

Infrastructure

CONCESSIONS

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TOLLED HIGHWAYS

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Lebuh Raya Damansara-Puchong (LDP) continues to see steady improvement in traffic volumes as well as reduction in congestion, as the completion of the six new interchanges as well as local road widening have relieved bottlenecks and improved capacity along the alignment.

The new connection at PJ57&9 was completed in early 2005, allowing the permanent closure of the U-turn at the Sunway Interchange and resolution of the long-standing congestion issue there.

ABOVE:

The Nam Theun 1 hydropower project in Laos is among the group's projects overseas.

REVIEW OF OPERATIONS

Infrastructure Concessions



CLOCKWISE, FROM TOP LEFT: Gamuda, through its associate Splash, operates the Sg. Selangor regulating dam as well as pumping stations, treatment works and reservoirs serving more than 2 million consumers and industrial customers.

Puchong Jaya Interchange, a dual 2-lane centralized mainline between Puchong and Bandar Sunway, was completed in December 2004 to meet increased intersection traffic and enhance movement.

PJS7 and PJS9 Interchange was built to replace the temporary U-turn and enhance connectivity at Bandar Sunway.

The group has designed and constructed water treatment facilities and associated intakes, pumping, piping and clean water reservoirs for treatment capacities totalling more than one billion litres per day.

Traffic volumes on Sprint's toll plazas have seen encouraging growth, in particular at Penchala and Kerinchi as they are vital linkages to the new growth corridors in Kota Damansara and north-western Kuala Lumpur.

Commercial and development activities along the Shah Alam Expressway (SAE) continues to sustain and feed this vital southern corridor linking Kuala Lumpur, to Port Klang.

WATER SUPPLY

The commissioning of the final 400 mld phase of the Bukit Badong Water Treatment Plant in mid 2005 has completed the capacity building for SSP3, enabling Splash to reach its target 2,000 mld operating capacity, making Splash the largest treated water supplier in the country.

Township

DEVELOPMENT

The property division contributed 20% of the group's operating earnings, underpinned by RM600 million of new sales and unbilled sales of RM650 million.

Recognised as a premier lifestyle developer, Gamuda Land's hallmark is in its well-designed developments set in open natural environment.



REVIEW OF OPERATIONS

Township Development



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BANDAR BOTANIC

Bandar Botanic, which won FIABCI's Best Master Plan award, has become a well-known township in the Klang Valley and certainly the benchmark by which property development is judged in the Klang property market.

New launches of residential and commercial properties were made in both Parcel A and Parcel B with good take up rates being maintained. Handing over of completed properties is in progress for Parcel A, with over 2,500 units from 6 phases delivered to buyers.

Much of the common facilities, security and amenities are in place and further facilities, including the new Botanic Resort Clubhouse is under construction for the use of home-owners in Klang's first botanic community.

CLOCKWISE, FROM TOP LEFT:
Valencia homes are designed as modern architectural masterpieces with contemporary interiors.

Amidst a tranquil setting of lush greens and overlooking the prestigious Kota Permai Golf & Country Club, Kota Kemuning Hills embodies the essence of fine resort living.

Kota Kemuning Lakeside Villas and Terraces are built amidst a breathtaking 22-acre Central Lake.

Bandar Botanic Lakefront Commercial Centre sets a new benchmark for commercial property developments in Klang, Malaysia.



ABOVE:

Waterfront homes in Bandar Botanic. Awarded FIABCI's Best Master Plan, Bandar Botanic has become the benchmark for township planning and design in the Klang property market.

KOTA KEMUNING

Sales in this established award-winning township are consistent and reflect that premium buyers are willing to pay for a well-planned and well-executed concept township. New launches at Kemuning Hills, Lakeside Terraces and Canal Gardens in particular have been well received.

Plans are underway to develop the remaining strategically located pocket-land into mainly residential units to complete the overall master-plan for the township.

VALENCIA

The reputation of Valencia as an exclusive and sought after address is evident by the continuing good take up rates as well as occupancy of completed property. To date almost 200 units of various properties have been delivered to our satisfied purchasers.

Strong secondary market prices as well as excellent rental returns confirm the success of our development concept and our good quality and reliable delivery.

REVIEW OF OPERATIONS

QUARRYING & OTHERS

Despite the construction market being in the doldrums, GB Kuari, which supplies quarry products, road paving materials and services continued to perform satisfactorily in its niche as a leading quarry and supplier of quality road paving material, in the northern states.

Bolstered by the high level of activity in our infrastructure and property projects as well as selected external customers, Gamuda Trading, a supplier of construction and building materials also had a good year.

Megah Sewa continues to provide the heavy construction plant and field support that is crucial to sustain high productivity in the group's construction projects in the region.

CORPORATE DEVELOPMENTS

After completing the required feasibility study, which confirmed the feasibility of the Nam Theun 1 hydropower project, a Project Development Agreement with the Government of Lao P.D.R. ("GOL") was signed on November 28, 2004. Construction is anticipated to begin next year after commercial terms with the purchaser of the power, EGAT of Thailand, and financing arrangements have been finalized.

Consistent with our strategy to further enlarge our land-bank in strategic locations, on June 16, 2005 Gamuda entered into a 50:50 joint venture with UEM Land to develop a 1,200 acre site in Bandar Nusajaya, Johor into a mainly residential and 18- hole golf club development. The project will be positioned as a premier residential and golf resort in the region.

We continued to make further headway in our push for international projects. In the month of July 2005, Gamuda, together with our strategic partners, secured two major projects in Qatar.

On July 3, 2005, the Gamuda-WCT Joint Venture won a RM784 million bid to construct 43km of new highway from the town of Shahaniya to Zekreet near the Dukhan industrial area. Shortly after, on July 18, 2005, the Sinohydro-Gamuda-WCT Joint Venture was awarded the construction of civil works worth RM1.880 billion for The New Doha International Airport.

We believe our innovativeness, financial strength, strong project development and management skills as well as reliable execution abilities would put us in good stead to compete successfully for future work.

PROSPECTS FOR 2005/2006

In Malaysia, the soon to be announced Ninth Malaysia Plan would outline the roadmap for development activities for the next half decade. We are optimistic that there will be an appropriate mix of projects to further improve our infrastructure and to support the country's further economic growth and social development for an improved quality of life for all Malaysians.

On the overseas front, we will continue to focus on growth markets that present the best opportunities to leverage off our solid track-record, either by ourselves or with strategic partners if necessary. Our winning of large infrastructure projects in major international markets, against a field of other established international competitors speaks well for our abilities as well as the recognition accorded to our track record.

Even as we spread our wings further overseas, we will continue to strengthen our capability and capacity within Malaysia which continues to be the most important market for us. We believe our innovativeness, financial strength, strong project development and management skills as well as reliable execution abilities would put us in good stead to compete successfully for future work.

Looking at the year ahead, the prospects for the group are sound due to a substantial order book and good mix of infrastructure projects, high levels of unbilled sales from the property division, and steady earnings from our expressway and water supply concessions. Additionally, the opportunity to secure further new projects in our target markets in the next year and a robust domestic economy are also reasons for a positive outlook.