

# Gamuda Berhad (29579-T)

## Quarterly Report On Consolidated Results For The Period Ended 31 January 2015

### Notes To The Interim Financial Statements

(The figures have not been audited)

#### 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 2014.
- 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 2014, except for the adoption of the following Financial Reporting Standards (FRSs) and Amendments to FRSs and IC Interpretations:

#### Effective for annual periods beginning on or after 1 January 2014:

Amendments to FRS 132	Offsetting Financial Assets and Financial Liabilities
Amendments to FRS 10, 12 & 127	Investment Entities
FRS 136	Recoverable Amount Disclosures for Non-Financial Assets (Amendments to FRS 136)
FRS 139	Novation of Derivatives and Continuation of Hedge Accounting (Amendments to FRS 139)
IC Interpretation 21	Levies

#### Effective for annual periods beginning on or after 1 July 2014:

Amendments to FRS 119	Defined Benefit Plans: Employee Contributions
Amendments to FRSs	Annual Improvements to FRSs 2010 – 2012 Cycle
Amendments to FRSs	Annual Improvements to FRSs 2011 – 2013 Cycle

The above FRSs, Amendments to FRSs and IC interpretations do not have any significant impact on the financial performance and position of the Group.

#### 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 its first MFRS financial statements for the year ending 31 July 2018. In presenting its first MFRS financial statements, the Group and the Company 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.

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(The figures have not been audited)

#### 1. Basis of Preparation (cont'd)

##### 1.4) Additional information

With effect from 1 August 2013, the Group recognised its interests in joint ventures pursuant to FRS 11 Joint Arrangements.

The following are the impact of FRS 11 on the Group's Consolidated Income Statements:-

	Before FRS 11 RM'000	Effect of adopting FRS 11 RM'000	After FRS 11 RM'000
<b><u>For the quarter ended 31 January 2015</u></b>			
<b>Consolidated Income Statement</b>			
Revenue	1,189,510	(536,273)	653,237
Operating expenses	(999,031)	493,498	(505,533)
Other income	27,450	(5,163)	22,287
Profit from operations	217,929	(47,938)	169,991
Finance costs	(30,949)	2,284	(28,665)
Share of profits of associated companies	49,987	-	49,987
Share of profits of joint ventures	-	38,490	38,490
Profit before taxation	236,967	(7,164)	229,803
Taxation	(43,380)	7,164	(36,216)
Profit for the period	193,587	-	193,587
Profit attributable to :-			
Owners of the Company	182,178	-	182,178
Non-controlling interests	11,409	-	11,409
	193,587	-	193,587
	Before FRS 11 RM'000	Effect of adopting FRS 11 RM'000	After FRS 11 RM'000
<b><u>For 6 months ended 31 January 2015</u></b>			
<b>Consolidated Income Statement</b>			
Revenue	2,349,000	(1,126,127)	1,222,873
Operating expenses	(1,957,466)	1,019,551	(937,915)
Other income	46,500	(11,607)	34,893
Profit from operations	438,034	(118,183)	319,851
Finance costs	(60,299)	4,604	(55,695)
Share of profits of associated companies	105,636	-	105,636
Share of profits of joint ventures	-	88,849	88,849
Profit before taxation	483,371	(24,730)	458,641
Taxation	(90,140)	24,730	(65,410)
Profit for the period	393,231	-	393,231
Profit attributable to :-			
Owners of the Company	368,027	-	368,027
Non-controlling interests	25,204	-	25,204
	393,231	-	393,231

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## Quarterly Report On Consolidated Results For The Period Ended 31 January 2015

### Notes To The Interim Financial Statements

(The figures have not been audited)

#### 2. Basis of Preparation (cont'd)

##### 1.4) Additional information (cont'd)

<b><u>As at 31 January 2015</u></b> <b>Consolidated Statement of Financial Position</b>	Before FRS 11 RM'000	Effect of adopting FRS 11 RM'000	After FRS 11 RM'000
<b>ASSETS</b>			
Property, plant and equipment	415,635	(96,841)	318,794
Land held for property development	966,104	(45,579)	920,525
Investment properties	128,569	(8,148)	120,421
Expressway development expenditure	2,030,618	(312,718)	1,717,900
Interests in joint ventures	-	685,608	685,608
Deferred tax assets	33,169	(7,521)	25,648
Non current receivables	1,011,271	(346,570)	664,701
Property development costs	1,852,753	(256,706)	1,596,047
Inventories	317,589	(10,364)	307,225
Current receivables	2,194,977	(127,937)	2,067,040
Amount due from customers for construction contracts	56,825	125,830	182,655
Tax recoverable	22,728	(5,167)	17,561
Investment securities	547,432	(81,598)	465,834
Cash and bank balances	1,487,397	(303,342)	1,184,055
<b>LIABILITIES</b>			
Non current payables	400,188	(229,623)	170,565
Non current provision of liabilities	19,910	(18,199)	1,711
Deferred tax liabilities	409,167	(2,548)	406,619
Long term borrowings	2,995,967	(168,695)	2,827,272
Short term borrowings	805,079	(73,268)	731,811
Current payables	1,431,898	(449,852)	982,046
Amount due to customers for construction contracts	27,150	186,515	213,665
Provision for liabilities	57,429	(26,146)	31,283
Tax payable	90,329	(9,237)	81,092

# **Gamuda Berhad (29579-T)**

## **Quarterly Report On Consolidated Results For The Period Ended 31 January 2015**

### **Notes To The Interim Financial Statements**

(The figures have not been audited)

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#### **2. Audit Report of Preceding Annual Financial Statements**

The audit report of the Group's annual financial statements for the year ended 31 July 2014 was not subject to any qualification.

#### **3. Seasonal or Cyclical Factors**

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

#### **4. Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current quarter under review.

#### **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 24,984,525 new ordinary shares of RM1 each, pursuant to the conversion of warrants.

# Gamuda Berhad (29579-T)

## Quarterly Report On Consolidated Results For The Period Ended 31 January 2015

### Notes To The Interim Financial Statements

(The figures have not been audited)

#### 7. Segmental Analysis

	Engineering and Construction	Property Development and Club Operations	Water and Expressway Concessions	Total
	RM'000	RM'000	RM'000	RM'000
<b>6 months period ended 31 January 2015</b>				
<b>REVENUE</b>				
Revenue as reported	609,077	414,783	199,013	1,222,873
Share of joint venture companies' revenue	942,446	173,996	9,685	1,126,127
<b>Total revenue</b>	<b>1,551,523</b>	<b>588,779</b>	<b>208,698</b>	<b>2,349,000</b>
<b>RESULTS</b>				
Profit from operations	104,223	83,851	131,777	319,851
Finance costs	(8,511)	(18,469)	(28,715)	(55,695)
Share of profits of associated companies	-	2,791	102,845	105,636
Share of profits of joint ventures	28,006	59,474	1,369	88,849
<b>Profit before taxation</b>	<b>123,718</b>	<b>127,647</b>	<b>207,276</b>	<b>458,641</b>
Percentage of segment results	27%	28%	45%	
Taxation				(65,410)
<b>Profit for the period</b>				<b>393,231</b>
Profit attributable to :-				
Owners of the Company				368,027
Non-controlling interests				25,204
				<b>393,231</b>
<b>6 months period ended 31 January 2014</b>				
<b>REVENUE</b>				
Revenue as reported	563,565	377,144	63,039	1,003,748
Share of joint venture companies' revenue	1,327,446	199,993	9,253	1,536,692
<b>Total revenue</b>	<b>1,891,011</b>	<b>577,137</b>	<b>72,292</b>	<b>2,540,440</b>
<b>RESULTS</b>				
Profit from operations	110,425	80,215	34,193	224,833
Finance costs	(9,179)	(16,609)	(7,659)	(33,447)
Share of profits of associated companies	-	3,456	109,977	113,433
Share of profits of joint ventures	26,615	60,472	354	87,441
<b>Profit before taxation</b>	<b>127,861</b>	<b>127,534</b>	<b>136,865</b>	<b>392,260</b>
Percentage of segment results	33%	32%	35%	
Taxation				(50,635)
<b>Profit for the period</b>				<b>341,625</b>
Profit attributable to :-				
Owners of the Company				335,595
Non-controlling interests				6,030
				<b>341,625</b>

# Gamuda Berhad (29579-T)

## Quarterly Report On Consolidated Results For The Period Ended 31 January 2015

### Notes To The Interim Financial Statements

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#### 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 period ended 31 January 2015, except for the following:-

- a) On 29 August 2014, the Company acquired the entire issued and paid-up share capital of Semarak Kuasa Sdn Bhd ("SKSB") comprising 2 ordinary shares of RM1.00 each for a cash consideration of RM2.00. SKSB is currently dormant and its intended principal activity is property development.
- b) On 14 November 2014, the Company incorporated a wholly-owned subsidiary by the name of Gamuda (Australia) Pty Ltd ("Gamuda Australia") with an issued and paid up capital of AUD1.00 comprising of 1 ordinary share of AUD1.00. Its intended principal activity is property development.

#### 11. Dividend

- a) The Board of Directors does not recommend any dividend for the current financial quarter. No dividend was declared in the previous corresponding quarter.
- b) The total dividend declared for the current financial period is a single tier interim dividend of 6.00 sen per ordinary share. In respect of the preceding year's corresponding period, a total single tier interim dividend of 6.00 sen per ordinary share was declared.

#### 12. Dividend Paid

	6 months ended 31 January	
	2015	2014
	RM'000	RM'000
<u>First Interim Dividends</u>		
First interim dividend comprising single tier dividend of 6.00 sen per ordinary share for the year ending 31 July 2015 was paid on 28 January 2015	140,889	-
(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
	<u>140,889</u>	<u>137,993</u>

# Gamuda Berhad (29579-T)

## Quarterly Report On Consolidated Results For The Period Ended 31 January 2015

### Notes To The Interim Financial Statements

(The figures have not been audited)

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#### 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:

##### Current Quarter

The Group recorded revenue and profit before taxation of RM653.2 million and RM229.8 million respectively as compared to RM517.6 million and RM200.8 million respectively in the preceding year comparative quarter.

##### Current Year to date

The Group recorded revenue and profit before taxation of RM1,222.9 million and RM458.6 million respectively as compared to RM1,003.7 million and RM392.3 million respectively in the preceding year corresponding period.

The increase in revenue and profit before taxation for the current quarter and current year to date mainly resulted from the additional stake in Kesas Sdn Bhd, the concession holder of Shah Alam Expressway.

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

##### (a) CONSTRUCTION DIVISION

The increase in revenue as reported for the current quarter and current year to date resulted from higher work progress from the underground works of the Klang Valley Mass Rapid Transit Project.

##### (b) PROPERTY DIVISION

The increase in revenue as reported for the current quarter and current year to date resulted from higher contribution from Gamuda City in Vietnam.

##### (c) WATER AND EXPRESSWAY CONCESSIONS DIVISION

The increase in revenue and profit before taxation for the current quarter and current year to date resulted from the additional stake in Kesas Sdn Bhd.

#### 14. Comparison with immediate Preceding Quarter's Results

The Group's profit before taxation of RM229.8 million for the current quarter was slightly higher than the immediate preceding quarter's profit before taxation of RM228.8 million.

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## Quarterly Report On Consolidated Results For The Period Ended 31 January 2015

### Notes To The Interim Financial Statements

(The figures have not been audited)

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#### 15. Current Year Prospects

##### Overall Prospects

The Group anticipates a good performance this 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: Sungai Buloh – Kajang Line (“MRT Line 1”)

###### **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, (“MRT Corp”) a fully operational railway system within the agreed target cost and completion date.

Cumulative progress at the end of February 2015 was 61% 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 are at an advanced stage of completion. Substructure works (piling, pilecaps and piers) are substantially completed. Segmental box girders that will form the elevated guideway of the twin rail tracks are 74% completed, with 21 launching gantries in operation.

The installation of rail tracks is progressing, with 54% progress achieved. The first 2 MRT electric trains are undergoing testing at the test track in Sg Buloh Depot. Another 2 electric trains are in the final stages of assembly at the Rasa plant. Power supply for the trains, stations and other facilities is also progressing rapidly.

###### **Underground Works Package:**

The underground works package has achieved a certified progress of 75.4% at the end of February 2015.

Only one remaining TBM is currently mining, which is expected to complete by mid April 2015.

Construction of the 7 underground stations is also progressing well. With the completion of the structural works at KL Sentral and Cochrane, station architectural works and fit-out is underway.

###### Klang Valley Mass Rapid Transit: Sungai Buloh – Serdang – Putrajaya Line (“MRT Line 2”)

MMC Corporation Berhad – Gamuda Berhad Joint Venture is the Project Delivery Partner for the implementation of MRT Line 2. The project delivery partner agreement is expected to be concluded by the second quarter of 2015. The detailed Environmental Impact Assessment (EIA) study is on-going and is targeted to be completed by 15 April 2015. The Public Display for the Railway Scheme will commence in mid-May 2015. Pre-qualification exercises to shortlist prospective tenderers for elevated works, stations and underground works are expected by third quarter of 2015.



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### Notes To The Interim Financial Statements

(The figures have not been audited)

#### 15. Current Year Prospects (cont'd)

##### (b) PROPERTY DIVISION

The division sold RM 292 million worth of properties in the current quarter, resulting in total sales of RM 535 million for the first half of this financial year. Unbilled sales at the end of this quarter were RM 1.5 billion.

##### Malaysia

The property market in Malaysia is expected to remain soft as a result of the various tightening measures imposed by Bank Negara Malaysia. On-going projects include Bandar Botanic in Klang, Jade Hills in Kajang, Madge Mansions and The Robertson in Kuala Lumpur and Horizon Hills in the Iskandar Johor Region.

Projects still in the planning stage include 1,530 acres of leasehold land located along the Expressway Lingkar Tengah ("ELITE Highway"), 257 acres of leasehold land located 2 kilometres southeast of Kota Kemuning, Shah Alam, 820 acres at Kuang, 89 acres at Kundang and 5-acre high rise development at Kelana Jaya.

##### Overseas

Sales continued to improve in Vietnam. 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 continued to improve following the completion of the two blocks of apartments and the availability of various amenities including the Aeon retail mall.

In tandem with robust outlook on Vietnam's economy and further liberalisation of foreign ownership of properties in Vietnam, we expect that sales will continue to pick up.

The division acquired 1,435 square meters of freehold land located approximately 4 kilometres south-east from Melbourne CBD, Australia. A high rise development with Gross Development Value ("GDV") of RM 380 million will be constructed on the land.

The remaining GDV of existing and new projects:

Projects	Balance Acreage	GDV (RM mil)
<b><u>Existing</u></b>	<b>734</b>	<b>8,090</b>
• Bandar Botanic		
• Horizon Hills		
• Jade Hills		
• Others		
<b><u>New</u></b>	<b>2,719</b>	<b>30,211</b>
• High Park Suites (Kelana Jaya)		
• Seri Serai at Kuang / Serai Springs at Kundang		
• Tanjung Dua Belas		
• Others		
<b><u>Overseas</u></b>	<b>592</b>	<b>10,860</b>
• Gamuda City		
• Celadon City		
• Melbourne		
<b>Total</b>	<b>4,045</b>	<b>49,161</b>

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### Notes To The Interim Financial Statements

(The figures have not been audited)

#### 15. Current Year Prospects (cont'd)

##### (c) WATER AND EXPRESSWAY CONCESSIONS DIVISION

###### (i) Expressway

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

###### (ii) Water

Discussion with the Selangor State Government is currently ongoing.

#### 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 January		6 months ended 31 January	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Malaysian & foreign income tax	36,216	25,570	65,410	50,635

The Group's effective tax rate (excluding the results of joint ventures and associates which is equity accounted net of tax) for the current period is lower than the statutory tax rate primarily due to certain countries have lower effective tax rate.

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(The figures have not been audited)

#### 18 . Group Borrowings and Debt Securities

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

	<b>Foreign Currency '000</b>	<b>As at 31-Jan-15 RM Equivalent '000</b>
<u>Long Term Borrowings</u>		
Medium Term Notes (Gamuda)		1,200,000
Medium Term Notes (Kesas)		735,000
Medium Term Notes (Seri Serai)		300,000
Term Loan		
-denominated in US Dollar (Gamuda)	92,000	334,843
-denominated in Vietnamese Dong (Celadon City)	1,451,338,765	251,082
Term Loan (Jade Homes)		6,347
		<u>2,827,272</u>
<u>Short Term Borrowings</u>		
Medium Term Notes (Gamuda)		320,000
Revolving Credits		
-denominated in US Dollar (Gamuda)	60,000	218,376
Commercial Papers (Gamuda)		80,000
Term Loan (Jade Homes)		44,520
Term Loan		
-denominated in Vietnamese Dong (Celadon City)	398,353,818	68,915
		<u>731,811</u>
		<u>3,559,083</u>

# Gamuda Berhad (29579-T)

## Quarterly Report On Consolidated Results For The Period Ended 31 January 2015

### Notes To The Interim Financial Statements

(The figures have not been audited)

#### 19. 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	6 month LIBOR	1.845% to 2.495%	30,000	109,188	-	823	May 2010 to July 2010	May 2015 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.

#### 20. Changes in Contingent Liabilities or Contingent Assets

There is no significant contingent liabilities or contingent assets.

#### 21. 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 is ongoing. The Parent Company Guarantees have not been called because the SPV is performing and meeting its obligations in compliance with the terms of the contract.

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(The figures have not been audited)

#### 22. Capital Commitments

The amount for capital commitments not provided for in the interim financial statements as at 31 January 2015 are as follows:

	RM'000
Approved and contracted for :-	
Land for property development	1,192,398
Property, plant & equipments	4,109
Investment property	10,400
	<u>1,206,907</u>

#### 23. Realised and Unrealised Profit or Losses

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

	<u>Note</u>	As at 31-Jan-15 RM'000	As at 31-Oct-14 RM'000
Total retained profits of the Company and its subsidiaries			
- Realised		1,919,702	2,025,097
- Unrealised	1	<u>(67,630)</u>	<u>(126,580)</u>
		<u>1,852,072</u>	<u>1,898,517</u>
Total share of retained profits from joint arrangements			
- Realised		555,686	429,261
- Unrealised	1	<u>(21,243)</u>	<u>(24,612)</u>
		<u>534,443</u>	<u>404,649</u>
Total share of retained profits from associated companies			
- Realised		1,364,882	1,302,504
- Unrealised	1	<u>(310,107)</u>	<u>(309,587)</u>
		<u>1,054,775</u>	<u>992,917</u>
Less : Consolidated adjustments	2	(730,978)	(627,060)
Total Group retained profits		<u>2,710,312</u>	<u>2,669,023</u>

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.

# Gamuda Berhad (29579-T)

## Quarterly Report On Consolidated Results For The Period Ended 31 January 2015

### Notes To The Interim Financial Statements

(The figures have not been audited)

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#### 24. 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 RM96,297,229.03;
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 2<sup>nd</sup> 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.

## Gamuda Berhad (29579-T)

### Quarterly Report On Consolidated Results For The Period Ended 31 January 2015

#### Notes To The Interim Financial Statements

(The figures have not been audited)

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#### 24. 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. 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. The JV had on 7 July 2014 appealed to the Court of Appeal against the decision of the High Court in respect of the JV's Section 42 Application.

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 held on 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. The Court also fixed the JV's Section 37 Application for hearing on 20 October 2014.

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.

On 29 September 2014, the JV filed a Conversion Application under Order 28 rule 8 that the proceedings to be continued as if it had been begun by Writ and an Oral Evidence application under Order 28 rule 4 of the Rules of Court 2012 ("**JV's Conversion/Oral Applications**"). The JV's Conversion/Oral Applications were heard before the Honourable Dato' Mary Lim Thiam Suan on 1 October 2014 and on 20 October 2014.

On 16 December 2014, the Court dismissed the JV's Section 37 Application with costs. Consequentially, W&F's Enforcement Application was allowed by the learned High Court Judge. There were no further directions by the High Court on the JV's Conversion/Oral Applications.

On 30 December 2014, the JV filed notices of appeal to the Court of Appeal against the decisions of the High Court in relation to the JV's Section 37 Application and W&F's Enforcement Application.

The JV's appeals to the Court of Appeal in respect of the JV's Section 37 Application, the JV's Section 42 Application and W&F's Enforcement Application aforementioned are all currently pending, with no hearing dates fixed as yet.

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## Quarterly Report On Consolidated Results For The Period Ended 31 January 2015

### Notes To The Interim Financial Statements

(The figures have not been audited)

#### 25. Earnings Per Share

	<b>Current Quarter 31-Jan-15</b>	<b>Current Year To Date 31-Jan-15</b>
<b>Basic</b>		
Net profit attributable to shareholders (RM'000)	182,178	368,027
Number of ordinary shares in issue as at 1 Aug 2014 ('000)	2,323,357	2,323,357
Effect of shares issued during the period ('000)	17,466	9,078
Weighted average number of ordinary shares in issue ('000)	2,340,823	2,332,435
Basic earnings per ordinary share (sen)	7.78	15.78
<b>Diluted</b>		
Net profit attributable to shareholders (RM'000)	182,178	368,027
Weighted average number of ordinary shares in issue ('000)	2,340,823	2,332,435
Assumed issued from exercise of Warrants 2010/2015 ('000)	27,620	26,462
Adjusted weighted average number of ordinary shares for calculating diluted earnings per ordinary share ('000)	2,368,443	2,358,897
Diluted earnings per ordinary share (sen)	7.69	15.60



# Gamuda Berhad (29579-T)

## Quarterly Report On Consolidated Results For The Period Ended 31 January 2015

### Notes To The Interim Financial Statements

(The figures have not been audited)

#### 26. Notes to the Consolidated Statement of Comprehensive Income

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

	<b>Current Quarter 31-Jan-15 RM'000</b>	<b>Current Year To Date 31-Jan-15 RM'000</b>
Interest income	(19,468)	(28,894)
Other income	(1,793)	(4,892)
Interest expense	28,665	55,695
Depreciation and amortisation	25,816	50,155
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	(1,026)	(1,107)
Impairment of assets	-	-
Loss on foreign exchange	5,096	5,699
Gain on derivatives	(465)	(1,080)

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.