1. Basis of Preparation

1.1) The interim financial report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard ("FRS") 134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

1.2) The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 July 2013.

1.3) The accounting policies and methods of computation adopted by the Group are consistent with those adopted in the audited financial statements for the year ended 31 July 2013, except for the adoption of the following Revised Financial Reporting Standards (FRSs) and Amendments to FRSs and IC Interpretations:

Effective for annual periods beginning on or after 1 January 2013:

FRS 10	Consolidated Financial Statements
FRS 11	Joint Arrangements
FRS 12	Disclosure of interests in Other Entities
FRS 13	Fair Value Measurement
FRS 119	Employee Benefits
FRS 127	Separate Financial Statements
FRS 128	Investment in Associates and Joint Ventures
Amendments to FRS 1	Government Loans
Amendments to FRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities
IC interpretation 20	Stripping costs in the Production Phase of a Surface Mine
Amendments to FRSs	'Improvements to FRSs (2012)'
Amendments to FRS 10, FRS 11 and FRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosures of Interests in Other Entities: Transition Guidance
Amendments to FRS 101	Presentation of Financial Statement (Improvements to FRSs (2012))
Amendments to FRS 116	Property, Plant and Equipment (Improvements to FRSs (2012))
Amendments to FRS 132	Financial Instruments: Presentation (Improvements to FRSs (2012))
Amendments to FRS 134	Interim Financial Reporting (Improvements to FRSs (2012))
Amendments to IC Interpretation 2	Member's shares in Co-operative Entities and Similar Instruments (Improvements to FRSs (2012))

The above Revised FRSs and Amendments to FRSs and IC Interpretations do not have any significant impact on the financial performance and position of the Group, except for:

FRS 11 Joint Arrangements

FRS 11 replaces FRS 131 Interests in Joint Ventures and IC interpretation 113 Jointly-Controlled Entities-Non Monetary Contributions by Venturers for annual periods beginning on or after 1 January 2013. Therefore, the Group and the Company will be required to comply with the requirements of FRS 11 with effect from the financial statements for the year ended 31 July 2014.

1. Basis of Preparation (cont'd)

1.3) (cont'd)

FRS 11 Joint Arrangements (cont'd)

Pursuant to the accounting standard (FRS 131), the Group recognised its interests in joint ventures using proportionate consolidation instead of equity method (the allowed alternative method), as proportionate consolidation better reflects the Group's interests in the joint ventures. Under the proportionate consolidation, the Group combines its share of each of the assets, liabilities, income and expenses of the joint ventures in its consolidated financial statements.

Pursuant to the new accounting standard (FRS 11), a joint arrangement can be either a joint operation or a joint venture. A joint operator recognises and measures its assets, liabilities, revenue and expenses in accordance with the terms of the arrangement. A joint venturer recognises its interest in a joint venture using the equity method, whereby an investment is initially recognised at cost and the carrying amount is increased or decreased by the joint venturer's share of the profit and loss in the joint venture.

Some of the Group's joint arrangements met the characteristics of a joint operation and therefore, the Group continues to recognise its share of each of the assets, liabilities, income and expenses in its consolidated financial statements. However, some of the Group's joint arrangements met the characteristics of a joint venture and therefore, the Group recognises its interests in the joint venture using equity method. A change from proportionate consolidation to equity method would affect the Group's assets, liabilities, income and expenses but not the net profit or equity. This change would be applied retrospectively.

FRS 119 Employee Benefits

Pursuant to the FRS 119 Employee Benefits, for defined benefit plans, the Group and the Company recognised actuarial gains and losses as income or expense when the net cumulative unrecognised actuarial gains and losses for each individual plan, at the end of the previous period, exceeded 10% of the higher of the defined benefit obligation and the fair value of the plan assets and recognised unvested past service costs as an expense on a straight-line basis over the average vesting period until the benefits become vested.

Pursuant to the amended FRS 119 Employee Benefits, for defined benefit plans, the amended FRS 119 requires all actuarial gains and losses to be recognised in other comprehensive income and unvested past service costs previously recognised over the average vesting period to be recognised immediately in profit or loss when incurred.

The Group and the Company adopted the amended FRS 119 Employee Benefits to recognise all actuarial gains and losses in other comprehensive income and all past service costs in profit or loss in the period they occur.

The amended FRS 119 replaced the interest cost and expected return on plan assets with the concept of net interest on defined benefit liability or asset which is calculated by multiplying the net balance sheet defined benefit liability or asset by the discount rate used to measure the employee benefit obligation, each as at the beginning of the annual period.

The changes in accounting policies have been applied retrospectively.

1. Basis of Preparation (cont'd)

1.3) (cont'd)

The following are the effects arising from the above change in accounting policy:

For the quarter ended 31 July 2014 **Consolidated Income Statement**	Before Adoption RM'000	Effect of adopting FRS 11 RM'000	Effect of adopting FRS 119 RM'000	After Adoption RM'000
Revenue	974,857	(382,861)	-	591,996
Operating expenses	(829,288)	319,600	-	(509,688)
Gain on remeasurement of existing interest in a subsidiary upon obtaining control	194,203	-	-	194,203
Write offs - premium paid for water concession assets and goodwill	(187,062)	-	-	(187,062)
Other income	37,258	(7,345)	-	29,913
Profit from operations	189,968	(70,606)	-	119,362
Finance costs	(13,479)	2,719	-	(10,760)
Share of profits of joint ventures	-	53,728	-	53,728
Share of profits of associated companies	73,433	-	-	73,433
Profit before taxation	249,922	(14,159)	-	235,763
Taxation	(37,314)	14,159	-	(23,155)
Profit for the year	212,608	-	-	212,608
Profit attributable to :-				
Owners of the Company	205,885	-	-	205,885
Non-controlling interests	6,723	-	-	6,723
	212,608	-	-	212,608

For 12 months ended 31 July 2014 **Consolidated Income Statement**	Before Adoption RM'000	Effect of adopting FRS 11 RM'000	Effect of adopting FRS 119 RM'000	After Adoption RM'000
Revenue	4,636,438	(2,406,866)	-	2,229,572
Operating expenses	(3,970,887)	2,154,822	-	(1,816,065)
Gain on remeasurement of existing interest in a subsidiary upon obtaining control	194,203	-	-	194,203
Write offs - premium paid for water concession assets and goodwill	(187,062)	-	-	(187,062)
Other income	83,085	(15,393)	-	67,692
Profit from operations	755,777	(267,437)	-	488,340
Finance costs	(77,176)	10,737	-	(66,439)
Share of profits of joint ventures	-	186,072	-	186,072
Share of profits of associated companies	243,672	-	-	243,672
Profit before taxation	922,273	(70,628)	-	851,645
Taxation	(187,190)	70,628	-	(116,562)
Profit for the year	735,083	-	-	735,083
Profit attributable to :-				
Owners of the Company	719,398	-	-	719,398
Non-controlling interests	15,685	-	-	15,685
	735,083	-	-	735,083

1. Basis of Preparation (cont'd)

1.3) (cont'd)

FRS 11 Joint Arrangements (cont'd)

The following are the effects arising from the above change in accounting policy: (cont'd)

As at 31 July 2014 **Consolidated Statement of Financial Position**	Before Adoption RM'000	Effect of adopting FRS 11 RM'000	Effect of adopting FRS 119 RM'000	After Adoption RM'000
ASSETS				
Property, plant and equipment	383,294	(98,409)	-	284,885
Land held for property development	908,556	(25,987)	-	882,569
Investment properties	106,579	(8,539)	-	98,040
Motorway development expenditure	314,008	(314,008)	-	-
Investment in joint ventures	-	602,134	-	602,134
Deferred tax assets	33,296	(7,925)	860	26,231
Non current receivables	628,556	(270,602)	-	357,954
Property development costs	1,852,909	(200,753)	-	1,652,156
Inventories	301,713	(6,637)	-	295,076
Current receivables	1,870,986	(154,514)	-	1,716,472
Amount due from customers for construction contracts	358,321	(257,783)	-	100,538
Tax recoverable	32,527	(1,094)	-	31,433
Investment securities	127,960	(90,239)	-	37,721
Cash and bank balances	1,210,397	(328,366)	-	882,031
EQUITY				
Reserves	3,153,689	-	(2,582)	3,150,935
LIABILITIES				
Non current payables	413,271	(157,253)	3,442	259,460
Non current provision for liabilities	20,935	(18,250)	-	2,685
Deferred tax liabilities	393,793	(2,837)	-	390,956
Long term borrowings	1,911,295	(172,723)	-	1,738,572
Short term borrowings	891,119	(98,960)	-	792,159
Current payables	1,394,911	(513,940)	-	880,971
Amount due to customers for construction contracts	208,725	(159,474)	-	49,251
Current provision for liabilities	52,061	(22,965)	-	29,096
Tax payable	62,200	(16,147)	-	46,053

1. Basis of Preparation (cont'd)

1.3) (cont'd)

FRS 11 Joint Arrangements (cont'd)

The following comparatives have been restated:

	As previously stated	Effect of adopting		As Restated
		FRS 11	FRS 119	
For the quarter ended 31 July 2013	RM'000	RM'000	RM'000	RM'000
Consolidated Income Statement				
Revenue	1,330,983	(690,049)	-	640,934
Operating expenses	(1,217,242)	648,112	(635)	(569,765)
Arbitral awards	2,304	-	-	2,304
Other income	27,431	(3,947)	-	23,484
Profit from operations	143,476	(45,884)	(635)	96,957
Finance costs	(8,654)	560	-	(8,094)
Share of profits of joint ventures	-	40,515	-	40,515
Share of profits of associated companies	66,266	-	-	66,266
Profit before taxation	201,088	(4,809)	(635)	195,644
Taxation	(31,885)	4,809	159	(26,917)
Profit for the year	169,203	-	(476)	168,727
Profit attributable to :-				
Owners of the Company	167,677	-	(476)	167,201
Non-controlling interests	1,526	-	-	1,526
	169,203	-	(476)	168,727

	As previously stated	Effect of adopting		As Restated
		FRS 11	FRS 119	
For 12 months ended 31 July 2013	RM'000	RM'000	RM'000	RM'000
Consolidated Income Statement				
Revenue	3,883,120	(1,647,685)	-	2,235,435
Operating expenses	(3,324,712)	1,485,050	(635)	(1,840,297)
Arbitral awards	(110,700)	-	-	(110,700)
Other income	64,479	(3,335)	-	61,144
Profit from operations	512,187	(165,970)	(635)	345,582
Finance costs	(60,768)	9,417	-	(51,351)
Share of profits of joint ventures	-	121,009	-	121,009
Share of profits of associated companies	241,206	-	-	241,206
Profit before taxation	692,625	(35,544)	(635)	656,446
Taxation	(142,566)	35,544	159	(106,863)
Profit for the year	550,059	-	(476)	549,583
Profit attributable to :-				
Owners of the Company	541,399	-	(476)	540,923
Non-controlling interests	8,660	-	-	8,660
	550,059	-	(476)	549,583

1. Basis of Preparation (cont'd)

1.3) (cont'd)

FRS 11 Joint Arrangements (cont'd)

The following comparative have been restated: (cont'd)

	As previously stated	Effect of adopting		As Restated
		FRS 11	FRS 119	
As at 31 July 2013	RM'000	RM'000	RM'000	RM'000
Consolidated Statement of Financial Position				
ASSETS				
Property, plant and equipment	395,050	(95,511)	-	299,539
Land held for property development	1,101,703	(52,968)	-	1,048,735
Investment properties	66,822	(7,500)	-	59,322
Motorway development expenditure	316,440	(316,440)	-	-
Interests in joint ventures	-	473,390	-	473,390
Deferred tax assets	49,854	(4,388)	918	46,384
Non current receivables	260,044	(53,354)	-	206,690
Property development costs	1,912,009	(112,401)	-	1,799,608
Inventories	96,266	(1,386)	-	94,880
Current receivables	1,183,338	(302,861)	-	880,477
Amount due from customers for construction contracts	732,648	(457,480)	-	275,168
Tax recoverable	47,155	(4,060)	-	43,095
Investment securities	514,922	(85,393)	-	429,529
Cash and bank balances	1,230,210	(353,656)	-	876,554
EQUITY				
Reserves	2,604,117	-	(2,755)	2,601,362
LIABILITIES				
Non current payables	414,282	(276,019)	3,673	141,936
Deferred tax liabilities	83,228	(2,104)	-	81,124
Long term borrowings	1,717,265	(204,198)	-	1,513,067
Short term borrowings	741,435	(281,730)	-	459,705
Current payables	1,367,889	(405,869)	-	962,020
Amount due to customers for construction contracts	289,449	(183,517)	-	105,932
Current provision for liabilities	44,078	(13,722)	-	30,356
Tax payable	35,263	(6,849)	-	28,414

1. Basis of Preparation (cont'd)

Malaysian Financial Reporting Standards ("MFRS Framework")

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework). This is in line with the need for convergence with International Financial Reporting Standards (IFRS) 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 (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for five years and adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2017.

The Company falls within the scope definition of Transitioning Entities and accordingly, the Group and the Company will be required to prepare financial statements using the MFRS Framework in the first MFRS financial statements for the year ending 31 July 2018. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

2. Audit Report of Preceding Annual Financial Statements

The audit report of the Group's annual financial statements for the year ended 31 July 2013 was not subject to any qualification.

3. Seasonal or Cyclical Factors

The business operations of the Group are not significantiy affected by seasonal or cyclical factors.

4. Unusual Items

The were no unusual item affecting assets, liabilities, equity, net income or cash flows for the current quarter under review except as disclosed in page 1.

5. Changes in Estimates

There were no changes in estimates of amounts reported previously that have any material effect in the current quarter under review.

6. Changes in Debt and Equity Securities

There were no cancellations, repurchases, resale of equity securities for the current quarter, except for the issuance of 36,101,000 and 10,612,000 new ordinary shares of RM1 each, pursuant to the exercise of the Employees' Share Option Scheme and the conversion of warrants respectively.

7. Segmental Analysis

	Engineering and Construction	Property Development and Club Operations	Water and Expressway Concessions	Total
12 months period ended 31 July 2014	RM'000	RM'000	RM'000	RM'000
REVENUE				
Total revenue	3,157,208	1,306,632	172,598	4,636,438
Less: Share of revenue of joint ventures	(1,977,071)	(411,486)	(18,309)	(2,406,866)
External revenue as reported	1,180,137	895,146	154,289	2,229,572
RESULTS				
Profit from operations	229,590	111,905	146,845	488,340
Finance costs	(33,749)	(13,884)	(18,806)	(66,439)
Share of profits of joint ventures	63,926	121,661	485	186,072
Share of profits of associated companies	-	5,611	238,061	243,672
Profit before taxation	259,767	225,293	366,585	851,645
Percentage of segment results	31%	26%	43%	
Taxation				(116,562)
Profit for the year				735,083
Profit attributable to:-				
Owners of the Company				719,398
Non-controlling interests				15,685
				735,083
12 months period ended 31 July 2013				
REVENUE				
Total revenue	2,749,325	1,015,335	118,460	3,883,120
Less: Share of revenue of joint ventures	(1,340,528)	(289,330)	(17,827)	(1,647,685)
External revenue as reported	1,408,797	726,005	100,633	2,235,435
RESULTS				
Profit from operations	119,816	172,831	52,935	345,582
Finance costs	(10,444)	(22,801)	(18,106)	(51,351)
Share of profits of joint ventures	42,979	80,114	(2,084)	121,009
Share of profits of associated companies	-	2,515	238,691	241,206
Profit before taxation	152,351	232,659	271,436	656,446
Percentage of segment results	23%	36%	41%	
Taxation				(106,863)
Profit for the year				549,583
Profit attributable to:-				
Owners of the Company				540,923
Non-controlling interests				8,660
				549,583

8. Valuation of Property, Plant and Equipment

The valuation of land and buildings has been brought forward without amendment from the previous audited financial statements.

9. Material Events Subsequent to Balance Sheet Date

There were no material events subsequent to the end of the quarter under review.

10. Changes in Composition of the Group

There were no material changes in the composition of the Group for the year ended 31 July 2014, except for the following:-

a) On 3 December 2013, the Company has acquired the entire issued and paid-up share capital of Dinamik Atlantik Sdn Bhd ("DASB") comprising 2 ordinary shares of RM1.00 each for a cash consideration of RM2.00. DASB is currently dormant and its intended principal activity is property development.

b) On 19 June 2014, the Company has acquired the entire issued and paid-up share capital of Lifestyle Heritage Sdn Bhd ("LHSB") comprising 2 ordinary shares of RM1.00 each for a cash consideration of RM2.00. LHSB is currently dormant and its intended principal activity is property development.

c) On 31 March 2014, the Company acquired Amcorp Properties Berhad's 20% equity interest in Kesas Holdings Berhad ('Kesas Holdings") for RM280 million. On 30 June 2014, the Company further completed the acquisition of Permodalan Nasional Berhad ("PNB")'s 20% equity interest in Kesas Holdings for RM290 million. Following the acquisitions, the Company's proportion of ownership in Kesas Holdings has increased from 30% to 70% and became the subsidiary of the Company.

11. Dividends

a) The Board of Directors does not recommend the payment of any final dividend in respect of the financial year ended 31 July 2014.

b) The total dividend per share for the current financial year ended 31 July 2014 was single tier interim dividend of 12.00 sen per ordinary share.

c) The total dividend per share for the previous financial year ended 31 July 2013 was also single tier interim dividend of 12.00 sen per ordinary share.

12. Dividend Paid

	12 months ended 31 July	
	2014	2013
	RM'000	RM'000
First Interim Dividends		
First interim dividend comprising single tier dividend of 6.00 sen per ordinary share for the year ended 31 July 2014 was paid on 28 January 2014.	137,993	-
(First interim dividend comprising single tier dividend of 6.00 sen per ordinary share for the year ended 31 July 2013 was paid on 23 January 2013.)	-	125,337
Second Interim Dividends		
Second interim dividend comprising single tier dividend of 6.00 sen per ordinary share for the year ended 31 July 2014 was paid on 23 July 2014.	139,395	-
(Second interim dividend comprising single tier dividend of 6.00 sen per ordinary share for the year ended 31 July 2013 was paid on 31 July 2013.)	-	136,571
	277,388	261,908

13. Review of Performance

Overall Performance

The Group's revenue and profit before taxation for the current quarter and current year to date can be analysed as follows:

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	Current Year Quarter 31-Jul-14	(Restated) Comparative Quarter 31-Jul-13	**Current Year To Date 31-Jul-14**	(Restated) Preceding Year 31-Jul-13
	RM'000	RM'000	**RM'000**	RM'000
Revenue	591,996	640,934	2,229,572	2,235,435
Profit before taxation (excluding the following items)	228,622	193,340	844,504	767,146
Gain on remeasurement of existing interest in a subsidiary upon obtaining control	194,203	-	194,203	-
Write offs - premium paid for water concession assets and goodwill	(187,062)	-	(187,062)	-
Arbitral awards	-	2,304	-	(110,700)
Profit before taxation as reported	235,763	195,644	851,645	656,446

Current Quarter
The decrease in revenue resulted from the substantial completion of the Electrified Double Tracking Railway Project. The increase in profit before taxation (excluding gain on remeasurement of existing interest in a subsidiary upon obtaining control, write offs - premium paid for water concession assets and goodwill, and arbitral awards) resulted from higher contribution from property and water and expressway concessions divisions.

Current Year to Date
The decrease in revenue resulted from the substantial completion of the Electrified Double Tracking Railway Project. The increase in profit before taxation (excluding gain on remeasurement of existing interest in a subsidiary upon obtaining control, write offs - premium paid for water concession assets and goodwill, and arbitral awards) resulted from higher contribution from all divisions.

The performances of the respective divisions of the Group are as follows:

(a) CONSTRUCTION DIVISION

The increase in profit before taxation for the current year to date resulted from higher work progress from the Klang Valley Mass Rapid Transit Project.

(b) PROPERTY DIVISION

The increase in profit before taxation for the current year to date resulted from higher profit contribution from on-going projects.

The increase in profit before taxation for the current year to date resulted from higher contribution from the Group's various expressways.

14. Comparison with immediate Preceding Quarter's Results

The Group recorded profit before taxation of RM235.8 million for the current quarter which was higher than the immediate preceding quarter's profit before taxation of RM223.6 million due to higher contribution from concessions division.

15. Next Year Prospects

Overall Prospects

The Group anticipates a good performance next year from on-going construction projects, substantial unbilled sales of the property division and steady earnings from the water and expressway concessions division.

The status of projects and prospects for the respective divisions of the Group are as follows:

(a) CONSTRUCTION DIVISION

Klang Valley Mass Rapid Transit Project: Sungai Buloh – Kajang Line

Project Delivery Partner ("PDP"):
Through MMC Gamuda KVMRT (PDP) Sdn Bhd, our role as PDP is to deliver to the owner, Mass Rapid Transit Corporation Sdn Bhd, a fully operational railway system within the agreed target cost and completion date.

Cumulative progress at the end of August 2014 was 52% completion. The project is on target for Phase 1 completion in December 2016 and full completion by July 2017, with no significant cost overruns so far.

Construction continues to achieve significant progress as works on elevated viaducts, stations and underground tunnels pick up pace. Piling works are substantially completed, and pier construction is progressing well. Segmental box girders that will form the elevated guideway of the twin rail tracks are being launched at 20 locations. Final designs for the systems works continue to progress well. The first two MRT electric trains have been delivered, and are being assembled before commencing testing.

Underground Works Package:
The underground works package has achieved a certified progress of 67% at the end of August 2014.

All tunnelling in the high risk Karstic Limestone geological formation is completed. Of the ten TBMs, only five TBMs are left tunnelling through the straightforward and stable Kenny Hill geological formation. The 5 TBMs from the completed tunnel drives have been decommissioned, retrieved and are undergoing refurbishment in Ipoh, ready to start the next project.

By the end of 2014, there will only be two TBMs left tunnelling.

Construction of the seven underground stations is also progressing well. Major works are centred on the construction of the superstructures of the multi-level stations such as the station box and floor slabs.

15. Next Year Prospects (cont'd)

Overall Prospects (cont'd)

(b) CONSTRUCTION DIVISION

Electrified Double Tracking Railway Project
The section from Padang Besar to Ipoh (Spine line) was completed on 7 June 2014 and handed over to the client on time. Civil works and track works for the remaining section i.e. Bukit Mertajam to Butterworth (Spur Line) are substantially completed. Final railway systems testing and commissioning is currently in progress. Cumulative progress for this remaining section of the project at the end of August 2014 was 99.8%completion with full completion expected by 7 November 2014.

(b) PROPERTY DIVISION

For this financial year, the division achieved new record sales of RM1.81 billion compared with RM1.76 billion sales of the previous financial year. This has been the fifth consecutive year of increase in the division's sales. Unbilled sales at the end of this quarter were RM1.7 billion.

Malaysia
On-going projects at Bandar Botanic in Klang, Jade Hills in Kajang, Madge Mansions and The Robertson in Kuala Lumpur and Horizon Hills in the Iskandar Johor region, continue to achieve good take-up rates. However, some softening is expected given the weakness in the Klang Valley and Johor property markets.

Projects still in the planning stage include a 5-acre high rise development at Kelana Jaya and two parcels of land, 724 acres at Serai and 89 acres at Kundang, which will be developed into a comprehensive integrated township comprising residential and commercial properties. The total Gross Development Value ("GDV") for these new projects is estimated at RM6 billion.

The division recently entered into an agreement to acquire a 1,530-acre leasehold land located right next to Expressway Lingkaran Tengah ("ELITE Highway") between KM 24 and KM 26.4. Travelling from Petaling Jaya or Kuala Lumpur, the land is accessible via Shah Alam Expressway ("KESAS") as well as ELITE Highway via KLIA Interchange. The land is also accessible via Jalan Klang-Banting and Jalan B18. The land is envisaged to be developed into a contemporary and comprehensive township with an estimated GDV of RM19 billion.

Vietnam
The Vietnamese market has shown signs of improvement. At Gamuda City in Hanoi, sales has increased noticeably following the completion of the residential landed properties and the setting up of a reputable international school there.

Similarly at Celadon City in Ho Chi Minh City, sales continue to improve following the completion of the two blocks of apartments and the opening of Aeon retail mall in January 2014.

In tandem with robust outlook on Vietnam's economy, we expect that sales will continue to pick up.

15. Next Year Prospects (cont'd)

Overall Prospects (cont'd)

(c) WATER AND EXPRESSWAY CONCESSIONS DIVISION

(i) Expressway

Traffic volumes of the division's various expressways have been stable and resilient.

The Company now holds a 70% stake in Kesas Holdings Berhad ("Kesas Holdings"). Kesas Holdings is the holding company of Kesas Sdn Bhd - the concession holder of Shah Alam Expressway. On 17 July 2014, the Securities Commission exempted the Company from undertaking a mandatory take-over offer to acquire the remaining 30% equity interest in Kesas Holdings. Following the exemption, the Company's offer for Perbadanan Kemajuan Negeri Selangor ("PKNS")'s 30% stake in Kesas Holdings was terminated.

(ii) Water

There are no recent developments but we are anticipating discussions to start with the State Government.

16. Variance from Profit Forecast and Profit Guarantee

This is not applicable to the Group.

17. Taxation

The taxation is derived as below:	3 months ended 31 July 2014	3 months ended 31 July (Restated) 2013	12 months ended 31 July 2014	12 months ended 31 July (Restated) 2013
	RM'000	**RM'000**	**RM'000**	**RM'000**
Malaysian & foreign income tax	23,155	26,917	116,562	106,863

The Group's effective tax rate (excluding the results of joint ventures and associates which is equity accounted net of tax) for the current year is higher than the statutory tax rate primarily due to certain expenses not being deductible for tax purposes.

18. Status of Corporate Proposals

1) Expressway

The Company now holds a 70% stake in Kesas Holdings Berhad ("Kesas Holdings"). Kesas Holdings is the holding company of Kesas Sdn Bhd - the concession holder of Shah Alam Expressway. On 17 July 2014, the Securities Commission exempted the Company from undertaking a mandatory take-over offer to acquire the remaining 30% equity interest in Kesas Holdings. Following the exemption, the Company's offer for Perbadanan Kemajuan Negeri Selangor ("PKNS")'s 30% stake in Kesas Holdings was terminated.

18. Status of Corporate Proposals (cont'd)

2) Water

On 26 February 2014, the Company received an offer from Kumpulan Darul Ehsan Berhad ("KDEB"), an entity wholly-owned by the Selangor State Government, to purchase 100% equity in Syarikat Pengeluar Air Selangor Holdings Berhad ("Splash Holdings"). Splash Holdings is the holding company of Syarikat Pengeluar Air Sungai Selangor Sdn Bhd ("Splash") - the concession holder of Sungai Selangor Water Supply Scheme Phase 1 and 3. The Company has a 40% equity interest in Splash Holdings. The offer was part of the Selangor State Government's effort to consolidate the various entities involved in the treatment, supply and distribution of water in the state of Selangor.

On 10 March 2014, the Company informed KDEB that it was constrained from accepting the said offer due to the adverse financial consequences on the Company. The net offer of RM250.6 million for Splash Holdings when compared to its net asset value ("NAV") of RM2.54 billion as at 31 December 2013 will result in a huge divestment loss of RM920 million to the Company. The offer of RM250.6 million is below 10% of Splash Holdings' NAV. The offer was therefore not reasonable for acceptance by the Company.

The Company informed KDEB that it was however, amenable to accepting an offer by KDEB to acquire the equity of Splash Holdings upon mutually agreed terms on a 'willing buyer – willing seller' basis, based on the following conditions which were already included in KDEB's earlier offers and accepted by the Company :

(aa) Payment of Splash Holdings' NAV (as agreed by KDEB in its letter of offer dated 20 February 2013 page 6 item 2(vi) and the State's offer dated 15 July 2009 page 2 item 6).

(bb) The retention of the operations and maintenance operators of Splash (Gamuda Water Sdn Bhd and Sungai Harmoni Sdn Bhd) at existing terms (as agreed by the State in its letter of offer dated 15 July 2009 page 2 item 4).

On 6 March 2014, Splash received a letter from Lembaga Urus Air Selangor ("LUAS") informing Splash that its existing license to extract raw water expiring on 30 June 2014 will not be renewed after its expiry ("LUAS' Decision"). On 24 April 2014, Splash filed an application in the Kuala Lumpur High Court for leave to issue Judicial Review proceedings ("JR proceedings") against LUAS' Decision. On 20 June 2014, the High Court Judge granted leave to SPLASH to issue JR proceedings and a stay order against LUAS' Decision.

There are no recent developments but we are anticipating discussions to start with the State Government.

19 . Group Borrowings and Debt Securities

The details of the Group's borrowings as at the end of the year are as follows:-

	Foreign Currency '000	As at 31-Jul-14 RM Equivalent '000
Long Term Borrowings		
Medium Term Notes (Gamuda)		1,200,000
Term Loan		
-denominated in US Dollar (Gamuda)	92,000	293,103
-denominated in Vietnamese Dong (Celadon City)	1,433,836,042	216,796
Term Loan (Jade Homes)		28,674
		1,738,573
Short Term Borrowings		
Revolving Credits		
-denominated in US Dollar (Gamuda)	50,000	159,295
Medium Term Notes (Gamuda)		320,000
Term Loan		
-denominated in Vietnamese Dong (Celadon City)	398,353,818	60,231
Term Loan (Jade Homes)		44,520
Islamic Securities-BaIDS (Kesas)		100,000
Government Support Loan (Kesas)		108,113
		792,159
		2,530,732

20. Derivative Financial Instruments and Fair Value Changes in Financial Liabilities

The Group has entered into the following Interest Rate Swap ("IRS") contracts to hedge the payment of interest on bank borrowings from a floating rate to a fixed rate.

Interest Rate Swap	Interest		Contract amount in foreign currency USD'000	Maturity		Fair value of Derivative Liabilities RM'000	Contract dates	Maturity dates
	From floating rate	To fixed rate		1 to 3 years RM'000	More than 3 years RM'000			
USD	3 month LIBOR	1.845% to 2.495%	45,000	143,366	-	1,903	Nov 2009 to July 2010	Nov 2014 to July 2015

The basis of fair value measurement is the difference between the contracted IRS rates and the market IRS rates. The losses are due to the unfavourable fluctuation in market interest rates.

There is minimal counter party credit risk as the IRS were entered into with reputable banks.

21. Changes in Contingent Liabilities or Contingent Assets

There is no significant contingent liabilities or contingent assets.

22. Provision of Financial Assistance

Pursuant to paragraph 8.23(1)(ii) of Bursa Malaysia Securities Berhad's Listing Requirements, the financial assistance provided by Gamuda Berhad ("Gamuda") is as follows:

MMC Corporation Berhad ("MMC") and Gamuda Berhad Joint Venture was awarded the RM8.28 billion underground works package of the Klang Valley Mass Rapid Transit Project. MMC and Gamuda established a special purpose vehicle ("SPV") known as MMC Gamuda KVMRT (T) Sdn Bhd to undertake the works package. The SPV is equally owned by MMC and Gamuda. As the works package is undertaken by a SPV, MMC and Gamuda issued Parent Company Guarantees to guarantee the due performance and obligations of the SPV.

Work on this package has commenced. The Parent Company Guarantees have not been called because the SPV has performed and met its obligations in compliance with the terms of the contract.

23. Capital Commitments

The amount for commitments for capital expenditure not provided for in the interim financial statements as at 31 July 2014 are as follows:

	RM'000
Approved and contracted for :-	
Land for property development	1,041,413
Property, plant & equipments	925
Investment property	19,700
	1,062,038

24. Realised and Unrealised Profit or Losses

The breakdown of retained profit of the Group into realised and unrealised profits or losses are as follows:

	Note	As at 31-Jul-14	As at 30-Apr-14
		RM'000	RM'000
Total retained profits of the Company and its subsidiaries			
- Realised		1,850,351	1,473,264
- Unrealised	1	(75,485)	5,025
		1,774,866	1,478,289
Total share of retained profits from joint arrangements			
- Realised		280,801	469,974
- Unrealised	1	(114)	(20,517)
		280,687	449,457
Total share of retained profits from associated companies			
- Realised		1,554,972	1,554,972
- Unrealised	1	(401,627)	(401,627)
		1,153,345	1,153,345
Less : Consolidated adjustments	2	(725,724)	(668,250)
Total Group retained profits		2,483,174	2,412,841

Note 1 Unrealised profits/losses are mainly deferred tax provision and translation gains or losses of monetary items denominated in a currency other than the functional currency.

Note 2 Consolidation adjustments are mainly elimination of pre-acquisition profits or losses, minorities share of retained profits or accumulated losses and other adjustments arising from the business combination.

25. Material Litigations

The arbitral award ("the Award") in respect of the arbitration between Wayss & Freytag (Malaysia) Sdn Bhd ("W&F") and MMC Gamuda Joint Venture ("JV") was issued by the arbitral tribunal ("Tribunal") on 16 April 2013.

In the Award, the Tribunal determined that the W&F's claims against the JV succeeded in substantial part and dismissed the JV's claims against W&F. The Tribunal thus awarded the following reliefs to W&F:

1. That the JV pays to W&F the sum of RM 96,297,229.03;
2. That the JV pays to W&F interest at a simple rate of 4% per annum on the sum of RM96,297,229.03 from date of termination (23 January 2006) to date of the Award (amounting to RM28,247,187.18);
3. That JV pays to W&F interest at the simple rate of 5% per annum on the sum of RM96,297,229.03 from the date of the Award until payment in full; and
4. That the JV pays to W&F costs of RM9,000,000.

Following requests for some clerical corrections made by both parties, the Tribunal issued a corrective award on 30 May 2013 (the "Corrective Award") as follows:

1. The amount awarded to W&F has increased to RM97,574,035.39;
2. The amount of interest payable from the date of termination to date of Award now amounts to RM28,229,638.73;
3. The post award interest at the simple rate of 5% per annum from the date of the Award until payment in full is to be imposed on the sum of RM97,574,035.39; and
4. That the JV pays to W&F costs of RM9,000,000.

On 23 May 2013, the JV filed an application for a reference to the High Court in Kuala Lumpur on questions of law arising out of the Award and on determination of the said questions, for the Award to be set aside ("JV's Section 42 Application"). The JV's Section 42 Application was registered as Kuala Lumpur High Court Originating Summons No. 24C(ARB)-2-05/2013.

On 14 June 2013, a copy of W&F's application for inter alia, recognition and enforcement of the Award under Section 38 of the Arbitration Act 2005 ("W&F's Enforcement Application") was served on the JV. W&F's Enforcement Application was registered as Kuala Lumpur High Court Originating Summons No. 24NCC(ARB)-26-06/2013.

In addition to the JV's Section 42 Application, on 4 July 2013 the JV filed another application to set aside the Award under Section 37 of the Arbitration Act 2005 whereby Mr Yusof Holmes was named as the 2nd Defendant ("JV's Section 37 Application"). The JV's Section 37 Application was registered as Kuala Lumpur High Court Originating Summons No. 24C(ARB)-3-07/2013. This application was made on the basis that there has been inter alia, a breach of Mr Holmes' statutory duty under the Arbitration Act 2005 and that the Award is in conflict with the public policy in Malaysia.

On 21 August 2013, Mr Holmes filed a notice of application to stay the JV's Section 37 Application ("Holmes' Stay Application") pending the final disposal or conclusion of the following criminal proceeding against Mr Holmes:

1) Penang Sessions Court (1) Case No: 62(R)-141-6/2013; and
2) Kuala Lumpur Sessions Court Case No: 62R-005-07-2013.

25. Material Litigations (cont'd)

On 6 September 2013, W&F filed an application under Order 15 rule 5(1) of the Rules of Court 2012 to bifurcate the JV's Section 37 Application against W&F and Mr. Holmes ("W&F's Order 15 Application").

The JV's Section 42 Application was heard before the Honourable Dato' Mary Lim Thiam Suan on 7 November 2013. Judgment was reserved.

On 9 June 2014, the learned Judge dismissed the JV's Section 42 Application with costs of RM75,000 to be paid to W&F. Following the dismissal of the JV's Section 42 Application, the learned Judge gave the following directions in respect of the JV's Section 37 Application:

(i) Holmes' Stay Application and W&F's Order 15 Application are fixed for hearing on 30 June 2014 at 10.30am; and

(ii) Further directions for the management of the JV's Section 37 Application will be provided after the abovementioned interlocutory applications have been disposed of.

The hearing of Holmes' Stay Application and W&F's Order 15 Application was postponed to 4 July 2014 and decision was fixed for 10 July 2014. On 10 July 2014, Holmes' Stay Application was dismissed with costs in the cause and in view of the dismissal of Holmes' Stay Application, W&F decided to withdraw the Order 15 Application.

On 24 July 2014, Mr Holmes filed a notice of application to strike out the JV's Section 37 Application against him and for him to be removed as a party in the proceedings ("Holmes' Striking Out Application"). Holmes' Striking Out Application was heard before the Honourable Dato' Mary Lim Thiam Suan on 2 September 2014. On 17 September 2014, the Judge allowed Holmes' Striking Out Application.

The court has fixed the JV's Section 37 Application and W&F's Enforcement Application for hearing on 20 October 2014.

26. Earnings Per Share

	Current Quarter 31-Jul-14	Current Year To Date 31-Jul-14
Basic		
Net profit attributable to shareholders (RM'000)	205,885	719,398
Number of ordinary shares in issue as at 1 Aug 2013 ('000)	2,276,644	2,276,644
Effect of shares issued during the year ('000)	39,849	22,671
Weighted average number of ordinary shares in issue ('000)	2,316,493	2,299,315
Basic earnings per ordinary share (sen)	8.89	31.29
Diluted		
Net profit attributable to shareholders (RM'000)	205,885	719,398
Weighted average number of ordinary shares in issue ('000)	2,316,493	2,299,315
- Assumed issued from exercise of Warrants 2010/2015 ('000)	35,628	35,524
Adjusted weighted average number of ordinary shares for calculating diluted earnings per ordinary share ('000)	2,352,121	2,334,839
Diluted earnings per ordinary share (sen)	8.75	30.81

27. Notes to the Consolidated Statement of Comprehensive Income

Total comprehensive income for the year is arrived at after charging/(crediting) the following items:

	Current Quarter 31-Jul-14 RM'000	Current Year To Date 31-Jul-14 RM'000
Interest income	(11,160)	(37,333)
Other income	(7,173)	(16,910)
Interest expense	10,760	66,439
Depreciation and amortisation	12,228	27,760
Provision for and write-off of receivables	-	-
Provision for and write-off of inventories	-	-
Gain on disposal of quoted or unquoted investment	-	-
Gain on disposal of property, plant and equipment	(518)	(2,000)
Gain on remeasurement of existing interest in a subsidiary upon obtaining control	(194,203)	(194,203)
Write offs - premium paid for water concession assets and goodwill	187,062	187,062
Loss on foreign exchange	12,441	21,152
Gain on derivatives	(785)	(2,497)

The above disclosure is prepared in accordance with paragraph 16 of Appendix 9B of the Main Listing Requirements (“MLR”) issued by Bursa Malaysia Securities Berhad. Except for the above, the rest of the items required for disclosures pursuant to paragraph 16 of MLR are not applicable to the Group.