facing multiple monumental stresses, the Chinese economy is experiencing a slowdown in manufacturing activity, Japan's recovery from its triple disasters is hobbled by a power shortage and recovery in the US economy appears to be running out of steam. Given the level of interconnectivity in international trade and financial flows, drag in each economy is likely to reinforce the others into a downward movement. Despite anaemic global growth prospects, Malaysia's economy is expected to remain relatively resilient in the coming year due to continued domestic demand, a stable banking sector and the implementation of key initiatives under the Economic Transformation Programme.

The Group expects to perform relatively well in the coming year, barring unforeseen events. The Construction Division should 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 middle income market and sizeable unrecognised turnover. The Industry Division should continue to benefit from heightened construction activity in Malaysia whereas the Plantation Division is expected to perform in line with CPO price movements. 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 cognisant of near term macroeconomic uncertainties.

Chairman's Statement (cont'd)

Aerial view of Sungai Sabang Estate

DIVIDENDS

The Company is committed to the payment of annual dividends. The quantum of dividends is determined after taking into account, inter alia, the level of available funds, the amount of retained earnings, capital expenditure commitments and other investment planning requirements.

On 13 July 2011, a single tier second interim dividend of 7 sen per share, totalling RM95,465,097, in respect of the financial year ended 31 March 2011 was paid.

On 22 December 2011, a single tier first interim dividend of 4 sen per share, totalling RM55,261,382, in respect of the financial year ended 31 March 2012 was paid.

For the financial year ended 31 March 2012, the Company declared a single tier second interim dividend of 8 sen per share paid on 4 July 2012 to every shareholder on the registrar on 15 June 2012.

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 several corporate governance accolades received.

Our Corporate Governance Statement can be found on pages 86 to 96.

There were no sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or management by relevant regulatory bodies in 2011/12.

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 24 August 2011.

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.

ICP Piles used at Shenhua Coal Terminal Port, Zhuhai, China

Bangsar section, New Pantai Highway

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 122 to 135.

ACKNOWLEDGEMENT

On behalf of the Board, I would like to thank 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.

Two directors, Datuk Oh Chong Peng and Datuk Yahya bin Ya'acob, who have each served for more than 9 years as Independent Directors, will retire from the Board at the conclusion of the Annual General Meeting on 28 August 2012. I wish to record the Board's deepest gratitude and appreciation of the invaluable services rendered by the two gentlemen to the Board and the Group over these years.

Tan Sri Abdul Halim Bin Ali
Chairman

Dato' Teh Kean Ming
CEO & Managing Director

CEO's
Review of Operations

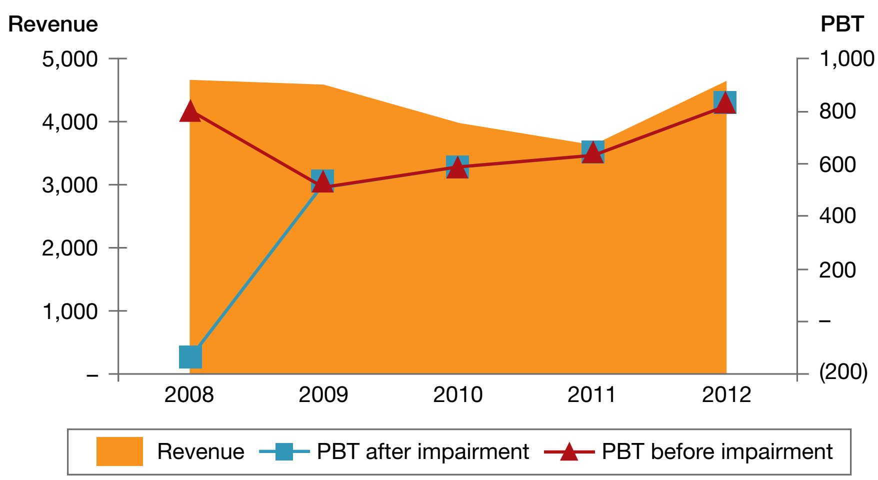
Overview

In the face of global economic uncertainties following the Eurozone debt crisis, we at IJM are proud to have achieved a record performance for the financial year under review.

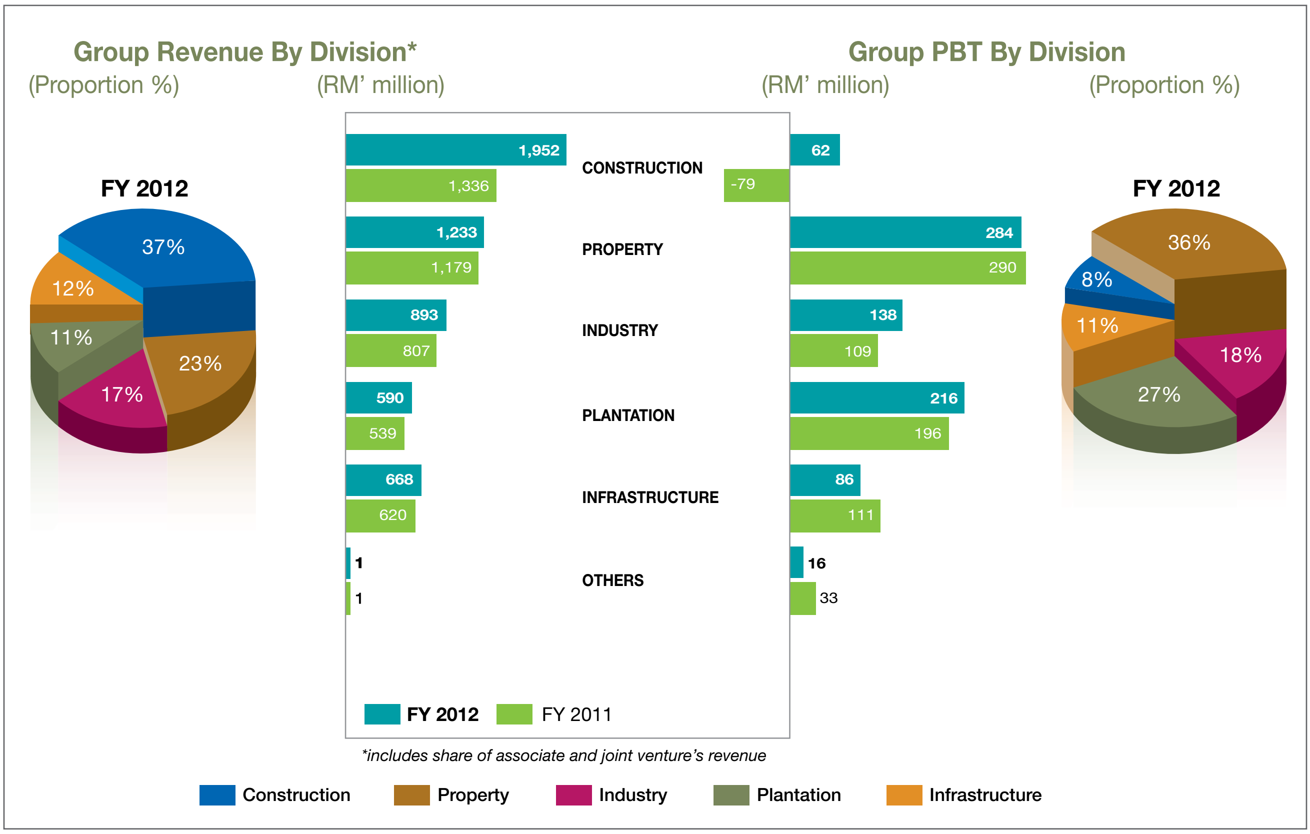
For the financial year ended 31 March 2012 ("FY2012"), the Group achieved a 21% higher turnover to RM4,517.86 million (FY2011: RM3,720.72 million) with all operating divisions recording higher revenues.

Correspondingly, our bottom line improved by 22% to a record PBT of RM801.59 million (FY2011: RM659.73 million). This was largely attributable to increased contributions from our Construction, Industry and Plantation divisions. The Property division had an excellent year though bottom line was lower than prior year due to a one-off disposal gain from the sale of a subsidiary in the previous year. The Infrastructure division was hampered by unrealised foreign exchange losses as opposed to foreign exchange gains in the prior year.

Group Performance (RM' million)



CEO's Review of Operations (cont'd)



It is clearly evident from the charts that the Group's diversified earnings base has contributed to the improved overall performance of the Group. The performances of each division are further elaborated in the following pages.

Diversified Business and Markets of the Group

	CONSTRUCTION	PROPERTY	INDUSTRY	INFRASTRUCTURE	PLANTATION
Malaysia	•	•	•	•	•
India	•	•	•	•	
Middle East	•				
China		•	•		
Pakistan			•		
Vietnam		•		•	
Argentina				•	
Indonesia					•
Singapore	•	•			

CONSTRUCTION *Bukit Raja Shop Office Phase 2, Shah Alam*

The noteworthy performance bodes very well for the Group which has recently introduced the High Performance Culture ("HPC") initiative and rejuvenated its Vision, Mission and Core Values to reflect its distinctiveness in the marketplace. The HPC initiative encourages our staff to adopt a performance driven work attitude in line with our core values based on the Balance Scorecard model, ultimately contributing to the success of the Group.

I believe that, with the implementation of HPC, IJM is shaping out a blueprint to build a stronger foundation that will hold the Group steadfast to deliver our Mark of Excellence to our customers, create enhanced value to our shareholders, and more importantly, create sustainable value for our stakeholders and society.

The Group's commitment and effort toward corporate governance excellence brought recognition with IJM being awarded the Malaysian Corporate Governance Index – Industry Excellence Award (Construction) 2011 for the second consecutive year and the Malaysian Investor Relations Awards for Best Investor Relations Website (Mid Cap) 2012. Our property subsidiary, IJM Land Berhad was awarded The Edge Top Property Developers Awards 2011 and BCI Asia Top 10 Developers Awards 2012 Malaysia. These awards are testimonies of our dedication and commitment toward performance excellence.

Our Corporate Responsibility ("CR") Committee performed very well during the financial year. Of the various activities held, the most prominent and largest was the 'Give Day Out' event that was rolled out across our operations in Malaysia, India and China where 2,000 employees in teams carried out the initiative of their choice in line with our key CR pillars of marketplace, environment, community and workplace. More stories are reported in the CR section of the Annual Report.

I am truly proud of our people. They have demonstrated unwavering support and commitment to help the less fortunate in the spirit of giving which truly exemplifies an IJMer who is not just work and performance oriented but an individual who cares for his community.

PROPERTY *Bandar Utama township, Sandakan, Sabah*

INDUSTRY *Conveyor System, Labu Quarry, Negeri Sembilan*

PLANTATION *Desa Talisai Palm Oil Mill*

INFRASTRUCTURE *Ships at berth, Kuantan Port, Pahang*

With a strong foundation in place coupled with the strategic foresight of our leaders, their emphatic commitment to product and service excellence backed by the execution skills of our people, I am confident that the IJM Group is '*Shaping Progress*' - to achieve continued growth and success in the future.

Grand Hyatt, Kuala Lumpur

CONSTRUCTION

Construction Management Team:


Dato' Tan Gim Foo


Dato' Goh Chye Koon


Soo Sik Sang


Tong Wai Yong


Pook Fong Fee


Liew Hau Seng


Ong Teng Cheng


Yong Juen Wah


Anthony Teoh Teik Thiam


Thomas Foo Jong Jian


Tan Kiam Choon


Chan Kai Leong


Lee Foh Ching


Wan Chee Leong


Tye Chueen Keat

FY2012 was another very challenging year for the Construction Division. On the back of global economic uncertainties especially in the advanced economies, escalating construction material prices, shortage of skilled labour, slower activities in the non-residential sub-sectors, increasing labour cost and intense competition characterised the industry.

For the financial year ended 31 March 2012, the Construction Division achieved an improved performance with revenue of RM1,951.96 million (FY2011: RM1,336.19 million) and profit before tax of RM62.00 million (FY2011: Loss before tax of RM79.23 million) which were higher by 46% and 178% respectively from previous year. The significant increase in revenue was attributable to the effective execution of major projects locally.

The Division returned to profitability this year as opposed to prior year's loss resulting from provisions and impairments made under FRS139. The turnaround was largely due to increased contributions from local projects particularly those which have reached the advanced stages of construction. Major on-going local projects comprised of the Grand Hyatt Hotel within the vicinity of KLCC, Besraya Eastern Extension in Kuala Lumpur, Traders Hotel in Johor, Second Penang Bridge (Package 3B), Three New Berths in Kuantan Port, National Cancer Institute in Putrajaya and The Light Collection 1 & 2 in Penang.

Though the bottom line improved, the Division actually achieved a lower profit before tax margin. This was primarily due to the challenging business environment for its overseas projects especially in India where high borrowing cost and slow progress claim processes produced losses. Locally, the construction profit margin has also eroded by competitive bidding for new projects, stringent quality requirements, higher cost of skilled labour and construction material.

During the financial year, the Division successfully completed several projects locally and overseas. In the Middle East, the Division completed the Phase 1, Plot 1, Zone C Al Reem Island Development, a mixed development project under a joint venture consortium. In India, the Division successfully completed the Rehabilitation & Upgrading works for Jhansi–Lakhandan road in the State of Madhya Pradesh and Rain Tree Park Dwaraka Krishna township development in Vijayawada.

CEO's Review of Operations (cont'd)

Kukatpally Rain Tree Park, Vijayawada, India

Given the strong demand in the domestic market driven by foreign direct investments and projects resulting from various initiatives by the Government, the Division is optimistic of securing more sizeable projects.

Locally, the completed projects included the Bukit Raja Shop Office Phase 2 in Shah Alam, Persada Green-Phase 2, 3 & 4 Bungalows and Semi-Detached Homes in Puchong, Laman Baiduri Condominium in Subang Jaya, Ukay Perdana Sri Hijauan Medium Cost Apartments in Ampang and Ukay Perdana 779 units Spring Ville Service Apartments and Shoplots in Ampang.

The Division has also successfully replenished its order book to RM4,360.00 million by securing major contracts amounting to RM2,070.00 million. Among the notable projects secured included the Mass Rapid Transit Project–Package V5 (RM974.78 million), Perkeso Rehabilitation Centre in Alor Gajah (RM238.00 million), Electrified Multiple Unit Depot in Seremban (RM119.64 million) and LL Themed Hotel in Johor Bahru (RM112.50 million). In terms of in-house projects, the Division commenced works on Three New Berths in Kuantan Port (RM110.00 million), the Light Collection 1 & 2 (RM246.24 million), Pearl Regency–Vertiq Block (RM115.00 million) and Maritime Square (RM84.29 million) in Penang. No new jobs were secured offshore.

With a strong order book and positive outlook for future jobs, the Division will devote more resources and intensify efforts in the execution of current jobs to ensure early completion of projects. In addition, the Division is committed to further improve its competitiveness while improving operating efficiencies in terms of higher productivity and reducing wastage to achieve better performance in the Division.

The Division is optimistic of securing more sizeable projects, particularly infrastructure jobs given the strong demand in the domestic market driven by foreign direct investments and projects resulting from various initiatives by the Government. The Division is confident that the newly secured projects will contribute positively to the future earnings of the Division. These will be achieved within the framework on an established risk management system taking cognizance of an expected volatile and challenging global business environment.

The Division recognizes that Safety and Quality are key elements of excellence and customer satisfaction. In this regard, the Division remains fully committed to process excellence and continuous improvement to achieve the highest standards of performance whilst conforming to applicable legal requirements.

Construction Management Team:


James Ponniah Joseph


Gabriel Chia Kee Loy


Dammavalam Sreenivasa Rao


Soh Wan Heng


Jim Mah Foong Kong


Devaraj A/L Govindarajoo


Cho Foong Khuan


Pang Sek Loh


Liew Chee Khong


Harjeet Singh


Casslyn Chong Siew Chen


Cheong Kong Wah

Training of staff and introduction of new technology and information systems for operating efficiencies are necessary and will continue to receive due emphasis. Succession planning for sustainable performance is also vital and is given continuous attention.

The timely award of large infrastructure and building projects by the Government as well as the private sector will certainly contribute significantly to the growth of the local construction industry in the coming years. Nonetheless, the heightened uncertainties in the world economies and difficult external environment may probably dampen this scenario. Overall, the Division is still optimistic about its growth outlook for FY2013.


Rehabilitation & Upgrading of Jhansi–Lakhandan road, Madhya Pradesh, India


Al Reem Island mixed development project in the Middle East


Laman Baiduri Condominium, Subang Jaya

Lakefront Luxury Condominiums @ Wangsa Baiduri, Subang Jaya

PROPERTY

Property Management Team:


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


Roger Lee Wai Hin


Lee Kok Hoo


Chong Ching Foong

The Property Division delivered another year of strong performance by recording a revenue of RM1,232.93 million (FY2011: RM1,178.76 million) and profit before tax of RM283.89 million (FY2011: RM289.66 million). Although revenue increased by 5%, profit before tax was marginally lower by 2% as FY2011's profit before tax included a one-off RM63 million gain on disposal of a subsidiary, Delta Awana Sdn Bhd, the property investment company which owned the Aeon Bandaraya Melaka shopping mall. This financial year's strong performance was principally attributable to the continued strong take up rates attained for the Division's new launches and lower finance cost incurred.

A condusive domestic economic environment facilitated the good performance. The Malaysian economy recorded a steady pace of growth of 5.1% despite a challenging international economic environment aided by domestic demand, driven by both household and business spending, and supported by higher public sector consumption.

In line with the stable economic environment, improved labour market conditions and rising inflationary fears, the property market remained on the growth trend that moderated only towards the end of the year.

In 2011, the Malaysian property market recorded 430,403 transactions valued at RM137.83 billion which were 14% and 28% higher respectively compared to 2010. The Division's projects throughout the country continued to enjoy healthy take up rates, which enabled it to achieve RM1.35 billion in sales.

Penang's The Light Collection I & II of our prestigious "The Light" waterfront development, Pearl Regency, The Vertiq and The Address condominium projects and Maritime office suites; Klang Valley's Laman Granview in Puchong; Johor's landed residential development called Nusa Duta and D'Rich and D'Ambience condominium projects, all received overwhelming responses.

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 receive healthy responses.

CEO's Review of Operations (cont'd)

Aviva Green, Seremban 2 township

The outlook of the Property Division remains positive on the back of strong committed sales in hand, strategically located land bank, a wide product mix and an accommodative interest rate regime supported by strong liquidity in the banking system.

The Division's FY2012 revenue and profit contributions were mainly from Penang's Light Linear, Light Point, Light Collection I & II and Pearl Regency condominiums; Klang Valley's Laman Granview; Melaka's 1 Lagenda; Johor's Nusa Duta landed development and the townships in Shah Alam 2, Seremban 2 and Bandar Utama.

In 2012, the Malaysian economy is projected to grow at a steady pace of 4% to 5%, anchored by the resilient growth in domestic demand. Meanwhile, Bank Negara has adopted a pre-emptive approach for macroeconomic stability as well as ensure prudent levels of household debts. Among the measures implemented were the maximum loan-to-value (LTV) ratio of 70% on third and subsequent housing loans, the new measures on credit cards to promote prudent financial management and the usage of net income criteria for assessing loan application eligibility.

The Division is well poised to endure this cautious sentiment with its balanced mix of affordable products to meet the ever changing customers' demand in terms of price, product and concept. The Division will continue to monitor the timing and quantum of its future launches to match market demand.

The Division's new projects in the pipeline include the Seri Riana Residence, a condominium project in Wangsa Maju, Kuala Lumpur that is strategically located adjacent to its highly successful Riana Green East project and within walking distance to the popular Wangsa Walk shopping centre and Sri Rampai LRT station, Sanctuary Gardens landed residential project in Permatang Tinggi, Penang and its maiden project in Kota Kinabalu, Sabah which is a twin block condominium project with a panaromic view of the Likas Bay.

In addition, the Division is actively preparing to bring to the market a new 1,879 acre green township in Klang Valley named Bandar Rimbayu and the commercial precinct of The Light project in Penang.

Kukatpally Rain Tree Park, Vijayawada, India

Menara IJM Land, Penang

e-Gate, Penang

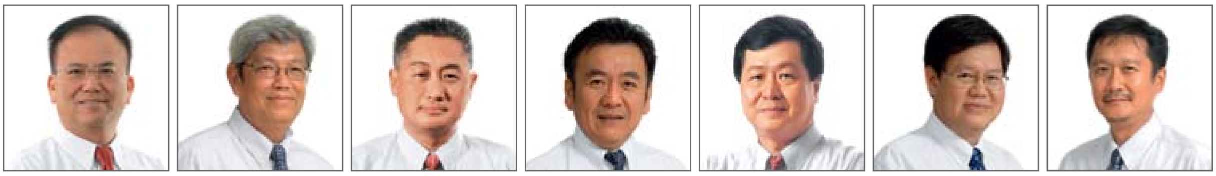
In India, Phase 1 of the Rain Tree Park, Dwaraka Krishna Township in Vijayawada has been completed. Currently, efforts are in place to market the remaining units. The general sentiment of the property sector is still weak in the state of Andhra Pradesh mainly due to continuing political and economic uncertainties.

Despite the cautious outlook, the immediate term outlook of the Property Division remains positive on the back of strong committed sales in hand, strategically located land bank, a wide product mix and an accommodative interest rate regime supported by strong liquidity in the banking system.

ICP Piles used at Megayard Project, Tuas, Singapore

INDUSTRY

Industry Management Team:



Khor Kiem Teoh | Lee Hock Aun | Leong Yew Kuen | Tan Boon Leng | Pang Chwee Hoon | Leong Siew Wah | Tan Khuan Beng

Faizal Amir B Mohd Zain | Choy Teik San | Wong Siew Meng | Chan Kok Keong | Low Hong Imm | Lee Hong Chai

FY2012 was a better year for the Industry Division. Pre-tax profit increased by 26% to RM138.15 million (FY2011: RM109.50 million) on the back of a higher turnover which increased by 11% to RM892.66 million (FY2011: RM807.40 million). The improved performance was mainly attributable to improved deliveries of piles and quarry products.

The Division's core business, the manufacturing and sale of Pretensioned Spun Concrete ("PSC") piles under ICP performed much better in FY2012 following an unprecedented increase in exports which boosted revenue by almost 30% while operating profit surged by 34% to RM99.50 million.

During the year, orders for a few sizeable local projects such as The Light, Penang; Three New Berths in Kuantan Port, Pahang; Aluminium Smelting Plant in Bintulu, Sarawak; Kimanis Power Plant, Sabah; and Integrated Transport Hub at KLIA 2, Selangor were secured. In addition, deliveries from projects of previous years that contributed to sales were Penang Second Bridge and Oil & Gas Terminal Project at Kimanis, Sabah. Major projects secured which are expected to contribute positively to sales for the coming year are Wharf 8 & 16 at North Port and Loji Rawatan Kumbahan Serantau, Klang Selatan, Selangor; and Jana Manjung Coal Fired Power Plant in Perak.

In terms of overseas sales, piles exports surged by 260% during the period. Majority of the sales were to Singapore for projects such as Mega Shipyard at Tuas South; Island Power Station; and a few Petrochemical Complexes in Jurong Island. In addition, the Division also exported to North America, Indonesia and the Middle East. Towards the end of the financial year, the Division secured projects such as Jurong Aeromatics Complex and Punggol Walk Development which will contribute to its future revenues.

ICP commenced the construction of a new line at Jawi factory which is expected to commence production in the 3rd quarter of FY2013 with an annual production capacity of 172,000 tonnes. It will be equipped with modern facilities including an automated concrete feeding pump and mould cleaning and conveyor handling devices, capable of reducing dependency on labour to achieve higher output of quality piles.

CEO's Review of Operations (cont'd)

Ready Mixed Concrete Trucks at Islamabad, Pakistan

The Division successfully developed a super high strength grade 90 concrete representing a new milestone in Malaysia and ASEAN.

In its commitment towards safeguarding its people and protecting the environment, the Division established and implemented the Health, Safety and Environment Management System, an integrated system of OHSAS 18001:2007 and ISO 14001:2004 standards. In April 2012, ICP Head Office and the Nilai Factory were audited by SIRIM and have been successfully recommended for certification.

The Division's emphasis on enhancing the quality and durability of its PSC piles through R&D has seen success. It has developed a super high strength grade 90 concrete representing a new milestone in Malaysia and ASEAN in its pursuance of higher standards in strength and in concrete properties for the niche market. It has intensively researched on high tech pumped concrete manufacturing system to reduce labour dependency, ensuring effective utilization of resources and improvement in turnaround time, thus giving rise to higher output of consistent quality.

Overseas, ICP Jiangmen's results improved slightly by recording a lower loss before tax of RM2.34 million (FY2011: Loss of RM3.34 million). Revenue increased by 36% due to higher deliveries as marine projects in Guangdong Province resumed after delays in prior year. Its major deliveries were to Shenhua Coal Handling Terminal, Zhuhai; Xinhui Port Phase II; Crane Rail Project at Fangcheng Port, Guangxi; and Coal Handling Terminal at Gaolan Port, Zhuhai. Moving forward, more projects are expected to come on-stream and the company is confident of securing some of them.

Durabon Sdn Bhd ("DSB") achieved a revenue of RM118.51 million, an increase of 31% from prior year. Despite higher revenues, PBT was lower by 14% to RM10.87 million. Total sales increase was contributed by 21% increase in domestic sales and 128% increase in exports. Operational margin however decreased by 34% to 9%, mainly due to lower export margin arising from intense competition from Chinese PC bars manufacturers. DSB will continue its marketing efforts to increase export sales to Vietnam and Indonesia where more construction activities are expected to come on-stream.

Turnover in the quarries improved by 15% to RM115.37 million on better performances from all quarries except for Kuantan. Sales were supported by strong demand from Singapore, local property development projects in Johore and Klang Valley, KLSE Highway (Latar) project and in-house sales. In Kuantan, revenues dropped upon completion of deliveries to the East Coast Highway project and slowdown in property development projects.

The Division's quarry at Medchal, Hyderabad started operations in November 2011 and registered a turnover of RM3.24 million and a loss before tax of RM1.01 million in its first four months of operation due mainly to start-up costs. The Division is hopeful that the quarry will achieve better performance in the next financial year as it continues to make its presence known.

Pile being lifted with a vacuum lift during demoulding process

Ulu Choh Quarry, Johor

Strong Mixed Concrete Sdn Bhd recorded an improvement of 10% in revenue to RM58.70 million on higher volume and better sales mix. PBT rose by 102% to RM1.84 million. Its plants are strategically located near the KL MRT project and the rise in property development projects in Penang and Johore should augur well for the company.

In India, turnover for the ready mixed sector grew by 7% to RM102.72 million on higher selling prices and deliveries. However, pre-tax profit dropped by 76% to RM0.42 million as the upward revision in selling prices could not keep pace with frequent increases in raw materials and diesel costs.

Political and security concerns in Pakistan continued to dampen investments and construction activities in the country, therefore hindering the performance of the Karachi and Islamabad plants. The Karachi plant registered a 20% drop in sales to RM3.63 million with a pre-tax loss of RM0.66 million. As the situation worsened, the Division had shut down the operation in February 2012. Meanwhile, the Islamabad plant achieved a 3% increase in turnover to RM5.87 million and pre-tax profit was RM0.34 million following improvement of security in the city.

Turnover for the steel wire mesh business under IJMSPPL jumped by 102% to RM7.25 million to reduce the loss before tax by 40% to RM2.37 million. In view of recurring losses and the inability to gain wider market acceptance due to abundant cheap labour, the Division has closed the operation in March 2012.

The scaffolding rental business under Scaffold Master Sdn Bhd registered an increase of 24% in turnover to RM7.90 million on higher demand from in-house and external markets. However, pre-tax profit rose by only 13% to RM2.94 million on higher depreciation from new purchases and lower rental rates. It is anticipated that demand from in-house and external markets is expected to increase with the commencement of projects under the Economic Transformation Programme and Greater Kuala Lumpur Plan.

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 17% to RM21.03 million on lower revenues from contracts in the oil and gas industry. Consequently, pre-tax profits dropped by 6% to RM2.95 million. The company is undergoing an upgrading and expansion programme. It is expected to improve its performance after the completion of the programme in 2012.

Spirolite (M) Sdn Bhd, a 38% associate manufacturing pipes, tubes, tanks and containers contributed a turnover of RM11.29 million and a pre-tax profit of RM0.82 million.

Going forward, the operating environment is expected to be tough and filled with uncertainties. To perform well, the Division will continue to be prudent with its resources and vigilant against abrupt changes of raw material prices and competitors' strategies.

Meliau Estate

PLANTATION

Plantation Management Team:


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

Palm product prices remained strong in FY2012. In line with this, the Division registered another record performance with revenue growth of 10% to RM590.43 million (FY2011: RM538.26 million) and pre-tax profits rose by 10% to RM215.25 million (FY2011: RM196.01 million).

The crude palm oil ("CPO") prices remained the main catalyst in driving the Division's strong financials for the year under review. The demand for vegetable oils in food usage were bullish underpinned by population growth particularly in China and India, and rising income levels. This was also against the backdrop of a slowdown in supply combined with benefits arising from the swaps by speculators in the palm oil commodity market. In view of this, the average selling price achieved during the financial year increased to RM3,049 per tonne (FY2011: RM2,760 per tonne), an increase of 10% over the preceding year.

The Division also benefited from the favourable change in cropping pattern. The financial year saw an improvement in production of fresh fruit bunches ("FFB") following a recovery from the preceding year where oil palms suffered biological stress due to unusual occurrences of both El Nino and La Nina. In line with this, the Division's FFB production recorded a commendable double-digit growth of 13% to 648,853 tonnes (FY2011: 575,210 tonnes) and likewise, total FFB milled by the Division, inclusive of outside fruit purchases, rose by 14% to 805,699 tonnes (FY2011: 708,522 tonnes).

As at 31 March 2012, the Division's total planted hectarage in Sabah aggregated 25,441 hectares (FY2011: 25,199 hectares) of which 96% constituted mature hectarage. The Division continued its planting programme in Indonesia and expanded its planted hectarage to finish at 21,320 hectares as at financial year end (FY2011: 13,606 hectares). In terms of geographical location, 54% of total planted hectarage is located in Sabah namely in Sandakan and Sugut regions, while the remaining 46% is in Indonesia.

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

MALAYSIA	Ha	%
Mature (> 20 years)	2,938	12
Mature – Prime (8 – 20 years)	19,464	77
Mature – Young (4 – 7 years)	2,135	8
Immature (1 – 3 years)	904	3
Total	25,441	100
INDONESIA		
Mature – Prime (8 – 20 years)	726	3
Mature – Young (4 – 7 years)	826	4
Immature (1 – 3 years)	19,768	93
Total	21,320	100

CEO's Review of Operations (cont'd)

Housing areas at Excellent Challenger II Estate

To promote higher productivity whilst working with limited resources, various incentive schemes were introduced to attract and retain skilled workers.

The Division's four palm oil mills with a total capacity of 195 tonnes of FFB per hour were able to process 166,171 tonnes of CPO (FY2011: 151,096 tonnes), a 10% improvement from previous year while PK production recorded 37,340 tonnes (FY2011: 32,574 tonnes). Average CPO extraction rate was 20.6%, a decline of 3% from 21.3% in preceding year while PK extraction rate remained stable at 4.6% (FY2011: 4.6%). The drop in average CPO extraction rate was mainly due to the unusual weather pattern in addition to losses arising from labour constraints during the financial year.

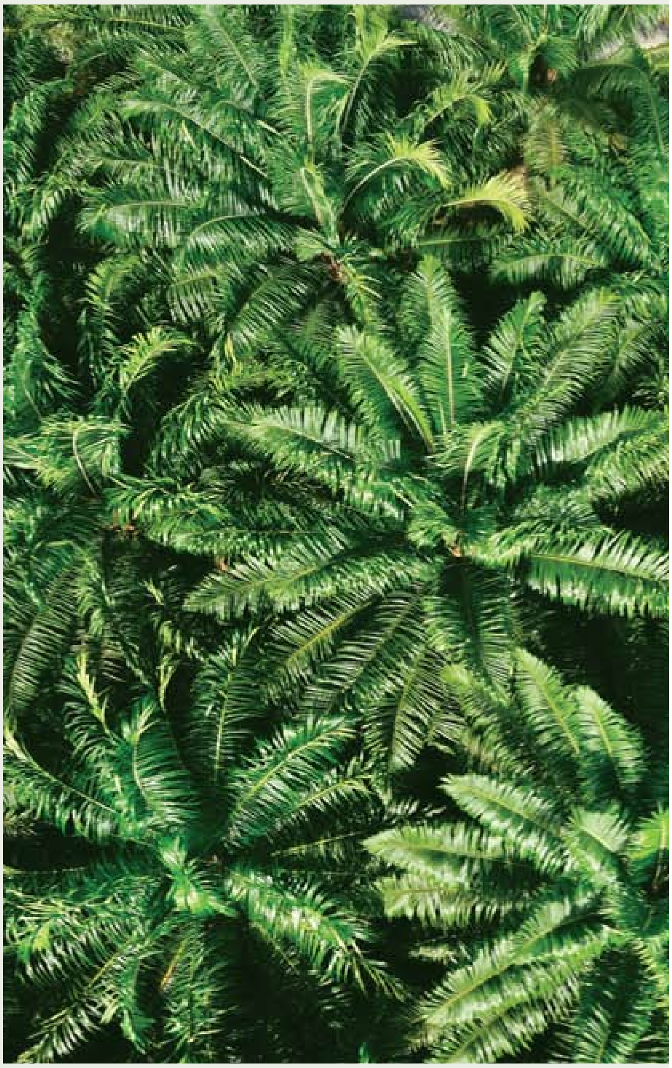
During the reporting period, the Division's kernel crushing plant crushed 37,267 tonnes (FY2011: 32,909 tonnes) of kernel to produce 16,908 tonnes (FY2011: 14,941 tonnes) of crude palm kernel oil at an extraction rate of 45.4% (FY2011: 45.4%). Total palm kernel expeller output was 18,509 tonnes (FY2011: 16,457 tonnes) with an extraction rate of 49.7% (FY2011: 50.0%). Details of the 5-year plantation statistics are available in IJM Plantations Berhad's Annual Report 2012.

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 RM42.40 million (FY2011: RM37.92 million). The Division remained diligent in exploring innovative measures to curb the rising production costs such as fertiliser, fuel and labour. Cost effective initiatives such as mechanisation, soil and water conservation were actively pursued at selected sites.

The Division continued emphasising on human capital development for sustainable growth. The availability of skilled workers remained a key challenge. To promote higher productivity whilst working with limited resources, various incentive schemes were introduced to attract and retain skilled workers. Comprehensive training programmes have been carried out while the cadet programme for young graduates from Malaysia and Indonesia continued to support the rapid growth of the Indonesian project. From 2012 onwards, a similar programme will be conducted insitu in Indonesia.

The Division advocates the importance of nurturing sustainability whereby caring for the environment is an integral part of business. A diversity of sustainable methods has been adopted in its oil palm cultivation, harvesting and palm oil production processes such as soil and water conservation, utilisation of waste by-products, integrated pest management as well as zero-burning practices.

Wisma IJM Plantations, Sandakan



Mature oil palm trees

The Division is on track with its new planting programme in Indonesia. As at 31 March 2012, total planted area grew to 21,320 hectares (FY2011: 13,606 hectares), a notable 57% increase from prior year. In tandem with that, another 4,000 hectares have been cleared for planting next year while nurseries established at sites held over 2 million seedlings at year end and would be available for planting to cover over 12,000 hectares. The Division also expects to complete its first palm oil mill with a processing capacity of 60 tonnes of FFB per hour in Kalimantan in 2012.

The Division remains positive on the outlook of palm oil industry in the light of the well-supported fundamentals. If the current uptrend of CPO prices continues to prevail, together with favourable weather conditions and good crop production, the Division expects to deliver a good performance in the coming year, barring unforeseen circumstances.

In the years ahead and in the face of growing challenges, the Division will be working relentlessly to achieve its business targets whilst exercising prudence in managing the business.

Sabang Palm Oil Mill I

Besraya Highway

INFRASTRUCTURE

Tolls Management Team:


James Wong Tet Foh


Dato' Neoh Soon Hiong


Wan Salwani Binti Wan Yusof


Yap Pak How


Chua Lay Hoon


Hwa Tee Hai


Ong See Chang

Port Management Team:


Dato' Ir. Ho Phea Keat


Haji Khasbullah Bin A Kadir


Azahari Bin Muhammad Yusof

The Infrastructure Division performed well with improved turnover by 8% to RM668.32 million (FY2011: RM620.28 million) mainly due to higher contributions from its port concessions and Malaysian toll roads. Despite the improved turnover, pre-tax profits however dropped by 22% to RM86.14 million (FY2011: RM110.67 million) mainly due to the provision for scheduled major maintenance under IFRIC 12 of RM27.4 million and unrealised foreign exchange losses of RM15.29 million (FY2011: Unrealised foreign exchange gains of RM35.91 million). These foreign exchange gains/losses arose mainly from its USD-denominated borrowings used to finance IJM's investments in India.

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 ports – one each in Pahang and Terengganu, a power plant in India and a water treatment plant in Vietnam.

Toll Roads

The local toll road concessions continue to deliver steady revenues and profits 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 44.3 Km Kajang Seremban Highway ("LEKAS") holding concession periods of 44, 34 and 33 years respectively.

During the financial year, Besraya recorded a turnover of RM58.62 million (FY2011: RM61.16 million). Its pre-tax profit increased by 5% to RM40.28 million mainly due to lower operating costs and recognition of fair value gain on investment. In July 2011, Besraya issued a RM700 million Secured Sukuk Mudharabah, an Islamic Securities Programme of which the proceeds were used to part-finance the design and construction of Besraya Eastern Extension ("BEE") project. Upon completion of BEE in 2013, it will add 12.3 Km length to the existing Besraya and provide better connectivity to the Northern and North-Eastern parts of Kuala Lumpur. Next year, Besraya's revenue is expected to improve as its toll rates are due for revision in January 2013.

CEO's Review of Operations (cont'd)

Western Access Tollway, Argentina

NPE recorded a marginally higher turnover of RM105.83 million in FY2012. Its pre-tax profit of RM31.59 million was 16% higher than prior year. The improved performance was due to strong traffic growth by 9% and lower operating costs. Its scheduled toll hike in 2009 was deferred by the Government who has been compensating NPE in accordance with the provisions of the concession agreement. The Government is also compensating NPE for the toll fare reduction of Class 1 vehicles at PJS2 toll plaza from RM1.60 to RM1.00. The reduction was to ease the burden of residents living nearby and is effective for 5 years from 18 February 2011.

LEKAS contributed a turnover of RM22.26 million (FY2011: RM15.76 million) and a pre-tax loss of RM25.93 million (FY2011: RM23.71 million) mainly due to highway assets amortisation, finance cost and low traffic volume. LEKAS is in its early years of operation and the growth of development corridors along the highway vicinity is gradually maturing.

In the coming years, the local toll operations are confident of achieving higher revenue and cost efficiency in order to sustain profitability. Moving forward, the Division anticipates to expand its portfolio with the inclusion of a new highway project via IJM's investment in Kumpulan Europlus Berhad and the West Coast Expressway Sdn Bhd.

In India, the Division's operating toll roads comprising wholly-owned Rewa Tollway (387Km) and 35%-owned Swarna Tollway (145Km) have been operating for eight years with improved traffic counts. The newer tollways are the fully-owned Jaipur-Mahua Tollway (108Km), 50%-owned Chilkaluripet-Vijayawada Tollway (79Km) 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.

During the financial year, Indian tollways contributed revenues of RM119.02 million (FY2011: RM119.30 million) mainly due to contributions from Jaipur-Mahua and Rewa tollways. Lower revenue was reported from Vijayawada Tollway due to toll revenues being with held in escrow pending resolution of a dispute under arbitration with National Highway Authority of India. The Indian tollways recorded pre-tax losses of RM33.79 million (FY2011: Pre-tax profit of RM19.40 million) mainly due to unrealised foreign exchange losses in relation to its offshore USD-denominated borrowings of RM15.29 million (FY2011: Foreign exchange gains of RM35.91 million). Without the foreign exchange elements, the Indian Toll Division would be in a lower pre-tax loss position of RM18.50 million (FY2011: Loss of RM16.51 million). It is anticipated that Indian tolling operations, which are in their early stages of the concessions, while continuing to see improved revenues will continue to face challenges in terms of high debt costs.

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 of 14% to RM51.23 million from prior year due to higher tolls introduced at end of 2010 and higher traffic volume by 4% to 113,000,000 PCUs in 2011. As a result, the Group's share of profit increased by 2.9 times to RM4.82 million from prior year. With the recent toll increases at end of 2011 and in April 2012, GCO's 2012 outlook is highly positive and the company is anticipated to continue contributing steady income streams to the Group.

Wharf front warehouse at Berth No.1, Kuantan Port

Unloading operations at Kuantan Port, Pahang

To cope with the increased activities in Kuantan Port, the Division has invested RM150 million to construct another 600 metres of berths.

Ports

The Division's two port concessions contributed positively to the Group's bottom-line. During the financial year, Kuantan Port achieved a notable performance with improved pre-tax profit by 85% to RM91.70 million (FY2011: RM49.50 million) on the back of higher turnover of RM174.90 million (FY2011: RM124.20 million) mainly due to increased cargo throughput and a tariff revision in May 2011. Cargo throughput recorded was 15.4 million (FY2011: 12.7 million) freightweight tonnes, an increase of 21% from prior year contributed by liquid chemical exports, mineral oil and petroleum imports, iron ore exports and containers traffic.

The Group's 39% stake in Kemaman Port, Terengganu which operates the East Wharf and Liquid Chemical Berth performed well too. The Group recorded its share of turnover of RM16.26 million (FY2011: RM13.42 million) and pre-tax profit share of RM4.76 million (FY2011: RM2.90 million) arising from cargo handling and marine services.

Road side assistance at Kajang Seremban Highway

To cope with the increased activities in Kuantan Port, the Division has invested RM150 million to construct another 600 metres of berths. Works are expected to complete in December 2012.

Moving forward, our port concessions will focus on ensuring its business is well-positioned in the ever challenging business environment so as to continuously generate better results in the coming years.

CEO's Review of Operations (cont'd)

Gautami Power Plant, Andhra Pradesh, India

Binh An Water Treatment Plant, Vietnam

Power Plant

The Group's sole power plant concession in Andhra Pradesh, India, is its 20%-owned Gautami Power, a 469 MW natural gas based Combined Cycle Power Plant. The power plant contributed a lower turnover by 16% to RM103.50 million and lower pre-tax profits by 76% to RM2.72 million for the Group's share of results during the financial year. The results were hampered by shortage of gas supply. The investment is expected to contribute regular income streams to the Group throughout the concession period until year 2023.

Water Treatment Plant

36%-owned associate, Binh An Water Corporation Ltd in Vietnam contributed a net profit of RM3.36 million (FY2011: RM3.36 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.

Traffic control centre at Swarna Tollway, India

Jaipur-Mahua Tollway, India

CONCLUSION

The financial year under review has indeed been very exciting for IJM coupled with a record breaking profit performance under a highly competitive and challenging market environment.

The outlook for our Construction Division is very encouraging as order book replenishment remains favourable following the award of major infrastructure and building projects. The good prospects are in line with the Government's emphasis on infrastructure spending coupled with increasing in-house projects. In addition, our Industry Division is set to benefit from the expected growth in the infrastructure activities.

The continued demand for mid-range and affordable properties, supported by resilient domestic economic outlook, favourable demographics and accommodative mortgage rates together with our strong unbilled sales in excess of RM1 billion, will continue to sustain our Property Division in the foreseeable future.

The Plantation Division is poised to deliver another good performance in the coming year if the current uptrend of CPO prices continues to prevail in view of tightening global edible oil supply. Our infrastructure assets comprising the tolls, ports, water and power concessions are expected to continue contributing steady income streams to the Group next year.

The Group remains vigilant in our actions and proactive in management operating in a changing and highly competitive business environment. In addition, the Group strives to enhance shareholders' value as well as to continue contributing to the society.

For the forthcoming financial year, I am confident that IJM will rise up to the challenges to further improve on our performance albeit under very tough operating conditions.

Lastly, I wish to thank the IJM staff for their unfettered dedication and hard work to bring the Group to where we are today. Whilst we have performed well for the financial year under review, we shall continue to shape the progress of the organisation and build a stronger foundation for the Group to achieve sustainable growth in the future.

Dato' Teh Kean Ming
CEO & Managing Director

Corporate Governance Statement

The Board of Directors ("the Board") fully support the eight (8) principles of the Malaysian Code on Corporate Governance 2012 ("the Code"), which the Company will endeavour to adopt in making good corporate governance an integral part of its business dealings and culture. The Board is committed to ensuring that the highest standards of corporate governance, as embodied in the Code, are practiced throughout IJM Corporation Berhad and its subsidiaries ("the Group").

IJM received the Malaysian Corporate Governance Index Award

Malaysian Corporate Governance Index – Industry Excellence Award (Construction) 2011

I. BOARD OF DIRECTORS

1. Board Charter

The Board Charter as a source of reference and primary induction literature, providing insights to prospective Board members and senior management, has been adopted by the Board on 25 May 2012. The core areas of the Board Charter include the following:-

(i) Board Membership, which includes composition, appointments and re-election, independence of Director and new directorship;

(ii) Board Role, which includes duties and responsibilities and matters reserved for the Board;

(iii) Chairman and the Chief Executive Officer & Managing Director ("CEO&MD");

(iv) Board Committees;

(v) Board Meetings;

(vi) Financial Reporting;

(vii) Directors' Remuneration;

(viii) Directors' Training & Continuing Education;

(ix) Company Secretary;

(x) Investor Relations and Shareholder Communication; and

(xi) Access to Information and Independent Advice.

The details of the Board Charter are available for reference in the Company website at www.ijm.com.

2. **Composition of the Board**

There are nine (9) Board members, six (6) are Non-Executive Directors, and among the Non-Executive Directors, three (3) 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 raised by the shareholders.

The balance between Independent Non-Executive, Non-Executive and Executive Directors, together with the support from Management, is to ensure that there is an effective and fair representation for the shareholders, including minority shareholders. It further ensures that issues of strategy, performance and resources are fully addressed and investigated to take into account long-term interest of shareholders, relevant stakeholders and the community in which the Group conducts its business.

The Independent Non-Executive Directors are able to provide independent judgment, experience and objectivity without being subordinated to operational considerations. They help to ensure that the interests of all shareholders are taken into account by the Board and that the relevant issues are subjected to objective and impartial consideration by the Board. In line with the recommendation of the Code, the tenure of an Independent Director of the Company shall not exceed a cumulative term of nine (9) years. An Independent Director may continue to serve the Board subject to the re-designation of the Independent Director as a Non-Independent Director. In the event the Board intends to retain the Independent Director as an Independent Director after serving a cumulative term of nine (9) years, shareholders' approval will be sought.

Two (2) of the Independent Directors, namely Datuk Yahya bin Ya'acob and Datuk Oh Chong Peng, who have served the Board for more than nine (9) years as Independent Directors, will continue to serve the Board as Independent Directors until the conclusion of the Annual General Meeting on 28 August 2012.

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 ensure due execution of strategic goals, effective operation within the Group, and to explain, clarify and inform the Board on key matters pertaining to the Group.

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 25.

3. **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, shareholders' communication, internal control, management information systems and statutory matters; 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 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.

4. Board Meetings

The Board conducts at least four scheduled meetings annually, with additional meetings convened as and when necessary. During the financial year, four (4) Board meetings were held.

The attendance record of each Director was as follows:

	Number of Meetings Attended	Percentage
Executive Directors		
Dato' Teh Kean Ming	4 / 4	100%
Tan Sri Dato' Tan Boon Seng @ Krishnan	4 / 4	100%
Dato' Tan Gim Foo	4 / 4	100%
Independent Non-Executive Directors		
Tan Sri Abdul Halim bin Ali	4 / 4	100%
Datuk Yahya bin Ya'acob	4 / 4	100%
Datuk Oh Chong Peng	4 / 4	100%
Non-Executive Directors		
Datuk Lee Teck Yuen	4 / 4	100%
Dato' David Frederick Wilson	4 / 4	100%
Dato' Goh Chye Koon	4 / 4	100%

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 Forum 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 Directors' and Officers' Liability talk

5. 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 Secretaries, 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 the full time Company Secretaries. 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.

6. **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 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 www.ijm.com.

During the financial year, 11 Executive Committee meetings were held. All members of the Executive Committee attended all the meetings other than Tan Sri Dato' Tan Boon Seng @ Krishnan, who had extended his apologies for not being able to attend three (3) of 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 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 97 to 99.

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 Datuk Yahya bin Ya'acob *(left 3)*. The three. other members of the Nomination & Remuneration Committee are Tan Sri Abdul Halim bin Ali *(left 1)*, Datuk Oh Chong Peng *(left 2)* and Datuk Lee Teck Yuen *(left 4)*.

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 reviewing and determining 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, including the independence of Independent Non-Executive Director ("INED"). The details of the terms of reference of the Nomination & Remuneration Committee are available for reference at the Company's website at www.ijm.com.

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

(i) reviewed the salary, promotion and bonus & incentives of senior management of the Group;

(ii) assessed and evaluated the effectiveness of Directors through Self & Peer Assessments and the Assessment of the Board as a whole (including the CEO&MD and the independence of INED);

(iii) reviewed the Human Resource Manual - Scheme & Conditions of Service;

(iv) reviewed the service contract for senior contract staff;

(v) reviewed the composition of the Board;

(vi) reviewed the Directors' Fees for the Group; and

(vii) reviewed the proposed incentive scheme for the employees.

The Nomination & Remuneration Committee meets as required. Six (6) meetings were held during the financial year and the attendance record of each member of the Committee is as follows:

Nomination & Remuneration Committee	Number of Meetings Attended	Percentage
Datuk Yahya bin Ya'acob	6 / 6	100%
Tan Sri Abdul Halim bin Ali *(Appointed on 6 October 2011)*	3 / 3	100%
Datuk Oh Chong Peng	6 / 6	100%
Datuk Lee Teck Yuen	6 / 6	100%

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

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.

7. Board Evaluation

The Nomination & Remuneration Committee was satisfied with the performance and effectiveness of the Board and Board Committees. The Board evaluation criteria was reviewed and enhanced by the Nomination & Remuneration Committee during the year.

The Board evaluation comprises a Board Assessment, an Individual (Self & Peer) Assessment and an Assessment of Independence of Independent Directors. The assessment of the Board is based on specific criteria, covering areas such as the Board composition and structure, principal responsibilities of the Board, the Board process, the CEO&MD's performance, succession planning and Board governance. For Individual (Self & Peer) Assessment, the assessment criteria include contribution to interaction, role and duties, knowledge and integrity and assessment of independence. The criteria for assessing the independence of an Independent Director include the relationship between the Independent Director and the Company and his involvement in any significant transaction with the Company.

8. Appointment 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 considers the required mix of skills and experience, which the Directors brought to the Board.

The process for the appointment of Non-Executive Directors (both the Independent and non-Independent Directors) to the Board is as follows:

(i) Nomination & Remuneration Committee reviews annual Board assessment & evaluation;

(ii) Nomination & Remuneration Committee determines skills matrix;

(iii) source for the candidate;

(iv) Nomination & Remuneration Committee evaluates and matches the criteria of the candidate, and will consider diversity, including gender, where appropriate;

(v) Nomination & Remuneration Committee recommends to the Board for appointment; and

(vi) the Board approves the appointment of the candidate.

9. Re-election

The Articles of Association provides that every new appointed Director be subjected to re-election at the immediate Annual General Meeting. Furthermore, 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 every three (3) years. This has been consistently practised.

10. Directors' Training

All Directors have attended the Directors' Mandatory Accreditation Programme organised by 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 Secretaries 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 each of the Directors' Training and participation in activities of the Group are available for reference in the Company's website at www.ijm.com.

Updates on companies and securities legislations, and other relevant rules and regulations, such as amendments to the Companies Act, 1965 ("the Act"), Main Market Listing Requirements of the Bursa Securities, the Code and Corporate Governance Blueprint 2011 and Capital Markets & Services Act 2007 were 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.

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 are 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, achievement of the goals and/or quantified organizational targets as well as Key Performance Indicators ("KPI") set at the beginning of each year. The strategic initiatives or KPI set for the CEO&MD for financial year ended 31 March 2013 encompass the four (4) main areas of Commercial, Stakeholders, Efficiency, and Infrastructure.

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 provides additional contribution ranging from 1% to 5% to all its employees based on length of services.

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	2,088	–	2,996	922	82	6,088
Non-Executive Directors	1,070	726	185	102	50	2,133
Total	3,158	726	3,181	1,024	132	**8,221**

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	618	324	477	182	33	1,634
Non-Executive Directors	–	257	17	–	–	274
Total	618	581	494	182	33	**1,908**

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	3,488	184 * #
Dato' Teh Kean Ming	2,600	167 * #
Dato' Tan Gim Foo	–	1,283 ^
Non-Executive Directors		
Tan Sri Abdul Halim bin Ali	168	–
Datuk Yahya bin Ya'acob	136	50 ^^
Datuk Oh Chong Peng	144	95 #
Datuk Lee Teck Yuen	98	79 *
Dato' David Frederick Wilson	698 ▲	–
Dato' Goh Chye Koon *(Non-Executive Director from 30 June 2009)*	758 ▲	–
Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob	99	50 ^^
Datuk Hj Hasni bin Harun *(retired on 24 August 2011)*	32 **	–
Total	**8,221**	**1,908**

* *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 Dato'Tan Gim Foo in his capacity as Managing Director of IJM Construction Sdn Bhd.*
^^ *Fees received from IJM Construction Sdn Bhd in their capacity as Non-Executive Directors.*
▲ *Remuneration of Dato' David Frederick Wilson and Dato' Goh Chye Koon received in respect of specific overseas assignments.*
** *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 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 (2) 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.

Directors and Senior Management participated in the Senior Management Dialogue 2011 themed 'Towards Higher Performance'

IJM's 27th Annual General Meeting

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 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 to 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 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 to the Group 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' or 'Feedback' page.

Investor queries pertaining to financial performance or company developments may be directed to the Investor Relations Manager of IJM Corporation Berhad, Mr Shane Guha Thakurta (Tel: +603-79858041, Fax: +603-79529388, E-mail: shanethakurta@ijm.com), whereas shareholder and company related queries may be referred to the Company Secretaries, Ms Ng Yoke Kian and Mr Jeremie Ting Keng Fui (Tel: +603-79858131, Fax: +603-79521200, E-mail: csa@ijm.com).

5. **Electronic Dividend Payment ("eDividend")**

   The Company has implemented eDividend in 2010 following the announcement of Bursa Malaysia to promote greater efficiency of the dividend payment system. The eDividend refers to the payment of cash dividends by directly crediting into the bank accounts of shareholders instead of making payment via bank cheques. The Company strongly encourages all shareholders to register for eDividend through the stock broker's offices where the CDS accounts of the shareholders are maintained. Further details can be obtained from Bursa Malaysia's website at www.bursamalaysia.com.

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. Where there are new accounting standards or policies that become effective during the year, the impact of these new treatments would be stated in the notes to financial statements.

   In preparing the financial statements, the Directors have:

   i) adopted appropriate accounting policies which were 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 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 intranet 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 100 to 105.

4. **Relationship with the Auditors**

   Through the Audit Committee, the Board has direct relationship with the external auditors. The role of the Audit Committee in relation to the external auditors is set out on pages 97 to 99. The external auditors are invited to attend Audit Committee meetings and all general meetings and receive internal audit reports.

5. **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 FY2012 amounted to RM0.55 million.

6. **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 24 August 2011.

V. CODES AND POLICIES

1. Code of Ethics and Conduct

The Code of Ethics and Conduct ("the CEC") which sets out the principles and standards of business ethics and conduct of the Group, has been adopted by the Board on 25 May 2012. The CEC is applicable to all employees (including full time, probationary, contract and temporary staff) and Directors of the Group.

The core areas of conduct under the CEC include the following:-

(i) conflict of interest;
(ii) confidential information;
(iii) inside information and securities trading;
(iv) protection of assets and funds;
(v) business records and control;
(vi) compliance to the law;
(vii) personal gifting;
(viii) health and safety;
(ix) sexual harassment;
(x) outside interests;
(xi) fair and courteous behaviour; and
(xii) misconduct.

The details of the CEC are available for reference in the IJM Group website at www.ijm.com.

2. Whistle-Blowing Policy

The Whistle-Blowing Policy of the Company has been adopted since 2006. The Policy was revised in May 2011 following the introduction of the Whistleblower Protection Act 2010 to enhance the coverage and protection to whistleblowers, which 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 Company's intranet portal and website at www.ijm.com for ease of access for reporting by employees and associates of the Group.

3. Corporate Disclosure Policy

The Board places importance in ensuring disclosure made to shareholders and investors is comprehensive, accurate and on a timely and even basis as it is critical towards building and maintaining corporate credibility and investor confidence. A Corporate Disclosure Policy for the Group to set out the policies and procedures for disclosure of material information is being addressed, following the emphasis of Bursa Securities as outlined in its Corporate Disclosure Guide.

Signed on behalf of the Board of Directors in accordance with its resolution dated 17 July 2012.

Tan Sri Abdul Halim bin Ali
Chairman

Audit Committee Report

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
• Tan Sri Abdul Halim bin Ali • Datuk Oh Chong Peng • Datuk Yahya bin Ya'acob

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.

Audit Committee Report (cont'd)

During the financial year, the Audit Committee convened four (4) meetings. All the members of the Audit Committee had attended all the meetings other than Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob, who upon retirement, ceased to be a member on 24th August 2011, and their details of attendance at Audit Committee meetings are tabled below:-

	No. of meetings held during the year	**No. of meetings attended**
Y. Bhg. Datuk Oh Chong Peng *Chairman of the Audit Committee* *(Independent Non-Executive Director)*	4	4
Y. Bhg. Tan Sri Abdul Halim bin Ali *Member* *(Independent Non-Executive Director)*	4	4
Y. Bhg. Datuk Yahya bin Ya'acob *Member* *(Senior Independent Non-Executive Director)*	4	4

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 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 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 2012 was approximately RM1.7million.

This Audit Committee Report is made in accordance with the resolution of the Board of Directors dated 17 July 2012.

Statement on Internal Control

The Board seeks to nurture and preserve throughout the Group a sound system of internal controls, risk management practices and good corporate governance as set out in the Board's Statement on Internal Control made in compliance with Paragraph 15.26 of the Listing Requirements of Bursa Securities 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 ongoing 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.

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 on a risk-based 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.

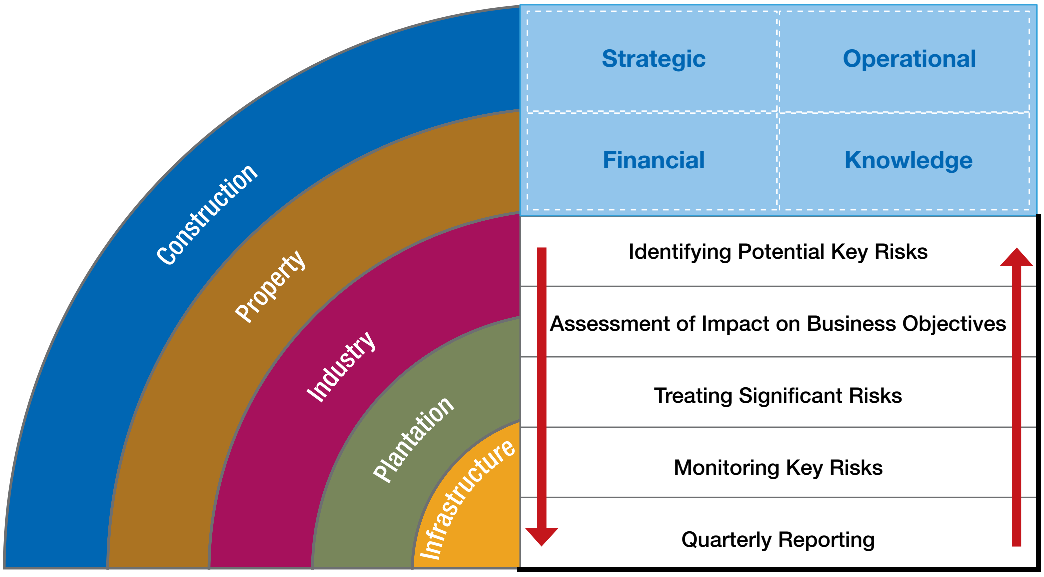
Each business division's risk management function is led by the respective head of the division. The RMC reports to the Audit Committee on a quarterly basis where key risk issues and mitigating actions are deliberated.

RISK MANAGEMENT FRAMEWORK

The RMC principally develops, executes and maintains the risk management system to ensure that the Group's visions and objectives are achieved. Its reviews cover 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.

Statement on Internal Control (cont'd)

RISK MANAGEMENT PROCESS



A risk map addressing the risks to the achievement of strategic, financial and other business objectives using quantitative and qualitative aspects to assess its likelihood and impact, and the controls for assuring management that processes put in place continue to operate satisfactorily and effectively, is prepared annually by each business unit.

As the business risk profile changes, new areas are introduced for assessment. These risk maps exclude associates and joint ventures of the Group as they are managed by their respective management committees.

The Group's Head Office considers the risks associated with the Group's strategic objectives which are not addressed by the business units. The consolidated risk profiles and their mitigating actions are then reported to the RMC before being presented to the Audit Committee.

As a global conglomerate with a 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 construction, property development and manufacturing businesses.

In the current economic climate, order book enhancement and overcapacity situations remain key areas of concern. Therefore, the Group constantly explores various potential businesses and geographical diversifications and seeks for alternative uses on the excess capacity. The properties sector remains challenged amidst stiff competition among property players causing our property arm to adopt more aggressive marketing strategies with product differentiation and flexibility in product offerings to suit the market demand.

The Group has invested in emerging markets over the years such as India, the Middle East, Indonesia and China. Whilst the Group is able to tap into those markets, foreign jobs entail added risks given their different operating and economic environments as well as intensive local and international competition. Nevertheless, the Group continues to monitor market risks while continuously seeking out local as well as international opportunities to replenish orders and preserve earnings.

COMMODITY RISK MANAGEMENT

Commodity risk arises from the volatility of commodity prices often associated with our plantation business. The Group manages such risk by constantly monitoring the commodity prices, employing hedging through forward sales and close monitoring of pricing trends of major substitutes such as oils and fats.

CREDIT AND LIQUIDITY RISK MANAGEMENT

These risks arise from the inability to recover debts in a timely manner which may adversely affect the Group's profitability, cash flows and funding. The Group minimises such exposures by assessing the creditworthiness of potential customers, close monitoring of collections and overdue debts, and more effective credit utilisation to keep leverage at a comfortable level.

OPERATIONAL RISK MANAGEMENT

Operational risks arise from the execution of a company's business function including systems and equipment breakdown, overcapacity situations, inadequate skilled labour and adverse climate conditions. The Group strictly adheres to policies, procedures, quality controls and best practices to ensure that all systems and equipment are functional. To manage overcapacity issues, the Group constantly reviews its business plans and seeks alternative uses for available capacity.

The Group implemented attractive remuneration schemes to attract and retain skilled labour to meet existing and future needs. To cope with the adverse dry 'El Nino' and wet 'La Nina' seasons affecting the oil palms, the plantation division strictly follows the planting manual, employs good agricultural practices, water conservation and irrigation measures to sustain high production yield.

Amidst stiff competition, IJM Land adopts an aggressive marketing strategy with various property offerings to suit the market demand

To mitigate risks of inadequate labour at our plantations, attractive remuneration schemes are offered to attract and retain workers

Statement on Internal Control (cont'd)

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 on compliance with applicable laws and regulations, business and operational matters.

DISASTER RECOVERY PLANNING

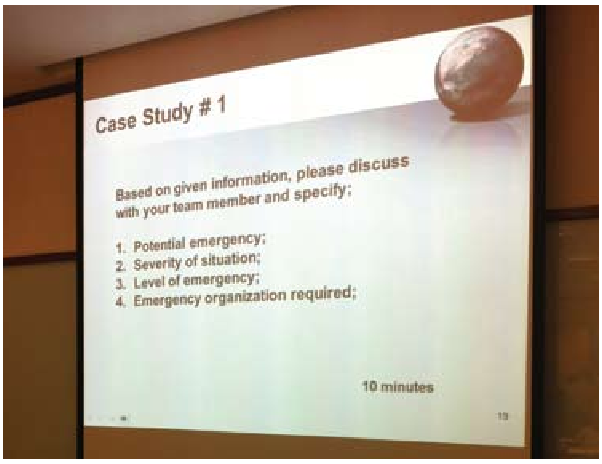
With threats of management information systems ("MIS") breakdown and other potential hazards such as fire, flood, earthquake and major equipment failures, amongst others, the continuity of business operations is of a major concern to the Group.

In line with that, the Group has in place a production site for its 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. Should there be a major disruption causing loss of data, application systems would be restored within 48-72 hours for business continuity.

Regular incident management drills at our properties and 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 continuously enhances its business continuity plans to ensure the continuity of critical functions in a crisis situation.

First aid & CPR training held to prepare our staff in the event of emergencies



Emergency Response & Crisis Management Plan workshop

Annual Senior Management Dialogues are held to keep staff abreast with Group performance and issues

KEY ELEMENTS OF THE GROUP'S SYSTEM OF INTERNAL CONTROLS

- Clearly delineated delegation of responsibilities to the Board, its Committees and operating units including defined levels of authority for all business aspects;
- Clearly documented standard operating policies and procedures subjected to regular review and improvement;
- Top down communication of company values such as fraud prevention and avenues for whistle blowing;
- Regular and comprehensive information conveyed to management covering financial performance and key business indicators such as economic and market conditions;
- Annual budgets are prepared to monitor actual versus budgeted and prior period's performance with major variances checked and management actions taken as necessary;
- Half-yearly company briefings with analysts are conducted on the day of release of financial results to apprise the shareholders, stakeholders and general public of the Group's performance whilst promoting transparency and open discussion; and
- Visits to operating units by Board members and senior management to familiarise with business operations.

ANNUAL AND QUARTERLY RISK ASSESSMENTS

During the financial year under review, all divisions 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, slow 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 performed 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 17 July 2012.

Quality Report

In IJM, we relate Quality with Customer Satisfaction and Continuous Improvements. We believe that focusing on Customer Satisfaction and adherence to Continuous Improvements and Quality Standards are important aspects in order to remain competitive in today's marketplace. One of the Group's major objectives is to focus 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 its pursuit for Continuous Improvements. IJM's quality system is defined by its organisational objectives, policies, processes and infrastructure setting towards total quality management in tandem with its vision, mission and core values.

QUALITY POLICY STATEMENTS

In line with IJM's quality philosophy, the Group believes that process excellence is our operational pillar. 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.

Proper installation of brackets for piles in accordance with quality procedures at our berth expansion project, Kuantan Port

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.

The Group advocates zero defects and conformance to quality requirements. This is the focal point of continuous improvement.

Proper apparatus are used to maintain the quality of our concrete and brickworks at our Aviva Green Project, Seremban 2

Use of custom made guide to pitch square piles in the correct position at our Perkeso Rehabilitation Centre Project, Malacca

'Theory and Application of Epoxy Mortar' training conducted by Epoxy Mortar Supplier (Axel) for our QC Personnel at Industry Division's Centre and Northern Regions

CONTROL & MONITORING

The Group performs thorough examination and testing on the quality of its products to ensure they meet specific quality requirements and standards.

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.

Annual MPOB Code of Practices Surveillance Audit conducted from October to December 2011

CUSTOMER SATISFACTION & CONTINUOUS IMPROVEMENT

Customer 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 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 its plants are certified to the Singapore Accreditation Council.

Quality Report (cont'd)

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 operation 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 recognised as a Quality leader by our customers, competitors and the industry at large.

RECOGNITION & CERTIFICATION

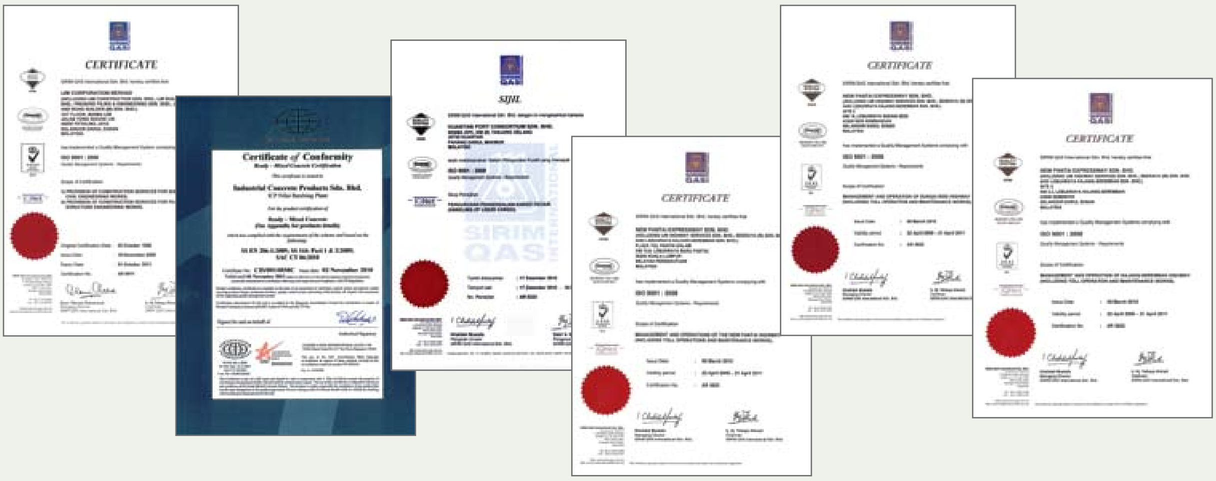
In order to promote healthy competition amongst its people to deliver quality work, the Group accords annually the Quality Awards to projects that excel amongst its peers. The awards are presented for two categories comprising building and civil works.

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)

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.

Our Plantation Division ensures that its planting practices are in line with industry requirements. As a result, the Division's operating units in Sabah comprising 1 nursery, 11 estates, 4 palm oil mills and 1 kernel crushing plant, are certified under MPOB's Code of Practices ("CoPs") for quality, food safety and sustainability.



SOARING TO GREATER HEIGHTS

Aspiring to achieve greater heights in Quality Management, IJM had embarked on two new systems as follows:-

a) SIRIM 5-S

b) Electronic Document Management System

1. SIRIM 5-S Implementation for Construction Sites

The objective of this system is to guide our construction projects and sub-contractors to improve on safety, hygiene, quality, productivity and image through the proprietary 5-S Practice.

5-S => ISO 9000 + ISO 14001 + OSHAS 18001 => TQM

JAPANESE	SIRIM 5-S	B.MALAYSIA	50-pts	Typical Example
Seiri	Structurise	Struktur	10	Dispose things which are not needed
Seiton	Systematise	Sistematik	10	30-second retrieval of tools, documents and parts
Seiso	Sanitise	Sanitis	5	Individual cleaning responsibility
Seiketsu	Standardise	Standard	15	Organised storage
Shitsuke	Self-discipline	Sentiasa disiplin diri	10	Execute individual 5-S responsibilities

2. Electronic Document Management System ("eDMS")

IJM ventured into another milestone for quality system enhancement by implementing the eDMS, a cloud based solution. This system allows for standardisation, centralisation and consolidation of documents into a single depository; whilst providing for easy retrieval and maintenance of documents electronically. eDMS also enables mobile organisation control and effective operation mechanism.

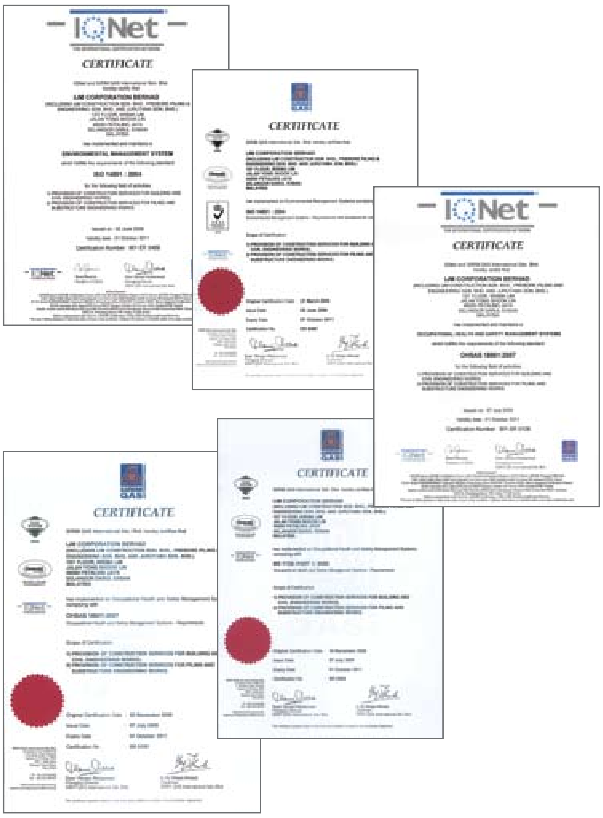
Site staff pledging for 5-S Implementation

Health, Safety and Environment Report

An integral part of the Company's sustainable business strategies and core values is its commitment to the safety and health of its personnel and the public as well as the protection of the environment.

The Health, Safety and Environmental Management System ("HSEMS") was established as part of 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.

The Project Safety and Health Plan ("PSP") and Project Environmental Management Plan ("PEMP") are established on the basis of project specific needs covering phases of project development from pre-construction to decommissioning. This is to ensure consistent compliance with the health, safety and environmental regulations. In addition, Emergency Response Plans ("ERP") have also been established at 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"*, IJM's main objectives are to prevent accidents, occupational illnesses and environmental pollution.

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

- Comply with all applicable HSE legislations and other 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.

HSE Organisation

The HSEMS has been implemented at all levels of the Company and HSE Organisations have been established to effectively manage and monitor its implementation:

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

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

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

Led by appointed senior management personnel, 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

Assists the Company in establishing, implementing and maintaining the HSEMS.

HSE Management Programmes

The Company has introduced various management programmes during the financial year under review to drive the Company's HSE management to a higher level which included:

- HSE Self-Assessment

  Designed to assist Project Teams to identify their compliance level with HSEMS involving a process of 16 elements which are assessed and evaluated using a scoring system.

- Behavioural Based Safety

  Involves a survey to assess the status of safety culture in IJM which in turn helps to improve the effectiveness of HSEMS implementation.

- E-HSE Reporting

  Established in line with IJM's objective to preserve the environment by reducing paper usage. The online data storage and retrieval system helps to effectively disseminate and share HSE information across the Company.

- Environmental Performance Evaluation ("EPE") Programme

  A tool that enables IJM to verify its environmental performance as well as areas for improvement.

Monitoring and Measurement of HSE Performances

i) Internal HSE Audits

The purpose is to review and measure the conformance with HSEMS and compliance with applicable regulatory requirements. During the financial year, a total of 17 audits were conducted.

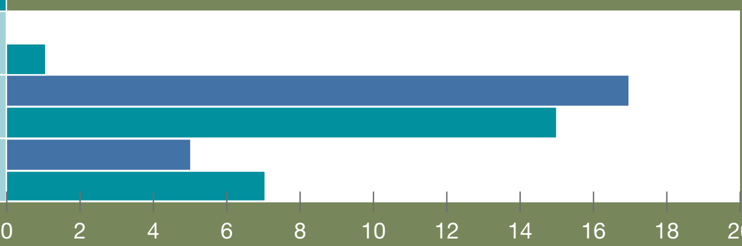
ii) HSE Surprise Inspections

The aim is to verify conformance with established HSE standards and requirements. 22 Health & Safety Inspections and 23 Environmental Surprise Inspections were conducted during the financial year.

The Construction Division has set a specific rating of 75% and above as the key performance indicator to be achieved by all projects. 60% of the total projects inspected were awarded with 'Excellent' and 'Good' ratings by achieving above 75% score.

HSE Surprise Inspections

Ratings	Health and Safety	Environmental
Excellent 91 - 100%	0	1
Good 75 - 90%	17	15
Average 61 - 74%	5	7



Health, Safety and Environment Report (cont'd)

Edge Protection Fencing System prevents falling from high rise buildings under construction

Fall Arrest Safety Nets prevent falling debris from causing injury to people underneath

Safety Hazards Prevention

IJM is committed to reduce risks at our construction projects by adopting best practices and implementing new technologies such as the Edge Protection Fencing System to safeguard workers from falling from height accidents. Such system was used in Platinum Park Phase 3, National Cancer Institute and Traders Hotel projects. Alternatively, the Fall Protection Safety Nets are used either vertically as Edge Protection for fall prevention or horizontally as fall arrest application. In addition, the use of heavy duty industrial plugs and sockets has been standardised to prevent short circuits.

Industrial DB board installed at construction sites to prevent short circuits

Other Safety and Health Practices

Our Industry Division has in place the Occupational Safety and Health Management System established in accordance with OHSAS 18001:2007 and implemented at its factories. The system is audited by internal auditors to ensure compliance with applicable legislations and standards.

The Plantation Division has established Safety Committees in each operating unit with regular Safety Meetings held in compliance with the Occupational Safety and Health Act (OSHA). Employees are trained in health and safety including crisis management, machinery accident, preventive maintenance and confined space management.

The Port Division's safety policy conforms with the DOSH requirement that 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 responses in the event of emergencies.

Flammable gas is stored in a safe place to prevent fire hazard

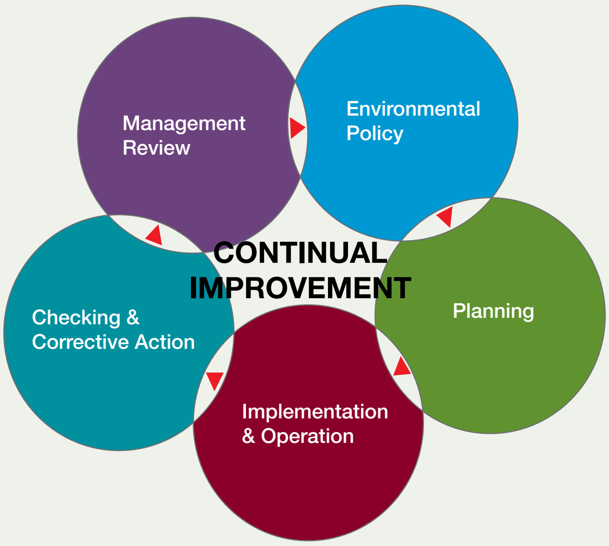
Health talks conducted for employees at the Plantation Division

ENVIRONMENT

The Group has set key targets in its corporate environmental policy such as 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.

In compliance with ISO 14001, the Company took an organised approach to initiate, implement and monitor environmental plans by establishing an Environmental Management System ("EMS"). 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 as well as monitor projects that are not subject to the Environmental Impact Assessment ("EIA") Approval Conditions. The programme focuses on the quality of air, noise and river water to minimise damage or harm towards the eco-system.

Environmental Preservation and Conservation

Environmental preservation and conservation are contributed through best practices in the Group's day-to-day operations. Following are measures adopted by various divisions which reflect a complete picture of the Group's environmental activities.

Construction

The Construction Division adopted best practices to control and prevent environmental pollution. Among the practices implemented included:

Water Pollution Control

Water pollution is controlled by implementing the Erosion and Sedimentation Control Plan, which include:

- Slopes stabilisation to avoid erosion by using temporary groundcover, turfing, vegetation and hydroseeding;
- Temporary drainage system to control surface water run-off to prevent flooding;
- Construction of silt pond, sedimentation pond or silt fences at appropriate spot/area prior to commencement of construction works;
- Regular water quality monitoring;
- Proper storage of building materials like cement and sand to prevent from being washed away; and
- Sand bunds used for land reclamation works along the seaside to prevent sea pollution.

Turfing of slopes to prevent soil erosion

Health, Safety and Environment Report (cont'd)

Air and Noise Pollution Control

The controls in place embrace practices that help reduce air and noise pollution such as:

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

In addition, air and noise qualities are regularly monitored and comply with the Environmental Quality Act 1974.

Waste Management

The Waste Management System complies with the Environmental Quality (Scheduled Waste) Regulations 2005, Local Government Act 1976 and other requirements outlined by local Municipal Councils. The system clearly defines the roles, responsibilities and proper waste handling methods.

Industry

The Industry Division's standard operating procedures are to safeguard the air quality and minimise noise pollution in the communities where it operates.

Air and Noise Pollution Control

All staff must wear noise protective equipment as a precautionary step in compliance with OSHA regulations. Sprinkler systems are installed in crushes, conveyers and along access routes to dampen down the dust at the quarries.

Installation of hoardings to reduce noise pollution

Scheduled waste storage - a good waste management practice

Safety hazard signages are installed at our factories

Enrichment of flora in Hundred-Acre Wood with Bornean Orchid collections at IJM Plantations

Bird enthusiasts observing bird species found at the plantations

Dust Monitoring

Our factories comply with the regulation for prevention and control of health hazards due to mineral dust as stipulated by the Factories and Machinery Act 1967. Dust monitoring is also carried out in all factories and quarries.

Landslide Prevention

Turfing of hillsides is adopted in our quarries as preventive measures against landslides and other adverse effects to the environment.

Landscaping and Housekeeping

For a greener environment at our factories and quarries, trees and plants are planted as well as gardens and fish ponds are built.

Property

Green Building

Our property arm, IJM Land was the first developer in Penang to obtain the GBI certification for high-rise property development for its Light Linear and Light Point condominium projects.

The developer is at present actively preparing to bring to the market a new 1,879 acre green township in Klang Valley named Bandar Rimbayu.

The above are testaments to IJM Land's continuous efforts to create sustainable designs to minimise a building's negative impact to the environment.

The division strives to create property designs that 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' to reduce heat, natural lighting to minimise electricity usage, installing inverter air-conditioning ready piping and incorporating lush green landscapes within its developments.

Plantation

Our Plantation Division is committed to minimise the impact of agricultural activities on the environment with best practices while pursuing green initiatives such as biodiversity conservation and enhancement.

Land Conservation

About 8.2% of plantation land bank is set aside for conservation, education, recreation and training purposes. Its crowning glory is the "Hundred-Acre Wood" 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 garden with over 150 medicinal plant species. The project prevented erosion on steep-slopes, reduced soil degradation and re-established a network of natural habitat.

Tree planting activities at the plantations

Documentary filming on mangrove ecosystem by Sabah Forestry Department at IJM Plantation's Hundred-Acre Wood

Forest Planting Project

In areas unsuitable for oil palm cultivation, the division carried out forest planting of tree species that are resistant to prolonged flooding such as Bongkul (*Neonauclea subdita*) and Sepat (*Mitragna speciosa*).

Carbon Sequestration

The estimated carbon fixed by oil palm trees in the plantations is calculated based on Malaysian Palm Oil Board ("MPOB")'s methodology. In the reporting year, total carbon sequestered increased by 17% to 768,034 metric tonnes or 30 metric tonnes per planted hectare compared to prior year as more trees attained maturity.

Carbon sequestered by the Group's oil palm trees in FY 2012

	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	904	5,245
Mature	(4-8 years)	40.3	16.12	2,920	47,070
	(9-13 years)	70.8	28.32	13,418	379,991
	(14-18 years)	93.4	37.36	4,486	167,603
	(19-24 years)	113.2	45.28	3,713	168,125
Total				25,441	768,034

Zero Burning

Zero burning policy is applied to both new planting and replanting of oil palm trees which helps to minimise global warming and complies with environmental legislations.

Water catchment at Minat Teguh Estate

Release of predatory insects to enhance in-field biological control

Water and Soil Conservation

Legume cover crops are planted to restore soil fertility temporarily lost after land clearance. To meet daily water requirements and consumption, sizeable water reservoirs with proper vegetation are created. Rainfall parameters are also monitored on a daily basis.

Agrochemical Utilisation

The fertiliser programme is based on leaf nutrient and yield performance profile of the oil palm trees. Anti pest-resistance strategy is adopted by carefully selecting treatment chemicals to avoid over reliance on any one type of chemical and the quantity used is closely monitored.

Integrated Pest Management

Our plantations employ best practices involving 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.

Predatory insects are bred in insectariums in the research centre for biological control of leaf-eating pests. Owl boxes are also used to biologically control rats in the estates. Similarly, pheromone sachets are used to trap the *Oryctes rhinoceros beetles*, instead of chemical control. The minimal use of pesticides has allowed a variety of flora and fauna to flourish in the plantations.

Waste By-Product Utilisation

Zero waste discharge policy is adopted in the 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 channelled for mulching in the estates. In Sabang, EFB and POME are mixed to produce biocompost to reduce dependence on inorganic fertilisers and improve marginal soils.

Health, Safety and Environment Report (cont'd)

LEKAS Highway was constructed based on EIA Approval Conditions

Port personnel participating in a fire drill exercise

Toll

Smart Card System

To reduce paper consumption on printed tickets, the Toll Division employs the 'Smart Card' system as a substitute which also mitigates possible discrepancies in toll collection and facilitates easy data retrieval.

EIA Conformance

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

Port

Sea Pollution Control

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

For oil tankers calling at Kuantan Port, it is compulsory for them to adhere to the ship-shore safety checklist to ensure compliance with safety and pollution controls. As a mitigating measure, the division's Oil Spill Emergency Response Team is always on standby to handle emergencies.

Dust Pollution Control

To reduce dust pollution in the port area, the division has mandated that lorries carrying bulk cargoes like palm kernel expellers, fertilisers, wood chips and other bulk goods, to be covered before leaving the port.

The use of conveyor system for loading and discharging cargoes is encouraged to minimise dust pollution from bulk cargoes and to protect the health of port employees and users in the long run. The use of dust masks is also encouraged.


Assembly/briefing on safety and health at our factories


First Aid Training at Wisma IJM

HSE TRAINING AND AWARENESS PROGRAMMES

The Company's I-Portal serves as an important medium to disseminate HSE information on the latest manuals, incidents alerts and recommended corrective actions to all staff levels. Training and campaigns are continuously conducted to promote awareness on Occupational Safety and Health.

The Industry Division's theme of "Excellence in Safety and Health Culture" continues for the second consecutive year in 2012 to promote safety practices. Competitions are carried out to assess areas of legal compliance, safety & health practices and proper housekeeping. The rewards serve as an encouragement for continuous efforts to improve the Occupational Safety and Health ("OSH") status of workplaces.

OSH Awareness is continuously promoted in our factories through various programmes, trainings and campaigns such as fire fighting, first aid, 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 Plantation Division conducted the Improving Productivity with Smart Alternatives (IPSA) programme focusing on safe handling of agrochemicals. All agrochemical users are registered and approved under the Pesticides Act 1974 (Act 149) and Regulations, and Food Safety Act 1983 (Act 281). Regular safety and rescue trainings are conducted in collaboration with the Civil Defence Emergency Response Team (CDERT) and local departments.

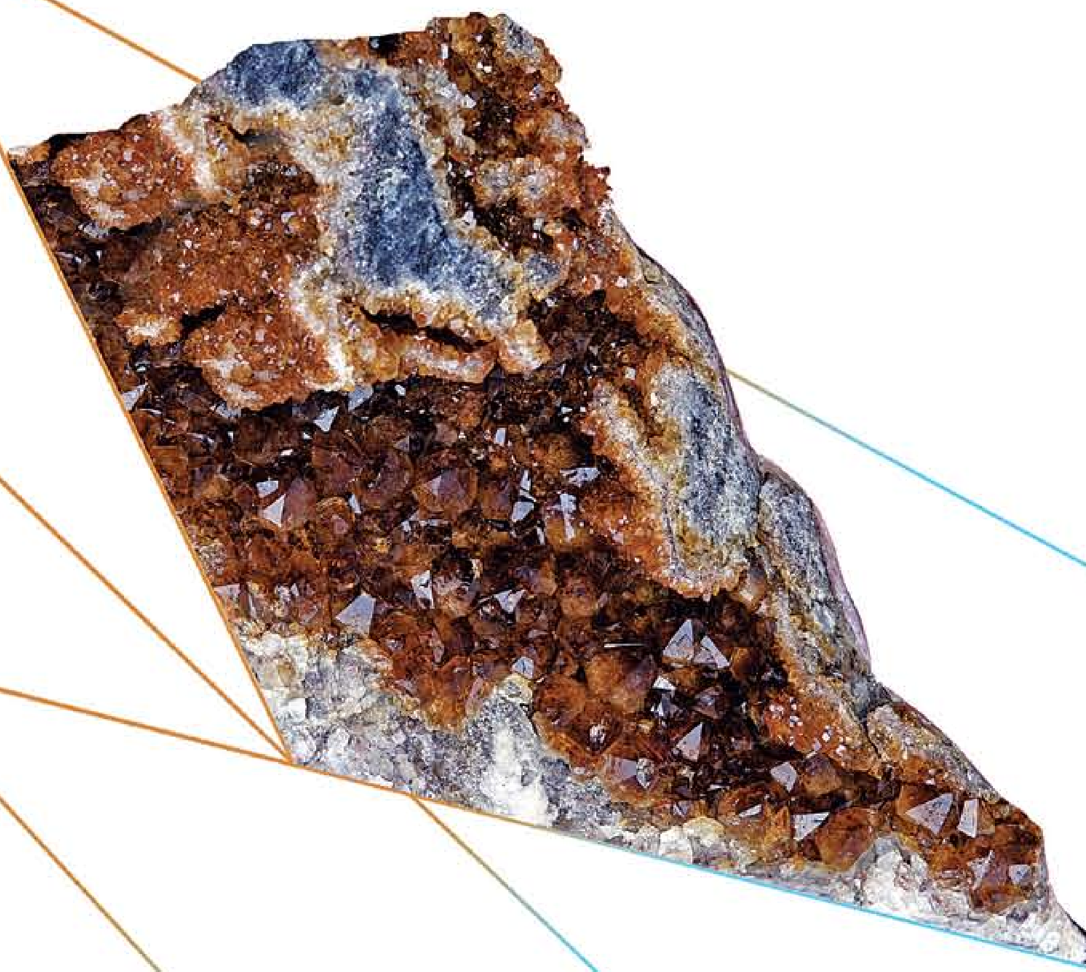
Annually, the Port Division participates in fire drill exercises. In May 2011, a joint fire drill was held at the Momentive Specialty Chemicals plant located within the port industrial estate. The objective was to allow our port safety personnel to familiarise with the surroundings and be ready in case of emergencies.

Safety and Health Awareness Competition at the Industry Division

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.

Corporate Responsibility



By cultivating
CUSTOMER FOCUS,
we are inspired to go
further and employ
sustainable practices
for greater good.

Corporate Responsibility

IJM's Corporate Responsibility ("CR") ambitions are consistent with the Group's core values where the Group passionately strives to care for the communities we live in, protect and nurture the environment, as well as enhance the value of its staff and business partners. IJM remains firmly committed to this belief and it is constantly reflected in its business conduct. As such, the Group's CR framework stands firm with 4 key areas:

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. In this light, the Group places great importance in cultivating a culture steeped in strong business ethics and values, good corporate governance and excellent product stewardship.

Business Ethics & Corporate Governance

IJM firmly believes that by setting the right "Tone at the Top" through the promotion of ethical leadership, a strong foundation to ensure the preservation of high integrity standards within the Group is established. This is reflected in the Code of Ethics and Conduct which sets out the principles and standards of business ethics and conduct of the Group. IJM's Code of Ethics and Conduct is available in the Company's website at www.ijm.com. Trainings and workshops designed by the Human Resources Department also frequently embed elements that foster an ethical culture amongst staff.

Good corporate governance is synonymous with the way the Group carries out its business operations as promulgated by its core value on Integrity which states that "*We act with professionalism in everything we do and with everyone we deal with, always delivering on our promise*". This is visible in the implementation of various best practises such as:-

1) Adequate Board balance among executive, non-executive and independent directors.
2) Transparent disclosures on the Board's remuneration.
3) A robust risk management framework.
4) A Whistle Blowing policy that is made available to the general public via the website: www.ijm.com.

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.

Malaysian Corporate Governance Index Award 2011 (left)
Malaysian Investor Relations Awards for Best Investor Relations Website (Mid Cap) 2012 (right)

Stakeholder Engagement

IJM believes in engaging its stakeholders in a timely, effective and transparent manner. The Group through its established Investor Relations programme effectively communicates and disseminates quality and accurate information about the Group's developments, operations and financial performance to a wide range of stakeholders. Part of the programme includes quarterly financial announcements, analyst meetings as well as company briefings to the press.

The Group also has a comprehensive website at www.ijm.com to further enhance stakeholder communications. 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.

Corporate Responsibility (cont'd)

Product Stewardship

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. Regular reviews, process improvements and quality control assessments that enhance the production process are carried out. As a testament to the Group's commitment to quality, IJM has received strong recognition by winning several awards; the Malaysian Construction Industry Excellence – Contractor of the Year Award 2009 and the International Achievement Award in 2007, 2006 and 2001.

Embedded in its core values, the Group constantly innovates and improves on the quality of its products and services in order to meet the ever demanding expectations of the various markets it operates in. Apart from aggregate testing, Industry Division's Central Research and Development Laboratory at its Klang factory has embarked on a new scope of testing which covers compression tests for cube, cylinder and core, as well as aggregate shape index test.

In East Malaysia, the Plantation Division's R&D activities are conducted through its Quality, Training and Research Centre where they remain focussed on the implementation of biological controls to reduce the use of chemical pesticides and improving oil palm yield through methodical breeding. 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 oil palm replanting in Sabah and Indonesia.

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

Engagement with analysts

Stakeholder engagement at our plantations

Inaugural IJM DxP Seeds Seminar

ENVIRONMENT

The Group places high importance in the preservation of our environment. As such, when we conduct our business, we are aware and critical of the environmental impact it may cause and strive to minimise the impact with efficient environmental plans in compliance with environmental regulations.

Hosted the Environmental Educational Race (EERace) for local teachers

Environmental Campaigns

Mud Ball Throwing Events

As part of an initiative to treat and rehabilitate polluted rivers and lakes, IJM Land organised several "Mud Ball Throwing" events in Penang and Seremban. EM (Effective Microorganisms) mud balls are effective in removing sludge and other pollutants, and the event itself is a family-oriented fun activity which is used as a platform for staff interaction and community engagement.

Mud ball throwing event at S2, Seremban

Raptor Watch 2012

IJM recognises the importance of conservation and continues to support the Malaysian Nature Society's Raptor Watch in Tanjung Tuan. This annual event celebrates the spectacular phenomenon of thousands of raptors (birds of prey) returning to their breeding grounds in the Northern Hemisphere using Tanjung Tuan as an important migratory pathway. The event is hugely successful in raising public awareness on the conservation of raptors and their habitats.

Staff at the annual Raptor Watch 2012

Larian Ozon & Mesra Alam 2011

Staff from the Industry Division participated in the Larian Ozon and Mesra Alam organised by the Department of Environment, Perak to create awareness on global climate issues and the depletion of the ozone layer.

Other Environmental Initiatives

Beach Cleaning

Within the financial year, IJMers have embarked on several environmental preservation efforts. With combined and continuous efforts, IJM hopes to play a part in preserving the beaches and parks at various locations for the generation to come. IJM's staff in Penang had come out to clean up an isolated island patch visible from the Penang Bridge, where they cleared rubbish, debris, empty bottles and discarded empty food boxes.

Similarly, our Kuantan Port staff cleaned up the famous Batu Hitam beach in Kuantan. Not to be left out, staff from the Group's headquarters in Kuala Lumpur ventured out to Pantai Kelanang and Morib to carry out their beach cleaning initiatives.

Upgrading of Facilities in Zoo Negara

As IJM encourages its construction project sites to be environmentally conservative, a team from the Construction Division executed an eventful day at Zoo Negara. With the help of Zoo Negara staff, they improved the landscape in selected areas of the zoo as well as donated a bench for the ease of visitors to the zoo.

Upgrading of facilities in Zoo Negara

Beach cleaning activity in Batu Hitam, Kuantan

Clean up of area visible from the Penang Bridge

Start at Home Campaigns: IJM Going Green Pledge, No Styro Zone & Let's Recycle

The first step towards making this world a better place begins at home; and at IJM, several pledges and efforts were initiated to instil the responsibility of caring for the environment amongst staff. The first was a 'Go-Green' campaign where staff pledged to adopt a more environmentally friendly approach in carrying out daily tasks. Also, a campaign to stop the use of styrofoam was launched at the head office together with a recycling campaign.

CEO & MD, Dato' Teh Kean Ming signing the Go-Green Pledge

Launch of IJM's recycling campaign

Three beats of the "Gong" by Kuantan Port's Managing Director, Dato' Ir Ho Phea Keat to launch the Go-Green campaign

Kuantan Port 'Go Green' Supporters

'Go Green' Pledges at IJM Land, Penang

Recycling at the plantations

COMMUNITY

We have a firm commitment to the community, and we strongly believe in making a positive difference in every life we touch. Our community efforts focus on social welfare, education and sports development at grassroots level.

Inaugural IJM GIVE Day Out 2011

IJMers had a fun time with the kids at a welfare home

The Inaugural IJM GIVE Day Out

3rd December 2011 marked the launch of IJM's inaugural *Give Day Out*. This concept was designed to involve all staff levels in flying the Group's CR flag and took place in every location where IJM enjoys a presence, mainly in Malaysia, India and China.

Over 100 groups, comprising 2,000 staff, went out and engaged in the CR initiatives of their choice. The challenge was for each group to come up with an interesting and creative initiative.

Activities included rehabilitating schools, rivers and community parks; tree-planting at forest reserves and along IJM's expressways; the construction of a badminton court for an orphanage; movie outings with underprivileged children; mangrove seed planting; beach clean-ups and other fun and enriching activities.

The main objectives of the IJM Give Day Out 2011 were:

- To reach out to the underprivileged.
- To impact the environment where we operate by doing something positive.
- To foster staff integration and teamwork.
- To create an awareness of the various causes and areas of communities which need aid.
- To encourage the spirit of "*giving for a good cause*" among staff.

Clean up activities during IJM GIVE Day Out 2011

Relay For Life - Fighting Cancer Together 2011

For the second year running, IJM Land was the Super Gold Sponsor in support of National Cancer Society of Malaysia in Penang and the Penang Hospice Society's *Relay for Life – Fighting Cancer Together* awareness programme. The event was held in October 2011 to increase awareness on cancer and raise funds for cancer programmes including patient support. Relay is both a campaign and an event, and in '*relaying*' overnight at the Taman Perbandaran *(Youth Park)* we help remember that we are part of the on-going fight against cancer and that we journey with cancer survivors through their battle against cancer.


Formation of Blue Human Circle for World Diabetes Day 2011


Outdoor activities during World Diabetes Day 2011

Community Events

In conjunction with World Diabetes Day 2011, IJM teamed up with the non-profit organisation, Sau Seng Lam (SSL) Diabetes Care Centre in Petaling Jaya for the symbolic formation of the *BLUE Human Circle* which is a global symbol for diabetes developed as part of the *Unite for Diabetes* awareness campaign. Free health checkups and wellness booths were set up in conjunction with the event.

Kuantan Port's annual '*Breaking of Fast*' is a key event that brings together members of the Pahang royal family, state dignitaries, the media, staff and their families to break fast with children from spastic centres and primary schools in Gambang, Beserah and Balok.

The Plantation Division also continued its engagement with communities in its public healthcare projects such as the '*Breast Health Awareness*' outreach programme as well as the provision of medical care and sponsorship of medical supplies to the Sugut-Paitan community.

The Group's Toll operations through collaborations with the Ministry of Works, Malaysian Highway Authority, Police Di-Raja Malaysia and Road Safety Department participated actively in national level safety campaigns during festive seasons. During the campaigns, the tollways offered discounts on toll rates and distributed reflective stickers to motorcyclists plying along IJM's highways.

In June 2011, IJM volunteers teamed up with the National Stroke Association of Malaysia (NASAM) for a fundraiser by selling various food and drinks to the public. The carnival was well received with NASAM using the proceeds to help stroke survivors get over the trauma of stroke.


Staff preparing food during NASAM's Carnival in the Park


Kuantan Port visited old folks and nursing homes during the year

Corporate Responsibility (cont'd)

Education: IJM Scholarship, Internship Programme, Career & Education Fairs

IJM has been offering scholarships to deserving students for the past 18 years. The scholarship programme was created to help develop and nurture bright, young Malaysian talents into capable leaders of the future. To date, the programme has benefitted more than 170 students. As part of nurturing them, IJM assigns mentors to all successful candidates to guide and counsel them during the course of their studies as well as during their internship programme at IJM.

IJM's internship programme provides its scholars the opportunity to perform their industrial training with the Group as part of their course requirement. Apart from that, in order to give job or internship opportunities to deserving individuals, the Group constantly participates in career and education fairs to effectively communicate the positions available in the Group and to attract qualified individuals.

IJM Scholarship Award Presentation Ceremony

Sports Development

George Town-IJM 1st International Golf Championship 2011

IJM was proud to be the title sponsor for this inaugural event which was organised by the Municipal Council of Penang Island (MPPP) on behalf of the Penang State Government. This was in line with the Memorandum of Understanding between the Council and the Friendship cities namely Taipei, Kaoshung, Okinawa, Naha, Medan, Adelaide, Xiamen, Yogyakarta, Jakarta, Thailand and Sabah in promoting sports and tourism, heritage, cultural and creative as well as promoting Penang as a '*Green Building Index City*'.

Challenge Trophy Team Champion

Adidas King of the Road 2011

The Adidas '*King of the Road*' ("KOTR") in Malaysia was supported by IJM's New Pantai Expressway. It marked the 13th edition hosted by the world's leading sports brand-Adidas. The event was hugely successful where over 7,000 runners took part including 100 runners from IJM. By supporting the KOTR, IJM reiterates its commitment in developing and nurturing sports for all ages.

Staff at the NPE-Adidas King of the Road run


10th Edition of IJMP-MSSS-SRU 10-aside rugby tournament in Sabah

Serdang Rhythmic Angels, Angel Cup Tournament

Rugby Development Programmes

IJM's involvement in rugby dates back to the 1990's and its sponsorship of rugby development in Peninsular Malaysia is managed through a partnership with the Combined Old Boys Rugby Association ("COBRA").

To elevate the development of rugby, the effort needed to start at schools. As such, IJM is proud to be associated in an elaborate programme called the COBRA–CIMB Schools Rugby Development Programme in association with CIMB Foundation where their main focus is to lift the standard of rugby at school level.

The first phase focused on training teachers to become qualified rugby coaches and promoting the game amongst schoolboys whereas phase two, is aimed at upgrading the skills of teacher-coaches while also grooming the next generation of world-class Malaysian rugby players. The programme has trained over 400 teachers as Rugby Level One Coaches.

The Coaching programmes have been conducted by International Rugby Board ("IRB") certified trainers from the Penguin Rugby Academy, United Kingdom. Since its inception, the programme with the involvement of trained teachers has reached out to over 30,000 students from schools across Malaysia.

In Sabah, the Plantation Division's rugby development programmes are carried out through the Academy of Rugby Excellence. Their key activity includes various age-group tournaments held annually to develop sports excellence, discover young talents and nurture athletes for the benefit of the state and nation.

Gymnastics

The achievements of the Serdang Rhythmic Angels Club in establishing a training centre within a short period greatly impressed IJM who consequently took on the role of the main sponsor in the biennial international inter-club rhythmic gymnastics competition.

Rugby Development Programme with COBRA

The competition provided an avenue for young gymnasts to compete at international level as well as a platform for coaches and judges to sharpen their coaching and judging skills, besides fostering ties with local and international clubs.

Established in 1998, the gymnastics club which is based in Seri Kembangan and managed entirely by volunteers, won the inaugural "Best Performing Rhythmic Gymnastics Club" award from the Selangor Amateur Gymnastics Association. From an initial number of 12 gymnasts at the outset, the enrolment has increased manifold comprising different stages of development and age groups.

Cricket Development

IJM is proud to be contributing to the development of cricket in Malaysia by sponsoring the Malaysian Cricket Association in its competitions and events. The Malaysian Cricket Association strives to provide excellent services and resources to all state cricket affiliates and to set up a well structured Junior Development programme.

WORKPLACE

A healthy, safe and progressive working environment ensures our main assets; the people of IJM are able to perform to their fullest potential. Continuous investments in our people in the form of training and development programmes that create opportunities for professional growth are also prioritised within the Group.

Health & Safety

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

- All applicable HSE legislations, guidelines and other requirements are met;
- All staff 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 regularly;
- 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

As enshrined in IJM's core values, the *Respect for Diversity* is critical for overall business sustainability and IJM is committed to providing an environment where all staff regardless of age, gender, race, religion, nationality and education have equal opportunity to succeed. This healthy mix encourages the staff 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*.

IJM's Staff Annual Dinner 2011

Human Capital Development

Continuous development of skills and capabilities of IJM's staff play an important role in achieving the best results and as such the Group places high importance in trainings which are designed to help its staff develop themselves for their future and the Group's future.

A training needs analysis database has been developed by the Group to identify and collate gaps between the current knowledge and skills with what is required. In addition, IJM's Engineers' Training Programme provides in-depth knowledge and an insight into the construction industry thus preparing graduate engineers for the ever demanding role of Project Manager.

The total training hours achieved and number of staff trained in FY2012 was 41,920 hours and 2,726 staff respectively, an increase of 1.7 times over prior year's training hours comprising internal and external courses ranging from technical related and skills management courses to soft skills and life-long learning.

In providing another avenue of self development, IJM has its very own Toastmasters Club, established in 2004 which is part of Toastmasters International, where it provides a mutually supportive and positive learning environment in which its staff are given the encouragement to develop public speaking, leadership and communication skills.

Recipients of IJM's Long Service Awards

Safety & Health and Building Works (Quality) Awards 2011

Staff Awards

In appreciation of their loyalty, dedication and hard work to the Group, staff who have completed 20 years of service are presented with a Long Service Award while staff who have reached the retirement age of 55 and have served for more than 15 years in the Group are presented with Retirement Awards in recognition of their commitment and passion.

In FY2012, a total of 53 staff were presented with the Long Service Awards and 10 staff were presented with the Retirement Awards. Apart from recognising loyalty, IJM also stresses the importance for health and safety, hence the Group gives out the HSE and Quality Awards to serve as a reminder of our high standards.

In organising the '*Courtesy Campaign*' with the objectives of promoting courtesy and cordial services; IJM Tollways also rewarded outstanding staff performances as an encouragement for staff to provide better services.

Staff Welfare

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, 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 as a result of accident 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

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 50 children were awarded with the Academic Excellence Award 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.

Corporate Responsibility (cont'd)

Work Life Balance

IJM encourages its staff to have a work life balance to ensure that they are always healthy and energised. Various sports, social and welfare activities are organised by the Group throughout the year with the help of its very own Kelab Sukan IJM ("KSIJM").

As part of encouraging sports and unity amongst our staff, IJM organises a biennial inter division games called the IJM Games which serves as an important platform for staff from all divisions and geographical locations to come together and promote staff interaction in a fun and healthy way.

Apart from that, captain ball, badminton, pool, darts, bowling and table tennis tournaments are organised to promote healthy competition amongst staff. Also, in a bid to promote outdoor activities, KSIJM organised an outdoor '*eco-recreational cum educational*' activity which took IJM participants on a series of aerial obstacles at Taman Pertanian Malaysia.

In addition, Kompleks Sukan IJM–COBRA in Petaling Jaya, which is managed by the Group, is used to host many indoor and outdoor activities such as badminton and squash for staff.

Bowling Tournament

Table Tennis Competition

Captain Ball Tournament

Aerial obstacle outdoor activity

Health awareness talks

Blood donation campaign

Apart from sports, various health screening tests and health talks are conducted frequently to educate staff on the importance of early detection of health risks factors. KSIJM also organised blood donation campaigns in collaboration with several local hospitals. To inculcate a healthy lifestyle amongst staff, KSIJM also organised weekly activities such as yoga and cardio mix dance at IJM headquarters.

Among the various social events organised during the year were the New Year's Party and the Staff Annual Dinner. In addition, the multi-cultural festivities in Malaysia were celebrated this year by handing out festive treats to staff. Apart from that, KSIJM took the opportunity to introduce staff to IJM's highways by organising a motor Treasure Hunt competition to Melaka. About 20 teams participated in the annual hunt which passed through the New Pantai Expressway, Besraya Highway and Lebuhraya Kajang Seremban.

This Corporate Responsibility Statement is made in accordance with the resolution of the Board of Directors dated 17 July 2012.

IJM New Year Party 2012

Annual Motor Treasure Hunt by KSIJM

Handing out of festive treats to staff

Financial Statements & Others

Directors' Report and Statement

The Directors have pleasure in submitting their 28th annual report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2012.

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	550,486	112,247
Attributable to:		
Owners of the Company	409,076	112,247
Non-controlling interests	141,410	–
	550,486	112,247

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 2011:	
A single tier second interim dividend of 7 sen per share, paid on 13 July 2011	95,465
In respect of the financial year ended 31 March 2012:	
A single tier first interim dividend of 4 sen per share, paid on 22 December 2011	55,261
	150,726

On 29 May 2012, the Directors have declared a single tier second interim dividend in respect of the financial year ended 31 March 2012 of 8 sen per share to be paid on 4 July 2012 to every member who is entitled to receive the dividend as at 5:00pm on 15 June 2012.

The Directors do not recommend the payment of any final dividend for the financial year ended 31 March 2012.

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 RM1,351,114,355 to RM1,381,608,554 by way of the issuance of 30,494,199 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 2,000 of its ordinary shares from the open market on Bursa Malaysia Securities Berhad ("Bursa Malaysia") for RM12,197. The average price paid for the shares repurchased was approximately RM6.05 per share.

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

WARRANTS 2009/2014

The Warrants 2009/2014 were 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, 99,383,838 Warrants 2009/2014 (2011: 129,878,037) 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 Abdul Halim bin Ali #*, *Independent Non-Executive Chairman (ceased as an Independent Non-Executive Director and redesignated as an Independent Non-Executive Chairman on 24 August 2011)*

Tan Sri Dato' Tan Boon Seng @ Krishnan, *Executive Deputy Chairman*

Dato' Teh Kean Ming @, *Chief Executive Officer ("CEO") & Managing Director ("MD")*

Dato' Tan Gim Foo, *Deputy CEO & Deputy MD*

Datuk Yahya bin Ya'acob #*@, *Senior Independent Non-Executive Director*

Datuk Oh Chong Peng #*, *Independent Non-Executive Director*

Datuk Lee Teck Yuen *, *Non-Executive Director*

Dato' David Frederick Wilson @, *Non-Executive Director*

Dato' Goh Chye Koon, *Non-Executive Director*

Tan Sri Dato' Ir. (Dr) Wan Abdul Rahman bin Wan Yaacob *(retired as an Independent Non-Executive Chairman on 24 August 2011)*

Datuk Hj Hasni bin Harun *(retired as a Non-Executive Director on 24 August 2011)*

members of the Audit Committee
* members of the Nomination and Remuneration Committee
@ members of the Securities and Options Committee

DIRECTORS (cont'd)

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 1.4.2011	Acquired	Disposed	Balance at 31.3.2012
IJM Corporation Berhad				
Name of Director				
Tan Sri Dato' Tan Boon Seng @ Krishnan				
Direct interest	2,449,180	–	–	**2,449,180**
Indirect interest	1,095,136(1)	–	650,000(1)	**445,136**(1)
Dato' Teh Kean Ming				
Direct interest	84,000	–	–	**84,000**
Indirect interest	91,000(1)	–	–	**91,000**(1)
Datuk Yahya bin Ya'acob				
Direct interest	70,000	–	–	**70,000**
Datuk Lee Teck Yuen				
Direct interest	1,240,000	–	–	**1,240,000**
Indirect interest	580,000(1)	–	–	**580,000**(1)
Dato' Goh Chye Koon				
Direct interest	38,092	–	–	**38,092**

	Number of ordinary shares of RM0.50 each			
	Balance at 1.4.2011	Acquired	Disposed	Balance at 31.3.2012
IJM Plantations Berhad (a subsidiary)				
Name of Director				
Tan Sri 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	517,000	–	–	**517,000**

	Number of ordinary shares of RM1 each			
	Balance at 1.4.2011	Acquired	Disposed	Balance at 31.3.2012
IJM Land Berhad (a subsidiary)				
Name of Director				
Tan Sri Abdul Halim bin Ali				
Direct interest	10,000	20,000	–	**30,000**
Tan Sri Dato' Tan Boon Seng @ Krishnan				
Indirect interest	20,000(1)	–	–	**20,000**(1)
Datuk Lee Teck Yuen				
Direct interest	11,064,693	–	–	**11,064,693**

DIRECTORS (cont'd)

	Number of Warrants 2009/2014				
	Balance at 1.4.2011	Acquired	Disposed	Exercised	Balance at 31.3.2012
IJM Corporation Berhad					
Name of Director					
Tan Sri Dato' Tan Boon Seng @ Krishnan					
Direct interest	1,424,348	–	–	–	**1,424,348**
Indirect interest	670,000(1)	380,000(1)	–	–	**1,050,000(1)**
Dato' Teh Kean Ming					
Direct interest	39,300	–	–	–	**39,300**
Indirect interest	39,800(1)	–	–	–	**39,800(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 1.4.2011	Acquired	Disposed	Exercised	Balance at 31.3.2012
IJM Land Berhad (a subsidiary)					
Name of Director					
Tan Sri Dato' Tan Boon Seng @ Krishnan					
Direct interest	1,248,610	–	–	–	**1,248,610**
Indirect interest	123,900(1)	–	–	–	**123,900(1)**
Dato' Teh Kean Ming					
Direct interest	147,000	–	–	–	**147,000**
Indirect interest	5,200(1)	–	–	–	**5,200(1)**
Dato' Tan Gim Foo					
Direct interest	130,000	–	–	–	**130,000**
Datuk Yahya bin Ya'acob					
Direct interest	5,000	–	–	–	**5,000**

	Number of Warrants 2009/2014				
	Balance at 1.4.2011	Acquired	Disposed	Exercised	Balance at 31.3.2012
IJM Plantations Berhad (a subsidiary)					
Name of Director					
Tan Sri 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	73,008	–	–	–	**73,008**

(1) Held through a family member

DIRECTORS (cont'd)

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.

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.

OTHER STATUTORY INFORMATION (cont'd)

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 144 to 285 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 2012 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 ABDUL HALIM BIN ALI
DIRECTOR

DATO' TEH KEAN MING
DIRECTOR

Petaling Jaya
29 May 2012

Statements of Comprehensive Income

for the financial year ended 31 March 2012

	Note	The Group 2012 RM'000	The Group 2011 RM'000 (Restated)	The Company 2012 RM'000	The Company 2011 RM'000 (Restated)
Operating revenue	4,13	**4,517,860**	3,720,717	**199,562**	277,564
Cost of sales		**(3,370,011)**	(2,729,703)	**(70,181)**	(116,386)
Gross profit		**1,147,849**	991,014	**129,381**	161,178
Other operating income		**268,340**	322,469	**96,132**	115,970
Tendering, selling and distribution expenses		**(129,033)**	(106,128)	**–**	–
Administrative expenses		**(202,465)**	(227,933)	**(29,659)**	(34,368)
Other operating expenses		**(112,184)**	(142,099)	**(27,079)**	(13,121)
Operating profit before finance cost	5	**972,507**	837,323	**168,775**	229,659
Finance cost	9	**(172,875)**	(194,986)	**(46,679)**	(47,983)
Operating profit after finance cost		**799,632**	642,337	**122,096**	181,676
Share of profits of associates		**39,799**	46,844	**–**	–
Share of losses of jointly controlled entities		**(37,840)**	(29,450)	**–**	–
Profit before taxation	13	**801,591**	659,731	**122,096**	181,676
Income tax expense	10	**(251,105)**	(197,194)	**(9,849)**	(16,715)
Net profit for the financial year		**550,486**	462,537	**112,247**	164,961
Other comprehensive income (net of tax):					
Currency translation differences		**(67,206)**	(25,877)	**1,878**	552
Revaluation gains on property, plant and equipment		**36,280**	–	**–**	–
Share of other comprehensive income of associates		**(390)**	(9,982)	**–**	–
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		**519,170**	429,318	**114,125**	165,513
Net profit attributable to:					
Owners of the Company		**409,076**	304,491	**112,247**	164,961
Non-controlling interests		**141,410**	158,046	**–**	–
Net profit for the financial year		**550,486**	462,537	**112,247**	164,961
Total comprehensive income attributable to:					
Owners of the Company		**372,859**	274,198	**114,125**	165,513
Non-controlling interests		**146,311**	155,120	**–**	–
Total comprehensive income for the financial year		**519,170**	429,318	**114,125**	165,513
Earnings per share for net profit attributable to owners of the Company:					
- Basic	11(a)	**29.84 Sen**	22.63 Sen		
- Fully diluted	11(b)	**29.17 Sen**	22.04 Sen		

Consolidated Balance Sheets

as at 31 March 2012

	Note	2012 RM'000	2011 RM'000 (Restated)	2010 RM'000 (Restated)
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY				
Share capital	14	**1,381,609**	1,351,115	1,327,216
Share premium	14	**1,934,782**	1,835,676	1,776,547
Treasury shares	14	**(89)**	(77)	–
Revaluation reserve		**60,188**	35,974	36,395
Exchange translation reserve		**(149,233)**	(88,709)	(58,416)
Other reserves	15	**68,993**	78,745	75,258
Retained profits		**2,051,801**	1,784,368	1,939,012
		5,348,051	4,997,092	5,096,012
NON-CONTROLLING INTERESTS		**1,609,647**	1,469,770	1,328,138
TOTAL EQUITY		**6,957,698**	6,466,862	6,424,150
NON-CURRENT LIABILITIES				
Bonds	16	**1,096,121**	448,227	568,886
Commercial Papers and Medium Term Notes	17	**750,000**	650,000	691,848
Term loans	18	**1,351,763**	1,498,423	1,388,610
Government support loans	19	**208,111**	206,091	204,157
Hire purchase and lease creditors	20	**1,475**	2,149	510
Derivative financial instruments	22	**–**	8,037	–
Deferred tax liabilities	23	**388,165**	370,929	363,172
Trade and other payables	24	**85,630**	88,152	80,364
Retirement benefits	25	**5,851**	6,159	5,914
Provisions	46	**11,577**	23,938	9,605
		3,898,693	3,302,105	3,313,066
Government grants	26	**81,423**	99,161	112,250
		10,937,814	9,868,128	9,849,466
NON-CURRENT ASSETS				
Property, plant and equipment	27	**1,330,335**	1,205,823	1,158,400
Leasehold land	28	**156,651**	169,234	145,945
Investment properties	29	**84,243**	124,565	452,546
Concession assets	30	**2,476,068**	2,213,607	2,183,231
Associates	32	**476,097**	472,538	427,354
Jointly controlled entities	33	**1,178,647**	1,019,810	1,063,184
Available-for-sale financial assets	34	**2,204**	2,204	2,214
Derivative financial instruments	22	**15,911**	771	–
Long term receivables	35	**85,214**	70,191	159,914
Intangible assets	36	**76,696**	77,120	74,804
Deferred tax assets	23	**98,810**	83,147	92,088
Land held for property development	37(a)	**705,532**	673,380	702,138
Plantation development expenditure	38	**685,694**	592,679	474,258
		7,372,102	6,705,069	6,936,076

Consolidated Balance Sheets (cont'd)

as at 31 March 2012

	Note	2012 RM'000	2011 RM'000 (Restated)	2010 RM'000 (Restated)
CURRENT ASSETS				
Property development costs	37(b)	**1,754,108**	1,614,772	1,513,061
Inventories	39	**499,100**	584,071	529,320
Trade and other receivables	40	**1,883,863**	1,874,107	2,170,690
Financial assets at fair value through profit or loss	41	**584,625**	212,730	110,522
Derivative financial instruments	22	**73**	–	–
Deposits, cash and bank balances	42	**1,699,020**	1,506,597	1,221,511
Assets held for sale	43	**50,560**	7,152	501
Tax recoverable		**47,197**	49,253	53,010
		6,518,546	5,848,682	5,598,615
Less:				
CURRENT LIABILITIES				
Trade and other payables	44	**1,785,685**	1,660,175	1,689,300
Current tax liabilities		**25,672**	31,773	37,199
Derivative financial instruments	22	**1,466**	3,201	–
Borrowings				
- Bank overdrafts	45	**127,145**	65,559	55,917
- Others	45	**988,737**	924,915	902,809
Provisions	46	**24,129**	–	–
		2,952,834	2,685,623	2,685,225
NET CURRENT ASSETS		**3,565,712**	3,163,059	2,913,390
		10,937,814	9,868,128	9,849,466

Company Balance Sheets

as at 31 March 2012

	Note	2012 RM'000	2011 RM'000
CAPITAL AND RESERVES ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Share capital	14	1,381,609	1,351,115
Share premium	14	1,934,782	1,835,676
Treasury shares	14	(89)	(77)
Exchange translation reserve		1,595	(283)
Other reserve	15	24,846	32,470
Retained profits		706,396	744,875
TOTAL EQUITY		4,049,139	3,963,776
NON-CURRENT LIABILITIES			
Commercial Papers and Medium Term Notes	17	750,000	650,000
Term loans	18	175,000	275,000
		925,000	925,000
		4,974,139	4,888,776
NON-CURRENT ASSETS			
Property, plant and equipment	27	6,700	8,378
Investment properties	29	4,907	5,036
Subsidiaries	31	4,503,000	4,427,397
Associates	32	109,535	109,535
Jointly controlled entities	33	340,072	323,209
Available-for-sale financial assets	34	2,050	2,050
Derivative financial instruments	22	5,039	771
Deferred tax assets	23	1,789	1,092
Land held for property development	37(a)	281	281
		4,973,373	4,877,749
CURRENT ASSETS			
Inventories	39	2,220	7,966
Trade and other receivables	40	764,220	712,548
Financial assets at fair value through profit or loss	41	129,260	168,082
Deposits, cash and bank balances	42	62,642	147,173
Tax recoverable		–	9,068
		958,342	1,044,837
Less:			
CURRENT LIABILITIES			
Trade and other payables	44	835,747	880,208
Borrowings	45	121,483	153,602
Tax payable		346	–
		957,576	1,033,810
NET CURRENT ASSETS		766	11,027
		4,974,139	4,888,776

Statements of Changes in Equity

for the financial year ended 31 March 2012

The Group	Note	Attributable to owners of the Company									
		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	Non-controlling interests RM'000	Total equity RM'000
At 1 April 2011											
As previously reported		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
Effect of adopting IC Interpretation 12	58	–	–	–	–	–	–	(50,045)	(50,045)	–	(50,045)
As restated		1,351,115	1,835,676	(77)	35,974	(88,709)	78,745	1,784,368	4,997,092	1,469,770	6,466,862
Comprehensive income:											
Net profit for the financial year		–	–	–	–	–	–	409,076	409,076	141,410	550,486
Other comprehensive income:											
Currency translation differences arising from translation of net investment in foreign subsidiaries, associates, jointly controlled entities and branches		–	–	–	–	(60,134)	–	–	(60,134)	(7,072)	(67,206)
Share of other comprehensive income of associates		–	–	–	–	(390)	–	–	(390)	–	(390)
Revaluation gains on property, plant and equipment		–	–	–	24,307	–	–	–	24,307	11,973	36,280
		–	–	–	24,307	(60,524)	–	–	(36,217)	4,901	(31,316)
Total comprehensive income for the financial year		–	–	–	24,307	(60,524)	–	409,076	372,859	146,311	519,170

The Group (cont'd)	Note	Attributable to owners of the Company									
		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	Non-controlling interests RM'000	Total equity RM'000
Transactions with owners:											
Realisation of reserves of a subsidiary		–	–	–	(93)	–	(2,128)	2,221	–	–	–
Accretion/dilution of interests in a subsidiary		–	–	–	–	–	–	6,862	6,862	(6,862)	–
Single tier second interim dividend:											
- Year ended 31 March 2011	12	–	–	–	–	–	–	(95,465)	(95,465)	–	(95,465)
Single tier first interim dividend:											
- Year ended 31 March 2012	12	–	–	–	–	–	–	(55,261)	(55,261)	–	(55,261)
Dividends paid by subsidiaries to non-controlling shareholders		–	–	–	–	–	–	–	–	(48,231)	(48,231)
Issuance of shares:											
- Exercise of Warrants 2009/2014	14	30,494	99,106	–	–	–	(7,624)	–	121,976	–	121,976
Shares buy back	14	–	–	(12)	–	–	–	–	(12)	–	(12)
Issuance of shares by subsidiaries to non-controlling shareholders		–	–	–	–	–	–	–	–	48,659	48,659
At 31 March 2012		1,381,609	1,934,782	(89)	60,188	(149,233)	68,993	2,051,801	5,348,051	1,609,647	6,957,698

Statements of Changes in Equity (cont'd)

for the financial year ended 31 March 2012

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	Non-controlling interests 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	1,697,550	4,854,550	1,308,421	6,162,971
- Effect of adopting IC Interpretation 12	58	–	–	–	–	–	–	(33,209)	(33,209)	–	(33,209)
As restated		1,327,216	1,776,547	–	36,395	(58,416)	75,258	1,664,341	4,821,341	1,308,421	6,129,762
Comprehensive income:											
Net profit for the financial year		–	–	–	–	–	–	304,491	304,491	158,046	462,537
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)	–	304,491	274,198	155,120	429,318

The Group (cont'd)	Note	Attributable to owners of the Company									
		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	Non-controlling interests RM'000	Total equity RM'000
Transactions with owners:											
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		–	–	–	–	–	–	(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 non-controlling 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 non-controlling shareholders		–	–	–	–	–	–	–	–	28,889	28,889
At 31 March 2011		1,351,115	1,835,676	(77)	35,974	(88,709)	78,745	1,784,368	4,997,092	1,469,770	6,466,862

Statements of Changes in Equity (cont'd)

for the financial year ended 31 March 2012

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 2011		1,351,115	1,835,676	(77)	(283)	32,470	744,875	3,963,776
Comprehensive income:								
Net profit for the financial year		–	–	–	–	–	112,247	112,247
Other comprehensive income:								
Currency translation differences arising from translation of a foreign branch and projects		–	–	–	1,878	–	–	1,878
Total comprehensive income for the financial year		–	–	–	1,878	–	112,247	114,125
Transactions with owners:								
Single tier second interim dividend:								
- Year ended 31 March 2011	12	–	–	–	–	–	(95,465)	(95,465)
Single tier first interim dividend:								
- Year ended 31 March 2012	12	–	–	–	–	–	(55,261)	(55,261)
Issuance of shares:								
- Exercise of Warrants 2009/2014	14	30,494	99,106	–	–	(7,624)	–	121,976
Shares buy back	14	–	–	(12)	–	–	–	(12)
At 31 March 2012		**1,381,609**	**1,934,782**	**(89)**	**1,595**	**24,846**	**706,396**	**4,049,139**

The Company	Note	Non-distributable Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Exchange translation reserve RM'000	Other reserve RM'000	Distributable Retained profits RM'000	Total RM'000
At 1 April 2010		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
Transactions with owners:								
Interim dividend:								
- Year ended 31 March 2010		–	–	–	–	–	(127,221)	(127,221)
Single tier first interim 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 2005/2010	15	–	–	–	–	(21)	21	–
At 31 March 2011		1,351,115	1,835,676	(77)	(283)	32,470	744,875	3,963,776

Consolidated Cash Flow Statement

for the financial year ended 31 March 2012

	Note	2012 RM'000	2011 RM'000
OPERATING ACTIVITIES			
Receipts from customers		**4,646,379**	4,023,970
Payments to contractors, suppliers and employees		**(3,600,373)**	(3,185,958)
Government grant received		**–**	7,774
Income from unit trusts		**382**	369
Interest received		**110,465**	86,811
Interest paid		**(176,030)**	(175,540)
Income tax paid		**(266,751)**	(193,030)
Net cash flow from operating activities		**714,072**	564,396
INVESTING ACTIVITIES			
Acquisition of subsidiaries	49(b)	**–**	(5,269)
Investments in associates		**(6,753)**	(11,399)
Acquisition of short term investments		**(683,291)**	(199,986)
Disposal of subsidiaries		**–**	66,686
Disposal of associates		**–**	4,334
Disposal of jointly controlled entities		**–**	9,765
Disposal of investments		**319,249**	114,112
Proceeds from liquidation of associates		**402**	1,191
Distribution of capital to non-controlling shareholders upon liquidation of subsidiaries		**–**	(88)
Purchase of development land held for property development		**(108,487)**	(53,349)
Purchase of property, plant and equipment, leasehold land and investment properties		**(222,717)**	(171,209)
Cost incurred on concession assets		**(392,879)**	(120,488)
Additions to plantation development expenditure		**(89,757)**	(85,847)
Deferred expenditure incurred	36	**(4,039)**	(5,528)
Disposal of property, plant and equipment, leasehold land and investment properties		**15,938**	11,175
Disposal of assets held for sale		**7,630**	506
Dividends received from associates		**15,849**	11,884
Dividends received from other investments		**177**	115
Redemption of redeemable preference shares by a jointly controlled entity		**–**	25,753
Refund of an associate's share application monies		**10,834**	–
Advances to associates		**(648)**	(809)
Advances to jointly controlled entities		**(116,693)**	(108,872)
Repayment of advances from jointly controlled entities		**5,290**	18,939
Net cash flow used in investing activities		**(1,249,895)**	(498,384)

	Note	2012 RM'000	2011 RM'000
FINANCING ACTIVITIES			
Issuance of shares by the Company:			
- Exercise of Warrants 2005/2010		–	76,400
- Exercise of Warrants 2009/2014		121,976	5,981
Issuance of shares and warrants by subsidiaries to non-controlling shareholders		46,734	28,889
Repayment of Bonds		–	(151,000)
Drawdown of Commercial Papers ("CP") and Medium Term Notes ("MTN")		800,000	–
Repayments of CP and MTN		(85,000)	(89,000)
Proceeds from bank borrowings		511,851	1,182,804
Repayments of bank borrowings		(484,508)	(582,715)
Net (repayments to)/advances from the State Government		(3,000)	(6,000)
Repayment of Government Support Loan		(5,000)	(2,500)
Repayments to hire purchase and lease creditors		(2,392)	(3,429)
Payment of MTN and bonds interests		(37,520)	(34,050)
Dividends paid by subsidiaries to non-controlling shareholders		(48,231)	(27,523)
Dividends paid by the Company		(150,726)	(181,261)
(Increase)/decrease in bank deposits assigned to trustees		–	(129,300)
Re-purchase of treasury shares	14(C)	(12)	(77)
Net cash flow from financing activities		664,172	87,219
NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL YEAR		128,349	153,231
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		1,319,618	1,165,294
FOREIGN EXCHANGE DIFFERENCES ON OPENING BALANCES		868	1,093
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	51	1,448,835	1,319,618

Company Cash Flow Statement

for the financial year ended 31 March 2012

	Note	2012 RM'000	2011 RM'000
OPERATING ACTIVITIES			
Receipts from customers		85,127	80,956
Payments to contractors, suppliers and employees		(116,463)	(161,767)
Income from unit trusts		382	369
Interest received		9,421	15,820
Interest paid		(13,108)	(12,808)
Income tax refunded (net)		299	–
Net cash flow used in operating activities		(34,342)	(77,430)
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(276)	(1,134)
Disposal of property, plant and equipment		315	193
Acquisition of short term investments		(80,000)	(132,986)
Proceeds from liquidation/disposal of shares in subsidiaries		92	12
Proceeds from disposal/liquidation of investments		125,538	62,109
Proceeds from disposal/liquidation of associates		–	1,001
Dividends received from subsidiaries		127,906	144,061
Dividends received from associates		14,262	5,612
Dividends received from other investments		119	64
Advances to subsidiaries		(297,310)	(281,626)
Repayment of advances to subsidiaries		211,468	365,755
Repayment of advances from subsidiaries		(52,571)	(38,153)
Advances to associates		(1,763)	(1,111)
Repayment of advances to associates		461	2,994
Advances to jointly controlled entities		(29)	–
Repayment of advances from jointly controlled entities		–	352
Net cash flow from investing activities		48,212	127,143
FINANCING ACTIVITIES			
Issuance of shares by the Company:			
- Exercise of Warrants 2005/2010		–	76,400
- Exercise of Warrants 2009/2014		121,976	5,981
Proceeds from bank borrowings		180,184	137,300
Repayments of bank borrowings		(312,303)	(23,837)
Payment of MTN interests		(37,520)	(34,050)
Dividends paid by the Company		(150,726)	(181,261)
Re-purchase of treasury shares	14(C)	(12)	(77)
Drawdown of Commercial Papers ("CP") and Medium Term Notes ("MTN")		100,000	–
Net cash flow used in financing activities		(98,401)	(19,544)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL YEAR		(84,531)	30,169
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		147,173	117,004
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	51	62,642	147,173

Summary of Significant Accounting Policies

for the financial year ended 31 March 2012

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 to published standards and interpretations that are effective

The new accounting standards, amendments to published standards and interpretations that are effective for the Group's and the Company's financial year beginning on or after 1 April 2011 and are applicable to the Group and the Company are as follows:

- Revised FRS 3 "Business combinations"
- Revised FRS 127 "Consolidated and separate financial statements"
- Amendment to FRS 2 "Share-based payment - Group cash-settled share-based payment transactions"
- Amendment to FRS 7 "Financial instruments: Disclosures - improving disclosures about financial instruments"
- Amendments to IC Interpretation 9 "Reassessment of embedded derivatives"
- Amendment to FRS 132 "Financial instruments: Presentation – Classification of rights issues"
- IC Interpretation 4 "Determining whether an arrangement contains a lease"
- IC Interpretation 12 "Service concession arrangements"
- IC Interpretation 16 "Hedges of a net investment in a foreign operation"
- IC Interpretation 17 "Distribution of non-cash assets to owners"
- IC Interpretation 18 "Transfers of assets from customers"
- Improvements to FRSs (2010)

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.

The new accounting standards, amendments to published standards and interpretations on the financial statements of the Group and of the Company do not result in a significant change to the accounting policies and do not have a material impact on the financial statements of the Group and of the Company except for Revised FRS 3 "Business combinations", Revised FRS 127 "Consolidated and separate financial statements", Amendment to FRS 7 "Financial instruments: Disclosures - improving disclosures about financial instruments" and IC Interpretation 12 "Service concession arrangements", of which the impact is set out in Note 58 to the financial statements.

1 BASIS OF PREPARATION (cont'd)

(b) Standards, amendments 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

(i) In the financial year beginning on 1 April 2012, the Group will continue to apply the Financial Reporting Standards Framework. The new standards, amendments to published standards and interpretations that are mandatory for the Group's financial year beginning on or after 1 April 2012 or later periods, and the Group has not early adopted, are as follows:

- 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.
- Amendment to FRS 7 "Financial instruments: Disclosures on transfers of financial assets" (effective from 1 July 2011) promotes transparency in the reporting of transfer transactions and improve users' understanding of the risk exposures relating to transfers of financial assets and the effect of those risks on an entity's financial position, particularly those involving securitisation of financial assets.

(ii) In November 2011, the MASB Board issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS") in conjunction with the Board's plan to converge with International Financial Reporting Standards in 2012. The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 "Agriculture" and IC Interpretation 15 "Agreements for the Construction of Real Estate", including its parent, significant investor and venturer (herewith called "Transitioning Entities"). Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2013. The Group is categorised under Transitioning Entities and will adopt the MFRS framework for the financial year beginning on 1 April 2013.

MFRS 1 "First-time adoption of MFRS" provides for certain optional exemptions and certain mandatory exceptions for first-time MFRS adopters.

The new standards, amendments to published standards and interpretations that are mandatory for the Group's financial year beginning on or after 1 April 2013 or later periods, and the Group has not early adopted, are as follows:

- MFRS 141 "Agriculture" (effective from 1 January 2012) requires biological assets and agricultural produce at the point of harvest to be measured at fair value less costs to sell. The change in fair value less costs to sell of a biological asset shall be included in profit or loss for the period in which it arises.
- 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.

1 BASIS OF PREPARATION (cont'd)

(b) Standards, amendments 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)

(ii) The new standards, amendments to published standards and interpretations that are mandatory for the Group's financial year beginning on or after 1 April 2013 or later periods, and the Group has not early adopted, are as follows: (cont'd)

- MFRS 9 "Financial instruments - classification and measurement of financial assets and financial liabilities" (effective from 1 January 2015) replaces the multiple classification and measurement models in MFRS 139 with a single model that has only two classification categories: amortised cost and fair value. The basis of classification depends on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

  The accounting and presentation for financial liabilities and for de-recognising financial instruments has been relocated from MFRS 139, without change, except for financial liabilities that are designated at fair value through profit or loss("FVTPL"). Entities with financial liabilities designated at FVTPL recognise changes in the fair value due to changes in the liability's credit risk directly in other comprehensive income (OCI). There is no subsequent recycling of the amounts in OCI to profit or loss, but accumulated gains or losses may be transferred within equity.
- MFRS 10 "Consolidated financial statements" (effective from 1 January 2013) changes the definition of control. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. It establishes control as the basis for determining which entities are consolidated in the consolidated financial statements and sets out the accounting requirements for the preparation of consolidated financial statements. It replaces all the guidance on control and consolidation in MFRS 127 "Consolidated and separate financial statements" and IC Interpretation 112 "Consolidation – special purpose entities".
- MFRS 11 "Joint arrangements" (effective from 1 January 2013) requires a party to a joint arrangement to determine the type of joint arrangement in which it is involved by assessing its rights and obligations arising from the arrangement, rather than its legal form. There are two types of joint arrangement: joint operations and joint ventures. Joint operations arise where a joint operator has rights to the assets and obligations relating to the arrangement and hence accounts for its interest in assets, liabilities, revenue and expenses. Joint ventures arise where the joint operator has rights to the net assets of the arrangement and hence equity accounts for its interest. Proportional consolidation of joint ventures is no longer allowed.
- MFRS 12 "Disclosures of interests in other entities" (effective from 1 January 2013) sets out the required disclosures for entities reporting under the two new standards, MFRS 10 and MFRS 11, and replaces the disclosure requirements currently found in MFRS 128 "Investments in associates". It requires entities to disclose information that helps financial statement readers to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities.
- MFRS 13 "Fair value measurement" (effective from 1 January 2013) aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across MFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards. The enhanced disclosure requirements are similar to those in MFRS 7 "Financial instruments: Disclosures", but apply to all assets and liabilities measured at fair value, not just financial ones.
- The revised MFRS 127 "Separate financial statements" (effective from 1 January 2013) includes the provisions on separate financial statements that remain in MFRS 127 after the control provisions of MFRS 127 have been included in the new MFRS 10.

1 BASIS OF PREPARATION (cont'd)

(b) Standards, amendments 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)

(ii) The new standards, amendments to published standards and interpretations that are mandatory for the Group's financial year beginning on or after 1 April 2013 or later periods, and the Group has not early adopted, are as follows: (cont'd)

- The revised MFRS 128 "Investments in associates and joint ventures"(effective from 1 January 2013) includes the requirements for joint ventures, as well as associates, to be equity accounted following the issue of MFRS 11.
- Amendment to MFRS 1 "First time adoption on fixed dates and hyperinflation" (effective from 1 July 2011) includes two changes to MFRS 1. The first replaces references to a fixed date of 1 January 2004 with 'the date of transition to MFRSs', thus eliminating the need for entities adopting MFRSs for the first time to restate de-recognition transactions that occurred before the date of transition to MFRSs. The second amendment provides guidance on how an entity should resume presenting financial statements in accordance with MFRSs after a period when the entity was unable to comply with MFRSs because its functional currency was subject to severe hyperinflation.
- Amendment to MFRS 101 "Presentation of items of other comprehensive income" (effective from 1 July 2012) requires entities to separate items presented in other comprehensive income ("OCI") in the statement of comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future. The amendments do not address which items are presented in OCI.
- Amendment to MFRS 119 "Employee benefits" (effective from 1 January 2013) makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits, and to the disclosures for all employee benefits. Actuarial gains and losses will no longer be deferred using the corridor approach. MFRS 119 shall be withdrawn on application of this amendment.
- Amendment to MFRS 7 "Financial instruments: Disclosures" (effective from 1 January 2013 requires more extensive disclosures focusing on quantitative information about recognised financial instruments that are offset in the balance sheet and those that are subject to master netting or similar arrangements irrespective of whether they are offset.
- Amendment to MFRS 132 "Financial instruments: Presentation" (effective from 1 January 2014) does not change the current offsetting model in MFRS 132. It clarifies the meaning of "currently has a legally enforceable right of set-off" that the right of set-off must be available today (not contingent on a future event) and legally enforceable for all counterparties in the normal course of business. It clarifies that some gross settlement mechanisms with features that are effectively equivalent to net settlement will satisfy the MFRS 132 offsetting criteria.

The Group is in the process of assessing the full impact of the above standards, amendments to published standards and interpretations 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. The cost of acquisition includes the fair value of any asset or liability resulting from a contingent consideration arrangement. The costs directly attributable to the acquisition are expensed as incurred. 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. The excess of the cost of acquisition and the amount of any non-controlling interest in the acquiree over the fair value 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 recognised in profit or loss.

Non-controlling 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 non-controlling interests' share of the fair value of the subsidiaries' identifiable assets and liabilities at the date of acquisition and the non-controlling interests' share of changes in the subsidiaries' equity since that date.

All earnings and losses of the subsidiary are attributed to the owners of the company and the non-controlling interests, even if the attribution of losses to the non-controlling interests results in a debit balance in the total equity. Profit or loss attributable to non-controlling interests for prior years is not restated.

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 non-controlling interests

The Group applies a policy of treating transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling 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 non-controlling interests are also recorded in equity. For disposals to non-controlling interests, differences between any proceeds received and the relevant share of non-controlling interests are also recognised in equity.

2 ECONOMIC ENTITIES IN THE GROUP (cont'd)

(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.

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.

2 ECONOMIC ENTITIES IN THE GROUP (cont'd)

(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 are 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 or 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 are classified 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.

(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 properties comprise of leasehold land, hotel buildings and related fixed plant and equipment. Hotel properties are revalued by independent professional valuers at an interval of not exceeding 5 years with additional revaluations in the intervening years where market conditions indicate that the carrying values of the revalued properties materially differ from the market values.

6 PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION (cont'd)

The Group amortises plantation infrastructure development expenditure in equal annual instalments over the period of the respective leases ranging from 21 years to 81 years. Leasehold land classified as finance lease is amortised in equal instalments over the period of the respective leases that range from 30 to 884 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%

Other than hotel properties, 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 Port Infrastructure.

(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.

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) Port infrastructure

Port infrastructure consists of buildings, liquid chemical berths and inner harbour basins. It is stated at cost less accumulated amortisation and accumulated impairment. The cost of port infrastructure is amortised on a straight-line basis over the concession period.

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.

9 REVENUE AND PROFIT RECOGNITION (cont'd)

(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.

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) Concession revenue

Concession revenue from the operation of toll roads and port operation 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 in profit or loss over the period in which the compensation relates to based on the arrangement as disclosed in Note 30 to the financial statements.

9 REVENUE AND PROFIT RECOGNITION (cont'd)

(e) 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.

(f) 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 the 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 deemed 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.

11 LAND HELD FOR PROPERTY DEVELOPMENT AND PROPERTY DEVELOPMENT COSTS (cont'd)

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.

(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

(a) 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).

(b) Advances for plasma schemes represent accumulated plantation development cost including borrowing costs and indirect overheads less repayments to date and provisions for impairment, which are recoverable from plasma farmers. See Note 35 (d) on long term receivables.

In the event the Group gives corporate guarantee to the plasma schemes for obtaining loan from financial institutions, it will be accounted for as a financial guarantee contract.

See Note 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.

(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 deemed cost 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.

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.

19 EMPLOYEE BENEFITS (cont'd)

(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.

(c) Share-based compensation

The Group operates an equity-settled share-based compensation plan for the employees, under which equity instruments (warrants) 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.

22 FINANCIAL INSTRUMENTS (cont'd)

(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-derivative financial assets 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.

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.

22 FINANCIAL INSTRUMENTS (cont'd)

(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.

(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 available-for-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.

22 FINANCIAL INSTRUMENTS (cont'd)

(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.

Other financial liabilities

Other financial liabilities of the Group comprise 'bonds', 'commercial papers and medium term notes', 'term loans', 'government support loans', 'hire purchase and lease creditors', 'trade and other payables (other than amounts due to customers on construction contracts, progress billings in respect of property development and retirement benefits payable)', 'borrowings' and 'provisions' (Notes 16, 17, 18, 19, 20, 24, 45 and 46).

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) Derivative financial instuments

Derivatives are initially recognised at fair value on the date a derivate contract is entered into and are subsequently re-measured at their fair value.

(h) Fair value estimation

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.

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.

(i) 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 PROVISION

Provisions are recognised when:

- the Group has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources will be required to settle the obligation; and
- a reliable estimate of the amount can be made.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance cost.

27 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.

28 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 non-controlling 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".

29 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.

30 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.

31 FINANCIAL GUARANTEE CONTRACTS

Financial guarantee contracts are contracts that required the Group or Company to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, in accordance with the terms of the debt instrument.

Financial guarantee contracts are recognised as financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with FRS 137 "provisions, contingent liabilities and contingent assets" and the amount initially recognised less accumulative amortisation, where appropriate.

The fair value of financial guarantee is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

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 29 May 2012.

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 expressway development expenditure

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, cross currency swap contracts and forward foreign exchange 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 managed by entering into forward foreign exchange contracts, cross currency swap contract and the borrowing amounts 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 balance sheet date, the Group's and Company's Ringgit Malaysia ("RM") and Indonesia Rupiah ("IDR") functional entities had United States Dollar ("USD") denominated net monetary (liabilities)/assets, 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 and IDR are as follows:

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Net monetary (liabilities)/assets denominated in USD	(551,330)	(640,559)	33	(15,095)
Effects to profit before tax if the USD had strengthened/weakened against RM				
- strengthened	(27,625)	(32,028)	2	(755)
- weakened	27,625	32,028	(2)	755

	The Group	
	2012 RM'000	2011 RM'000
Net monetary liabilities denominated in USD	(218,484)	–
Effects to profit before tax if the USD had strengthened/weakened against IDR:		
- strengthened	(11,246)	–
- weakened	11,246	–

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(a) Market risk (cont'd)

(i) Currency risk (cont'd)

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.

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		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Borrowings based on cost of funds ("COF"):				
- increase by 50 basis points	(875)	(2,996)	(875)	(1,500)
- decrease by 50 basis points	875	2,996	875	1,500
- increase by 75 basis points	(2,969)	–	–	–
- decrease by 75 basis points	2,969	–	–	–
Borrowings based on benchmark prime lending rate ("BPLR"):				
- increase by 50 basis points	(1,052)	(1,368)	–	–
- decrease by 50 basis points	1,052	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 and price volatility risk due to fluctuation in palm products commodity market. 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. To manage and mitigate the risk on price volatility, the Group monitors the fluctuation of crude palm oil price daily and enters into physical forward selling commodity contracts or crude palm oil pricing swap arrangement in accordance with the guideline set by the Board of Directors.

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(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 Notes 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 51) 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.

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 2012			
Bonds	112,234	593,618	899,855
Commercial Papers and Medium Term Notes	37,953	807,613	–
Term loans	871,157	1,221,900	333,601
Government support loans	5,000	79,886	184,829
Hire purchase and lease creditors	2,275	1,549	–
Trade and other payables	1,427,881	20,527	40,424
Provisions	24,129	11,577	–
Short term borrowings*	326,496	–	–
Derivative financial instruments	1,466	–	–
	2,808,591	2,736,670	1,458,709

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(c) Liquidity risk (cont'd)

	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
Provisions	–	23,938	–
Short term borrowings*	394,978	–	–
Derivative financial instruments	3,201	3,179	4,858
	2,634,840	2,780,581	622,282

* Short term borrowings of the Group include bankers' acceptances, revolving credits, letter of credit 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 2012			
Commercial Papers and Medium Term Notes	**37,953**	**807,613**	**–**
Term loans	**112,485**	**186,350**	**–**
Short term borrowings (bankers' acceptances)	**21,611**	**–**	**–**
Trade and other payables	**835,747**	**–**	**–**
	1,007,796	**993,963**	**–**
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, 19 and 45 to the financial statements.

In addition to the above, the Company has financial guarantee contracts in relation to corporate guarantees given to the subsidiaries as disclosed in Notes 16 and 18 to the financial statements.

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(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 400%. 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.

(e) Fair value measurements

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2); and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3)

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2012				
The Group				
Assets				
Financial assets at fair value through profit or loss	584,625	–	–	584,625
Derivative financial instruments	–	15,984	–	15,984
Available-for-sale financial assets	–	–	2,204	2,204
Total assets	584,625	15,984	2,204	602,813
Liabilities				
Derivative financial instruments	–	1,466	–	1,466
Total liabilities	–	1,466	–	1,466
The Company				
Assets				
Financial assets at fair value through profit or loss	129,260	–	–	129,260
Derivative financial instruments	–	5,039	–	5,039
Available-for-sale financial assets	–	–	2,050	2,050
Total assets	129,260	5,039	2,050	136,349

3 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(e) Fair value measurements (cont'd)

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
2011				
The Group				
Assets				
Financial assets at fair value through profit or loss	212,730	–	–	212,730
Derivative financial instruments	–	771	–	771
Available-for-sale financial assets	–	–	2,204	2,204
Total assets	212,730	771	2,204	215,705
Liabilities				
Derivative financial instruments	–	11,238	–	11,238
Total liabilities	–	11,238	–	11,238
The Company				
Assets				
Financial assets at fair value through profit or loss	168,082	–	–	168,082
Derivative financial instruments	–	771	–	771
Available-for-sale financial assets	–	–	2,050	2,050
Total assets	168,082	771	2,050	170,903

The fair value of financial instruments traded in active markets (such as trading securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group and the Company is the closing price. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market (for example, interest rate swaps contracts) is determined by using valuation technique. The fair value of interest rate swaps is calculated based on the present value of the estimated future cash flows based on observable yield curves. These instruments are classified as Level 2.

If a valuation technique for these instruments is based on significant unobservable inputs, such instruments are classified as Level 3.

4 OPERATING REVENUE

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Construction contract revenue	1,340,389	878,168	55,748	112,826
Property development revenue	1,169,527	1,071,339	–	–
Sale of quarry and manufactured products	875,506	763,240	–	–
Sale of goods	80,403	70,042	–	–
Toll concession revenue	232,944	222,813	–	–
Port revenue	178,861	127,723	–	–
Sale of crude palm oil and plantations related products	590,434	506,284	–	–
Management services	11,592	19,498	–	–
Dividend income	119	68	143,580	164,505
Rental of properties	3,908	27,025	234	233
Rendering of other services	34,177	34,517	–	–
	4,517,860	3,720,717	199,562	277,564

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:

	2012 RM'000	2011 RM'000
Operating revenue of the Group	4,517,860	3,720,717
Share of operating revenue of:		
Associates	482,214	461,022
Jointly controlled entities	336,580	300,130
	5,336,654	4,481,869

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:

		The Group		The Company	
	Note	2012 RM'000	2011 RM'000 (Restated)	2012 RM'000	2011 RM'000 (Restated)
Construction contract costs		1,357,483	930,800	70,181	116,386
Property development costs		837,706	775,200	–	–
Cost of quarry and manufactured products sold		700,199	615,883	–	–
Cost of plantation products sold		280,807	233,819	–	–
Toll operation costs		119,616	103,675	–	–
Port operation costs		74,200	66,242	–	–
Costs of rendering of other services		–	4,084	–	–
Employee benefits cost	6	254,177	226,975	26,148	22,470
Property, plant and equipment:					
- depreciation	27	81,705	80,228	586	696
- written off	27	2,928	705	–	–
- loss on disposal		357	313	–	–
- impairment	27	15,426	3,205	–	–
Leasehold land					
- amortisation	28	3,467	3,096	–	–
- loss on disposal		2,832	–	–	–

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 2012 RM'000	The Group 2011 RM'000 (Restated)	The Company 2012 RM'000	The Company 2011 RM'000 (Restated)
Investment properties					
- depreciation	29	2,136	4,184	129	129
- impairment	29	–	326	–	–
Rental of land and buildings		4,256	4,095	1,281	1,276
Hire of plant and equipment		16,697	11,235	–	–
Port lease and licence		3,829	3,829	–	–
Auditors' remuneration					
- statutory audit	8				
Current year		2,745	2,414	325	261
Under/(over) accrual in respect of prior years		164	(50)	64	(9)
Foreign exchange losses (net)		28,225	–	9,342	5,168
Fair value loss:					
- derivative financial instruments		183	19,071	–	–
Impairment of land held for property development	37(a)	4	1,822	–	–
Impairment of property development costs	37(b)	–	10,739	–	–
Amortisation of concession assets	30	72,071	55,785	–	–
Amortisation of quarry development expenditure	36	4,288	3,212	–	–
Amortisation of discount on bonds issue		349	328	–	–
Allowance for impairment of receivables	40	16,269	72,640	50	2,063
Allowance for impairment of amounts due from jointly controlled entities	33	2,853	36,177	–	–
Building stocks written down		1,484	11,592	–	–
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 RM1,119,000 (2011: RM1,714,000) and RM124,000 (2011: RM324,000) respectively.

Direct operating expenses from investment properties that did not generate rental income for the Group and the Company during the financial year amounted to RM68,000 (2011: RM169,000) and RM60,000 (2011: RM158,000) respectively.

5 OPERATING PROFIT BEFORE FINANCE COST (cont'd)

(b) The following amounts have been credited in arriving at operating profit before finance cost:

	Note	The Group 2012 RM'000	The Group 2011 RM'000	The Company 2012 RM'000	The Company 2011 RM'000
Gross dividends received from:					
- subsidiaries					
(quoted)		–	–	72,238	35,939
(unquoted)		–	–	56,961	122,816
- associates					
(quoted)		–	–	8,864	–
(unquoted)		–	–	5,398	5,684
- other investments					
(quoted)		197	134	119	66
Interest income					
- bank deposits		45,169	28,612	4,201	3,494
- loans and receivables from related parties		61,383	46,555	64,429	77,640
- loans and receivables from non-related parties		19,273	27,602	40	20
- amortised cost on trade and other receivables and amounts due from jointly controlled entities		28,308	38,078	1,106	4,508
- others		20,875	10,956	611	305
Gain on disposal of property, plant and equipment		5,932	3,645	55	104
Gain on disposal of leasehold land		576	2,272	–	–
Gain on disposal of assets held for sale		2,030	5	–	–
Rental income from properties		5,397	29,305	234	233
Rental income from plant, machinery, equipment and vehicles		5,212	188	179	136
Foreign exchange gains (net)		–	4,972	–	–
Bad debts recovered	40	230	4,778	1,400	–
Write back of allowance for impairment of receivables	40	15,729	15,926	682	–
Write back of allowance for diminution in value of investments		–	22,000	–	22,000
Write back of allowance for impairment of amounts owing by jointly controlled entities	33	27,318	–	4,813	–
Write back of building stocks		1,426	–	–	–
Amortisation of government grants	26	6,158	5,778	–	–
Gain on disposal of shares in subsidiaries		–	62,947	–	–
Gain on liquidation of a subsidiary		–	–	1,488	–
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	–	862
Income from quoted unit trusts		1,755	1,750	431	496
Fair value gains:					
- financial assets held for trading		14,452	5,151	6,667	4,779
- derivative financial instruments		22,056	1,443	6,253	1,443

6 EMPLOYEE BENEFITS COST

	Note	The Group 2012 RM'000	The Group 2011 RM'000	The Company 2012 RM'000	The Company 2011 RM'000
Wages, salaries and bonus		296,813	259,790	21,548	18,236
Defined contribution retirement plan		29,242	25,484	3,160	2,748
Defined benefit retirement plan	25	980	1,012	–	–
Other employee benefits		16,800	16,483	1,440	1,486
		343,835	302,769	26,148	22,470
Less expenses capitalised into:					
- Property development costs	37(b)	(432)	(458)	–	–
- Plantation development expenditure	38(b)	(19,295)	(8,678)	–	–
- Construction contract work in progress	47	(69,931)	(66,658)	–	–
		254,177	226,975	26,148	22,470

7 DIRECTORS' REMUNERATION

	The Group 2012 RM'000	The Group 2011 RM'000	The Company 2012 RM'000	The Company 2011 RM'000
Directors of the Company:				
Fees	1,307	1,097	726	687
Defined contribution retirement plan	1,206	1,232	1,024	1,089
Other emoluments	7,451	15,861	6,339	14,986
	9,964	18,190	8,089	16,762
Directors of subsidiaries:				
Fees	640	509	–	–
Defined contribution retirement plan	1,231	1,030	–	–
Other emoluments	8,593	7,326	–	–
	10,464	8,865	–	–

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 RM422,000 (2011: RM509,000) and RM132,000 (2011: RM92,000) 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 1.4.2011 '000	Disposed '000	Exercised '000	Balance at 31.3.2012 '000
11 September 2013	1.35	1,376	–	–	1,376

8 AUDITORS' REMUNERATION – STATUTORY AUDIT

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
PricewaterhouseCoopers Malaysia *	2,174	1,741	389	252
Other member firms of PricewaterhouseCoopers International Limited *	224	427	–	–
Other auditors of subsidiaries	511	196	–	–
	2,909	2,364	389	252

* PricewaterhouseCoopers Malaysia and other member firms of PricewaterhouseCoopers International Limited are separate and independent legal entities.

9 FINANCE COST

	Note	The Group		The Company	
		2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Interest expenses arising from:					
- Interest bearing bank borrowings		139,163	122,810	15,093	13,429
- Advances from subsidiaries		–	–	319	463
- Hire purchase and leasing		589	73	–	–
- Bonds		28,647	26,744	–	–
- Commercial Papers and Medium Term Notes ("MTN")		31,946	36,097	31,267	32,607
- Amortisation of government support loan		7,020	6,917	–	–
- Amortised costs on financial liabilities		11,674	12,094	–	–
- Fair value loss on interest rate swaps		183	2,134	–	–
- Others		3,248	9,266	–	1,484
		222,470	216,135	46,679	47,983
Less interest capitalised into:					
- Land held for property development	37(a)	(4,943)	–	–	–
- Property development costs	37(b)	(43,844)	(20,505)	–	–
- Plantation development expenditure	38(b)	(316)	–	–	–
- Construction contract work in progress	47	(492)	(644)	–	–
		(49,595)	(21,149)	–	–
		172,875	194,986	46,679	47,983

10 INCOME TAX EXPENSE

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Current tax:				
- Malaysian income tax	258,671	192,927	10,546	17,468
- Overseas taxation	2,676	(5,156)	–	–
	261,347	187,771	10,546	17,468
Deferred taxation (Note 23)	(10,242)	9,423	(697)	(753)
	251,105	197,194	9,849	16,715

10 INCOME TAX EXPENSE (cont'd)

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Current tax:				
- Current year	238,215	185,508	6,666	16,855
- Benefits from previously unrecognised temporary differences	(12,216)	(2,815)	–	–
- Under/(over) accrual in prior years (net)	35,348	5,078	3,880	613
	261,347	187,771	10,546	17,468
Deferred taxation:				
- Origination and reversal of temporary differences	(10,242)	9,423	(697)	(753)
	251,105	197,194	9,849	16,715

The explanation of the relationship between income tax expense and profit before taxation is as follows:

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Profit before taxation	801,591	659,731	122,096	181,676
Tax calculated at the Malaysian tax rate of 25% (2011: 25%)	200,398	164,933	30,524	45,419
Tax effects of:				
- Different tax rates in other countries	(1,694)	(8,666)	–	–
- Expenses not deductible for tax purposes	41,437	58,552	17,916	6,138
- Income not subject to tax	(43,750)	(68,347)	(42,471)	(35,455)
- Utilisation of tax incentives	(6,932)	(772)	–	–
- Current year's deferred tax assets not recognised	36,481	55,894	–	–
- Utilisation of previously unrecognised tax losses	(387)	(121)	–	–
- Utilisation of previously unrecognised deductible temporary difference	(11,829)	(2,694)	–	–
- Share of results of jointly-controlled entities and associates	2,125	(6,622)	–	–
- Others	(92)	(41)	–	–
Under/(over) accrual in prior years (net)	35,348	5,078	3,880	613
Income tax expense	251,105	197,194	9,849	16,715

Included in income tax expense of the Group are tax savings from utilisation of tax losses as follows:

	The Group	
	2012 RM'000	2011 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	387	121

10 INCOME TAX EXPENSE (cont'd)

The tax (charge)/credit in relation to the components of other comprehensive income are as follows:

	2012 Before tax RM'000	2012 Tax (charge)/ credit RM'000	2012 After tax RM'000	2011 Before tax RM'000	2011 Tax (charge)/ credit RM'000	2011 After tax RM'000
Currency translation differences	(67,206)	–	(67,206)	(25,877)	–	(25,877)
Revaluation gains on property, plant and equipment	48,374	(12,094)	36,280	–	–	–
Share of other comprehensive income of associates	(390)	–	(390)	(9,982)	–	(9,982)
Realisation of other comprehensive income arising from disposal of foreign subsidiaries and a jointly controlled entity	–	–	–	2,640	–	2,640
	(19,222)	(12,094)	(31,316)	(33,219)	–	(33,219)
Current tax	–	–	–	–	–	–
Deferred taxation (Note 23)	–	(12,094)	–	–	–	–
	–	(12,094)	–	–	–	–

There is no tax charge/credit in relation to the components of other comprehensive income of the Company.

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 2009/2014 (2011: exercise of Warrants 2005/2010 and Warrants 2009/2014).

	The Group 2012 RM'000	The Group 2011 RM'000
Net profit attributable to owners of the Company	409,076	304,491
	'000	'000
Weighted average number of ordinary shares in issue	1,370,894	1,345,369
Basic earnings per share (sen)	29.84	22.63

(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 RM409,076,000 (2011: RM304,491,000) 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 (2011: 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 (2011: outstanding 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.

11 EARNINGS PER SHARE (cont'd)

(b) Fully diluted (cont'd)

	The Group	
	2012 RM'000	2011 RM'000
Net profit attributable to owners of the Company	409,076	304,491
	'000	'000
Weighted average number of ordinary shares in issue	1,370,894	1,345,369
Adjustments for Warrants 2009/2014	31,601	36,262
Weighted average number of ordinary shares for diluted earnings per share	1,402,495	1,381,631
Diluted earnings per share (sen)	29.17	22.04

12 DIVIDENDS

Dividends declared and paid in respect of the current financial year are as follows:

	The Company			
	2012		2011	
	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
Single tier first interim dividend	4.00	55,261	4.00	54,040
Single tier second interim dividend	8.00	*	7.00	95,465
	12.00	55,261	11.00	149,505

* The amount of dividend will be determined based on the number of shareholders entitled to receive the dividend as at 5:00pm on 15 June 2012.

On 29 May 2012, the Directors have declared a single tier second interim dividend in respect of the financial year ended 31 March 2012 of 8 sen per share to be paid on 4 July 2012 to every member who is entitled to receive the dividend as at 5:00pm on 15 June 2012. 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 2012 (2011: 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 2012 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	2,535,675	1,233,079	993,564	590,434	668,318	143,813	6,164,883
Less: Inter-segment revenue	(583,716)	(149)	(100,904)	–	–	(143,460)	(828,229)
	1,951,959	1,232,930	892,660	590,434	668,318	353	5,336,654
Less: Share of operating revenue of associates and jointly controlled entities	(522,832)	(22,295)	(17,154)	–	(256,513)	–	(818,794)
Revenue from external customers	1,429,127	1,210,635	875,506	590,434	411,805	353	4,517,860
RESULTS:							
Profit before taxation	62,001	283,891	138,151	215,247	86,138	16,163	801,591
Profit before taxation includes:							
- Depreciation and amortisation of property, plant and equipment, leasehold land, investment properties, concession assets and intangible assets	(11,661)	(8,817)	(33,831)	(29,278)	(79,311)	(769)	(163,667)
- Amortisation of government grants	–	–	–	–	6,158	–	6,158
- Interest income	78,314	75,692	2,678	8,111	7,099	3,114	175,008
- Finance cost	(72,354)	(10,058)	(4,431)	(1,227)	(84,805)	–	(172,875)
- Share of results of associates	15,366	1,178	418	–	22,837	–	39,799
- Share of results of jointly controlled entities	6,775	(13,900)	–	–	(30,715)	–	(37,840)

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 2012 is as follows: (cont'd)

	Construction RM'000	Property development RM'000	Manufacturing & quarrying RM'000	Plantation RM'000	Infrastructure RM'000	Investment & others RM'000	Group RM'000
ASSETS:							
Segment assets	1,758,464	4,891,692	999,746	1,839,957	3,909,102	345,680	13,744,641
Unallocated assets:							
- Deferred tax assets							98,810
- Tax recoverable							47,197
Consolidated total assets							13,890,648
Segment assets include:							
- Investment in associates	104,454	39,474	13,898	–	296,271	22,000	476,097
- Investment in jointly controlled entities	148,693	625,054	1,520	–	403,207	173	1,178,647
- Additions to non-current assets* (other than financial instruments and deferred tax assets)	23,893	120,677	31,105	259,776	407,709	215	843,375
LIABILITIES:							
Segment liabilities	2,161,596	1,084,958	199,669	483,785	2,503,575	4,107	6,437,690
Unallocated liabilities:							
- Deferred tax liabilities							388,165
- Current tax liabilities							25,672
Consolidated total liabilities							6,851,527

* 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 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	110,667	33,129	659,731
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)	(62,489)	(769)	(146,505)
- 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)	–	(83,097)	–	(194,986)
- 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)	(21,905)	–	(29,450)

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)

	Construction RM'000	Property development RM'000	Manufacturing & quarrying RM'000	Plantation RM'000	Infrastructure RM'000	Investment & others RM'000	Group RM'000
ASSETS:							
Segment assets	1,683,738	4,632,477	936,962	1,501,695	3,285,206	381,273	12,421,351
Unallocated assets:							
- Deferred tax assets							83,147
- Tax recoverable							49,253
Consolidated total assets							12,553,751
Segment assets include:							
- Investment in associates	88,585	38,298	13,946	–	309,709	22,000	472,538
- Investment in jointly controlled entities	132,896	480,496	6,658	–	399,587	173	1,019,810
- Additions to non-current assets* (other than financial instruments and deferred tax assets)	24,151	58,568	32,896	197,543	130,387	17	443,562
LIABILITIES:							
Segment liabilities	2,132,545	1,022,266	207,619	230,560	1,973,670	18,366	5,585,026
Unallocated liabilities:							
- Deferred tax liabilities							370,929
- Current tax liabilities							31,773
Consolidated total liabilities							5,987,728

* 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
2012		
Malaysia	**3,923,118**	**4,397,811**
India	**549,802**	**541,245**
Other countries	**44,940**	**576,163**
	4,517,860	**5,515,219**
2011		
Malaysia	3,210,367	4,040,227
India	478,814	661,312
Other countries	31,536	354,869
	3,720,717	5,056,408

* 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			
	2012		2011	
	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	**1,351,115**	**1,351,115**	1,327,216	1,327,216
Issuance of shares:				
- Exercise of Warrants 2005/2010	**–**	**–**	22,404	22,404
- Exercise of Warrants 2009/2014	**30,494**	**30,494**	1,495	1,495
At 31 March	**1,381,609**	**1,381,609**	1,351,115	1,351,115

(a) During the financial year, the issued and paid-up ordinary share capital of the Company was increased from RM1,351,114,355 to RM1,381,608,554 by way of the issuance of 30,494,199 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 were 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 entitled 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 was 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 in the preceding 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 per share.

As at 20 August 2010, 424,235 Warrants 2005/2010 that were not exercised had 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 30,494,199 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 RM6.12 (2011: RM5.18) per share.

As at the balance sheet date, 99,383,838 Warrants 2009/2014 (2011: 129,878,037) remained unexercised.

14 SHARE CAPITAL, SHARE PREMIUM AND TREASURY SHARES (cont'd)

(B) SHARE PREMIUM

	The Group and the Company	
	2012 RM'000	2011 RM'000
At 1 April	1,835,676	1,776,547
Arising from:		
- Exercise of Warrants 2005/2010	–	54,269
- Exercise of Warrants 2009/2014	99,106	4,860
At 31 March	1,934,782	1,835,676

(C) TREASURY SHARES

	The Group and the Company			
	2012		2011	
	Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
At 1 April	15	77	–	–
Shares buy back	2	12	15	77
At 31 March	17	89	15	77

The shareholders of the Company had approved an ordinary resolution at the Extraordinary General Meeting held on 24 August 2011 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 2,000 (2011: 15,000) of its issued share capital from the open market on Bursa Malaysia for RM12,197 (2011: RM77,008). The average price paid for the shares repurchased was approximately RM6.05 (2011: RM5.10) 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.

15 OTHER RESERVES

	The Group 2012 RM'000	The Group 2011 RM'000
(a) Capital reserve		
At 1 April	36,275	37,120
Share of realisation of capital reserve in an associate	–	(750)
Realisation of capital reserve in a subsidiary	(2,128)	(95)
At 31 March	34,147	36,275
(b) Warrants reserve		
At 1 April	32,470	33,138
Transferred to share premium upon exercise of:		
- Warrants 2005/2010	–	(273)
- Warrants 2009/2014	(7,624)	(374)
Transferred to retained profits upon expiry of Warrants 2005/2010	–	(21)
At 31 March	24,846	32,470
(c) Capital redemption reserve		
At 1 April	10,000	5,000
Transferred to capital reserve upon redemption of preference shares in a subsidiary	–	5,000
At 31 March	10,000	10,000
At 31 March	68,993	78,745

	The Company 2012 RM'000	The Company 2011 RM'000
Warrants reserve		
At 1 April	32,470	33,138
Transferred to share premium upon exercise of:		
- Warrants 2005/2010	–	(273)
- Warrants 2009/2014	(7,624)	(374)
Transferred to retained profits upon expiry of Warrants 2005/2010	–	(21)
At 31 March	24,846	32,470

16 BONDS

		Secured		
	Sukuk Mudharabah Notes (b) RM'000	Junior Bai Bithaman Ajil Notes (a) RM'000	Senior Bai Bithaman Ajil Notes (a) RM'000	Total RM'000
The Group				
2012				
At 1 April	–	267,774	237,017	504,791
Drawdown during the year	700,000	–	–	700,000
Redeemed during the year	–	–	(45,000)	(45,000)
At 31 March	700,000	267,774	192,017	1,159,791
Less:				
Amortisation of fair value	–	–	(11,215)	(11,215)
	700,000	267,774	180,802	1,148,576
Less:				
Amount redeemable within 12 months (Note 45)	–	–	(52,455)	(52,455)
	700,000	267,774	128,347	1,096,121
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:				
Amortisation 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

16 BONDS (cont'd)

A. Maturity profile of Bonds

	Note	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
		The Group						
2012								
Secured								
Junior Bai Bithaman Ajil Notes	(a)	267,774	–	–	–	139,005	128,769	–
Senior Bai Bithaman Ajil Notes	(a)	180,802	52,455	51,640	76,707	–	–	–
Sukuk Mudharabah	(b)	700,000	–	–	–	–	20,000	680,000
		1,148,576	52,455	51,640	76,707	139,005	148,769	680,000
2011								
Secured								
Junior Bai Bithaman Ajil Notes	(a)	267,774	–	–	–	–	139,005	128,769
Senior Bai Bithaman Ajil Notes	(a)	227,550	47,097	52,455	51,640	76,358	–	–
		495,324	47,097	52,455	51,640	76,358	139,005	128,769

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 had 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.

16 BONDS (cont'd)

B. Principal features of Bonds (cont'd)

(a) Junior and Senior Bai Bithaman Ajil ("BBA") Notes (cont'd)

The principal features of the Junior and Senior BBA Notes are as follows: (cont'd)

(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.

(b) Sukuk Mudharabah

(i) A subsidiary, Besraya (M) Sdn Bhd ("Besraya"), has issued RM700,000,000 secured Sukuk Mudharabah ("Sukuk"), an Islamic Securities Programmes on 28 July 2011.

The RM700,000,000 Sukuk is issued at its nominal value. It is repayable in 13 instalments, commencing 5 years after the issue date.

As at 31 March 2012, the profit rate of Sukuk is 4.61%.

(ii) The Sukuk is secured by the following:

- a debenture creating a first ranking fixed and floating charge over all present and future assets, rights and interests of the issuer;
- a first ranking assignment of all of the issuer's rights, interests, titles and benefits under the Project Agreements, including without limitation the right to demand, collect and retain toll, liquidated damages and all proceeds arising there from;
- an assignment of all rights, interests, titles and benefits in all performance and/or maintenance bonds issued to and/or in favour of the issuer, save for those assigned or to be assigned to the Government of Malaysia pursuant to the Concession Agreement;
- a first ranking assignment of all rights, interests, titles and benefits in all relevant insurance/ takaful policies of the issuer and/or in respect of the Besraya Extension Expressway Project, subject to the insurance provisions under the Concession Agreement and the Supplemental Concession Agreement; and
- a first ranking charge and assignment of all rights, interests, titles and benefits in all Designated Accounts and the credit balances.

(iii) The Sukuk contains covenants which require Besraya to maintain financial service cover ratio of at least 1.25 times and debt equity ratio of not greater than 80:20.

17 COMMERCIAL PAPERS AND MEDIUM TERM NOTES ("CP/MTN")

	Note	The Group 2012 RM'000	The Group 2011 RM'000	The Company 2012 RM'000	The Company 2011 RM'000
Current					
Unsecured:					
- RM400 million MTN 2006/2013 (Note 45)	(a)	–	41,848	–	–
Non-current					
Unsecured:					
- RM1 billion CP/MTN 2009/2016	(b)	750,000	650,000	750,000	650,000
		750,000	691,848	750,000	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									
2012									
Unsecured									
RM1 billion CP/MTN 2009/2016	5.07	750,000	RM	–	300,000	200,000	250,000	–	–
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	–
The Company									
2012									
Unsecured									
RM1 billion CP/MTN 2009/2016	5.07	750,000	RM	–	300,000	200,000	250,000	–	–
2011									
Unsecured									
RM1 billion CP/MTN 2009/2016	5.24	650,000	RM	–	–	200,000	200,000	250,000	–

17 COMMERCIAL PAPERS AND MEDIUM TERM NOTES ("CP/MTN") (cont'd)

B. Principal features of CP/MTN

(a) 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 was 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.

The MTN was fully repaid during the financial year.

(b) 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

	Note	The Group 2012 RM'000	The Group 2011 RM'000	The Company 2012 RM'000	The Company 2011 RM'000
Current:					
Secured	45	74,173	51,342	–	–
Unsecured	45	680,677	466,841	100,000	25,000
		754,850	518,183	100,000	25,000
Non-current:					
Secured		497,150	521,488	–	–
Unsecured		854,613	976,935	175,000	275,000
		1,351,763	1,498,423	175,000	275,000
		2,106,613	2,016,606	275,000	300,000

A. Currency profile of term loans

The currency exposure profile of term loans is as follows:

	The Group 2012 RM'000	The Group 2011 RM'000
United States Dollar	838,833	702,159

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 2012

The 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
2012															
Secured															
Term loan 1	12.8	224,906	Rs	(a)	14,562	16,360	8,931	11,455	15,870	157,728	–	–	–	–	–
Term loan 2	4.9	5,260	RM	(b)	2,630	2,630	–	–	–	–	–	–	–	–	–
Term loan 3	4.9	917	RM	(c)	917	–	–	–	–	–	–	–	–	–	–
Term loan 4	5.2	256,000	RM	(d)	56,064	56,064	71,936	71,936	–	–	–	–	–	–	–
Term loan 5	4.7	27,880	RM	(e)	–	–	9,280	9,280	9,320	–	–	–	–	–	–
Term loan 6	4.7	56,360	RM	(f)	–	–	18,800	18,800	18,760	–	–	–	–	–	–
		571,323			74,173	75,054	108,947	111,471	43,950	157,728	–	–	–	–	–

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 2012

The 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
2012															
Unsecured															
Term loan 7	1.5	109,242	USD		–	–	10,924	10,924	10,924	76,470	–	–	–	–	–
Term loan 8	1.5	109,242	USD		–	–	10,924	10,924	10,924	76,470	–	–	–	–	–
Term loan 9	11.3	1,540	Rs		–	–	–	–	–	–	560	560	420	–	–
Term loan 11	12.0	525	Rs		–	–	–	–	–	–	525	–	–	–	–
Term loan 12	11.9	1,688	Rs		–	–	–	–	–	–	1,350	338	–	–	–
Term loan 13	5.6	4,795	RM		–	–	–	–	–	–	4,795	–	–	–	–
Term loan 14	5.0	1,042	RM		–	–	–	–	–	–	1,042	–	–	–	–
Term loan 15	5.0	13,235	RM		–	–	–	–	–	–	10,588	2,647	–	–	–
Term loan 17	1.5	76,713	USD	(g)	76,713	–	–	–	–	–	–	–	–	–	–
Term loan 20	1.0	24,548	USD		24,548	–	–	–	–	–	–	–	–	–	–
Term loan 21	3.1	92,055	USD		92,055	–	–	–	–	–	–	–	–	–	–
Term loan 22	2.3	138,083	USD		27,617	55,233	55,233	–	–	–	–	–	–	–	–
Term loan 23	2.5	196,894	USD		71,598	71,598	53,698	–	–	–	–	–	–	–	–
Term loan 24	2.1	92,056	USD		–	–	46,028	46,028	–	–	–	–	–	–	–
Term loan 25	4.5	275,000	RM		100,000	100,000	75,000	–	–	–	–	–	–	–	–
Term loan 26	10.9	397,482	Rs		219,934	–	–	–	–	–	49,152	76,098	46,248	6,050	–
Term loan 27	11.3	550	Rs		–	–	–	–	–	–	200	200	150	–	–
Term loan 28	11.3	600	Rs		–	–	–	–	–	–	–	46	185	185	184
		1,535,290			612,465	226,831	251,807	67,876	21,848	152,940	68,212	79,889	47,003	6,235	184
		2,106,613			686,638	301,885	360,754	179,347	65,798	310,668	68,212	79,889	47,003	6,235	184

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

The 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

					Floating interest rate						Fixed interest rate				
The Group	Effective interest rate as at year end % p.a	Total carrying amount RM'000	Currency	Note	< 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 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	(g)	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 2012

The Company	Effective interest rate as at year end % p.a	Total carrying amount RM'000	Currency	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
2012														
Unsecured														
Term loan 25	4.5	275,000	RM	100,000	100,000	75,000	–	–	–	–	–	–	–	–
		275,000		100,000	100,000	75,000	–	–	–	–	–	–	–	–
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	–	–	–	–	–	–	–

18 TERM LOANS (cont'd)

C. Principal features of secured term loans

(a) Term loan 1 of RM224,906,000 (2011: RM273,690,000) 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 47) 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 RM5,260,000 (2011: 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 RB Land Sdn Bhd ("RBLSB"), a subsidiary of the Company (Note 37); and

(iii) a corporate guarantee by IJM Land Berhad ("IJMLB"), a subsidiary of the Company.

(c) Term loan 3 of RM917,000 (2011: RM3,250,000) 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 RM256,000,000 (2011: RM288,000,000) 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) Term loan 5 of RM27,880,000 is secured by way of:

(i) a facilities agreement for the sum of RM27,880,000;

(ii) a first party first legal charge over two parcels of freehold residential land of IJM Properties Sdn Bhd ("IJMP"), a subsidiary of IJMLB (Note 37); and

(iii) a corporate guarantee by IJMLB.

(f) Term loan 6 of RM56,360,000 is secured by way of:

(i) a facilities agreement for the sum of RM56,360,000;

(ii) a first party first legal charge over one parcel of freehold residential land of IJMP (Note 37); and

(iii) a corporate guarantee by IJMLB.

(g) On 23 August 2005, IJM Investments (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 12"), 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 2012 RM'000	2011 RM'000
Government Support Loans:			
- Government Support Loan 1	(a)	110,369	106,699
- Government Support Loan 2	(b)	102,707	104,357
		213,076	211,056
Less: Payable within 12 months (Note 44)		(4,965)	(4,965)
		208,111	206,091

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
2012							
Government Support Loan 1	110,369	–	–	–	23,634	22,850	63,885
Government Support Loan 2	102,707	4,965	4,800	6,498	6,282	6,073	74,089
	213,076	4,965	4,800	6,498	29,916	28,923	137,974
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

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	
	2012 RM'000	2011 RM'000
Minimum lease payments:		
- Payable within 1 year	**2,275**	2,102
- Payable between 1 and 5 years	**1,549**	2,329
	3,824	4,431
Less: Future finance charges	**(342)**	(478)
Present value of hire purchase and lease liabilities	**3,482**	3,953
Present value of hire purchase and lease liabilities:		
- Payable within 1 year (Note 44)	**2,007**	1,804
- Payable between 1 and 5 years (included in non-current liabilities)	**1,475**	2,149
	3,482	3,953

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 10.7% (2011: 11.46%) 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
The Group:					
At 31 March 2012					
Assets as per balance sheet:					
Non-current assets:					
Amounts due from jointly controlled entities	33	917,301	–	–	917,301
Available-for-sale financial assets	34	–	–	2,204	2,204
Long term receivables *	35	37,864	–	–	37,864
Derivative financial instruments	22	–	15,911	–	15,911
Current assets:					
Trade and other receivables **	40	1,580,467	–	–	1,580,467
Financial assets at fair value through profit or loss	41	–	584,625	–	584,625
Derivative financial instruments	22	–	73	–	73
Deposits, cash and bank balances	42	1,699,020	–	–	1,699,020
Total		4,234,652	600,609	2,204	4,837,465

	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	–	1,096,121	1,096,121
Commercial papers and medium term notes	17	–	750,000	750,000
Term loans	18	–	1,351,763	1,351,763
Government support loans	19	–	208,111	208,111
Trade and other payables	24	–	85,630	85,630
Provisions	46	–	11,577	11,577
Current liabilities:				
Trade and other payables ***	44	–	1,453,349	1,453,349
Derivative financial instruments	22	1,466	–	1,466
Borrowings	45	–	1,115,882	1,115,882
Provisions	46	–	24,129	24,129
Total		1,466	6,096,562	6,098,028

* Long term receivables exclude advances for land acquisition and plantation development expenditure, advances for plasma plantation projects.

** 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
The Group: (cont'd)					
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
Provisions	46	–	23,938	23,938
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	5,274,767	5,286,005

* 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
The Company:					
At 31 March 2012					
Assets as per balance sheet:					
Non-current assets:					
Amounts due from jointly controlled entities	33	43,950	–	–	43,950
Available-for-sale financial assets	34	–	–	2,050	2,050
Derivative financial instruments	22	–	5,039	–	5,039
Current assets:					
Trade and other receivables*	40	749,223	–	–	749,223
Financial assets at fair value through profit or loss	41	–	129,260	–	129,260
Deposits, cash and bank balances	42	62,642	–	–	62,642
Total		855,815	134,299	2,050	992,164

	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	750,000	750,000
Term loans	18	175,000	175,000
Current liabilities:			
Trade and other payables**	44	835,747	835,747
Borrowings	45	121,483	121,483
Total		1,882,230	1,882,230

* 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.

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
The Company:					
At 31 March 2011					
Assets as per balance sheet:					
Non-current assets:					
Amounts due from jointly controlled entities	33	27,087	–	–	27,087
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		881,132	168,853	2,050	1,052,035

	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
At 31 March 2012					
Current:					
Interest rate swaps	(a)	–	1,466	–	–
Forward foreign exchange contracts	(c)	73	–	–	–
		73	1,466	–	–
Non-current:					
Interest rate swaps	(a)	5,039	–	5,039	–
Cross currency swap	(b)	10,872	–	–	–
		15,911	–	5,039	–
		15,984	1,466	5,039	–
At 31 March 2011					
Current:					
Interest rate swaps	(a)	–	3,201	–	–
		–	3,201	–	–
Non-current:					
Interest rate swaps	(a)	771	3,179	771	–
Cross currency swap	(b)	–	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. 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 1.41% (2011: 1.07%) per annum (Note 18). After the interest rate swaps, the Group's weighted average effective interest rate during the financial year is 3.89% (2011: 3.48%) per annum.

22 DERIVATIVE FINANCIAL INSTRUMENTS (cont'd)

(a) Interest rate swaps (cont'd)

From floating rate to fixed rate (cont'd)

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%	5,000	15,342
29.07.05 - 30.07.12	6-month LIBOR + 0.7%	4.30%	10,000	30,685
01.06.05 - 29.07.12	6-month LIBOR + 0.7%	4.30%	10,000	30,685
30.03.09 - 27.09.12	3-month LIBOR + 0.55%	1.88%	5,000	15,342

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.

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% (2011: 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% (2011: 4.41%) 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) 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

22 DERIVATIVE FINANCIAL INSTRUMENTS (cont'd)

(c) Forward foreign exchange contracts

Industrial Concrete Products Sdn Bhd, a subsidiary of the Company, has entered into forward foreign exchange contracts to hedge its foreign exchange exposures in material transaction. As at 31 March 2012, the Group has outstanding forward foreign exchange contracts.

As at 31 March 2012, the settlement dates on open forward contracts ranged between 4 - 7 months. The foreign currency amounts to be received and contractual exchange rates of the Group's outstanding contracts as at 31 March 2012, for the purpose of overseas purchases are as follows:

Settlement date	Currency to be received	Amount in foreign currency to be received	Contractual rate	Amount to be paid RM'000
31.10.12	Japanese Yen	99,750,000	0.03760	3,750
28.09.12	Japanese Yen	27,314,000	0.03753	1,025
30.08.12	Japanese Yen	99,750,000	0.03745	3,736
30.07.12	Japanese Yen	27,314,000	0.03738	1,021

(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 2012:				
(i) Interest rate swaps:				
- from floating rate to fixed rate	(1,466)	–	–	(1,466)
- from fixed rate to floating rate	–	–	5,039	5,039
(ii) Cross currency swap	–	10,872	–	10,872
(iii) Forward foreign exchange contracts	73	–	–	73
				14,518
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	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Deferred tax assets	98,810	83,147	1,789	1,092
Deferred tax liabilities	(388,165)	(370,929)	–	–
	(289,355)	(287,782)	1,789	1,092
At 1 April	(287,782)	(271,084)	1,092	339
(Charged)/credited to income statement (Note 10)				
- Property, plant and equipment	80,346	(1,578)	(33)	43
- Concession assets	(95,764)	(19,796)	–	–
- Post–employment benefit	(53)	70	–	–
- Intangible assets	63	(734)	–	–
- Plantation development expenditure	(15,324)	(295)	–	–
- Inventories	–	(84)	–	–
- Tax losses	12,032	(7,288)	–	–
- Payables	24,413	14,936	730	710
- Development properties	1,578	6,498	–	–
- Foreseeable loss	1	(361)	–	–
- Finance lease receivables	123	(67)	–	–
- Borrowings	769	(408)	–	–
- Leasehold land	81	81	–	–
- Others	1,977	(397)	–	–
	10,242	(9,423)	697	753
Acquisition of subsidiaries (Note 49(b))	–	(8,497)	–	–
Disposal of subsidiaries (Note 50(a)(i))	–	930	–	–
Revaluation reserve (Note 10)	(12,094)	–	–	–
Exchange differences	279	292	–	–
At 31 March	(289,355)	(287,782)	1,789	1,092

23 DEFERRED TAXATION (cont'd)

	The Group		The Company	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Subject to income tax				
Deferred tax assets (before offsetting)				
- Property, plant and equipment	96,173	15,516	–	–
- Development properties	38,773	43,054	–	–
- Post-employment benefit	1,707	1,760	–	–
- Payables	49,966	24,404	2,256	1,526
- Tax losses	31,677	19,535	–	–
- Foreseeable loss	394	393	–	–
- Borrowings	6,292	7,278	–	–
- Concession assets	11,565	12,204	–	–
- Others	1,372	(383)	–	–
	237,919	123,761	2,256	1,526
Offsetting	(139,109)	(40,614)	(467)	(434)
Deferred tax assets (after offsetting)	98,810	83,147	1,789	1,092
Deferred tax liabilities (before offsetting)				
- Property, plant and equipment	(121,688)	(108,372)	(467)	(434)
- Plantation development expenditure	(103,425)	(88,101)	–	–
- Development properties	(55,634)	(61,493)	–	–
- Intangible assets	(1,831)	(1,894)	–	–
- Finance lease receivables	(1,000)	(1,123)	–	–
- Borrowings	(20,828)	(22,583)	–	–
- Inventories	(842)	(842)	–	–
- Leasehold land	(3,493)	(3,574)	–	–
- Concession assets	(218,750)	(123,625)	–	–
- Others	217	64	–	–
	(527,274)	(411,543)	(467)	(434)
Offsetting	139,109	40,614	467	434
Deferred tax liabilities (after offsetting)	(388,165)	(370,929)	–	–

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	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Unutilised deductible temporary differences	300,684	229,867	–	–
Unused tax losses	332,713	306,470	–	–
	633,397	536,337	–	–
Deferred tax assets not recognised	158,349	134,084	–	–

24 TRADE AND OTHER PAYABLES

	Note	The Group 2012 RM'000	2011 RM'000
Other payables:			
Advances from the State Government	(a)	**33,180**	33,180
Land premium payable to State Government	(b)	**9,100**	12,100
Less: Payable within 12 months (Note 44)		**(3,000)**	(3,000)
Payable after 12 months		**6,100**	9,100
Interests in projects	(c)	**40,424**	39,851
Refundable membership securities	(d)	**5,926**	6,021
		85,630	88,152

(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 2012, 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	3,100
	9,100

As at 31 March 2012, 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"), an indirect 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	
	2012 RM'000	2011 RM'000
At 1 April	7,042	6,712
Charged to profit or loss	980	1,012
Contributions paid during the financial year	(1,195)	(682)
At 31 March	6,827	7,042
Present value of liabilities:		
- Payable within 1 year (Note 44)	976	883
- Payable between 1 and 5 years	5,035	4,649
- Payable after 5 years	816	1,510
Payable after 1 year (included in non-current liabilities)	5,851	6,159
	6,827	7,042

The amounts of unfunded defined benefit recognised in the balance sheet may be analysed as follows:

	The Group	
	2012 RM'000	2011 RM'000
Present values of unfunded defined benefit obligations	7,715	7,951
Unrecognised actuarial losses	(888)	(909)
Liability in the balance sheets	6,827	7,042
Analysed as:		
Current (included in other payables - Note 44)	976	883
Non-current	5,851	6,159
	6,827	7,042

The expenses recognised in the profit or loss were analysed as follows:

	The Group	
	2012 RM'000	2011 RM'000
Current service cost	590	624
Interest cost	370	362
Actuarial loss	20	26
Total unfunded defined benefit retirement plan (Note 6)	980	1,012

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	
	2012 RM'000	2011 RM'000
Cost of sales	735	759
Administrative expenses	245	253
Total included in employee benefits cost (Note 6)	980	1,012

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

	The Group	
	2012 %	2011 %
Discount rate	5.0	5.0
Expected rate of salary increases	5.0	5.0

26 GOVERNMENT GRANTS

	The Group	
	2012 RM'000	2011 RM'000
Cost		
At 1 April	123,306	132,023
Exchange translation differences	(14,891)	(8,717)
At 31 March	108,415	123,306
Accumulated amortisation		
At 1 April	(24,145)	(19,773)
Current amortisation (Note 5(b))	(6,158)	(5,778)
Exchange translation differences	3,311	1,406
At 31 March	(26,992)	(24,145)
	81,423	99,161

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	Hotel properties 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											
2012											
Net book value											
At 1 April 2011											
As previously reported	46,679	127,753	174,671	174,448	114,940	501,874	30,608	118,050	111,286	44,864	1,445,173
Effect of adopting IC Interpretation 12 (Note 58)	–	–	–	(8,772)	–	–	–	(118,050)	(111,286)	(1,242)	(239,350)
As restated	46,679	127,753	174,671	165,676	114,940	501,874	30,608	–	–	43,622	1,205,823
Additions	104	–	47,084	6,211	163	50,405	10,413	–	–	110,761	225,141
Revaluation	–	–	–	–	48,374	–	–	–	–	–	48,374
Disposals	(133)	–	–	(3,327)	–	(2,565)	(194)	–	–	–	(6,219)
Written off	–	–	–	(2,417)	–	(315)	(196)	–	–	–	(2,928)
Depreciation charges for the year	–	(1,794)	(3,332)	(12,182)	(3,417)	(69,763)	(9,627)	–	–	–	(100,115)
Impairment	–	–	–	(98)	–	(14,302)	(26)	–	–	(1,000)	(15,426)
Exchange differences arising from translation of assets of foreign entities	611	198	(1,271)	(1,238)	–	(10,057)	(880)	–	–	(576)	(13,213)
Reclassifications	185	(185)	–	10,240	–	5,860	22	–	–	(16,122)	–
Transferred to assets held for sale (Note 43)	–	–	–	(11,096)	–	–	(6)	–	–	–	(11,102)
At 31 March 2012	47,446	125,972	217,152	151,769	160,060	461,137	30,114	–	–	136,685	1,330,335

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	Hotel properties 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	129,527	133,714	143,491	119,651	521,462	31,800	123,234	109,917	40,580	1,400,529
Effect of adopting IC Interpretation 12 (Note 58)	–	–	–	(7,214)	–	–	–	(123,234)	(109,917)	(1,764)	(242,129)
As restated	47,153	129,527	133,714	136,277	119,651	521,462	31,800	–	–	38,816	1,158,400
Acquisition of subsidiaries (Note 49(b))	–	–	6,996	–	–	127	30	–	–	11,700	18,853
Disposal of a subsidiary (Note 50(a)(ii))	–	–	–	–	–	(475)	(460)	–	–	–	(935)
Additions	201	–	35,771	11,850	406	54,776	6,968	–	–	44,742	154,714
Disposals	–	–	–	(397)	–	(3,670)	(76)	–	–	–	(4,143)
Written off	–	–	–	(39)	–	(366)	(300)	–	–	–	(705)
Depreciation charges for the year	–	(1,790)	(2,448)	(12,571)	(3,330)	(71,931)	(9,233)	–	–	–	(101,303)
Impairment	–	–	–	(208)	(1,601)	(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	28,728	4,784	13,069	2,684	–	–	(50,293)	–
Transferred to assets held for sale (Note 43)	–	–	–	3,597	(4,970)	–	(81)	–	–	–	(1,454)
At 31 March 2011	46,679	127,753	174,671	165,676	114,940	501,874	30,608	–	–	43,622	1,205,823

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	Hotel properties 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											
Net book value											
At 31 March 2012											
Cost	44,348	114,286	235,095	254,037	27,493	1,152,683	131,238	–	–	137,685	2,096,865
Valuation	3,098	30,141	–	4,802	154,493	3,668	–	–	–	–	196,202
Accumulated depreciation	–	(18,455)	(17,943)	(106,934)	(1,046)	(674,735)	(101,018)	–	–	–	(920,131)
Accumulated impairment	–	–	–	(136)	(20,880)	(20,479)	(106)	–	–	(1,000)	(42,601)
Net book value	47,446	125,972	217,152	151,769	160,060	461,137	30,114	–	–	136,685	1,330,335
At 31 March 2011											
Cost	46,679	115,011	190,017	262,061	173,497	1,185,646	124,908	–	–	43,622	2,141,441
Valuation	–	30,141	–	4,802	–	3,668	–	–	–	–	38,611
Accumulated depreciation	–	(17,399)	(15,346)	(98,033)	(12,496)	(681,194)	(94,213)	–	–	–	(918,681)
Accumulated impairment	–	–	–	(3,154)	(46,061)	(6,246)	(87)	–	–	–	(55,548)
Net book value	46,679	127,753	174,671	165,676	114,940	501,874	30,608	–	–	43,622	1,205,823

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						
2012						
Net book value						
At 1 April 2011	900	490	6,347	641	–	8,378
Additions	–	–	10	266	–	276
Disposals	–	–	(260)	–	–	(260)
Depreciation charges for the year	–	(11)	(1,014)	(188)	–	(1,213)
Exchange differences	–	–	(481)	–	–	(481)
At 31 March 2012	900	479	4,602	719	–	6,700
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
At 31 March 2012						
Cost	900	577	5,854	7,087	–	14,418
Accumulated depreciation	–	(98)	(1,252)	(6,368)	–	(7,718)
Net book value	900	479	4,602	719	–	6,700
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

(a) Valuation

Property, plant and equipment include leasehold land, 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.

During the financial year, the hotel building and the leasehold land of ERMS Berhad, an indirect subsidiary of the Company was revalued by an independent qualified valuer, Kuljeet Singh, a member of the Institute of Surveyors, Malaysia and a partner with Raine & Horne International Zaki + Partners. The valuation was arrived at based on the Comparison Method of Valuation where reference was made to similar resorts.

27 PROPERTY, PLANT AND EQUIPMENT (cont'd)

(a) Valuation (cont'd)

Had the revalued leasehold land, buildings and plant been carried at the historical cost model, the net book values would have been as follows:

	The Group	
	2012 RM'000	2011 RM'000
Leasehold land	62,501	20,008
Buildings	43,438	236
Plant	123	300
	106,062	20,544

(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	
	2012 RM'000	2011 RM'000
Plant, machinery, equipment and vehicles	5,859	5,931

(c) Net book values of assets pledged as security for term loans of certain subsidiaries (Note 18):

	The Group	
	2012 RM'000	2011 RM'000
Freehold land	85,267	193
Building	69,493	61,372
Plant, machinery, equipment and vehicles	1,356	1,574
Office equipment, furniture and fittings and renovations	1,558	573
	157,674	63,712

(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	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Included in the aggregate costs incurred to-date within amounts due from/(to) customers on construction contracts	47	12,506	17,402	627	678
Capitalised as plantation development expenditure	38(b)	5,904	3,673	–	–

28 LEASEHOLD LAND

	Note	The Group 2012 RM'000	The Group 2011 RM'000
Cost			
At 1 April		**187,088**	160,127
Acquisition of subsidiaries	49(b)(iii)	**–**	14,958
Additions		**–**	14,093
Disposals		**(6,916)**	(1,505)
Exchange differences		**(1,429)**	(585)
At 31 March		**178,743**	187,088
Accumulated amortisation			
At 1 April		**17,854**	14,182
Charge for the financial year	5(a)	**5,118**	3,770
Disposals		**(796)**	(77)
Exchange differences		**(84)**	(21)
At 31 March		**22,092**	17,854
Net book value			
At 31 March		**156,651**	169,234

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 deemed cost as allowed by the transitional provision of FRS 117.

During the financial year, amortisation expenses of RM1,651,000 (2011: RM674,000) 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
2012						
Net book value						
At 1 April 2011		**13,678**	**20,706**	**26,590**	**63,591**	**124,565**
Transferred to assets held for sale	43	**(2,418)**	**(3,615)**	**(17,155)**	**(14,718)**	**(37,906)**
Depreciation charges for the year	5(a)	**–**	**(250)**	**(389)**	**(1,497)**	**(2,136)**
Disposal		**–**	**–**	**(280)**	**–**	**(280)**
At 31 March 2012		**11,260**	**16,841**	**8,766**	**47,376**	**84,243**
2011						
Net book value						
At 1 April 2010		13,678	64,003	27,999	346,866	452,546
Disposal of a subsidiary	50a(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

29 INVESTMENT PROPERTIES (cont'd)

The Group	Note	Freehold land RM'000	Leasehold land RM'000	Freehold buildings RM'000	Long term leasehold buildings RM'000	Total RM'000
At 31 March 2012:						
Cost		11,260	17,578	11,558	52,578	92,974
Accumulated depreciation		–	(737)	(2,210)	(5,098)	(8,045)
Accumulated impairment		–	–	(582)	(104)	(686)
Net book value		11,260	16,841	8,766	47,376	84,243
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

The Company	Note	Freehold buildings RM'000	Total RM'000
2012			
Net book value			
At 1 April 2011		5,036	5,036
Depreciation charges for the year	5(a)	(129)	(129)
At 31 March 2012		4,907	4,907
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
At 31 March 2012:			
Cost		6,475	6,475
Accumulated depreciation		(1,568)	(1,568)
Net book value		4,907	4,907
At 31 March 2011:			
Cost		6,475	6,475
Accumulated depreciation		(1,439)	(1,439)
Net book value		5,036	5,036

The above properties are not occupied by the Group and are used to either earn rentals or for capital appreciation, or both. As at 31 March 2012, the fair value of the properties of the Group and the Company was estimated at RM89,010,000 (2011: RM170,130,000) and RM5,000,000 (2011: RM5,000,000) respectively 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 31 March 2012, land title to freehold land and leasehold land with the carrying value of RM1,653,369 and RM16,000,534 (2011: RM1,653,369 and RM16,220,296) respectively is in the process of being transferred.

30 CONCESSION ASSETS

	Note	The Group 2012 RM'000	The Group 2011 RM'000 (Restated)
Expressway development expenditure		2,193,674	1,974,257
Port infrastructure		282,394	239,350
		2,476,068	2,213,607
Expressway development expenditure:			
Cost			
At 1 April			
As previously reported		2,592,332	2,515,684
Effect of adopting IC Interpretation 12	58	(8,378)	(8,343)
As restated		2,583,954	2,507,341
Additions during the financial year		340,865	120,453
Exchange translation differences		(76,750)	(43,840)
At 31 March		2,848,069	2,583,954
Accumulated amortisation			
At 1 April			
As previously reported		(237,963)	(172,654)
Effect of adopting IC Interpretation 12	58	1,595	839
As restated		(236,368)	(171,815)
Current amortisation	5(a)	(72,284)	(68,870)
Exchange translation differences		10,904	4,317
At 31 March		(297,748)	(236,368)
		2,550,321	2,347,586
Less: Deferred income			
Cost			
At 1 April / At 31 March		(400,456)	(400,456)
Accumulated amortisation			
At 1 April		27,127	6,032
Current amortisation	5(a)	16,682	21,095
At 31 March		43,809	27,127
		(356,647)	(373,329)
		2,193,674	1,974,257

30 CONCESSION ASSETS (cont'd)

	Note	The Group 2012 RM'000	2011 RM'000
Port infrastructure:			
Cost			
At 1 April			
As previously reported		–	–
Effect of adopting IC Interpretation 12	58	295,575	290,344
As restated		295,575	290,344
Additions during the financial year		59,513	5,231
At 31 March		355,088	295,575
Accumulated amortisation			
At 1 April			
As previously reported		–	–
Effect of adopting IC Interpretation 12	58	(56,225)	(48,215)
As restated		(56,225)	(48,215)
Current amortisation	5(a)	(16,469)	(8,010)
At 31 March		(72,694)	(56,225)
		282,394	239,350

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 and compensation for the deferment of toll increase.

The concession assets with a net carrying values of RM452,639,000 and RM1,741,034,000 (2011: RM541,141,000 and RM1,433,115,000) are pledged as security for Term Loan 1 (Note 18) and bonds (Note 16) respectively.

31 SUBSIDIARIES

	The Company	
	2012 RM'000	2011 RM'000
At cost:		
Quoted shares:		
- in Malaysia	1,602,045	1,202,045
Unquoted Redeemable Convertible Unsecured Loan Stocks ("RCULS")	–	400,000
Unquoted shares:		
- in Malaysia	3,161,071	3,169,956
- outside Malaysia	1,934	1,934
	4,765,050	4,773,935
Less: Accumulated impairment		
Unquoted shares		
- in Malaysia	(1,077,365)	(1,079,093)
- outside Malaysia	(1,035)	(1,035)
	(1,078,400)	(1,080,128)
	3,686,650	3,693,807
Amounts owing by subsidiaries	816,350	733,590
	4,503,000	4,427,397
Market value		
Quoted shares:		
- in Malaysia	3,571,514	3,356,126

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		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
(a) Associates other than Grupo Concesionario del Oeste S.A ("Grupo")	420,097	412,489	65,241	65,241
(b) Grupo	56,000	60,049	44,294	44,294
	476,097	472,538	109,535	109,535
Represented by:				
Group's share of net assets	476,097	472,538		
Market value				
Quoted shares:				
- in Malaysia	146,913	184,929	146,913	184,929
- outside Malaysia (Grupo)	41,914	55,968	41,914	55,968
	188,827	240,897	188,827	240,897

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)

(a) Associates other than Grupo:

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Quoted shares, at cost:				
- in Malaysia	50,664	50,664	50,664	50,664
Unquoted shares, at cost:				
- in Malaysia	90,360	84,517	42,277	42,277
- outside Malaysia	189,738	200,633	1,765	1,765
	330,762	335,814	94,706	94,706
Share of post-acquisition retained profits	159,636	132,114	–	–
Share of post-acquisition reserves	(22,968)	(8,106)	–	–
	467,430	459,822	94,706	94,706
Less: Accumulated impairment	(47,333)	(47,333)	(29,465)	(29,465)
	420,097	412,489	65,241	65,241

(b) Grupo:

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
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	13,706	17,755	–	–
Less: Accumulated impairment	(47,000)	(47,000)	(45,000)	(45,000)
	56,000	60,049	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	
	2012 RM'000	2011 RM'000
Current year share of profits	1,793	5,255
Cumulative share of losses	(15,869)	(17,662)

32 ASSOCIATES (cont'd)

(d) The Group's share of assets and liabilities of the associates are as follows:

	The Group 2012 RM'000	The Group 2011 RM'000
Non-current assets	**526,811**	613,190
Current assets	**407,508**	335,180
Non-current liabilities	**(249,755)**	(288,864)
Current liabilities	**(211,963)**	(187,338)
Net assets	**472,601**	472,168
Premium on acquisition	**3,496**	370
	476,097	472,538

The Group's share of the revenue and expenses of the associates are as follows:

	The Group 2012 RM'000	The Group 2011 RM'000
Revenue	**482,214**	461,022
Expenses including taxation	**(442,415)**	(414,178)
Net profit for the financial year	**39,799**	46,844

33 JOINTLY CONTROLLED ENTITIES

	The Group 2012 RM'000	The Group 2011 RM'000
Share of net assets of jointly controlled entities	**261,346**	312,197
Amounts owing by jointly controlled entites	**1,105,770**	920,547
Less: Allowance for impairment of amounts owing by jointly controlled entities	**(188,469)**	(212,934)
	917,301	707,613
	1,178,647	1,019,810

	The Company 2012 RM'000	The Company 2011 RM'000
Unquoted shares at cost	**296,122**	296,122
Amounts owing by jointly controlled entites	**83,398**	71,348
Less: Allowance for impairment of amounts owing by jointly controlled entities	**(39,448)**	(44,261)
	43,950	27,087
	340,072	323,209

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% (2011: 6.0% to 8.3%) per annum.

33 JOINTLY CONTROLLED ENTITIES (cont'd)

As at 31 March 2012, amounts owing by jointly controlled entities of the Group and the Company of RM157,561,000 (2011: RM173,026,000) and RM39,448,000 (2011: RM44,261,000) 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 and the Company's allowance for impairment of amounts owing by jointly controlled entities are as follows:

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
At 1 April	212,934	36,155	44,261	–
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))	2,853	36,177	–	–
Write back of allowance for impairment of amounts owing by jointly controlled entities (Note 5(b))	(27,318)	–	(4,813)	–
At 31 March	188,469	212,934	39,448	44,261

A significant portion of the amounts owing by jointly controlled entities is in relation to the companies related 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		Principal activity
	2012 %	2011 %	
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-SCL Joint Venture	50	50	Construction
IJM-Gayatri Joint Venture	60	60	Construction
IJM-NBCC-VRM Joint Venture	50	50	Construction

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 2012 %	2011 %	Principal activity
Lebuhraya Kajang Seremban Sdn Bhd	50	50	Toll road operations
Trichy Tollway Private Limited	50	50	Highway development
Vijayawada Tollway Pte Ltd	50	50	Highway development
Hafeera-IJM Joint Venture	50	50	Construction
IJM-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	Construction
BSC-RBM-PATI JV	38	38	Construction
RBM-PATI JV	75	75	Construction
IJMC-Ambang Usaha Joint Venture	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	20	Construction
IJMC - JAKS Joint Venture	60	60	Construction
Kiara Teratai - IJM Joint Venture	40	40	Construction

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

	The Group 2012 RM'000	2011 RM'000
Non-current assets	1,373,876	1,155,896
Current assets	589,852	700,866
Non-current liabilities	(1,303,700)	(1,121,259)
Current liabilities	(398,682)	(423,306)
Net assets	261,346	312,197

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

	The Group 2012 RM'000	2011 RM'000
Revenue	336,580	300,130
Expenses including taxation	(374,420)	(329,580)
Net losses for the financial year	(37,840)	(29,450)

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 2012 RM'000	The Group 2011 RM'000	The Company 2012 RM'000	The Company 2011 RM'000
Unquoted shares:				
- in Malaysia	36,375	36,375	6,500	6,500
- outside Malaysia	–	260	–	260
	36,375	36,635	6,500	6,760
Transferable club membership	234	234	–	–
	36,609	36,869	6,500	6,760
Allowance for impairment				
Unquoted shares:				
- in Malaysia	(34,325)	(34,325)	(4,450)	(4,450)
- outside Malaysia	–	(260)	–	(260)
Transferable club membership	(80)	(80)	–	–
	(34,405)	(34,665)	(4,450)	(4,710)
	2,204	2,204	2,050	2,050

Available-for-sale financial assets are denominated in Ringgit Malaysia.

35 LONG TERM RECEIVABLES

	Note	The Group 2012 RM'000	The Group 2011 RM'000
Lease receivables	(a)	22,667	23,163
Less: Amount receivable within 12 months (included in trade and other receivables - Note 40)		(706)	(496)
		21,961	22,667
Advances for land acquisition and plantation development expenditure	(b)	35,033	29,762
Government grant receivables	(c)	25,017	26,634
Less:			
- Amount receivables within 12 months (included in trade and other receivables - Note 40)		(11,015)	(12,528)
		14,002	14,106
Advances for plasma plantation project	(d)	12,317	–
Other receivables		1,901	3,656
		85,214	70,191

35 LONG TERM RECEIVABLES (cont'd)

(a) Lease receivables

	The Group 2012 RM'000	The Group 2011 RM'000
Lease receivables:		
- Receivable within 1 year	**2,785**	2,785
- Receivable between 1 and 5 years	**12,571**	11,991
- Receivable after 5 years	**17,706**	21,071
	33,062	35,847
Less: Unearned interest income	**(10,395)**	(12,684)
	22,667	23,163
Lease receivables:		
- Receivable within 1 year	**706**	496
- Receivable between 1 and 5 years	**6,342**	4,927
- Receivable after 5 years	**15,619**	17,740
	22,667	23,163

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.

(d) The Government of Republic of Indonesia requires companies involved in plantation development to provide support to local communities in oil palm plantation as part of their social obligation which is known as "Plasma" schemes.

In line with this requirement, the Group's subsidiaries are involved in several cooperative programs for the development and cultivation of oil palm land for local communities. The Group's subsidiaries supervise and manage the plasma schemes. Advances made by the Group's subsidiaries to the plasma schemes in the form of plantation development costs are recoverable upon the completion of the plasma development projects through the purchase of their fresh fruit bunch at price regulated by the authorities.

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% (2011: 7.5% and 10%) respectively.

36 INTANGIBLE ASSETS

	Goodwill on consolidation RM'000	Quarry development expenditure RM'000	Total RM'000
The Group			
2012			
Cost			
At 1 April 2011	1,014,620	25,909	1,040,529
Additions	–	4,039	4,039
At 31 March 2012	1,014,620	29,948	1,044,568
Accumulated amortisation			
At 1 April 2011	–	(18,333)	(18,333)
Current amortisation (Note 5(a))	–	(4,288)	(4,288)
At 31 March 2012	–	(22,621)	(22,621)
Accumulated impairment			
At 1 April 2011	(945,076)	–	(945,076)
Current impairment	(175)	–	(175)
At 31 March 2012	(945,251)	–	(945,251)
	69,369	7,327	76,696
2011			
Cost			
At 1 April 2010	1,014,620	20,381	1,035,001
Additions	–	5,528	5,528
At 31 March 2011	1,014,620	25,909	1,040,529
Accumulated amortisation			
At 1 April 2010	–	(15,121)	(15,121)
Current amortisation (Note 5(a))	–	(3,212)	(3,212)
At 31 March 2011	–	(18,333)	(18,333)
Accumulated impairment			
At 1 April 2010/At 31 March 2011	(945,076)	–	(945,076)
	69,544	7,576	77,120

During the financial year, current amortisation of quarry development expenditure of RM4,288,000 (2011: RM3,212,000) was included in cost of sales.

37 PROPERTY DEVELOPMENT

(a) Land held for property development

	The Group 2012 RM'000	The Group 2011 RM'000	The Company 2012 RM'000	The Company 2011 RM'000
Freehold land, at cost	514,746	491,212	281	281
Leasehold land, at cost	81,620	80,833	–	–
Leasehold land, at valuation	63,368	63,368	–	–
Development costs	74,367	66,261	–	–
Accumulated impairment	(28,569)	(28,294)	–	–
	705,532	673,380	281	281
At 1 April	673,380	702,138	281	281
Additions during the year	116,189	53,349	–	–
Transferred to property development costs (Note 37(b)):				
- Land cost	(72,682)	(42,218)	–	–
- Development costs	(1,093)	(25,081)	–	–
	(73,775)	(67,299)	–	–
Transferred to assets held for sale (Note 43)	–	(125)	–	–
Disposals during the year	(10,258)	(12,861)	–	–
Impairment during the year (Note 5(a))	(4)	(1,822)	–	–
At 31 March	705,532	673,380	281	281

During the financial year, finance costs of RM4,943,000 (Note 9) has been capitalised in land held for property development.

The carrying values of freehold land and leasehold land amounting to RM143,788,173 (2011: RM109,566,000) and RM2,638,375 (2011: RM2,771,000) respectively are pledged as security for Term Loans 4 and 6 of a subsidiary (Note 18).

As at 31 March 2012, land title to freehold land with the carrying value of RM49,943,843 (2011: RM49,943,843) is in the process of being transferred.

37 PROPERTY DEVELOPMENT (cont'd)

(b) Property development costs

	Note	The Group 2012 RM'000	The Group 2011 RM'000
At 1 April			
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
Less: Completed development properties:			
Freehold land – at cost		**(11,153)**	(72,911)
Leasehold land – at cost		**(62,010)**	(121,622)
Development costs		**(607,416)**	(728,439)
Accumulated costs charged to profit or loss		**600,774**	766,796
Completed units transferred to building stocks		**79,805**	156,176
		–	–
		1,614,772	1,513,061
Arising from the acquisition of a subsidiary:			
- Development costs	49(b)(i)	**–**	47,063
Costs incurred during the financial year:			
- Purchase of land		**93,235**	55,084
- Development costs		**777,955**	682,229
		871,190	737,313
Disposal of land		**(1,143)**	(917)
Transferred from land held for property development:	37(a)		
- Land cost		**72,682**	42,218
- Development costs		**1,093**	25,081
		73,775	67,299
Costs charged to profit or loss		**(735,413)**	(637,456)
Impairment during the year	5(a)	**–**	(10,739)
Completed units transferred to inventories		**(20,802)**	(81,252)
Exchange differences		**(48,271)**	(19,600)
At 31 March		**1,754,108**	1,614,772
At 31 March:			
Freehold land – at cost		**705,266**	560,403
Leasehold land – at cost		**285,000**	347,085
Development costs		**2,512,533**	2,403,939
Accumulated costs charged to profit or loss		**(1,699,328)**	(1,586,636)
Completed units transferred to building stocks		**(31,325)**	(91,981)
Accumulated impairment		**(18,038)**	(18,038)
		1,754,108	1,614,772

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 2012 RM'000	The Group 2011 RM'000
Employee benefits cost	6	432	458
Finance cost	9	43,844	20,505

The carrying values of freehold land and leasehold land amounting to RM155,764,972 (2011: RM126,210,000) and RM44,367,000 (2011: RM44,728,000) respectively are pledged as security for Term Loans 2, 3, 4 and 5 (2011: Term Loans 2, 3 and 4) of a subsidiary (Note 18).

The title deeds to the leasehold land of a subsidiary with net book values amounting to RM32,769,000 (2011: RM32,769,000) are currently being processed by the relevant authorities and have yet to be issued to the subsidiary.

As at 31 March 2012, land title to leasehold land with the carrying value of RM32,769,000 (2011: RM32,769,000) is in the process of being transferred.

38 PLANTATION DEVELOPMENT EXPENDITURE

	The Group 2012 RM'000	The Group 2011 RM'000
Cost		
At 1 April	423,946	305,525
Acquisition of subsidiaries (Note 49(b)(iii))	–	29,463
Additions during the year	97,628	90,194
Exchange difference	(4,613)	(1,236)
At 31 March	516,961	423,946
Valuation		
At 1 April / At 31 March	168,733	168,733
At 31 March	685,694	592,679

(a) Certain 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 (2011: RM64,116,744).

(b) Plantation development expenditure capitalised during the financial year include the following:

	Note	The Group 2012 RM'000	The Group 2011 RM'000
Depreciation of property, plant and equipment	27(d)	5,904	3,673
Amortisation of leasehold land	28	1,651	674
Finance cost	9	316	–
Employee benefits cost	6	19,295	8,678

39 INVENTORIES

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Cost				
Raw materials:				
- Construction materials	65,603	107,286	282	6,028
- Other raw materials	103,197	100,378	–	–
Finished goods:				
- Completed buildings	154,468	158,610	–	–
- Quarry and manufactured products	79,735	83,376	–	–
- Compost	386	252	–	–
- Palm kernel	2,297	3,110	–	–
Oil palm seeds	–	1,722	–	–
Oil palm nursery	15,497	20,319	–	–
Fertilisers and chemicals	1,478	647	–	–
Stores, spares & consumables	31,387	23,498	–	–
Work-in-progress	487	580	–	–
Goods in transit	3,531	–	–	–
	458,066	499,778	282	6,028
Net realisable value				
Finished goods:				
- Completed buildings	17,470	65,593	1,938	1,938
- Crude palm oil	20,930	17,111	–	–
- Consumables	1,666	496	–	–
- Palm kernel	563	830	–	–
- Crude palm kernel oil	405	263	–	–
	41,034	84,293	1,938	1,938
	499,100	584,071	2,220	7,966

40 TRADE AND OTHER RECEIVABLES

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Trade receivables	1,434,025	1,447,492	83,706	109,519
Trade and tender deposits	11,024	16,991	–	–
Trade advances	94,918	90,475	16,399	11,404
Other receivables	236,142	263,571	22,094	21,826
Amounts owing by subsidiaries	–	–	676,966	621,157
Amounts owing by associates	30,781	31,987	14,957	14,969
Deposits	42,956	30,912	298	108
	1,849,846	1,881,428	814,420	778,983
Less: Allowance for impairment of trade and other receivables	(269,379)	(283,406)	(65,197)	(72,111)
	1,580,467	1,598,022	749,223	706,872
Amounts due from customers on construction contracts (Note 47)	145,313	155,265	10,808	1,791
Accrued billings in respect of property development	140,892	94,080	–	–
Prepayments	17,191	26,740	4,189	3,885
	1,883,863	1,874,107	764,220	712,548

40 TRADE AND OTHER RECEIVABLES (cont'd)

Trade and other receivables include the current portion of the following items:

	The Group	
	2012 RM'000	2011 RM'000
Lease receivables (Note 35)	**706**	496
Government grant receivables (Note 35)	**11,015**	12,528

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

	The Group	
	2012 RM'000	2011 RM'000
United States Dollar	**342**	22,719
Singapore Dollar	**15,045**	1,798
	15,387	24,517

<u>Trade and other receivables that are neither past due nor impaired:</u>

Credit terms of trade receivables range from payment in advance to 120 days (2011: range from payment in advance to 120 days).

Trade and other receivables that are neither past due nor impaired 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.

<u>Trade and other receivables that are past due but not impaired:</u>

As at 31 March 2012, trade and other receivables of the Group and the Company of RM796,223,000 (2011:RM487,943,000) and RM18,503,000 (2011: 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		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Up to 6 months	**233,523**	169,437	**5,236**	6,754
More than 6 months	**562,700**	318,506	**13,267**	13,814
	796,223	487,943	**18,503**	20,568

Debts more than 6 months past due but not impaired of RM200 million was received from a construction contract customer of the Group subsequent to the financial year end.

40 TRADE AND OTHER RECEIVABLES (cont'd)

Trade and other receivables that are impaired:

As at 31 March 2012, trade and other receivables of the Group and the Company of RM269,379,000 (2011: RM283,406,000) and RM65,197,000 (2011: RM72,111,000) 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		The Company	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
At 1 April	283,406	82,123	72,111	59,178
Allowance for impairment of receivables on 1 April 2010 upon initial adoption of FRS 139	–	154,396	–	10,870
Allowance for impairment of receivables during the year (Note 5(a))	16,269	72,640	50	2,063
Write back of allowance for impairment of receivables (Note 5(b))	(15,729)	(15,926)	(682)	–
Bad debts written off	(8,112)	(4,042)	(4,882)	–
Bad debts recovered (Note 5(b))	(230)	(4,778)	(1,400)	–
Foreign currency exchange differences	(6,225)	(1,007)	–	–
	269,379	283,406	65,197	72,111

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 6.6% (2011: 5.0% to 8.8%) per annum and repayable on demand. The Company has carried out an assessment on the recoverability of these balances and management believes that the carrying amount is recoverable.

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	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Quoted securities in Malaysia				
- held for trading:				
Quoted shares	7,164	5,412	5,545	3,321
Quoted corporate bonds	11,278	11,378	11,278	11,378
Quoted unit trusts	566,183	195,940	112,437	153,383
	584,625	212,730	129,260	168,082

The fair value of all quoted securities is based on their quoted market prices in an active market.

42 DEPOSITS, CASH AND BANK BALANCES

	Note	The Group 2012 RM'000	The Group 2011 RM'000	The Company 2012 RM'000	The Company 2011 RM'000
Deposits with licensed banks	51	**1,036,902**	972,502	**9,500**	24,943
Cash and bank balances		**362,219**	303,766	**53,142**	122,230
Housing Development Accounts	(a)	**299,899**	230,329	**–**	–
	51	**662,118**	534,095	**53,142**	122,230
		1,699,020	1,506,597	**62,642**	147,173

(a) Cash and bank balances include balances amounting to RM299,899,000 (2011: RM230,329,000) 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 2012 RM'000	The Group 2011 RM'000
United States Dollar	**122,740**	121,120

The currency exposure profile of cash and bank balances and Housing Development Accounts is as follows:

	The Group 2012 RM'000	The Group 2011 RM'000	The Company 2012 RM'000	The Company 2011 RM'000
Hong Kong Dollar	**72**	93	**–**	–
United States Dollar	**14,734**	7,459	**33**	45
	14,806	7,552	**33**	45

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 2012 %	The Group 2011 %	The Company 2012 %	The Company 2011 %
Deposits with licensed banks	**3.49**	2.73	**2.85**	2.77
Cash at bank held under Housing Development Accounts	**1.78**	1.74	**–**	–

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 (2011: 1 and 365 days).

43 ASSETS HELD FOR SALE

	Note	The Group 2012 RM'000	The Group 2011 RM'000
Investment properties (Note 29)	(a)	–	5,116
Investment properties (Note 29)	(b)	–	457
Investment properties (Note 29)	(c)	18,333	–
Investment properties (Note 29)	(d)	19,573	–
Property, plant and equipment (Note 27)	(d)	9,469	–
Property, plant and equipment (Note 27)	(e)	1,633	–
Property, plant and equipment (Note 27)	(a)	–	27
Property, plant and equipment (Note 27)	(f)	1,427	1,427
Land held for property development (Note 37(a))	(g)	125	125
		50,560	7,152

(a) In the preceding financial year, the directors of IJM Properties Sdn Bhd ("IJM Prop"), 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 was completed during the financial year.

(b) In the preceding financial year, 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 was completed on 25 May 2011.

(c) On 21 October 2011, the directors of Worldwide Ventures Sdn Bhd, an indirect subsidiary of the Company, has entered into a sale and purchase agreement with INTI International College Penang Sdn Bhd to dispose of all that parcel of leasehold land held under PN6836 Lot 11517, Mukim 13, District of Timor Laut, Penang measuring approximately 8,140 square metres and all building erected thereon for a cash consideration of RM24,000,000. As at 31 March 2012, the disposal is subject to fulfilment of conditions precedent.

(d) On 22 September 2011, the directors of IJM Prop has entered into a sale and purchase agreement with Ewein Land Sdn Bhd to dispose of all that piece of freehold land and hereditaments known as Lot No. 777 held under Geran No. Hakmilik 77968, Seksyen 4, Bandar Jelutong, Daerah Timur Laut, Pulau Pinang measuring approximately 46,823 square feet together with a sixteen-storey office building and a seven-storey car park collectively known as Menara IJM Land for a total cash consideration of RM50,000,000. As at 31 March 2012, the disposal is subject to fulfilment of conditions precedent.

(e) On 3 October 2011, the directors of IJM Prop has entered into a Sale and Purchase agreement with Litland Corporation Sdn. Bhd. to dispose of office space located at Wisma Penang Garden for a cash consideration of RM1,767,000. As at 31 March 2012, the disposal is subject to fulfilment of conditions precedent.

(f) In the preceding financial year, 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 2012, the disposal is subject to fulfilment of conditions precedent.

(g) In the preceding financial year, 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 RM137,895. The disposal is subject to fulfilment of conditions precedent.

44 TRADE AND OTHER PAYABLES

	Note	The Group 2012 RM'000	The Group 2011 RM'000	The Company 2012 RM'000	The Company 2011 RM'000
Trade payables		941,712	888,775	4,000	3,528
Amounts owing to subsidiaries		–	–	790,446	832,839
Amounts owing to associates		628	2,642	541	2,189
Amounts owing to jointly controlled entities		29,947	30,327	–	–
Government support loan	19	4,965	4,965	–	–
Trade accruals		62,645	65,267	28,936	29,992
Land premium payable to State Government	24	3,000	3,000	–	–
Other payables and accruals		407,962	372,389	11,341	7,727
Dividend payable		483	293	483	293
Hire purchase and lease creditors	20	2,007	1,804	–	–
		1,453,349	1,369,462	835,747	876,568
Retirement benefits payable	25	976	883	–	–
Progress billings in respect of property development		102,407	155,860	–	–
Amounts due to customers on construction contracts	47	228,953	133,970	–	3,640
		1,785,685	1,660,175	835,747	880,208

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

	The Group 2012 RM'000	The Group 2011 RM'000	The Company 2012 RM'000	The Company 2011 RM'000
Singapore Dollar	–	98	–	10,563
United States Dollar	2,319	1,632	–	–
	2,319	1,730	–	10,563

The amounts owing to subsidiaries, associates and jointly controlled entities are unsecured, bear interest at rates ranging from 5.0% to 7.5% (2011: 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 (2011: range from payments in advance to 120 days).

45 BORROWINGS

	Note	The Group 2012 RM'000	The Group 2011 RM'000	The Company 2012 RM'000	The Company 2011 RM'000
Secured					
Bonds	16	52,455	47,097	–	–
Term loans	18	74,173	51,342	–	–
Revolving credits		32,000	32,000	–	–
Bank overdrafts	51	–	45,868	–	–
Bankers' acceptances		–	12,509	–	–
		158,628	188,816	–	–
Unsecured					
Commercial Papers and Medium Term Notes	17	–	41,848	–	–
Term loans	18	680,677	466,841	100,000	25,000
Bankers' acceptances		56,572	97,496	21,483	18,463
Revolving credits		87,777	175,782	–	110,139
Bank overdrafts	51	127,145	19,691	–	–
Letter of credit		5,083	–	–	–
		957,254	801,658	121,483	153,602
		1,115,882	990,474	121,483	153,602

The security of bonds and term loans are disclosed in notes 16 and 18 respectively.

As at the end of the preceding financial year, the secured bank overdrafts and bankers' acceptances were secured by fixed and floating charges over all the current assets of IJM (India) Infrastructure Limited ("IJMII"), a subsidiary of the Company.

As at balance sheet date, the revolving credits of the Group are 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 are disbursed against corporate guarantee from IJM Land Berhad, a subsidiary of the Company. The corporate guarantee will be released once the Lien-Holder's Caveat is formalised.

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

	The Group 2012 RM'000	The Group 2011 RM'000	The Company 2012 RM'000	The Company 2011 RM'000
United States Dollar	353,900	284,295	–	15,139

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					
	2012			2011		
	Bankers' acceptance %	Revolving credit %	Bank overdraft %	Bankers' acceptance %	Revolving credit %	Bank overdraft %
Ringgit Malaysia	3.43	4.70	8.74	3.23	3.26	7.19
Indian Rupee	–	12.08	11.63	10.18	10.20	10.75
United States Dollar	–	1.04	–	–	1.91	–

46 PROVISIONS

Provision for maintenance is in respect of the contractual obligations under the respective concession agreements to maintain and restore the Expressway Development Expenditure ("EDE") to a specified standard of serviceability.

	The Group	
	2012 RM'000	2011 RM'000
At 1 April		
- As previously reported	–	–
- Effect of adopting IC Interpretation 12 (Note 58)	23,938	9,605
- As restated	23,938	9,605
Current year provision	19,765	14,333
Utilised during the year	(4,136)	–
Exchange translation differences	(3,861)	–
At 31 March	35,706	23,938

Analysis of total provisions:

	The Group	
	2012 RM'000	2011 RM'000
Current	24,129	–
Non-current	11,577	23,938
	35,706	23,938

47 AMOUNTS DUE FROM / (TO) CUSTOMERS ON CONSTRUCTION CONTRACTS

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Aggregate costs incurred to-date	9,464,272	7,900,762	712,027	790,730
Attributable profits less recognised losses	592,500	557,919	(27,777)	(5,855)
	10,056,772	8,458,681	684,250	784,875
Less: Progress billings on contracts	(10,140,412)	(8,437,386)	(673,442)	(786,724)
	(83,640)	21,295	10,808	(1,849)
Amounts due from customers on construction contracts (included in trade and other receivables - Note 40)	145,313	155,265	10,808	1,791
Amounts due to customers on construction contracts (included in trade and other payables - Note 44)	(228,953)	(133,970)	–	(3,640)
	(83,640)	21,295	10,808	(1,849)
Advances received on contracts (included in trade payables)	166,896	167,001	–	–
Retention sums on contracts (included in trade receivables)	153,925	139,055	7,550	9,241

47 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:

	Note	The Group 2012 RM'000	The Group 2011 RM'000	The Company 2012 RM'000	The Company 2011 RM'000
Employee benefits cost	6	**69,931**	66,658	**–**	–
Finance cost	9	**492**	644	**–**	–
Depreciation of property, plant and equipment	27(d)	**12,506**	17,402	**627**	678

As at 31 March 2011, amounts due from customers on construction contracts amounting to RM109,116,000 were pledged as security for bankers' acceptances and bank overdrafts (Note 45) of certain subsidiaries.

As at 31 March 2011, amounts due from customers on construction contracts amounting to RM36,360,000 was secured in the form of an irrevocable power of attorney on the land and construction work held by a stakeholder.

48 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
2012				
At 1 April 2011	**56,026**	**13,132**	**386**	**69,544**
Impairment during the year	**–**	**–**	**(175)**	**(175)**
At 31 March 2012	**56,026**	**13,132**	**211**	**69,369**
2011				
At 1 April 2010 / At 31 March 2011	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 2012 %	Growth rate 2011 %	Discount rate 2012 %	Discount rate 2011 %
Manufacturing and Quarrying	Financial budgets approved by management based on past performance and expectations of market development	**5**	5	**7.4**	6.1
Construction	Discounted cash flows of the construction order book	**N/A**	N/A	**10.0**	10.0

N/A denotes not applicable.

The discount rates used are pre-tax and reflect the specific risks relating to the respective CGUs.

49 ACQUISITION OF SUBSIDIARIES

(a) The Company has on 8 April 2011 acquired 229,885,057 new ordinary shares of RM1 each in IJM Land Berhad ("IJML") pursuant to the conversion of RM400 million nominal value of 10-year 3% coupon redeemable convertible unsecured loan stocks in IJML at a conversion price of RM1.74. With the conversion, the Company's shareholding in IJML has increased from 61.56% to 68.09%.

The additional interest in IJML has been accounted for as transactions with non-controlling interests. The difference between the consideration paid and the relevant share of the carrying value of net assets of IJML amounting to RM24,248,000 is deducted from equity.

(b) In the preceding financial year, the Group acquired the following subsidiaries:

(i) IJM Land Berhad ("IJML"), a subsidiary of the Company, had 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 were 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 non-controlling interests			(7,503)
Identifiable net assets acquired			17,506
Goodwill			494
Purchase consideration			18,000

The goodwill on acquisition of RM494,000 had been fully impaired as of 31 March 2011.

49 ACQUISITION OF SUBSIDIARIES (cont'd)

(b) In the preceding financial year, the Group acquired the following subsidiaries: (cont'd)

(i) Details of cash flow arising from the acquisition were 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.

(ii) On 1 December 2010, IJM Plantations Berhad ("IJMPB"), a subsidiary of the Company had 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 became a wholly-owned subsidiary of IJMPB.

Details of net assets acquired were 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 had been fully impaired as of 31 March 2011.

Details of cash flows arising from the acquisition were 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.

49 ACQUISITION OF SUBSIDIARIES (cont'd)

(b) In the preceding 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 were consolidated as subsidiaries of IJMP.

Details of net assets acquired were 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 non-controlling interests			(716)
Identifiable net assets acquired			9,966
Goodwill			–
Purchase consideration			9,966

Details of cash flows arising from the acquisition were 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 was 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 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 DISPOSAL OF INTEREST IN SUBSIDIARIES

(a) In the preceding 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 ceased to be a subsidiary of IJMLB.

Details of the disposal were 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 ceased to be a subsidiary of IJM Investments J.A. Limited.

Details of the disposal were 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
Non-controlling interest	(2,474)
Transfer from foreign exchange reserve	1,398
	3,710
Net disposal proceeds	(3,000)
Loss on disposal to the Group	710

50 DISPOSAL OF INTEREST IN SUBSIDIARIES (cont'd)

(a) In the preceding financial year, the Group disposed the following subsidiaries: (cont'd)

(ii) The net cash flows on disposal was determined as follows:

	Group 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 ceased to be a subsidiary of the Company.

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.

51 CASH AND CASH EQUIVALENTS

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

		The Group		The Company	
	Note	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Deposits with licensed banks	42	1,036,902	972,502	9,500	24,943
Cash and bank balances	42	662,118	534,095	53,142	122,230
Bank overdrafts	45				
- Secured		–	(45,868)	–	–
- Unsecured		(127,145)	(19,691)	–	–
		(127,145)	(65,559)	–	–
		1,571,875	1,441,038	62,642	147,173
Less:					
Restricted deposits with licensed banks	(a)	(123,040)	(121,420)	–	–
		1,448,835	1,319,618	62,642	147,173

(a) The restricted deposits with licensed banks are the deposits of IJM Investments (L) Ltd, a subsidiary of the Company 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.

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 2012					
(i) Bonds	16	1,096,121	1,125,801	–	–
(ii) Commercial papers and Medium term notes	17	750,000	768,915	750,000	768,915
(iii) Term loans	18	1,351,763	1,338,958	175,000	175,000
(iv) Government support loans	19	208,111	233,444	–	–
(v) Advances from the State Government	24(a)	33,180	(aa)	–	–
(vi) Land premium payable to State Government	24(b)	6,100	5,219	–	–
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 29 July 2011 for Recurrent Related Party Transactions with the following related parties:

(i) Minconsult Sdn Bhd ("MSB")

(ii) IJM Plantations Berhad ("IJMP") and its subsidiaries ("IJMP Group")

(iii) IJM Land Berhad and its subsidiaries ("IJM Land Group")

(iv) Kumpulan Europlus Berhad and its subsidiaries ("KEB Group") and Trinity Corporation Berhad (formerly known as Talam Corporation Berhad) and its subsidiaries ("Trinity Group")

(v) Guangzhou Port Construction Corp. ("CHEC")*

(vi) 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.

	2012 RM'000	2011 RM'000
(aa) Associates		
(i) Sales/progress billings in respect of construction contract:		
- Swarna Tollway Pte Ltd	781	3,937
(ii) Purchase of fertilisers and chemicals:		
- Loongsyn Sdn Bhd*	–	16,570

* As at 31 March 2011, the Company was disposed.

	2012 RM'000	2011 RM'000
(ab) Jointly controlled entities		
(i) Progress billings in respect of construction contracts to/(by):		
- IJM Construction-Perkasa Sutera Joint Venture	–	(2,904)
- Lebuhraya Kajang Seremban Sdn Bhd	–	9,650
- Vijayawada Tollway Pte Limited	187,492	99,398
- Trichy Tollway Pte Limited	–	1,507
- Sierra Ukay Sdn Bhd	1,603	5,955
- Valencia Terrace Sdn Bhd	16,305	16,984
- ISZL Consortium	18,896	2,998
- IJMC-Ambang Usaha Joint Venture	1,889	7,232
- Hafeera-IJM Joint Venture	149	12,655
- IJM-Norwest Joint Venture	39,267	109,927
- IJM-LFE Joint Venture	1,285	17,973
- Shimizu-Nishimatsu-UEMB-IJM Joint Venture	63,885	61,092
- Kiara Teratai-IJM Joint Venture	94,113	16,610
- IJMC-JAKS Joint Venture	43,705	6,365
(ii) Sale of concrete piles and other construction materials to:		
- IJM-Norwest Joint Venture	8,530	19,568
(iii) Purchase of plant and machinery from:		
- IJM Biofuel Sdn Bhd*	–	11,700
(iv) Project management and sales and marketing fees charged to:		
- Elegan Pesona Sdn Bhd	20	2,217
(v) Interests charged to:		
- IJM Properties-JA Manan Development Joint Venture	1,537	2,001
- Radiant Pillar Sdn Bhd	11,404	6,045
- Valencia Terrace Sdn Bhd	8,123	5,050
- Good Debut Sdn Bhd	2,681	1,326
- Cekap Tropikal Sdn Bhd	4,777	3,296
- Sierra Ukay Sdn Bhd	7,263	4,841
- Larut Leisure Enterprise (Hong Kong) Limited	4,953	4,185
- Lebuhraya Kajang Seremban Sdn Bhd	16,835	16,800
(vi) Net (advances to)/repayment from:		
- IJM Properties-JA Manan Development Joint Venture	5,290	8,780
- Radiant Pillar Sdn Bhd	(63,593)	(50,448)
- Sierra Ukay Sdn Bhd	(1,943)	(23,164)
- Elegan Pesona Sdn Bhd	(5,016)	1,143
- Good Debut Sdn Bhd	(9,219)	(8,539)
- Valencia Terrace Sdn Bhd	(31,822)	(23,266)
- Cekap Tropikal Sdn Bhd	(4,981)	(886)
- Vijayawada Tollway Pte Ltd	(119)	(2,887)

* As at 31 March 2011, IJM Biofuel Sdn Bhd became a wholly-owned subsidiary of IJM Plantations Berhad, which in turn is a subsidiary of the company.

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.

	2012 RM'000	2011 RM'000
(aa) Subsidiaries		
(i) Interest charged to:		
- IJM Construction Sdn Bhd	**8,419**	9,157
- IJM Properties Sdn Bhd	**31,081**	26,220
- Jelutong Development Sdn Bhd	**4,313**	6,594
- Suria Bistari Development Sdn Bhd	**3,179**	3,299
- IJM Land Berhad	**230**	2,625
(ii) (Advances to)/repayment from:		
- IJM Investments (M) Limited	**(174,117)**	(12,752)
- IJM Construction Sdn Bhd	**106,770**	(45,736)
- IJM Properties Sdn Bhd	**(17,184)**	(133,439)
- Road Builder (M) Sdn Bhd	**27,134**	(13,842)
- IJM Land Berhad	**4,200**	53,199
- Styrobilt Sdn Bhd	**–**	129,811
- Suria Bistari Development Sdn Bhd	**(1,492)**	13,475
- Jelutong Development Sdn Bhd	**(3,328)**	95,806
- New Pantai Expressway Sdn Bhd	**(24)**	15,501
- IJMII (M) Limited	**19,605**	34,914
- Commerce House Sdn Bhd	**(4,553)**	(19,459)
- Liberty Heritage (M) Sdn Bhd	**(2,376)**	(2,392)
- Worldwide Ventures Sdn Bhd	**7,248**	8,594
- RB Development Sdn Bhd	**(1,239)**	(984)
- IJM Investments (L) Ltd	**(35,662)**	–
(iii) (Repayments to)/advances from:		
- Road Builder (M) Holdings Bhd	**(1,208)**	(3,548)
- Nilai Cipta Sdn Bhd	**302**	(6,789)
- IJM Investments (L) Ltd	**(52,571)**	(38,153)
(ab) Jointly controlled entities		
(i) Interest charged to:		
- Lebuhraya Kajang Seremban Sdn Bhd	**16,835**	16,800

(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	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Wages, salaries and bonus	**12,141**	12,216	**5,767**	6,500
Defined contribution retirement plan	**1,991**	2,086	**1,016**	1,174
Other employee benefits	**405**	8,957	**122**	8,562
	14,537	23,259	**6,905**	16,236

53 SIGNIFICANT RELATED PARTY DISCLOSURES (cont'd)

The Company (cont'd)

(b) Key management compensation during the financial year: (cont'd)

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 1.4.2011 '000	Disposed '000	Exercised '000	Balance at 31.3.2012 '000
11 September 2013	1.35	3,075	30	–	**3,045**

(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 Group 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	
	2012 RM'000	2011 RM'000
Progress billings during the financial year:		
- Directors and key management personnel of the Company	**712**	1,094
- Close family members of Directors and key management personnel of the Company	**5,933**	4,063
(Advance payment)/amount outstanding arising from progress billings as at end of financial year from:		
- Directors and key management personnel of the Company	**128**	3
- Close family members of Directors and key management personnel of the Company	**102**	8

(d) The amounts that remained outstanding at the reporting date in respect of the transactions with related parties are shown in Notes 31, 33, 40 and 44.

54 COMMITMENTS

(a) Capital commitments

	The Group	
	2012 RM'000	2011 RM'000
Approved and contracted for	834,751	911,104
Approved but not contracted for	496,564	447,168
	1,331,315	1,358,272
Analysed as follows:		
Purchases of property, plant and equipment, leasehold land and plantation development expenditure	656,475	565,609
Purchases of development land	98,553	59,376
Concession assets	333,255	508,810
Equity investment	45,900	–
Share of capital commitments of jointly controlled entities	197,132	224,477
	1,331,315	1,358,272

(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	
	2012 RM'000	2011 RM'000
Future minimum lease payments:		
- payable within 1 year	3,512	3,426
- payable between 1 and 2 years	3,768	3,512
- payable between 2 and 3 years	3,768	3,768
- payable between 3 and 4 years	3,863	3,768
- payable between 4 and 5 years	4,146	3,863
- payable after 5 years	52,535	56,681
	71,592	75,018

55 CONTINGENT LIABILITIES (UNSECURED)

	The Group		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Performance guarantees in respect of the contract performance of concession agreements	8,937	18,340	9,982	16,819
Stamp duty matters under appeal	1,958	2,227	–	–
Sales and service tax matters under appeal	4,726	8,649	762	1,548
	15,621	29,216	10,744	18,367

56 SIGNIFICANT EVENT SUBSEQUENT TO THE BALANCE SHEET DATE

There is no significant event subsequent to the balance sheet date.

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2012

SUBSIDIARIES

Name	Country of incorporation	Effective equity interest 2012 %	2011 %	Principal activities
Held by the Company				
GR Commerce Sdn Bhd	Malaysia	–	100	Liquidated
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 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	Dormant
Kamad Quarry Sdn Bhd	Malaysia	100	100	Dormant
Kemena Industries Sdn Bhd *	Malaysia	55	55	Manufacture of ready-mixed concrete and reinforced concrete products
Nilai Cipta Sdn Bhd *	Malaysia	70	70	Dormant
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	66.4	61.6	Investment holding
IJM Plantations Berhad	Malaysia	55	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

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2012 (cont'd)

SUBSIDIARIES (cont'd)

Name	Country of incorporation	Effective equity interest 2012 %	2011 %	Principal activities
Held by RB Manufacturing Sdn Bhd				
Kuching Riverine Resort Management Sdn Bhd	Malaysia	100	100	Property management
RB Resorts Sdn Bhd	Malaysia	100	100	Under member's voluntary liquidation
Held by RB Resorts Sdn Bhd				
Don Sahong Project Management Sdn Bhd	Malaysia	–	100	Liquidated
Held by Industrial Concrete Products Sdn Bhd				
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	Investment holding
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
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

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2012 (cont'd)

SUBSIDIARIES (cont'd)

Name	Country of incorporation	Effective equity interest 2012 %	2011 %	Principal activities
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	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
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
Held by IJM Concrete Private Limited				
IJM Concrete Pakistan *	Pakistan	**60**	60	Production and supply of ready-mixed concrete
IJM Concrete Pakistan Private Limited *	Pakistan	**60**	60	Dormant
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**	100	Civil and building construction

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2012 (cont'd)

SUBSIDIARIES (cont'd)

Name	Country of incorporation	Effective equity interest 2012 %	2011 %	Principal activities
Held by IJM Construction Sdn Bhd (cont'd)				
Ground Envirotech (M) Sdn Bhd	Malaysia	–	100	Liquidated
IJM Construction International Limited Liability Company *	United Arab Emirates	–	100	Liquidated
RB Construction Sdn Bhd	Malaysia	–	100	Liquidated
Road Builder (M) Sdn Bhd	Malaysia	100	100	Civil and building construction
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	100	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	Liquidated
Kuari Sungai Batu Sdn Bhd	Malaysia	–	100	Liquidated
Bukit Bendera Enterprise Berhad	Malaysia	–	100	Liquidated
NCB-RBM JV *	Malaysia	100	100	Construction
RBM-HASRAT Sedaya JV *	Malaysia	100	100	Construction
Contrail Road Builder Consortium *	Malaysia	100	100	Construction

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2012 (cont'd)

SUBSIDIARIES (cont'd)

Name	Country of incorporation	Effective equity interest 2012 %	Effective equity interest 2011 %	Principal activities
Held by Road Builder (Mauritius) Limited				
Road Builder (India) Private Limited *	India	100	100	In the process of striking off from Register of Companies
RBM Construction (India) Private Limited *	India	100	100	In the process of striking off from Register of Companies
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

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2012 (cont'd)

SUBSIDIARIES (cont'd)

Name	Country of incorporation	Effective equity interest 2012 %	2011 %	Principal activities
Held by IJM (India) Infrastructure Limited (cont'd)				
IJM (India) Geotechniques Private Limited *	India	100	100	Soil investigation & testing, foundation laying & treatment & piling
IJM Lingamaneni Township Private Limited*	India	98	99.8	Property development
Held by IJM Rajasthan (Mauritius) Limited				
Jaipur-Mahua Tollway Private Limited #	India	100	100	Highway development
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	Liquidated
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	Liquidated
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	Liquidated
Gapas Mewah Sdn. Bhd.	Malaysia	–	55	Liquidated
Golden Grip Sdn. Bhd.	Malaysia	–	55	Liquidated
Kulim Mewah Sdn. Bhd.	Malaysia	–	55	Liquidated
Laserline Sdn. Bhd.	Malaysia	–	55	Liquidated
Macmillion Group Sdn. Bhd.	Malaysia	–	55	Liquidated
Rantajasa Sdn. Bhd.	Malaysia	–	55	Liquidated
Sri Kilau Sdn. Bhd.	Malaysia	–	55	Liquidated
Isu Mutiara Sdn. Bhd.	Malaysia	–	55	Liquidated
Akrab Perkasa Sdn. Bhd.	Malaysia	55	55	Palm oil milling

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2012 (cont'd)

SUBSIDIARIES (cont'd)

Name	Country of incorporation	Effective equity interest 2012 %	2011 %	Principal activities
Held by IJM Plantations Berhad (cont'd)				
Desa Talisai Palm Oil Mill Sdn. Bhd.	Malaysia	55	55	Palm oil milling
IJMP Investments (M) Limited *	Republic of Mauritius	55	55	Investment holding
IJM Biofuel Sdn Bhd	Malaysia	55	55	Manufacture and sale of biodiesel
Held by Desa Talisai Sdn. Bhd				
Cahaya Adil Sdn. Bhd.	Malaysia	–	55	Liquidated
Firdana Corporation Sdn. Bhd.	Malaysia	–	55	Liquidated
Gerbang Selasih Sdn. Bhd.	Malaysia	–	55	Liquidated
Sihat Maju Sdn. Bhd.	Malaysia	–	55	Liquidated
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	52	Cultivation of oil palm
PT Indonesia Plantation Synergy *	Indonesia	50	50	Cultivation of oil palm and processing
Held by IJMP Investments (M) Limited				
IJM Plantations (Mauritius) Limited *	Republic of Mauritius	55	55	Under member's voluntary liquidation
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
HMS Resource Sdn Bhd	Malaysia	100	100	Investment holding

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2012 (cont'd)

SUBSIDIARIES (cont'd)

Name	Country of incorporation	Effective equity interest 2012 %	2011 %	Principal activities
Held by Road Builder (M) Holdings Bhd (cont'd)				
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 Consortium Sdn Bhd				
KP Port Services Sdn Bhd	Malaysia	100	100	Port supporting services
Held by KP Port Services Sdn Bhd				
KPN Services Sdn Bhd	Malaysia	100	100	Providing nitrogen purging and pigging services
Held by IJM Land Berhad				
ERMS Berhad	Malaysia	66.4	61.6	Hotel operations
RB Land Sdn Bhd	Malaysia	66.4	61.6	Property development and construction activities
Econstates Management Services Sdn Bhd	Malaysia	66.4	61.6	Dormant
Emko Properties Sdn Bhd	Malaysia	66.4	61.6	Property development
IJM Properties Sdn Bhd	Malaysia	66.4	61.6	Property development and investment holding
RB Development Sdn Bhd	Malaysia	66.4	61.6	Property development
Sova Holdings Sdn Bhd	Malaysia	46.5	43	Property development

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2012 (cont'd)

SUBSIDIARIES (cont'd)

Name	Country of incorporation	Effective equity interest 2012 %	2011 %	Principal activities
Held by ERMS Berhad				
Holiday Villa Management Sdn Bhd	Malaysia	66.4	61.6	Hotel operations
Held by Emko Properties Sdn Bhd				
Emko Management Services Sdn Bhd	Malaysia	66.4	61.6	Property management
Held by RB Land Sdn Bhd				
Shah Alam 2 Sdn Bhd	Malaysia	66.4	61.6	Property development
Seremban Two Property Management Sdn Bhd	Malaysia	66.4	61.6	Property management
Seremban Two Landscape Sdn Bhd	Malaysia	–	49	Liquidated
Seremban Two Driving Range Sdn Bhd	Malaysia	49.8	46	Under members' voluntary liquidation
Seremban Two Holdings Sdn Bhd	Malaysia	66.4	61.6	Property development
Seremban Two Properties Sdn Bhd	Malaysia	66.4	61.6	Property development
RB Property Management Sdn Bhd	Malaysia	66.4	61.6	Property development
Ikatan Flora Sdn Bhd	Malaysia	66.4	61.6	Property development
Casa Warna Sdn Bhd	Malaysia	66.4	61.6	Property management
Serenity Ace Sdn Bhd	Malaysia	–	61.6	Liquidated
Aras Varia Sdn Bhd	Malaysia	66.4	61.6	Property development
Dian Warna Sdn Bhd	Malaysia	66.4	61.6	Property development
Titian Tegas Sdn Bhd	Malaysia	66.4	61.6	Property development
Murni Lapisan Sdn Bhd	Malaysia	66.4	61.6	Dormant
Tarikan Abadi Sdn Bhd	Malaysia	66.4	61.6	Property development
Unggul Senja Sdn Bhd	Malaysia	66.4	61.6	Property development

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2012 (cont'd)

SUBSIDIARIES (cont'd)

Name	Country of incorporation	Effective equity interest 2012 %	Effective equity interest 2011 %	Principal activities
Held by IJM Properties Sdn Bhd				
Aqua Aspect Sdn Bhd	Malaysia	53	49	Property development
Chen Yu Land Sdn Bhd	Malaysia	66.4	61.6	Property development
IJM Management Services Sdn Bhd	Malaysia	66.4	61.6	Providing project and construction management services and sales and marketing services
Jalinan Masyhur Sdn Bhd	Malaysia	34	31	Property development
Jelutong Development Sdn Bhd	Malaysia	53	49	Property development
Liberty Heritage (M) Sdn Bhd	Malaysia	66.4	61.6	Property management and car parking services
Maxharta Sdn Bhd	Malaysia	66.4	61.6	Property development, civil and building construction
NS Central Market Sdn Bhd	Malaysia	46.5	43	Property development
Sinaran Intisari (M) Sdn Bhd	Malaysia	34	31	Property development
Suria Bistari Development Sdn Bhd	Malaysia	34	31	Property development
Wedec Sdn Bhd	Malaysia	66.4	61.6	Under member's voluntary liquidation
Manda'rina (M) Sdn Bhd	Malaysia	66.4	61.6	Property development
IJMP-MK Joint Venture	Malaysia	46.5	43	Property development
Worldwide Ventures Sdn Bhd	Malaysia	57	53	Property development and investment holding
Glamour Development (MM2H) Sdn Bhd	Malaysia	–	61.6	Liquidated
Cypress Potential Sdn Bhd	Malaysia	46.5	43	Property development
Held by Worldwide Ventures Sdn Bhd				
Island Golf View Sdn Bhd	Malaysia	57	53	Property development
Sheffield Enterprise Sdn Bhd	Malaysia	40	37	Dormant

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2012 (cont'd)

ASSOCIATES

Name	Country of incorporation	Effective equity interest 2012 %	2011 %	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
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	Liquidated
Malaysian Construction Ventures (Overseas) Sdn Bhd *	Malaysia	20	20	Dormant
THB-IJM Joint Venture Sdn Bhd	Malaysia	–	49	Liquidated
CSC Ground Engineering Sdn Bhd *	Malaysia	30	30	Civil and building contractor

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2012 (cont'd)

ASSOCIATES (cont'd)

Name	Country of incorporation	Effective equity interest 2012 %	2011 %	Principal activities
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 Investments (L) Ltd				
Earning Edge Sdn Bhd @@	Malaysia	22	–	Property development
Held by IJM Overseas Ventures Sdn Bhd				
Earning Edge Sdn Bhd @@	Malaysia	–	22	Property development
Held by IJM Properties Sdn Bhd				
Ever Mark (M) Sdn Bhd	Malaysia	33	31	Property development
MASSCORP-Vietnam Sdn Bhd #	Malaysia	13	12	Investment holding
Held by Worldwide Ventures Sdn Bhd				
PIETC Holdings Sdn Bhd	Malaysia	28	26	Under members' voluntary liquidation
Held by Malaysian Rock Products Sdn Bhd				
DML-MRP Resources (M) Sdn Bhd	Malaysia	50	50	Dormant

57 LIST OF SUBSIDIARIES AND ASSOCIATES AS AT 31 MARCH 2012 (cont'd)

ASSOCIATES (cont'd)

Name	Country of incorporation	Effective equity interest 2012 %	2011 %	Principal activities
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
West Coast Expressway Sdn Bhd **	Malaysia	20	–	Toll road operation
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

@@ During the financial year, the entire equity interest was being transferred from IJM Overseas Ventures Sdn Bhd to IJM Investments (L) Ltd.

** Road Builder (M) Holdings Bhd, a wholly-owned subsidiary of the Company had on 13 March 2012 entered into a Share Sale and Purchase Agreement to acquire 5,809,809 ordinary shares of RM1.00 each in West Coast Expressway Sdn Bhd ("WCE"), representing 20% of the equity interest in WCE from Prominent Xtreme Sdn Bhd for a total cash consideration of RM6,753,903.

58 CHANGES IN ACCOUNTING POLICIES

The following describes the impact of revised FRS 3 “Business combinations”, revised FRS 127 “Consolidated and separate financial statements”, Amendment to FRS 7 “Financial instruments: Disclosures – improving disclosures about financial instruments” and IC Interpretation 12 “Service Concession Arrangements” (“IC 12”) on the accounting policies and the financial statements of the Group.

(a) Revised FRS 3 “Business combinations”

The Group has changed its accounting policy on business combinations when it adopted the revised FRS 3 “Business combinations”.

Previously, contingent consideration in a business combination was recognised when it is probable that payment will be made. Acquisition-related costs were included as part of the cost of business combination. With the adoption of the revised FRS 3 “Business combinations”, the cost of acquisition includes the fair values of any asset or liability resulting from a contingent consideration arrangement.

Acquisition-related costs were previously included as part of the cost of business combination. With the adoption of the revised FRS 3 “Business combinations”, the costs directly attributable to the acquisition are expensed as incurred.

The Group has applied the new policy prospectively to transactions occurring on or after 1 April 2011. As a consequence, no adjustments were necessary to any of the amounts previously recognised in the financial statements.

(b) FRS 127 “Consolidated and separate financial statements”

The Group has changed its accounting policy on non-controlling interests when it adopted the revised FRS 127 “Consolidated and separate financial statements”.

Previously, the Group had stopped attributing losses to the non-controlling interests where the losses exceeded the carrying amount of the non-controlling interests. With the adoption of the revised FRS 127 “Consolidated and separate financial statements”, all earnings and losses of the subsidiary are attributed to the owners of the company and non-controlling interests, even if the attribution of losses to the non-controlling interests results in a debit balance in the shareholders’ equity.

The Group has applied this policy prospectively. On the date of adoption of the new policy, no adjustments have been made to the non-controlling interests previously recognised in the financial statements.

(c) Amendment to FRS 7 “Financial instruments: Disclosures – improving disclosures about financial instruments”

The amendment to FRS 7 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.

Except for additional disclosure in the notes to the financial statements, the adoption of the amendment to FRS 7 has no significant impact on the financial statements of the Group and of the Company in the current financial year.

58 CHANGES IN ACCOUNTING POLICIES (cont'd)

(d) IC Interpretation 12 "Service Concession Arrangements"

IC 12 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 12 requires that the contractual obligations to maintain the infrastructure to a specified standard or to restore the infrastructure when it has deteriorated below a specified condition be recognised and measured in accordance with FRS 137 "Provisions, Contingent Liabilities and Contingent Assets".

The changes in the Group's accounting policies upon the adoption of IC 12 are described as follows:

(i) Classification and measurement of concession assets

Prior to the adoption of IC 12, Expressway Development Expenditure ("EDE") is classified as concession assets and is measured at cost less accumulated amortisation and accumulated impairment; port infrastructure which consists of liquid chemical berths and inner harbour basin were classified as property, plant and equipment and depreciated over their estimated useful lives and concession period, whichever shorter.

Upon the adoption of IC 12, there is no change in the classification of EDE whereas port infrastructure are now classified as concession assets and are stated at cost less accumulated amortisation and accumulated impairment.

(ii) Heavy repairs

Prior to the adoption of IC 12, the Group's heavy repairs were capitalised as part of concession assets and amortised on a straight line basis over the anticipated economic life of seven years, commencing from the date the expenditure are incurred.

Upon the adoption of IC 12, the carrying values of these heavy repairs were written off to retained earnings. In addition, provision for heavy repairs, being the contractual obligations to maintain and restore the infrastructure to a specified standard of serviceability, is recognised and measured at the present value of estimated expenditures expected to be required to settle the present obligation at the reporting date.

The effect of adoption of IC 12 on the financial statements of the Group is disclosed in Note 58 (e).

58 CHANGES IN ACCOUNTING POLICIES (cont'd)

(e) (i) Impact on the Group's balance sheet:

	As previously reported RM'000	Change in accounting policy IC 12 RM'000	As restated RM'000
Balances as at 31 March 2010			
Capital and reserves attributable to owners of the Company:			
Retained profits	1,972,221	(33,209)	1,939,012
Non-current liabilities:			
Provisions	–	(9,605)	(9,605)
Non-current assets:			
Property, plant and equipment	1,400,529	(242,129)	1,158,400
Concession assets	1,948,606	234,625	2,183,231
Associates	442,120	(14,766)	427,354
Jointly controlled entities	1,064,518	(1,334)	1,063,184
Balances as at 31 March 2011			
Capital and reserves attributable to owners of the Company:			
Retained profits	1,834,413	(50,045)	1,784,368
Non-current liabilities:			
Provisions	–	(23,938)	(23,938)
Non-current assets:			
Property, plant and equipment	1,445,173	(239,350)	1,205,823
Concession assets	1,981,040	232,567	2,213,607
Associates	487,304	(14,766)	472,538
Jointly controlled entities	1,024,368	(4,558)	1,019,810

	Increase/(decrease) to balances as at 31 March 2012 RM'000
Capital and reserves attributable to owners of the Company:	
Retained profits	(77,494)
Exchange translation reserve	3,861
Non-current liabilities:	
Provisions	11,577
Non-current assets:	
Property, plant and equipment	(282,394)
Concession assets	275,611
Associates	(18,191)
Jointly controlled entities	(8,817)
Current liabilities:	
Provisions	28,265

58 CHANGES IN ACCOUNTING POLICIES (cont'd)

(e) (ii) Impact on the Group's statement of comprehensive income:

	For the financial year ended 31 March 2011			
	As previously reported RM'000	Change in accounting policy IC 12 RM'000	Re-classification of expenses RM'000	As restated RM'000
Cost of sales	(2,694,040)	(12,364)	(23,299)	(2,729,703)
Other operating expenses	(165,398)	–	23,299	(142,099)
Finance cost	(193,738)	(1,248)	–	(194,986)
Share of losses of jointly controlled entities	(26,226)	(3,224)	–	(29,450)
Basic earnings per share (sen)	23.88	(1.25)	–	22.63
Diluted earnings per share (sen)	23.26	(1.22)	–	22.04

	Increase/(decrease) for the financial year ended 31 March 2012 RM'000
Cost of sales	**16,956**
Finance cost	**2,809**
Share of profits of associates	**(3,425)**
Share of losses of jointly controlled entities	**4,259**
Basic earnings per share (sen)	**(2.00)**
Diluted earnings per share (sen)	**(1.96)**

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		The Company	
	2012 RM'000	2011 RM'000	2012 RM'000	2011 RM'000
Total retained profits:				
- Realised	3,975,614	3,606,997	686,801	735,697
- Unrealised	(120,384)	(105,378)	19,595	9,178
	3,855,230	3,501,619	706,396	744,875
Total share of retained profits / (accumulated losses) of the associates:				
- Realised	186,091	156,552	–	–
- Unrealised	(12,749)	(6,683)	–	–
Total share of retained profits / (accumulated losses) of the jointly controlled entities				
- Realised	(111,782)	(68,861)	–	–
- Unrealised	2,720	51	–	–
	3,919,510	3,582,678	706,396	744,875
Add/Less: Consolidation adjustments	(1,867,709)	(1,798,310)	–	–
Total retained profits	2,051,801	1,784,368	706,396	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 144 to 285 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 29 May 2012.

CYRUS ERUCH DARUWALLA

Before me:

Commissioner for Oaths
Petaling Jaya

Report of the Auditors to the Members

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 144 to 284 which comprise the balance sheets as at 31 March 2012 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 2012 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 of the Auditors to the Members (cont'd)

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 285 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
29 May 2012

List of Top 10 Properties

as at 31 March 2012

No	Location	Description	Area Hectares	Tenure	Existing Use	Date of Revaluation (R)/ Acquisition (A)	Approx. Age of Building	Net Book Value (RM'000)
1	Daerah Seremban, Negeri Sembilan PT 22597, 22721-22730, 23227-23247, 23253-23308, 23996, 24744-25329, 32115-32118, 32127, 32129-32642, 32682-32965, 34398. (Mukim Labu, Mukim Rasah)	Residential, Commercial, Agriculture land	519.14	Freehold	Under development; Vacant; for future development	R: 19.03.2004	–	341,141
2	District of Kuala Selangor, Selangor PT 5631-5632, 6328-6331, 6468-6471, 6540-6551, 6812-6815, 9926-10269, 10355-10686, 10693-11076, 11079-11430, 11435-11834; LOT NO. 13807, 13810, 13814-13815, 13841, 13846, 13851, 13853, 13855-14000. Mukim Jeram	Residential, Commercial, Mixed development	175.43	Leasehold (expiring 2104, 2106 & 2111)	Under development; Vacant; for future development	R: 2004	–	183,886
3	District of Labuk/Sugut, Sabah (Excellent Challenger Estate I & II)	Agriculture land	5,060.00	Leasehold (expiring 2030 to 2098)	Oil Palm Estate and Palm Oil Mill	A: 1997, 2008	4	168,541
4	Daerah Timur Laut, Penang Balance Parcel A1, Seksyen 8, Jelutong	Residential, Mixed development, Commercial	25.93	Freehold	Reclamation in progress	N/A	–	164,121
5	Kutai Timur, East Kalimantan Indonesia	Agriculture land	16,024	Leasehold (expiring 2044)	Oil palm estate	A: 2008	-	163,146

List of Top 10 Properties (cont'd)

as at 31 March 2012

No	Location	Description	Area Hectares	Tenure	Existing Use	Date of Revaluation (R)/ Acquisition (A)	Approx. Age of Building	Net Book Value (RM'000)
6	Daerah Petaling, Selangor Lot 14783 and Lot 1 Mukim Damansara	Hotel and recreational club	3.33	Leasehold (expiring 2086 & 2089)	Hotel and recreational club	R: 17.01.2012	23-26	154,493
7	District of Labuk/ Sugut, Sabah (Sabang Estate)	Agriculture land	5,988.00	Leasehold (expiring 2030 to 2098)	Oil Palm Estate and Palm Oil Mill	A: 1999, 2002	10	128,020
8	District of Sandakan, Sabah CL075402676, CL075402694, Mile 5, Jalan Labuk. CL075477584, CL075204269, CL075204241. Mile 6, North Road.	Residential, Mixed development	171.44	Leasehold (expiring 2102, 2882 & 2886)	Residential, Mixed development	A: 1998, 2002, 2003 & 2010	–	112,005
9	Kuantan, Pahang Lot 1863, Mukim Sungai Karang.	Industrial land	599.63	Leasehold (expiring 2027)	Port facilities	A: 1998	3-14	110,652
10	District of Labuk/Sugut, Sabah (Rakanan Jaya North & South Estate)	Agriculture land	4,833.00	Leasehold (expiring 2030 to 2099)	Oil Palm Estate	A: 1999, 2001	–	110,171

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 28th 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, Malaysia on Tuesday, 28 August 2012, at 3.30 p.m. to transact the following matters:-

1. To receive the audited financial statements for the year ended 31 March 2012 together with the reports of the Directors and Auditors thereon.

2. To elect retiring Directors as follows:-

   a) Tan Sri Abdul Halim bin Ali **Resolution 1**

   b) Datuk Lee Teck Yuen **Resolution 2**

   c) Dato' David Frederick Wilson **Resolution 3**

3. To appoint PricewaterhouseCoopers as Auditors and to authorise the Directors to fix their remuneration. **Resolution 4**

4. As special business to consider and pass the following resolutions:-

   a) DIRECTORS' FEES **Resolution 5**

   "THAT the Directors' fees of RM725,584 for the year ended 31 March 2012 be approved to be divided amongst the Directors in such manner as they may determine."

   b) AUTHORITY TO ISSUE SHARES UNDER SECTION 132D **Resolution 6**

   "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 authorized to make or grant offers, agreements or options which would or might require shares to be issued after the expiration of the approval hereof."

   c) PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY **Resolution 7**

   "THAT, further to the mandate granted at the Extraordinary General Meeting on 24 August 2011, the Directors be and are hereby authorized to purchase the ordinary shares of the Company through the stock exchange of Bursa Malaysia Securities Berhad at any time upon such terms and conditions as the Directors in their absolute discretion deem fit provided that:-

   i) the aggregate number of shares purchased (which are to be treated as treasury shares) does not exceed ten per cent (10%) of the issued capital of the Company; and

   ii) the funds allocated for the purchase of shares shall not exceed its retained profits and share premium account

   AND THAT the Directors be and are hereby further authorized to deal with the treasury shares in their absolute discretion (which may be distributed as dividends, resold and/or cancelled)

   AND THAT such authority shall continue to be in force until:-

   a) the conclusion of the next Annual General Meeting ("AGM");

   b) the expiration of the period within which the next AGM is required by law to be held; or

   c) revoked or varied in a general meeting,

   whichever occurs first."

d) Special Resolution

PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION AND ADOPTION OF NEW ARTICLES OF ASSOCIATION **Resolution 8**

"THAT the alteration, modification and/or addition to the Articles of Association as set out in Appendix I of the Circular to Shareholders dated 30 July 2012 be and are hereby approved and that the altered Articles of Association, signed by the Chairman of this meeting for purpose of identification, be and is hereby adopted as the new Articles of Association in substitution for and to supersede all the existing Articles of Association of the Company."

By Order of the Board

Ng Yoke Kian
Jeremie Ting Keng Fui
Company Secretaries

Petaling Jaya
30 July 2012

Notes:

1. **DIRECTORS' FEES**
The Resolution 5, if approved, will authorise the payment of Directors' fees pursuant to Article 97 of the Articles of Association.

2. **AUTHORITY TO ISSUE SHARES UNDER SECTION 132D**
The Resolution 6, if approved, will empower the Directors to issue up to 10% of the issued share capital of the Company, for purposes of funding future investment projects, working capital, acquisitions and/or so forth. The approval is a renewed general 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.

3. **SHARE BUY-BACK AUTHORITY**
The details of the proposals are set out in the Circular to Shareholders dated 30 July 2012, which is despatched together with the Annual Report 2012.

4. **AMENDMENTS TO ARTICLES OF ASSOCIATION**
The Resolution 8, if approved, will bring the Company's Articles of Association in line with the amendments to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, as set out in the Circular to Shareholders dated 30 July 2012.

5. **APPOINTMENT OF PROXY**
(i) a proxy may but need not be a member;
(ii) a member, other than an exempt authorised nominee, is entitled to appoint up to two (2) proxies;
(iii) a member, who is an authorised nominee, may appoint up to two (2) proxies in respect of each Securities Account held; whereas, an exempt authorised nominee may appoint multiple proxies in respect of each Securities Account held;
(iv) a member who appoints a proxy must duly execute the Form of Proxy, and if more than one (1) proxy is appointed, the number of shares to be represented by each proxy must be clearly indicated;
(v) 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;
(vi) 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;
(vii) only members whose names appear in the Record of Depositors as at **17 August 2012** will be entitled to attend and vote at the meeting; and
(viii) the Annual Report, Circular to Shareholders, and Form of Proxy are available for download at www.ijm.com.

6. **POLL VOTING**
The Resolutions 6 and 7 will be put to vote by poll and for expediency, will be tabled first before Agenda 1. All other Resolutions will be put to vote by a show of hands unless a poll is demanded. Besides the Chairman, a poll may be demanded by at least three (3) members present in person or by proxy; or by any member or members present in person or by proxy holding not less than 10% of the total voting rights.

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 28th Annual General Meeting ("AGM") of IJM CORPORATION BERHAD to be held at Victorian Ballroom, Level 1, Holiday Villa Hotel & Suites Subang, 9 Jalan SS12/1, 47500 Subang Jaya, Selangor Darul Ehsan, Malaysia on Tuesday, 28 August 2012, at 3.30 p.m., and at any adjournment thereof, in the manner indicated below:-

No.	Resolutions	For	Against
1.	To reappoint Tan Sri Abdul Halim bin Ali as Director		
2.	To reappoint Datuk Lee Teck Yuen as Director		
3.	To reappoint Dato' David Frederick Wilson as Director		
4.	To reappoint PricewaterhouseCoopers as Auditors and to authorise the Directors to fix their remuneration		
5.	To approve the payment of Directors' fees of RM725,584		
6.	To authorise the issuance of up to 10% of the issued share capital of the Company		
7.	To approve the Proposed Renewal of Share Buy-Back Authority		
8.	To approve the Proposed Amendments of Articles of Association		

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 ____________ 2012

Signature(s): ____________________________________

Notes:

(i) a proxy may but need not be a member;

(ii) a member, other than an exempt authorised nominee, is entitled to appoint up to two (2) proxies;

(iii) a member, who is an authorised nominee, may appoint up to two (2) proxies in respect of each Securities Account held; whereas, an exempt authorised nominee may appoint multiple proxies in respect of each Securities Account held;

(iv) a member who appoints a proxy must duly execute the Form of Proxy, and if more than one (1) proxy is appointed, the number of shares to be represented by each proxy must be clearly indicated;

(v) 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;

(vi) 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;

(vii) only members whose names appear in the Record of Depositors as at **17 August 2012** will be entitled to attend and vote at the meeting; and

(viii) the Annual Report, Circular to Shareholders, and Form of Proxy are available for download at www.ijm.com.

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Stamp

The Company Secretary

IJM CORPORATION BERHAD (104131-A)

2nd Floor, Wisma IJM
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Malaysia

Please Fold Here

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(104131-A)

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Certified to OHSAS 18001:2007 Cert. No. : SR 0105
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Certified to ISO 14001:2004 Cert. No. : ER 0489

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PAKISTAN

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STOCK EXCHANGE LISTING
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since 29 September 1986
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Reuters Code : IJMS.KL
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