

THIS STATEMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about the course of action to be taken, you should consult your stockbroker, banker, solicitor, accountant or other professional adviser immediately.

Bursa Malaysia Securities Berhad (“Bursa Securities”) has not perused this Statement prior to its issuance as it is an exempt statement. Bursa Securities takes no responsibility for the contents of this Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement.



GAMUDA BERHAD

(29579-T)

(Incorporated in Malaysia)

PART A: STATEMENT TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

AND

PART B: DETAILS OF THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

The Ordinary and Special resolutions in respect of the above proposals will be tabled at the Company's 36th Annual General Meeting to be held at Permai Room, Kota Permai Golf & Country Club, No. 1, Jalan 31/100A, Kota Kemuning, Section 31, 40460 Shah Alam, Selangor Darul Ehsan on Thursday, 6 December 2012 at 10.00 a.m. Notice of the 36th Annual General Meeting together with the Form of Proxy are enclosed in the Annual Report 2012. The Form of Proxy must be completed and lodged at the Registered Office of the Company not less than 48 hours before the time stipulated for holding the meeting. The lodging of the Form of Proxy will not preclude you from attending the meeting and voting in person if you are able to do so.

This Statement is dated 8 November 2012

DEFINITIONS

For the purpose of this Statement, except where the context otherwise requires, the following definitions shall apply: -

Act	:	The Malaysian Companies Act, 1965 as amended from time to time and any re-enactment thereof
AGM	:	Annual General Meeting
Annual Report 2012	:	The Annual Report of Gamuda issued for the financial year ended 31 July 2012
Board	:	The Board of Directors of Gamuda
EPS	:	Earnings Per Share
Gamuda or Company	:	Gamuda Berhad
Gamuda Group or Group	:	Gamuda and its subsidiary companies, collectively
Bursa Securities	:	Bursa Malaysia Securities Berhad
Listing Requirements	:	Bursa Securities Main Market Listing Requirements as amended from time to time and any re-enactment thereof
NA	:	Net Assets
Ordinary Resolution	:	The Ordinary Resolution referred to in Annexure I
Proposed Amendments	:	The proposed amendments to the Articles of Association of the Company
Proposed Authorised Period	:	<p>The period where authority is granted by the shareholders of the Company for the Proposed Share Buy-back which is effective upon the passing of the Ordinary Resolution in the forthcoming AGM and may continue to be in force until:-</p> <ul style="list-style-type: none">(a) the conclusion of the next AGM of the Company; or(b) the expiration of the period within which the next AGM after that date is required by law to be held; or(c) revoked or varied by ordinary resolution passed by the shareholders in general meeting, <p>whichever occurs first.</p>
Proposed Share Buy-back	:	Proposed renewal of the existing authority granted to the Company to purchase up to ten percent (10%) of its own issued and paid-up share capital
RM and sen	:	Ringgit Malaysia and sen respectively
Share(s)	:	Ordinary share(s) of RM1.00 each in Gamuda
Shareholders	:	Shareholders of Gamuda
The Code	:	Malaysian Code on Take-Overs and Mergers 2010

CONTENTS

		<i>Page</i>
PART A	PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY	1 to 4
PART B	PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY	5 to 6
ANNEXURE I	RESOLUTIONS IN RESPECT OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY AND PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY	7



GAMUDA BERHAD

(29579-T)

(Incorporated in Malaysia)

SHARE BUY-BACK STATEMENT

in relation to the

PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY (“PROPOSED SHARE BUY-BACK”)

1. INTRODUCTION

At the 35th AGM of the Company held on 8 December 2011, the Shareholders had approved the authority for the Company to buy back up to ten percent (10%) of its issued and paid-up share capital. The said approval will expire at the conclusion of the forthcoming 36th AGM of the Company scheduled to be held on 6 December 2012.

Accordingly, the Board had on 30 October 2012, announced its intention to seek Shareholders’ approval for the Proposed Share Buy-back at the forthcoming 36th AGM.

This Statement serves to provide you with the relevant information on the Proposed Share Buy-back, to set out your Board’s recommendation thereon and to seek your approval for the Proposed Share Buy-back to be tabled at the forthcoming 36th AGM. The Notice of AGM together with the Form of Proxy are enclosed.

2. RATIONALE FOR THE PROPOSED SHARE BUY-BACK

The Proposed Share Buy-back is expected to have the effect of stabilising the supply and demand as well as the price of the Shares of the Company on Bursa Securities, which may in turn have a favourable impact on the Share price of the Company. It is to be carried out when the Share price is transacted at levels which do not reflect the potential earning capability and/or underlying asset value of the Group.

The purchased Shares may be cancelled or held as treasury shares. If held as treasury shares, they could be resold on Bursa Securities with the intention of realising a potential gain. In the event the treasury shares are distributed as share dividends, it would serve to reward the Shareholders.

3. SOURCE OF FUNDS

The Proposed Share Buy-back will allow the Board to purchase Gamuda Shares at any time within the Proposed Authorised Period. The Board proposes to allocate an amount of funds not exceeding the retained profits and/or share premium account of the Company for the purchase of its own Shares pursuant to the Proposed Share Buy-back. Based on the latest audited financial statements as at 31 July 2012, the retained profits and share premium account of the Company were RM408,566,000 and RM153,228,000 respectively.

The amount of funds allocated for the purchase of its own Shares pursuant to the Proposed Share Buy-back shall be financed from internally generated funds and/or external borrowings, the proportion of which will only be determined later depending on the available internally generated funds, actual number of Shares to be purchased and other relevant cost factors. In the event the Proposed Share Buy-back is to be partly financed by external borrowings, the Company expects that it will be capable of repaying such borrowings and that such borrowings are not expected to have any material effect on the cash flow of the Gamuda Group.

4. ADVANTAGES AND DISADVANTAGES

The Proposed Share Buy-back, if implemented, will reduce the financial resources of the Group. This may result in the Group foregoing future investment opportunities and any income that may be derived from the deposit of funds in interest bearing instruments. The Proposed Share Buy-back may also reduce the amount of financial resources available for repayment of the Group's borrowings, for working capital or, for distribution in the form of dividends to Shareholders.

However, the financial resources of the Group may increase upon the resale of the purchased Shares held as treasury shares at higher prices than the purchase price. The other advantages of the Proposed Share Buy-back are stated in Section 2 above.

The Board will be mindful of the interest of Gamuda and its Shareholders in undertaking the Proposed Share Buy-back and in subsequent resale.

5. FINANCIAL EFFECTS OF THE PROPOSED SHARE BUY-BACK

Assuming that the Company purchases 208,102,681 Shares representing ten percent (10%) of its issued and paid-up share capital as at 3 October 2012, the effects of the Proposed Share Buy-back on the share capital, NA, working capital, earnings and dividends are set out as follows:-

5.1 Share Capital

In the event that all the Shares purchased are cancelled, the effect of the Proposed Share Buy-back on the issued and paid-up share capital of the Company would be as follows:-

	No. of ordinary shares of RM1.00 each
Issued and paid-up share capital as at 3 October 2012	2,081,026,816
Assuming the Proposed Share Buy-back of approximately 10% of the issued and paid-up share capital of the Company	(208,102,681)
Reduced issued and paid-up share capital	<u>1,872,924,135</u>

However, the Proposed Share Buy-back is not expected to have any effect on the issued and paid-up share capital of the Company if all the Shares purchased are retained as treasury shares.

5.2 NA

The Proposed Share Buy-back may increase or decrease the NA per share depending on the purchase price(s) of the Shares to be bought. NA per share is likely to decrease if the purchase price exceeds the NA per share at the relevant point in time. On the contrary, the NA per share is likely to increase when the purchase price is less than the NA per share at the relevant point in time.

5.3 Working Capital

The Proposed Share Buy-back will reduce the working capital of the Gamuda Group, the quantum of which depends on, amongst others, the purchase prices and the number of Shares purchased.

5.4 Earnings

The effects of the Proposed Share Buy-back on the earnings of the Gamuda Group are dependent on the purchase prices, the number of Shares purchased and the effective funding cost of the purchases. The reduced number of Shares applicable in computing the EPS subsequent to the Proposed Share Buy-back will generally have a positive impact, all else being equal, on the Group's EPS.

5.5 Dividends

Assuming the Proposed Share Buy-back is implemented in full and the dividend quantum is maintained at historical levels, the Proposed Share Buy-back will have the effect of increasing the dividend rate of the Company as a result of the reduction in the issued and paid-up share capital of the Company.

For the financial year ended 31 July 2012, the Company had paid a first interim dividend of 6 sen per Share tax exempt under single-tier system on 18 January 2012 and a second interim dividend of 6 sen per Share tax exempt under single-tier system on 30 July 2012.

6. SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

The effects of the Proposed Share Buy-back on the shareholdings of the substantial Shareholders based on the Register of Substantial Shareholders as at 3 October 2012, assuming that Gamuda purchases the maximum ten percent (10%) of its issued and paid-up share capital, for illustration purposes, will be as follows:-

Substantial Shareholders	Proposed Share Buy-back							
	Before				After			
	No. of Shares				No. of Shares			
	Direct	%	Indirect	%	Direct	%	Indirect	%
Amanahraya Trustees Berhad – Skim Amanah Saham Bumiputera	172,538,900	8.29	-	-	172,538,900	9.21	-	-
Kumpulan Wang Persaraan (Diperbadankan)	160,389,700	7.71	-	-	160,389,700	8.56	-	-
Y.T.M. Raja Dato' Seri Eleena binti Sultan Azlan Shah	200,000	0.01	130,900,000*	6.29	200,000	0.01	130,900,000*	6.99
Generasi Setia (M) Sdn Bhd	130,900,000	6.29	-	-	130,900,000	6.99	-	-
Employees Provident Fund Board	117,884,000	5.66	-	-	117,884,000	6.29	-	-

* Deemed interest through Generasi Setia (M) Sdn Bhd

7. DIRECTORS' SHAREHOLDINGS

The effects of the Proposed Share Buy-back on the shareholdings of the Directors based on the Register of Directors' shareholdings as at 3 October 2012, assuming that Gamuda purchases the maximum ten percent (10%) of its issued and paid-up share capital, for illustration purposes, will be as follows:-

Directors	Proposed Share Buy-back							
	Before				After			
	No. of Shares				No. of Shares			
	Direct	%	Indirect	%	Direct	%	Indirect	%
Y.M. Raja Dato' Seri Abdul Aziz bin Raja Salim	80,000	* ⁴	-	-	80,000	* ⁴	-	-
Y. Bhg. Dato' Lin Yun Ling	-	-	34,697,636* ²	1.67	-	-	34,697,636* ²	1.85
Y.Bhg. Dato' Ir. Ha Tiing Tai	18,015,876	0.87	14,200* ¹	* ⁴	18,015,876	0.96	14,200* ¹	* ⁴
Y. Bhg. Tan Sri Dato' Mohd. Ramli bin Kushairi	22,600	* ⁴	-	-	22,600	* ⁴	-	-
Y.Bhg. Tan Sri Dato' Seri Dr. Haji Zainul Ariff bin Haji Hussain	100,000	* ⁴	-	-	100,000	0.01	-	-
Y.T.M. Raja Dato' Seri Eleena binti Sultan Azlan Shah	200,000	0.01	130,900,000* ³	6.29	200,000	0.01	130,900,000* ³	6.99
Y. Bhg. Dato' Seri Ir. Kamarul Zaman bin Mohd Ali	413,000	0.02	2,407,630* ¹	0.12	413,000	0.02	2,407,630* ¹	0.13
Y.Bhg. Dato' Haji Azmi bin Mat Nor	320,000	0.02	-	-	320,000	0.02	-	-
Y.Bhg. Dato' Goon Heng Wah	13,620,000	0.65	5,104,032* ¹	0.25	13,620,000	0.73	5,104,032* ¹	0.27

Directors	Proposed Share Buy-back							
	Before				After			
	No. of Shares				No. of Shares			
	Direct	%	Indirect	%	Direct	%	Indirect	%
Y.Bhg. Dato' Ng Kee Leen	32,024,898	1.54	522,472* ¹	0.03	32,024,898	1.71	522,472* ¹	0.03
Mr Saw Wah Theng	325,000	0.02	-	-	325,000	0.02	-	-
Y.M. Tunku Afwida binti Tunku A.Malek	-	-	-	-	-	-	-	-
Ir. Chow Chee Wah (Alternate to Y. Bhg. Dato' Lin Yun Ling)	108,000	0.01	-	-	108,000	0.01	-	-

*¹ Deemed interest through spouse

*² Deemed interest through HSBC (Malaysia) Trustee Berhad

*³ Deemed interest through Generasi Setia (M) Sdn Bhd

*⁴ Less than 0.01%

8. PUBLIC SHAREHOLDING SPREAD

As at 3 October 2012, the public shareholding spread of the Company was approximately 88.43%. If the Proposed Share Buy-back is implemented in full and assuming it will not reduce the number of Shares currently held by the Directors, the substantial Shareholders or persons connected with Directors and/or substantial Shareholders, the public shareholding spread of the Company is expected to be reduced to approximately 87.14%.

9. IMPLICATION RELATING TO THE CODE

There is no implication relating to the Code by Gamuda arising from the Proposed Share Buy-back.

10. PURCHASES IN THE LAST FINANCIAL YEAR

As stated in the Other Disclosures section of the Annual Report 2012, the Company had not purchased any of its own Shares in the last financial year ended 31 July 2012.

11. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

Save for the proportionate increase in the percentage of shareholdings and/or voting rights in their capacity as Shareholders as a consequence of the Proposed Share Buy-back, none of the Directors or substantial Shareholders of the Company or persons connected with them has any interest, direct or indirect, in the Proposed Share Buy-back, or in the resale of the treasury shares, if any.

12. DIRECTORS' RECOMMENDATION

Your Directors, having considered all aspects of the Proposed Share Buy-back, are of the opinion that the Proposed Share Buy-back is in the best interest of the Company and its Shareholders. Accordingly, they recommend that you vote in favour of the ordinary resolution pertaining to the Proposed Share Buy-back to be tabled at the forthcoming 36th AGM.

Yours faithfully

For and on behalf of the Board of
GAMUDA BERHAD

Y.M. RAJA DATO' SERI ABDUL AZIZ BIN RAJA SALIM
Chairman

PART B

DETAILS OF THE PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

On 30 October 2012, the Company announced that it intends to seek Shareholders' approval for the Proposed Amendments.

The Proposed Amendments are to bring the Company's Articles of Association in line with the recent amendments to the Listing Requirements and for ease of administration including through electronic channels.

The Proposed Amendments are as follows:-

Existing Article		Proposed Amendments	
Article 2	(New definitions)	<p>Words</p> <p>“Electronic communication”</p> <p>“Exempt Authorised Nominee”</p>	<p>Meanings</p> <p>A document or information sent or supplied, and received at its destination by means of electronic equipment, including but not limited to computer and iPad, for the processing (which expression includes digital compression) or storage of data, and entirely transmitted, conveyed and received by computer (including by electronic mail “email”) or by wire or signals or by optical means, or by other electronic transmission or other electromagnetic means.</p> <p>An Authorised Nominee which is exempted from compliance with the provisions of subsection 25A(1) of the Central Depositories Act.</p>
Article 77	If a poll is duly demanded, it shall be taken in such manner and either at once or after an interval or adjournment or otherwise as the Chairman of the meeting directs, and the result of the poll shall be the resolution of the meeting at which the poll was demanded. The Chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers for the purposes of a poll, and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.	If a poll is duly demanded, it shall be taken in such manner and either at once or after an interval or adjournment or otherwise as the Chairman of the meeting directs (including, without limitation, the use of ballot or voting papers or forms or by way of electronic polling) , and the result of the poll shall be the resolution of the meeting at which the poll was demanded. Any vote cast by way of electronic polling shall be deemed to constitute a vote by the Members, or their proxies, for all purposes of these Articles. The Chairman of the meeting may (and if so directed by the meeting shall) appoint scrutineers for the purposes of a poll, and may adjourn the meeting to some place and time fixed by him for the purpose of declaring the result of the poll.	
Article 86	Except for appointments made under Article 85, a Member shall not be entitled to appoint more than two (2) proxies to attend and vote at the same meeting. Where a Member appoints two (2) proxies, the appointment shall be invalid unless he specified the proportions of his shareholdings to be represented by each proxy.	<p>(a) Except for appointments made under Article 8586A, a Member shall not be entitled to appoint more than two (2) proxies to attend and vote at the same meeting. Where a Member appoints two (2) proxies, the appointment shall be invalid unless he specified the proportions of his shareholdings to be represented by each proxy.</p> <p>(b) A proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the Member to speak at the meeting.</p> <p>(c) If a Member has appointed a proxy to attend a meeting and subsequently he attends such meeting in person, the appointment of such proxy shall be null and void, and his proxy shall not be entitled to attend the said meeting.</p>	

Existing Article		Proposed Amendments
New Article 86A	No provision.	<p>Appointment of proxies by Exempt Authorised Nominee</p> <p>Where a Member is an Exempt Authorised Nominee which holds Securities for multiple beneficial owners in one (1) Securities Account (“Omnibus Account”), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds. Where an Exempt Authorised Nominee appoints more than one (1) proxy in respect of each Omnibus Account, the appointment shall be invalid unless the Exempt Authorised Nominee specifies the number of shares to be represented by each proxy.</p>
Article 87	The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation’s seal or under the hand of an officer or attorney duly authorised. The Directors may, but shall not be bound to require evidence of the authority of any such officer or attorney. A proxy may but need not be a Member of the Company and a Member may appoint any person to be his proxy without limitation and the provisions of section 149(1)(b) of the Act shall not apply to the Company. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.	The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation’s seal or under the hand of an officer or attorney duly authorised. The Directors may, but shall not be bound to require evidence of the authority of any such officer or attorney. A proxy may but need not be a Member of the Company and a Member may appoint any person to be his proxy without limitation any restriction as to the qualification of the proxy and the provisions of section 149(1)(b) of the Act shall not apply to the Company. The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
Article 120	It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from Malaysia.	<p>(a) It shall not be necessary to give notice of a meeting of Directors to any Director for the time being absent from Malaysia.</p> <p>(b) Notice of a meeting of Directors is deemed to be duly given to a Director if it is given to him personally or by electronic communication to an address given by him to the Company for that purpose or sent in writing to him at his last known address or another address given by him to the Company for that purpose.</p>
Article 166	Subject to the provisions of any written law, a notice or other document may be given by the Company to any Member either by serving it on him personally or by sending it by post at his address as shown in the Register of Depositors or the address (if any) in Malaysia supplied by him to the Company for the giving of notices to him. A Member having a registered address outside Malaysia shall not be entitled to any notices from the Company unless he gives to the Company an address for service within Malaysia.	<p>(a) Subject to the provisions of any written law, a notice or other document may be given by the Company to any Member either by serving it on him personally or by sending it by post at his address as shown in the Register Record of Depositors or the address (if any) in Malaysia supplied by him to the Company for the giving of notices to him. A Member having a registered address outside Malaysia shall not be entitled to any notices from the Company unless he gives to the Company an address for service within Malaysia.</p> <p>(b) Notwithstanding Article 166(a) and subject to the requirements of Article 64 and the Listing Requirements, the Company may serve notice on a Member by way of electronic communication or by means of publication of the notice or other document at the Company’s website.</p>

EXTRACT OF RESOLUTIONS TO BE TABLED AT THE 36TH AGM OF THE COMPANY

Ordinary Resolution**- Proposed Renewal of Share Buy-back Authority**

“THAT subject to the provisions of the Companies Act, 1965, the Articles of Association of the Company, Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements and the approvals of all relevant government and/or regulatory authorities, the Company be and is hereby authorised to purchase such number of ordinary shares of RM1.00 each of the Company (“Proposed Share Buy-back”) as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit in the interest of the Company provided that the aggregate number of shares to be purchased pursuant to this resolution does not exceed ten percent (10%) of the total issued and paid-up share capital for the time being of the Company and an amount not exceeding the retained profits and/or share premium of the Company be allocated by the Company for the Proposed Share Buy-back;

THAT at the discretion of the Directors, upon such purchase by the Company of its own shares, the purchased shares will be cancelled and/or retained as treasury shares and subsequently be cancelled, distributed as dividends or resold on Bursa Securities;

THAT the Directors be and are hereby empowered to do all acts and things and to enter into and execute all commitments, transactions, deeds, agreements, arrangements, undertakings, indemnities, transfers, assignments and/or guarantees as the Directors may deem fit and expedient in order to implement, finalise and give full effect to the Proposed Share Buy-back with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments as may be required or imposed by any relevant authorities and/or any amendments, variations and/or modifications in the interest of the Company as may be approved by any relevant authorities if such approvals are required;

AND THAT the authority hereby given shall commence immediately upon the passing of this resolution and shall continue in force until:

- i) the conclusion of the next Annual General Meeting (“AGM”) of the Company at which time it will lapse, unless by ordinary resolution passed at the AGM, the authority is renewed either unconditionally or subject to conditions; or
- ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
- iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first, but not so as to prejudice the completion of the purchase of its own shares by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of Bursa Securities Main Market Listing Requirements or any other relevant authorities.”

Special Resolution**- Proposed Amendments to the Articles of Association of the Company**

“THAT the proposed amendments to the existing Articles of Association of the Company as set out in Part B of the Statement to Shareholders dated 8 November 2012 be and are hereby approved and adopted.

AND THAT the Directors be and are hereby authorised to assent to any modifications, variations and/or amendments as may be required by the relevant authorities and to do all acts and things and take all such steps as may be considered necessary to give full effect to the Proposed Amendments to the Articles of Association of the Company.”