

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FIRST QUARTER  
ENDED 31 MARCH 2014**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31-MAR-14 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31-MAR-13 RM'000	CURRENT YEAR TO DATE 31-MAR-14 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31-MAR-13 RM'000
<b>Continuing Operations</b>				
Revenue	366,406	377,851	366,406	377,851
Operating expenses	(329,423)	(322,045)	(329,423)	(322,045)
Profit from operations	36,983	55,806	36,983	55,806
Interest income	1,693	1,796	1,693	1,796
Other income	705	561	705	561
Foreign exchange gain / (loss)	(176)	(979)	(176)	(979)
Depreciation and amortization	(3,332)	(1,804)	(3,332)	(1,804)
Interest expense	(2,950)	-	(2,950)	-
ESOS expense	(898)	(1,158)	(898)	(1,158)
Share of results of associates	(262)	(534)	(262)	(534)
Profit before tax	31,763	53,688	31,763	53,688
Income tax expense	(6,139)	(2,172)	(6,139)	(2,172)
Profit from continuing operations	25,624	51,516	25,624	51,516
<b>Other comprehensive income:</b>				
Currency translation difference	(413)	(195)	(413)	(195)
Taxation 25%	-	-	-	-
Currency translation difference, net of 25% tax	(413)	(195)	(413)	(195)
Total comprehensive income	25,211	51,321	25,211	51,321
<b>Attributable to:</b>				
Equity holders of the Company	25,055	42,108	25,055	42,108
Non-controlling interest	569	9,408	569	9,408
	25,624	51,516	25,624	51,516
<b>Earning per share (EPS) attributable to equity holders of the Company:</b>				
Basic EPS (sen)	4.61	7.75	4.61	7.75
Diluted EPS (sen)	4.48	7.61	4.48	7.61

**Note :**

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2013.

The Basic EPS for both current and corresponding periods have been calculated based on weighted average of 543,358,399 and 543,391,933 ordinary shares of RM0.20 each respectively.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2014**

(The figures have not been audited)

	AS AT 31-MAR-14 RM'000	AS AT 31-DEC-13 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	138,286	118,172
Investment in associates	692,325	679,036
Investment properties	48,061	48,240
Other investments	542	542
Provisional amount	12,393	12,393
	<u>891,607</u>	<u>858,383</u>
<b>Current assets</b>		
Property development costs	46,400	43,405
Inventories	5,285	5,397
Trade and other receivables	775,979	689,760
Cash and bank balances	307,825	67,628
	<u>1,135,489</u>	<u>806,190</u>
<b>TOTAL ASSETS</b>	<b><u>2,027,096</u></b>	<b><u>1,664,573</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Share capital	110,440	110,342
Reserves	1,106,385	1,099,541
	<u>1,216,825</u>	<u>1,209,883</u>
Equity attributable to equity holders of the Company	1,216,825	1,209,883
Non-controlling interests	(17,507)	(18,076)
<b>Total equity</b>	<b><u>1,199,318</u></b>	<b><u>1,191,807</u></b>
<b>Non-current liabilities</b>		
Deferred tax liabilities	256	256
Borrowings	409,497	22,999
Refundable Deposits	1,738	1,639
	<u>411,491</u>	<u>24,894</u>
<b>Current liabilities</b>		
Trade and other payables	409,149	442,674
Borrowings	4,547	4,547
Current tax payable	2,591	651
	<u>416,287</u>	<u>447,872</u>
<b>Total liabilities</b>	<b>827,778</b>	<b>472,766</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>2,027,096</u></b>	<b><u>1,664,573</u></b>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>2.25</u>	<u>2.20</u>

Note :

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2013.

The Net Assets Per Share for both current and corresponding periods have been calculated based on 552,199,266 and 551,712,166 ordinary shares of RM0.20 each less treasury shares respectively.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 31 MARCH 2014

<-----Attributable to Equity Holders of the Company ----->

	Share Capital RM'000	Share Premium RM'000	Capital Reserve RM'000	ESOS Reserve RM'000	Foreign Currency Translation Reserve RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Total RM'000	Non - Controlling Interests RM'000	Total Equity RM'000
<b>At 1 January 2014</b>	110,342	219,819	4,900	20,897	(25,054)	(22,705)	901,684	1,209,883	(18,076)	1,191,807
Total comprehensive income	-	-	-	-	(413)	-	25,055	24,642	569	25,211
Grant of equity-settled share options to employees	-	-	-	893	-	-	-	893	-	893
Esos Exercised	98	1,322	-	(492)	-	-	-	928	-	928
Purchase of treasury shares	-	-	-	-	-	(3,227)	-	(3,227)	-	(3,227)
Third interim dividend under accrued – financial year ended 31/12/2013	-	-	-	-	-	-	(43)	(43)	-	(43)
First interim dividend – financial year ending 31/12/2014	-	-	-	-	-	-	(16,251)	(16,251)	-	(16,251)
	98	1,322	-	401	-	(3,227)	(16,294)	(17,700)	-	(17,700)
<b>At 31 March 2014</b>	<b>110,440</b>	<b>221,141</b>	<b>4,900</b>	<b>21,298</b>	<b>(25,467)</b>	<b>(25,932)</b>	<b>910,445</b>	<b>1,216,825</b>	<b>(17,507)</b>	<b>1,199,318</b>
<b>At 1 January 2013</b>	109,949	214,481	4,900	16,054	(30,152)	(13,992)	812,795	1,114,035	(10,202)	1,103,833
Total comprehensive income	-	-	-	-	(195)	-	42,108	41,913	9,408	51,321
Grant of equity-settled share options to employees	-	-	-	957	-	-	-	957	-	957
Esos Exercised	13	176	-	(66)	-	-	-	123	-	123
Non-controlling interests arises from acquisition of new subsidiary	-	-	-	-	-	-	-	-	150	150
Purchase of treasury shares	-	-	-	-	-	(2,858)	-	(2,858)	-	(2,858)
	13	176	-	891	-	(2,858)	-	(1,778)	150	(1,628)
<b>At 31 March 2013</b>	<b>109,962</b>	<b>214,657</b>	<b>4,900</b>	<b>16,945</b>	<b>(30,347)</b>	<b>(16,850)</b>	<b>854,903</b>	<b>1,154,170</b>	<b>(644)</b>	<b>1,153,526</b>

Note:

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2013.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE FIRST QUARTER ENDED 31 MARCH 2014**  
(The figures have not been audited)

	<b>3 MONTHS ENDED 31-MAR-14 RM'000</b>	<b>3 MONTHS ENDED 31-MAR-13 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	31,763	53,688
Adjustments for:		
Depreciation of property, plant and equipment	3,332	1,804
Interest income	(1,693)	(1,796)
Interest expense	2,950	-
Share of results of associated company	262	534
(Gain)/ loss on disposal of property, plant and equipment	(9)	(140)
ESOS expenses	898	1,158
Unrealised loss/(gain) on foreign exchange	176	(979)
Operating profit before working capital changes	<u>37,679</u>	<u>54,269</u>
Changes in working capital:		
(Increase)/ Decrease in trade and other receivables	(98,890)	(25,393)
(Increase)/ Decrease in property development costs	(2,995)	3,937
Decrease in inventories	112	4
(Decrease)/Increase in trade and other payables	(23,728)	(46,186)
Cash generated from operations	<u>(87,822)</u>	<u>(13,369)</u>
Taxes paid	(6,410)	(6,744)
Taxes refunded	1,634	1,145
Net cash (used)/generated from operating activities	<u>(92,598)</u>	<u>(18,968)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(23,270)	(1,842)
Increase in other investment	-	(370)
Net cash outflow on acquisition of subsidiaries	-	150
Investment in associates	(13,549)	(66,171)
Interest received	1,693	1,796
Proceeds from disposal of property, plant and equipment	13	174
Net cash used in investing activities	<u>(35,113)</u>	<u>(66,263)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Purchase of treasury shares	(3,227)	(2,858)
Dividend paid	(16,286)	-
Proceed from borrowings	386,498	-
Expenses related to ESOS	(5)	-
Proceed from ESOS exercised	928	123
Net cash used in financing activities	<u>367,908</u>	<u>(2,735)</u>
<b>NET (DECREASE)/INCREASE IN CASH AND BANK BALANCES</b>	<u>240,197</u>	<u>(87,966)</u>
<b>CASH AND BANK BALANCES AS AT 1 JANUARY 2014 / 2013</b>	67,628	340,696
<b>CASH AND BANK BALANCES AS AT 31 MARCH 2014/ 2013</b>	<u>307,825</u>	<u>252,730</u>

Note :

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2013.



**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2014**

**NOTES (In compliance with FRS 134)**

**1. BASIS OF PREPARATION**

The interim financial report is unaudited and has been prepared in accordance with FRS 134, Interim Financial Reporting and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”). The interim financial report should be read in conjunction with the Company’s annual audited financial statements for the year ended 31 December 2013.

The accounting policies and methods of computation adopted by the Group in this report are consistent with those adopted in the annual audited financial statements for the year ended 31 December 2013.

**Malaysian Financial Reporting Standards (MFRS) Framework**

The Malaysian Accounting Standards Board (MASB) issued MFRS Framework on 19 November 2011.

The MFRS Framework is to be applied by all Entities other than Private Entities for financial year beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venture (herein called ‘Transitioning Entities’)

Transitioning Entities are allowed to defer adoption of the MFRS Framework for three years until 31 December 2014. Adoption of the MFRS Framework by Transitioning Entities will be mandatory for financial year beginning on or after 1 January 2015.

The Group falls within the scope definition of Transitioning Entities and has opted to defer adoption of the MFRS Framework until 31 December 2014. Accordingly, the Group will only be in compliance with the requirements of the MFRS Framework for the financial year ending 31 December 2015.

The change of the financial reporting framework is not expected to have any significant impact on the financial position and performance of the Group and the Company.



**2. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS**

The audit report on the financial statements for the year ended 31 December 2013 was not subject to any qualification.

**3. SEASONALITY OR CYCLICALITY OF OPERATIONS**

The businesses of the Group are generally subject to cyclical changes of the general Malaysian economy.

**4. EXCEPTIONAL OR EXTRAORDINARY ITEMS**

There were no exceptional or extraordinary items for the current period.

**5. CHANGES IN ESTIMATES**

There were no changes in estimates of amount reported in previous financial year that have a material effect in the current quarter.

**6. DEBTS AND EQUITY SECURITIES**

The Company has bought back a total of 1,204,500 ordinary shares of RM0.20 each in the current quarter. As at 31 March 2014, 10,421,400 ordinary shares of RM0.20 each were still retained as treasury shares in the Company.

The Company issued 487,100 new ordinary shares of RM0.20 each under the Employees' Share Option Scheme ("ESOS") for the current quarter ended 31 March 2014. As at 31 March 2014, a total of 3,882,800 new ordinary shares of RM0.20 each have been issued under the ESOS.

**7. DIVIDENDS PAID DURING THE PERIOD**

The third interim single tier dividend of 15.0% (or 3.0 sen) per share amounting to RM16,285,586 in respect of the financial year ended 31 December 2013 based on 552,069,766 ordinary shares of RM0.20 each less treasury shares, was paid on 20 February 2014.



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**8. SEGMENTAL INFORMATION**

The segmental analysis for the Group is as follows:-

	<b>3 MONTHS ENDED 31 MAR 14 RM'000</b>	<b>3 MONTHS ENDED 31 MAR 13 RM'000</b>
<b>REVENUE :</b>		
Construction	341,534	319,875
Manufacturing	9,964	13,158
Trading	30,970	34,078
Property development	11,772	14,305
Power	1,354	-
	<u>395,594</u>	<u>381,416</u>
Elimination of inter segment sales	(29,188)	(3,565)
Total Revenue	<u>366,406</u>	<u>377,851</u>
<b>RESULTS :</b>		
Construction	32,245	51,676
Manufacturing	693	1,200
Trading	648	962
Property development	3,480	2,529
Power	622	-
	<u>37,688</u>	<u>56,367</u>
Interest income	1,693	1,796
Foreign exchange loss	(176)	(979)
Interest expense	(2,950)	-
Depreciation and amortization	(3,332)	(1,804)
ESOS expenses	(898)	(1,158)
Share of result of associate	(262)	(534)
	<u>31,763</u>	<u>53,688</u>
Income tax expenses	(6,139)	(2,172)
	<u>25,624</u>	<u>51,516</u>

**9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT**

The carrying amount of the property, plant and equipment is at cost less depreciation and impairment losses.



**10. SUBSEQUENT EVENTS**

There were no material events subsequent to the current quarter.

**11. CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group during the current period.

**12. CONTINGENT LIABILITIES**

There were no contingent liabilities as at the end of the current quarter.

**NOTES (Pursuant to paragraph 9.22 of the Listing Requirements of BMSB)**

**13. REVIEW OF PERFORMANCE**

The Group achieved revenue of RM366.4 million and profit before tax (“PBT”) of RM31.8 million for the three months period ended 31 March 2014, as compared to RM377.9 million and RM53.7 million respectively for the previous corresponding period.

The changes in revenue and PBT were attributable to the following segments of the Group:-

Construction segment : The segment reported revenue and PBT of RM312.3 million and RM26.3 million in the three months period ended 31 March 2014 as compared to the previous corresponding period of RM316.3 million and RM49.0 million respectively. The lower PBT in the current period was mainly due to the contribution of lower profit margin construction activities. However, the profit margin achieved in the current period is still above the industry average.

Manufacturing segment : The segment reported revenue and PBT of RM10.0 million and RM0.7 million for the three months period ended 31 March 2014 as compared to RM13.2 million and RM1.2 million in the previous corresponding period. This was mainly due to lower volume of manufacturing activities in the current period.

Trading segment : The three months period ended 31 March 2014 reported a decrease in revenue and PBT to RM31.0 million and RM0.6 million respectively, as compared to RM34.1 million in revenue and RM1.0 million in PBT in the previous corresponding period. Revenue and PBT decreased due to lower trading activities generated from sale of construction materials.

Property development segment : This segment reported revenue of RM 11.8 million for the three months period ended 31 March 2014 as compared to revenue of RM14.3 million but PBT increased to RM3.5 million in the current period as compared to RM2.5 million in the previous corresponding period. The increase in PBT was mainly attributable to higher profit margin of new properties sold.





Power segment : The segment reported revenue and PBT of RM1.4 million and RM0.6 million for the three months period ended 31 March 2014. There were no comparative results for the corresponding period as this segment only commenced commercial operations in the current period. These results were derived from the 5MW solar energy generating plant at Gebeng, Pahang.

#### **14. COMPARISON WITH PRECEDING QUARTER'S REPORT**

The Group achieved revenue of RM366.4 million and profit before tax (“PBT”) of RM31.8 million for the current quarter ended 31 March 2014, as compared to RM334.3 million and RM30.7 million respectively for the preceding quarter.

The changes in revenue and PBT were mainly attributable to the following segments of the Group:-

Construction segment : This segment reported an increase revenue and PBT of RM312.3 and RM26.3 million for the current quarter as compared to the revenue of RM271.5 million and PBT of RM26.3 million for the preceding quarter respectively which was mainly due to higher construction activities in the current quarter.

Manufacturing segment : This segment reported revenue of RM10.0 million and PBT of RM0.7 million in the current quarter as compared to the preceding quarter's revenue of RM11.8 million and PBT of RM0.3 million in the preceding quarter. The higher profit was mainly due to higher profit margin products sold in the current quarter.

Trading segment : This segment reported revenue and PBT of RM31.0 million and RM0.6 million in the current quarter as compared to RM39.7 million and RM1.4 million respectively in the preceding quarter. Revenue and PBT decreased in current quarter due to lower trading activities generated from sale of construction materials.

Property development segment : This segment reported revenue and PBT of RM11.8 million and RM3.5 million respectively for the current quarter as compared to revenue of RM11.3 million and PBT of RM2.8 million in the preceding quarter. The higher profit was mainly attributable to higher profit margin of new properties sold.

Power segment : The segment reported revenue and PBT of RM1.4 million and RM0.6 million for the current quarter ended 31 March 2014. There were no comparative results for the preceding quarter as this segment only commenced commercial operations in the current quarter. These results were derived from the 5MW solar energy generating plant at Gebeng, Pahang.

#### **15. PROSPECTS**

The construction sector in Malaysia looks promising in the coming years as there will be many mega-infrastructure projects to be launched by the Government and the private sector which include Mass Rapid Transit Line 2 & Line 3, power plants, highways, infrastructure projects and Private Financing Initiative projects. The Group is well-placed to benefit from some of these proposed projects.



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Other than the local projects, the Group is also evaluating investment opportunities in the Asean region particularly in the conventional and renewable energy power sectors. The Group is currently in the process of acquiring companies involved in a wind energy project in the Philippines and a coal-fired power project in Indonesia. The proposed acquisitions are expected to contribute positively to the earnings and net assets of the Group within the next twelve months. The Group is also bidding for a few coal-fired power plant projects in the region.

Barring any unforeseen circumstances, the financial performance of the Group for 2014 is expected to be satisfactory.

**16. VARIANCE ON PROFIT FORECAST**

Not applicable.

**17. INCOME TAX EXPENSE**

	<b>CURRENT QUARTER ENDED 31 MAR 2014 RM'000</b>	<b>3 MONTHS ENDED 31 MAR 2014 RM'000</b>
Current income tax:		
- Malaysian income tax	<u>6,139</u>	<u>6,139</u>

The Group's effective tax rate of 19% for the period to date is lower than the Malaysian statutory tax rate of 25% mainly due to foreign source income which is not subject to Malaysian taxation.

**18. STATUS OF CORPORATE PROPOSALS**

- (a) Mudajaya Power International Sdn. Bhd. ("MPI"), a wholly-owned subsidiary of Mudajaya Corporation Berhad ("MCB"), which in turn is a wholly-owned subsidiary of the Company, has on 26 October 2013 entered into a Share Purchase Agreement ("SPA") with Windelsey Inc to acquire 4,000 shares of capital stock of Php100.00 each in Amihan Energy Corporation ("AEC"), for a cash consideration of Php26,400,000.00 (Philippine Peso Twenty Six Million Four Hundred Thousand Only) (equivalent to RM1.9 million) ("the Acquisition").



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MPI has also on 26 October 2013 entered into a Shareholders' Agreement with Windelsey Inc and Visayan Wind Energy Holdings Corporation to jointly undertake a wind energy project involving the development of up to 200MW wind energy farm in Cebu, Philippines.

The completion of the acquisition is pending Windelsey Inc to fulfill the Conditions Precedents as stated in the SPA.

- (b) MCB has on 2 May 2014 entered into a Memorandum of Agreement ("MOA") with PT Indomuda Satria Internusa ("PT ISI") and PT Harmoni Energy Indonesia ("PT HEI") to acquire 70% equity interest in PT HEI. PT HEI is the special purpose vehicle involved in the development of 2x7MW coal-fired power plant in Desa Baruta Analalaki, Sulawesi, Indonesia.

The proposed acquisition is pending the satisfactory completion of the financial, legal, technical and commercial due diligences by MCB.

## 19. GROUP BORROWING

Details of the Group's borrowings as at 31 March 2013 are as follows:

	<b>RM'000</b>
(a) Long Term Borrowings	
- Medium Term Notes	360,000
- Term Loan	49,497
	<u>409,497</u>
(b) Short Term Borrowings	
- Term Loan	<u>4,547</u>

## 20. CHANGES IN MATERIAL LITIGATION

The Group does not have any material litigation as at the date of this report.

## 21. DIVIDEND

The Board of Directors has on 25 February 2014 declared a first interim single tier dividend of 15.0% (or 3.0 sen) per share of RM0.20 each in respect of financial year ending 31 December 2014. The dividend book closure and payment dates were on 25 April 2014 and 21 May 2014 respectively.

As at todate, total interim single tier dividend declared for the financial year ending 31 December 2014 is equivalent to 15% (or 3.0 sen) per share of RM0.20 each.



## 22. BASIC EARNINGS PER SHARE

The 'Basic Earnings Per Share' and 'Diluted Earnings Per Share' for the current period and the comparative period are calculated by dividing the profit for the period attributable to ordinary equity holders of the Company by the 'Weighted Average' and 'Adjusted Weighted Average' number of ordinary shares in issue during the period respectively, excluding treasury shares held by the Company.

	<b>CURRENT QUARTER ENDED 31 MAR 2014 RM'000</b>	<b>3 MONTHS ENDED 31 MAR 2014 RM'000</b>
<u>Basic Earnings per share:-</u>		
(a) Profit for the period attributable to owners of the Company (RM'000)	25,055	25,055
(b) Weighted average number of ordinary shares ('000)	543,358	543,358
Basic Earnings per share (sen)	4.61	4.61
<u>Diluted Earnings per share:-</u>		
(a) Profit for the period attributable to owners of the Company (RM'000)	25,055	25,055
(b) Weighted average number of ordinary shares ('000)	543,358	543,358
Effect of dilution - ESOS ('000)	15,839	15,839
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	559,197	559,197
Diluted Earnings per share (sen)	4.48	4.48



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**23. REALISED AND UNREALISED PROFITS/LOSSES DISCLOSURE**

The breakdown of the retained profits of the Group as at 31 March 2014 into realised and unrealised profits is presented as follow:-

	<b>AS AT 31 MAR 2014 RM'000</b>
Total retained profits of the Group:-	
- Realised	1,184,249
- Unrealised	(158)
Share of result of associate:-	
- Realised	(5,826)
Less: Consolidated adjustments	<u>(267,820)</u>
Retained profits as per consolidated financial statements	<u>910,445</u>

**BY ORDER OF THE BOARD**

**CHAI MIN HON (MIA 11926)**  
**Company Secretary**

Petaling Jaya  
27 May 2014