



Gamuda Berhad

Earnings Turnaround

Q1 `10 INVESTORS' BRIEFING

22 December 2009



INCOME STATEMENT SUMMARY

(RMmil)	Q1 `10	Q1 `09	Change (%)
Revenue	624.0	614.0	+2
Profit from operations (EBIT)	55.5	48.1	+15
Finance Costs	(11.2)	(10.8)	+4
Share of associates (net of tax)	39.2	34.7	+13
Profit before tax	83.5	72.0	+16
Tax	(17.5)	(14.5)	+20
Minority Interests	(3.0)	(2.4)	+23
Net profit attributable to equity holders	63.0	55.0	+15
Fully diluted EPS (sen)	3.1	2.7	
Dividend per share (sen)	6.0	4.0	
EBIT margins (%)	8.9	7.8	
PBT margins (%)	13.4	11.7	



BALANCE SHEET SUMMARY

(RMmil)	As at 31 Oct `09	As at 31 July `09
Current Assets	3360.4	3279.2
Current Liabilities	1402.8	1427.5
Current Ratio	2.4x	2.3x
Total borrowings	1614.0	1538.7
Cash and marketable securities	1436.5	1254.7
Net borrowings	177.5	284.0
Share capital	2016.0	2009.3
Reserves	1217.2	1151.8
Equity attributable to equity holders	3233.2	3161.0
Net gearing (overall)	5%	9%
Net assets per share (RM)	1.60	1.57



KEY HIGHLIGHTS

- **Improved construction prospects** – pump-priming gathering momentum, new construction opportunities, several sizeable projects being implemented
- **Strong property sales continue** – strong sales continue into Q1, no changes to Vietnam launches, development timelines
- **Stable cost environment** – low raw material prices, supports margins, reduces risks, encourages new spending
- **Splash sale rescinded** – State's offer lapses, fresh offer from Federal imminent
- **Brighter year ahead** – Q1 earnings recovery expected to strengthen through FY10, margin expansion on track, new projects likely



RECENT DEVELOPMENTS

- LRT extensions now in preQ stage, selective LCCT airport packages awarded; pace of new contracts awards likely to increase from early next year;
- No direct impact from Dubai debt crisis; devaluation of Dong a slight net positive
- Double Track project receives 1-year EOT (Extension of Time), approved project completion now at end 2013
- New property sales remains strong; Q1 sales matches Q4 `09
- State's offer to acquire Splash has lapsed, S&P rescinded; awaiting fresh offer from PAAB
- 1st interim dividend raised to 6 sen per share



CONSTRUCTION ORDER BOOK

- Current balance of works about **RM7.5 billion** (US\$2.2bn)

Major Projects	Balance works (RMbn)	Completion Status		Comments
		% now	completion date	
<u>Major Ongoing</u> Double Tracking Yenso Park infra	4.1 1.0	34 28	2013 2011	1-year EOT granted Progressing rapidly
<u>Other Ongoing</u> Dukhan Highway} NDIA – Ph 1, 2} Sitra Bridges}	0.6	100 73 78	2009 2011 2010	Completed Additional works secured Steady progress
<u>Yet to commence</u> Nam Theun 1	1.8	0	n.a.	Pending finalization



CONSTRUCTION - OUTLOOK

- Improved construction performance; Q1 profits up 32% y-o-y; margins up to 2.6% from 1.9%; on track for margin expansion through FY10; order book stands at RM7.5bn
- Brighter outlook, improved project visibility; several sizeable projects in pipeline over next few months; gearing up to secure meaningful participation
- No direct impact from Dubai crisis; devaluation of Dong a slight net positive in short term
- Double Track 34% completed; 90% of corridor handed over; resolution of land issues in sight; 1-year EOT granted by govt
- Yenso infra making good progress, 28% completed; STP construction now in full swing



PROPERTIES - OUTLOOK

- Steady Q1 performance, stable margins; profits up 4% to RM21.5m; margins slightly lower at 15.1% vs 16.5%
- Strong new sales sustains into Q1; Q1 sales total RM250m, up 210% over Q1 last year; FY10 sales target under review
- Unbilled sales of RM700m at end Q1 vs RM500m at end Q4
- All projects achieved strong sales in Q1; Valencia, Kota Kemuning and Bandar Botanic performed notably well
- Relatively strong demand for shop lots and shop offices
- No changes to launch plans for Yenso; Commercial development, residential launches targeted for mid-2010
- Evaluating new opportunities in Vietnam



INFRASTRUCTURE - OUTLOOK

- Slightly weaker Q1; expressway profitability slipped 13% to RM15.2m y-o-y; largely due to ongoing major maintenance programme at Indian highways and higher financing costs at Litrak
- Expressway revenues improved 4% across division with Smart achieving strongest traffic growth
- State's offer to acquire Splash has lapsed, S&P rescinded; Federal takes over water consolidation exercise, fresh offer from PAAB imminent



BALANCE SHEET HIGHLIGHTS

- Financial position improves further in Q1; cash pile exceeds RM1.4bn whilst net debt falls below RM200m;
- Net gearing stands at 5% overall, down from 9% at end FY09 (0% excluding non-recourse borrowings)
- 1st interim dividend of 6 sen per share declared, up from 4 sen per share previously



THANK YOU

For any clarification, please email
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